

THE CITY COUNCIL

OFFICIAL PROCEEDINGS

REGULAR MEETING

Quincy, Illinois, February 28, 2011

The regular meeting of the City Council was held this day at 7:30 p.m. with Mayor John A. Spring presiding.

The following members were physically present:

Ald. Bumbry, Goehl, Duesterhaus, Bauer, Moore, Havermale, Farha, Sassen, Rein, Vahlkamp, Holtschlag, Reis. 12.

Absent: Ald. Lepper, Brink. 2.

Ald. Reis moved the absent Aldermen be excused from this meeting. Motion carried.

The minutes of the regular meeting of the City Council held February 22, 2011 were approved as printed on a motion of Ald. Duesterhaus. Motion carried.

The City Clerk presented and read the following:

PETITIONS

By QHS Class of 2011 All Night Party Committee requesting permission to hold their all night party on Friday, May 27, 2011, at the Tangerine Bowl, beginning at 10:00 p.m. and ending at 5:00 a.m. They are also requesting Section 18.027 (Closing hours) be waived so the Tangerine Bowl can remain open for this event and Section 30.401(Curfew) be waived during the night to permit participants under the legal curfew age to return to their homes without incident.

Ald. Farha moved the prayer of the petition be granted and the proper authorities notified.

By Jeff Henderson and Tim Schroeder requesting consideration for a special permit for a planned development to allow the continued use of the property at 2005 Cedar Street for a heating and air conditioning business, presently zoned C1B.

Ald. Bauer moved the petition be received and referred to the Plan Commission for study and to report back. Motion carried.

By Stephanie and Curtis Thompson, 2417 Wintergreen Drive, requesting consideration for approval of a one-lot subdivision of property located north of Wintergreen Drive to be known as Thompson Drive Subdivision under the "small tracts" provision of the subdivision ordinance, presently zoned C1B.

Ald. Goehl moved the petition be received and referred to the Plan Commission for study and to report back. Motion carried.

By Adam Booth, 2725 Parker Drive, requesting consideration for zoning changes from RU1 to R1A and R2 for a 40-acre property located west of Eagle Trace Condominiums and Spring Lake Estates Additions, and south of Spring Lake Estates.

Ald. Goehl moved the petition be received and referred to the Plan Commission for study and to report back. Motion carried.

By Adam Booth, 2725 Parker Drive, requesting consideration for subdivision approval for a 47-lot subdivision to be known as Ridgeview Subdivision located west of Eagle Trace Condominiums and Spring Lake Estates Additions, and south of Spring Lake Estates, presently zoned RU1.

Ald. Goehl moved the petition be received and referred to the Plan Commission for study and to report back. Motion carried.

By Quincy Notre Dame Foundation requesting permission to conduct a raffle and have the bond requirement waived from 4/2/11 through 6/4/11. The City Clerk recommends approval of the permit.

Ald. Reis moved the prayer of the petition be granted. Motion carried.

REPORT OF THE TRAFFIC COMMISSION

Recommending the implementation of "Two Hour" parking on the east side of South 10th Street beginning at Maine Street and extending one half block south to the alley.

Ald. Reis moved the report be received and concurred in and an ordinance drafted. Motion carried.

PROCLAMATIONS

By Mayor John A. Spring proclaiming March, 2011 as "American Red Cross Month"; February 28, 2011 as "QND Lady Raiders Basketball Team Day"; and February 27th through March 5th as "Lutheran Education Week".

Ald. Reis moved the proclamations be received and filed. Motion carried.

