

***Proceedings of the Council of the City of Joliet, Illinois
held on the 16th day of November, A.D. 2009***

PRE-COUNCIL MEETING of the Council of the City of Joliet, Illinois held on Monday, November 16, 2009 at 3:30 P.M. in the Council Chambers, Joliet Municipal Building, 150 W. Jefferson Street, Joliet, Illinois.

ROLL CALL

PRESENT: MAYOR PRO-TEM ANTHONY UREMOVIC and DISTRICT 4 COUNCILWOMAN SUSIE A. BARBER, DISTRICT 2 COUNCILMAN TIMOTHY M. BROPHY, DISTRICT 5 COUNCILMAN WARREN C. DORRIS, COUNCILMAN AT LARGE THOMAS C. GIARRANTE, COUNCILWOMAN AT LARGE JAN QUILLMAN, DISTRICT 1 COUNCILMAN JOSEPH R. SHETINA and COUNCILMAN AT LARGE MICHAEL F. TURK.

ABSENT: MAYOR ARTHUR SCHULTZ.

ALSO PRESENT: CITY MANAGER THOMAS A. THANAS and CORPORATION COUNSEL JEFFREY S. PLYMAN.

The City Manager asked for the Mayor and Council's indulgence in moving several items up on the agenda due to the presence of interested individuals.

The City Manager explained Council Memo #1010-09 dealing with a Neighborhood Stabilization Agreement with the Housing Authority of Joliet for the Conveyance of 205-207 S. Joliet Street and 1112 Nowell Avenue. He said the Housing Authority will build a new single family home on the Joliet Street site and rehabilitate the house on Nowell Avenue with both properties to be utilized as rental housing for low-income households. He said funding for the construction and rehab will come from the \$3.5 million that the City received from the Federal Government for the Neighborhood Stabilization Program.

Attorney Eric Hanson, representing the Housing Authority, was present to respond to questions.

COUNCILMAN SHETINA asked how do we segue into the Housing Authority with this.

Director of Community and Economic Development Jim Haller stated of the \$3.5 million we received from the Federal Government, 25% of that has to go to benefit low and very low income people. He said the Housing Authority deals with that population class and can help us in meeting that requirement. He said they did such a good job with the Liberty Meadows Subdivision that this was kind of an extension of that off-site, and they are fully capable of doing it.

It was requested that this item be voted on today.

1. A RESOLUTION Authorizing the Execution of a Neighborhood Stabilization Program (NSP) Agreement Between the City of Joliet and the Housing Authority of Joliet for the Conveyance of Property Located at 205-207 S. Joliet Street and 1112 Nowell Avenue was presented and read.
(Council Memo #1010-09)

COUNCILMAN DORRIS moved that said Resolution be adopted.

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Motion seconded by COUNCILWOMAN QUILLMAN.

Motion carried by the following vote:

AYES: COUNCILMEN BROPHY, DORRIS, GIARRANTE,
COUNCILWOMAN QUILLMAN, COUNCILMEN SHETINA, TURK and
MAYOR PRO-TEM UREMOVIC.

NAYS: NONE.

ABSTAIN: COUNCILWOMAN BARBER.

Prior to his vote, COUNCILMAN BROPHY stated he thinks it's a smart use of taxpayer money to partner with an agency such as the Housing Authority that can take quick advantage of the program and he then voted aye.

Prior to his vote, COUNCILMAN DORRIS stated this is a great program and keep up the good work. He said the Chairman of the Housing Authority Board is Councilwoman Barber and they're doing a good job and he then voted aye.

Prior to his vote, COUNCILMAN GIARRANTE asked how much have we used out of the \$3.5 million.

Mr. Haller said we've spent well over half and the good news is that we're getting our money back from HUD very, very quickly so the City is not out the money for very long when we do something like this.

Prior to her vote, COUNCILWOMAN QUILLMAN said she would echo the comments of COUNCILMAN DORRIS and she also votes aye.

Prior to his vote, MAYOR PRO-TEM UREMOVIC stated Henry Morris and the Housing Authority do a great job and the City thanks them. He then voted aye.
(RESOLUTION NO. 6316)

The City Manager then explained Council Memo #1003-09 dealing with a Variation of Use to Allow the Continuation of Two Single-Family Residential Structures on One Lot at 162 Ruby Street. He said the ZBA recommended approval, but staff is recommending denial of the petition because of the continued intermittent use of the second unit despite denial of the previous petition in 1996. He said the owner is requesting that this petition be tabled for two weeks.

Attorney Roger Rickmon was present on behalf of the petitioner.

COUNCILWOMAN QUILLMAN said we didn't get the minutes of the ZBA meeting and she noticed that it was supposed to be denied, however they approved the petition and she's wondering if they actually understood what the motion was. She said reading through this it said there were many letters and the neighbors protested it and it had been an illegal two-unit and yet it passed. She said she would like those minutes and she is wondering why it was passed by the Zoning Board.

The City Manager said his packet has the minutes following the ordinance. He said we'll certainly reissue those minutes and we can get some more detail from the minutes of the meeting and provide that if this is tabled today.

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COUNCILWOMAN QUILLMAN made a motion to table this petition until the next Council meeting.

Mr. Rickmon stated he is requesting that the Council table this because the one complaint in the file was from Father Chris Groh of St. Mary Nativity and we have tried to get a meeting with him but he has not been available. He said there are six houses behind the church and we want to sit down and talk with Father Groh to make sure that this is the house that he has complaints about.

COUNCILWOMAN QUILLMAN withdrew her tabling motion.

Mr. Haller said there was confusion from the ZBA because they kept focusing on the items from Neighborhood Services that needed to be corrected and some of them were under the assumption that if the violations were corrected then everything will be OK, but the fact remains it's a very small lot that doesn't have a lot of parking and to put two units on this very small lot is what we need to deal with. He said it was denied by the ZBA in the 1990's. He said there was some confusion amongst the ZBA members.

COUNCILWOMAN QUILLMAN said no disrespect to the Zoning Board, but maybe they need to be re-educated on something like this because she's reading through this and to her it was very simple that it should be denied. She said it was totally illegal and after the complaints it was still blatantly continued to be used.

COUNCILMAN SHETINA said there is a referral here in the ZBA minutes about a court decision to be made and he asked what is pending in court.

Mr. Haller said we had them in court to talk about the property maintenance issues and that didn't deal with the density question before the Council.

COUNCILMAN SHETINA said the buildings have been there for 60 or 70 years.

Mr. Haller said the problem was it appears that the garage was illegally converted at some point in time into a living unit. He said the consequence of that is that this is a very, very tight spot and they had to pave over the front yard for parking because there's insufficient parking on the side and a very narrow driveway to the west and there is no easy ingress or egress from the back unit. He said he doesn't know if they paved the front with permission or not but when this was asked to be made permanent back in the 1990's it was denied.

COUNCILMAN SHETINA asked if they're going to have to knock down the house if the petition is not approved.

Mr. Haller said they could use that back unit as it was originally intended as a garage or storage with one family living in the front.

COUNCILMAN GIARRANTE said it states that staff also encountered neighborhood opposition but yet it also says no one appeared in opposition to the petition.

Mr. Haller said he thinks we've had complaints over the years due to the size of it but nobody was there to physically complain about it at the time of the public hearing.

