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, APRIL 28, 2025 AT 5:30 PM
MAYOR MARY J. BURRESS PRESIDING

Pledge of Allegiance - Led by "40 Under 40" Award Recipient Liridon Rrushaj

The Pledge of Allegiance was led by "40 Under 40" Award Recipient Liridon Rrushaj.

Call to Order

Chief Deputy City Clerk, Ms. Nicole Stewart, 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 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

Approval of Minutes

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

	Member Onken

4.1. City Council - Special Meeting Minutes - April 7, 2025

Public Input

Rich Kriegsman addressed the Council, noting that Sue McMillan was a very good volleyball player. He stated he had chaired that committee since its inception and urged the Council to support the project, emphasizing its critical importance to the completion of the corridor.

Mayor Burress added a heartfelt comment, stating that "Carol Shields' mother is smiling at you right now.

Matthew Johnson spoke regarding the Lutticken property purchase, expressing concerns that the project may be larger than anticipated. He mentioned that tech parks and data centers often include chilling towers and heat reduction systems that result in vapor loss. He urged the Council to proceed cautiously and ensure agreements are in writing. He also questioned the project's location and stated they would not be pumping water from the lake. He encouraged the Council to scrutinize site plans when they return for approval, particularly regarding retention ponds. On item 7.4 regarding electric aggregation, Mr. Johnson recalled not supporting it previously, citing concerns that as residents' bills decrease, the City's revenue stream is reduced. He recommended the Council either vote the item down, lay it over, or amend it to make participation opt-in. Regarding item 7.8, a land purchase ordinance, he pointed out the name tied to the ordinance has historical significance in Pekin and called it a poorly written deal.

Elaine Ritchey questioned whether the Council had already agreed to renew the lease for 10 buses, as she believed it was previously included with other buses. In response, Finance Director Eric Dubrowski clarified that a quote had been received in February and the matter was now returning for official lease approval. Elaine Ritchey also recognized that this was Council Member Orrick's last full meeting and offered heartfelt thanks, saying, "Thank you from the bottom of my heart."

Consent Agenda

Council Member Nutter read the 9 items listed on the Consent Agenda.

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Council Member Dave Nutter
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

6.1. Financial Reports March 2025

6.2. **Accounts Payable Paid Proof List thru April 18, 2025**

6.3. **Investment Report March 2025**

6.4. **56th Annual Professional Municipal Clerks Week Proclamation**

6.5. **Resolution No. 273-24/25 Approving the Mayor's Re-appointments to the City of Pekin Economic Development Advisory Committee**

6.6. **Receive and File Quotes for Excavation and Meter Installation Services for the North Pekin Sewer Flow Meter Upgrade**

6.7. **Receive and File Bids for Court Street 10th to Stadium**

6.8. **Receive and File Economic Development Advisory Committee Resolution Recommending the 3-Year Economic Development Marketing Plan Prepared by McDaniels Marketing**

6.9. **Receive and File Pekin Area Chamber of Commerce Transportation Committee Resolution in Support of the Lutticken Property Purchase**

New Business

7.1. **Ordinance No. 4294-24/25 Authorizing and Providing for the Execution of One or More Promissory Notes (Loans) in an Aggregate Amount of $12,500,000 for Financing the Acquisition of Certain Real Property Known as the Lutticken Farm**

RESULT:	**PASSED (4 TO 3)**
MOVER:	Council Member Dave Nutter
SECONDER:	1st Alternate Mayor Pro Tem John Abel
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

Economic Development Director Josh Wray explained that City staff recommended authorizing the Mayor to enter into loan agreements to complete the $12 million balance of the Lutticken property purchase. The City originally agreed in July 2024 to purchase 1,000 acres for $14 million over four years. A technology park developer has since offered to buy 321 acres for $4.5 million, but the current owner requires full payment before any sales can occur.

To proceed, staff proposed a $12.5 million loan from Morton Community Bank, covering both the land and related costs. The loan would be structured in two parts, with land sale proceeds applied to the balance. No payments are due until May 2026.

Staff outlined four options: move forward with the full purchase and development (preferred), purchase without the development, stick to the original payment schedule and risk losing the development, or end the purchase and lose the $2 million already paid.

