

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

Council Chambers, Peoria, Illinois, September 8, 2009, a City Council Meeting was held this date at 6:16 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 6:30 P.M.), Irving, Jacob, Montelongo, Riggerbach, Sandberg (arrived at 6:20 P.M.), Spain, Spears (arrived at 6:20 P.M.), 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 Boy Scout Troop #40 from St. Jude Catholic Church led the Pledge of Allegiance.

**PROCLAMATIONS, COMMENDATIONS, ETC.**

**PROCLAMATION:** FORMER MAYOR ROBERT J. LEHNHAUSEN DAY IN PEORIA:  
SEPTEMBER 11, 2009

**PROCLAMATION:** COMMON PLACE WEEK: SEPTEMBER 6 - 12, 2009

**PROCLAMATION:** PEORIA PRIDE FESTIVAL: SEPTEMBER 13, 2009

Council Member Gulley left the Council Chambers.

**MINUTES**

Council Member Spain moved to approve the minutes of the August 25, 2009, Regular 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.

Council Member Gulley returned to the Council Chambers.

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

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

**(09-427) NOTICE of LAWSUIT on Behalf of VIDA JOHNSON, FRANKIE L. KING, SR., AUBRY DUNCAN, FREDDIE E. WRIGHT, SR., TIMOTHY J. MORRIS, CHUCKY WADE, and RAY MOSLEY Regarding Alleged Discrimination Pursuant to Title VII of the Civil Rights Act of 1964, with Recommendation to Receive for Information and Refer to the Legal Department.**

**(09-428) TAG DAY REQUEST from the PEORIA DOWNTOWN KIWANIS CLUB to Hold Their ANNUAL PEANUT DAY on DOWNTOWN SIDEWALKS on FRIDAY, SEPTEMBER 25, 2009, to BENEFIT YOUTH and CHARITABLE NEEDS of Peoria. (To be held in conjunction with the South-West Kiwanis Club's Annual Peanut Day)**

- (09-429) TAG DAY REQUEST from the LIONS CLUB OF PEORIA to Hold Their ANNUAL CANDY DAY on the SIDEWALKS of PEORIA to BENEFIT the BLIND, VISUALLY IMPAIRED, DEAF and HEARING IMPAIRED on FRIDAY, OCTOBER 2, 2009. (Date is Open)
- (09-430) \* Communication from the Interim City Manager and Director of Public Works with Recommendation to REJECT ALL BIDS for the HOLLY HEDGES/DEVEREUX STREAMBANK STABILIZATION PROJECT. (Refer to Item No. 08-615)
- (09-431) Communication from the Interim City Manager and Director of Information Systems Requesting Approval of a PURCHASE of HP NETWORK EQUIPMENT, in the Amount of \$13,611.93 from CDS OFFICE TECHNOLOGIES.
- (09-432) Communication from the Interim City Manager and Director of Planning and Growth Management with Request to Concur with the Human Resources Commission Recommendation to APPROVE the APPLICATION TIMELINE, PRIORITIES and RANKING for the 2010 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PUBLIC SERVICE FUNDS.
- (09-433) Communication from the Interim City Manager and Director of Economic Development Requesting Approval to SELL a VACANT LOT Located at 410 MARY STREET (18-03-255-017), in the Amount of \$200.00 Plus CLOSING COSTS, and Requesting Authorization for the Interim City Manager to Execute the Necessary Documents.
- (09-434) Communication from the Interim City Manager and Director of Public Works Requesting Approval to TRANSFER a CITY-OWNED PARCEL of REAL ESTATE Located Near 5112 N. RONALD ROAD to the Owner of 5112 N. RONALD ROAD, at No Cost to the Owner.
- (09-435) Communication from the Interim City Manager and Corporation Counsel with Request to ACCEPT DEDICATION DEEDS for ORANGE PRAIRIE ROAD EXTENSION from HEINZ, CHAMBERS and AMERENCILCO, and to Authorize the City Manager to Execute the Necessary Documents.
- (09-436) Communication from the Interim City Manager and Director of Public Works Requesting Approval for a ONE (1) YEAR SOLE SOURCE EXTENSION of the CONTRACT with PHELPS UNIFORMS for UNIFORM SERVICES at the CITY and FIRE GARAGES, in an Amount of \$8,350.00.
- (09-437) Communication from the Interim City Manager and Finance Director/Comptroller Requesting Adoption of ORDINANCE NO. 16,470 Amending the CITY OF PEORIA BUDGET for Fiscal Year 2009 Adjusting the 2009 US DEPARTMENT of HOUSING and URBAN DEVELOPMENT (HUD) ENTITLEMENT AWARD FUNDING to the FINAL ALLOCATION.
- (09-438) Communication from the Interim City Manager and Finance Director/Comptroller Requesting Adoption of ORDINANCE NO. 16,471 Amending the CITY OF PEORIA BUDGET for Fiscal Year 2009 Relating to the 2009 US DEPARTMENT of HOUSING and URBAN DEVELOPMENT (HUD) HOMELESSNESS PREVENTION and RAPID RE-HOUSING PROGRAM (HPRP), in the Amount of \$790,404 and SUPPLEMENTAL CDBG FUNDS through the AMERICAN RECOVERY and REINVESTMENT ACT (ARRA), in the Amount of \$516,509.00.

