

: OFFICIAL PROCEEDINGS :**: OF THE CITY OF PEORIA, ILLINOIS:**

Council Chambers, Peoria, Illinois, November 14, 2000, a Joint Meeting of the City Council and Town Board was held this date at 6:20 P.M., at City Hall, 419 Fulton Street, Mayor Lowell G. Grieves presiding.

ROLL CALL

Roll call showed the following Council Members present: Ardis, Gibson, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves – 9; Absent: Duncan, Spears - 2.

INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Grieves requested a moment of silent prayer, and then led the Pledge of Allegiance.

WORD OF THE WEEK “THANKFUL”**PROCLAMATIONS, COMMENDATIONS, ETC.**

PROCLAMATION: 17th ANNUAL PHILANTHROPY DAY – NOVEMBER 15, 2000

PROCLAMATION: SALVATION ARMY SUNDAY – NOVEMBER 19, 2000

PROCLAMATION: NATIONAL FAMILY CAREGIVERS MONTH 2000 – NOVEMBER 2000

PROCLAMATION: 2000 NEIGHBORHOOD COLLEGE

Council Member Sandberg and Council Member Nichting left the Council Chambers.

MINUTES

Council Member Grayeb moved to approve the Minutes of the Executive Sessions held on October 31, 2000, and the Executive Session and Regular City Council Meeting held on November 7, 2000, as printed; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Thetford, Turner, Mayor Grieves – 7;

Nays: None.

Council Member Sandberg and Council Member Nichting returned to the Council Chambers.

PETITIONS, REMONSTRANCES & COMMUNICATIONS – CITY OF PEORIA AND TOWN OF THE CITY OF PEORIA**CONSIDERATION OF CONSENT AGENDA ITEMS BY OMNIBUS VOTE:**

(00-834) Communication from Town Officials Budget Committee Requesting to Approve the ESTIMATED LEVY of \$1,530,000 for the Town of the City of Peoria, and Enter this Action in the Minutes.

(00-835) Communication from Finance Director/Comptroller Requesting that the Council Approve the ESTIMATED 2000 LEVY of \$15,541,839 at a Rate Not to Exceed \$1.2649.

- (00-836) **BIDS for MAST ARM GUIDE SIGNS Recommending the Bid of VULCAN SIGNS, in the Amount of \$13,061.28.**
- (00-837) **PAYMENT ESTIMATE FOR PUBLIC IMPROVEMENT PROJECT: N.E. MONROE STREET ROADWAY IMPROVEMENT PROJECT (Spring Street to Abington Street) (Removing existing curb, sidewalk, and driveway approaches; constructing concrete sidewalks, combination curb and sidewalks and driveway pavement; and a bituminous concrete pavement overlay.) - FREESEN, INC. - PAY ESTIMATE #2: \$89,458.66; TOTAL AUTHORIZATION APPROVED: \$89,458.66. (For Information Only)**
- (00-838) **PAYMENT ESTIMATE FOR PUBLIC IMPROVEMENT PROJECT: NORTH MAPLEWOOD AVENUE (Main to Bradley) ORNAMENTAL LIGHTING IMPROVEMENT PROJECT (Installing City of Peoria standard ornamental street lighting system, along with all necessary adjustments, incidentals and appurtenances.) LASER ELECTRIC, INC. - PAY ESTIMATE #2 and FINAL: \$28,162.08; TOTAL AUTHORIZATION APPROVED: \$28,162.08. (For Information Only)**
- (00-839) **PAYMENT ESTIMATE FOR PUBLIC IMPROVEMENT PROJECT: WEST GILBERT AVENUE ROADWAY IMPROVEMENT PROJECT (Sterling Avenue to Gale Avenue) (Removing existing curb, sidewalk, and driveway approaches; constructing combination concrete curb and sidewalk, driveway approaches; and a bituminous concrete overlay over existing roadway. Additionally, a storm sewer system will be installed.) R.A. CULLINAN & SON, INC. - PAY ESTIMATE #1: \$45,873.95; TOTAL AUTHORIZATION APPROVED: \$45,873.95. (For Information Only)**
- (00-840) **Communication from Director of Public Works with ORDINANCE NO. 15,040 VACATING the Southerly 216 Feet of the 16 Feet Wide Alley in BLOCK 9 of WASHINGTON HEIGHTS RESURVEY.**
- (00-841) **Communication from Labor and Management Co-Chairs Regarding the 2000 NINE-MONTH HEALTHCARE REPORT. (For Information Only)**

CONSIDERATION OF REPORT BACKS AS FOLLOWS:

- (00-781) **Communication from Corporation Counsel with REPORT BACK on LAND PATENTS.**

Council Member Grayeb moved to approve the Consent Agenda items as outlined in the communications; seconded by Council Member Turner.