Staff recommended proceeding with the full purchase to secure the development and potential long-term revenue.

Economic Development Director Josh Wray and Finance Director Eric Dubrowski provided further details regarding the proposed $12.5 million loan for the Lutticken property. Mr. Dubrowski explained the term sheet with Morton Community Bank includes a five-year balloon with the first payment due a year after execution. A $30,000 loan fee is included, and the interest rate spread could be reduced if the City completes overdue audits by June 30, 2026. Auditors will be onsite next week, with a goal to complete two fiscal year audits by January 2027.

Mayor Burress commented that the City could not have taken on this opportunity two years ago.

Council Member Hohimer expressed strong support, crediting former Council Member Rich for his foresight.

Council Member Nutter inquired about the first payment amount, which Finance Consultant Bob Grogan will confirm. Mr. Wray noted the projected first payment is $1,255,000, assuming no land is sold beforehand. He confirmed the bank has approved the loan, pending their own appraisal. If the appraisal comes in low, it could jeopardize the loan. Mr. Wray clarified that if audits are completed early, the interest rate will drop before payments begin. The loan will be split, with a $3 million tax-exempt loan and a $9.5 million taxable portion, the latter to be paid down with any future land sales. Mr. Wray confirmed proceeds from the potential $4.5 million technology park sale would go toward paying off the taxable loan.

Council Member Nutter asked about the timeline, to which Mr. Wray responded they feel confident in reducing the due diligence period to nine months.

Council Member Nutter also raised questions about the Conservation Reserve Program (CRP). Mr. Wray explained that some of the property is enrolled in CRP and must be dis-enrolled upon City ownership, which will result in a penalty covered under the $500,000 loan contingency.

Council Member Hilst asked what revenue would be used for loan repayment. Mr. Wray indicated that Tax Increment Financing (TIF) funds are anticipated, with 25% of the property already annexed into a TIF district and efforts underway to include more. Council Member Hilst expressed concern that the feasibility study to support TIF expansion had not yet been initiated. Mr. Wray confirmed the annexation and surveys are complete, costing about $70,000.

Council Member Hilst further questioned the City's intent to use the land for public purposes like parks or a school. Mr. Wray clarified that there is no firm commitment beyond a public road, but those uses are possible in the future to qualify for better loan terms.

Council Member Hilst also raised skepticism about the project's risks, noting the technology park is not guaranteed and the loan is no longer interest-free. Council Member Onken referenced public concerns raised by Mr. Johnson, which Wray said would be addressed in the following agenda item.

City Manager Dossey noted conversations are ongoing with Illinois American Water and Ameren regarding infrastructure needs.

Council Member Nutter suggested that if the appraisal comes in higher than expected, the City should consider increasing its asking price for the land. Mr. Wray responded that the long-term return on investment over 50 years would far outweigh short-term price fluctuations.

7.2. Ordinance No. 4295-24/25 Approving a Real Estate Purchase Contract with WHP, LLC to Sell Approximately 321 Acres of Property for Development of a Technology Park

RESULT:	**PASSED (6 TO 1)**
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, Mayor Pro Tem Hohimer, Council Member Onken, Council Member Orrick
NAYS:	Council Member Hilst

Economic Development Director Josh Wray presented the Request for Council Action regarding Ordinance No. 4295-24/25, approving a real estate purchase contract with WHP, LLC for the sale of approximately 321 acres of the Lutticken property for development of a technology park. Mr. Wray noted that there was no revenue included in the FY26 budget for this project and that any revenues received would be in addition to the current budget.

Council Member Hohimer inquired whether the purchase and subsequent tax revenue generation might result in a tax reduction for taxpayers in the future. Mr. Dubrowski responded that while a tax break was theoretically possible over time, it would not occur immediately.

Mayor Burress remarked that the City of Marquette Heights was very supportive of the development.

Council Member Hilst referenced State Statute 5-11-76.4.1 regarding the City's authority, and Attorney Vasselli elaborated on the City's home rule powers under the Illinois Municipal Code, affirming the City's broad authority to proceed with the sale without limitations imposed by Springfield. Council Member Hilst recalled a previous ordinance change that reduced the required vote to vacate property from a two-thirds majority to a simple majority. Attorney Vasselli confirmed the City's authority to move forward under the municipal code.

