City of Pekin

**PROCEEDINGS OF THE REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
HELD IN THE COUNCIL CHAMBERS OF CITY HALL
111 S. CAPITOL ST
ON MONDAY, FEBRUARY 10, 2025 AT 5:30 PM
MAYOR MARY J. BURRESS PRESIDING**

Pledge of Allegiance

The Pledge of Allegiance was led by Council Member Hilst.

Call to Order

City Clerk, Ms. Sue McMillan, confirmed all Council Members were physically present and logged in.

Attendee Name	Organization	Title	Status	Arrived
Rick Hilst	City of Pekin	Council Member	Present	5:30 PM
Karen Hohimer	City of Pekin	Mayor Pro Tem	Present	5:30 PM
Dave Nutter	City of Pekin	Council Member	Present	5:30 PM
Mary Burress	City of Pekin	Mayor	Present	5:30 PM
Lloyd Orrick	City of Pekin	Council Member	Present	5:30 PM
John P Abel	City of Pekin	Council Member	Present	5:30 PM
Chris Onken	City of Pekin	Council Member	Present	5:30 PM

Approve Agenda

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Council Member Rick Hilst
SECONDER:	Council Member Chris Onken
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken

Approval of Minutes

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Council Member Rick Hilst
SECONDER:	1st Alternate Mayor Pro Tem John Abel
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member

	Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken

4.1. City Council - Special Budget Workshop Meeting - January 25, 2025 8:00 AM

4.2. City Council - Regular Meeting - January 27, 2025 5:30 PM

Public Input

Dr. David Kuban, a local dentist, raised concerns about traffic safety at Parkway and Court Street. He explained that the removal of a triangular divider reduced the roadway to one lane, creating a hazardous merging situation near a parking lot entrance. Dr. Kuban recounted near-accidents he experienced and observed, including drivers improperly exiting despite "Do Not Enter" signs. He warned that the current design poses a serious risk. As a temporary solution, he suggested closing the parking lot entrance to prevent merging conflicts, while acknowledging that restoring two lanes with a divider would be ideal but costly.

Dan Steinbock addressed the Council regarding item 7.5 under new business, clarifying misconceptions he had seen online. He explained that many neglected properties in Pekin remain untouched for years, costing the city in inspections and demolitions, with liens lost in tax sales. His proposal aims to revitalize these properties, increasing their tax value and benefiting the city financially. Drawing from personal experience, he detailed how he has invested significantly in such properties, often without immediate profit. He emphasized that this initiative is not about contractor gain but about encouraging investment in blighted areas to boost property values and city revenue.

Consent Agenda

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Mayor Pro Tem Karen Hohimer
SECONDER:	1st Alternate Mayor Pro Tem John Abel
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken

6.1. Accounts Payable Paid Proof List thru January 31, 2025

6.2. Pekin Fire Department Monthly Incident Report January 2025

6.3. Receive and File Qualifications for Phase II Engineering for Veterans Drive Extension from Sheridan Road to Fischer Road

6.4. Receive and File Greater Peoria Economic Development Council 2024

Annual Report

6.5. Receive and File Emergency Expense of $16,473.53 to G.A. Rich & Sons, Inc for Sanitary Sewer Installation 1019 Augusta Street

6.6. Resolution No. 231-24/25 Appointment of Nic Maquet as Lake Arlann Drainage District Commissioner

6.7. Resolution No. 232-24/25 Appointment of Josh Wray to Tri-County River Valley Development Authority (TRVDA)

6.8. Resolution No. 233-24/25 Appointment of Tina Hauk as member and Josh Wray as alternate to Tri-County Regional Planning Commission (TCRPC) Technical Committee

New Business

7.1. Resolution No. 234-24/25 Approving Engineering Agreement with Terra Engineering LTD for Broadway

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	1st Alternate Mayor Pro Tem John Abel
SECONDER:	Mayor Pro Tem Karen Hohimer
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken

City Manager John Dossey presented a resolution to extend the Master Professional Service Agreement (MPSA) with Terra Engineering, originally established on June 28, 2021, through fiscal year 2028. The extension supports Task Order 3 for Phase I and II engineering services on Broadway Street. The City recently secured $2.88 million in federal funding through the Tri-County Regional Planning Commission, allowing completion of the Broadway Street project from 14th Street to just west of Parkway Drive. The agreement would eliminate the balance from previous task orders and fund new engineering efforts at an amount not to exceed $492,011.64, with a net request of $379,524.13. Mr. Dossey noted that staff recommended approval, and representatives from Terra Engineering were available for questions.