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COUNCILWOMAN QUILLMAN said this petition was denied in 1996 and yet it was continued to be used as an illegal two-unit in spite of the neighborhood opposition back then. She said the City Administration is recommending denial so she thinks this should be denied.

COUNCILMAN BROPHY asked if there are occupants in the back building.

Mr. Rickmon said presently there is not. He said it was being used by Mr. Alessio Baldima and his daughter was living in the back when the lawsuit was filed by the City to abate the use. He said there was some discussion between legal counsel and himself on whether it's a pre-existing, non-conforming use but they have moved her out into the front house and it has been vacant since this process has started.

COUNCILMAN SHETINA asked what is the actual request of the petitioner.

Mr. Rickmon said he had asked the Council to table it so they could sit down and talk to Father Chris to see for sure if the complaints he has should be attributed to this house or to the other houses behind the church.

COUNCILMAN GIARRANTE said the back garage used for residency is illegal and they have moved out of there.

Mr. Rickmon said they're presently occupying it but it's not clear whether this was built as a garage or as an add-on. He said it's been used for a residential use for a long time.

COUNCILMAN GIARRANTE said that doesn't make it legal though.

Mr. Rickmon said he thinks it was legal before the City's ordinances. He said this goes back to the 1940's according to some reports and some of the neighbors.

COUNCILWOMAN QUILLMAN said you say that you're not sure whether Father Chris knows that's the right property, but in his letter he gives the correct address and that he was not able to attend the hearing back then and that he would ask the members of the Zoning Board to deny because it's been in violation of our zoning ordinances. She said in 1996 it was denied by the ZBA and was continued to be used as an illegal two-unit even though the petition was denied then. She said that is a blatant violation of our laws. She made a motion to deny the petition.

COUNCILMAN DORRIS seconded the motion.

COUNCILMAN SHETINA asked what the denial constitutes.

The Corporation Counsel said the principle reason why it doesn't conform to our Zoning Ordinance is that under our current rules, it is not permitted to have two dwelling units on a single lot. He said every lot is allowed to have one dwelling unit unless it is a multi-family zoning category where you have one structure with multiple units within it. He said here you have two main houses and even though one is called a garage, it really has a separate housekeeping unit so it doesn't violate it's zoning category, it violates a subsidiary rule that there can't be two detached, single-family homes on a single lot. He said that's why someone back in the 1990's attempted to clean up the zoning of the property, perhaps in

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association with a sale, and it was turned down by the ZBA. He said from his reading of the Council Memo it looks like the property, after the ZBA denied it, was brought into compliance and there was proof in the City directory that there was only a single family residence there and then he thinks the use fluctuated since that point until Neighborhood Services most recently confirmed that there were two units and that the rear unit was once again occupied. He said that raises the question again and the owner is entitled to raise the question again about whether or not it would be appropriate to allow the second detached principal dwelling unit on the property. He said that is the question that is before the Council.

COUNCILMAN SHETINA said it is not unprecedented to have two houses on one lot in Joliet by any stretch.

The Corporation Counsel said because it's such an old community, Joliet has several of these properties, especially on the near west and the near east side of town where it was very common for a lot owner to build a second unit for related living and then over the years the related living unit became just a separate apartment or separate principal dwelling unit and that's what we have here.

COUNCILMAN BROPHY asked who are the occupants of the home at this moment.

Mr. Rickmon said the front home is occupied by Mr. Baldima and his family and the apartment in the back had been occupied by his daughter and her husband. He said the back unit has not been occupied since August or September.

2. Ordinance re: A Variation of Use to Allow the Continuation of Two Single-Family Residential Structures on One Lot Located at 162 Ruby Street (#2009-54/Dist. #4)
(Council Memo #1003-09)

COUNCILWOMAN QUILLMAN moved that said petition be denied.

Motion seconded by COUNCILMAN DORRIS.

Motion carried by the following vote:

AYES: COUNCILMEN BROPHY, DORRIS, GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMEN SHETINA, TURK, COUNCILWOMAN BARBER and MAYOR PRO-TEM UREMOVIC.

NAYS: NONE.

Prior to his vote, COUNCILMAN BROPHY stated he is going to vote no at this time, he doesn't have enough information and it appears to him that we are a little bit confused on what we've allowed in the past 13 years.

Prior to her vote, COUNCILWOMAN QUILLMAN said she is going to vote aye but she thinks that we should follow up on these inspections when we get a chance because this was denied in 1996 and yet it continued to be a two-unit illegally and that's some revenue we could bring in, so she is going to vote aye to deny.

Prior to his vote, COUNCILMAN SHETINA said he would normally vote to deny but there has been enough confusion here to not satisfy his concerns. He said he doesn't know whether it's right or wrong but in the face of the City's mandate to vacate and then still having a lot of unanswered complaints by the City staff,

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that bothers him too. He said he would really like to hear what Father Chris has to say and he will vote no on that basis.

Deputy Liquor Commissioner Dan Campus then explained Council Memo #1011-09 dealing with the Denial of an Application for the Issuance of a Class "B" Liquor License at 1736 Essington Road (Indulge Bar). He said Nicholas Demos and David Rico applied for a liquor license to open a bar at this location. He said there was something in one of the applicant's background that triggered a response from the Chief of Police and the Mayor concurred and we're recommending denial. He said Mr. Demos and Mr. Rico are present this evening.

COUNCILMAN SHETINA asked whose background were they referring to that had a problem.

The Deputy Liquor Commissioner said Mr. Demos. He said he is a little reluctant to discuss these types of matters because his agreement with the FBI and the State of Illinois Fingerprint Identification Unit is that he not divulge anything that is in those fingerprint checks.

COUNCILMAN SHETINA said if it's the dialogue in this document that talks about somebody having served a minor and that's the basis for the denial of the new license, we've got probably 50 places in Joliet that have been in business and have served minors and are still in business. He said serving minors could have been him or an employee and he just wants to make sure that's the reason for the denial.

Mr. Campus said that's the reason.

COUNCILMAN GIARRANTE asked if we have taken away the license from any other liquor establishments that have done this.

Mr. Campus said for the sale of alcohol to a minor, no, not to his recollection. He said maybe over a period of time where it was the last straw, but not a one time thing.

COUNCILWOMAN QUILLMAN said this wasn't a one time thing. She said it happened on June 29, 2005 and as most recently as February 19, 2009 once again. She said based on the recommendation of the Police Department and the Liquor Commissioner she would have to move to deny this.

Mr. Demos said he served a minor that he thought he knew and he didn't card her. He said he went to court and it was dismissed.

COUNCILMAN GIARRANTE asked how come it's on the record if it was dismissed.

The Corporation Counsel said some of what we get in the FBI information isn't necessarily public record. He said if the charge was dismissed then the arrest really doesn't mean anything although the gentleman was very honest in indicating what he did. He said the arrest is not proof of conviction or a violation of any law.

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COUNCILMAN BROPHY said we don't see a lot of denials and he asked Mr. Campus if it's standard operating procedure that denials come up for an order.

Mr. Campus said yes, but it's not often that we do it.

COUNCILMAN GIARRANTE said he agrees with COUNCILMAN SHETINA. He said he knows there is a motion on the floor and he doesn't believe it was seconded. He said he would make a motion to approve the license.

COUNCILMAN SHETINA said he would admonish Mr. Demos to be very careful in his store and with his employees. He said he wants to make sure he understands the gravity of this and if this happens again he's sure the Liquor Commissioner will take whatever action he wants to take and that can be a death knell for the business. He then seconded the motion to approve the license.