Council Member Orrick asked how the sale opportunity arose given the property was never advertised for sale. Mr. Wray explained that the City received a phone inquiry from the developer, who was then introduced to the Economic Development team. Attorney Vasselli clarified that while WHP, LLC has ties to Chicago, their principal is based in New York, and the corporate structure includes a registered agent in Chicago.

Mr. Wray detailed that WHP selected Pekin due to lower land costs and Ameren's capacity to meet the project's significant power requirements.

Council Member Orrick questioned whether the buildings would be assessed at the proposed value for tax purposes, which Mr. Wray confirmed. Council Member Orrick raised concerns about access to Route 98, and Mr. Wray responded that access would be from the northern portion of the property and that easements to Route 98 could be considered during the site planning phase. He explained that the Veterans Drive extension was not designed to provide direct access to Route 98. Council Member Orrick asked about the potential impact if the City declined the requested TIF assistance, to which Mr. Wray replied that the development would likely not proceed without the incentives.

Council Member Nutter sought clarification regarding the division of the 321 acres and whether the agreement obligates the developer to build on all parcels. Mr. Wray explained that following the City's full purchase of the Lutticken property, the City would not own the land between the two parcels and that if development did not occur on any parcel within five years, the City could reclaim that property. Council Member Nutter asked whether the developer had sufficient financial capacity to proceed, and Mr. Wray affirmed this. Council Member Nutter also inquired about any required state approvals for access improvements, which Mr. Wray confirmed might be necessary.

Mr. Wray explained the anticipated closing of the Lutticken property within approximately 21 days, after which annexation and zoning processes would commence, expected to take 60 days, followed by a TIF study anticipated to take four to six months.

Council Member Hilst inquired about Joint Review board meetings related to the TIF, which Mr. Wray confirmed would include members of the Economic Development Advisory Committee.

Council Member Nutter made a lighthearted comment regarding Caterpillar's potential assistance with power issues, which Mr. Wray acknowledged positively.

Council Member Nutter recognized the project as a calculated risk but noted the presence of clawback provisions.

Council Member Orrick asked City Attorney Vasselli whether the City was required to advertise the property for sale, and Mr. Vasselli confirmed that under the City's home rule status, advertising was not mandatory. Mr. Wray added that the City Code authorizes Council to sell property directly. Council Member Orrick questioned the pricing, noting the land was primarily farmland and some portions were unsuitable for development; Mr. Wray responded by emphasizing market value considerations.

Council Member Nutter asked whether prior property sales had similar procedural requirements, to which Attorney Vasselli reiterated the City's broad home rule powers and affirmed that market value had been used as a basis for this transaction.

7.3. Resolution No. 274-24/25 Approving a Consulting Services Agreement with Retail Strategies for Retail Business Recruitment

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

Economic Development Director Wray presented the request to approve a consulting services agreement with Retail Strategies for retail business recruitment. He explained that Retail Strategies is a specialized site selection and real estate analysis firm that connects municipalities with national retail chains. Their services include data analysis to understand the consumer base, real estate analysis to identify available sites, development of a recruitment plan targeting specific businesses, and national representation at conferences to actively market Pekin's sites. While staff performs some of these tasks, Retail Strategies possesses unique industry contacts and insights.Mr. Wray highlighted the financial rationale, noting the agreement's cost of $50,000 in the first year and $45,000 in years two and three, totaling $140,000. He explained that securing just one major retailer, such as a McDonald's, which generates approximately $3 million in annual sales and $172,500 in sales tax revenue, would more than cover the contract cost within the three-year term. Subsequent years of sales tax from that retailer would yield a net positive for the City. He noted that the Economic Development Advisory Committee had reviewed the proposal and unanimously recommended approval.

Council Member Onken asked how this firm differs from McDaniels. Economic Development Director Wray responded that McDaniels is a marketing firm, whereas Retail Strategies specializes in retail site selection.

Mayor Burress mentioned prior outreach efforts to retailers, and Council Member Orrick recalled earlier retail recruitment challenges, citing an example where Kohl's located in East Peoria rather than Pekin, partly due to customer traffic patterns. Mr. Wray expressed his growing confidence in the approach, emphasizing the potential for job creation and recapturing retail spending lost to neighboring cities.

