

***Proceedings of the Council of the City of Joliet, Illinois
held on the 17th day of August, A.D. 2009***

PRE-COUNCIL MEETING of the Council of the City of Joliet, Illinois held on Monday, August 17, 2009 at 3:30 P.M. in the Council Chambers, Joliet Municipal Building, 150 W. Jefferson Street, Joliet, Illinois.

ROLL CALL

PRESENT: MAYOR ARTHUR SCHULTZ and DISTRICT 4 COUNCILWOMAN SUSIE A. BARBER, DISTRICT 5 COUNCILMAN WARREN C. DORRIS, COUNCILMAN AT LARGE THOMAS C. GIARRANTE, COUNCILWOMAN AT LARGE JAN QUILLMAN, DISTRICT 1 COUNCILMAN JOSEPH R. SHETINA, COUNCILMAN AT LARGE MICHAEL F. TURK and DISTRICT 3 COUNCILMAN ANTHONY UREMOVIC.

ABSENT: DISTRICT 2 COUNCILMAN TIMOTHY M. BROPHY.

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 first explained Council Memo #701-09 dealing with the Annexation of 75.63 Acres at the Southwest Corner of Millsdale and Vetter Roads and the Preliminary Plat of Stepan Industrial Park.

Attorney David Silverman was present on behalf of the petition.

COUNCILMAN BROPHY arrived at the meeting during the discussion.

The City Manager said the petitioner may be requesting that this item be tabled at tomorrow night's meeting if some outstanding issues aren't worked out by then.

The City Manager then explained Council Memo #709-09 dealing with a Special Use Permit to Allow a Wireless Communication Antennae Located at 500 Stryker Avenue.

Mr. Joe Cook of Caton Weber LLC, was present on behalf of the petition.

It was requested that this item be voted on today.

1. AN ORDINANCE Approving a Special Use Permit to Allow a Wireless Communication Antennae Located at 500 Stryker Avenue as recommended by the Zoning Board of Appeals subject to the posting of a bond in the amount of \$30,000.00 prior to the issuance of the building permit for the proposed installation was presented and read. (#2009-40/Dist. #3)
(Council Memo #709-09)

COUNCILMAN SHETINA moved that said Ordinance be adopted as recommended.

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Motion seconded by COUNCILMAN GIARRANTE.

Motion carried by the following vote:

AYES: COUNCILWOMAN BARBER, COUNCILMEN BROPHY,
GIARRANTE, COUNCILWOMAN QUILLMAN, COUNCILMEN
SHETINA, TURK, UREMOVIC and MAYOR SCHULTZ.

NAYS: NONE.

ABSTAIN: COUNCILMAN DORRIS.

(ORDINANCE NO. 16511)

The City Manager then explained Council Memo #704-09 dealing with the Recording Plat of HDPark Joliet Subdivision Phase 1. He advised that a revised plat has been distributed showing Youngs Road ending in a cul-de-sac halfway between Amoco Road and the existing Youngs Road.

Mr. Jason Wiesbrock of the engineering firm Spaceco Inc. was present on behalf of the petition.

It was requested that this item be voted on today.

2. AN ORDINANCE Approving the Recording Plat of HDPark Joliet Subdivision as recommended by the Administration subject to receipt of the following fees and documentation within 60 days was presented and read: 1) A Letter of Credit or Performance bond for public improvements in the amount of \$7,828,886.00; 2) A 1 1/4% inspection fee for public improvements in the amount of \$97,861.08; and 3) An Irrevocable Offer of Dedication for public improvements. (#RP-10-09/Dist. #3)
(Council Memo #704-09)

COUNCILMAN SHETINA moved that said Ordinance be adopted as recommended.

Motion seconded by COUNCILMAN GIARRANTE.

Motion carried by the following vote:

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

NAYS: NONE.

COUNCILMAN BROPHY said he would like to talk at possibly a committee level about such large letters of credits from one source and maybe split those up. He said we have had some negative experience with one source letters and difficulty securing them if we needed to, and maybe we want to limit these to \$2.5 million or \$5 million or some number so we spread that risk out a little bit. He asked if that seems prudent or has that idea been brought up before.

The Corporation Counsel said he doesn't think we've ever had a problem with a letter of credit, although a \$7 million letter of credit is as big as we've seen in subdivisions. He said our history with subdivision bonds is a little different because it's more difficult to complete a bond claim. He said we've had one bond company go under at the same time the developer went under; that's never happened with a letter of credit but it could happen and there is no federal insurance on a letter of credit.

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COUNCILMAN BROPHY said he has no idea who the issuer is or what their finances look like. He asked if it's proper to have that level of review on this.

The Corporation Counsel said it is, although the developer has a choice that's beyond our control even as a home rule unit to post a surety bond, and so long as the surety bond is authorized to do business in Illinois by the Department of Insurance we're obligated to accept that. He said we're also free in the right scenario to negotiate something different as seen in an annexation agreement, but that's not the case here.

COUNCILMAN BROPHY said let's talk about it in the future to determine whether it has any merit.

(ORDINANCE NO. 16512)

The City Manager then explained Council Memo #706-09 dealing with a Variation of Use to Allow a Gift Shop at 464 E. Washington Street. He said the existing single family home would be renovated and the building size with a future 355 sq. ft. addition would total 1000 sq. ft. upon its completion, the existing dilapidated detached garage will be demolished, and a paved parking lot with concrete curbing, landscaping and a 6' high board-on-board fence would be installed.

Mr. Sergio Abrego, the owner, was present on behalf of the petition.

COUNCILWOMAN QUILLMAN asked Mr. Abrego what type of gifts he is going to sell.

Mr. Abrego said mostly party supplies, balloons and other little gifts.

COUNCILMAN UREMOVIC asked what the cost of the capital improvements are going to be.

Mr. Abrego said it's going to cost between \$30,000 and \$40,000, and he's going to do most of the work himself.

COUNCILMAN SHETINA asked if he has to do detention and lighting in the parking lot.

Planner Jim Torri said it will be a new parking lot and he's not certain about the lighting, but detention is required.

COUNCILMAN SHETINA asked if staff explained to Mr. Abrego that he has to put in a fence and the asphalt.

Mr. Abrego said he understands that.

Mr. Torri said Mr. Abrego has been working with an architect and knows he's going to have to submit more information at the building permit stage of this and that's why everything is conditional upon him getting his Certificate of Occupancy.

COUNCILMAN UREMOVIC asked if every step of the way is monitored by staff after a variation like this is approved.

The City Manager said yes.

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COUNCILMAN TURK asked what the square footage cutoff is for storm detention when a lot is being paved.

Mr. Torri said for an existing gravel lot, if it's under 6,000 sq. ft. it can just be asphalt without requiring storm detention. He said this one is a different case because it's residential going to commercial so he may have to provide storm detention.

COUNCILMAN SHETINA said that's a lot of money and he asked whether Mr. Abrego has to do it or not.

Mr. Torri said it's not a huge parking lot so it would be minimal; for the existing gravel lot he should be able to get away with just sheet draining it to the street.

The City Manager said it's about 2,000 sq. ft. and there's plenty of room in the back part to work some drainage out so it's not being pitched towards either of the side yards.

Mr. Torri said he's also got to provide concrete barrier curbing so it will all be pitched towards the street and it should work out fine.

COUNCILMAN UREMOVIC asked Mr. Abrego how he is going to make this work.

Mr. Abrego said he has built new houses around that area so he knows how much it will take.

COUNCILMAN UREMOVIC suggested that this be tabled and in the meantime he asked that Mr. Abrego provide a list of his expenses and cost-out numbers.

3. Ordinance re: Approving a Variation of Use to Allow a Gift Shop in an R-2 District Located at 464 E. Washington Street (#2009-29/Dist. #5)
(Council Memo #706-09)

COUNCILMAN UREMOVIC moved that said item be tabled to the August 31/September 1 City Council meetings.

Motion seconded by COUNCILWOMAN QUILLMAN.

Motion carried by the following vote:

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

NAYS: NONE.

The City Manager then explained Council Memo #707-09 dealing with a Special Use Permit to Allow a Tattoo Studio at 915 W. Jefferson Street. He said the petitioner has been operating this business at 650 Ruby Street since January, 2004 and would like to relocate to Jefferson Street. He said as part of this application, the petitioner is requesting that the existing Special Use Permit at the Ruby Street location be repealed and that is scheduled for the August ZBA meeting.

Mr. Mark Tomac, the petitioner, was present on behalf of the petition.

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COUNCILMAN SHETINA asked what happens to the Special Use that exists on the store on Ruby Street.

The City Manager said if this is approved then a repeal of the Special Use Permit that was granted for the tattoo shop on Ruby Street will come before the Council for formal action.