RESOLUTION

WHEREAS, there exists within the borders of the City of Quincy, Illinois (the "Municipality"), a recognized need for decent, safe, sanitary and well-constructed and maintained housing which persons of moderate income can afford; and

WHEREAS, the Municipality is a home rule unit of local government pursuant to Article VII of the Illinois Constitution of 1970 and, as such a home rule unit, the Municipality receives an annual allocation of private activity bond volume cap ("Volume Cap") pursuant to Section 146 of the Internal Revenue Code of 1986, as amended from time to time (the "Code"); and

WHEREAS, Section 143 of the Code ("Section 143") authorizes home rule units to issue mortgage revenue bonds ("Revenue Bonds") using Volume Cap, the proceeds of which are due to be used to purchase qualified home mortgage loans, as defined in Section 143 ("Mortgage Loans"), made to homebuyers satisfying the requirements of Section 143 ("Homebuyers"); and

WHEREAS, the Municipality is considering establishing and implementing a mortgage revenue bond program (the "MRB program") to purchase Mortgage Loans from Homebuyers living within the Municipality, using \$1,400,000.00 of its Volume Cap for the year 2011; and

WHEREAS, the Illinois Housing Development Authority ("IHDA") has offered to create and administer the MRB Program; the Municipality would cede to IHDA a portion of its Year 2011 Volume Cap, and for a period of one (1) year from the commencement date of the MRB Program, IHDA would issue Revenue Bonds and use the proceeds to purchase only Mortgage Loans made to the Homebuyers living in the Municipality; and

WHEREAS, the MRB Program has received the approval of the Finance Committee.

NOW, THEREFORE, BE IT RESOLVED by the Quincy City Council, as follows:

1. The Municipality makes the findings and determinations set forth in the preamble. The terms defined in the preamble are adopted for the purposes of this Resolution.

2. The Municipality approves and authorizes its participation in the MRB Program and cedes to IHDA \$1,400,000.00 of its Year 2011 Volume Cap for purposes of establishing and administering the MRB Program.

3. The Municipality authorizes and empowers the proper officials, agents and employees of the Municipality to do all acts and things to execute all documents and instruments as may be necessary to participate in the MRB Program and to carry out and comply with the provisions and intent of this Resolution or to effectuate its purpose.

4. This Resolution shall take effect immediately upon its adoption.

Passed this 28th day of February, 2011.

Ayes: 12

Nays: 0

Absent: 2

Approved this 1st day of March, 2011.

City of Quincy, an Illinois Municipal Corporation

By: John A. Spring, Its Mayor

ATTEST:

Jenny Hayden, Its City Clerk

Ald. Duesterhaus, moved for the adoption of the resolution, seconded by Ald. Vahlkamp, and on the roll call each of the 12 Aldermen voted yea, with 2 absent. Motion carried.

RESOLUTION

WHEREAS, the Internal Revenue Code of 1986 provides that the amount of private activity bonds which may be issued by the City of Quincy ("City") as a constitutional home rule unit is equal to its population multiplied by \$90.00; and

WHEREAS, the Illinois Private Activity Bond Allocation Act (30 ILCS 345/1 et seq.) provides, among other things, that the corporate authorities of any home rule unit may reallocate to a state agency any portion of its unused allocation of volume cap; and

WHEREAS, the City of Quincy has available year 2011 Volume Cap and desires to utilize this cap in cooperation with the Western Illinois Economic Development Authority ("WIEDA") to support the projects that will create jobs and expand the City's tax base;

NOW, THEREFORE, be it ordained by the City Council of the City of Quincy, Illinois;

Section 1. Consent to Reallocate to WIEDA: The City hereby agrees to reallocate to the Western Illinois Economic Development Authority its 2011 private activity volume bonding cap in the amount of \$2,198,470. Said private activity volume bonding cap shall be used to support projects that will provide job opportunities and new investments.

Section 2. Letter of Agreement: The City Finance Director is hereby authorized to execute a letter of agreement with

WIEDA consenting to such allocation on behalf of the City as authorized.

Section 3. Maintaining Records: The City Finance Director is hereby authorized to maintain such record of the allocation for the term of the bonds issued pursuant to such allocation.

Section 4. Notice: The Mayor shall provide notice of such allocation to the Office of the Governor.