Council Member Abel shared his experience attending a retail conference at the Illinois Municipal League, noting the firm's data-driven approach.

Council Member Nutter questioned what new value Retail Strategies brings compared to previous engagements. Mr. Wray explained that prior contracts were limited to one year and lacked consistent communication due to staff turnover.

Mayor Burress affirmed that with a full-time Economic Development Director and improved staff continuity, the City is better positioned to leverage this partnership effectively.

7.4. Resolution No. 275-24/25 Authorizing the City Manager to Enter into an Electric Aggregation Supplier Agreement

RESULT:	**PASSED (6 TO 1)**
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, Mayor Pro Tem Hohimer, Council Member Onken, Council Member Orrick
NAYS:	Council Member Hilst

City Manager Dossey presented the request for authorization to enter into an Electric Aggregation Supplier Agreement. Economic Development Director Josh Wray elaborated, explaining that the City is currently under contract with Constellation, a supplier not selected through Good Energy, the City's usual broker. That prior agreement was entered into on the recommendation of another staff member and, in hindsight, was not beneficial for the City. Good Energy had previously advised the City to hold off on entering into a new agreement, which was ultimately sound advice.

Mr. Wray reported that while Ameren’s electric rates have been low over the past 12 months, Good Energy believes this trend will not continue and anticipates being able to secure a rate under 11 cents per kilowatt-hour. Staff recommends accepting Good Energy’s advice based on long-term data suggesting that municipal aggregation programs typically result in savings for residents. He emphasized that participation is voluntary—residents can opt out at any time—and the City's website provides clear instructions on how to do so. The resolution enables the City Manager to enter into an agreement provided the rate meets the threshold.

Council Member Nutter asked about the contract term, to which Mr. Wray responded it would be for 11 months, running from July 1 to May 30.

Council Member Nutter also inquired whether Council would be updated on the final rate, and Mr. Wray stated that a “receive and file” report could be prepared.

Council Member Hilst expressed opposition to the opt-out structure of the program. Mr. Wray clarified that under state law, the opt-out format is only permitted by referendum—an option previously approved by voters—whereas an opt-in program is not practical due to the lack of a functioning market for it.

Representatives from Good Energy addressed the Council, stating that the power industry is currently unstable due to the retirement of low-cost generation sources and the transition to solar energy and battery storage. Additionally, AI data centers are increasing energy demand. Ameren, once known for infrequent rate changes, now has multiple adjustments per year. Good Energy’s goal, they stated, is to create a stable environment that protects residents from volatile and rising energy costs, while still allowing them to leave the program at their discretion.

7.5. Resolution No. 276-24/25 Approving a Professional Services Agreement with McDaniels Marketing for the Execution of a 3-Year Economic Development Marketing Plan

RESULT:	**PASSED (5 TO 2)**
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 Orrick, Mayor Pro Tem Hohimer, Council Member Onken
NAYS:	Council Member Nutter, Council Member Hilst

City Manager John Dossey introduced the resolution, explaining that the City previously contracted McDaniels Marketing to develop a three-year economic development marketing plan aimed at promoting Pekin to potential businesses, developers, and residents. McDaniels has completed the plan and presented it to both the Economic Development Advisory Committee (EDAC) and City Council. The plan includes initiatives such as brand development, website content creation, photography and video production, search engine optimization, digital and print advertising, trade show exhibit materials, the development of a business blueprint booklet, and performance reporting. The total projected cost is $66,750 for Fiscal Year 2026, $63,985 for FY 2027, and $53,960 for FY 2028. Funding will come from the General Fund and applicable TIF funds. The EDAC unanimously recommended approval of the resolution and submitted their own resolution of support as part of their year-end recommendations. Staff also recommended approval.

Council Member Orrick asked if Economic Development Director Josh Wray would be overseeing the program and whether there would be measurable metrics each year to assess its success. Mr. Wray confirmed he would be the point of contact and explained that McDaniels' proposal includes a list of metrics, developed jointly with staff, which will be tracked annually and, where possible, quarterly. These metrics include a baseline as of FY 2025 and goals through FY 2028.

Council discussed whether progress reports would be made to City Council. Mr. Wray responded that updates would typically be presented to the EDAC but could also be placed on Council agendas as “receive and file” items if Council wished. Council agreed that would be helpful.