COUNCILMAN SHETINA asked whether it remains there if someone chooses to keep it.

The City Manager said we're recommending repeal of the Special Use Permit on Ruby Street and that way that facility will not reopen as a tattoo shop. He said if someone wants to have a tattoo shop there they would have to come before the Council for a Special Use Permit.

COUNCILMAN SHETINA asked what's the rationale for doing the repeal at the same time.

The City Manager said the rationale is to not add additional tattoo shops to the area. He said this is the relocation of an existing business. He said the request to repeal the Special Use Permit for the Ruby Street property has come from Mr. Tomac himself so whoever owns that building will not be able to put another tattoo shop in there unless somebody goes through the process of getting a Special Use Permit.

COUNCILMAN SHETINA said it's basically saying we don't want any more tattoo parlors so that's why staff wants to do that.

The City Manager said yes.

COUNCILWOMAN QUILLMAN said once this is changed it stays with the property forever, is that correct.

The City Manager said it's not a forever situation but it's a situation where as long as the proprietor complies with the conditions that have been imposed by the City then the proprietor is entitled to continue operating the tattoo shop.

COUNCILWOMAN QUILLMAN said but if this proprietor would decide to sell that business it would go to the next person, is that correct.

The City Manager said that's correct.

COUNCILWOMAN QUILLMAN said there is a discrepancy in the Zoning Board minutes, it says the hours of operation are 12:00 p.m. to 10:00 p.m. and the Council memo says 12:00 p.m. to 12:00 a.m.

City Planner Jim Torri stated the minutes are incorrect; the Zoning Board of Appeals received an addendum and voted on the 12:00 p.m. to 12:00 a.m. hours.

COUNCILMAN UREMOVIC asked if staff can tell him how this new venture fits in the comprehensive plan to revitalize Jefferson Street.

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The City Manager said we're looking at this as a business that has not been socially acceptable for many years. He said just the words "tattoo parlor" conjure up a lot of negative stereotypes and a feeling that there are negative effects on the community if a tattoo parlor does locate in a particular area. He said with this particular operator, our research shows that there has not been a negative impact as far as police calls, devaluation of property or anything that would cause us to have second thoughts about this particular operation. He said looking at society as a whole, we've all seen a proliferation of tattoos and it's something that has become probably one of those things that is more socially acceptable, but something that we really don't want to embrace as a society. He said if this were a Starbucks we wouldn't have anybody here saying anything about it unless it was a competitor, so from his perspective he feels comfortable recommending this for approval. He said it's a beautiful old building and was well cared for as the Flower Shop. He said the owner, Art Mierzycki, bought it about 3 or 4 years ago and has maintained it nicely but there has not been a lot of activity in it.

Mr. Art Mierzycki said he has a history with Mark Tomac who he knows will pay his rent and maintain the property and we don't want it sitting vacant.

COUNCILMAN UREMOVIC said what he's saying is from a long-term comprehensive standpoint, we're trying to get other businesses to spring up and come around other locations, so it's hard for him to see a high end business say they want to locate right by a tattoo parlor. He said he thinks you limit yourself and make it hard for more development down the road for property both adjacent to that and across the street. He said he would like to hear staff tell him how this really fits in the comprehensive plan and that should be a part of something like this.

Mr. Mierzycki said if he thought it was going to be an issue for the value of his property he would not consider it; someone already is thinking about building a strip mall on a vacant lot near this property who is aware of the tattoo shop.

Mr. Tomac said there is a Dollar General and a Sub Dock near there and he doesn't see a Starbucks coming to that area and everything that's in that area fits together well. He said he doesn't see his business being a hindrance to anyone else in that area and he has maintained his property on Ruby Street quite well and plans to do that and beyond with this location.

COUNCILMAN UREMOVIC said again this should be in a comprehensive plan; if that's the case it should be in writing and should say in a market study that this should go there and that should go there; that's a real comprehensive plan.

COUNCILMAN GIARRANTE said he had asked Police Chief Fred Hayes to check the calls for service at the Ruby Street location and he asked the Chief whether he had that information.

Chief Hayes stated he checked the calls for service for 650 Ruby Street and over the last year and a half they only had 4 calls and of those 4 calls there were no reported incidents there. He said one was a burglary alarm call and the other one involved a standby request for police. He said he doesn't know what the other two were but they did not require police reports so there is a very low volume of calls for service at that location.

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Reverend Charles Rains of 713 W. Marion Street stated it seems incomprehensible to him to go from a beautiful house that once was a florist business and a realty/mortgage business to a tattoo parlor to be open until midnight. He said the Cathedral Area Association and the St. Pat's Area Association have worked hard to upgrade the standards of the area. He said in former years the proposal for a pool parlor in that general area was rejected because of the uprising of the neighbors and a petition that made it known to Council that such a business was not conducive to the community. He said no such petition has been circulated for this but it's a great possibility as far as he is concerned to seek the general feeling of the people of that area, and he believes they would be overwhelmingly against this and this would be a hindrance to the thinking of other businesses that would seek to come in with upscale investments along that strip.

Ms. Rebecca Darley, President of the Cathedral Area Preservation Association (CAPA), said she must voice their opposition for this Special Use Permit. She said she has received numerous concerns and complaints regarding this type of business in the Cathedral area including garbage and late night traffic and hours along with people getting tattoos after they have been drinking. She said Jefferson Street is one of the main routes to downtown Joliet which the City of Joliet along with the City Center Partnership have been working diligently on to build commerce, and if the area surrounding the downtown and the routes to get there are not kept at a high standard, downtown Joliet will not be a place that people want to spend their time and money. She said they would ask the Council's support in denying this Special Use Permit.

Mrs. Christi Tomac of 1105 Richmond Street said she is part owners of this business with her husband. She said it is not a historical building and as far as the late hours they can change the closing hours to 10:00 p.m. She said they do not tattoo on anyone who has been drinking. She said their trash is very minimal and the biohazards are picked up. She said they have raised their standards very high which is why they want to move and that building is perfect and will only get better with their presence. She said she will make sure the landscaping is immaculate at all times.

Ms. Trista Brown of 7 N. Raynor Avenue said we should give everybody a chance at a business and tattoos should not be an issue.

Mrs. Lorna Paisley of 664 Hickory Street said she wanted to object to the comment of the neatness of the property on Ruby Street. She said she complained for many months about the garbage there. She said it has been nice lately but they are not the greatest of up-keepers.

Mr. Ray Lopez of 1119 N. William Street said they are closer to the Cathedral area now at 650 Ruby Street than they will be when they move to Jefferson Street and he asked the Council to take that into consideration when making a decision.

Mr. Nick Tomac of 1224 N. Clement Street stated he is Mark's father and owns the house at 1105 Richmond Street in the Cathedral area. He said there is a misconception about tattoos and he has seen people from ages 18 to 68 get tattoos. He said he is a proponent of the business and it pays the rent and keeps his grandson fed. He said he would ask the Council to consider the move to Jefferson Street.

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COUNCILMAN BROPHY said when he represented the area of Ruby Street he got a call about garbage in and around that building and he investigated the matter and this tenant was not responsible for the trash that was the cause of the complaint. He said this business owner doesn't own the building and it was a tenant in another part of the building causing the problems. He said he just wanted to correct the record with regard to their operation on Ruby Street.

Deputy Liquor Commissioner Dan Campus then explained Council Memo #757-09 dealing with the Transfer of a Class "C" Liquor License at 2787 Black Road.

It was requested that this item be voted on today.

4. Transfer of a Class "C" Liquor License at 2787 Black Road
(Council Memo #757-09)

A communication from the Liquor Commissioner regarding the application of J & B of Joliet, Inc. (Hitesh Bhatt and Bharat Joshi) d/b/a Halo Liquor for the transfer of a Class "C" Liquor License at 2787 Black Road contained his recommendation that the transfer of this license is in the best interest of the City, and therefore, approval is recommended.

COUNCILMAN BROPHY moved that the recommendation of the Liquor Commissioner be concurred in.

Motion seconded by COUNCILMAN TURK.

Motion carried by the following vote:

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

NAYS: NONE.

Deputy Liquor Commissioner Dan Campus then explained Council Memo #758-09 dealing with the Transfer of a Class "B" Liquor License at 4220 W. Jefferson Street.

It was requested that this item be voted on today.

5. Transfer of a Class "B" Liquor License at 4220 W. Jefferson Street
(Council Memo #758-09)

A communication from the Liquor Commissioner regarding the application of Papis, Inc. (Wayne Duncan and Rodney Patrick) d/b/a Joe's Grill for the transfer of a Class "B" Liquor License at 4220 W. Jefferson Street contained his recommendation that the transfer of this license is in the best interest of the City, and therefore, approval is recommended.