Section 5. Effective Date: This Ordinance shall be effective from and after its passage.

Passed this 28th day of February, 2011.

Ayes: 12

Nays: 0

Absent: 2

Approved this 1st day of March, 2011.

City of Quincy, an Illinois Municipal Corporation

By: John A. Spring, Its Mayor

ATTEST:

Jenny Hayden, Its City Clerk

Ald. Duesterhaus, moved for the adoption of the resolution, seconded by Ald. Vahlkamp, and on the roll call each of the 12 Aldermen voted yea, with 2 absent. Motion carried.

RESOLUTION

WHEREAS, in August of 2005, the City of Quincy (“the City”) initiated its study of potential production of hydroelectric power from the Mississippi River; and

WHEREAS, in December of 2006, the City was issued a 3-year preliminary permit from the Federal Energy Regulatory Commission (“FERC”) for the feasibility to develop hydroelectric generating facilities at Lock and Dam Nos. 20, 21 and 22, and

WHEREAS, in February of 2009, Congress passed and the President signed into law the American Recovery and Reinvestment Act of 2009, and Section 1603 of the Act provides for grants of 30% of the qualified cost basis for “specified energy property,” such as the proposed hydroelectric generating facilities at Lock and Dam Nos. 20, 21 and 22; and

WHEREAS, in November of 2009, the City and the City’s hydroelectric consultants were informed and advised by various sources that the City could form a “blocker corporation” in order to qualify for the Section 1603 30% grant; and

WHEREAS, in December of 2009, in order to qualify for the Section 1603 30% grant, the City formed Mississippi River No. 21 Hydropower Company, with the City being the sole shareholder thereof, which filed its application with FERC for another 3-year preliminary permit; and

WHEREAS, in February of 2010, the City engaged Stoel Rives LLP to consult the City on issues related to its hydroelectric power project, such as Section 1603 grant qualification, formation of subsidiary LLC to attract private equity partner, and the transition from City to its corporate entities in the FERC licensing process; and

WHEREAS, in May of 2010, the City, through its Mississippi River No. 21 Hydropower Company, formed the subsidiary company of Great River Hydropower LLC, with the sole member being the City’s Mississippi River No. 21 Hydropower Company, for the purpose of attracting a private equity partner; and

WHEREAS, in July of 2010, the City’s subsidiary company, Great River Hydropower LLC, filed its license application to develop a hydroelectric generating facility at Lock and Dam No. 21; and

WHEREAS, in February of 2011, a letter of intent was entered between the City of Quincy, its Mississippi River No. 21 Hydropower Corporation and Great River Hydropower LLC, and Coastal Hydropower Corporation and its Coastal Hydropower LLC, defining the potential partnership interests in the proposed hydroelectric generating facility at Lock and Dam No. 21; and

WHEREAS, in February of 2011, the City learned of FERC’s Order of February 17, 2011 under which FERC ruled that the City misused its municipal preference with the intent to have a competitive advantage over other potential license applicants by virtue of the City’s use of the City’s wholly owned business entities, namely Mississippi River No. 21 Hydropower Company and Great River Hydropower LLC, and based on such ruling FERC dismissed the City’s preliminary permit application of December of 2009 and its license application of July of 2010; and

WHEREAS, pursuant to the FERC Order of February 17, 2011, the City has 30 days from the date of the Order’s issuance to seek the appeal of the Order and have a “rehearing” on its preliminary permit and license applications; and

WHEREAS, in reliance of its hydropower consultants and the licensing process of FERC, the City has spent, during foregoing described time period, approximately \$5 million dollars in its pursuit to produce hydroelectric power from the Mississippi River; and

WHEREAS, the City desires to engage the Washington D.C. based law firm of VanNess Feldman to appeal FERC’s

Order of February 17, 2011, which firm's background information (i.e., "Firm Overview") is attached hereto as Exhibit A and its engagement letter of February 22, 2011 is attached hereto as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL that the City's special counsel, Joseph A. Duesterhaus, Esq., is hereby authorized to engage on behalf of the City the law firm of VanNess Feldman to appeal FERC's Order of February 17, 2011 in accordance with its engagement letter of February 22, 2011 as reflected in Exhibit B attached hereto.