Council Member Nutter inquired about prior engineering work in the area. A Terra Engineering representative confirmed that initial work had been done under Task Order 2 but was halted in February 2024 due to funding constraints. Council Member Nutter further questioned the project's western boundary, clarifying that it would stop just west of Parkway Drive, approximately 100-200 feet before the intersection. He also sought confirmation on project management plans, ensuring that scheduled work aligns with allocated funds. The Terra representative assured that a project management flowchart exists, prompting Council Member Nutter to emphasize the importance of follow-through, citing past concerns about missing documentation.

7.2. Resolution No. 235-24/25 Approving Engineering Agreement with Hanson Professional Services, Inc. for Veterans Drive Extension

RESULT:	**PASSED (4 TO 3)**
MOVER:	1st Alternate Mayor Pro Tem John Abel
SECONDER:	Mayor Pro Tem Karen Hohimer
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Mayor Pro Tem Hohimer, Council Member Onken
NAYS:	Council Member Nutter, Council Member Hilst, Council Member Orrick

The Council considered Resolution No. 235-24-25, approving an engineering agreement with Hanson Professional Services, Inc. for the Veterans Drive Extension project. City Manager John Dossey explained that this agreement covers engineering services for the extension from Sheridan Road to I-474. The city issued a request for qualifications in May 2020, and Hanson was selected as the most qualified firm. Staff waited to present the agreement until consulting with the Illinois Department of Transportation (IDOT) and the Federal Highway Administration (FHWA) to determine the scope of work. The agreement, detailed in Exhibit A, includes Phase I and II engineering services, such as surveying, soil borings, land acquisition assistance, environmental permitting, roadway and bridge design, hydraulic analysis, drainage design, utility coordination, and the development of plans, specifications, and estimates. The engineering work is scheduled for completion by April 2028, with a total cost of $5 million. The City received a Federal CFP grant covering 80% of the engineering costs, as previously approved in Resolution No. 209-24/25, though the City will initially cover 100% of the expenses and seek reimbursement from IDOT. Staff recommended approval, and Cindy from Hanson was available for questions.

Council Member Hilst inquired about the reimbursement process, asking whether the City would receive funds annually or only after the work's completion in FY28. Cindy clarified that the city could request reimbursement as invoices are paid, either individually or in groups, with the timing of reimbursements dependent on the state.

Council Member Nutter questioned whether any of the previous engineering drawings from another consulting firm could be used. Cindy explained that while they received some CAD files, key background documents, such as hydraulic reports and geotechnical studies, were missing. As a result, they would need to resurvey to ensure accuracy, but they aim to reuse as much prior work as possible to avoid unnecessary costs. Council Member Nutter also asked about land acquisition assistance. Cindy responded that Hanson would prepare plats and legal descriptions, and depending on the project's progress, they discuss with the City to help negogiate or in original contrat amount, difficult to presume.

Council Member Nutter further raised concerns about approving the agreement without knowing the full budgetary impact, noting that if passed, the resolution would commit the City to $2 million without a finalized budget. He stated his intention to vote against the measure.

Mayor Burress acknowledged Nutter's concerns but highlighted the importance of the project, thanking Congressman Darin LaHood for securing $4 million in federal funding. The Mayor emphasized that this funding is just the beginning and that additional federal and regional support is expected. He noted that the Veterans Drive extension benefits not only Pekin but also neighboring communities, including Creve Coeur, and that regional officials are working to secure more funding estimated at $58 million total.

Council Member Hohimer expressed strong support, comparing the project's initial opposition to concerns raised years ago about the federal prison, which ultimately became a positive addition to the community. She emphasized that progress is being made after years of discussion and that she intends to vote in favor.

Council Member Abel questioned whether other communities benefiting from the project would contribute financially rather than relying solely on Pekin's efforts. Mayor Burress and City Manager Dossey clarified that part of the $4 million grant is designated for regional improvements. Additionally, Cindy mentioned that the project has long been a priority for the Tri-County Regional Planning Commission and that discussions with other municipalities have taken place to reinforce their support. She also noted that IDOT is pushing to obligate federal funding as soon as possible to prevent funds from being reallocated.

7.3. Resolution No. 236-24/25 Amending City of Pekin Procurement Policy No. 21

As Amended.