COUNCILWOMAN QUILLMAN moved that the recommendation of the Liquor Commissioner be concurred in.

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Motion seconded by COUNCILMAN TURK.

Motion carried by the following vote:

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

NAYS: NONE.

Deputy Liquor Commissioner Dan Campus then explained Council Memo #759-09 dealing with the Issuance of a Class "B" Liquor License at 106 N. Larkin Avenue.

It was requested that this item be voted on today.

6. Issuance of a Class "B" Liquor License at 106 N. Larkin Avenue
(Council Memo #759-09)

A communication from the Liquor Commissioner regarding the application of Landmark Development, Inc. (Laura Quigley, Harold Woodruff, Devon Hill) d/b/a Wingz of America for the issuance of a Class "B" Liquor License at 106 N. Larkin Avenue contained his recommendation that the issuance of this license is in the best interest of the City, and therefore, approval is recommended.

COUNCILMAN TURK moved that the recommendation of the Liquor Commissioner be concurred in.

Motion seconded by COUNCILMAN GIARRANTE.

Motion carried by the following vote:

AYES: COUNCILMEN SHETINA, TURK, UREMOVIC, COUNCILWOMAN BARBER, COUNCILMEN BROPHY, GIARRANTE, COUNCILWOMAN QUILLMAN and MAYOR SCHULTZ.

NAYS: COUNCILMAN DORRIS.

The City Manager then explained Council Memo #718-09 supporting the "Buy American" provisions of the American Recovery and Reinvestment Act of 2009.

It was requested that this item be voted on today.

7. A RESOLUTION Supporting the "Buy American" Provisions of the American Recovery and Reinvestment Act of 2009 was presented and read.
(Council Memo #718-09)

COUNCILWOMAN QUILLMAN moved that said Resolution be adopted.

Motion seconded by COUNCILMAN GIARRANTE.

Motion carried by the following vote:

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

NAYS: NONE.

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Mr. Joseph Fabbre of United Steelworkers Local 9777, who requested the adoption of this Resolution, thanked the Mayor and Council for their support.
(RESOLUTION NO. 6292)

8. Presentation on Tentative Agreements on Health Insurance Plan Modification and Related Ordinances

The City Manager then explained Council Memo #710-09 dealing with Amendments to the Collective Bargaining Agreements with the six employee unions, Amending the Exempt Employee Compensation Ordinance, and Repealing the Employee Residency Requirement.

The City Manager said this is a series of 3 ordinances which is a culmination of about 5 months of negotiating with the 6 collective bargaining units that represent about 85% of City workers. He said there is an Ordinance that approves amendments to all 6 of the bargaining unit contracts that approves an amendment for the health insurance program which has been reviewed previously with the City Council and imposes a requirement of a premium to be paid by the City employees of \$50 per paycheck for health insurance. He said it also requires the payment of a deductible of \$250 per person with a cap of \$500 per family for those who have family coverage and various other items that are highlighted in the Council memo.

The City Manager said also included is an Ordinance amending the Exempt Employee Compensation Ordinance which will impose the same health insurance program on the other 15% of City employees who are not represented by a collective bargaining unit, and the third Ordinance is an Ordinance Repealing the Employee Residency Requirement. He said the process that we invoked a few months ago allowed the City to reopen the existing contracts to negotiate a health insurance contribution, and in turn the employee bargaining units have the authority to put a reopener on the table, and they did so. He said most of the offers were economic in nature and through a process of negotiating we indicated that we weren't able to pay additional compensation or take into account any new benefits that would be bestowed upon those units, and a counter was made from the bargaining units to have the residency rule repealed, and the Ordinance before the Council does that.

The City Manager said there are several people present who would like to speak on the matter including Attorney Ted Jarz who is here to speak on behalf of retiree health care benefits.

COUNCILMAN GIARRANTE stated we need to make it clear that this does apply to the Mayor and Council also.

The City Manager said it does. He said the same requirements that are being imposed on the City employees will also be imposed on the Mayor and City Council. He said the start date for all of the benefit packages will be January 1, 2010.

COUNCILWOMAN QUILLMAN said and that's regardless of when anyone's term of office is up, is that correct.

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The City Manager said yes. He said there is no change in the Blue Cross/Blue Shield health care plan that we've been used to for the past 15 years. He said it will apply across the board to the Mayor, City Council, City employees and retirees who will continue with the same benefits they've had previously. He said there is a deductible that will apply across the board for current employees as well as retirees, but the retirees will not be required to contribute anything above that unless they have dependent coverage, and the current amount which is \$118.00 per month for a dependent will continue for the retirees.

COUNCILWOMAN QUILLMAN said it starts January 1, 2010.

The City Manager said January 1, 2010 is the start date on all the economic parts to this proposal.

COUNCILWOMAN QUILLMAN said everyone pays.

The City Manager said yes.

COUNCILWOMAN QUILLMAN said with the exceptions that the City Manager said.

The City Manager said that is correct. He said we did receive formal notice that the two Police Department bargaining units approved the tentative agreement and we received formal notice that the Local 440 AFSCME gave it overwhelming approval as did the two Police unions, and there was unanimous approval from Local 2369 Building Engineers. He said he hasn't received formal notification but he believes the two Fire unions have indicated it's most likely that the tentative agreement will be approved, but they are going through their approval process right now, so that's subject to their final approval coming in.

COUNCILMAN SHETINA asked if these have to be voted on jointly. He said he wants to vote against outside residency and he asked if he can vote on each package separately.

The City Manager said we can't vote on each one separately because part of the opener process is the residency repealer which is a condition of the negotiations we had with the collective bargaining units. He said their approval of the health insurance contribution was conditioned upon the repeal of the residency.

COUNCILMAN SHETINA said so if he votes for any of them he has to vote for the outside residency.

The City Manager said if we have a yes vote from the City Council on the health insurance component of this and a no vote on the residency repealer, then at that point the condition has not been satisfied and we'll be back at the bargaining table.

COUNCILMAN SHETINA said so we have to either vote for all or none. He asked when the insurance part of the package starts.

The City Manager said the first pay period after January 1st 2010 will be the first time that we will be having \$50.00 deducted from each employee check.

COUNCILMAN SHETINA asked what does the end date 2016 refer to.

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The City Manager said the question was raised as to how long this would be in effect. He said he had proposed a date far short of 2016, the union had proposed a date of 2020 as far as locking in the \$50 premium and other components to the health insurance program, and the compromise of 2016 was arrived at during the negotiating process.

COUNCILWOMAN QUILLMAN said she had asked previously for a detailed explanation publicly. She said she has received many phone calls about this and many people are against the outside residency, but they don't know what's been going on with particular lawsuits across the country. She said she thinks just to make the record clear and for our citizens of Joliet to understand what we're up against, if this doesn't pass, we could go to court and it would cost the taxpayers a lot more money. She said this way it's not costing us any money and she asked the City Manager to make that clear.

The City Manager said part of the process when we were negotiating with the six bargaining units was to do a survey of municipalities in our area and the comparable municipalities that we frequently look to to see what they have in place for residency, and we found that most communities do not have the residency requirement. He said big and small, affluent and non-affluent, we found that there aren't too many left and those that still have some type of residency requirement usually have had it modified through collective bargaining. He said we're finding that through the collective bargaining process many municipalities have lost the requirement that their employees live within the municipality, and he thinks what COUNCILWOMAN QUILLMAN is referring to is if we went to arbitration through the collective bargaining process, there would be some risk that an arbitrator would decide that the City would not be allowed to enforce its residency requirement. He said when we looked at some particular towns we found that it was interesting because most had decided within the last few years to discard the residency requirement. He said it's something that was important to the bargaining units. He said he doesn't think that we're going to have a mass exodus of City employees leaving the City of Joliet. He said right now in this economic climate it's hard to sell a house, and even if the housing market was good, he still doesn't think we'd see people leaving in droves.

COUNCILMAN SHETINA said he disagrees with COUNCILWOMAN QUILLMAN with respect to no loss in dollars. He said City of Joliet jobs are second to none in terms of pay and benefits; people give their right arm for a job in the City of Joliet. He said he assumes that if in fact we allow outside residency that that means you begin hiring from the outside, period. He said you don't have to live here to get the job. He said his position is that if you work here, you live here, you should pay taxes here. He said he doesn't agree in terms of the outflow, if you ask for it there's an intent there to move. He said he's heard 10% of employees would move, but he doesn't know if anybody knows that and the fact is if you earn the kind of money we pay and get the benefits that we pay you should live here and that issue should not even be on the agenda. He said whether it gets beat in court or not he doesn't care, the fact is it shouldn't be on the agenda. He said he thinks there should be a loyalty factor, you live here, you work here, you pay taxes here and your kids go to school here. He said he's always said if there was a situation where the Police Chief feels that an officer who is working in some narcotics detail is at risk, then that individual ought to have the benefit to get out of here. He said he doesn't agree at all with outside residency and if he has to vote on all of the packages at once, then he can't vote for any of it.