The Corporation Counsel said under our Liquor Code the Mayor is not authorized to issue a new license which is what's on the floor here unless the City Council first makes a finding that it's in the best interest of the City. He said basically the motion is that it's in the best interest of the City to grant the license as requested.

COUNCILMAN BROPHY asked if the Mayor can still deny the license regardless of our findings.

The Corporation Counsel said he would say that the Council is making a finding that it's in the best interest of the City to issue the license, but that is not tantamount to ordering the Mayor to issue the license and it would still be up to the Mayor.

COUNCILMAN SHETINA said if the Council approves the license and the Mayor refuses to do so, can he be mandated by the City Council to issue the license.

The Corporation Counsel said no, but the applicant would have the right to appeal it to the State Liquor Commission. He said in his opinion, the City Council would have no right to contest that action by the Mayor.

3. A RESOLUTION Adopting the Findings and Concurring in the Recommendation of the Liquor Commissioner and Directing the Denial of an Application for the Issuance of a Class B" Liquor License to Indulge Bar Located at 1736 Essington Road was presented and read.
(Council Memo #1003-09)

COUNCILMAN GIARRANTE moved that the recommendation of the Liquor Commissioner not be concurred in, that the issuance of the license is in the best interest of the City, and that the Liquor Commissioner be directed to issue said liquor license.

Motion seconded by COUNCILMAN SHETINA.

Motion failed by the following vote:

AYES: COUNCILMEN GIARRANTE, SHETINA and TURK.

NAYS: COUNCILMAN DORRIS, COUNCILWOMEN QUILLMAN AND BARBER, COUNCILMAN BROPHY and MAYOR PRO-TEM UREMOVIC.

(RESOLUTION NO. 6317)

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COUNCILMAN SHETINA said the City Council has many times over the years asked the question about rights or responsibilities we have as a Council when it comes to a liquor license. He said he's always been told that we really don't have a lot to say about it and obviously there is more to say about it than we thought. He asked what rights does the City Council have on liquor licenses. The Corporation Counsel said the licensing policy for liquor is a legislative matter and a home rule matter so the City Council has a great deal of latitude in establishing a licensing scheme. He said in the end it is his opinion that the Mayor has to be the administrator of whatever licensing system or scheme is enacted by the City Council because under State law the Mayor is the liquor control commissioner and this Council cannot alter the core powers of the Mayor without a referendum. He said the Council can come up with a method of licensing, how many licenses there are and what types of licenses there are just like any other legislative matter the Council handles. He said in most towns the liquor licensing ordinances are established by the City Council or Village Board and when the Village Board or City Council are done, they give administration wholly to the Mayor. He said 20 plus years ago this City Council modified that rule for Joliet and took away one of the privileges of the Mayor in the administration of the liquor license control ordinance which is that a secondary finding of best interest had to be made by the Council before the Mayor could issue a new license. He said so we've done that, but as far as the categories of licenses, the numeric limits on the number of licenses, hours of operation, operational details like single container sales in package liquor stores, Letter of Credit requirements, penalties for misconduct, just about everything can be handled by the City Council. He said it's just the day to day administration that is a Mayoral prerogative.

COUNCILMAN SHETINA asked if the Council can take any action to overcome the Mayor's denial of a license if the Council wants to approve it.

The Corporation Counsel said the Liquor Code would have to be amended and we'd have to be careful about how that is done because taking away the standard liquor control powers of the Mayor would affect the core power of the Mayor and that may require a referendum.

COUNCILMAN SHETINA said so coming to the Council is a redundancy and it really doesn't have to come to us.

The Corporation Counsel said under our Ordinance every applicant and the Mayor must come to the City Council for a best interest finding before a new license is issued or a transfer of the license which is basically a new license.

COUNCILMAN SHETINA said so we can turn one down but we can't overcome a denial.

The Corporation Counsel said that's essentially correct.

COUNCILMAN SHETINA asked if we still have in place the law that says that we have the right to lower or raise the number of licenses in the City.

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The Corporation Counsel said that's completely up to the City Council as a group and the Mayor also gets a vote in that.

A discussion was held on the Mayor's right to vote and originate motions on any legislative matter.

COUNCILMAN BROPHY said so the Mayor has the independent power to deny, yet this was brought up to the Council for an order.

The Corporation Counsel said if the Mayor would have asked him in advance he would have told him that he has the authority to deny new liquor licenses independently of whatever action the City Council would take, but that would then authorize the applicant to seek an appeal with the State of Illinois under separate statute.

MAYOR PRO-TEM UREMOVIC suggested that a discussion on what the responsibilities and rights of the City Council versus the Liquor Commissioner are should go through a committee.

COUNCILMAN SHETINA said he knows other potential amendments to the Liquor Code have been mentioned and this could certainly be one of those. He said in the past the procedures have changed where sometimes the Council reserves to itself a concurring role in the issuance of some forms of subsidiary licenses like a beer garden license. He said in the past that required Council approval, and not all licenses are like that. He said there are other subsidiary licenses that never come to the Council like the extra hour license. He said the current system is that the Council gets to decide whether or not a new license will be issued and after that the matter is handed off to the Mayor for administration and law enforcement.

COUNCILMAN BROPHY asked where would something appropriately be discussed then; there is no such committee that handles these matters. He said he thinks there has been a request by some operators to have their beer garden open the same hours as their license is so smokers have somewhere to go. He asked where do we discuss those possible changes.

The Corporation Counsel said several committees would have some interest whether it be Land Use or Public Safety. He said there's no real limit on what a committee can consider.

COUNCILMAN BROPHY said he would forward the discussion of the hours of the beer gardens to the Chairman of the Land Use Committee for consideration on the next agenda. He said we could be losing sales tax revenues by sending people home early who choose to sit outside in the summer and can't.

Deputy Liquor Commissioner Campus then explained Council Memo #1041-09 dealing with the Transfer of a Class "B" Liquor License at 2771 Black Road (Hammers).

Mr. Campus noted that there is no recommendation by the Police Chief regarding this license and the one at 674 Meeker Avenue because the database the Police Department accesses to query information on calls for service is currently inaccessible, and the Chief can not accurately make a recommendation regarding the impact these transfers will have on law enforcement.

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4. Transfer of a Class "B" Liquor License at 2771 Black Road
(Council Memo #1041-09)

COUNCILMAN GIARRANTE moved that the transfer of the liquor license be tabled to the November 30/December 1, 2009 City Council meetings due to the lack of a recommendation by the Police Chief.

Motion seconded by COUNCILMAN BROPHY.

Motion carried by the following vote:

AYES: COUNCILMEN BROPHY, DORRIS, GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMEN SHETINA, TURK, COUNCILWOMAN BARBER and MAYOR PRO-TEM UREMOVIC.

NAYS: NONE.

Deputy Liquor Commissioner Campus explained Council Memo #1042-09 dealing with the Transfer of a Class "A" Liquor License at 674 Meeker Avenue (La Consentida Bar). He noted the absence of a recommendation by the Police Chief due to the inaccessibility of the database needed to query information.

5. Transfer of a Class "A" Liquor License at 674 Meeker Avenue
(Council Memo #1042-09)

COUNCILMAN GIARRANTE moved that the transfer of the liquor license be tabled to the November 30/December 1, 2009 City Council meetings due to the lack of a recommendation by the Police Chief.