RULES SUSPENDED

Ald. Duesterhaus moved the rules be suspended to hear from Special Counsel Joe Duesterhaus representing the Mississippi River No. 21 Hydropower Co, seconded by Ald. Havermale. Motion carried.

Special Counsel Joe Duesterhaus stated the motion filed today was for administrative proceedings today. It is not the appeal that will be filed around the last day possible. He stated the 30 days start to run on February 17, 2011 with the last day being March 31, 2011. All things have to be completed and filed by March 31st. He stated we could ask FERC to expedite. FERC has 30 days and they can extend their time to give us an answer. The attorneys of Van Ness Feldman only filed the motion until the council gives approval of the resolution before them tonight. Cost estimate at this point by Van Ness Feldman would be between \$25,000 up to \$45,000. This would be just the FERC part of the appeal. If any farther appeal to a higher court would be needed, the attorneys would need to give a quote for the next step and the C-Corp would come to the council for farther recommendation. Special Counsel Joe Duesterhaus then answered questions by the Aldermen.

Ald. Duesterhaus moved the rules be resumed. Motion carried.

Ald. Duesterhaus, moved for the adoption of the resolution, seconded by Ald. Reis, and on the roll call the following vote resulted: Yeas: Ald. Bumbry, Goehl, Duesterhaus, Bauer, Farha, Sassen, Rein, Vahlkamp, Holtschlag, Reis. 10. Nays: Ald. Moore, Havermale. 2. Absent: Ald. Lepper, Brink. 2. Motion carried.

ORDINANCE

Second presentation of an ordinance entitled: An Ordinance Granting Variation From Zoning Regulations. (701 Lind, reduce the R3 district front yard setback requirement from 25' to 16.81' and the rear yard setback requirement from 25' to 16')

Ald. Goehl moved the requirements of Section 2.207 of the Code of the City of Quincy be waived and the ordinance adopted, seconded by Ald. Bumbry, and on the roll call each of the 12 Aldermen voted yea, with 2 absent.

The Chair, Mayor John A. Spring, declared the motion carried and the ordinance adopted.

ORDINANCE

Second presentation of an ordinance entitled: An Ordinance Granting Variation From Zoning Regulations. (2901 S. 48th, reduce the R1A District front yard requirement from 30' to 25' in order to build a pump house)

ORDINANCE

First presentation of an ordinance entitled: An Ordinance Amending The District Map Which Is Made A Part Of Section 29.102 Of The Municipal Code Of the City Of Quincy Of 1980. (R1A to R3, South 24th & Harrison St.)

Ald. Rein moved the ordinance be read by its title, seconded by Ald. Farha. Motion carried.

The City Clerk read the ordinance by its title.

REPORT OF FINANCE COMMITTEE

Quincy, Illinois, February 28, 2011

	Transfers	Expenditures	Payroll 3/4/11
City Hall		2,250.86	41,015.53
Central Services	57,000.00		
Airport	9,000.00		
Building Maintenance		11,319.31	
Legal Department		61.43	7,890.95
Fire and Police Comm.			563.59
MIS Department		3,959.78	11,984.54
Police Department.....		10,449.90	210,824.08
Fire Department		3,409.31	142,866.96
Engineering		2,225.18	20,951.31
Eng-Amtrak Station		1,768.76	
Eng-Landfill		2,075.77	
Subsidies		36,421.25	
GENERAL FUND SUBTOTAL	66,000.00	73,941.55	436,096.96