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COUNCILMAN GIARRANTE said he agrees with COUNCILMAN SHETINA that the City employees should live in the City. He said he's been an advocate of that ever since he got hired in 1970. He said also he negotiated collectively with the City for 16 years and he understands that residency is a mandatory subject of bargaining and he also understands that most of the time when it has gone to arbitration, the city has lost. He said if they go to arbitration he firmly believes the City will lose. He said he has never and will never vote against a negotiated agreement between the unions and the City, even though he really believes they should live in the City. He said this is an agreement that was negotiated, an agreement that was made between the two sides, and for that reason alone he will support it but he is still not in favor of people that work for the City moving outside the City.

MAYOR SCHULTZ asked if there is any plan of how far they can live outside of the City.

The City Manager said regarding geographic limitations as far as the distance an employee would be able to reside from the City limits, we had quite a discussion with the bargaining units on that and our recommendation is for no geographic limit. He said we have found from surveying other communities that it's difficult to enforce and there are so many variables that it usually has not worked in other communities where they've tried to enforce a geographic limit. He said we did talk about call-out for emergency purposes and the proposal before the Council addresses that for five of the six units where the call-out pay will not start until the employee reports for duty. He said there is also an issue regarding take-home squad cars and other vehicles whether it's public works, police or fire, and the agreement would be that City vehicles would not be leaving the City limits unless there was a special circumstance or a special need as approved by either the Police Chief or City Manager and we'll work the details out on that. He said he would say 98% of the vehicles that are owned by the City would not be leaving the City limits unless there is a very specific unique need.

The City Manager said for Local 440, the contractual language will stay the same for those employees who live within the City limits that if they receive a call-out, their 4 hour guaranteed call-out time will start from the time that they are contacted, not when they report to the site where they are needed, but if they live outside of the City, their 4 hour call-out period won't start until they report for duty at the assigned site. He said there will be some issues as far as somebody who may choose to live far away from the City limits and emergency response time. He said we reviewed the matter with the departments and we've determined that this is something that other cities seem to manage and we'll certainly manage our situations too.

COUNCILMAN GIARRANTE asked if all of the details have been worked out as far as call outs and how far they live with the special teams they have, etc.

The City Manager said assignment to the special teams has been the prerogative of the Fire Chief and the Police Chief and that will continue to be the case; it's a management rights assignment that is made and that will continue. He said there was some conversation about specifically addressing that issue and the decision was made to leave the existing contractual terms in place to let them control the assignments to special teams, and whether somebody who chooses to live far away from the City will be able to serve on a special team is something that will have to be determined in the future.

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COUNCILMAN GIARRANTE said his concern is, for instance, the dive team. He said if somebody goes into the river they need the dive team now and if all of the members live 35 or 40 miles away, that's going to create a problem and that's only one problem that he sees.

COUNCILMAN DORRIS said four different times in twenty some years he's tried to change the application process for the Fire Department where you had to be a resident just to apply, and it was the only department in the City like that, and he thought that was just a form of discrimination. He said now we're going to open it up and he really thought there was going to be a limit on it, say 10 or 15 miles, and maybe he was wrongly informed or had the wrong impression, but now you're telling him that a Fireman who is a paramedic can move to Gary, Indiana and if the Empress catches on fire again we have to wait an hour for him to get here. He said when we had that fire they called people out and they were there within a matter of 15 or 20 minutes he was told at the max, and that's going to change. He said if it's really that much of a desire to have our employees live outside the City, if there is a mass exodus, it could really cause some serious issues.

COUNCILMAN GIARRANTE said in Local 44's contract right now is a paragraph that says no other fire department can be called within the City of Joliet limits until all the members of our fire department have been called. He said he believes there is not going to be a mass exodus but he thinks somewhere down the road when the majority of the firefighters live outside the City, they're going to have to go to mutual aid which he's totally been against. He said we have professional firefighters that should be utilized but if they live in Gary or wherever and it's going to take a long time to get here, they may have to go to mutual aid.

Mr. John Dillon, President of Local 440, said he can only speak for 440 and he knows the Council is really concerned about who leaves. He said this deal was passed in their group and we have to work with all of the unions so it was a long process of doing this. He said speaking for 440, he may see one or two leave if that, but he's never had one person come to him and said the most important thing is outside residency. He said there were a couple of different things on this agreement here and when we went to our body to pass this they passed it for two reasons, and one was the second part of the agreement and the other one was to give back something to the City that they thought was reasonable and to start paying for insurance. He said as far as running away, he doubts it; most members will want to stay around.

COUNCILMAN SHETINA asked if there is a way that this can be structured that legally a Joliet resident gets first choice at the jobs in the City of Joliet.

The Corporation Counsel said that question has been posed before and it's very difficult to do that because you establish what the courts call a durational residency requirement and the courts view it as a constitutional violation and a restriction on the freedom of persons in this country to travel from one place to another and take up residence and work.

COUNCILMAN SHETINA said there have been some questions and also some suppositions made, but mark his words and he won't be here, but we're not going to see a minority hired in this City for a long, long time. He said everybody is going to have to have a college degree, lawyers, architects, engineers, and you're going to see that kind of guy or girl coming into this City applying for those

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jobs and they're going to get them. He said whoever the minority happens to be, they don't have the ability right now to get those kinds of educational backgrounds, and maybe it will happen in the future, but if he were a minority he'd really be concerned about whether or not he could ever get hired in the City. He said the other thing about it is we've got a lot of people in this City whose dad or father-in-law or grandpa was a fireman or cop and that's going to be gone, and maybe people don't like it, but there's something in the genes of people that are policemen and firemen that make them become a policeman or fireman and he thinks that really is inherent in us and that's going to be gone too. He said he doesn't like it and he wishes it wasn't on the table and he wishes you guys would take it off.

COUNCILMAN DORRIS said if the City goes to Morehouse College and Howard University we can compete with the best in the country, we just have to recruit them. He said he's not going to hear that they can't compete; great African American, women and Hispanic engineers and others are there, we just have to go get them.

COUNCILWOMAN QUILLMAN said with all due respect she takes exception in what COUNCILMAN SHETINA just said because he kind of just dissed all of the minorities in the City of Joliet. She said the way it came out is we don't have Bachelor Degrees so we won't be able to apply for the jobs and people from out of town are going to have the Bachelor's Degrees and be applying for them.

COUNCILMAN SHETINA said history is on his side; look at the employee complement.

COUNCILWOMAN QUILLMAN said the trend now is people are going to school and getting Bachelor's Degrees and applying for the jobs, people that live here, that's the new standard. She said she appreciates his comments but she just took exception to what he said because she knows he doesn't want to insult the people of Joliet, but that kind of was an insult.

COUNCILMAN SHETINA said it's not an insult, it's history.

COUNCILMAN GIARRANTE said just speaking about the Fire Department alone, how many minorities are on the volunteer fire departments surrounding the City of Joliet, whether it's Elwood or Braidwood or Coal City - probably zero. He said those are the ones that are going to be taking the tests and those are the ones that have the experience and those are the ones that are going to finish up high on the appointment list.

COUNCILMAN BROPHY said given those dynamics, COUNCILMAN SHETINA is probably right. He said he hates the idea of a City of Joliet employee not living in Joliet and most of the folks that call him, regular residents, hate the idea. He said what he wants to know is why when there's an opportunity to open something up do the unions choose that and yet we're being told that a tiny minority want it but the majority ratified the agreement. He said he doesn't understand the logic there, he doesn't understand how with City of Joliet people, which all of the employees are, and most are long time multi-generational Joliet people, why that comes up as the opener if nothing other than extracting a pound of flesh during the process.

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Police Sgt. Lindsey Heavener, President of the Joliet FOP Supervisor's Union, said this was a long and tedious negotiation process that began back in January or February. He said just to set the record straight, there was only one out of the six collective bargaining units that enacted or requested outside residency on their reopener which we were contractually allowed to do based on the Council taking the initiative to reopen our health care. He said there was one group that brought residency as an issue to the reopener; the other five bargaining units didn't touch it. He said for the record, he's a City of Joliet resident, he's been employed here 20 years and he has no intention of leaving. He said basically this came to a head at the end of negotiations not as a result of the unions, but basically this Council. He said we had other issues on the table that we kept getting told no to. He said this was basically the only issue we could put on the table that cost nothing, period. He said we put a proposal on the table that's going to save the City about \$75 million to \$80 million over the next 20 years and we were glad to do it. He said we were stepping up to the plate to help the City in its time of need and we were going to save about \$80 million for the concessions we made. He said his reopener was for an increase in the sick leave buy-out when an employee separated. He said over that same 20 year period what he put on the table would have cost about \$1.5 million max and it got shot down. He said every other union's reopeners got shot down. He said basically we were forced to use residency because this is the only thing that didn't cost anything.

