

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

A Special Meeting of the City Council of Peoria, Illinois, was held on Tuesday, July 29, 2008, at 6:35 P.M., and adjourned to Tuesday, August 5, 2008, City Hall, Room 400 Council Chambers, 419 Fulton Street, Peoria, Illinois, with proper notice having been given for the purpose of discussing the City of Peoria Capital Improvement Plan Issues related to the Development of the Proposed 2009 Budget and Review of Current Capital Projects, with Chairman Pro Tem Robert Manning presiding.

ROLL CALL

Roll call showed the following Council Members physically present: Gulley, Nichting, Spain, Van Auken, Chairman Pro Tem Manning – 5; Absent: Jacob, Montelongo, Sandberg, Spears, Turner, Mayor Ardis - 6.

City Clerk Mary Haynes announced that a quorum was not present.

Others present at the Special Meeting on July 29, 2008, were: Interim City Manager Henry Holling, Senior Staff Attorney Kimberly King, Communications Manager Alma Brown, Finance Director/Comptroller Jim Scroggins, Budget Coordinator Jan Little, Director of Public Works Dave Barber, Acting City Engineer Nick Stoffer, Superintendent of Operations & Maintenance Bob Tyler, Public Works Streets & Sewers Manager David Haste, Civil Engineer Scott Reeise, Director of Planning and Growth Management Pat Landes, Assistant Director of Planning and Growth Management Ross Black, Senior Urban Planner Kim Smith, Director of Information Systems Cathy Roger, Information Systems Operations Manager Mike King, Assistant Police Chief Phil Korem, Police Strategic Planner Doug Ward, ECC Manager David Tuttle, Division Chief of Fire Training Greg Walters, Division Chief of Fire Prevention Emil Steinseifer, Division Chief of Fire Operations Gary VanVoorhis, ESDA Planner Dwain Deppolder, Development Specialist Susan Schlupp, Development Specialist Bobby Gray, Code Enforcement Manager Linda Lard, Director of Peoria Animal Shelter Lauren Malmberg, City Treasurer Reginald Willis, City Clerk Mary Haynes, Chief Deputy City Clerk Beth Ball, members of the media, and interested citizens.

PETITIONS, REMONSTRANCES & COMMUNICATIONS**UNFINISHED BUSINESS**

(08-356) Communication from the Interim City Manager Regarding DISCUSSION of the City of Peoria Capital Improvement Plan Issues Related to the Development of the Proposed 2009 Budget and Review of Current Capital Projects, with Public Comment Relating to the Budget. No Final Action will be Taken.

Chairman Pro Tem Robert Manning requested a motion to adjourn this meeting and suggested it could be held on Tuesday, August 5, 2008, at 5:00 P.M.

Council Member Nichting moved to adjourn this Special City Council Meeting to Tuesday, August 5, 2008, at 5:00 P.M.; seconded by Council Member Gulley.

Approved by roll call vote.

Yeas: Gulley, Nichting, Spain, Van Auken, Chairman Pro Tem Manning – 5;

Nays: None.

RECONVENING OF AN ADJOURNED SPECIAL CITY COUNCIL MEETING

An Adjourned Special Meeting of the City Council of Peoria, Illinois, was reconvened on Tuesday, August 5, 2008, at 5:00 P.M., City Hall, Room 400 Council Chambers, 419 Fulton Street, Peoria, Illinois, with proper notice having been given for the purpose of discussing the City of Peoria Capital Improvement Plan Issues related to the Development of the Proposed 2009 Budget and Review of Current Capital Projects, with Mayor Jim Ardis presiding.

ROLL CALL

Roll call showed the following Council Members were physically present: Gulley (Arrived at 5:04 P.M.), Manning, Montelongo, Nichting, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10; Absent: Jacob - 1.

Others present at the Adjourned Special Meeting on August 5, 2008, were: Interim City Manager Henry Holling, Corporation Counsel Randy Ray, Senior Staff Attorney Kimberly King, Communications Manager Alma Brown, Finance Director/Comptroller Jim Scroggins, Budget Coordinator Jan Little, Director of Public Works Dave Barber, Acting City Engineer Nick Stoffer, Public Works Program and Budget Administrator Julie Dewey, Civil Engineer Scott Reeise, Director of Planning and Growth Management Pat Landes, Assistant Director of Planning and Growth Management Ross Black, Senior Urban Planner Kim Smith, Director of Information Systems Cathy Roger, Information Systems Operations Manager Mike King, EOO Manager David Watkins, Police Chief Steve Settingsgaard, Assistant Police Chief Phil Korem, Police Strategic Planner Doug Ward, Fire Chief Kent Tomblin, Sandi Klatt from ECC, Director of Economic Development Craig Hullinger, Development Specialist Susan Schlupp, Development Specialist Bobby Gray, Director of Inspections John Kunski, Code Enforcement Manager Linda Lard, Director of Peoria Animal Shelter Lauren Malmberg, City Treasurer Reginald Willis, City Clerk Mary Haynes, Chief Deputy City Clerk Beth Ball, members of the media, and interested citizens.

INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Ardis requested a moment of silent prayer or silent reflection and then he led the Pledge of Allegiance.

PETITIONS, REMONSTRANCES & COMMUNICATIONS

(08- 385) REQUESTING APPROVAL of a MOTION for the CITY COUNCIL to go into EXECUTIVE SESSION to Discuss 2(c)(1) The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body, including hearing testimony on a complaint lodged against an employee to determine its validity.

Council Member Nichting moved that the City Council go into Executive Session to Discuss 2(c)(1) The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body, including hearing testimony on a complaint lodged against an employee to determine its validity; seconded by Council Member Manning.

Motion that the City Council go into Executive Session to Discuss 2(c)(1) The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body, including hearing testimony on a complaint lodged against an employee to determine its validity was approved by roll call vote.

Yeas: Gulley, Manning, Montelongo, Nichting, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: None.

The City Council adjourned to Room 110 at City Hall to hold an Executive Session at 5:07 P.M.

RECONVENING OF THE CITY COUNCIL

City Clerk Mary Haynes noted the following Council Members were physically present: Gulley, Jacob, Manning, Montelongo, Nichting, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 11; Absent: None.

The Adjourned Special City Council Meeting reconvened at 6:56 P.M.

UNFINISHED BUSINESS

(08-356) Communication from the Interim City Manager Regarding DISCUSSION of the City of Peoria Capital Improvement Plan Issues Related to the Development of the Proposed 2009 Budget and Review of Current Capital Projects, with Public Comment Relating to the Budget. No Final Action will be Taken.

Interim City Manager Henry Holling explained an overview of the current CIP Budget would be discussed along with policy issues that had been raised by Council in the previous weeks, with the intent to form the guidance that would be provided to Staff as the CIP Plan was built.

Finance Director/Comptroller Jim Scroggins recapped the 2008 Active CIP Project Financial Summary as of May 31, 2008, and discussed restricted and unrestricted funds. He said there were approximately \$41,859,000 in projects that remained to be completed.

In discussion with Council Member Spears, Director Scroggins explained how local MFT funds could be utilized for road projects, and Council Member Spears questioned how State MFT funds could be used.

Corporation Counsel Randy Ray stated, as a Home Rule unit, the City levied tax for local MFT funds. Council Member Spears requested a copy of the Ordinance so he could review the wording.

Director of Public Works Dave Barber explained the requirements regarding how State MFT funds could be used. He said the money could be used to offset costs for road projects that were allowed. He further stated the City would be audited to make sure their requirements and restrictions were followed. He said he did not believe State MFT funds could be used to purchase road equipment, but he stated he would report back to verify. He added that road salt was purchased through State MFT funds and drainage projects that were specifically related to the roadway were allowed.

In discussion with Council Member Sandberg, Director Barber explained that property could be purchased with State MFT funds, but it was complicated. He said he planned to use State MFT funds for some of the future projects that were eligible for Northmoor Road and Pioneer Parkway.

In discussion with Council Member Spears regarding TIF funds and possible revenues that had been building, Director Scroggins stated he could provide a report to the Council annually and the Council could decide whether or not to disperse available funds for the year.

Mayor Ardis stated that the City Council, as policy makers, could bring the policy forward for discussion regarding TIF revenues that had matured and make decisions regarding those funds.

Director Barber referred to the Council communication and discussed the Talking Point regarding the Review of Capital Plan by Projects or by Fund Summary, and he questioned how the Council wished to proceed.

Council Member Nichting stated if there were projects that had been in the capital budget for several years, those funds should not be removed if citizens had expectations those projects would eventually be completed. He said, if the Council planned to discuss bonding for some of the projects, these discussions should be held at the same time so it could be determined which projects would be appropriate projects to fund in this manner.

Council Member Sandberg said he supported the Council reviewing the capital projects individually.

Council Member Manning said there were a number of projects that had been funded over the years that had essentially been completed, and there were left over funds. He suggested that those funds could be used for other projects and discussion needed to be held to determine if some of these projects were still priorities. He added, if a project was a priority, the project should be moving forward.

Mayor Ardis said he felt this would be flushed out as projects were discussed individually.

Council Member Gulley suggested that the history of each project be included in those discussions.

Mayor Ardis stated there was a consensus that the Council supported the Staff bringing back a review of the CIP plan by project, with historical background, for a more in depth discussion.

Director Barber referred to the Council communication and discussed the Talking Point regarding the Strategic Review of Projects to decide What was to be Completed in the Next Five Years.

Director Barber discussed Sheridan Triangle Improvements, Safer Neighborhood Sidewalks, Stormwater Management, Martin Luther King, Jr. Drive Improvements, and Northmoor Road Improvements, and the lack of funding as outlined in the communication. He said the Staff wanted to make sure the strategic plan matched Council needs for the community.

Director Barber said he felt there needed to be a moving five-year capital plan and not just the current capital budget year. He said this would provide a road map for the capital program.