Item Nos. 00-834 through 00-841, and 00-781 were approved by roll call vote under the Omnibus Vote Designation.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves –9;

Nays: None.

- (00-842) Communication from Human Resources Director Requesting Authorization to Pay
* the Cost of the MEDICARE PART B PREMIUM at the Rate of \$50.00 per Month
for RETIRED CITY EMPLOYEES and SPOUSES on the HEALTHCARE PLAN
Who are Age 65 and Over, for the Budget Year 2001, at an Approximate Cost of
\$198,400.**

Mayor Grieves requested that this item be deferred until later in the meeting to be discussed in conjunction with the Budget.

Council Member Gibson moved to defer this item until later in the meeting after discussion regarding the Budget, Item No. 00-743, was held; seconded by Council Member Morris.

Motion to defer this item until after Item No. 00-743 was approved by roll call vote.

Yeas: Ardis, Gibson, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves – 8;

Nays: Grayeb - 1.

Clerk's Note: See page 24995 for further discussion.

- (00-843) Communication from Labor and Management Co-Chairs Requesting to Enter Into
a SOLE SOURCE AGREEMENT with MR. WILLIAM HEMBREE of HEALTH
RESEARCH INSTITUTE for CONSULTING SERVICES, Not to Exceed \$11,000.**

Council Member Gibson moved to enter into a sole source agreement with Mr. William Hembree of Health Research Institute for consulting services, not to exceed \$11,000.00; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves –9;

Nays: None.

- (00-844) Communication from Riverfront Development Executive Director with Request
that the City Council Approve the WTVP PARKING AGREEMENT TERMS and
that a Final Agreement be Prepared along with the Street Vacation Ordinance and
be Brought Back to the Council for Adoption.**

Council Member Morris stated he would be abstaining from discussion and the vote due to his employment with WTVP.

Council Member Turner moved to approve the WTVP Parking Agreement terms and that a final agreement be prepared along with the street vacation ordinance and be brought back to the Council for adoption; seconded by Council Member Grayeb.

In discussion with Council Member Nichting, Executive Director of Riverfront Development Tom Tinchler stated the proposed terms would not change the economics of the redevelopment agreement which was adopted in June, 2000, and which directed Staff to negotiate a parking agreement with WTVP for their use of the parking. He said it was intended to attempt to negotiate a commitment from WTVP for a maximum of \$125,000, if the City's fundraising efforts fell short. He said following further negotiations, this provision was eliminated and it was more open-ended as it appeared in the June 23, 2000, communication. He added in recent negotiations with WTVP, they had indicated a \$20,235.00 upfront payment would be proposed toward City costs, which would not change.

Mr. Tincher further stated there was an estimated \$300,000 cost associated with developing the park. He said if the City chose to develop the park, the City would have to come up with funding to build it out. He added the \$20,235.00 would contribute toward that cost. He said there was an option in the agreement, but the City would not have to exercise the option that Mr. Sullivan was obligated to build the park out and be reimbursed from project generated revenues.

Council Member Ardis said this was originally framed that if the City could not raise the \$125,000, WTVP would commit to the \$125,000. He said WTVP had come back with another offer. He said it was originally explained to the Council that WTVP would make up the gap, if the City could not raise the money. He said he was also concerned about the precedent this would set when other not-for-profit organizations requested assistance from the City for parking.

Hearing no objections, Mayor Grieves granted Privilege of the Floor to Mr. Bill Washkuhn.

Mr. Bill Washkuhn, Attorney representing WTVP, said WTVP would improve the street that would be vacated and use it for parking, and WTVP would be spending \$10 million on the O'Neill building. He referred to the \$125,000 figure, and he said WTVP was never party to that agreement. He said WTVP would give the City the \$20,235.00, and if the park was not built, the City would be that much ahead. He said the parking area would only be used for special events.

Council Member Sandberg expressed concern regarding the parking issue and the amount of parking under WTVP's control, if the property was ever sold. He also expressed concern what the final costs would total. He also discussed the rules for a possible future budget amendment, which he said he would oppose.