RESULT:	**PASSED (6 TO 1)**
MOVER:	Council Member Lloyd Orrick
SECONDER:	Council Member Dave Nutter
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Council Member Orrick, Mayor Pro Tem

	Hohimer, Council Member Onken
NAYS:	Council Member Hilst

A motion was made by Council Member Orrick seconded by Council Member Nutter to strike the paragraph regarding the newspaper Policy on Page 5, and Council Member Nutter seconded the motion. The amendment passed unanimously, 7-0.

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Council Member Lloyd Orrick
SECONDER:	Council Member John Abel
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken

The Council considered Resolution No. 236-24/25, which proposed amendments to the City of Pekin Procurement Policy No. 21. Economic Development Director Joshua Wray explained that a similar ordinance was brought before the Council on December 9 but was not approved due to concerns raised by Council Members. The revised policy aims to address those concerns and clarify procedures.Key changes include the requirement that multi-year contracts be considered in their entirety rather than just the first year. Additionally, language regarding energy procurement was updated to ensure that electric aggregation programs still require City Council approval. While the City Manager may be authorized to act for timing competitive procurement, such authorization would require Council approval. Furthermore, provisions regarding newspaper postings for sealed bids, RFPs, and RFQs were clarified, stating that unless Illinois state law changes, newspaper postings will remain a requirement.

Mr. Wray emphasized that the amendments do not alter spending limits or Council approval thresholds but instead provide clarity and consistency for staff regarding procurement procedures.
Council Member Orrick raised concerns about the Illinois Municipal League public notice website mentioned on page five, questioning whether the language should reflect that the Council must approve any postings in lieu of newspaper postings. Mr. Wray agreed that the paragraph in question could be removed if the Council preferred.

A motion was made by Council Member Orrick seconded by Council Member Nutter to strike the paragraph regarding newspaper Policy on Page 5, and Council Member Nutter seconded the motion. The amendment passed unanimously, 7-0.

Council Member Orrick further inquired about the removal of a requirement on page ten that a copy of the proposed contract be included in bid documents. Mr. Wray stated that the city does a good job handling sealed bids, but the purpose of this policy update is to provide clearer guidelines on the process moving forward. Specifically, all sealed bids will now be processed through the City Clerk's office. Mr. Dossey has emphasized that both the City Council and he himself want this requirement in place. Ultimately, ensuring adherence to this policy will be the responsibility of the City Manager, as well as each department head overseeing procurement within their respective departments.

Council Member Nutter sought clarification on page thirteen, specifically regarding notice methods determined by the purchasing agent. Mr. Wray provided examples, including direct solicitations to known vendors and posting on industry-specific websites. He assured the Council that they could always inquire about the solicitation methods used for any given procurement process.

7.4. Resolution No. 237-24/25 Approving Supplemental MFT Resolution for Court Street

RESULT:	**PASSED (6 TO 1)**
MOVER:	Council Member Lloyd Orrick
SECONDER:	Mayor Pro Tem Karen Hohimer
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken
NAYS:	Council Member Nutter

Resolution No. 237-24/25 was presented to approve a supplemental Motor Fuel Tax (MFT) resolution for the Court Street construction project, covering the segment from Stadium Drive to Hilltop Drive. City Manager John Dossey explained that a previous resolution, No. 145-24/25, allocated $890,000 in MFT funds for this project. This supplemental resolution seeks to allocate the entire Fiscal Year 2026 MFT budget, approximately $1.5 million, to the same project. The Illinois Department of Transportation requires this resolution to utilize the MFT funds.

Council Member Nutter questioned the funding sources, noting a discrepancy between the allocated spending and actual revenue. Hanson Representative Cindy explained that the City had been saving MFT funds over multiple years, as MFT funds cannot be obligated unless available. Additionally, she noted that IDOT initially covers construction costs and invoices the City later, with final billing expected in 2026 or 2027.

Economic Development Director Josh Wray added that the City had also allocated $2 million in MFT reserves in the current fiscal year, alongside annual revenue and special Rebuild Illinois MFT funds, which contributed another $2.2 million.

Finance Consultant Bob Grogan clarified that the current MFT operating account balance is $3.4 million, with total available MFT funds at $7.2 million as of December 31. He reminded the Council that two years ago, the City failed to file the appropriate paperwork on time, preventing the use of MFT funds that year. Since then, efforts have been made to ensure proper budgeting and compliance.

Council Member Hilst confirmed that the funds in question were specifically obligated for the Court Street project. Mr. Grogan reiterated that IDOT's delayed billing process means funds must be set aside in advance to cover future invoices. Council Member Hilst also sought clarification on whether the $1.5 million allocation was strictly for State MFT funds, separate from local motor fuel taxes, to which Mr. Grogan confirmed that state and local motor fuel tax revenues are managed separately.

