



**DEKALB CITY COUNCIL AGENDA
REGULAR MEETING
JUNE 27, 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 Speaker 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. [Proclamation: LGBTQIA+ Pride Month – June 2022.](#)
2. **Presentation of the Final Audit Report for the Fiscal Year Ending December 31, 2021.**

City Manager’s Summary: As Finance Director Carrie Dittman explains in her background memorandum, the following reports have been produced in conjunction with the independent audit of the City’s finances for the fiscal year ended December 31, 2021:

1. Annual Comprehensive Financial Report (ACFR)
 2. Single Audit Report
 3. Report on Compliance with Public Act 85-1142 (TIF report)
 4. Downstate Operating Assistance Certification and Independent Auditor’s Reports
 5. Management Letter
- The ACFR is the primary report encompassing all funds and operations of the City, including the Police Pension and Firefighter’s Pension Funds, and the DeKalb Public Library (as a discretely presented component unit). A synopsis of that report is detailed below.
 - The single audit report contains information on all of the federal grant programs administered by the City during fiscal year 2021.

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

COVID-19 Notice: The corporate authorities of the City of DeKalb intend to conduct this meeting in-person with a physically present quorum that is open to the public and in compliance with all applicable public health requirements. Pursuant to current public health guidelines, persons attending this meeting are not required to wear protective face masks/coverings.

- The Report on Compliance with Public Act 85-1142 contains information on the operations of the City's two Tax Increment Financing (TIF) Districts, TIF #1 and TIF #3. TIF #1 expired on December 31, 2021.
- The Downstate Operating Assistance Certification and Independent Auditor's Reports is an audit of one specific City grant program of the Mass Transit Fund. The reports are prepared on the grant year, which ends June 30, 2021.
- The Management Letter discloses any instances of material weaknesses in the City's internal control identified during the audit (there were no such instances for FY 2021).
- The City must be audited annually in accordance with state statutes. The independent audit firm of Sikich LLP conducted the audit of the City of DeKalb for the fiscal year ending December 31, 2021. **Sikich LLP issued an unmodified ("clean") opinion on the City's financial statements, which is the highest opinion level an entity can receive.**
- Excerpts pertaining to the City's General Fund found in the ACFR are presented below:

GENERAL FUND REVENUES

General Fund revenues and other financing sources exceeded the amended budgeted amount by \$4,120,541, or 10.3%.

General Fund	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 6,522,456	\$ 6,522,456	\$ 6,433,050
Home Rule Sales Tax	5,190,000	6,818,432	7,675,584
Utilities & Other Taxes	5,532,555	5,811,727	6,749,943
Licenses and Permits	735,272	735,272	1,057,539
State Sales Tax	4,975,000	5,813,320	6,205,962
Income Tax	4,423,080	4,423,080	5,787,319
Intergovernmental-Other	2,981,558	2,981,558	3,808,085
Charges for Services	3,900,368	3,900,368	4,941,856
Fines and Forfeits	513,426	513,426	476,283
Other	677,419	677,419	567,166
Total	35,451,134	38,197,058	43,702,787
Transfers In	311,000	1,708,996	311,000
Sale of Capital Assets	10,627	10,627	23,435
Total Revenues & Other Financing Sources	\$ 35,772,761	\$ 39,916,681	\$ 44,037,222

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GENERAL FUND EXPENDITURES

General Fund expenditures and other financing uses came in under the amended budget amount by \$3,087 or 0.008%. Highlights of expenditures by department are as follows:

General Fund	Original Budget	Final Budget	Actual
Expenditures			
Elected Officials	\$ 86,204	\$ 86,204	\$ 82,686
Municipal Band	41,088	41,088	41,088
City Manager's Office	807,542	815,542	784,341
Human Resources	226,668	281,948	270,359
General Support	3,146,676	3,741,676	3,636,661
Finance	312,235	317,735	312,345
Information Technology	827,315	869,075	781,994
Less Admin Costs Charged to Other Depts	(467,000)	(564,500)	(427,108)
Police Protection	13,521,877	14,368,164	14,363,965
Fire Protection	11,244,178	12,468,546	12,678,568
Public Works/Engineering	2,868,992	2,868,992	2,786,872
Community Development	1,096,092	1,096,092	1,075,704
Total	33,711,867	36,390,562	36,387,475
Transfers Out	1,374,655	47,500	47,500
Total Expenditures & Other Financing Uses	\$ 35,086,522	\$ 36,438,062	\$ 36,434,975