Motion seconded by COUNCILMAN DORRIS.

Motion carried by the following vote:

AYES: COUNCILMEN DORRIS, GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMEN SHETINA, TURK, COUNCILWOMAN BARBER, COUNCILMAN BROPHY and MAYOR PRO-TEM UREMOVIC.

NAYS: NONE.

The City Manager then went to the beginning of the agenda to explain the remaining items.

The City Manager explained Council Memo #1004-09 dealing with the Levy and Assessment of Taxes for the Fiscal Year Beginning January 1, 2010 for the Park Hill Subdivision Special Service Area. He said the residents asked that this Special Service Area be created to help maintain the detention pond on Lot 60 that services the entire subdivision. He said what each resident will be paying is based on assessed valuation and it ranges from about \$158 to \$237 a year which will generate a total of \$11,540 that will be used to maintain the detention pond and the common areas of the subdivision.

COUNCILWOMAN QUILLMAN asked if the neighbors are OK with this and have been notified of this increase.

The City Manager said everyone was notified of the original proceeding and each person received written notice delivered to their residence plus we had a neighborhood meeting. He said COUNCILWOMAN BARBER was very involved in helping to establish this Special Service Area and at the time it was clear that

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there was sufficient support to move forward and this is the follow up to that decision that was made a few months ago.

COUNCILWOMAN QUILLMAN asked COUNCILWOMAN BARBER if she is satisfied with that.

COUNCILWOMAN BARBER said she thinks we need to have another meeting with the people because she feels they are kind of upset with this.

COUNCILWOMAN QUILLMAN asked if she wants to table this.

The City Manager said another meeting with the residents could be held. He said he believes this estimate is less than what was projected.

Director of Neighborhood Services Alfredo Melesio said the maintenance cost is the same as what had been proposed in the past.

COUNCILWOMAN QUILLMAN asked if the residents knew the cost.

Mr. Melesio said yes, they did receive that.

COUNCILWOMAN QUILLMAN said she agrees with COUNCILWOMAN BARBER that we should probably have another meeting with these folks just to make absolutely certain that they are aware of how much it's going to cost them to maintain this.

6. Ordinance re: For the Levy and Assessment of Taxes for the Fiscal Year Beginning January 1, 2010 for the 2009 Joliet Special Service Area No. 7 - Park Hill Subdivision
(Council Memo #1004-09)

COUNCILWOMAN QUILLMAN moved that this item be tabled to the November 30/December 1, 2009 City Council meetings.

Motion seconded by COUNCILWOMAN BARBER.

Motion carried by the following vote:

AYES: COUNCILMAN GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMAN TURK, COUNCILWOMAN BARBER, COUNCILMEN BROPHY, DORRIS and MAYOR PRO-TEM UREMOVIC.

NAYS: COUNCILMAN SHETINA.

Prior to his vote, COUNCILMAN SHETINA stated we had a long discussion on this and the people were apprised of everything that was going on and he voted no on the table.

Prior to his vote, COUNCILMAN GIARRANTE said he is going to vote to table it but he thinks staff has done everything they can to make these people aware of what the cost is going to be, but in case there are some people out there who haven't been notified, this will give a little more than two weeks to let them know what the cost is going to be and he then voted aye.

The City Manager explained Council Memo #1005-09 dealing with a Variance Agreement with Local 44 Joliet Firefighters which will be distributed for tomorrow's meeting. He said this is a document listing the agreement that the staff has negotiated with the leadership of Local 44 for variances to their existing

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contract. He said Local 44 has a contract through December 31, 2012 and we have spent the last several months negotiating with the leadership for variances to that contract to make adjustments that will allow us to achieve some cost savings in 2010, 2011 and address some grievances that have been filed during 2009.

The City Manager said he is pleased to report that we have reached a tentative agreement that he believes was formally ratified by a large majority vote of the Local 44 membership and are asking for approval tomorrow night. He said changes being made to the existing contract include: 1) 2010 general wage increase of 4% will be deferred until October 1, 2010; 2) 2011 general wage increase of 4% will be deferred until July 1, 2011; 3) Agreement on overtime when there are absences and not incurring additional overtime expense which will save about \$1 million in 2010 and \$700,000 in 2009; 4) A scheduled increase in Kelly Days will be suspended for 2010 and 2011; and 5) Tuition reimbursement benefits will be suspended for 2010 and 2011 which will help achieve about a \$200,000 savings over the two year period. He said these terms will result in a no layoff guarantee for Firefighters for 2010 and 2011.

7. CITIZENS TO BE HEARD

a. Melissa Webb re: Sexual Predator Law

Ms. Webb did not appear at the meeting.

**b. Judy Kreiser and Kathy Garthus re: CenterPoint
Truck Traffic**

Ms. Judy Kreiser of 23656 Vetter Road said her complaint along with the nine families on Vetter Road is with the road conditions due to CenterPoint. She said coming from Vetter Road down Schweitzer and towards Patterson there are deep potholes and along the route drivers have to dodge the truck traffic which forces them to hit the holes. She said the dust gets so bad on Patterson and Laraway people can't see what's coming or the potholes. She said trucks are driving down Vetter Road so fast it's actually dangerous to pull out of your driveway into the road. She said school buses and ambulances also use that road which is dangerous for them. She asked who's going to pay for the damage to cars and their car washes for the people that live around there. She said people park their cars in their driveways and it gets dusty and the cars are being damaged from the abuse going up and down those roads.

COUNCILMAN GIARRANTE said he travels those roads quite a bit and he agrees with most everything she said. He said he knows on Schweitzer just before Vetter there is a real bad spot in the westbound lane and some other bad spots on Schweitzer that were patched, but that's starting to loosen up.

Ms. Kreiser said Vetter Road is better because it's been kept up, but Schweitzer and Patterson Roads weren't made for the truck traffic they're getting. She said they patch every once in a while but every day there are new holes and it's getting dangerous.

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COUNCILMAN GIARRANTE said maybe we could get them to do something about the dust.

Ms. Kreiser said they complain and have complained to the Mayor's office numerous times. She said they checked with Elwood last year and they said CenterPoint wasn't going to do anything to the roads until 2011.

COUNCILMAN GIARRANTE asked if we could find out how soon Patterson Road is going to be open to Millsdale Road. He said they're putting the bridge in on Millsdale and they're also pouring a lot of concrete on Millsdale to the south of Autobahn and that's almost done. He said some of the trucks do travel pretty fast.

The City Manager said he and Public Works Director Jim Trizna meet frequently with the representatives from CenterPoint to talk about this very issue, and we do not disagree with Ms. Kreiser, the roads are in bad shape. He said what we have is a \$2 billion project going on with hundreds of trucks going up and down those roads on a very regular basis. He said all of those roads will be fully improved much like Laraway Road has been improved to a three lane with brand new blacktop, and we will see the same thing happen eventually. He said some will happen in 2010 and some in 2011 and we will continue to work with CenterPoint to try to take care of it in the interim. He said it just doesn't make sense to put new roads in there right now while we've got heavy equipment and trucks and a lot of things getting moved in and out to have it all torn up. He said he knows it's an inconvenience and a danger and the Police and Fire Departments remain fully engaged in this process so if there is an emergency they know how to get there. He said we're very active in letting people know where the road closures will be taking place. He said he and Mr. Trizna are meeting with CenterPoint officials at the site on November 23rd or sooner if possible to try to take care of these complaints.