Council Member Gibson expressed concern that this issue was unnecessarily complicated by being packaged with the park issue. She suggested that these issues be decoupled so they could be considered individually.

Council Member Nichting suggested that the final document be provided to the Council two weeks prior to being considered.

Motion to approve the WTVP Parking Agreement terms and that a final agreement be prepared along with the street vacation ordinance and be brought back to the Council for adoption was approved by roll call vote.

Yeas: Gibson, Grayeb, Nichting, Sandberg, Turner, Mayor Grieves – 6;

Nays: Ardis, Thetford - 2.

Abstention: Morris – 1.

(00-845) Communication from Corporation Counsel Requesting that the Council Authorize the Administration to Arrange a Preliminary Visit by a Representative of CALEA and to Pay the Cost of Said Visit Out of Federal Asset Forfeiture Funds.

Council Member Nichting moved to authorize the Administration to arrange a preliminary visit by a representative of CALEA and to pay the cost of said visit out of Federal Asset Forfeiture Funds; seconded by Council Member Ardis.

Approved by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves –9;

Nays: None.

UNFINISHED BUSINESS

(99-812) Communication from Director of Public Works Regarding REPLACEMENT RAIL SERVICE to PIONEER INDUSTRIAL PARK and GROWTH CELL #2 from the UNION PACIFIC RAILROAD MAINLINE WEST of PIONEER INDUSTRIAL PARK, with Recommendations as Outlined.

Director of Public Works Steve Van Winkle distributed a copy of a communication regarding Union Pacific Pioneer Spur (UP Spur) Purchase Contract and a copy of a letter from the Union Pacific Railroad Company to all Members of the Council.

Mr. Van Winkle gave a brief overview of the Council communication dated November 14, 2000, and discussed the recommendations as outlined in that communication.

Mayor Grieves commended Mr. Van Winkle on his efforts in bringing this project to this point.

Council Member Turner moved to grant Privilege of the Floor to former Mayor Richard Neumiller; seconded by Council Member Grayeb.

Hearing no objections, Mayor Grieves granted Privilege of the Floor to Mr. Richard Neumiller.

Mr. Richard Neumiller, former Mayor and member of the Railroad Commission, said the Commission took the position to not abandon the present rail service. He discussed the history of some of the companies who used the rail service. He said without spending any taxpayer money, the rail service still existed today. He added the Chicago Northwestern Railroad and now the Union Pacific Railroad owned the mainline to the West of Pioneer Park, and was continuing to develop additional service. He said the presence of a switching service from the West had nothing to do with the development of rail service and additional industry there. He said the companies in Pioneer Park enjoyed the best competitive rail service they had ever had. He said if the Council proceeded with this opportunity, the Council should have all the factual information that determined whether or not there could be competitive rail service. He added when the Kellar Branch track was removed, the Union Pacific would have a monopoly for all deliveries and pick ups. He said there was nothing the City could do if there were service problems. He said the Railroad Commission was not convinced that the customers would retain good rail service.

Hearing no objections, Mayor Grieves granted Privilege of the Floor to former Mayor Mr. Richard Carver.

Mr. Richard Carver discussed the opportunity before the City for a win/win solution and a long-term context. He discussed the current involvement of the Union Pacific Railroad and the changes in the degree of interest and commitment. He predicted there would be future users of the rail line in Growth Cell II, which was one of the largest potential areas of undeveloped industrial land in existence that would utilize rail service. He added that viable rail service for Growth Cell II was important to attract future investors. He said he felt the City could negotiate with Union Pacific, and if problems were addressed, the rail service could be cost effective and viable long term. He recommended, if this was not achieved, this project should not move forward. He also discussed the opportunity to develop the hiking/biking trail that would be a credit to the community. He said the City was at a point that all the components for a solution were in place, and he felt this could be achieved for a comprehensive solution. He said the City would have to consider the total picture and what was involved. He urged the Council to support the proposed recommendations so the task could be completed.

Mr. Dan LaKemper, Attorney representing Pioneer Industrial Railway, spoke against replacing a rail service that was working well, and providing needed and viable rail service to existing businesses. He expressed concern about the funds that would be spent, and whether or not it would be cost effective. He

expressed further concern that when the money was spent that it would be for something viable. He suggested a trial period on the western connection before the Kellar Branch was abandoned. He said he would be willing to amend their contract if their concerns for viability were addressed through either an agreement with Union Pacific or some other fashion. He said he shared the same concerns as those expressed by the shippers. He said there were some issues that needed to be addressed prior to moving forward. He suggested that discussions with Union Pacific be continued, and that DOT and Pioneer Industrial Rail be involved.