COUNCILMAN BROPHY said but why did you have to put something at all there.

Sgt. Heavener said because our contract afforded us the right to reopen on an economic or a non-economic issue if you chose to reopen on our health care.

COUNCILMAN BROPHY said he understands you have the right to, but why did you have to.

Sgt. Heavener said we opened on a separate issue. He said when you guys shot it down he went back to the 60 members of his collective bargaining unit that he represents and told them we're headed one of two places, either arbitration which is no good for us and no good for you, or we alter our reopener.

COUNCILMAN BROPHY said it wasn't shot down without thought, what we were told was the calculation was everything that you wanted to open on would take back everything you had contributed.

Sgt. Heavener said you're unfairly characterizing the unions as trying to take revenge on you because we negotiated health care, and that's not the case.

COUNCILMAN BROPHY said those words didn't come out of his mouth. He said that you reopened with the items that economically might as well wash the health insurance contributions, that's what we were told.

Sgt. Heavener said he can't speak to what you were told, he can only speak as to what he put on the table and he gave you a number.

COUNCILMAN BROPHY said he knows you have the right, he just doesn't understand why Joliet residents would voluntarily take that action when they didn't have to.

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Sgt. Heavener said he is a City of Joliet resident, he's been here 20 years and is loyal to this town and has no intention of leaving this town. He said he can personally guarantee you probably less than 5% of his membership that he represents will ever leave this town. He said the bottom line is this came to a head and this issue is where it's at right now because we had nothing else to throw at you. He said it wasn't done for vindictive reasons, it wasn't done to take revenge or anything else, it was done because we had no choice, we had nothing left to reopen on that was not economic.

COUNCILMAN BROPHY said the reopener is a right which you can waive.

Sgt. Heavener said he was not authorized to waive it by the 60 members he represents.

COUNCILMAN BROPHY said but you had a choice on that.

Sgt. Heavener said he didn't have a choice, his membership had a choice and he's elected to represent his membership as the other union heads are. He said the bottom line is we're not going to see 20%, 30% or 40% of the workforce leave here, we're probably going to see less than 10%. He said we looked into this years ago and Aurora enacted this a long time ago and they have less than 10% of their city workers living outside the city and they found that most people who have moved out have relocated back in.

COUNCILMAN SHETINA said his concern is he doesn't know what the exodus might be but the potential is there. He said his concern is on new hires, he thinks there will be less and less people hired from the City of Joliet than previously and he thinks a lot more people will come from outside and that's what concerns him. He said they will never live here, never have been a resident and won't be a resident; he doesn't think you can say that won't happen, he thinks it will.

Sgt. Heavener said currently the only job in the City where you have to be a City of Joliet resident to apply is fire. He said he grew up in Lockport and got hired and there are a lot of guys working on the Police Department who grew up in Chicago, Oak Park, Oak Forest and he would venture to say 80% to 90% of the Police Department is not from here originally.

COUNCILMAN SHETINA said we had 76,000 people or less at that time and now we have 150,000 people in the City of Joliet, and he submits that we can hire within in the City and get all the people we need.

Sgt. Heavener said that would be great and that's the reason why we're here. He said your City employees are going to be no less loyal to the City now if they live in Marycrest vs. if they live in Oak Park.

COUNCILMAN GIARRANTE said he agrees that there is not going to be a mass exodus and none of us up here is going to see this, but in maybe 12 to 15 years as we hire and start replacing police and firefighters, we're going to be hiring from wherever and they aren't going to move here, they're going to stay there and they're not going to be involved with little league or girl's baseball or coaching, they're going to come in and go to work and leave and go home. He said that's his concern, we'll never see that, but it's going to happen and he thinks it's happened in Aurora.

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Attorney Ted Jarz stated he is here on behalf of a number of retired police officers and firefighters. He said the topic of concern to his folks is the question of the impact on retirement benefits. He said they recognize the challenges that the City faces in dealing with the budget problems in today's economy and they appreciate there are a number of complicated issues in dealing with these new contract provisions that are coming into place. He said as retirees, they are not covered by nor do they participate in any of the terms of the collective bargaining process. He said they do have the concerns that have come up in previous meetings and some of the discussions here as to changes that may be made to try to save money and affect their benefits. He then quoted Article XIII Section 5 in the State Constitution regarding pension benefits. He said in taking action on this tomorrow, they are confident that the City and the unions can come to an agreement and still serve the best interest of our community, meeting the tremendous budget problems that we face while doing the right thing by our firefighters and police force members. He said they also trust that this honorable Council will refrain from any Ordinance or action that would enter the areas that are prohibited under Article XIII and impair the rights of retirees now in the system. He said they have paid their contributions and provided the years of good service and they have put their trust in the City and Constitution. He said let's do the right things and move forward.

COUNCILMAN GIARRANTE said this does not affect the pension benefits; we are not messing with the pension benefits. He said this is addressing the insurance benefits which has been addressed in the past. He said a few years ago the City and the unions came to an agreement to raise the rates of the prescription drugs and they were raised for everybody, so this is nothing new, and this was done in the past, maybe 6 or 8 years ago. He said the cost that the employees pay for prescription drugs was addressed before and we are not messing with the pension benefits.

Mr. Jarz said they understand it's going to stay the same.

COUNCILMAN BROPHY asked Mr. Jarz who he exactly represents.

Mr. Jarz said it's not a formal organization; he has been contacted by a number of firefighter and police retirees but it's not the retirees association.

COUNCILMAN GIARRANTE said the Joliet Area Retired Firefighters Association sent an e-mail to all of its members that the individuals questioning this do not represent them.

Retired Firefighter Mike Marconi commented on the legality of changing retiree health care benefits. He said we are not a member of the collective bargaining unit.

The City Manager said the retiree's relationship with the collective bargaining units is something that they both need to resolve. He said it's not within his domain to intervene in that relationship. He said historically the unions have done a wonderful job of protecting City of Joliet retirees, and had his proposal been approved as far as what he was seeking from a management perspective for retiree contributions for health insurance, this room would not be big enough to hold the people who would be objecting to it right now. He said fortunately from the retiree's perspective, the collective bargaining units were very protective of the retiree position and the Mayor and City Council made it clear early in the

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process that they would like to respect that situation and that was something he took off the table when he was directed to do so.

Mr. Marconi said the collective bargaining agreement only recognizes employees and employers; that's the only two things the collective bargaining agreement can do. He said once we retiree from the Fire Department, we are powerless.

The City Manager said he did meet with Mr. Marconi quite a few times and he, Corporation Counsel Jeff Plyman and also several other attorneys outside the City of Joliet who are experienced in health care benefit law have done some research on legal issues that Mr. Marconi raised. He said it was their unanimous conclusion that what is before the Council today is perfectly legal, does not involve the constitutional provision that was read by Mr. Jarz and he sits here in confidence letting the Council know that if the Council does approve this package, they are doing so within the confines of Illinois law.

Mr. Marconi said that's fine, that's his opinion and they are prepared to litigate.

COUNCILMAN GIARRANTE said the International Association of Firefighters and Associated Firefighters of Illinois do not think that the fact that the retirees are being asked to contribute \$250.00 a year as a deductible is illegal.

Sgt. Heavener said he was approached by a couple of retirees in his union also that brought this issue to him early in the negotiations, and the constitutional issues that they're citing in the Illinois State Constitution were also sent to their FOP attorneys and they reviewed them and they are in complete concurrence with the City Manager that what has transpired here is legal. He said the last thing he would do or any other head of any bargaining unit would do would be to move forward and make a deal that we didn't think was legal. He said all of the City unions concur with the City Manager's opinion on this and we know this is legal and we have done the right thing. He said as far as transparency with the retirees, every retiree was invited to every open meeting that they had and they have all been informed and they've gotten regular newsletters from either the union heads or the retiree's associations throughout this negotiation process. He said for the one or two complaints that he has received from the retirees, he's probably received upwards of 300 to 400 compliments. He said the retirees he has talked to are ecstatic with this deal; they are grateful that the union took a stance to protect them. He said he would ask that the Council not hold this deal up for a couple of people who are basically malcontents.