The net increase in fund balance that resulted after all year-end adjustments and transfers were made was \$7,339,458, inclusive of a prior period adjustment of (\$262,789) to correct revenue recognition. The City's original budget projected a net increase of \$686,239. The ending General Fund balance on December 31, 2021, is \$19.6 million, of which \$19.6 million is unrestricted and unassigned. **City Policy requires an unassigned fund balance at 25% of annual General Fund expenditures. On December 31, 2021, the unassigned fund balance was 53.88% of annual expenditures, an increase over the December 31, 2020 amount of 35.00%.**

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For the City's other funds, the table below summarizes the changes during fiscal year 2021:

Fund	Beginning Fund Balance	Revenues & Transfers In	Expenditures & Transfers Out	Prior Period Adjustment	Ending Fund Balance
Mass Transit	\$ 2,635,259	\$ 7,154,565	\$ 7,304,375	\$ -	\$ 2,485,449
TIF #1	781,277	6,741,587	7,503,393	-	19,471
Water*	27,593,866	8,255,470	4,526,143	459,766	31,782,959
Airport	30,269,910	1,873,767	1,743,851	-	30,399,826
ARPA	-	1,490,902	1,490,789	-	113
GEMT	-	325,748	-	-	325,748
Motor Fuel Tax	4,085,226	2,761,360	2,750,471	-	4,096,115
Foreign Fire Ins. Tax	83,040	72,923	86,414	-	69,549
Housing Rehab	70,595	35	348	-	70,282
CDBG	-	920,497	920,497	-	-
SSA #3	2,635	999	1,298	-	2,336
SSA #4	2,028	5,491	4,398	-	3,121
SSA #6	10,229	16,403	11,661	-	14,971
SSA #14	8,951	2,501	500	-	10,952
SSA #28	2	28,721	28,723	-	-
SSA #29	-	200,018	-	-	200,018
SSA #30	-	100,004	97,500	-	2,504
TIF #3	1,271,337	3,109,906	754,442	-	3,626,801
Debt Service	(6,782)	101,497	2,927	-	91,788
TIF Debt Service	-	1,190,800	1,190,800	-	-
Capital Projects	414,454	3,047,556	2,310,162	-	1,151,848
Capital Equip Replace	739,597	1,008,228	796,921	-	950,904
Refuse	5,270	2,044,455	2,048,917	-	808
Workers Comp/Liab	1,144,700	1,023,000	644,539	-	1,523,161
Health Insurance	664,303	6,831,179	6,823,350	-	672,132
Police Pension	45,703,198	9,855,837	4,523,416	-	51,035,619
Firefighters' Pension	34,072,837	9,703,324	4,372,136	-	39,404,025

BOLD funds are presented in the ACFR as Major Funds.

*Consists of Water Operating, Water New Construction, and Water Capital.

Brian LeFevre, a Partner with Sikich, LLP, will present his firm's audit findings to the Mayor and Council. Upon public review, the Council needs to receive and file this audit by June 30 (see Resolution 2022-054).

E. PUBLIC PARTICIPATION

F. APPOINTMENTS

None.

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 June 13, 2022.](#)

H. CONSENT AGENDA

1. [Accounts Payable and Payroll through June 27, 2022, in the Amount of \\$2,426,487.01.](#)
2. [Freedom of Information Act \(FOIA\) Report.](#)
3. [DeKalb County Economic Development Corporation 2021 Annual Report.](#)

I. PUBLIC HEARINGS

1. **Public Hearing to Consider the Revocation of a Special Use Permit Approved by Ordinance 2012-070 for a Vehicle Salvage Yard Located at 1008 Oak Street.**

City Manager's Summary: The revocation of a special use permit is a rare occurrence and results from a remarkable and prolonged failure on the permit holder's part to abide by the original terms of the special Council permit.