Following further discussion, Council Member Thetford moved to direct Staff to pursue, finalize and bring back a purchase contract for the spur from the Union Pacific Railroad, pending approval of grant funds from DCCA; agreement with DOT for switching service to industries in Growth Cell #2 and Pioneer Park Industries; agreement or contract to cause construction of the necessary infrastructure, pending necessary acquisition; terms of agreement with the Peoria Park District for their use of Kellar Branch right-of-way, including costs not covered by grants, subject to the provision of rail service from the west; and ensure that a meeting involving representatives of the Union Pacific and the selected switching contractor was offered to the rail users for the opportunity to have their concerns addressed; seconded by Council Member Nichting.

Following further discussion regarding including or not including Pioneer Industrial Railway, Council Member Nichting withdrew his second. Council Member Grayeb seconded Council Member Thetford's motion.

Council Member Nichting suggested that negotiations continue with Pioneer Industrial Railway, providing that Pioneer Industrial Railway would work toward an agreement with the Union Pacific line.

Council Member Nichting moved for a substitute motion to direct Staff to pursue, finalize and bring back a purchase contract for the spur from the Union Pacific Railroad, pending approval of grant funds from DCCA; agreement with either Pioneer Industrial Railway or DOT for switching service to industries in Growth Cell #2 and Pioneer Park Industries; agreement or contract to cause construction of the necessary infrastructure, pending necessary acquisition; terms of agreement with the Peoria Park District for their use of Kellar Branch right-of-way, including costs not covered by grants, subject to the provision of rail service from the west, and provide appropriate screening for those subdivisions it runs through; and ensure that a meeting involving representatives of the Union Pacific and the selected switching contractor was offered to the rail users for the opportunity to have their concerns addressed; seconded by Council Member Turner.

Mayor Grieves said this would allow Pioneer Industrial Railway another opportunity for them to be the switcher. He said he felt this was a generous offer by the City, under the circumstances.

Mr. Van Winkle said the Council would eventually have to make a decision regarding which proposal or agreement was preferred. He said a proposal was already signed by DOT. He added he would need direction from the Council if both proposals were the same, with a few exceptions. He stressed the importance of the chosen switching company being involved in negotiations with Union Pacific.

Council Member Nichting suggested a time frame of two weeks regarding a decision between DOT and Pioneer Industrial Railway regarding the switching agreement.

Former Mayor Richard Carver cautioned the Council not to diminish the difficulty involved in negotiating with Union Pacific. He said there were some legitimate concerns that would need to be addressed for Growth Cell II, as well as Pioneer Park. He said he felt negotiations would be successful, but it would take time.

Mr. Van Winkle discussed his attempts for representatives of Pioneer Industrial Railway to meet with Union Pacific proactively to work things out. He said there was no evidence of any cooperation from Pioneer Industrial Railway in this regard. Mr. Van Winkle said DOT was ready to move forward and had already contacted Union Pacific. He agreed with a two week time frame so negotiations with Union Pacific would not be delayed.

Mr. Paul Burn, representing DOT, explained his business experience, and he said he would be very willing to work with the shippers in Pioneer Park and the Union Pacific Railroad. He said he would do whatever it took to provide all the necessary accommodations to the shippers that they had enjoyed in the past. He said he had not been a short line carrier in the past.

Council Member Sandberg expressed concern regarding DOT and their lack of experience as a short line carrier. He felt the shippers needed assurance that service would continue long term.

Council Member Gibson expressed concern regarding the portion of the motion that the selected switching contractor would be offered to the rail users for the opportunity to have their concerns addressed. She said she felt there was a need to do more than offer because the shippers' concerns needed to be fully addressed before she could support it.

Council Member Thetford suggested that if there were proposals from both Pioneer Industrial Railway and DOT, she requested that Staff outline the track records and qualifications of both entities.

Council Member Grayeb spoke in favor of supporting the businesses in Pioneer Park with rail service and also the development of the last link of a 45-mile park for a biking trail. He said this would be good for the community and hopefully would be brought to a successful conclusion.