Council Member Sandberg spoke in support of strategic budgeting with a five year rolling plan, but he indicated citizens' expectations sometimes did not match the plan. He expressed concern that there were some projects that required matching funds from the City for a distant future project which took funding away from other projects that needed to move forward in the near future. He also expressed concern that some new projects jumped to the forefront without notice. He said road projects should progress through the system based on need, not funding opportunities.

Interim City Manager Henry Holling stated an important part of the budget process was to close the gap. He added an important part of closing the gap was the Budget Public Hearings held to encourage public comment regarding what projects citizens felt the Budget should fund and what level of service should be provided. He said the CIP plan should be based on need and to tie available dollars to critical needs.

Director Scroggins referred to the Council communication and discussed the Talking Point regarding the Plan for Financing Projects. He suggested the Council might want to discuss whether or not to finance a project currently locking in a known interest rate, a known payment level, or to continue funding a project over a number of years. He discussed possible savings that could be realized in construction costs, etc. He said the City had been using a pay-as-you-go system, but he suggested it may be time to review other bonding options for some of the larger projects.

He added the bonding amount would need to be a reasonable amount of money in order to complete some of the proposed projects.

Director Scroggins referred to the Council communication and discussed the Talking Point regarding what should be included in the Capital Program, and he discussed the current definitions for projects to be included in the CIP. He said there were some projects that did not fit in the operations budget because they were one-time projects funded out of the capital, but really did not fit the definition of capital projects. He suggested that these items could be brought forward as exceptions in the operating budget, so the Council could determine if they should be funded. He said this could be a policy issue that the Council would need to decide.

Mayor Ardis said he felt the \$10,000 requirement seemed low and he suggested it could be expanded to more than one year.

Director Scroggins said he would be willing to bring back another capital policy that would change the requirements. He said he was looking for directions regarding this issue.

Council Member Sandberg said there was another category that regarded the payments toward redevelopment agreements, and he felt it was closely aligned with the debt service.

Director Barber referred to the Council communication and discussed the Talking Point regarding the Balancing of the Five-Year Plan with Unfunded Projects Included in a Separate Section or Listing as "Unfunded." He said the intent was to provide the Council with a balanced five-year plan versus the current plan, which provided recommendations but was only about half funded. He suggested listing the unfunded projects, but moving them out beyond the five-year plan so the projects could still be viewed. He said he did not feel Staff should remove projects from the plan. He said this would provide a more balanced picture of the projects that would be funded in the next five years, but also include projects that were unfunded. He questioned if there would be any objections from the Council regarding this change.

Mayor Ardis said, if the Council focused on setting priorities for projects for the next five years, he felt those discussions would provide information for the proposed list of unfunded projects.

Council Member Nichting suggested that Staff provide a comparison of costs for a project that would be completed by bonding and costs for a project that was funded over a length of time. He said the rates for construction costs should be considered in this comparison.

Director Barber referred to the Council communication and discussed the Talking Point regarding the City's CIP identifying other Projects that were Funded by Other Agencies in the Community. He said this new section would provide a full picture to the Council of all projects in the community.

Council Member Van Auken questioned if Staff could make recommendations regarding projects that should be bonded for and projects that should not be bonded. She said it may be prudent to bond for larger projects that needed 10 or 15 years of funding.

Mayor Ardis said he felt future discussions would narrow recommendations for these kinds of projects.

Council Member Turner expressed concern that, if the City bonded for a large project, finances would be designated as such and the City would be limited in their ability to fund other projects that came up that could benefit the community.

Director of Planning and Growth Management Pat Landes stated this discussion revolved around a change in process. She said the Budget public comment process had started and there had been approximately 75 responses to the City's survey for public comment, 45 people attended the Budget Open Houses, and calls continued to come in regarding Budget questions. She said the public could go to www.peoriabudget.com and the budget survey would be open the remainder of this week. She said survey results would be brought back to the Council on September 9, 2008, so the Council could continue providing direction on the capital plan.

Council Member Sandberg requested that this budget web site be linked with the City's main web site.

Mayor Ardis commended and thanked the Staff on their efforts regarding the Budget Open Houses. He said he felt encouraged by comments made by the public and he looked forward to continuing the process.

Interim City Manager Henry Holling thanked the Council for this direction at this meeting.

PUBLIC COMMENTS REGARDING THE 2009 CITY OF PEORIA BUDGET

Hearing no objections, Mayor Ardis granted Privilege of the Floor to those who wished to address this issue.

Mr. Savino Sierra, a Peoria resident, said he felt that new sidewalks for schools were a number one priority for safety and to enhance neighborhoods. He said all fines should be collected by the City to increase revenues. He also encouraged the Police Department to enforce the use of headlights at dusk every day. He added he did not feel the City needed to spend money on a new logo.

ADJOURNMENT

Council Member Montelongo moved to adjourn the Special City Council Meeting; seconded by Council Member Jacob.

Approved by viva voce vote.

The Adjourned Special City Council Meeting adjourned at 8:00 P. M.

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

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