Ms. Kreiser said that's what was said last time she was at the City Council meeting and nothing improved; the truck traffic is getting worse.

COUNCILMAN GIARRANTE said he has noticed they have patched some holes but unfortunately with all of the truck traffic it doesn't last too long.

Ms. Kreiser said she can't remember the last time they were out patching holes. She asked what they are supposed to do in the meantime.

The City Manager said we'll follow up with CenterPoint and see if we can get some patching done in the interim and try to make it a little bit better. He said it will not be perfect and will take about a year or so before we see considerable progress on those roads because the construction of the 800 acre rail yard will take a full year and there is a lot of truck traffic going in and out.

COUNCILWOMAN QUILLMAN said obviously this is a public safety issue and there are going to be some inconveniences, but we still have to make it safe for the residents that live there so she would like a full report and follow up on the meeting with CenterPoint.

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Ms. Kathy Garthus of 23656 Vetter Road said the grill on her truck was damaged by a big clot of dirt coming off one of the trucks and she distributed pictures of the dust and damage to the roads. She said she has called CenterPoint numerous times and they never call her back but she did get a letter from the lawyer representing CenterPoint threatening her with a lawsuit if she ever calls CenterPoint again. She said that's what happened when she complained.

COUNCILMAN GIARRANTE said the City Manager can address that when he meets with the people from CenterPoint.

c. Bill Guzaski re: Water Quality, Sewer Back-ups and
Detention Pond in Edgecreek Subdivision

Mr. Bill Guzaski of Edgecreek Drive said he is speaking on behalf of the Edgecreek Subdivision Homeowners Association. He said there are three issues they have been discussing with the City and they hope to learn where the City is at in resolving these problems. He said the first item is the sewage backup in the parkway at several locations along Edgecreek Drive. He said last month with the heavy rains Edgecreek was flooded over the top and sewage was spilling out across the curb into the flooded portion of their street which is adjacent to the retention pond. He said they have experienced this backup periodically and presented pictures to the City in March. He said today most of the residents received a notice from the Public Utilities Department for the inspection of their sump pumps and drain tile systems. He said they suspect there are residents in the subdivision who have their sump pumps hooked up to the sewer system because it seems like every time it rains, no matter how much, that's when the problem occurs.

Mr. Guzaski said the second problem they have is the water pressure problem. He said the new tower has been built and the additional water line that they were asking for has been put in place, but people have complained to them that the pressure and flow has not improved and as a matter of fact it has deteriorated.

Mr. Guzaski said the third item is the retention pond and the erosion issue from all of the water runoff of the streets that are paved in their area. He said the soil is being washed away and when they get rain the water is very turbulent. He said the damage that's being done is only going to become more expensive to repair if it's left to continue. He said the water is an attraction to kids which is dangerous. He asked where we are at with these three particular problems.

COUNCILWOMAN QUILLMAN said with regards to the water pressure, that really should be checked with the new water tower but she thought these other issues were supposed to have been taken care of when we talked about them at the March meeting. She asked if there has been no follow up.

The City Manager said he thinks there's been follow up and these are issues that are probably 8 years old and it looks like it's another problem that really never got a final resolution. He said we've tried to resolve all of the problems and some of them have been done. He said he believes the water pressure issue should get itself worked out and when he's talked to the Utilities Department they're still working on some things and they'll probably have to have a meeting at the subdivision to try to address whatever items need to be done in order to get water pressure for everybody. He said this is a subdivision that was approved when we didn't have a requirement for a homeowners association.

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COUNCILWOMAN QUILLMAN asked if we can put some kind of a time limit on this so we can get these folks some answers.

The City Manager asked Mr. Guzaski when he would like to meet and they decided they would have a meeting next week and work through each item.

MAYOR PRO-TEM UREMOVIC asked that the City Manager provide the Council with a written assessment of what's been done so far before this meeting so they are all apprised on how it's moving forward.

Mr. Guzaski said he would like to have something to give to their membership and the other residents so they know the benefits of belonging to the association.

COUNCILWOMAN BARBER said she knows we did a lot of work out there and we know the rain has really been coming down and everybody was getting flooded out. She said she never received any phone calls from anyone about the sewage backup or anything else or she would have been there. She said she did come out the last time they had a lot of water with someone from the Water Department to see what they can do about it and we're still trying to figure it out.

Mr. Guzaski said he knows COUNCILWOMAN BARBER has showed a lot of concern and they met with her and COUNCILWOMAN QUILLMAN in March and showed them some pictures they had. He said it's not something that can be solved easily because he understands the system was never built to handle the kind of water that's in there. He said the question is how is it getting in there and they don't have the authority to do anything about that. He said inspecting the homes to see how they're hooked up is a good step in the right direction.

COUNCILMAN GIARRANTE said he thinks some of the problems are ours but the pond is not our pond, that's the homeowners pond.

Mr. Guzaski said that isn't their pond, they don't own that property.

The City Manager said it's probably still entitled to the original developer and it's probably gone to tax sale, and whoever bought it at tax sale probably never followed up in getting perfected title because there is nothing that can be done with it and it really is a liability. He said we don't allow this to happen anymore, we would need to have an entity in place to maintain this.

COUNCILMAN GIARRANTE asked what can we do about the pond that isn't theirs.

The City Manager said the pond benefits their properties and other residents outside of Edgecreek Subdivision benefit from it also. He said they should be paying for the maintenance of that pond. He said they have no legal mechanism in place to create a pool of money that will help defer the cost of maintaining that pond, that's the problem. He said it could be done on a voluntary basis but it will be like everything else where the 20% or 30% will have to pay for the 80% or 70% of the people who don't really care to be involved even though this benefits them and will help their property values ultimately. He said it's just a fact of life and the only way is through a Special Service Area, but there's this feeling that the City is now foisting another tax increase on property owners and that's the hard part to explain to the residents when we say we're doing this because there is no HOA to take over the maintenance of this pond.

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Mr. Guzaski said it's all voluntary so out of 83 homes, it's the same people who mow the grass and clean up the garbage. He said he doesn't see how they can do anything independently of the City.

COUNCILWOMAN QUILLMAN commented that it could still be owned by the original developer.

The City Manager said it probably could be.

COUNCILWOMAN QUILLMAN asked if we can find out if he still owns that and could we maybe get him to donate that to the Edgescreek homeowners and they could go to the homeowners and work something out that way.

The City Manager said it would be a little difficult because he thinks the original developer has passed away and he's sure this did not pass in his estate and it's probably a piece of property that nobody wants, it's abandoned property.

COUNCILWOMAN QUILLMAN asked how could we acquire it then.

The City Manager said the City could acquire it if the Council wanted to make that policy decision but we would be opening ourselves up to a lot of responsibility. He said ideally if we were to get involved it would have to be with the cooperation of the homeowners and with 50% or 60% or 70% of the owners in that subdivision saying please give us an SSA, acquire the land, convey it to this voluntary HOA that we're willing to form. He said we can map out a process for doing that but it's expensive and we need to make sure that we're not going to have these meetings where they're coming back to us saying why are you taxing us this special tax.

COUNCILWOMAN QUILLMAN said her suggestion would be to maybe run that by the homeowners and see if that would be something they would want to do and then perhaps get that acquired as part of Edgescreek.