Motion for a substitute motion to direct Staff to pursue, finalize and bring back a purchase contract for the spur from the Union Pacific Railroad, pending approval of grant funds from DCCA; agreement with either Pioneer Industrial Railway or DOT for switching service to industries in Growth Cell #2 and Pioneer Park Industries; agreement or contract to cause construction of the necessary infrastructure, pending necessary acquisition; terms of agreement with the Peoria Park District for their use of Kellar Branch right-of-way, including costs not covered by grants, subject to the provision of rail service from the west, and provide appropriate screening for those subdivisions it runs through; and ensure that a meeting involving representatives of the Union Pacific and the selected switching contractor is offered to the rail users for the opportunity to have their concerns addressed, and approve a time frame of two weeks for a decision between DOT and Pioneer Industrial Railway regarding the switching agreement was approved by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Thetford, Turner, Mayor Grieves –8;

Nays: Sandberg - 1.

(00-815) Communication from Director of Public Works and Finance Director/Comptroller Requesting Authorization for a SOLE SOURCE PURCHASE of the SENTRY VI UPGRADE PACKAGE from TRAK ENGINEERING, INC. at a Cost of \$33,599.00.

Council Member Grayeb moved to authorize a sole source purchase of the Sentry VI Upgrade Package from Trak Engineering, Inc., at a cost of \$33,599.00; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves –9;

Nays: None.

(00-825) Communication from Finance Director/Comptroller with Recommendation to Adopt the Following:

A. ORDINANCE Amending the BUDGET for Fiscal Year 2000 of the City of Peoria Relating to LEGAL FEES;

Council Member Grayeb moved to adopt an Ordinance amending the Budget for Fiscal Year 2000 of the City of Peoria relating to legal fees; seconded by Council Member Turner.

Following discussion regarding the Legal Department's legal fees, Council Member Grayeb moved to call the question; seconded by Council Member Morris.

Motion to call the question was approved by roll call vote.

Yeas: Gibson, Grayeb, Morris, Nichting, Thetford, Turner, Mayor Grieves –7;

Nays: Ardis, Sandberg - 2.

Council Member Nichting moved to defer this item for two weeks until the November 28, 2000, Regular City Council Meeting; seconded by Council Member Turner.

Motion to defer this item until November 28, 2000, was approved by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Thetford, Turner, Mayor Grieves –8;

Nays: Sandberg - 1

B. ORDINANCE Amending the BUDGET for Fiscal Year 2000 of the City of Peoria Relating to the PAWS PROGRAM, POLICE TOBACCO GRANT, and RIVERFRONT CAPITAL PURCHASE;

Council Member Sandberg moved to adopt the Ordinance amending the Budget for Fiscal Year 2000 of the City of Peoria relating to the PAWS Program, Police Tobacco Grant and Riverfront Capital Purchase; seconded by Council Member Turner.

ORDINANCE NO. 15,041 was adopted by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves –9;

Nays: None.

C. ORDINANCE Amending the BUDGET for Fiscal Year 2000 of the City of Peoria Relating to STATION #19 LAND PURCHASE;

Council Member Thetford moved to adopt the Ordinance amending the Budget for Fiscal Year 2000 of the City of Peoria relating to Station #19 Land Purchase; seconded by Council Member Morris.

Council Member Sandberg discussed the history of Station #19 and the City's participation in putting in the street. He expressed concern that there was now a Budget shortfall of \$129,000. He said this project was tied to Big Hollow Road and if the road was not to be reopened, then he could not support the motion.

Mayor Grieves left the Council Chambers and requested that Mayor Pro Tem Thetford assume the Chair.

Since Mayor Pro Tem Thetford made the motion and she was now acting as the Chair, she withdrew her motion, and Council Member Nichting moved to adopt the Ordinance amending the Budget for Fiscal Year 2000 of the City of Peoria relating to Station #19 Land Purchase; seconded by Council Member Turner.

Mayor Grieves returned to the Council Chambers.

ORDINANCE NO. 15,042 was adopted by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Thetford, Turner, Mayor Grieves –8;

Nays: Sandberg - 1.

D. ORDINANCE Amending the BUDGET for Fiscal Year 2000 of the City of Peoria Relating to INTRA-FUNDS TRANSFER – STADIUM FUNDING.

Council Member Nichting stated he would be abstaining from discussion and the vote due to his ownership of property in the vicinity of the Stadium.

Council Member Sandberg moved to adopt the Ordinance amending the Budget for Fiscal Year 2000 of the City of Peoria relating to Intra-Funds Transfer – Stadium Funding; seconded by Council Member Turner.