- (09-439) Communication from the Interim City Manager and Director of Planning and Growth Management with Recommendation to Adopt ORDINANCE NO. 16,472 Approving the MULTI-FAMILY PLAN for JETH COURT APARTMENTS, a Multi-Family Residential Development Located East of University Street, West of Parcel ID Number 14-17-201-001, and South of Kimberly Drive Identified as Parcel ID Numbers 14-17-126-001, 14-17-126-003, 14-17-126-004, 14-17-126-006, 14-17-126-010, 14-17-126-011, 14-17-126-012 and 14-17-126-015, with Condition.
- (09-440)  
\*\* Communication from the Interim City Manager and Corporation Counsel Requesting Approval of an APPLICATION for a CLASS H (Temporary Outdoor) LIQUOR LICENSE at EXPO GARDENS, 1601 W. NORTHMOOR ROAD, for a BLUE GRASS MUSIC FESTIVAL to RAISE FUNDS for CRUSADERS FOR KIDS, INC. on SATURDAY, SEPTEMBER 12, 2009.
- (09-441) REAPPOINTMENTS by Mayor Jim Ardis to the PEORIA PUBLIC LIBRARY BOARD OF TRUSTEES, with Request to Concur:
- Aurthur Mae Perkins (Voting) - Term Expires 6/30/2011  
Gregory A. Johnston (Voting) - Term Expires 6/30/2012  
Edward C. Meister (Voting) - Term Expires 6/30/2012  
Brian W. Ruddell (Voting) - Term Expires 6/30/2012
- (09-442)  
\*\*\* Communication from the Interim City Manager and Corporation Counsel with Request to Receive and File a REPORT Regarding CITY SALES TAX ISSUES, or DIRECT STAFF to Bring Back an ORDINANCE (Not Recommended).
- (09-443) REPORT of the CITY TREASURER PATRICK A. NICHTING for the MONTH of JULY 2009, with Request to Receive and File.

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

Council Member Sandberg requested Item No. 09-442 be removed from the Consent Agenda for further discussion.

Council Member Jacob requested Item No. 09-440 be removed from the Consent Agenda for further discussion.

Council Member Spears requested Item No. 09-430 be removed from the Consent Agenda for further discussion.

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

Items No. 09-427 through 09-443 (excluding Item Nos. 09-430, 09-440, and 09-442, which were removed for further discussion) were approved by roll call vote under the Omnibus Vote Designation.

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

Nays: None.

- (09-430)**      **Communication from the Interim City Manager and Director of Public Works with Recommendation to REJECT ALL BIDS for the HOLLY HEDGES/DEVEREUX STREAMBANK STABILIZATION PROJECT. (Refer to Item No. 08-615)**  
\*

In answer to a question by Council Member Spears regarding the bids being rejected, Director of Public Works Dave Barber explained the bids that came in were over the estimate. He said he learned that many of the area contractors were tied up with stimulus work in the area and only three bids were received. He said he planned to rebid the project in January 2010 because more contractors would be available to bid with the potential of bringing the costs down closer to the estimate. He said it was his recommendation to reject all bids and rebid the project in January 2010.

Council Member Spears moved to concur with the recommendation to reject all bids for the Holly Hedges/Devereux Streambank Stabilization Project and to direct Staff to hold a meeting to communicate the status of the project with the homeowners; seconded by Council Member Van Auken.

Approved by roll call vote.

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

Nays: None.

- (09-440)**      **Communication from the Interim City Manager and Corporation Counsel Requesting Approval of an APPLICATION for a CLASS H (Temporary Outdoor) LIQUOR LICENSE at EXPO GARDENS, 1601 W. NORTHMOOR ROAD, for a BLUE GRASS MUSIC FESTIVAL to RAISE FUNDS for CRUSADERS FOR KIDS, INC. on SATURDAY, SEPTEMBER 12, 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 Montelongo moved to approve an Application for a Class H (Temporary Outdoor) Liquor License at Expo Gardens, 1601 W. Northmoor Road, for a Blue Grass Music Festival to raise funds for Crusaders for Kids, Inc. on Saturday, September 12, 2009; seconded by Council Member Riggerbach.

Approved by roll call vote.

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

Nays: None;

Abstentions: Jacob - 1.

- (09-442)**      **Communication from the Interim City Manager and Corporation Counsel with Request to Receive and File a REPORT Regarding CITY SALES TAX ISSUES, or DIRECT STAFF to Bring Back an ORDINANCE (Not Recommended).**  
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Council Member Sandberg expressed concern regarding those retail establishments that were charging their customers more tax money than required by the City. He questioned if these establishments could be penalized.

Corporation Counsel Randy Ray said only hotels, restaurants, or those charging for amusements could be penalized by the City. He added the Home Rule Sales Tax was administered by the State of Illinois and by Statute, the State had pre-empted the City's authority to collect and enforce that tax.

Council Member Sandberg expressed concern that this did not address those vendors who came to Peoria to hold temporary sales. He said there were no guarantees that those vendors would pay sales tax to the City even though it was collected. He said he was concerned this money would be lost revenue for the City.

Corporation Counsel Randy Ray said he had suggested in an e-mail to Council Member Sandberg a requirement for transient merchants to present a certificate of registration with the Illinois Department of Revenue, which would require compliance with the Transient Merchant Ordinance. He added, this would give the City some recognition that transient sellers were registered with the Illinois Department of Revenue. He said he was prepared to bring this forward at the next Council Meeting.

Council Member Sandberg said he could not support the recommendation. He said he felt there needed to be protection for the citizens who were being excessively charged. He said he would support local intervention in this matter.

Council Member Spain referred to discussion held at the Civic Center Authority meeting regarding this topic. He said transient vendors could be holding sales not only at the Civic Center, but also at fairs and events throughout the City. He said the Civic Center Authority had begun discussions and would be working with the City's Finance Director Jim Scroggins to further develop a solution to address these concerns.

Council Member Van Auken stated, while the issue with transient merchants was a serious issue, it appeared a solution was in the making. She added, in terms of the excess charges on taxes, it seemed clear the State had pre-empted this field and the City would be going through a fruitless exercise to solve a temporary problem.

Council Member Van Auken moved to receive and file the report regarding City Sales Tax Issues and to concur with the recommendation not to draft an Ordinance; seconded by Council Member Turner.

Approved by roll call vote.

Yeas: Gulley, Irving, Montelongo, Riggerbach, Spain, Spears, Turner, Van Auken, Mayor Ardis – 9;

Nays: Jacob, Sandberg – 2.