Mr. Guzaski said they have people who don't want the liability, it's not the question of the maintenance.

COUNCILWOMAN QUILLMAN asked Mr. Guzaski what he wants the Council to do then, she's at a loss here.

Mr. Guzaski said first of all he doesn't want somebody to drown, but as far as living with the weeds in the center he could live with that and they'll continue to cut the grass around the outside of it. He said he doesn't have the solution.

COUNCILMAN GIARRANTE said as far as the pond can we find out who owns it and somehow get them to take care of it, is that possible.

The Corporation Counsel said we could certainly find out who owns it. He said he doesn't believe taxes have been paid on the property for about 20 years. He said it's abandoned and perhaps it's in his estate. He said we should investigate it but we should be prepared to conclude there really is no easy answer to it other than what we concluded in Park Hill; that's the only way to stabilize the situation.

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COUNCILMAN GIARRANTE said as far as a child drowning nobody wants that but the City of Joliet has retention ponds throughout the City and he asked the Fire Chief how many rescues have we made out of the ponds over the last two years.

The Fire Chief said their primary water rescues have been at the creek at Pilcher Park. He said he can't recall any recent calls to ponds.

COUNCILMAN SHETINA said we need to find out what it would cost to cure their problem. He said it's not going to get done unless the City participates financially. He said obviously we did not do our due diligence when we approved the subdivision or else something happened after the presence of the subdivision and now there are problems that we can't address through the homeowners. He said it's going to end up in our lap no matter what happens and the City needs to participate in it. He said we have enough engineering experience to figure out what it's going to cost and let's do that with both cases and see where we go, that's his opinion.

The City Manager said if the consensus of the Council is for us to get a cost estimate of what it will take to fix the problem, we'll do that and bring that back and then we can invite Mr. Guzaski and his neighbors and figure out where we go from there.

A five minute recess was then held and the meeting reconvened at 5:45 p.m.

8. REVIEW OF PROPOSED 2010 BUDGET

The City Manager began the budget review by stating that we've gone through a very comprehensive process of trying to address revenues and expenses, and everyone is aware of the accomplishments that we've made through the year as far as reducing a lot of the expenses, so he won't reiterate those, but there is one item that will be addressed and that deals with an article in yesterday's newspaper that made it sound as if we were increasing the budget, and that's not the case. He said we want to make sure that's crystal clear, this isn't a situation where we're growing the budget and at the same time asking for a tax increase.

FOUR YEAR PLAN SUMMARY – NOVEMBER 2008

Director of Management and Budget Ken Mihelich explained a slide of the four year plan summary from November 2008 which showed a projected cumulative deficit of \$67 million in 2012. He said that projection was done at a time when it was business as usual and before any cuts were made.

2010 FOUR YEAR PLAN SUMMARY – NOVEMBER 2009

Mr. Mihelich explained this summary which projected a \$17 million deficit in 2012. He said some progress has been made and some of that is incorporated in the budget. He said there's also some revenue enhancements in there as well as some further expense reductions. He said the proposed budget for 2010 reduces that 2012 deficit from \$67 million to \$17 million, assuming the budget is approved as proposed, which is certainly something that needs to be discussed thoroughly.

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OVERALL BUDGET COMPARISON

Mr. Mihelich said there was an article in the newspaper recently that the total 2009 budget of around \$260 million was going up to about \$278 million, or an increase of about \$18 million, and that isn't really the case, it's more of a re-budgeting factor of several reserve accounts that is creating that. He explained the six fund types including General Taxing Funds, Gaming Fund, Water and Sewer Funds, Motor Fuel Fund, Parking Meter Fund and Other Funds and a comparison of the 2009 original budget, the 2010 City Manager recommendation and the resulting change.

TAXING FUNDS – EXPENSE COMPARISON

Mr. Mihelich explained the comparison of expenses in the 2009 original budget, the 2010 City Manager recommendation and the change from 2009 to 2010 which resulted in an increase of about \$9 million.

Mr. Mihelich noted that the following funds had decreases from 2009 to 2010: Police Protection, Emergency Management, Vehicle Road and Bridge, Street Lighting, Bicentennial Park and Illinois Municipal Retirement.

Mr. Mihelich explained the increases in Fire Protection, School Crossing, Fire and Police Pensions.

GENERAL CORPORATE – EXPENSE COMPARISON

Mr. Mihelich explained a breakdown of the increase of almost \$13 million to the General Corporate Fund. He said this breakdown is really what is creating the appearance of there being extra money, when there actually is not. He explained the decreases and increases in each taxing fund, several due to restructuring in City departments.

Mr. Mihelich said the General Reserve Fund would increase from \$11 million to \$19 million. He said that is not really an increase in the budget, it's an increase in reserves, and that's not additional spending, it's additional savings. He said the reserve is budgeted as an expense, but that's the rainy day fund, and even at \$19 million, it's less than 1 ½ months of operational expenses.

Mr. Mihelich said the other two main fund increases are the Intermodal Development Fund for the CenterPoint contributions that are being carried forward at about \$3.6 million, and the Evergreen Terrace Fund of about \$3.5 million. He said those are monies that are being carried forward and are not additional spending.

Mr. Mihelich said those three items add up to about \$14 million, and that's why it looks like the expenses are going up when they're not. He said he wanted to show this breakdown because essentially we did not increase spending, we've been decreasing it across the board through a lot of hard work by all City departments.

ESTIMATING GENERAL OPERATING RESERVE

Mr. Mihelich explained how the General Operating Reserve of \$19 million included in the 2010 budget was estimated. He said the four year carryover of

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\$29 million includes \$3.5 million for the Disaster Recovery Fund which was referred to for years as the fund balance. He said money was set aside so that if an unfortunate event ever occurred, the City had that as a Special Account line item that could be used for those expenses with Council approval.

Mr. Mihelich said there's about \$3.5 million of Evergreen Terrace carryover. He said there was a series of years where \$1.2 million was put into that fund and about \$100,000 was spent out of that between last year and this year on some legal work.

Mr. Mihelich said the \$3.6 million carryover in the Intermodal Development Fund is the CenterPoint contributions.

Mr. Mihelich said that is all being carried over to get to the operating reserve of \$18 million, and with this proposed budget, it is structurally balanced in the sense that it actually adds almost \$900,000 to the operating reserves for a total reserve of \$19 million. He said he uses that term a little bit loosely because there are still many things that are not in this budget such as vehicles.

HOW WE GOT TO THIS POINT

Mr. Mihelich explained the factors that were considered when going from a deficit ending balance of \$6.1 million which was estimated in September 2008 to a \$19.4 million 2010 balance, which is about a \$25 million turnaround.

Mr. Mihelich said the \$19.4 million balance has been done through some things that have been accomplished already, it's been done by deferring things and it's been done by increases that haven't yet taken place, so these are all proposals.

Mr. Mihelich said one of the factors that has been talked about as a concept is taking \$4 million of the NIP money from the gaming fund and transferring that over to pay for operations.

Mr. Mihelich said almost \$8 million in payroll reductions have been made to date and that reflects the 100 or so less people on the payroll. He said the \$3.2 million in payroll variances and reductions in force represents a part of the Local 44 concessions, layoffs that hopefully will be avoided and other contract concessions that we're currently working on, so those are in the budget but are not done yet and they're part of the overall plan.