ORDINANCE NO. 15,043 was adopted by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Sandberg, Thetford, Turner, Mayor Grieves –8;

Nays: None;

Abstention: Nichting - 1.

(00-743) Communication from City Manager Regarding:

A. REVISED 2001-2005 CIP DOCUMENT;

B. PRELIMINARY BUDGET/EXCEPTIONS for FISCAL YEAR 2001, with Request from the City Treasurer for a Fiscal Tech 1 Position and Two REPORT BACKS – FY 1999 & 1998 Revenue and Operating Expenditure Reports for the Period September 1 to December 31; and POSITION VACANCIES; And REPORT BACK - 2000 THIRD QUARTER ACTIVE CAPITAL IMPROVEMENT PROJECTS FINANCIAL SUMMARY.

Human Resources Director Pat Parsons distributed a copy of an Insurance Premium Survey, CEO of the YWCA Pam Schubach distributed a funding request, Executive Director Sue Herring distributed a copy of the Peoria Public Library Budget for Fiscal Year 2001, and Assistant Director of Planning and Growth Management Pat Landes distributed a communication with comments and a request from the Neighborhood Development Commission regarding the October 3, 2000 Preliminary Capital Improvement Program (CIP) 2001-2005 to all Members of the City Council.

Council Member Nichting referred to the CIP and he suggested some shifting of monies. He said it should be assumed that the CIP numbers would remain the same except for these changes. He said Sidewalk Participation was originally budgeted at \$500,000 and he suggested an addition of \$737,000 for a total of \$1,237,000. He said this was a result of the elimination of the concrete replacement on streets. He said Special Assessments should be increased up to \$2 million, reduce computer purchases between \$100,000 to \$150,000, reduce office furniture expense, Western Avenue Greenway for \$50,000, and Fire Fleet for \$60,000. He said new numbers on these changes would be coming from the Finance Director.

Council Member Thetford reiterated some of Council Member Nichting's suggestions, and she added \$162,000 should be replaced in Southside Streetscapes. She referred to funds taken from the Perry Improvement Projects, and she said she needed to determine what would be done in 2001 because she hoped there was some additional funding for Perry Street.

Council Member Thetford referred to funding for the YWCA and Center for Prevention of Abuse, and she said since the City provided them with two years allocations last year, they did not necessarily need their share this year, but needed a commitment in 2002 to 2004. She further explained how these figures were compiled. She said there was further work that needed to be done on the proposed Budget.

Council Member Nichting said it was possible these amounts could be covered by CDBG monies.

In discussion with Council Member Gibson regarding CIP funding for the Peoria Public Library, Finance Director/Comptroller Ellie Hogan said the Library had not submitted any requests during the CIP process. She said a request was received yesterday.

Council Member Thetford referred to funding and suggested that the CIP should not be finalized yet since the Library had some needs that should be considered.

Council Member Gibson referred to fleet recapitalization, communication needs, etc. which were labeled non-discretionary, and she requested that these needs be considered and analyzed carefully.

Discussion was held regarding when Budget discussions could be held. Following a brief discussion, it was determined that a Special Meeting should be held at 8:00 A.M. on Saturday, November 18, 2000, and again on Tuesday, November 21, 2000, at 1:30 P.M., if necessary. City Manager Michael McKnight expressed concern that Budget Meetings had not already started because of the Budget schedule.

Council Member Nichting moved to defer this item until the November 21, 2000, Regular City Council Meeting, and set a Special Meeting on Saturday, November 18, 2000, at 8:00 A.M. to be held in the Council Chambers for Budget discussions, and set a Special Meeting on Tuesday, November 21, 2000, at 1:30 P.M., if needed, to continue Budget discussions; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves –9;

Nays: None.

Discussion was held regarding revenues for the 2001 Operational Budget, and Mayor Grieves pointed out there was a \$2.5 million short fall in the budget. He said it was expected that revenues would be \$89.1 million and expenditures would be at \$91.6 million. He said the Council would have to make some difficult decisions during these Budget discussions. He further discussed the large increase in health care costs and the reduced amount in fund balance.

Council Member Turner moved to grant Privilege of the Floor to Ms. Roberta Parks; seconded by Council Member Grayeb.

Hearing no Objections, Mayor Grieves granted Privilege of the Floor to Ms. Roberta Parks.

