

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

Council Chambers, Peoria, Illinois, August 11, 2009, a City Council Meeting was held this date at 6:19 P.M., at City Hall, Council Chambers, 419 Fulton Street, with Mayor Jim Ardis presiding, and with proper notice having been posted.

ROLL CALL

Roll call showed the following Council Members were physically present: Gulley (arrived at 8:05 P.M.), Irving, Jacob, Montelongo, Riggerbach, Sandberg (arrived at 6:20 P.M.), Spain, Spears, Turner, Van Auken, Mayor Ardis – 11. Absent: None.

INVOCATION & PLEDGE OF ALLEGIANCE

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

PROCLAMATIONS, COMMENDATIONS, ETC.

PROCLAMATION: INTERBUSINESS ISSUES 20TH ANNIVERSARY

PROCLAMATION: EAST BLUFF REBOUND PROGRAM

MINUTES

Council Member Spain moved to approve the minutes of the July 28, 2009, City Council Meeting and the minutes of the August 6, 2009, Special City Council Meeting, as printed; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Irving, Jacob, Montelongo, Riggerbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: None.

PETITIONS, REMONSTRANCES & COMMUNICATIONS – CITY OF PEORIA**UNFINISHED BUSINESS**

(09-323) PRESENTATION by ILLINOIS AMERICAN WATER COMPANY Regarding IAWC RATE FILING, with Request to Receive and File.

Cheryl Norton and Ed Grubb, representing Illinois American Water Company, distributed a copy of their presentation to all members of the City Council.

Hearing no objections, Mayor Ardis granted Privilege of the Floor to Cheryl Norton and Ed Grubb of the Illinois American Water Company.

Cheryl Norton, Vice President of Operations for the Illinois American Water Company, discussed key facts about Illinois American Water Company, which included their commitment to the community; their service to more than 130,000 Peoria area residents; the maintenance of two treatment facilities and more than 690 miles of water pipe; their treatment and ability to deliver an average of 22 million gallons of water a day; customer satisfaction; the proposed 2009 rate increase request, to be effective in 2010, due to increases in routine operating expenses, costs related to investment in pumps, pipes, and treatment facilities and the impact of the economic downturn on borrowing costs, employee benefits costs, and costs for essential goods.

Ed Grubb, Director of Finance for Illinois American Water Company, discussed the history of rates for Peoria from 1993 to those proposed for 2010. He discussed plans to invest more than \$24 million in the Peoria area, which would include more than \$7 million for water pipes, \$4 million for water meters, \$410,000 for a new well pump and groundwater improvements, replacement of 4.7 miles of water mains, and more than \$910,000 for backup electrical power at the Griswold Well Station.

Ms. Norton further discussed the upgrading of the Main Station Treatment Plant and their commitment to environmental stewardship.

In discussion, Council Member Spain stated he was unclear about the justification for the proposed rate increase regarding labor costs, more expensive chemicals and supplies. He said he felt this was inconsistent with how the City had been addressing their projects. He also pointed out the CPI had been declining, but he said that decline was not reflected in the graph presented by Illinois American Water Company.

In discussion with Council Member Van Auken regarding the rate of return proposed for investors in the rate increase filing, Mr. Grubb said the return on common stockholders' equity investment in the business would be 12.25% in this case, and a 9.4% return on assets.

In discussion with Council Member Jacob regarding the City's ability to control pricing by Illinois American Water Company, Corporation Counsel Randy Ray said the City had no control over the pricing by the Water Company, but he stated it was possible for a municipality to intervene in a pending rate case.

In discussion with Council Member Irving, Mr. Grubb said the average increase over the last three rate cases for Illinois was between 68% to 80% of the requested amount. Council Member Irving expressed concern regarding the Water Company's requests for rate increases due to the economy and the impact on citizens. Mr. Grubb indicated the next big project would be the plant expansion, but after that project, he did not anticipate another project of that magnitude for approximately 20 years. He said Illinois American Water Company would continue constructing new mains for new areas of the City and addressing old mains by Manual High School and in other areas.

In further discussion with Council Member Jacob regarding costs associated with the City's intervention in a rate case, Corporation Counsel Ray explained costs for meaningful expert testimony regarding what water rates should be could be expensive.

Council Member Jacob moved to direct Corporation Counsel Ray to report back regarding estimated costs associated with a rate intervention; seconded by Council Member Sandberg.

Motion for a report back was approved by roll call vote.

Yeas: Irving, Jacob, Montelongo, Riggensbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: None.

Council Member Spain moved to receive and file the Presentation by Illinois American Water Company regarding IAWC Rate Filing; seconded by Council Member Irving.

Approved by roll call vote.

Yeas: Irving, Jacob, Montelongo, Riggensbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: None.

REGULAR BUSINESS**CONSIDERATION OF CONSENT AGENDA ITEMS BY OMNIBUS VOTE, for the City of Peoria, with Recommendations as Outlined:**

- (09-399) * **Communication from the Interim City Manager and Corporation Counsel Requesting Approval of a CLASS H (Temporary Outdoor) LIQUOR LICENSE at 418 S. W. WATER STREET (MICHEL EAST PARKING LOT) for a FUNDRAISER for CRUSADERS FOR KIDS, INC., on AUGUST 15, 2009.**
- (09-400) **REPORT of CITY TREASURER PATRICK A. NICHTING for the Month of JUNE, 2009, with Request to Receive and File.**
- (09-401) **MFT AUDIT REPORT NO. 70 for the Period Beginning January 1, 2000, and Ending December 31, 2005, from the Illinois Department of Transportation, Dated July 23, 2009, with Request to Receive and File. (On File in the City Clerk's Office for your Review.)**
- (09-402) ** **Communication from the Interim City Manager and Corporation Counsel with Request to Receive and File a REPORT on OPTIONS Regarding ADJUSTING CITY COUNCIL COMPENSATION. (Refer to Item No. 09-277)**

Mayor Ardis questioned if the Council wished to have any of the Consent Agenda items removed for further discussion.

Council Member Jacob requested Item Nos. 09-399 and 09-402 be removed from the Consent Agenda for further discussion.

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

Items No. 09-399 through 09-402 (excluding Item Nos. 09-399 and 09-402, which were removed for further discussion) were approved by roll call vote under the Omnibus Vote Designation.

Yeas: Irving, Jacob, Montelongo, Riggenschach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: None.

- (09-399) * **Communication from the Interim City Manager and Corporation Counsel Requesting Approval of a CLASS H (Temporary Outdoor) LIQUOR LICENSE at 418 S. W. WATER STREET (MICHEL EAST PARKING LOT) for a FUNDRAISER for CRUSADERS FOR KIDS, INC., on AUGUST 15, 2009.**

Council Member Jacob said he would be abstaining from discussing and voting on this item because he was a liquor licensee and was prohibited from voting on liquor related matters by State Statute 235 ILCS 5/6-2.

Council Member Turner moved to approve a Class H (Temporary Outdoor) Liquor License at 418 S. W. Water Street (Michel East Parking Lot) for a Fundraiser for Crusaders for Kids, Inc., on August 15, 2009; seconded by Council Member Riggenschach.

Approved by roll call vote.

Yeas: Irving, Montelongo, Riggenschach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 9;

Nays: None;

Abstentions: Jacob - 1.

**(09-402) Communication from the Interim City Manager and Corporation Counsel
** with Request to Receive and File a REPORT on OPTIONS Regarding
 ADJUSTING CITY COUNCIL COMPENSATION. (Refer to Item No. 09-277)**

In discussion with Council Member Jacob regarding the process that was used for the report, Corporation Counsel Randy Ray confirmed the information came from the State Statutes. Council Member Jacob expressed concern that the Council, as a body, would be restricted in this manner.

Following further discussion, Council Member Montelongo moved to receive and file the report on Options regarding adjusting City Council compensation; seconded by Council Member Irving.

Approved by roll call vote.

Yeas: Irving, Jacob, Montelongo, Riggensbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: None.

UNFINISHED BUSINESS

**(09-361) Communication from the Interim City Manager and Director of Public
 Works Requesting Approval of the LOCAL AGENCY AGREEMENT with the
 Illinois Department of Transportation for Federal Participation for
 STIMULUS FUNDS, in the Amount of \$1,939,728.00 for Construction, and
 Construction Engineering Costs for the NORTHMOOR ROAD STAGE 3
 PROJECT, with SUPPLEMENTAL INFORMATION and REVISED
 AGREEMENT Including TWO ADDENDA. (New Communication) (Refer to
 Item Nos. 05-609 & 09-153)**

Council Member Irving moved to approve the revised Local Agency Agreement with the Illinois Department of Transportation for Federal Participation for Stimulus Fund, in the amount of \$1,939,728.0 for construction, and construction engineering costs for the Northmoor Road Stage 3 Project, and to receive and file the supplemental information including two Addenda; seconded by Council Member Riggensbach.

In discussion with Council Member Sandberg regarding the number of lanes proposed for the Northmoor Road State 3 Project and whether or not there would be sidewalks installed, Director of Public Works Dave Barber clarified the two through lanes would be one lane in each direction and there would be a three-lane cross section. He further stated he agreed with Council Member Sandberg's concerns and he added there would be a walkway on one side of the project and a bike trail on the other side. He said he would provide a layout of the plan to Council Member Sandberg by the end of the week.

Motion to approve the revised Local Agency Agreement as outlined was approved by roll call vote.

Yeas: Irving, Jacob, Montelongo, Riggensbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: None.

**(09-394) Communication from the Interim City Manager and Interim Director of
 Human Resources Requesting Authorization to Offer a VOLUNTARY
 SEPARATION INITIATIVE (VSI) to EMPLOYEES. (Replacement
 Communication) (Refer to 09-277)**

Following a request by Mayor Ardis, Special Project Manager Chris Setti gave an overview of the Council communication and the two proposals for Council to consider. Several different scenarios were discussed. Mr. Setti indicated he felt the second alternative would be more attractive to more employees, and he added the survey revealed that 26 employees would take the VSI if the offer was reasonable.

Following further discussion, Council Member Spain suggested capping the number of employees who could take advantage of the VSI at 30.

Following discussion regarding the details of the proposals compared with other communities, Council Member Jacob expressed concern that the City was offering such a generous separation package for junior employees on a percentage basis.

Council Member Van Auken said she agreed with Council Member Spain's comments and she said she would also recommend any package be based on employees with at least ten years of service. She further recommended that the number of employees should be capped at 30.

In discussion with Mayor Ardis, Corporation Counsel Ray confirmed that it would be appropriate to establish a cap on the number of employees who could take advantage of the VSI.

Council Member Van Auken further recommended that employees be provided with the information on a separation package as soon as possible, after tonight's meeting. She said employees would be given three weeks for the sign-up period and then allowed one week, as required by law, following the sign up period to allow for those employees to reconsider. She further suggested that, if more than 30 employees signed up for the separation package, their eligibility would be based on their seniority with the City. She said the Council would then know in one month what savings would be achieved through this program, so other decisions could be made by the Council. She added, if more than 30 employees showed interest in the package, the Council could decide whether or not it was prudent to increase the number of employees in the program.

Council Member Sandberg expressed concern that savings would be limited because some of the positions that employees would be leaving would need to be filled. He also expressed concern that the entire concept was being based on saving money rather than providing City services. He also discussed other scenarios that would result in the City's savings being minimized. He said he was concerned about the effects because it was difficult to determine who the 30 employees would be that would take advantage of the package.

Mayor Ardis said it was obvious the City would have fewer employees in 2010 and 2011. He said the City would continue to work through the program and determine what City core services would be provided with fewer employees.

Council Member Van Auken pointed out, which was confirmed by Corporation Counsel Randy Ray, that some departments could be excluded from a separation program, if the department employed critical employees, such as public safety employees.

Council Member Montelongo requested that the Report Back include the amount of pay out for benefits, sick time, etc.

Council Member Spain moved to approve an alternate hybrid separation plan that would be more flexible than what was proposed and offer \$10,000 upon separation, continue the payment of \$10,000 each year for four more years, allow the option to employees with a minimum of ten years service within the organization, establish a cap of 30 employees, but if more employees than 30 came forward, the 30 employees would be based on a seniority system, and allow a three-week period for review and acceptance, with a one-week period for reconsideration by the employees; seconded by Council Member Montelongo.

In answer to a questioned posed by Council Member Irving, Council Member Spain said separation would need to take place by December 1, 2009, but the results of the program would be presented to Council in four weeks.

In discussion with Council Member Spears, Mr. Setti explained the proposed program, with the cap of 30 employees, would cost \$300,000 more this year than the other option, and \$1.5 million over the course of this year and the next four years.

Motion to approve an alternate hybrid separation plan that would be more flexible than what was proposed and offer \$10,000 upon separation, continue the payment of \$10,000 each year for four more years, allow the option to employees with a minimum of ten years service within the organization, establish a cap of 30 employees, but if more employees than 30 came forward, the 30 employees would be based on a seniority system, and allow a three-week period for review and acceptance, with a one-week period for reconsideration by the employees was approved by roll call vote.

Yeas: Irving, Montelongo, Riggensbach, Sandberg, Spain, Turner, Van Auken,
Mayor Ardis – 8;

Nays: Jacob, Spears - 2.

Council Member Gulley arrived at 8:05 P.M.

(09-277) Communication from the Interim City Manager and Finance Director/Comptroller Requesting INITIAL DIRECTION ON STEPS TO REDUCE THE ANTICIPATED FY2010 BUDGET DEFICIT.

Note: Council Rules Permit Motions and Advisory Votes on Direction to Staff.

A. Communication from the Interim City Manager Requesting to Receive and File an INTERIM PROGRESS REPORT on RESTRUCTURING CITY GOVERNMENT.

Interim City Manager Henry Holling stated the re-invention of City government was a significant task, but one that needed to be completed, and it was being handled methodically and carefully. He said the results of the actions taken by the Council recently would assist with the process and research and the gathering of information would continue. He said the Administration would report back with a clear picture of a sensible, workable, and efficient plan based on the principles outlined.

Mayor Ardis said the restructuring of City government was a work in progress and the Administration would report back as it evolved.

Council Member Montelongo moved to receive and file the Interim Progress Report on Restructuring City Government; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggensbach, Sandberg, Spain, Turner,
Van Auken, Mayor Ardis – 10;

Nays: Spears - 1.

B. Communication from the Interim City Manager and Director of Planning and Growth Management Requesting to Cancel the 2010 CDBG PUBLIC SERVICE APPLICATION PROCESS and Allocate 2010 CDBG PUBLIC SERVICE FUNDS for CRIME PREVENTION ACTIVITIES Carried Out by the Peoria Police Department.

Council Member Van Auken moved to cancel the 2010 CDBG Public Service Application Process and allocate 2010 CDBG Public Service Funds for crime prevention activities carried out by the Peoria Police Department; seconded by Council Member Montelongo.

Council Member Van Auken discussed the difficulty of proposing to eliminate these critical need funds. She said she hoped this would be a once in a lifetime situation. She said she felt it would be prudent, at this time, to fund law enforcement activities. She urged the Police Department to work closely with these agencies to learn their specific concerns as their funding was reduced.

Council Member Turner expressed concern regarding the impact the reduction of this funding would have on the agencies involved. He suggested a 50% reduction so agencies would, at least, have half their funding so they could function.

Council Member Sandberg pointed out that \$300,000 was only 1% of the Police Department's budget and he said, while the Police Department may provide assistance, agencies addressed needs for people in a different way. He said the agencies needed to be funded at some level and, due to cut backs by other levels of government, it would be more difficult for some of these agencies to survive anyway. He also pointed out that services provided by some of these local agencies were directly related to crime prevention.

Council Member Gulley said, if the motion was approved, the City would have to obtain a waiver from HUD and there were no guarantees a waiver would be granted. He urged the Council to vote against the motion.

Director of Planning and Growth Management Pat Landes said Council Member Gulley was correct, but she said the request for a waiver from HUD would be based on economic difficulties. She added these services provided by these agencies were important, but difficult decisions would need to be made to address the City's deficit.

Motion to cancel the 2010 CDBG Public Service Application Process and allocate 2010 CDBG Public Service Funds for crime prevention activities carried out by the Peoria Police Department was DEFEATED by roll call vote.

Yeas: Van Auken – 1;

Nays: Gulley, Irving, Jacob, Montelongo, Riegenbach, Sandberg, Spain, Spears, Turner, Mayor Ardis – 10.

C. Communication from the Interim City Manager and Finance Director/Comptroller Requesting Authorization for Staff to Renegotiate the INTERGOVERNMENTAL AGREEMENT Between the CITY OF PEORIA and the PEORIA CIVIC CENTER AUTHORITY, and Requesting to Provide Guidance on Its Parameters.

Council Member Spain expressed concern with the proposal of moving \$200,000 of "R" and "A" taxes above the debt obligations associated with the Civic Center into the City's General Operating Fund. He said he felt this would set the City up for problems later. He pointed out, in 2008, the City received nearly \$200,000 in revenue sharing as part of successful activities associated with tourism and Civic Center use, so there was already a model in place to enhance revenues. He added the Council had a frank discussion with the Civic Center when their expansion was approved that HRA revenues would be needed for several years in the future. He also discussed the commitment for the expansion of hotel services in downtown Peoria and part of the project included a walkway system to the Civic Center. He said the walkway had not been defined yet and the onus was on the Civic Center to create an investment that would receive a walkway into some type of entrance area.

Council Member Sandberg spoke in support of re-negotiating the Intergovernmental Agreement for a fair balance and to challenge a better use of the money for infrastructure. He said he felt \$200,000 was too low compared to the \$8 million in HRA taxes paid for by the citizens. He also pointed out later in the meeting that the City was expecting \$400,000 from the Library out of their \$6.6 million budget, and he felt it should be in the same range for the Civic Center.

Council Member Sandberg moved to renegotiate the Intergovernmental Agreement between the City of Peoria and the Peoria Civic Center Authority in keeping with the other agencies expected to assist the citizens of Peoria through the budget shortfall; seconded by Council Member Van Auken.

Council Member Riggensbach said the tax was intended for specific purposes and he indicated he felt it would set a dangerous precedent if the money was used for operating expenses, and he urged the Council to proceed cautiously.

Council Member Spain stated he did not view the Library and the Civic Center as comparable entities. He said the Library was not an organization to generate revenue. He added the \$8 million in HRA did not all go to the Civic Center. He said he would rather re-negotiate how all could be more advantaged on the upside rather than creating penalties on the downside.

Mayor Ardis said, if the motion on the Floor did not pass, he would support dialogue with Council Member Spain and the Civic Center going forward. He said he knew the Civic Center understood the situation the City was in, but he would like feed back from Council Member Spain over a period of time regarding how the Civic Center could work in that direction. He said he would not support the current motion.

Council Member Spain questioned if there was an appropriate length of time for this discussion to take place.

Mayor Ardis stated the Civic Center had just finished their budget process for 2009 – 2010. He said if the motion failed, he would like discussion to be expedited and he asked Council Member Spain to provide feedback to the Council on their progress or ideas to achieve this.

Council Member Spain said, with that understanding, he moved for a substitute motion to engage the Civic Center Authority in additional discussion related to an Intergovernmental Agreement between the City of Peoria and the Peoria Civic Center and call for a four-week period of discussion for that to take place; seconded by Council Member Turner.

Substitute Motion was approved by roll call vote.

Yeas: Irving, Montelongo, Riggensbach, Spain, Spears, Turner, Van Auken, Mayor Ardis – 8;

Nays: Gulley, Jacob, Sandberg - 3.

D. Communication from the Interim City Manager and Finance Director/Comptroller Requesting Authorization for Staff to Notify the PEORIA PUBLIC LIBRARY that the City Will Withhold \$.02 of Its LEVY IN 2010.

Council Member Van Auken moved to authorize the Staff to notify the Peoria Public Library that the City would withhold \$.02 of its Levy in 2010; seconded by Council Member Turner.

Council Member Van Auken explained this reduction would not impact the building program that was being funded by bonds.

Interim City Manager Henry Holling said this item was the formality of notifying the Library that the City would be entering into discussions. He said, as a courtesy, he had a preliminary discussion with the Library Director and they had indicated they needed time to perform their due diligence. He confirmed this item would not be confirmed until the Council heard from the Library.

Council Member Spain expressed concern that, while this was an idea which was revenue neutral to the taxpayer this year, he was not sure it would be revenue neutral for the following years.

Following further discussion, Mayor Ardis stated, as part of the motion, he would want the withholding of the \$.02 to be for this coming year only. He said further discussion could be held in the future.

Council Member Van Auken said she would agree to amend her motion to include that this would only be for the current budget year and would be revisited next year. Council Member Turner, the seconder of the motion, agreed.

Motion to authorize the Staff to notify the Peoria Public Library that the City would withhold \$.02 of its Levy in 2010, as amended, to include that this would only be for the current budget year and would be revisited next year, was approved by roll call vote.

Yeas: Irving, Jacob, Montelongo, Riggenbach, Sandberg, Turner, Van Auken, Mayor Ardis – 8;

Nays: Gulley, Spain, Spears - 3.

E. Communication from the Interim City Manager and Finance Director/Comptroller Requesting to Receive and File a REPORT on REVENUE SOURCE OPTIONS and to Provide Direction to Staff Through ADVISORY VOTES, if Necessary, on which OPTIONS to Pursue.

BUSINESS LICENSING FEE

Council Member Turner moved to retain the Business Licensing Fee on the list of revenue options, but defer this item until the August 25, 2009, Regular City Council Meeting; seconded by Council Member Van Auken.

Approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggenbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 11;

Nays: None.

PACKAGE LIQUOR TAX

Council Member Jacob said he would be abstaining from discussing and voting on this item because he was a liquor licensee and was prohibited from voting on liquor related matters by State Statute 235 ILCS 5/6-2.

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

Tom Wiegand, owner of UFS, spoke against the increase in the proposed tax. He expressed concern that the Peoria liquor stores would not be able to compete with those outside the City and sales would be lost.

Steve King, liquor distributor in the State of Illinois, expressed concern that local liquor stores would be forced to pay the proposed tax increase and an additional tax proposed by the State of Illinois on beer, wine, and liquor. He said people would go out of Peoria to make their liquor purchases.

Stan Komen, owner of Stan's Wine & Spirits, spoke against the proposed tax increase. He said liquor renewal fees were increased substantially in 2004 for liquor store owners and he was concerned that area liquor stores could not be competitive with those outside the City.

Imad Abdallah, Owner of Super Saver Liquors, spoke in opposition to the proposed increase in liquor tax.

Following a brief discussion, Council Van Auken moved to retain Package Liquor Tax on the list of revenue options; seconded by Council Member Sandberg.

Motion to Retain Package Liquor Tax on the list was DEFEATED by roll call vote.

Yeas: Sandberg, Van Auken – 2;

Nays: Gulley, Irving, Montelongo, Riggenbach, Spain, Spears, Turner,

Mayor Ardis – 8;

Abstentions: Jacob – 1.

GARBAGE FEE

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

Savino Sierra, a Peoria resident, urged the Council to leave the garbage fee as it was.

Council Member Van Auken pointed out this fee was revenue neutral. She moved to retain the Garbage Fee on the list of revenue options; seconded by Council Member Turner.

Motion to Retain the Garbage Fee on the list was DEFEATED by roll call vote.

Yeas: Riggenbach, Sandberg, Turner, Van Auken, Mayor Ardis – 5;

Nays: Gulley, Irving, Jacob, Montelongo, Spain, Spears - 6.

PARKING DECK FEES

Council Member Sandberg moved to retain Parking Deck Fees on the list of revenue options; seconded by Council Member Turner.

Motion to retain Parking Deck Fees on the list was approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggenbach, Sandberg, Spain, Spears,

Turner, Mayor Ardis – 10;

Nays: Van Auken - 1.

TAXING HOSPITALS

Council Member Sandberg moved to reject Taxing Hospitals from the list of revenue options; seconded by Council Member Van Auken.

Motion to reject Taxing Hospitals from the list was approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggenbach, Sandberg, Spain, Spears,

Turner, Van Auken, Mayor Ardis – 11;

Nays: None.

LITTER TAX

Council Member Sandberg moved to retain the Litter Tax on the list of revenue options. No second was heard.

Council Member Spain moved to reject the Litter Tax from the list of revenue options; seconded by Council Member Turner.

Motion to reject the Litter Tax from the list was approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggensbach, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: Sandberg - 1.

WATER USER FEE

Council Member Van Auken moved to retain the Water User Fee on the list of revenue options; seconded by Council Member Montelongo.

Motion to retain the Water User Fee on the list was approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggensbach, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: Sandberg - 1.

LOCAL MOTOR FUEL TAX

Council Member Sandberg moved to retain the Local Motor Fuel Tax on the list of revenue options; seconded by Council Member Irving.

Motion to retain the Local Motor Fuel Tax on the list was DEFEATED by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggensbach, Spain, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: Sandberg - 1.

STORM WATER UTILITY

Council Member Montelongo moved to retain the Storm Water Utility on the list of revenue options; seconded by Council Member Spain.

Council Member Jacob said there were significant infrastructure issues with storm run off and the CSO issue was on the horizon, and it would take twelve to fifteen months to complete so there would be no budget implications for 2010, but there would be budget issues in the future this could address. He said he felt a Storm Water Utility should be pursued.

Following a brief discussion, Mayor Ardis suggested addressing this issue as a business item in the future because this was not really a budget item for 2010.

Council Member Jacob moved for a substitute motion to remove the Storm Water Utility from the list of revenue options and bring it back for Council consideration as a regular item after the Budget; seconded by Council Member Spain.

Substitute Motion was approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggensbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 11;

Nays: None.

FIRE PROTECTION DISTRICT

Council Member Jacob stated some analysis would need to be completed to determine whether or not a Fire Protection District would be revenue neutral or not, but in light of the fact this would take a longer time line approach, he said this item would not have an immediate impact on the budget.

Council Member Jacob moved to remove the Fire Protection District from the list of revenue options and bring it back for Council consideration as a regular item after the Budget; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggensbach, Sandberg, Spears, Turner, Van Auken, Mayor Ardis – 10;

Nays: Spain - 1.

ANIMAL CONTROL FEES

Council Member Van Auken said this fee would not promote responsible behavior. She said animal control benefited the entire community and addressed issues of vicious and wild animals.

Council Member Van Auken moved to reject Animal Control Fees from the list of revenue options. No second was heard.

Council Member Spain said he would like to hold further discussion regarding this issue and possibly increase adoption fees or other fees.

Council Member Spain moved to retain Animal Control Fees on the list for revenue options and to explore the relationship with the County and to review the services the City provided in municipalities in unincorporated areas of the County; seconded by Council Member Sandberg.

Mayor Ardis said, as the Council talked about core services, animal control was not a service designated to be performed by the City. He said it was a function of County government and, if the Council preferred to continue discussing fees, he would be interested in sending direction to the Administration to enter into discussions with the County that the City would like for them to take this service back. He said Director Malmberg and her Staff performed an outstanding job for the City, but it was a mandated service by the County.

Council Member Sandberg said there was a \$500,000 spread between the costs for animal services and the revenues generated. He said he was a strong advocate of giving animal control back to the County, but the community would have to recognize the County's primary responsibility may not be as encompassing as the program currently provided.

Council Member Van Auken spoke in support of the City retaining and providing animal control services, and she said she viewed animal control as a core City service.

Motion to retain Animal Control Fees on the list for revenue options and to explore the relationship with the County and review the services the City provided in municipalities in unincorporated areas of the County was approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggensbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 11;

Nays: None.

ARREST FEE

Council Member Spain moved to retain Arrest Fees on the list for revenue options; seconded by Council Member Van Auken.

Approved by roll call vote.

Yeas: Jacob, Montelongo, Riggerbach, Sandberg, Spain, Turner, Van Auken – 7;

Nays: Gulley, Irving, Spears, Mayor Ardis - 4.

F. PUBLIC COMMENTS Regarding the FY 2010 BUDGET.

Mayor Ardis welcomed any public comments that citizens wished to make. He determined that no one wished to address the Council regarding the 2010 Budget at this time.

NEW BUSINESS**COMMENDATION for DIRECTOR of PLANNING and GROWTH MANAGEMENT**

Council Member Turner thanked Director of Planning and Growth Management Pat Landes for organizing a meeting between him, Council Member Dan Irving and citizens in the Fifth District to supply Staff to provide an overview of City projects.

REQUEST for VOLUNTEERS for the SAFE WALK VOLUNTEER CORP

Council Member Turner said Glen Oak Primary School was asking for volunteers for the Safe Walk Volunteer Corp to assist young students who walked to and from school from 8:30 A.M. to 9:30 A.M. and 3:20 P.M. to 3:45 P.M. on school days.

ANNOUNCEMENT Regarding FUNDRAISER for the UPLANDS 100TH ANNIVERSARY ANNUAL PICNIC

Council Member Van Auken announced Peoria's oldest Neighborhood Association, The Uplands, would be holding their 100th Anniversary Annual Picnic. She said a fundraiser would be held at One World between the hours of 2:00 P.M. and 10:00 P.M. on August 18, 2009. She urged the public to eat at One World and mention the Uplands' name, so a portion of their purchase would go toward the annual picnic.

ANNOUNCEMENT Regarding FUNDRAISER for EXPENSES for the ANNUAL REGIONAL NEIGHBORHOOD NETWORK CONFERENCE

Council Member Spain announced a fundraiser would be held for the Annual Regional Neighborhood Network Conference at Brewers' Distributing at 5:00 P.M. on Thursday, August 13, 2009, to provide scholarships and travel expenses for neighborhood leaders.

CONGRATULATIONS for 20 YEARS of SERVICE by CHIEF DEPUTY CITY CLERK

City Clerk Mary Haynes commended Chief Deputy City Clerk Beth Ball for 20 years of service to the City of Peoria and citizens in the community.

ANNOUNCEMENT Regarding TASTE OF PEORIA

Mayor Ardis announced the Taste of Peoria would be held on Wednesday, August 12, 2009, on the Riverfront and he urged citizens to attend.

SUGGESTION Regarding a CITY EMPLOYEE APPRECIATION EVENT at O'BRIEN STADIUM

Council Member Gulley requested the policy for the use of O'Brien Stadium be rewritten. He said a concert was held at O'Brien Stadium and talented young people were showcased at the event. He suggested a City employee appreciation event at O'Brien Stadium be held as one of the events.

Mayor Ardis requested the Interim City Manager, after the Budget process was finished, to rewrite the Policy for the use of O'Brien Stadium.

CITIZEN REQUESTS TO ADDRESS THE COUNCIL**(09-403) REQUEST from CITIZENS to Address the CITY COUNCIL Regarding Various Items**

Hearing no objections, Mayor Ardis granted Privilege of the Floor to those citizens wishing to address the City Council.

Savino Sierra, a Peoria citizen, spoke against the suggested change in the garbage contract that would require citizens to bring their garbage containers to the curb in front of their homes rather than the garbage trucks picking up garbage in alleys. He said garbage should be continued to be picked up in the alley to keep the fronts of homes looking litter-free. He commended Local 50 Firefighters in their refusal to accept their 2010 wage increases. He urged other City Departments to do the same.

General Parker, a Peoria citizen, urged Council Members to return their salary increases to the City. He urged the City to request a loan from Caterpillar Inc. to cover their 2010 deficit and to restructure that could be paid over a two to three year period.

Barbara Pierce, a Peoria citizen, explained the weed and tree problem that was located next door to her home. She said weeds and small trees were allowed to grow in the fence line and the City Ordinance should be changed to address this problem.

Council Member Sandberg urged Ms. Pierce to contact Director of Planning and Growth Management Pat Landes for assistance with this problem.

Lila Manion, a Peoria citizen, said she also had weed and small tree problems in her neighborhood. She requested assistance from the City in addressing these issues for neighborhoods.

Michael Levan, a Peoria citizen, thanked Interim City Manager Henry Holling and Director of Inspections John Kunski for their assistance in handling a property problem. He commended Interim City Manager Holling for his service to the City of Peoria and wished him well in his departure when the City hired a permanent City Manager.

POLICY SESSION**(09-343) POLICY SESSION Regarding Discussion and Review of the CITY'S SERVICES.**

Note: Council Rules Permit Motions and Votes on Citizen Participation and Motions and Advisory Votes on Direction to Staff.

Council Member Spain moved for the Council to go into a Policy Session pertaining to the discussion and review of City's services; seconded by Council Member Irving.

Approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggenbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 11;

Nays: None.

Mayor Ardis requested Interim City Manager Henry Holling to establish a Special City Council Meeting to be held on Tuesday, August 18, 2009, at 6:15 P.M. in the Council Chambers of City Hall to further explore the City service function and the 488 specific City services. He said the intention was for the Council to use the 488 City services as a guideline to determine the core services.

Following a brief discussion, Council Member Sandberg discussed the next steps for the process. He said Staff was close to a 2.5% reduction, but he proposed a 5% reduction instead. He also indicated costs for the 488 City services needed to be known. He said it would then be up to the Council to provide direction as to what level of cuts would be made and how they tied into the document.

Council Member Spain moved to continue the Policy Session pertaining to the discussion and review of City services at a Special City Council Meeting to be held on Tuesday, August 18, 2009, at 6:15 P.M. in the Council Chambers at City Hall; seconded by Council Member Van Auken.

Approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggenbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 11;

Nays: None.

Council Member Jacob moved to close the Policy Session; seconded by Council Member Montelongo.

Approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggenbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 11;

Nays: None.

EXECUTIVE SESSION

(09-404) Consideration of a Motion 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; and 2(c)(21) Discussion of minutes of meetings lawfully closed under this Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06.

Council Member Irving moved that the 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; and 2(c)(21) Discussion of minutes of meetings lawfully closed under this Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06.; seconded by Council Member Jacob.

Motion to go into Executive Session for the Council to discuss 2(c)(1) and 2(c)21 was approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggenbach, Sandberg, Spain, Spears, Turner, Van Auken, Mayor Ardis – 11;

Nays: None.

ADJOURNMENT

Council Member Riggenbach moved to adjourn the City Council Meeting; seconded by Council Member Spears.

Approved by viva voce vote.

The City Council Meeting adjourned at 10:41 P.M.

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

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