7.5. Resolution No. 238-24/25 Adopting Policy No. 30 - TIF Residential Renovation Program

RESULT:	**TABLED TO MARCH 10, 2025 COUNCIL MEETING (UNANIMOUS)**
MOVER:	Council Member Dave Nutter
SECONDER:	Council Member Lloyd Orrick
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken

A motion was made by Council Member Onken seconded by Council Member Hohimer to discuss Resolution No. 238-24/25 Adopting Policy No. 30 - TIF Residential Renovation Program. Economic Development Director Josh Wray explained that the program aims to incentivize the renovation of dilapidated, vacant residential properties within the city's TIF districts. He emphasized that passing the policy would not allocate funds but would instead set the framework for potential future funding. The primary goals include eliminating blight, increasing housing availability, and providing an alternative to new construction, particularly for homes under $250,000. Mr. Wray detailed the eligibility criteria, stating that properties must be within a TIF district, vacant, and in significantly poor condition beyond minor cosmetic issues. The proposed incentive would cover up to 50% of renovation costs, capped at $50,000 per project. He noted that each agreement would require Council approval. The Economic Development Advisory Committee (EDAC) reviewed the policy and suggested reducing the per-project funding cap, prioritizing owner-occupied projects over rental properties, and implementing limits on the total amount any single contractor could receive in a fiscal year.

Mayor Burress noted public interest in such incentives.

Council Member Hohimer shared concerns about prioritizing homeownership opportunities over investor-driven projects, citing personal experience.

Council Member Onken inquired about setting renovation criteria, which Mr. Wray said could be challenging but possible.

Council Member Onken also asked whether the city could recoup funds from rental properties, to which Mr. Wray responded that any tax increment generated would return to the TIF fund.

Council Member Orrick asked about the number of homes within the TIF district and potential competition with business incentives. Mr. Wray estimated several hundred homes but could not specify how many were vacant or dilapidated. Council Member Orrick suggested a lower funding cap, aligning with EDAC’s discussion, and questioned whether homeowners performing their own labor could be reimbursed, which Mr. Wray said would require legal clarification.

Council Member Orrick also emphasized the need for a structured checklist for property renovations.
City Manager Dossey clarified that projects would still require permits and oversight from the Chief Building Official. Council Member Orrick raised concerns about contractor accountability, suggesting a personal guarantor requirement for LLCs. Legal counsel confirmed that this could be implemented.

Council Member Orrick also proposed engaging the local high school’s vocational program in renovations. Mr. Wray stated that EDAC had discussed this idea, but school superintendent expressed liability concerns, particularly regarding work on severely dilapidated properties. Council Member Hohimer, a former school board member, confirmed that insurance limitations had historically prevented student participation in such projects.

Council Member Nutter motioned to table the resolution until the first meeting in March 2025 to allow for revisions and further discussion. The motion carried.

7.6. Resolution No. 239-24/25 Approving Passenger Bus Lease Extension Quotation from Midwest Transit Equipment

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Council Member Chris Onken
SECONDER:	Council Member Lloyd Orrick
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council

Member Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken

Resolution No. 239-24/25 approving the passenger bus lease extension quotation from Midwest Transit Equipment, was introduced.

Finance Director Eric Dubrowski explained that as part of the budget review, he examined the bus department’s leases. The department currently has two seven-year bus leases with repurchase agreements that activate after the fifth year. The repurchase clause for a smaller lease covering 10 buses is due this summer, while the larger lease covering 73 buses is due next summer. To maintain operations and prevent losing the 10 buses prematurely, Mr. Dubrowski contacted Midwest Transit Equipment for a one-year lease extension quotation. Midwest provided cost estimates but stated that, since they typically work with school districts rather than municipalities, their process requires council approval of the price before drafting an official lease agreement.

Council Member Hilst inquired about the cost difference compared to the current fiscal year. Mr. Dubrowski acknowledged that the extension would come at a slightly higher cost but did not have exact figures at the time. Council Member Hilst then asked about the expiration date of the city's contracts with school districts for bus services, which Mr. Dubrowski confirmed would end in the summer of 2026, approximately a month after the larger bus lease expires.

Council Member Hilst also questioned whether the $225,816 cost for the extension was included in the school contract. Finance Consultant Bob Grogan clarified that while school districts cover bus lease costs, they do so through a formula rather than direct reimbursement. Consequently, the city would not fully recoup the cost increase.