Mr. Joe Fabbre of 314 Earl Avenue stated he has received numerous phone calls from the taxpayers of Joliet regarding this residency requirement. He said as a member of the Police and Fire Board he can say that all of the members are strongly against doing away with the residency requirements in Joliet. He said it may not mean that much to the Mayor and City Council, but it means a lot to the taxpayers in Joliet who have to pay those taxes. He said in 1994 Joliet did a residency referendum and over 50% of the people who voted were in favor of keeping the residency requirement. He also cited a survey done by the Herald News recently and said over 50% of the people who voted again supported the residency requirement. He said the policemen and firemen of Joliet are some of the highest paid individuals in this area, and rightfully so. He said he doesn't begrudge them the wages they are getting because they deserve every penny that they are getting, and they are good wages and good benefits, but those good wages and benefits come from the taxpayers of Joliet, and by maintaining the residency requirement, those same individuals will help pay towards the

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lucrative benefits and wages they are getting. He said no one can guarantee how many people will leave the City. He said if the Council allows all these people to leave the City, it is in turn allowing tax dollars to leave this City that help pay for their wages and benefits that they enjoy. He said the Council might have to raise the water rates by 35%, yet it is letting tax dollars go out of the City by allowing people to move.

Mr. Fabbre said it is up to the Council to do the right thing and to help us maintain the residency ruling so the tax dollars stay in this City and not go to some other city. He said it wasn't put on the table for nothing, it was put on the table and it's going to be acted upon. He said he deals with negotiations day in and day out, and if we have to go to arbitration the arbitration procedure is being circumvented by making a decision before we even get that decision. He also referred to COUNCILMAN GIARRANTE'S comments pointing out that the Council will be paying for health insurance and his statement of never voting against a negotiated agreement. He said he encourages this City Council to stand up and represent the voters of this City and vote for what is right and back up the City and maintain the residency in this City.

COUNCILMAN GIARRANTE said he knows Mr. Fabbre has a lot of experience in negotiating and he asked him how much experience he has in negotiating the Public Employees Collective Bargaining Act.

Mr. Fabbre said he has never negotiated public employees.

COUNCILMAN GIARRANTE said he has 16 years experience and believe it when he says that this is a mandatory subject of bargaining and if we go to arbitration we're going to lose. He said all he is looking at is to save money. He said he is not in favor of City employees moving outside the City but if we were to go to arbitration over this not only would we probably lose it, it would cost the taxpayers more money to arbitrate.

COUNCILMAN BROPHY asked the City Manager about the 7 year duration of the agreement on insurance.

The City Manager said his initial proposal was for the agreement that had been negotiated to be locked in through 2012 which coincided with the termination of 3 or 4 of the agreements. He said at that time it would have been his recommendation that we renegotiate the health insurance package at that point along with all the other terms and conditions of the contract. He said the 6 collective bargaining units countered with a longer period and we ended up meeting in the middle. He said he is not happy about the duration of the locked in benefits, but he also recognizes it's a negotiated process where there is give and take on both sides. He said part of it is he is the person who started the ball rolling on this issue; he's the one that asked the Council to allow him to reopen the contracts. He said he did so not because he wanted to go through this process, because it's a long and time consuming process and creates a lot of divisiveness within the City work staff and also in the community, but because he wanted to keep our eye on the ball and the ball right now is an \$81 million deficit that is still looming and the deficit continues to grow. He said it was his recommendation that we look towards having the City employees help out and again they are not going to be the only ones that help out, but it was part of the initiative and his recommendation was to reopen the health insurance package. He said we went through a long process and he believes we have presented to the Council the best agreement that he could get without going to arbitration and

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he knows the arbitration process sounds easy, but it's not. He said it's a one year process, it's expensive, and he's not shying away from it because it's long and expensive, but it's also divisive within the workforce, it causes a lot of problems in the community and it was his recommendation to pursue a negotiated settlement and the six union leaders agreed and we continued and reached an agreement and it's the best proposal he can present to the Council at this point.

The City Manager said Council Memo #711-09 deals with a proposal that he has made to increase the water and sewer rates and associated fees within the City of Joliet. He said part of his challenge in coming back to the City of Joliet is trying to help the City through this budget crisis. He said what is before the Mayor and Council today does not address any of the \$81 million crisis that we have on the General Fund side; this deals with the Water and Sewer Fund. He said when we started digging into this about a year ago, we could see that revenues were not meeting expenses, and we started a process of analyzing the revenues and trying to determine why we are falling short, and it's clear that the shortfall is coming in the form of water and sewer tap on fees that are no longer there. He said we are down 90% in tap on fees and those fees were used previously to help balance the water and sewer budget. He said also down substantially is gaming revenue. He said in 2007 we were at \$37 million in revenue, this year we'll probably be coming in to \$20 or \$21 million in revenue, and while all of us have enjoyed the benefits of having the riverboat gaming abatements that appear on our monthly water bills, we're at a point now where that revenue is just not there to keep those abatements in place.

The City Manager said one of the key components to this is going out to the future, and that's the Combined Sewer Overflow project. He said Council has asked him to provide some additional information on this project and we have a brief PowerPoint presentation on that. He said this goes back to the mid 1980's when the CSO project first started and we were under a consent decree to do that, and it culminated in 2003 when the Mayor and Council awarded a \$1 million contract to Strand Associates to help us through this project. He said he has invited Mike Waldron from Strand Associates here in Joliet to help us with the information and he will turn the podium over to him. He said Mike will go through the CSO Long-Term Control Plan and help us understand why we're where we are and the proposed expenses that we're looking at in trying to handle this project.

9. Presentation on Combined Sewer Overflow Long-Term Control Plan (LTCP)

Mr. Mike Waldron of Strand Associates said when we talk about combined sewer systems and combined sewer overflows, we're talking about the area that's served by the East Side Wastewater Treatment Plant. He said the City has two other wastewater treatment plants, one the Aux Sable and one the West Side Treatment Plant and those are both separate sewer systems. He defined the Combined Sewer System (CSS) and Combined Sewer Overflow (CSO) and showed schematics of the CSO operation during both dry and wet weather conditions.

Mr. Waldron said there are 772 CSO communities nationwide so Joliet is not alone in trying to address this issue and the burden that comes along with it. He showed a map of historical CSO locations, the 26 CSOs that have been removed and the 8 CSOs that remain. He said those that remain are the most difficult of

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the overflows that are left. He said the area that serves these overflows is probably twice the area that we have separated at this point, so it's quite an issue to address.

Mr. Waldron said the reasons Joliet must control their remaining CSOs include the following: CSOs can degrade water quality, CSOs can degrade aesthetics and community value of the City's water sources, and the USEPA and IEPA require control of CSOs. He said development and implementation of a long term plan is meant to control the CSOs and it's not an option.

Mr. Waldron detailed the specific LTCP requirements of both the USEPA and the IEPA.

COUNCILMAN SHETINA asked which agency actually triggers that action be taken.

Mr. Waldron said the requirements come down from the USEPA and then the IEPA takes care of the issue. He said right now we are trying to make the IEPA happy and at the same time we want to make sure that the USEPA is not going to come back and "slap" us after we've made a huge investment or commitment to do something. He said we are focusing on and working with the IEPA.

Mr. Waldron said it's been difficult to get down to the point of establishing the LTCP. He said we characterized the City's whole system which means we tried to get an idea of how the system works and what makes it overflow, and then from that point identify how we can stop it from overflowing and then look at some of the other factors. He said we looked at monetary and non-monetary factors to try and identify what was the most effective and cost effective solution to address the problems, what are the fiscal impacts to that and what's the schedule that we could handle to address these controls, and that all went into a draft LTCP that we submitted to the IEPA for their approval.

COUNCILMAN UREMOVIC said going back 20 years ago, our sanitary system and storm system was one and the same, and over the last 25 years we eliminated a tremendous amount of that surface water going into the system. He asked how much that has been over the last 20 years and is that told to the IEPA.

Mr. Waldron said the IEPA is aware of it; they've been watching what the City has been doing since 1985. He said we've been showing them that 26 out of 34 overflows have been removed. He said they're also aware that the City's largest area is still out there yet to be addressed.

COUNCILMAN UREMOVIC said we've taken millions of gallons off of the system and the storm lines aren't going into the sanitary, and he has spoken with a representative of the IEPA who had real positive words, so he is wondering exactly how much we have to do and he wants to know what we've done in the past and he still hasn't gotten that data.

Mr. Waldron said the draft LTCP was sent to the IEPA and in doing that there were several alternatives that we evaluated to try and determine how to solve the overflow problems and he explained the alternatives considered.