Planning and Devel		838.95	19,349.73
911 System		2,856.83	33,466.53
Traffic Signal Fund		94.28	
Crime Lab Fund		482.40	
Transit Fund		43,290.45	31,889.46
Capital Projects Fund		120,635.44	
Special Capital Funds		148.00	
Water Fund			
Utilities Dept		72,142.23	24,500.09
Central Services		23,276.77	13,807.44
Sewer Fund			
Central Services		999.92	9,678.18
Utilities Dept		48,907.51	7,048.02
Quincy Regional Airport Fund		2,624.41	7,546.21
Titan Hangar Fund		2,977.24	
Municipal Dock			1,061.89
Central Garage		76,305.49	9,242.33
Central Services Fund		5,946.50	23,754.81
Self Insurance		7,580.85	6,988.06
Econ Dev Revolv Loan Fund		2,500.00	
BANK 01 TOTALS	66,000.00	485,548.82	624,429.71
2009 G/O OLC Proj Fund.....		822.23	
1996 G/O (H/M tax) Bond Fund.....		35,550.00	
ALL FUND TOTALS	66,000.00	521,921.05	624,429.71

Steve Duesterhaus
Ben Bumbry, Jr.
Anthony E. Sassen
Mike Farha
Raymond Vahlkamp
Finance Committee

Ald. Duesterhaus, seconded by Ald. Vahlkamp, moved the reports be received and vouchers be issued for the various amounts and on the roll call each of the 12 Aldermen voted yea, with 2 absent. Motion carried.

Ald. Havermale moved the City Council now sit as a Town Board. Motion carried.

TOWN BUSINESS
Report Of The Quincy Township Supervisor For General Assistance
For The Month Of January, 2011.

RECEIPTS

Balance January 1, 2011	\$	172,863.51	
Personal Property			
Replacement Tax		7,567.35	
Interest		<u>75.16</u>	
Total	\$		180,506.02

DISBURSEMENTS

Relief Orders were issued to 27 cases containing 29 individuals at an average grant per case of \$220.56	\$	5,955.32	
Administration		<u>5,905.00</u>	<u>11,860.32</u>
Total	\$		168,645.70

ADMINISTRATION

Salaries	\$	5,905.00	
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CASH ACCOUNT

Balance January 1, 2011	\$	166,303.41	
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Personal Property		
Replacement Tax	7,567.35	
Interest	<u>75.16</u>	
Total		\$ 173,945.92
Obligations paid during the month	\$ 11,985.65	
Balance January 31, 2011		\$ 161,960.27
Unpaid bills outstanding	\$ 4,573.87	

Steven L. Schrage,
Supervisor of Quincy Township

Ald. Havermale, seconded by Ald. Reis, moved the report be received and vouchers be issued for the payment of disbursements and administrative bills for the various amount, and on the roll call each of the 12 Aldermen voted yea, with 2 absent. Motion carried.

Report Of Town Auditing Committee

Quincy, Illinois, February, 2011

Regular Salaries	19,193.40
Benefits	10,521.29
Registration/Schools/Meetings	658.00
Professional Services/Maintenance	9,883.50
Communications	35.07
Travel	207.00
Office	1,381.21
Natural Gas	736.00
 TOTAL	 \$42,615.47

Paul Havermale
Richard Reis
Dave Bauer
Committee

Ald. Havermale, seconded by Ald. Reis, moved the reports be received and vouchers be issued for the various amounts and on the roll call each of the 12 Aldermen voted yea, with 2 absent. Motion carried.

The meeting resumed its sitting as a City Council on motion of Ald. Havermale.

MOTIONS

Ald. Bauer moved to allow a dumpster on city right-of-way at 2000 Chestnut starting March 1st for two weeks. Motion carried.

Ald. Holtschlag referred to the Street Lights/Right-Of-Way Committee the street lights that are out on the west side of 6th Street from Madison to Adams. Motion carried.

The City Council adjourned at 8:26 p.m. on a motion of Ald. Havermale. Motion carried.

JENNY HAYDEN, CMC
City Clerk