Mr. Mihelich said another factor is \$1.7 million in overtime reductions, primarily through the Fire and Police Departments. He said we have worked very hard to try to get organizations to pay their own way and so where we used to fund a lot of operations at no charge to various groups, those were cut back. He said other non-essential overtime was also cut.

Mr. Mihelich said another factor is \$2.5 million for no vehicle purchases in the 2010 budget. He said it's not the direction we would like to go, but we realize tough times take tough measures and we're going to attempt to get through this for one more year.

Mr. Mihelich said there is \$2.4 million in savings because the pension expense is lower than projected. He said this expense still went up almost \$1.7 million, but it was a little bit less than projected.

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Mr. Mihelich said also factored in was \$900,000 in savings from lower fuel prices.

Mr. Mihelich said another item that needs further discussion is a property tax increase proposal of \$7.5 million. He said that would be a 20% raise in the rate. He said that is one of the two major revenue enhancements, the other being parking. He said the property tax increase is probably closer to \$8.6 million because that includes the General Obligation debt payment of \$1.1 million.

Mr. Mihelich said the health insurance plan adjustments are a savings of \$3 million as the result of the cooperation of the employee groups. He said a lot of these are estimates and the actuals will come into play as we implement these in 2010.

Mr. Mihelich said the last factor is a \$7.6 million decline in other revenues including income tax which is down substantially. He said income tax revenues may be down almost \$2.4 million and it makes a lot of sense because unfortunately, if people are unemployed, and the local Joliet unemployment rate is about 12.4%, they're not paying income tax, and they're also not making purchases as well.

COUNCILWOMAN QUILLMAN said with all due respect, there's 12.4% unemployment, income taxes are down, how are people going to pay a 20% property tax increase. She said you can't get blood out of a turnip.

Mr. Mihelich said he does realize that, and it's a decision that's in the Council's hands and we're just here to propose it, but we're going to show the Council a series of cuts that have been made. He said the problem is that there are only so many cuts that we can make without seriously impacting services. He said we've cut \$7.9 million in payroll that includes 32 sworn officers and 10 support personnel just in the Police Department.

COUNCILWOMAN QUILLMAN said she understands all that, but she went through the budget herself, and there are lots of things still in there that she has questions about that she feels can still be cut.

Mr. Mihelich said he thinks that's why we have these presentations. He said nobody wants to do this.

COUNCILWOMAN QUILLMAN said she knows, but 20% is just absolutely ridiculous.

Mr. Mihelich said we have some slides that show the impact on the average citizen, and it's certainly not 20% of their tax bill, so he thinks that's very important as well.

COUNCILMAN TURK said going back to the fuel savings, we had talked about at one time going from a 1 cent tax to a 1% tax, and he asked if that is factored in there.

Mr. Mihelich said not right now.

COUNCILMAN TURK asked what that increase would generate.

The City Manager said it was estimated it would generate \$300,000 or \$400,000.

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Mr. Mihelich said that figure may have been at a higher price than now so that would fluctuate. He said the number of gallons purchased have gone down considerably so far this year; people are using less.

BUDGET RESERVE SUMMARY

Mr. Mihelich explained the summary of some of the reserves which are all proposed for the 2010 budget, including a Contingency Fund of \$600,000 and Legal Claims of \$660,000. He said with everything added together, the total taxing fund reserves of \$34 million, a portion of which is scheduled to be spent, is probably at the most two months worth of reserves. He said most communities he has surveyed have probably anywhere from a minimum of three months to as much as a year in reserve.

WHAT'S NOT IN THE BUDGET

Mr. Mihelich explained the following unbudgeted items totaling \$24.5 million: Vehicle Replacements, Neighborhood Infrastructure (NIP), Public Safety Communication System (Estimated at 4 Years of Contribution), Downtown Development and Evergreen Terrace.

Mr. Mihelich said another unbudgeted item is for Post-Employment Benefit Contributions (Retiree Health Care). He said that is for setting aside future monies to take care of that obligation which probably now is in the \$220 million range in today's dollars. He said certainly that's not something we would make up overnight, but over 30 years we would be paying something close to that right now.

BUDGET SAVINGS IMPLEMENTED

Mr. Mihelich explained the following savings that have already been implemented:

- Reduced Workforce through Hiring Freeze and Retirement Incentive and Realigned Personnel to Maintain Operations
- No Management Raises 2009 and 2010
- Health Care Restructure – Premiums/Deductibles/Working Spouse
- Reduction in Overtime
- Suspended Neighborhood Improvement Program
- No Vehicle Replacements
- Collection Procedures – Notifications, Vehicle Towing and Legal Actions
- Reduced Day-to-Day Operational Costs – Training, Office Supplies, Postage, Equipment, etc.

Mr. Mihelich further explained that the workforce was reduced mainly due to a hiring freeze and retirement incentives, although there have been a few layoffs. He said personnel has been realigned including the HR Department with fewer people being folded into Management and Budget. He said the City Manager's Office has combined operations with the Visitors Service with less people to improve communications.

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Mr. Mihelich said we are working on collection procedures for past due payments and are towing vehicles and taking other legal action as much as we can. He said even if we got every last dollar, it's not going to balance this budget, but it's going to help us get that much closer.

COUNCILMAN GIARRANTE asked how much is on the books for tickets and fines, etc.

Mr. Mihelich said there's probably about \$500,000 or \$600,000 to be collected in tickets, and those date back about 10 years.

COUNCILMAN GIARRANTE asked why aren't we going after that.

Mr. Mihelich said we are going after that very hard.

MAYOR PRO-TEM UREMOVIC said this was brought up at a Finance Committee meeting and it's now a monthly agenda item. He said we were told that fines weren't being collected, we brought that to the Committee, and he compliments the staff from the standpoint that they are bringing that forward now. He said there is a plan in place to keep that going, to collect the fines and reduce those waivers of citations which was a big part of that also. He said the Police Department was complaining that they write the tickets, and then they get waived. He said hopefully the mechanism will be put in place to make this tighter and those funds will be generated and collected by the City.

Mr. Mihelich said he couldn't agree more. He said we have changed the culture in the Collector's Office from probably 3 or 4 decades of billing and not really following up with collections to employees calling every day on collections.

COUNCILMAN GIARRANTE asked if we can put a boot on their cars.

Mr. Mihelich said we're towing them right now and we've towed about a dozen so far.

COUNCILMAN BROPHY asked how many big bills have we collected because of the threat of a tow.

Mr. Mihelich said we've collected close to \$30,000 or have payment plans set up, so those are things we are working on. He said one of our projects for 2010 will be go to through and start suspending licenses.

Mr. Mihelich continued that we've reduced a lot of day-to-day expenses including training. He said expenses for training in the Police Department is up because of the many promotions in the upper ranks. He said training and travel is mostly limited to in-state, one day conferences.

COUNCILMAN GIARRANTE asked if employees who go to seminars come back and give a written report to their supervisor and if not, maybe we need to implement that.

The City Manager said most of the training is limited to in-state and people are not being sent out-of-state on expensive trips. He said there are some trips that are reimbursable either from FEMA, the FBI and other agencies so we're still doing those types of training, and there might be a few exceptions, but it's very

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limited. He said we'll find out from the department heads if follow-up reports are being given, but everyone has gotten the message that training and travel is a very serious matter, and he is at the point where he told them he would like to cut more, and they need to justify every single trip.