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Mr. Waldron showed a slide of the DesPlaines River with six overflows on the east side of the river and two overflows on the west side, with Granite Street being the northern most overflow. He said there is a west river wall sewer that runs all the way down the DesPlaines River to the I-80 bridge with a 66" diameter interceptor sewer that brings all that flow down to the south. He said there's also the 48" Illinois Street interceptor and a 24" Railroad Street sewer. He said the 66", 48" and 24" inch interceptor sewers all come together to a 36" siphon pipe that goes underneath the river. He said that pipe was built in the late 1920's and we don't know what condition it's in. He said it continues to flow so that's a positive, but from a hydraulic standpoint that's where the main problem is on the west side of the city in trying to convey those flows across the river.

COUNCILMAN SHETINA asked if the pipes could be placed at another location.

Mr. Waldron said that is an issue that we looked at in identifying this location which is just south of the bridge on the east side of Railroad Street. He said the key point to this is that all of the existing conveyance on the west side of the river comes to that point.

COUNCILMAN SHETINA said we're being asked to pay a ridiculous amount of money for that land, and he asked if there is another alternative to that particular site, even if we went 200 or 300 feet southwest of that.

Mr. Waldron said the issue with that is we would have to convey all that flow down to that point also. He said the installation of that interceptor sewer is probably between \$1,500 and \$2,000 per foot to construct it. He said it would be a 72" diameter interceptor sewer and it's probably about 18 to 20 feet deep. He said that's what really ties our hands with this location because all of the City's systems already come to this point. He said this is a logical location to pick those up without any of the additional conveyance. He said if the site is moved north or south, the flow on the east side would have to be picked up and conveyed to that point also because the system is meant to be a conglomerate of operations to convey the combined sewer flows.

COUNCILMAN BROPHY asked about expanding the existing pipe under the river line instead of going to a new site.

Mr. Waldron said that will be left intact and taken out of service when the new system is in place. He said we will televise it and see what condition it's in and see if we can remediate it and put a liner in it; the problem is there is nothing we can do while this thing is still flowing and keeping the City in service in that location.

Mr. Waldron outlined the following preliminary projected costs for the five phases of the LTCP which totals \$49,930,000:

- Phase I (Granite Street and Eastside WWTP
UV Structure and Outfall) \$1,950,000
- Phase II (Wet Weather Tunnel) \$6,150,000
- Phase III (Wet Weather Treatment Facility) \$30,070,000
- Phase IV (Wallace Street Bypass) \$6,820,000
- Phase V (Granite Street Storage if necessary) \$4,940,000

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Mr. Waldron explained the original LTCP implementation schedule which was submitted to the IEPA in April of 2008. He estimated that the plan will be completed in 2016. He said IEPA want this done by 2013 which is when the City's permit expires.

COUNCILMAN SHETINA asked how we would get relief from the EPA.

Mr. Waldron said that's what we're doing at this point and letting them know fiscally what that schedule is going to do. He said the fiscal issue is what it comes down to.

COUNCILMAN SHETINA asked who has trump over this.

The Corporation Counsel said it started with Congress and the Clean Water Act. He said enforcement authority has been delegated to the USEPA who works with the states in terms of local permits, so there won't be any help at least from an enforcement perspective from Congress, maybe funding, but it's really a matter of working out a compliance schedule with the State that's also acceptable to the USEPA.

COUNCILMAN SHETINA said we can't be the only people in the country who has this problem, and they don't have any money and we don't have any money.

Mr. Waldron said the main thing we're trying to address right now is working with the IEPA to come to a negotiation to avoid any civil penalties, getting fined and to avoid criminal penalties. He said if it goes to court, the City will end up having a consent decree being placed upon it and under that, the IEPA will tell the City that what they consider affordable is all that they'll make the City do, but it's defining "affordable" that is our problem. He said EPA defines affordable as 1.5% to 2% of Joliet's median household income. He said in 2008 Joliet's median income was about \$59,200, and at the lower end the best case of just the sewer rate would be \$74 per month; the current rate is \$17.87 per month. He said we're trying to stay away from the IEPA telling Joliet what to do.

Mr. Waldron said Joliet needs to be proactive to control it's plan and it's fiscal planning. He said we want to extend this out until 2016, and the only way we can do that is if we have control over saying how much we're actually going to spend. He said we need to proceed with initiatives to implement the LTCP and show IEPA that we are working towards this.

Mr. Waldron said the City needs to acquire the land needed for the wet weather tunnel and new siphon at 608 Railroad Street.

COUNCILMAN BROPHY asked if the \$49 million cost includes land acquisition in the various phases.

Public Utilities Director Jim Eggen said it is included.

Mr. Waldron said the importance of purchasing that property will allow us to move forward with determining where that tunnel is going to go; we don't want to design for the tunnel without knowing what the soils are like. He said the soils are going to tell us what kind of design we have to do.

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Mr. Waldron said also what we need to do is hold a public hearing on the LTCP, incorporate public input and finalize the LTCP for final IEPA approval and an agreement that works to the City's advantage and schedule with its fiscal impact.

COUNCILMAN UREMOVIC said in March of 2007, he had asked that the City seek federal funding and he read from a letter from Jerry Weller that was brought to the Finance Committee at that time which referenced House Resolution 569, the Water Quality Investment Act, and that enabled \$1.8 billion to be available for municipalities to cover CSOs. He said there are 3 bills together producing \$4.4 billion that would be provided to communities whether large or small with excellent opportunity to construct or expand. He said Congressman Weller was begging us to do this and staff didn't do it. He said we've got people in Washington, Congresswoman Halverson, Senator Durbin, Senator Burriss and President Obama who is from this area, and he asked if we can get City staff, even the Mayor and Council to put together a request for this because there are investment monies available at this time. He said we should involve as many people as we can to be a part of this to get as much money as we can before we move further to address this.

Mr. Eggen said now is the time for this to begin; all the work that's been going on up to this point is to complete the LTCP and come up with the most cost effective way for Joliet to address this problem. He said now we have something in hand that we can go to our Representatives and our Senators with and say this is what we need. He said every time money has been made available from the federal government to the states, everything has always been administered through the EPA and we are working with the IEPA on coming up with an approved plan. He said he agrees that using any avenues and gathering support from other elected officials would help drive Joliet in getting more money.

COUNCILMAN UREMOVIC said stimulus money is available now, we have to ask for a lump sum now. He said it should be a full court press with all people involved and it should happen now, right this minute, before we go to the taxpayers with raising rates.

COUNCILMAN BROPHY said we intend to act and do the right thing, but should we not, exactly who goes to jail.

The Corporation Counsel said civil penalties are what we face, but what is worse off for the City is to lose control of the decision making process and that's what happens if we go to court; the agency and the judge would decide what the Mayor and Council are going to do and what the rate payers of Joliet are going to do. He said that's why we don't want to get to that point.

COUNCILMAN UREMOVIC asked when they would take action against us if they knew we were trying to do everything that we can.

Mr. Waldron said it's a hard thing to tell; at this point our communication has been with the IEPA, but recently the USEPA has been asking us questions and that makes us concerned about whether they are getting antsy about it. He said he was asked the question about how prevalent it is that the communities that are required to do this fall under consent decrees, and it is very prevalent. He said there are hundreds of communities in consent decrees at this point who have been told by the court what they need to do.

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Mr. Eggen said we will be setting up public hearings in the near future and we will make sure the Mayor and Council are notified when those will be held.

10. Presentation on Recommendation for Water and Sewer
Rate Increase

The City Manager said we have about six or seven slides to show the Mayor and Council as a refresher on his proposal for a water and sewer rate increase, and that is the 35% increase and the removal of the abatements from the water bill. He said he wishes that we could have his proposal cover the entire cost of the LTCP but it does not. He said the proposal is there just to balance the budget in the water and sewer fund. He said as he has indicated several times, the tap on fees and the gaming revenues are no longer there, and what he has proposed is the best that he thinks we can do at this point to try and balance the fund short of borrowing money, going out to a bond issue to subsidize it again, and then hope that 5, 10, 15, 20 years from now we have enough money to pay it off. He said we can certainly look at that, but he doesn't view that as something that he can bring forward to the Council as a good way of tackling our problem.

COUNCILWOMAN QUILLMAN said there was some information that she had asked for 10 days ago and she was told that she would see it today, but the point of her asking for it 10 days ago was so she could go over it so that she could make an informed decision. She said getting it now does not help her.

Director of Management and Budget Ken Mihelich said he neglected to get that information to COUNCILWOMAN QUILLMAN as soon as he had hoped to and he apologizes for that.

Director of Finance Hugh Brennan gave a summary of the last briefing on the water and sewer fund including the following points:

- Operations Costs are Increasing
- Capital Investment is Required
- Current Rates are the Lowest in the Area
- Proposed Rate Changes are Comparable to Region
- Fee Schedules Need to Reflect the Cost of Service

Mr. Brennan explained the actual and projected tap-on fee revenues which showed a 90% drop in revenues from 2005 to 2009. He said a lot of these funds were earmarked to take care of capital requirements in the future, and these have gone down dramatically in the last couple of years. He said we don't see those moving up any time soon.

Mr. Brennan explained the following rate proposals recommended by the City Manager:

- Eliminate Daily Rebates - Effective 10/1/09
- Eliminate Sewer Separation Rebate - Effective 10/1/09
- 35% Rate Increase (Water and Sewer) - Effective 10/1/09
- Increase Fees and Penalties to Cover Costs
- 5% Annual Rate Increase (Water and Sewer) - Effective 10/1/10 and 10/1/11

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Mr. Brennan said regarding senior discounts, those discounts represent about \$400,000 for the daily sewer and water rates. He said we also rebate 100% of the sewer separation for all customers, and just for the seniors that represents \$300,000, so combined, the rebates to seniors total about \$750,000 per year. He said the proposal that is being brought forward does provide discounts to senior citizens. He gave a senior citizen discount history and said their daily rates have been frozen since 2003, they have received a water volume rate discount since 2000, and their sewer volume rate has been frozen since 2007. He said compared to 16 other communities, 12 offer no discounts to seniors, and 4 offer discounts based on use with limits.

Mr. Brennan explained a water and sewer rate history evaluation for customers using 300 cubic feet, those using 600 cubic feet and those using 1,200 cubic feet. He said using the Consumer Price Index (CPI), the evaluation shows that if we would have increased our price from 1987 using the CPI, we are still below what the CPI tells us we would need to charge right now.

Mr. Brennan explained a chart evaluating the water and sewer budget for the next three years if there is no change to rates and fees which showed a deficit of \$2.6 million in 2009 using bond reserves of \$7.6 million. He said the estimated deficit in 2012 would be \$40.5 million without any changes.

Mr. Brennan explained a chart showing a surplus of \$877,131 in 2009 and a surplus of \$9 million in 2012 if the rates were increased by 35% in 2009, by 5% in 2010 and by 5% in 2011, and the rebates were eliminated. He said the annual surplus would be used to take care of the capital investment requirements that the City would have in the future.

The City Manager said we tried to keep this proposed rate increase as low as we possibly could. He said we need to face the CSO issue and that's not the only one that's being mandated upon the City; there are other projects like the sewer overflow that occurs at Clare and Bronk every time we have a heavy rain and that issue hasn't even been addressed today and that's about a \$15 million solution for which we have no funding right now. He said we are trying to cut this to the bone as close as we possibly can without creating future hardships on a budget the Council is going to have to deal with through 2012. He said we're trying to parallel this with the General Fund and try to get our situation solved by the end of 2012 so going forward we'll be operating in a more business like manner and not have the deficits that are facing the City right now.

Mr. Brennan said we as a staff believe a rate change is necessary. He said we've shown that the proposed rates are in line with the surrounding communities and the seniors are still receiving a discount versus what the other citizens are having to pay. He said we have to keep the capital program in mind as we make decisions on what the rates are going to be; this does not cover completely the CSO requirement that we have in the future.

COUNCILMAN GIARRANTE said he knows a lot of thought went into this and he understands the City Manager's recommendation, but he asked if any thought has been given to phasing this in instead of hitting residents with a 35% raise and then 5% and 5%, maybe phasing it in over three years.

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The City Manager said if we could phase in the expenses that we already have he thinks he could work with the Council on that, but right now the expenses are real and are a combination of increased personnel costs, increased pension obligations, increased chemical costs and utility costs. He said we've just added 10 water treatment plants to our complement, and there are not too many towns that have done that. He said we operate the largest public utility system that is municipally owned in the State of Illinois. He said we have a big system to operate and we have some big expenses, and while we were getting \$6,000 in tap on fees per house built along Caton Farm Road and Theodore and far east and far south we were able to keep up with our expenses, but right now we're at a trickle when it comes to that revenue, and short of starting to cut back on services, cut back on employees, cut back and expose ourselves to EPA mandates, he doesn't know where else we can cut, and that's why this proposal is coming before the Council now.

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

He explained Council Memo #708-09 dealing with a Special Use Permit to Allow a Wireless Communication Antennae Located at 311 N. Ottawa Street.

Mr. Mark Layne of Clear Wireless was present on behalf of the petition.

It was requested that this item be voted on today.

11. AN ORDINANCE Approving a Special Use Permit to Allow a Wireless Communication Antennae Located at 311 N. Ottawa Street as recommended by the Zoning Board of Appeals subject to the posting of a bond in the amount of \$5,000.00 prior to the issuance of the building permit for the proposed installation was presented and read. (#2009-39/Dist. #5)
(Council Memo #708-09)

COUNCILMAN GIARRANTE moved that said Ordinance be adopted as recommended.

Motion seconded by COUNCILMAN TURK.

Motion carried by the following vote:

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

NAYS: NONE.

(ORDINANCE NO. 16513)

The City Manager explained Council Memo #720-09 dealing with the Renewal of the Line of Credit for the City of Joliet's Local Homestead Program.

It was requested that this item be voted on today.

12. A RESOLUTION Authorizing the Renewal of the Line of Credit with First Community Bank for the City's Local Homestead Program was presented and read.
(Council Memo #720-09)

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COUNCILMAN SHETINA moved that said Resolution be adopted.

Motion seconded by COUNCILWOMAN QUILLMAN.

Motion carried by the following vote:

AYES: COUNCILWOMAN BARBER, COUNCILMAN DORRIS,
COUNCILWOMAN QUILLMAN, COUNCILMEN SHETINA and
UREMOVIC.

NAYS: NONE.

ABSTAIN: COUNCILMEN BROPHY, GIARRANTE, TURK and MAYOR
SCHULTZ.

(RESOLUTION NO. 6293)

The City Manager noted that regarding Council Memo #731-09 dealing with Awarding a Contract for the County Line Road/Theodore Street (Neustoneshire Subdivision) Roadway Improvements, we received a phone call this afternoon indicating that one of the bidders may be filing a protest of the award of this contract to Austin Tyler Construction. He said he doesn't have the details on it but will try to have them for the Public Service Committee meeting tomorrow; if it needs to be tabled tomorrow night he will let the Council know.

13. Citizens to be Heard

- a. Genevieve Dumyahn re: Children Playing in Alley
Behind her House

Mrs. Dumyahn of 1307 N. Hickory Street commented on complaints she had of children sliding down the hill from Elizabeth Street across the alley behind her house and damaging her fence during the winter months. She also commented about other property damage she has incurred in the past and the safety of the children playing in the street and alley.

COUNCILWOMAN BARBER told Mrs. Dumyahn she would set up a meeting with her and the Police Chief to address her concerns.

- b. Trista Brown re: Request for Traffic Lights at Fifth
and S. Chicago Street and Streetlights on Eastern
Avenue, and Police Officer's Authority

Ms. Brown rescheduled her appearance to the next Pre-Council meeting.

- c. Velda Doyle re: Weeds and other Complaints on
NEG Property at Route 30 and Kellogg Street

Mrs. Doyle of 4516 Garden Street commented on the condition of the property at Route 30 and Kellogg Street. She said when this development was being planned, they were promised they were going to have a berm, a privacy fence and an aerator in the pond that they built. She said all they've had up to now until Saturday are 8 to 12 foot weeds growing behind their houses. She said those were only cut because since the end of June they have been calling the City of Joliet to do something about it. She said this is the second year they've had to put up with this. She said they cut the weeds once last year and this is the first time this year they've been cut.

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The City Manager said this is the responsibility of the developer of Millennium Square, a project that has had modest success. He said there's still a large portion of the commercial shopping center that's not developed and it's pretty much the same challenge we've had with a lot of these unfinished subdivisions where we're having a hard time getting the developer to maintain the subdivision. He said without development there usually is not enough capital to complete the private improvements, but we do have a letter of credit of \$500,000 on that project so there is some security. He said we will follow up with the developer on this and do our best to take care of it.

d. Ted Jarz re: Police and Fire Retiree's Health Care Benefits

Mr. Jarz addressed the Mayor and Council earlier in the meeting.

The City Manager advised there was no need for a closed session.

COUNCILMAN TURK moved that the Council adjourn at 6:50 p.m.

Motion seconded by COUNCILMAN BROPHY.

Motion carried by the following vote:

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

NAYS: NONE.

ARTHUR SCHULTZ
Mayor

JANET K. TRAVEN
City Clerk

Recorded on Tape