Council also noted potential discrepancies in how the program’s costs were budgeted and planned to follow up with Mr. Wray for clarification. Mr. Wray explained that while some expenses are budgeted under “public relations,” others fall under “other contractual services” depending on the fund structure. He indicated the categorization was flexible and would be reviewed to ensure consistency.

7.6. Resolution No. 277-24/25 Approving Bid Amount for Court Street Stadium to 10th Street Project and Award Contract to Otto Baum Company, Inc

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 Dossey presented the request to award the Court Street rehabilitation project—spanning from Stadium Drive to 10th Street—to Otto Baum Company, Inc. The scope of the project includes milling and overlay of existing pavement, pavement patching, new curb, gutter, and sidewalk construction, storm sewer upgrades, water main installation, entrance pavement improvements, and landscaping. Two bids were received: one for \$9,586,833.03 and another for \$9,867,362.33. Both bids fell within 3% of one another, which staff believes reflects current market conditions and competitive pricing. While the low bid came in approximately 11%—or \$990,000—over the engineer's estimate of \$8,596,084.55, the overage was anticipated and incorporated into the final version of the FY26 budget approved by Council. Staff has reviewed the bids and recommends awarding the contract to Otto Baum Company, Inc.

Public Works Director Simon Grimm and Cindy of Hanson Engineering were present to answer questions.

Council Member Nutter asked for clarification on the project timeline and whether Illinois American Water would be involved. Cindy confirmed that the project will span two years, with the section from 14th to Stadium Drive to be completed this year in order to avoid conflict with the Marigold Festival, and the section from 10th to 14th Street to be completed next year. She also noted that approximately \$1.4 million of the project cost relates to Illinois American Water infrastructure. Staff will bring forward a separate agreement for Council's approval in the coming weeks for reimbursement of those costs. Mr. Grimm clarified that the actual figure is approximately \$1.8 million.

Council Member Orrick inquired about opportunities for public input. Cindy responded that public meetings had previously been held and that the design is consistent with the recently completed adjacent section of Court Street. She also noted that land acquisition for the section between 8th and 10th Streets has been finalized, with that portion scheduled for the June letting.

7.7. Resolution No. 278-24/25 Approving a Professional Services Agreement with the Pekin Area Chamber of Commerce for Event Management and Tourism Staffing

RESULT:	**PASSED (6 TO 1)**
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 Orrick, Mayor Pro Tem

	Hohimer, Council Member Onken
NAYS:	Council Member Hilst

City Manager John Dossey presented the resolution to approve a professional services agreement with the Pekin Area Chamber of Commerce for event management and tourism staffing. He explained that the proposed agreement includes several notable changes from prior contracts. First, marketing expenses—such as those with McDaniels Marketing or radio advertising vendors—will now be contracted directly by the City, increasing transparency and allowing for greater staff oversight of these expenses. Second, the term of the agreement will be extended to two years, ensuring continuity and preventing the Chamber from incurring costs in advance of an agreement in the subsequent fiscal year. Third, the Chamber will receive a flat annual rate of $21,900 for its services, invoiced in monthly installments. This eliminates the need for hourly tracking and reduces administrative workload for both parties. Direct event-related expenses, such as for decorations, will continue to be invoiced separately at cost.

Mr. Dossey noted that this change will save the City approximately $5,000 annually and is necessary, as City staff cannot manage the four major City events each year internally. The staff recommends approval of the agreement.

Economic Development Director Josh Wray added that, pursuant to the City's procurement policy, staff reached out to three outside event management agencies. All three declined to submit a quote. Although staff had no intention of changing providers, the effort was made to remain in compliance with procurement procedures. Mr. Wray praised the City’s successful partnership with the Chamber and reiterated staff’s recommendation for approval.

There were no objections or further discussion from Council.

7.8. Ordinance No. 4296-24/25 Authorizing the City Manager to Enter into a Purchase Agreement for Property Located at 1024 Court Street

RESULT:	**PASSED (5 TO 2)**
MOVER:	Council Member Lloyd Orrick
SECONDER:	Mayor Pro Tem Karen Hohimer
AYES:	1st Alternate Mayor Pro Tem Abel, Mayor Burress, Council Member Nutter, Mayor Pro Tem Hohimer, Council Member Onken
NAYS:	Council Member Hilst, Council Member Orrick

City Manager John Dossey presented Ordinance No. 4296-24/25, which authorizes the City Manager to enter into a purchase agreement with Mr. John Newman for property located at 1024 Court Street, at the corner of Court and Washington Streets. The Council had previously discussed the matter in closed session. As part of the agreement, Mr. Newman has agreed to complete demolition of the building at his own expense and to level and seed the property. The City would pay Mr. Newman $117,500 for the parcel once demolition is complete and all permits are closed out, and upon satisfactory inspection and approval by the Chief Building Official.

Mr. Dossey noted the property had been appraised at $114,000, which is included in the meeting packet. He also explained that the City will not proceed with closing until all terms are fulfilled. While the agreed price exceeds the appraised value by $3,500, Mr. Dossey emphasized that the City avoided significant demolition costs—estimated at $60,000 to $70,000, possibly higher—by negotiating this arrangement. Additionally, acquiring the property would enhance site distance at the intersection, a safety concern previously raised by Council Member Hilst. Hansen Engineering had confirmed in an April 14, 2025, communication that removing the building would be a safety improvement.

Council Member Hohimer expressed support for the purchase, citing alignment with traffic and safety improvements associated with nearby intersection work.

Council Member Hilst reiterated concerns over fiscal responsibility, stating that an updated appraisal should have been performed post-demolition, as the City is acquiring land, not an improved parcel. He argued that purchasing the land at the improved value is not in the taxpayers' best interest. He also asked for clarification on demolition costs and closing responsibilities, to which Mr. Dossey responded that the $3,500 difference between appraisal and purchase price was part of a compromise given the seller's costs and risks. Demolition is expected to exceed $20,000.

Council Member Onken confirmed the property would be leveled and seeded, and questioned the next steps regarding use or resale. Mr. Dossey noted that while the current adjacent business may eventually seek to acquire a portion for parking, no such discussions had yet occurred. Council Member Hohimer added that ADA-compliant sidewalks would require the use of some of the parcel.

Mr. Vasselli commented that the property, once cleared, would likely be unbuildable. He supported the deal structure and responded to Council Member Hilst's suggestion of a post-demolition appraisal, explaining that appraisers do not typically appraise hypothetical conditions; appraisals are based on current states. He acknowledged the importance of frugality but said the negotiated approach was appropriate given standard appraisal methodology and the city's cost savings.

Council Member Nutter asked if the seller had agreed to a specific timeline.

Mr. Dossey confirmed Mr. Newman was ready to begin in early May, subject to required asbestos permit waiting periods. Council

Member Nutter also asked what portion of the parcel would be used. Cindy, a representative from Hansen, replied that the majority of the lot would remain intact, with only a sliver needed to meet ADA requirements or slightly more if the intersection were redesigned.

Mayor Burress emphasized that no agreements regarding resale or reuse could occur until design plans were finalized.

Finance Consultant Bob Grogan added that without this deal, the building could be boarded up and maintained indefinitely as a legal but blighted structure, which would not benefit the community or the intersection's safety. The ordinance is a proactive solution to improve traffic flow and prepare for future infrastructure work.

7.9. Ordinance No. 4297-24/25 Approving and Authorizing the Execution of a Pekin Business Development District (BDD) Redevelopment Agreement by and between the City of Pekin and Bracts, LLC for Property Located at 359 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 Nutter, Council Member Orrick, Mayor Pro Tem Hohimer, Council Member Onken
NAYS:	Council Member Hilst

Mr. Josh Wray, Economic Development Director, presented the ordinance and explained that Bracts, LLC, the entity purchasing 359 Court Street, intends to open a cannabis dispensary at the location. The Council previously approved a special use permit for this purpose. Bracts anticipates investing approximately $900,000 in renovations to bring the building up to code and is requesting $100,000 in financial assistance from the City to support these BDD-eligible improvements.

Mr. Wray noted that the structure of the agreement resembles a TIF forgivable loan but is instead funded through the Business Development District due to available incentive funds budgeted there. The agreement outlines a two-year term with 5% interest. However, the $100,000 debt will be forgiven each year if the business generates at least $50,000 in cannabis tax revenue to the City annually. If the threshold is not met, the business will be required to pay the difference.

Bracts estimates $4 million in annual sales, which would generate roughly

$120,000 in cannabis tax revenue. All cannabis tax revenue goes directly into the City's general fund and is, by ordinance, allocated toward pension obligations. Mr. Wray emphasized that this is a return-on-investment (ROI) driven project and that the City expects to recoup its investment through tax revenue.

He clarified that although the property lies within the Downtown TIF, the funding is allocated from the BDD due to the availability of incentive dollars. Mr. Wray generally recommends BDD funding only for businesses that will produce sales tax or similar revenue, such as in this case with cannabis tax, making this an appropriate use of BDD funds.

7.10. Resolution No. 279-24/25 Approving Purchase of Retrofit Diesel Exhaust System for All Three Fire Stations from Hasting Air Energy Control, Inc.

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Council Member Lloyd Orrick
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

Fire Chief Reeise presented the resolution, explaining that the City's three fire stations currently utilize a diesel exhaust capture system originally installed in 2006. The existing pneumatic system, which relies on air compressors and airlines, is increasingly unreliable due to age, resulting in frequent downtime. Chief Reeise stated that Hastings Air Energy Control, Inc., the original vendor, is offering a retrofit option that utilizes magnetic connections. This solution would allow the City to upgrade its current infrastructure without full replacement, eliminating the pneumatic components that are the source of most maintenance issues.

The quote provided for the retrofit is just over $39,000. However, Chief Reeise requested approval of $45,000 to allow for any unforeseen installation issues or necessary additional parts, noting that the goal is to remain as close to the original quote as possible. The retrofit would be installed across all three fire stations, and the proprietary nature of the system means no competitive bidding was pursued.

Council Member Hilst inquired whether there would be any warranty on the parts or labor. Chief Reeise acknowledged he was unsure of warranty specifics and would follow up. He also noted the retrofit was included in the upcoming fiscal year 2026 budget, which Council had already approved. Due to the current failure of the system at Fire Station One, staff is requesting early approval to expedite ordering and installation.

7.11. Resolution No. 280-24/25 Approving a Quote from Illini Plumbing for Excavation and Meter Installation Services for the North Pekin Sewer

Flow Meter Upgrade (Pekin-owned side)

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

City Manager John Dossey explained that the City of Pekin maintains an agreement with the Village of North Pekin for wastewater treatment, where both municipalities utilize flow meters to measure wastewater entering Pekin's system for billing purposes. Historically, discrepancies between Pekin's and North Pekin's meter readings have caused issues, largely due to the use of different meter types. To address this, the Wastewater Treatment Plant Supervisor, Chris Schaefer, recommended the installation of a new, more accurate meter that matches the technology North Pekin is now also adopting, ensuring improved accuracy and consistency.

The overall project cost is slightly over $25,000, but it consists of two separate components requiring different vendors. To comply with procurement policies and avoid concerns over stringing, both pieces of the project are being brought to Council individually for approval. This resolution pertains specifically to the competitive quote from Illini Plumbing for the excavation, pipe work, and installation of the meter. The meter itself is being supplied by Britton, who will also handle the programming and cabling through their SCADA system.

Staff recommended approval of the resolution, and Public Works Director Simon Grimm was present for any questions, though none were raised by the Council.

7.12. Resolution No. 281-24/25 Approving a Quote from Britton Electronics & Automation Inc. for Meter Supply and Programming Services for the North Pekin Sewer Flow Meter Upgrade (Pekin-owned side)

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

City Manager Dossey presented the second component of the North Pekin sewer flow meter upgrade project. This resolution would approve the sole source quote from Britton Electronics & Automation Inc. for the supply of the meter, cabling, connections, and programming into the SIADH system. This complements the previously approved resolution covering excavation and pipe work by Illini Plumbing.

Mr. Dossey noted that, per the settlement agreement with North Pekin, the City of Pekin is entitled to bill North Pekin for capital costs directly related to transmission between the two municipalities. He indicated that staff intends to seek reimbursement from North Pekin for these expenses once the project is completed, which will likely occur within the next few months. Staff recommended approval, and Public Works Director Simon Grimm was again available for any questions, though none were posed.

7.13. Ordinance No. 4298-24/25 Approving a One-Year Municipal Lease Agreement with Santander Bank for 10 School Buses

RESULT:	**PASSED (UNANIMOUS)**
MOVER:	Mayor Pro Tem Karen Hohimer
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

Finance Director Eric Dubrowski presented the ordinance. Mr. Dubrowski explained that in February, the Council approved a quote of $225,816 for a one-year extension of the City’s lease of ten school buses. At that time, it was noted that Midwest Transit Equipment would coordinate with their banking partner, Santander Bank, to finalize a formal lease agreement, which is now before the Council for approval.

Mr. Dubrowski stated that the lease payment of $225,816 is due on July 15, 2025, and will be payable to Midwest Transit Equipment. Although the lease agreement documentation includes a five-year amortization schedule, the City’s arrangement includes a one-year early termination clause. This allows the City to assign the lease rights and obligations back to Midwest Transit Equipment at the end of the one-year term in July 2026, effectively making it a one-year lease.

Mr. Dubrowski also noted that the City's remaining 73 buses are under a similar lease structure, with all buses scheduled to be returned to Midwest Transit Equipment by July 2026.

7.14. Resolution No. 282-24/25 Approving Invoice for the Renewal of Bus Routing Software and Server Use with Tyler Technologies, Inc

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

City Manager Dossey explained that Tyler Technologies has been the City's bus routing software provider for several years. The renewal invoice submitted was in the amount of $71,101.39. However, Mr. Dossey noted that this amount does not yet reflect an $8,900 credit expected due to the City discontinuing the fleet management software component when it transitioned to the iWorQ software. The City is still waiting for an updated invoice from Tyler Technologies that reflects this adjustment.

Mr. Dossey requested that Council approve the resolution as presented to avoid a disruption in routing software access, which could occur if payment is delayed. He stated that once the corrected invoice is received, the City will make the necessary accounting adjustment, and the resulting expense will fall below the budgeted $65,000 threshold, eliminating the need for a budget amendment.

Council Member Nutter questioned whether the item should be tabled until the corrected invoice is received. However, after discussion, including input from Council Member Hilst regarding the budget threshold, consensus was reached to proceed with approval at the full amount, with the understanding that the credit will follow and no budget amendment will ultimately be necessary.

7.15. Ordinance No. 4299-24/25 Approving Sixth Amendment to the FY25 Annual Budget

RESULT:	**TABLED INDEFINITELY (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

Any Other Business To Come Before The Council

Fire Chief Reeise shared a piece of positive news regarding Firefighter Steven Amstutz, who was recently awarded the 2025 Illinois Central College Teaching Excellence Award. The honor is student-nominated and recognizes Amstutz's outstanding instruction in the college's EMT, paramedic, and fire science programs. Chief Reeise noted that Amstutz's efforts have supported the City's recruitment outreach and praised his continued excellence in all endeavors.

Council Member Hohimer expressed appreciation for the sense of community in Pekin by sharing a personal story. She explained how her neighbor unexpectedly mowed her lawn after noticing she had only had time to edge it during her lunch break. She emphasized how acts of kindness like this define the spirit of the community.

Council Member Nutter recognized Dale and Lila Santrock for the successful grand opening of their new Sports Park in North Pekin, which he described as “first class.” He also offered heartfelt appreciation to a Council Member Orrick, expressing admiration for his mentorship, resilience, and years of service.

Council Member Orrick thanked the citizens of Pekin for the opportunity to serve, noting that he always strived to do his best and continued to dedicate himself to the work even in his final meeting. He expressed well wishes for the city and its future prosperity.

Council Member Onken thanked City staff and all who supported him during his time on Council. He noted it had been a wonderful experience representing the City of Pekin and assured all he would not be a stranger.

Mayor Burress concluded by thanking both Council Member Orrick and Council Member Onken for their years of dedicated service to the community and reiterated his appreciation for their contributions.

Executive Session 5 ILCS 120/2 (c)

No Executive Session.

Adjourn

There being no further business to come to the Council a motion was made by Council Member Onken seconded by Council Member Orrick to adjourn the meeting. Motion carried viva voce vote. Mayor Burress adjourned the meeting at 8:25 PM.

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