PERSONNEL SUMMARY

Mr. Mihelich explained the personnel summary of all departments with a total of 842 full time employees. He noted that there is a total of 85 vacant full time positions and 15 vacant part time positions. He said we will get to a point at some time where we can't continue cutting personnel without affecting some services.

PROPOSED BUDGET ENHANCEMENT ITEMS

Mr. Mihelich explained the following budget enhancement items being proposed:

- Increase in Property Taxes
- Parking – Rate and Fee Increases Proposed
- Eliminate Specialized Leaf Pick-Up
- Eliminate Senior Citizen Electric Rebate
- Convenience Fee for Credit Card Payments

Mr. Mihelich said regarding the increases in parking fees and rates, a portion of that will be coming back to the General Taxing funds to pay for the employees and their overhead like the functions done in City Hall for the billing and collection and legal and those kinds of things.

Mr. Mihelich said we are looking at perhaps eliminating some things such as the specialized leaf pick-up for 5 or 6 areas in the City that have a grandfathered in extra leaf collection that we should talk about.

Mr. Mihelich said another item is the 2% senior citizen electric rebate. He said it's very cumbersome for many and it involves saving all of their receipts. He said it's something we should talk about; it's not a big dollar amount but there's a lot of work involved. He said less than 20% of the seniors are applying for it and we probably have less than 1,000 doing this versus over 5,500 getting rebates on their water bills, which is much more convenient.

COUNCILWOMAN QUILLMAN asked how much that generates.

Mr. Mihelich said it probably costs us about \$25,000 a year, the average rebate is in the range of about \$15, and each one probably takes about 20 minutes to process.

COUNCILWOMAN QUILLMAN said so only \$25,000 would be generated by eliminating that.

Mr. Mihelich said essentially what it would do too is to help streamline operations, so if we want to replace it, there's probably a better, more efficient way of doing it.

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COUNCILWOMAN QUILLMAN said she would like to find a more efficient way because it's only \$15 per person, and the 20% of the people that are applying for it are probably the people that really need it, and \$15 could mean the difference between their medicine or a meal, and social security is not raising their pay.

Mr. Mihelich said it's something we need to discuss because he thinks what is happening is a lot of the ones who are applying are actually the ones who have much higher electric bills because it's worthwhile, and the ones who have the lower bills go through a lot of work but don't get much. He said it's just something we should discuss.

Mr. Mihelich said regarding the convenience fee for credit card payments, when we started taking credit cards about 8 or 9 years ago, the City paid the expense on those fees which were around \$300 or \$400 a month. He said now they're probably in the \$11,000 to \$12,000 a month range. He said as we move forward with on-line bill payments and start to see more credit cards used, this is going to become a fee that is going to grow exponentially, and it's not something that somebody can't go ahead and pay by other means, and so it's something we would like to discuss. He said that's about \$120,000 on the taxing side and probably \$5,000 on the parking side, and as we start adding payment kiosks on the parking meter system, he expects those fees to double and triple in not too long a time.

COUNCILMAN BROPHY suggested that citizens in the audience be allowed to comment at this time.

PUBLIC COMMENTS

A gentleman said he thought an increase to the gas tax would be an excellent idea especially if it's only been a penny for the last 25 years. He suggested a sales tax increase to offset the property tax increase. He said to expect to get more money from senior citizens and people who are out of work is ill-advised. He said trying to find other revenue approaches and more cuts in the budget would be better, not to the point of affecting services, but he thinks there is quite a bit more fat that could be trimmed.

Mr. Mike Bily said he realizes the Council is doing a balancing act and he thinks they're doing a good job with the expense cuts and revenue enhancements, and just for the record, he personally would not mind paying \$200 extra a year on his property taxes if that is what it takes to maintain the quality of life that we have here in Joliet. He said he thinks it's a good idea and he was fine with the water increase too because there's no reason we should pay less than other cities pay. He said the Council has been doing a good job and told them to keep it up.

COUNCILMAN GIARRANTE asked Mr. Mihelich to explain the City's portion of the property tax bill when the public is finished with their comments.

Mr. James Alston said he disagrees with the increase in property taxes and he thinks it should be reconsidered. He said we're not only going to get taxed by the City, there are taxes from the County also, and people aren't going to be able to pay it and they're going to be taxed right out of their homes. He said there are things in the City that should have never been done, but we did them, and now we're paying for it. He said we shouldn't pay for it on the backs of the taxpayers. He said a lot of people are paying their taxes on credit cards and that's pretty sad

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when they have to do that. He suggested bringing back the vehicle stickers for more revenue. He said there are too many people who don't have jobs and the City wants to tax people when they don't have any jobs and are losing their houses. He said we need to stop burdening the people like always.

COUNCILMAN SHETINA said that's not been the case with the City of Joliet; our tax rate is about 1/3 of what it was 15 or 20 years ago. He said it's not the City that's been riding the people's backs. He said the Council members have to make a decision and be responsible and we can't all say up here that we're not going to raise taxes and we're not going to let people go, we all have to take a responsible position and listen to what's said up here, and at some point in time we'll vote. He said then you'll find out who is really telling you the truth and who is not about what is going on in this City. He said if you don't want to raise the taxes then you let people go because we're 90% personnel intensive in some areas and 70% in others, but the City of Joliet traditionally has had the lowest tax rate of any city around here, and now we're looking at a rate increase and at every possible avenue. He said regarding City stickers, it's not a lot of money, we might collect \$1 million and he doesn't know what the administrative expenses are against that. He said the point he wants to make is that we as individuals need to be responsible, not make statements until we know what all of the budget is about, not talk about not raising taxes, and at the same time tell everybody we're going to keep all of the same employee complement here and keep everything going like it is, but we're not going to look for revenue. He said we can sit here and we can all play hero and say we're not going to raise the taxes.

Mr. Alston said if people are not working and their homes are getting foreclosed on, where is all that tax money going to come from.

COUNCILMAN SHETINA said we all have to be responsible and not grandstand. He said this Council needs to be responsible and when that vote comes, if you don't have the dollars you have to let people go and that's a hard choice also.

COUNCILMAN GIARRANTE asked what percentage of the tax bill does the City get.

Mr. Mihelich explained a sample tax bill for a City property with the proposed tax rate increase. He said with last year's levy, the City was at 16.20% of the tax bill, and with the proposed increase, it would increase to 19.23%.

COUNCILMAN GIARRANTE said just to clarify, on a \$5,000 tax bill, how much does the City get.

Mr. Mihelich said on a \$5,300 tax bill, the City gets \$864.00.

COUNCILMAN GIARRANTE said if taxes are raised 20% like the staff would like them to, how much would the City get.

Mr. Mihelich said on a \$250,000 valued home, it would be an additional \$200.00.

COUNCILWOMAN QUILLMAN moved that the Council recess to closed session to discuss personnel, collective bargaining, land acquisition or conveyance and pending or threatened litigation at 6:40 p.m. after which the meeting will be adjourned.

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Motion seconded by COUNCILMAN TURK.

Motion carried by the following vote:

AYES: COUNCILWOMAN BARBER, COUNCILMEN BROPHY, DORRIS,
GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMEN
SHETINA, TURK and MAYOR PRO-TEM UREMOVIC.

NAYS: NONE.

ARTHUR SCHULTZ
Mayor

JANET K. TRAVEN
City Clerk

Recorded on Tape