

DEKALB CITY COUNCIL AGENDA REGULAR MEETING MARCH 14, 2022 6:00 P.M.

DeKalb Public Library Yusunas Meeting Room 309 Oak Street DeKalb, Illinois 60115

Pursuant to Chapter 2 "City Council", Section 2.04 "Council Meetings", persons wishing to address the City Council during this meeting are required to register with the City Clerk or the Recording Secretary by filling out and submitting a Speak Request form, copies of which are located on the table just outside the meeting room, along with copies of the agenda. Comments will be limited to three (3) minutes. Further information for addressing the City Council can be found on the Speaker Request form.

- A. CALL TO ORDER AND ROLL CALL
- **B. PLEDGE OF ALLEGIANCE**
- C. APPROVAL OF THE AGENDA
- D. PRESENTATIONS
 - 1. DeKalb County Administrator Brian Gregory Will Speak to the Close Professional Collaboration Between the County and City Administrations.
- **E. PUBLIC PARTICIPATION**
- F. APPOINTMENTS
 - 1. Reappointment of Jeanine Holcomb to the Citizens' Community Enhancement Commission for the Completion of a Three-Year Term through December 31, 2024.
- G. APPROVAL OF THE MINUTES
 - 1. Minutes Submitted by the City Clerk

None.

- 2. Minutes Submitted by the Recording Secretary
 - a. Minutes of the Regular City Council Meeting of February 28, 2022.
- H. CONSENT AGENDA
 - 1. Accounts Payable and Payroll through March 14, 2022, in the Amount of \$4,223,523.68.

2. Resolution 2022-025 Authorizing a Workers' Compensation Lump Sum Petition and Order in the Amount of \$20,559.25.

<u>City Manager's Summary</u>: Pursuant to a tentative agreement between the City's Workers' Compensation carrier and a former employee, the Council is asked to approve a \$20,559.25 arbitration recommendation for Jeffrey Winters. <u>(click here for additional information)</u>

I. PUBLIC HEARINGS

None.

J. CONSIDERATIONS

1. Adopting a Lead Service Line Replacement Program.

<u>City Manager's Summary</u>: Since the Congressional passage of the American Rescue Plan Act (ARPA) in March 2021, it has been clear that one of the categories for allowable expenditures was the replacement of lead water service lines. In this regard, in the FY2022 City Budget the Council "parked" \$1,000,000 in ARPA funds in the Water Capital Fund (Fund 620) to incentivize lead service replacement across the City. In the Fall of 2021, the City's Water Department surveyed City homes suspected of having lead services on the basis of department inspections and contacts over the years. The survey revealed that there were about 200 lead services in DeKalb, rather than 400 as originally estimated. This outcome could potentially free up some of the \$1 million in ARPA funds earmarked for lead service replacement and direct the savings toward other projects within qualified Census tracts.

The purpose of this consideration is to provide an opportunity for the Council to explore the possible criteria for ARPA grants to qualified homeowners. At a minimum, most communities with ARPA funds are considering a public commitment to replace the lead service line from the main in the street to the shut-off box on private property. However, there are differences with respect to policy affecting the replacement of lead services from the shut-off box to the residence. The latter section of service piping is typically the responsibility of the homeowner.

Two additional elements of the legislative landscape need to be taken into account. The State of Illinois approved a mandate on August 30, 2021 (the Illinois Lead Service Line Notification and Replacement Act) for licensed Illinois water systems to <u>begin</u> removing all lead service lines within their distribution system no later than January 1, 2027. Illinois cities will be required to remove at least 7% of their lead service lines per year until all lead service lines have been removed over a maximum of 15 years. Assuming that DeKalb has about 200 lead service lines, 14-15 services would need to be replaced per year over a 15-year period.

Additionally, the City's ARPA funds must be obligated by the end of 2024 and spent by December 31, 2026, Consequently, allocations for targeted programs should be made by the end of FY2024.

Bryan Faivre, the Assistant Director of Public Works for Utilities, Engineering and Transportation, has prepared a background memorandum on this matter (see attached).

Assistive services, including hearing assistance devices, available upon request.

As he points out, there are a number of questions that may impact the pricing of a City-sponsored program. They include the following:

- Is the city main on the same side of the street as the house (the "short side")? If not, the excavation from the main to the shut-off box would involve more street-breaking and street repair, and thus more funding.
- Is the main in the adjacent curb-line or the parkway? If in the parkway, the excavation to expose the main would be cheaper than if the main were under the curb.
- Will a number of the replacements be located in a neighborhood so the set-up and cleanup costs might be diminished, or will they generally be at widely scattered sites, increasing the overall cost as well as the average cost per residence?
- Will an adjacent City-funded street maintenance project create the possibility that the street-breaking and repair costs will not be borne by the ARPA program?
- Will the City establish a pre-qualified list of contractors with "program pricing" to address potential variations?

Whatever the costs may be, we can assume that cost is important to both the City and the affected homeowner. To fairly apportion the costs, the possible program options might be broken down into two parts: (a) the replacement of the service line from the main to the shutoff, and (b) the replacement from the shutoff to the residence. Here are some possible parameters for a City-sponsored program:

- 1. Replace only the public portion of the roughly 200 lead service lines from the mains to residential shut-off boxes with ARPA funds. Estimates of cost for this public portion range from \$3,500 to \$5,000 per residence, depending on whether the nearest main is on the "short side" nearest the property or the "long side" across the street. Assuming the main is typically on the "short side" or adjacent to the residence, the overall City cost including (a) removal and replacement of some sections of sidewalk and (b) street patching for 200 services would be an estimated \$700,000 at the least.
- 2. Replace the public portion of the roughly 200 lead service lines from the street mains to residential shut-off boxes with ARPA funds <u>and</u> offer an incentive of an additional \$1,500 or 50% of the estimated cost to replace the private portion of the lead service line to the residence, whichever is less. Total estimated City exposure: \$1,000,000. The additional \$300,000 may be drawn from future IEPA funding or City water user fees.

Both options invite participation from the homeowner to replace the private portion of the house service.

City Council direction is recommended. (click here for additional information)

K. RESOLUTIONS

1. Resolution 2022-026 Authorizing the Dedication of the FY2022 Allocation to Barb City Manor to Modernize an Auxiliary Hydraulic Elevator.

<u>City Manager's Summary</u>: On June 24, 2019, the Council approved Resolution 2019-099 executing a 10-year lease and operating agreement with Barb City Manor which committed \$50,000 per year for capital improvements at Barb City Manor through 2028. On July 27, 2020, the City Council approved Resolution 2020-086 which authorized Barb City Manor to use the \$50,000 commitments for 2020 and 2021 to help offset the extraordinary cost (\$716,275) for the total replacement of their two main passenger elevators. The Board of Directors would like to use the 2022 allocation of \$50,000 to help offset the modernization of a third, auxiliary hydraulic elevator in the facility's east wing. As Maureen Gerrity, BCM Administrator, explains in her background memorandum, the BCM board bid the repairs and has committed to spending \$166,200 for the maintenance on the auxiliary elevator.

City Council approval is recommended. (click here for additional information)

2. Resolution 2022-027 Authorizing a Social Services Agreement for University Village Effective January 1, 2022, through December 31, 2024.

<u>City Manager's Summary</u>: In 2015, the City of DeKalb approved a development agreement for University Village, converting the 534-unit residential rental complex from a legal, non-conforming use to a Planned Unit Development-Residential zoning designation that codified the existing density as a lawful zoning use. This action enabled the property to be sold to Security Partners, which undertook a comprehensive renovation of the property, working to restore it to a safe and habitable condition.

The rezoning was only part of a development agreement imposing a number of conditions relating to the renovation and redevelopment, all intended to improve the quality and safety of conditions at the property and in the surrounding Annie Glidden North area. Among other things, the development agreement required the property owners to provide funding to initiate social service programs for residents of University Village. Under the requirements of the agreement, the owners provided upfront funding of \$200,000 and were obligated to provide another \$300,000 over a fifteen-year period, or a total of \$500,000 in all.

In May of 2017, the City worked with the University Village Tenants Association, facilitators from Northern Illinois University, and Village residents to develop a request for proposals (RFP) for social services to be funded by the ownership's financial contributions. The RFP generated a number of professional service responses, but inaction by the city administration delayed a Council decision until March of 2018, when the Council authorized a funding agreement for University Village social services (Resolution 2018-036). After some fits and starts, a workable collaborative plan involving multiple local service agencies was approved by the Council on April 8, 2019. The contract named Adventure Works as the lead agency and fiscal agent for the collaborative. Resolution 2019-062 also included an estimated additional payment of \$22,500 to compensate the partner agencies for the services that were provided during FY 2018 that were unpaid. Resolution 2020-017 was passed on February 24, 2020, to continue the agreement for an

additional year at a cost of \$34,200 with Adventure Works continuing to function as the lead agency and fiscal agent.

During 2020, Adventure Works came to the realization that continuing in the role of the lead agency for the collaborative was not in alignment with the true mission of their agency. Adventure Works initially took on the role to ensure the collaborative continued its work at the Village, but never intended to maintain that position over the long term. With Family Service Agency providing the Community Action Program for DeKalb County, it was in a better position to assume the lead role of the collaborative. In short, FSA was being funded to provide the same services on a county-wide basis that the collaborative had identified as the urgent needs at UV. With the Council's support, FSA has functioned in this lead role since January 2021.

The City Manager recommends approval of the renewal of a three-year social services agreement for FY 2022 through FY 2024 with the Family Service Agency as fiscal agent in the amount of \$33,000 per year. The proposal includes a continued commitment from the collaborative partners to provide support and services to the residents of UV. The requested funding is in alignment with annual funding expectations for this project. Additionally, all partner agencies are aware that additional funding beyond the terms of this agreement must be agency-financed. (click here for additional information)

3. Resolution 2022-028 Awarding a Bid to Performance Construction Engineering in the Amount of \$641,892 for 2,384 Feet of Water Main Replacement on N. Thirteenth Street Between Clark Street and Sycamore Road with Staff Authority to Approve Change Orders Up to \$664,358.

<u>City Manager's Summary</u>: The existing water main along North Thirteenth Street between Clark Street and Sycamore Road is a combination of four-inch and eight-inch cast iron piping originally installed in 1951. The water main has had numerous breaks over recent years causing water service disruptions to residents within the affected area. During the Fall 2021 city budget process, the Utility Division recommended replacing the main with a new eight-inch ductile iron water main to insure a safe and reliable water supply with adequate fire flow. Since Thirteenth Street is scheduled to be resurfaced in 2022 as part of the City's annual street maintenance program, the advance replacement of the main was logical to reduce future street excavations.

The replacement of the older cast iron water main with new ductile iron main is also consistent with Council policy based on a 2015 Water System Master Plan. The 2015 Plan recommended an annual water main replacement program to improve the City's aging water distribution system. The study also recommended water rate adjustments to help offset the costs of the program.

Since approving the Plan, over \$7.4 million of water capital improvements have been completed including over 15,560 feet of water main replacements in various parts of the city. This work has increased the reliability of the City's drinking water supply and improved fire suppression capabilities. The replacement of the water main along North Thirteenth Street continues this Council objective and insures a reliable water system for future generations.

A Request for Bids (RFB) was released on February 11, 2022, for the Thirteenth Street work. The bid request included two alternates: Alternate #1 specified replacement of

concrete curbing disturbed during the water main and service line installations. This would make the roadway resurfacing more durable. Alternate #2 included replacement of various sewer laterals and was added at the request of the Kishwaukee Water Reclamation District (KWRD). Alternate #2 will not be included under the City's contract. The plan is for KWRD to work directly with the approved contractor under a separate contract based on the Alternate #2 bid.

The following bids for the City work only were received and publicly opened on March 1, 2022:

| Company Name | Base Bid | Alternate #1 Replacement of Curb Disturbed During Excavation | Total Bid Base Bid and Alternate #1 Only |
|--------------------------------------|--------------|--|---|
| Performance Construction Engineering | \$617,700.00 | \$24,192 | \$641,892.00 |
| Elliott & Wood | \$653,872.00 | \$15,120 | \$668,992.00 |
| N-Trak | \$821,003.62 | \$20,304 | \$841,307.62 |

The lowest responsible bid was Performance Construction Engineering with a base bid amount of \$617,700 and an Alternate #1 bid of \$24,192 for a total bid of \$641,892. This amount is \$143,313.50 less than the engineering estimate of \$785,205.50. The Water Division has requested Council authority to approve change orders up to \$664,358, an increase of 3.5% (\$22,466) over the bid amount. The 3.5% contingency request is modeled after the Illinois Environmental Protection Agency's contingency allowance for loan-funded projects to pay for unforeseen work items.

Including the construction contract amount, the contingency allowance, and the estimated engineering fees for construction-related services, the total project budget is as follows:

| Total Project Construction Costs | \$735,158 |
|---|-----------|
| Estimated Engineering Fees (Construction Related) | \$ 70,800 |
| Contingency Allowance (3.5%) | \$ 22,466 |
| Construction Contract Amount | \$641,892 |

The FY2022 Water Fund budget includes \$1,590,000 under line item 620-00-00-650-85000 (Water Mains) and is the source for this project.

City Council approval is recommended. (click here for additional information)

L. ORDINANCES - SECOND READING

1. Ordinance 2022-012 Amending Chapter 51 "Traffic", Schedule C "Parking Prohibited", Schedule E "Limited Parking", and Schedule F "Limited Parking – Central Business District".

<u>City Manager's Summary</u>: At the last regular Council meeting of February 28, the Council considered amended language for several signage schedules in Chapter 51 "Traffic," of the DeKalb Municipal Code. The agenda item was approved on first reading only, to allow

more time for the public to review the proposed changes and offer suggestions or comments.

The attached, color-coded document highlights the most significant changes. The changes are designed to accomplish the following:

- Consistently and accurately describe field locations of various street signs.
- Remove unintended confusion that has resulted because a previous or similar section or description has not been revised. The caution of "in with the new and out with the old" has sometimes been ignored in the urgency to "get in with the new."
- Replace sign language that no longer corresponds to conditions that may change as development has occurred. For example, speed limits have changed with higher volumes of traffic on new truck routes, but the code language is not consistent with the wording on the signage.

Recognizing that codes restricting or authorizing parking can adversely impact businesses and homes along public streets throughout town, a careful review of the proposed changes is welcome. City employees Andy Raih, Zac Gill, Doug Eaton, and John Lucius have worked hard to eliminate controversy and to remove longstanding inconsistencies. Mr. Raih and Mr. Gill will be on hand to answer specific questions. (click here for additional information)

M. ORDINANCES - FIRST READING

Ordinance 2022-013 Publishing the Official Zoning Map of the City of DeKalb.

<u>City Manager's Summary</u>: The Illinois Municipal Code (65 ILCS 5/11-13-19) requires municipal authorities to annually publish an Official Zoning Map. The attached map reflects the changes that were reviewed and approved by the Planning and Zoning Commission (PZC) and City Council throughout the course of the past year. This is also the time that any map errors that may have been identified can be corrected.

The attached map includes the following changes over the prior year's Official Zoning Map:

| Case Name | Ordinance (Approval Date) | Action |
|--|---------------------------------|--|
| Elias Ramos 304 N. 10 th Street | 2021-024 (7/12/2021) | Rezoning from RC-1 to PD-C to accommodate a ground floor commercial building with two 2-bedroom apartment units on the second floor. |
| ChicagoWest Business Center – Amazon Gurler Road & Crego Road | 2021-027 (7/26/2021) | Amended Ordinance 2006-107 and Ordinance 2006-109 to accommodate an approximately 700,000 sq. ft. warehouse and distribution center. |
| Northland Plaza Shopping Center – Sycamore Road | 2021-028 (7/26/2021) | Amendments to Ordinances 2002-045 and 2019-004 regarding the wall sign regulations. |

| Blue Ridge LLC-1221 | 2021-032 | Rezoning from GC and MFR2 to PD-C to |
|--------------------------------|-------------|--|
| 1221 W. Lincoln Highway | (8/23/2021) | accommodate a liquor store, gaming |
| | | establishment, and dwelling units. |
| Adventure Works | 2021-038 | Amendment to Ordinance 2018-068 and |
| 1221 Sycamore Road | (9/13/2021) | rezoning from SFR2 to PD-R to |
| | | accommodate an expansion for outdoor |
| | | activities. |
| Mary Zvirzdin – Betty Shattuck | 2022-004 | Rezoning from LC to SFR2. |
| 1421 E. Lincoln Highway | (1/10/2022) | |
| Arista Residences – | 2022-008 | Annexation and Rezoning from SRF1 to PD- |
| Pappas Development | (1/24/2022) | R and from GC to PD-R to accommodate a |
| Barber Greene Road at | | 4-story building with 61 1-bedroom |
| County Farm Road | | executive suites. |

City Council approval is recommended. (click here for additional information)

2. Ordinance 2022-014 Amending Chapter 23 "Unified Development Ordinance", Article 7 "Supplemental District Regulations", as it Pertains to Cannabis Business Establishments within the City of DeKalb.

<u>City Manager's Summary</u>: The UDO defines "cannabis business establishment" as an adult-use cannabis dispensing organization and a medical cannabis dispensing organization. The City Manager and Director of Planning are suggesting text amendments to the City's Unified Development Ordinance (UDO) to remove the 250-foot setback for a cannabis dispensary to a residential use. In addition, an amendment is also proposed to add the "CBD" Central Business District, "PD-C" Planned Development Commercial District and "PD-I" Planned Development Industrial District to the list of zoning districts where a special use for a cannabis dispensary can be established. The proposed amendments will allow cannabis dispensaries in more commercial areas, while still protecting the public health and safety.

The specific amendments to the UDO are as follows:

 Amend Article 7.18.04(1) to add the CBD, PD-C and PD-I Districts to the list of zoning districts where a special use for a cannabis dispensary can be pursued.

Cannabis business establishments are currently special uses in the LC, GC and LI districts. Cannabis dispensaries are well regulated by the State and operate similar to a pharmacy. A pharmacy is a permitted use in the CBD district. The ordinance would also add the PD-C and PD-I Districts to the list of zoning districts where cannabis business establishments can locate with a special use. The special use process brings public scrutiny to any proposed changes through review by the Planning & Zoning Commission and approval by the Council after a public hearing. It should be noted that state statute prohibits cannabis dispensaries within 1,000 feet of each other, so no more than one cannabis dispensary is likely within the downtown core, even if otherwise consistent with the City's codes and ordinances.

Amend Article 7.18.04(2) to remove the 250-foot setback to residential areas.

A 1,000-foot setback from residential areas was established in 2015 when the original regulations for cannabis dispensaries were added to the UDO. In 2019 a comprehensive

amendment was approved for cannabis business establishments that included a reduction in the setback from residential areas to 250 feet. Because cannabis dispensaries are highly regulated by the State and operate like a pharmacy, and the City's special use process allows nearby property owners and any interested members of the public to participate in the discussion of new cannabis locations, the further change in the setback requirement seems judicious. In addition, there are existing regulations for cannabis business establishments in the UDO that include the provision of a well-lit parking lot, signage and advertising limits, restrictions on hours of business and the submittal of a security plan. Dispensaries typically check IDs at entry doors and have on-site security, which makes them more secure than pharmacies with a wider array of over-the-counter drugs. The current 250-foot setback to schools, day care centers and NIU academic buildings and residence halls will remain in place.

There are some areas along W. Lincoln Highway and several in the downtown area that have buildings with commercial uses on the first floor and residential units on the upper floors. Removing the setbacks to residential areas will allow cannabis dispensaries in some of these locations. Again, a cannabis business establishment requires a special use permit in each case, which entails a public hearing, surrounding property owner notification and a Planning and Zoning Commission recommendation. The special use process will allow each site to be looked at on a case-by-case basis and permit specific conditions to be applied, if warranted.

Maps are provided in the background material indicating the areas where a cannabis dispensary could potentially locate. One map shows the areas with the current regulations and the other shows the potential areas with the proposed amendments.

The Planning and Zoning Commission considered the zoning map amendments at its regular meeting on March 7. By a vote of 6-1, the Commission recommended the Council's approval.

City Council approval of the Planning and Zoning Commission recommendation is requested. (click here for additional information)

3. Ordinance 2022-015 Amending Chapter 38 "Intoxicating Liquors", Section 38.01 "Definitions", and Section 38.27 "Gambling Devices", as it Pertains to Video Gaming Terminal Operators.

<u>City Manager's Summary</u>: The Illinois legislature recently passed Public Act 102-689, which became effective on December 17, 2021. Under Public Act 102-689, the General Assembly pre-empted home rule units from imposing any type of **tax** upon a video gaming terminal. However, the General Assembly did not pre-empt home rule units from licensing or otherwise regulating the number of video gaming terminals, although it prohibited non-home rule units from imposing any **fees** for the operation of a video gaming terminal in excess of \$250 per year.

The proposed ordinance amends the City's Municipal Code provisions regulating video gaming to: (1) reduce the City's non-refundable application fee from \$500 per proposed video gaming terminal to a flat \$1,000 fee per establishment; (2) increase the City's annual license fee for a video gaming license from \$250 per video gaming terminal to \$1,000 per video gaming terminal; (3) require the terminal operators, who are the gaming companies responsible for placing video gaming terminals in licensed establishments, to pay 100%

of the City's video gaming terminal fees unless the terminal operator and licensed establishment agree to share equally the costs of the City's fees; and (4) require additional information in the application to regulate the terminal operator and video gaming terminals applicable to the licensed establishments.

The proposed fees are consistent with a survey of home rule units in the Chicago metropolitan area and the City's costs of regulating video gaming under the proposed ordinance. Local licensed establishments should not bear the burden of any increased fees because the proposed ordinance requires the terminal operator to pay 100% of the fees. The terminal operator and licensed establishment may otherwise agree to equally share the costs of the fees, but such cost-sharing would not be regulated by City ordinance.

Notably, Public Act 102-689 also amended the Illinois Video Gaming Act to provide that the "cost of any fee imposed under this Act by any home rule unit of government or non-home rule unit of government shall be shared equally between the terminal operator and the applicable licensed establishment ..." [230 ILCS 40/65]. Since this provision became effective, terminal operators throughout the State have claimed that they cannot pay any of the local government's video gaming terminal fees that are imposed on a licensed establishment unless the local government's applicable codes expressly allow the terminal operator to pay such fees. In DeKalb, some terminal operators have declined to pay the licensed establishment's video gaming terminal fees imposed by the City because the current version of the City's Municipal Code does not expressly authorize the terminal operator to pay such fees. Accordingly, the proposed ordinance amends the City's Municipal Code to expressly allow the terminal operator to pay the City's video gaming terminal fees.

City Council approval is recommended. (click here for additional information)

4. Ordinance 2022-016 Approving a Water Service Agreement with Todd and Molly Green for 131 Greenwood Acres Drive.

<u>City Manager's Summary</u>: The owners of 131 Greenwood Acres Drive, Todd and Molly Green, are seeking the connection of their County-zoned property to the City water system. The impetus for this request is the interest of the family in expanding their garage over the spot where their well head is established. Although the lot is unincorporated, a City water main was installed on this street section many years ago to serve future growth.

The City is not under an obligation to furnish water service to properties outside the corporate limits. The subject property is now contiguous to the City because of the annexation of the Kishwaukee Country Club several years ago. Of the 11 properties on Greenwood Acres Drive between Sycamore Road and Greenwood Court, seven have water service agreements with the City. An aerial map is provided in the background material showing the properties that are already served by City water but remain within the County's territorial limits.

Water service agreements make water service available to the owner and typically require the owner to annex once their property becomes contiguous to the City. When the remaining portions of the Kishwaukee Country Club were annexed in 2017, six lots became contiguous and four of them have agreements with the City; however, no annexations occurred.

Assistive services, including hearing assistance devices, available upon request.

Regular Meeting Agenda March 14, 2022 Page 11 of 11

Chapter 7, "Water Service," of the Municipal Code requires water service outside the City to be billed at a rate 50% greater than the rate for the same service in the City. There is a 10" watermain that runs along the east side of Greenwood Acres Drive that is available.

The owners are also requesting a future water connection to an adjoining vacant lot (Lot #6) that they own, immediately south of their home. The City staff are not recommending the inclusion of the vacant lot at this time. There are several reasons for this position: first, the County will not permit a septic system because the lot is not large enough to meet the County's septic requirements. As a result, the construction of a new home on the lot would require connection to a public sanitary sewer, which is not available in the immediate area. Second, the County has indicated they would not support residential construction on the vacant lot without utility service from the City and the KWRD.

The City Manager and City staff will convene a neighborhood meeting this summer to invite interest in voluntary annexation to the City.

City Council approval is recommended. (click here for additional information)

- N. REPORTS AND COMMUNICATIONS
 - 1. Council Member Reports.
 - 2. City Manager Report.
- O. EXECUTIVE SESSION

None.

P. ADJOURNMENT

REGULAR AGENDA PACKET – MARCH 14, 2022