Ms. Roberta Parks, representing the Chamber of Commerce, expressed concern regarding the potential elimination of the sales tax rebate and the proposed possible increase in the sales tax. She said members of the Chamber would be non-competitive with other communities if the sales tax rebate was eliminated and there was an increase in the sales tax. She said the Chamber did not support tax increases that funded the general operating fund.

Clerk's Note: In discussion it was determined that the payment of the Medicare Part B Premium at the rate of \$50.00 per month for retired City Employees and spouses on the City's Healthcare Plan who were age 65 or over, for the Budget Year 2001, at an approximate cost of \$198,400, was already included in the 2001 Budget that had been proposed to the Council. (Refer to Item No. 00-842 on Page 24995.)

Council Member Sandberg requested a report back regarding the costs involved in the operation of the Economic Development Department and the Riverfront Development Department for the Saturday session.

Discussion was held regarding the need for operating each department efficiently, even though there was a greater demand for services. It was requested that all uncollected fees be listed and provided to the Council for the Saturday session. Several suggestions regarding revenues were made including a possible 1% in the amusement tax that would give the City \$350,000 additional revenue each year and a 1% increase in the hotel tax that would give the City \$285,000 additional revenue each year. It was suggested that all options be reviewed regarding revenues and expenditures. It was also requested that a report be provided regarding all outstanding revenue.

Council Member Turner said the City continued to grow, but the Council was discussing Budget cuts. He said he agreed that the City needed a revenue source, but the fund balance continued to place the City in a detrimental position. He said there were pending labor contracts with several unions and substantial pending litigations. He stated after 2002, the City would be against the wall on bonding, and all proceeds from the utility tax would go toward debt service after 2004, and healthcare projections all around the nation were increasing. He said if the City continued to grow and cost cutting was the City's only means, then the City needed a revenue source to deal with the growth.

In discussion with Council Member Morris regarding the general economy, Finance Director/Comptroller Ellie Hogan explained that if the economy changed, the City's policy was for three months of fund balance which equaled approximately \$22 million, but at the present time there was only \$8 Million in fund balance.

Mayor Grieves stated he felt there was a possibility regarding the sales tax rebate so he suggested the City Manager prepare two scenarios for the Council to consider with the necessary cuts, one at the \$2.5 million and one at \$1.5 million so the Council could weigh the alternatives.

**(00-842) Communication from Human Resources Director Requesting Authorization to Pay
* the Cost of the MEDICARE PART B PREMIUM at the Rate of \$50.00 per Month
 for RETIRED CITY EMPLOYEES and SPOUSES on the HEALTHCARE PLAN
 Who are Age 65 and Over, for the Budget Year 2001, at an Approximate Cost of
 \$198,400.**

Council Member Grayeb moved to authorize the payment of the Medicare Part B Premium at the rate of \$50.00 per month for retired City Employees and spouses on the City's Healthcare Plan who were age 65 or over, for the Budget Year 2001, at an approximate cost of \$198,400; seconded by Council Member Turner.

Clerk's Note: Refer to Item No. 00-743 on page 24994.

In discussion it was determined that this cost was already included in the 2001 Budget that had been proposed to the Council.

Motion to authorize the payment of the Medicare Part B Premium at the rate of \$50.00 per month for retired City Employees and spouses on the City's Healthcare Plan who were age 65 or over, for the Budget Year 2001, at an approximate cost of \$198,400 was approved by roll call vote.

Yeas: Ardis, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner – 7;

Nays: Gibson, Mayor Grieves - 2.

CITIZEN REQUESTS TO ADDRESS THE COUNCIL

It was determined that no one wished to address the Council.

EXECUTIVE SESSION

(00-846) Consideration of a Motion for the City Council to go into EXECUTIVE SESSION to Discuss 2(c)(5) The purchase or lease of real property for the use of the public body; and 2(c)(6) The setting of a price for sale or lease of property owned by the public body.

Council Member Morris moved that the City Council go into Executive Session to discuss 2(c)(5) The purchase or lease of real property for the use of the public body; and 2(c)(6) The setting of a price for sale or lease of property owned by the public body; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Ardis, Gibson, Grayeb, Morris, Nichting, Sandberg, Thetford, Turner, Mayor Grieves –9;

Nays: None.

ADJOURNMENT

Council Member Turner moved to adjourn the Council Meeting; seconded by Council Member Grayeb.

Approved by viva voce vote.

The Council Meeting adjourned at 10:30 P.M.

Mary L. Haynes, MMC
City Clerk of Peoria, Illinois

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