Council Member Hilst also inquired about warranties for the buses during the extension period. Mr. Dubrowski confirmed that the city would continue using the same buses and that the extension would not provide new vehicles. Council Member Hilst asked about potential consequences if the extension were not approved, to which Mr. Dubrowski stated that the city would be short 10 buses.

Council Member Nutter sought clarification on the approval process, confirming that while the council was voting on the extension quotation, a finalized lease agreement from Midwest Transit would require separate approval at a future meeting. Mr. Dubrowski affirmed this, noting that while costs were unlikely to decrease, the official agreement would determine the final amount.

7.7. Discussion: Council Direction on Financing Solutions for Infrastructure Needs

The council discussed various financing options for capital projects, including roads, fire stations, and property acquisitions. The primary funding approaches considered were "pay as you go," municipal bonds, and short-term bank financing. While the "pay as you go" method avoids debt, it may not be feasible for large-scale projects requiring immediate funding. Municipal bonds were identified as the most effective long-term financing option, offering competitive interest rates. However, the city is currently unable to access the bond market due to audit delays, with efforts underway to catch up on outstanding audits. The goal is to have the FY22 audit presented next month and to begin work on FY23 shortly.

In the interim, council members considered direct bank negotiations for short-term financing, as RFPs for loans were deemed uncommon and restrictive. Several council members requested a detailed list of major projects, associated costs, and revenue sources for debt repayment before making funding decisions. Preliminary estimates suggest the city's infrastructure needs could exceed $50 million, but with proper planning, the city may afford these investments while maintaining an annual street maintenance budget.

Council members emphasized the need to prioritize projects and integrate financing discussions with the overall budget. Concerns were raised about balancing spending on infrastructure with other budgetary needs, including land purchases, vehicle acquisitions, and staffing. The possibility of utilizing revenue from newly implemented utility taxes for infrastructure was also discussed. Staff noted that current general fund reserves are approximately 25% of expenditures, which exceeds the policy minimum of 10%. The council requested further clarification on the exact amount available for potential use in the upcoming fiscal year.

The discussion will continue as staff compiles detailed project lists and financial projections for council review.

Any Other Business To Come Before The Council

City Manager John Dossey announced that Josie’s last day was Friday and that he had entered into an agreement with Justin Reeise to serve as a consultant for engineering while the city searches for a new city engineer. This arrangement is similar to what was done with Bob Grogan previously, and a formal agreement will be brought to the council in a few weeks.

Economic Development Director Josh Wray updated the Council on efforts to redistrict the City’s mowing maps, noting that several areas currently mowed by the City are not its responsibility, including some that fall under the state’s right-of-way. Staff will seek guidance from the Council on establishing policies for these areas.

Mayor Burress announced that the City received a proclamation from U.S. Representative Darrin LaHood in recognition of its 200-year anniversary. The proclamation was presented during the State of the City Address along with a framed article from the *Journal Star*.

Council Member Hilst spoke about concerns regarding Parkway and Court, noting that this was not an isolated issue.

Council Member Abel agreed and mentioned that Steve Bresnahan is planning for the upcoming Super Cruise event, scheduled for the last Saturday in July.

Council Member Hohimer reported attending a tourism meeting, where plans were discussed for a full-page feature on Pekin and warm-weather attractions.

Economic Development Director Wray added that the Tourism Committee is planning to replace one of its current events with a hot air balloon festival.

Council Members Nutter and Council Member Orrick both echoed remarks made by Dr. Kuban, indicating support for immediate action regarding barrel placement on the entrance off of Parkway and Court.

Council Member Onken noted that it was senior night for the high school girls' basketball team, which has achieved 16 wins this season.

Executive Session 5 ILCS 120/2 (c) 6. The Setting of a Price for Sale or Lease of Property Owned by the Public Body

A motion was made by Council Member Nutter seconded By Council Member Orrick to move into Executive Session to discuss 5 ILCS 120/2 (c) 6. Setting of a Price for Sale or Lease of Property Owned by the Public Body at 7:28 PM. On roll call vote all present voted Aye. Motion carried.

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Council Member Dave Nutter
SECONDER:	Council Member Lloyd Orrick
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken

Adjourn

There being no further business to come to the Council a motion was made by Council Member Orrick seconded by Nutter to adjourn the meeting. Motion carried viva voce vote. Mayor Burress adjourned the meeting at 7:40 PM.

RESULT:	**(UNANIMOUS)**
MOVER:	Council Member Lloyd Orrick
SECONDER:	Council Member Dave Nutter
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Council Member Hilst, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken