

# POST COUNCIL BRIEFING

*For the meeting of 06/13/2016*

## *Agenda Items Comments/Questions/Concerns*

- ❖ Councilman Luft asked why he didn't know what was included in the line items in the School Bus budget. He was not at the budget meeting when the School Bus budget was discussed and he made no requests for information during the budget discussions.
- ❖ Mrs Witzig questioned an invoice paid on the City Debit Card. The invoice was paid by HUD and was for the Bridges Out of Poverty initiative for materials to be used at meetings scheduled for 6/29/16 and 8/30/16. We have one debit card that is used only when the visa card is near the monthly limit. This happens rarely, but with more training events requesting online registration and payment, it does get used occasionally.
- ❖ Mr Witzig noted the fact that the City owns 189 properties. Most of those are the small portions of property that were purchased for right of way along Veteran's Drive. The average size of those properties is .3273 acres.
- ❖ Real Estate Tax exemptions have been handled by several different people over the years due to attorney and staff changes. The Sabella property was used as rental property, for several years, because the Economic Development Director at that time had a project planned for the area. If the City generates revenue from the property it is not exempt. The City has been reviewing these property over the past six months and has already made some requests for exemptions at the Assessor's office.

## *Agenda Items – Regular Business*

- ❖ **Item 9.1 Scenic River By-way** Council member Luft asked about the contributions to the By-way and PACVB in the past. In 2016, the City paid \$5,000 to the Illinois Scenic by-way, and \$25,000 to the PACVB (Peoria Area Convention and Visitors Bureau). Grant applications were not completed for those item requests.
- ❖ **Item 9.2 Verizon contract for cellular phone contract addendum** Ty Whitford, any member of his family and Jon York and any member of his family do not work for AdvanceTec. Any extra phones or upgrade phones received would be held in inventory by the IT department. The phone/radio system will allow for conversation with more than one person at a time. The City is in contract with Verizon under the joint bid process through the State of Illinois.
- ❖ **Item 9.4 GovHR GovHR** will be in town on June 27 & 28 to discuss the City Manager search with Council Members.
- ❖ **Item 9.5 Jurisdictional Transfer** Councilman Orrick asked if the City was still receiving money from Cincinnati Township. We do receive a share of tax revenue from both Cincinnati and Pekin Townships for maintenance of streets within their jurisdiction.
- ❖ **Item 9.9 Storm Water Consultant** City street sweeping was discussed. The street sweepers run every day weather permitting. Regular hours sweeping: 2029.5 hours: hauling & sweepings= 1,199, overtime hours=20 (downtown is

swept at night). There is sediment in the sweepings. Personnel cost for sweeping annually is \$95,376.19. Sweeping is only one part of storm water maintenance.



### ***Council Member and Staff Comments/Questions/Concerns***

- ❖ Seico had not billed the City for the cost of cameras as of Monday night's meeting.
- ❖ The issue with Councilman Golden's recycling has been resolved.
- ❖ In answer to concerns regarding the hospital loan, Jim Wolf wrote the following:

There are two points that need to be clarified and I am relying on a portion of my response to the accuracy of the Pekin Times June 11 article.

1) The original construction costs without completion of the entire third floor was expected to cost less than the \$12,797,313 capital requirement threshold. When the bids for the project came in at less than originally expected (don't know what that amount was), the Hospital Board voted to proceed with completion of the third floor as the cost in the future would certainly be higher. My guess is that the Board made a good business decision to move forward with the 3<sup>rd</sup> floor completion. In any event with the change in plans for the 3<sup>rd</sup> floor, the threshold amount was exceeded, thereby necessitating the Certificate of Need process and hearing. I believe the Hospital Board made a wise decision.

2) The second point deals with the question as to who if any at the City is reviewing loan requests relating to the hospital loan. There were 4 sets of attorneys who drafted the various agreements to provide a clear path of checks and balances both in the construction process as well as the loan payouts. Here's how it works. The contractor completes various stages of construction and submits invoices and certificates to the bank for approval. Prior to submission to the bank, the architect reviews all the documents and the actual physical construction work completed. The architect then provides the bank with a certificate of approval authorizing the payout to the contractor. The bank loan officer reviews the documents submitted and if there is no questions from the bank's standpoint forwards those documents to me at the City. I also review the documents for any obvious questions and if there is none I respond back to the bank loan officer my approval (I will refer any questions first to the City Engineer for clarification). The bank loan officer will then forward all documents on the Title Company who insures that there are no outstanding liens on the project. Barring any liens the Title Company will authorize the loan disbursement to the contractor. The important point to understand is that with the agreements in place, the City cannot disturb or withhold payment to the contractor provided the appropriate steps are being taken.

I hope that accurately explains how the hospital loan is being handled.

As a side note, the contractor's seek inspections by City Inspectors at various stages along the project and depending on

the payout schedule, some of those inspections will be required at different points along the payout schedule.

- ❖ The minutes from the budget meeting are now available.
- ❖ The request for information about North Pekin did not have a date attached to the request and Mike Guerra and Sarah have met about the issue and are continuing to provide resolution with North Pekin.

Respectfully submitted,  
Angie Evans, Asst Finance Director