**(09-444) Communication from the Interim City Manager and Director of Economic Development Requesting Approval to Enter into a TIF REDEVELOPMENT AGREEMENT with D & B DEVELOPERS, LLC to REDEVELOP the OLD PEORIA POST OFFICE, Located in the Warehouse District at 601 S. W. WATER STREET, into a MODERN OFFICE BUILDING, and Requesting Authorization for the Interim City Manager to Execute the Necessary Documents.**

Council Member Sandberg stated he would abstain from discussion and the vote on this item due to a business relationship with the developer.

Council Member Gulley moved to enter into a TIF Redevelopment Agreement with D & B Developers, LLC to redevelop the Old Peoria Post Office located in the Warehouse District at 601 S. W. Water Street, into a modern office building, and to authorize the Interim City Manager to execute the necessary documents; seconded by Council Member Van Auken.

Approved by roll call vote.

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

Nays: None;

Abstention: Sandberg - 1.

#### **UNFINISHED BUSINESS**

**(09-277) Communications Requesting INITIAL DIRECTION ON STEPS TO REDUCE THE ANTICIPATED FY2010 BUDGET DEFICIT:**

**A. Communication from Interim City Manager Regarding a REPORT from STAFF OUTLINING POTENTIAL REDUCTIONS TO THE FY2010 PROJECTED BUDGET, with Request to Receive and File and to Direct Staff Through Advisory Motions.**

Mayor Ardis explained the Council should make advisory motions for direction to Staff for the final 2010 Budget and none of the actions at this meeting would be final.

Interim City Manager Henry Holling provided a brief history of budget information provided by the Staff regarding the 2010 Budget. He said the Council accepted \$3.1 million in reductions in the Operating Budget at the August 18, 2009, City Council meeting and the Staff was directed to prepare an additional plan that would cut a total of \$8 million in the Operating Budget. He said the new plan before the Council was broader in scope than the one presented at the August 18<sup>th</sup> Council Meeting and included reductions in debt and benefit costs, and was more drastic in reductions in services. He said, if all 45 positions listed in the report were eliminated, service reductions would range from the Street Crimes Unit to reductions in snow routes, and every City department would be impacted. He added that citizens would see a change in service levels provided. He referred to the 45 positions listed in the report and he explained some of these positions were currently vacant and would not be refilled. He reported the Voluntary Separation Initiative had been successful and 38 people had requested participation in the program. He said today was the deadline for the program and now there was a seven day revocation period, but until those seven days passed, it was unknown how much the VSI would save the City. He said those numbers would be calculated as quickly as possible and shared with Members of the City Council and the public.

Interim City Manager Holling further explained City Departments cut as much as possible in their departments without affecting key operations. He said disappointing revenue results were shared with the Council last Friday afternoon, when it was reported that the 2010 Budget deficit would grow larger in the coming months. He stated Staff was confident they could find additional savings in the Community Investment Plan and, when a final list of the VSI participants were known, Department leaders would find other ways to reduce their budgets and to carefully restructure. He added, later in the Agenda, discussion would be held to find ways to partner with other units of local government.

Council Member Van Auken expressed concern regarding the elimination of the Housing Court Hearing Officer. She stated she could not support this function returning to the Circuit Courts for efficiency reasons and due to the fact there would be long delays as experienced prior to the City taking over this function. She said violators would be notified by certified mail, which would be an additional expense and Staff time would be spent in Court rather than performing their jobs.

Corporation Counsel Ray said he agreed and the only reason for the proposal related to the City's current financial situation. He discussed the expense of certified mail and his plan to attempt to eliminate that function and to address other Court expenses that would be incurred. He said, for special cases, the Housing Court could still be used.

Council Member Van Auken stated the Housing Court Hearing Officer was a bargain and addressed many neighborhood problems regarding deteriorating houses and lower property values, which was critical to the City.

Council Member Van Auken moved for an advisory motion to remove the elimination of the Hearing Officer from the Legal Department's list of reductions, in the amount of \$18,000.00; seconded by Council Member Spain.

Approved by roll call vote.

Yeas: Irving, Jacob, Riggenbach, Spain, Spears, Turner, Van Auken, Mayor Ardis – 8;

Nays: Gulley, Montelongo, Sandberg – 3.

In discussion with Council Member Turner regarding possible reductions to the CIP Budget, Interim City Manager Henry Holling said there was some discretionary money in the Community Investment Plan. He said very little of this money was used in the proposal made by Staff. He said most of the discretionary amount projected in the CIP for next year could be used for some flexibility and for Council consideration.

Council Member Turner moved for an advisory motion to request the Interim City Manager bring back prioritization of 2010 CIP Budget; seconded by Council Member Riggenbach.

Approved by roll call vote.

Yeas: Gulley, Irving, Montelongo, Riggenbach, Spain, Spears, Turner, Van Auken, Mayor Ardis – 9;

Nays: Jacob, Sandberg - 2.

Mayor Ardis requested direction to Staff regarding the CIP Budget and the proposal to change the Sidewalk in Need of Repair Program and the Sidewalk Participation Program from 80%/20% to a split of 50%/50%. He suggested this reduction should only be incorporated for a couple of years because this had been a positive program, and it could be returned to 80%/20% in future years.

Following a brief discussion, Council Member Van Auken moved to adjust the Sidewalk Assistance Program and the SINR Program to a 50%/50% split, which should be reviewed on a year to year basis; seconded by Council Member Turner.

Director of Public Works Dave Barber explained the Staff would still be able to complete the same amount of work, but the cost to the City would change. He suggested that the Policy be changed for a short period of time.

Council Member Sandberg said he would not support the motion. He added that other communities paid 100% of public sidewalk costs, and he said he did not feel the citizens should be required to pay more.

In discussion with Council Member Riggerbach, Director Barber explained the Sidewalk Special Assessment Program was different than the two sidewalks programs being discussed. He said the Special Assessment Program was included in the CIP Budget.

Council Member Spears questioned the number of participants when the program was a 50%/50% split years ago. He requested a report back prior to the vote taken.

Council Member Gulley urged the Council not to support the motion that was on the Floor. He indicated he felt this would be a major step backwards, would not be efficient, and he was concerned about the impact it would have on property owners in his District.

Council Member Spain stated approximately 18 months ago, the Sidewalk policy was changed for low income households to be able to participate in a sidewalk program at 90% and he requested that the Report Back include how the proposed change to 50%/50% would impact those low income households. He suggested this motion be deferred until the questions could be answered.

Council Member Jacob also requested that the Report Back include the number of feet of sidewalks installed for residential versus businesses.

Council Member Gulley moved to defer the vote on the advisory motion to adjust the Sidewalk Assistance Program and the SINR Program to a 50%/50% split, which should be reviewed on a year to year basis, for two weeks until the September 22, 2009, Regular City Council Meeting until the Report Back could be prepared; seconded by Council Member Riggerbach.

Approved by roll call vote.

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

Nays: Sandberg - 1.

Council Member Spain referred to the Economic Development Department's reductions and he expressed concern that they had cut 27% from their Budget. He said he felt these reductions would affect the City's ability to compete with other cities to attract businesses and he felt this was the wrong strategy to use at the worst possible time. He urged the Council to look for other solutions to the 2010 Budget deficit.

Mayor Ardis indicated he agreed with Council Member Spain in that a focus should be placed on the retention and growth of local businesses. He added this could possibly be an area that would be impacted by restructuring government at some point in the future.

In discussion regarding the proposed elimination of one position in the Economic Development Department, Council Member Jacob expressed concern regarding the 27% in reductions and he said he felt it was premature at this time.

Following further discussion, Council Member Spain moved for an advisory motion to remove the elimination of the of the Development Specialist position from the list of proposed reductions, in the amount of \$51,383.00; seconded by Council Member Jacob.

Approved by roll call vote.

Yeas: Gulley, Irving, Jacob, Montelongo, Riggerbach, Spain, Turner – 7;

Nays: Sandberg, Spears, Van Auken, Mayor Ardis - 4.



In discussion with Council Member Irving regarding adjustments to snow routes, Director Barber explained there were currently 27 snow routes and depending on the results of the VSI, several routes would be added to other routes, which would add response time. He said final adjustments to the plan had not yet been made.

Council Member Irving expressed concern there did not seem to be any right-sizing in the Public Works Department. He urged the Administration to look for ways to reduce their Budget to meet the overall 2010 Budget obligations.

Council Member Spears requested a Report Back regarding plans for 2010 projects and the use of consultants or engineering firms for jobs that could be performed in-house. He said personnel with this expertise should be retained and Federal money should be utilized to assist with their salaries. He requested that the Report Back determine where City Staff could be utilized.

Director Barber stated the Council had not discussed which projects would be eliminated from the CIP Budget for 2010, so it would be difficult to report back with the information requested. He said he could provide a guideline, but he could not provide complete information until reductions to the list were made.

Mayor Ardis requested information from Director Barber regarding his potential thoughts regarding how the Public Works structure could be changed for on-going savings.

In discussion with Council Member Irving regarding the Seal Coat Program for 2010, Director Barber confirmed the entire program was proposed to be eliminated in the 2010 Budget. He said his Department would not hire 33 temporary employees in the summer, if the program was eliminated, and would save \$860,000.00.

Director Barber explained the Public Works Department was down 28 employees since the year 2000. He said the maximum need for Staff during the year was for snow removal, and if any additional Staff reductions were made, there would be a significant problem in meeting those obligations. He said there was little remaining for structural changes. He further stated the Department was already hurting due to personnel cuts and this was the reason no structural changes had been made to the Department.

Following further discussion, Council Member Van Auken moved to direct Staff to proceed with the advisory motions as outlined and to receive and file the Report from Staff Outlining Potential Reductions to the FY2010 Projected Budget; seconded by Council Member Turner.

Approved by roll call vote.

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

Nays: Sandberg - 1.

**B. Communication from the Interim City Manager and Acting Director of the Human Resources Regarding a REPORT BACK on the CITY COUNCIL'S REQUEST Regarding FURLOUGHS as a COST SAVINGS OPTION for the BUDGET, with Request to Receive and File.**

Acting Director of Human Resources Kimberly King gave a brief overview of the Council communication regarding furloughs. She explained the most significant reason behind a recommendation not to incorporate furloughs was based on the number of lawsuits filed against Cities and States around the country. She said furloughs were a mandatory bargaining subject and municipalities had failed to engage in those kinds of negotiations with represented employee groups before furloughs were initiated.

In discussion with Council Member Jacob regarding a possible furlough program, Acting Director King explained the organization could determine that furloughs would be workable in one bargaining unit versus another. She said there was a risk that one bargaining unit may have more representation than another and there could be litigation from the units that were more impacted by the furlough determination. She also confirmed that there was no furlough language in any of the current bargaining unit contracts, but she said it could be negotiated with conditions in the future.

Council Member Jacob stated he did not feel the issue of furloughs should be removed from the Table until it was explored further.

Council Member Irving stated the City of Chicago conducted a "No City Services Day" recently and they shut down their entire government for a day, with the exception of Police and Fire services. He questioned if the City of Chicago was involved in any kind of litigation regarding this decision.

Acting Director King stated the City of Chicago had performed a good faith negotiation process with each of their bargaining units prior to the furlough being instituted. She said the Mayor and City Council had proposed this to be the only option available to them in their financial situation.

Council Member Riggenbach urged the bargaining units to consider assisting in the budget process as proposed. He said the Council would be making some very difficult decisions and the City was in "uncharted waters," and this economy was hitting many citizens in ways never expected.

Following further discussion, Council Member Gulley moved for an advisory motion to continue to look at furloughs; seconded by Council Member Van Auken.

Council Member Van Auken offered a friendly amendment to direct Staff to engage bargaining units in discussions on implementing furloughs. Council Member Gulley accepted the friendly amendment.

Motion for an advisory motion to continue to look at furloughs and to direct Staff to engage bargaining units in discussions on implementing furloughs was approved by roll call vote.

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

Nays: None.

**C. Communication from the Interim City Manager Regarding a REPORT BACK on COUNCIL MEMBER SPEARS' REQUEST Pertaining to SHARED SERVICES with the COUNTY of PEORIA, with Request to Receive and File.**

Pages 3 and 4 of the City – County Cooperation Matrix was distributed to all members of the City Council.

Interim City Manager Henry Holling said the report was intended to be supportive of Council Member Spears' and Council Member Jacob's initiative in their City-County Cooperation Task Force. He stated the discussion between the leadership of the City and County was ongoing. He said this was an opportune time to be exploring some of these initiatives, but he reminded

the Council, some of these things would take time to explore and implement. He said this needed to be conducted carefully, but could not be conducted quickly. He urged the Council to review the matrix outlining the shared duties already performed between the County and City.

Council Member Spears moved to receive and file the Report Back pertaining to Shared Services with the County of Peoria; seconded by Council Member Van Auken.

Council Member Spears requested that a report be provided to Council on a regular basis so the progress could be monitored. He stated this would lead the Council to the next steps in the process

Council Member Spain questioned what the next steps would be. He said many suggestions showed promise, but some would obviously take years. He stated there were some areas that were noted as not suitable for cooperation, but he felt the Council should have a better understanding regarding these issues so solutions could be found.

Council Member Riggenbach stated he concurred with Council Member Spain's comments and he said he would like a map regarding the next steps in the process.

Council Member Spears said Council should begin by asking questions when the City made purchases relating to equipment to determine if the equipment could be compatible with the County's equipment or processes. He said he felt it was important to ask the questions when purchases were being made.

Council Member Jacob stated there needed to be a sense of urgency in this matter and the current financial situation would bring that urgency forward. He said the City needed to begin moving on this soon to make a difference and combine the services where appropriate.

Mayor Ardis said the Council had identified specific targets that the new City Manager would be expected to achieve in a certain period of time that would be discussed with him in the first weeks of his employment. He stated there was a consensus of the Council that one priority the new City Manager would be addressing was the restructuring of City government over a period of time.

Motion to receive and file the Report Back pertaining to Shared Services with the County of Peoria was approved by roll call vote.

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

Nays: None.

**D. Communication from Interim City Manager and Finance Director/Comptroller with Request for the City Council to PROVIDE DIRECTION to STAFF Regarding the RESTRUCTURING of OUTSTANDING DEBT.**

Interim City Manager Henry Holling commended Finance Director/Comptroller Jim Scroggins for his efforts during the 2010 Budget crisis. He pointed out the City and Council was very well served by having Director Scroggins in the position he held and there was no one who felt the somberness of the situation more than Director Scroggins. He commended Director Scroggins for his expertise in these matters.

Finance Director/Comptroller Jim Scroggins said he discussed the City's financial options with members of Speer Financial and other financial institutions and some of the options outlined in the Council communication were options that had never been discussed prior to these times.

Finance Director/Comptroller Scroggins provided an explanation of each option as outlined in the Council communication.

Council Member Van Auken moved to concur with the recommendation to issue taxable bonds to pay Illinois Municipal Retirement Fund (IMRF) the remaining amount due on the IMRF Early Retirement Incentive offered in 2002 – 2003 saving an estimated \$600,000 over the next four years; seconded by Council Member Riggensbach.

Approved by roll call vote.

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

Nays: None.

Council Member Van Auken moved to concur with the recommendation to use the \$798,000 bond premium to pay a portion of the debt service requirement for 2010 and to re-allocate the property tax levy in the amount of \$798,000 from the General Obligation Library Bond property tax levy to the General Fund property tax levy; seconded by Council Member Turner.

Approved by roll call vote.

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

Nays: None.

Director Scroggins referred to the restructuring of January 1, 2010, debt service payments funded with utility taxes and he explained there was a cost involved at the end, but it would provide \$1.5 million for next year, which would provide the City with additional time to make a better decision in the future. He said he would not recommend doing this every year, but it was a useful tool in a poor economy. He stated other communities around the State were restructuring in this manner.

Council Member Van Auken moved to provide cash relief for the next fiscal year, due to the current state of the economy, by restructuring the January 1, 2010, debt service payments funded with utility taxes to extend these payments over a longer period of time; seconded by Council Member Turner.

Council Member Sandberg expressed concern that the proposal would extend the borrowing of money, which he said he opposed.

Council Member Riggensbach stated he agreed the cost was reasonable in the restructuring of the debt and he spoke in support of the motion.

Council Member Spain stated he would support the motion with the understanding that discussions would continue regarding this issue.

Motion to provide cash relief for the next fiscal year, due to the current state of the economy, by restructuring the January 1, 2010, debt service payments funded with utility taxes to extend these payments over a longer period of time was approved by roll call vote.

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

Nays: Irving, Jacob, Sandberg - 3.

In discussion with Mayor Ardis, Council Member Spain referred to a recent Civic Center Authority meeting he attended and he stated the Civic Center had reviewed their proposed wage increases and discontinued their plan for 2% wage increases for their employees. He said the decision was based on the fact that assistance and participation was expected throughout the community and to operate on a level playing field with the City. He stated in two weeks, he would be coming back with additional savings the Civic Center would be prepared to make to assist the City in their Budget deficit.

**E. PUBLIC COMMENTS Regarding the FY 2010 BUDGET.**

Hearing no objections, Mayor Ardis granted Privilege of the Floor to those who wished to address the City Council regarding the FY 2010 Budget.

Paul Wilkinson, President of Altamount Park Neighborhood Association, stated his neighborhood association planned to return the money allocated to them for their newsletter to be used by the City in other ways. He said he understood it was a small amount of money, but the neighborhood association wanted to show their support to the City of Peoria. He expressed concern regarding the proposed reduction of services by the Police Department, especially the NEAT Team. He added that public sidewalks needed to be repaired to enhance neighborhood streets.

General Parker, a Peoria resident, expressed his appreciation for the Council's support of the City's Economic Development Department. He spoke in opposition of a reduction in City Staff and he urged the Council to raise taxes or use their reserves to address the Budget deficit.

**NEW BUSINESS**

**ANNOUNCEMENT Regarding the UPLANDS 100<sup>TH</sup> ANNIVERSARY PICNIC**

Council Member Van Auken invited the public to attend the Uplands 100<sup>th</sup> Anniversary Picnic that would be held at Bradley Park on Saturday, September 12, 2009. She said the City would be presenting the Uplands with a plaque to commemorate the event.

**DAY OF REMEMBRANCE – SEPTEMBER 11, 2009**

Council Member Jacob asked that everyone remember those lost on September 11, 2001.

**CITIZEN REQUESTS TO ADDRESS THE COUNCIL**

**(09-445) 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.

Vin Glover, a Peoria resident and a Member of the Mayor's Litter Committee, invited the public to participate in a clean-up day to be held on September 11, 2009, from 3:00 P.M. until 5:30 P.M. to begin at the intersection of Greenlawn Street and Park Street.

**EXECUTIVE SESSION**

- (09-446) **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, 2(c)(11) Litigation, when an action against, affecting, or on behalf of the particular public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that such an action is probable or imminent; 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 Jacob moved 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, 2(c)(11) Litigation, when an action against, affecting, or on behalf of the particular public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that such an action is probable or imminent; 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 Montelongo.

Approved by roll call vote.

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

Nays: None.

**ADJOURNMENT**

Council Member Sandberg moved to adjourn the City Council Meeting; seconded by Council Member Irving.

Approved by viva voce vote.

The City Council Meeting adjourned at 9:15 P.M.

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

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