On August 27, 2012, the City's corporate authorities adopted Ordinance 2012-70 (the "Ordinance"), which approved DeKalb Iron and Metal Company's (DIMCO) petition for a special use permit for a vehicle salvage yard and recycling operation at 1008 Oak Street (the "Property") to store, decommission, flatten and ship used vehicles for recycling purposes, subject to several conditions including, but not limited to, the following:

- The Installation of a sight-proof fence not less than 10 feet in height or the height of the materials being screened, but no more than 15 feet above the ground level;
- Restriction of the vehicle recycling operations entirely within a 130-foot by 85-foot area; and
- Restricted hours of operation.

The Property was zoned "HI" Heavy Industrial. Section 5.12 of the City's Unified Development Ordinance ("UDO") permits vehicle salvage yards as a special use in the HI District if they are "conducted within an enclosed building or surrounded by a solid sight-proof fence not less than 10 feet in height, or the height of the materials being screened, whichever is greater, and where no materials shall be piled or stacked to a height in excess of 15 feet above the ground level."

On April 25, 2022, the City's Chief Building Official issued to DIMCO a "Notice of Violations and Order to Discontinue Illegal Use of 1008 Oak Street" (the "Notice of Violations"). The Notice of Violations stated the following findings of the Chief Building Official:

1. The Property is not completely surrounded by a sight-proof fence that is the height of the materials being screened in violation of the Ordinance and UDO;
2. The Property is overcome with materials that are piled or stacked to a height in excess of 15 feet above the ground level in violation of the UDO;
3. The Property has been used to store materials that are not used vehicles in violation of the Ordinance; and
4. The Property's use of the vehicle recycling operations does not occur entirely within a 130-foot by 85-foot area in violation of the Ordinance.

The Chief Building Official's findings were supported by photographs depicting the violations. The Chief Building Official ordered DIMCO to correct the violations and discontinue its illegal use of the Property. The Chief Building Official warned DIMCO that its failure to correct the violations might result in the revocation of its special use permit. Furthermore, the Chief Building Official instructed DIMCO that it had 45 days to file its written notice to appeal the Notice of Violations; however, DIMCO failed to appeal the Notice of Violations, or correct its violations, or discontinue its illegal use.

Finally, it should be noted that this matter does not involve DIMCO's use of the property located at 900 Oak Street, which is DIMCO's primary center of operations. The 900 Oak Street property has been the subject of several ordinance violations and IEPA investigations, but its use as a junkyard appears to be a "legal non-conforming use" under the UDO. Ultimately, DIMCO may seek to comply with any potential revocation of the special use for the Property by moving all of its materials to 900 Oak Street.

The Council should hold a public hearing to consider the revocation of DIMCO's special use permit pursuant to due notice, even though DIMCO has waived its right to a hearing by not appealing the Notice of Violations. At the hearing, DIMCO and any other interested parties should be given an opportunity to cross-examine any witnesses, present testimony or evidence, and receive a full and fair opportunity to be heard on the matter. ([click here for additional information](#))

J. CONSIDERATIONS

None.

K. RESOLUTIONS

- 1. Resolution 2022-049 Authorizing an Intergovernmental Agreement with the DeKalb Community Unit School District No. 428 as it Pertains to School Resource Officers.**

City Manager's Summary: The attached draft represents a consensus document between the City and District staffs, and the respective legal counsels for the two taxing bodies. The principal economic terms are as follows:

- The Agreement has a term of three (3) years and may be rescinded by either Party provided written notice is given at least ninety (90) days before the beginning of the Fall school term.
- The revised IGA funds five (5) School Resource Officers (SROs) for the fall term of 2022. The Parties may mutually agree, in writing, to reduce the number of SROs during the term of the Agreement, provided such reduction is agreed at least ninety (90) days in advance of the beginning of the next Fall school term.
- The five (5) SROs will be assigned as follows: two SROs in the High School; one (1) SRO in each middle school; and one (1) SRO for the six elementary schools within the DeKalb corporate limits. The City of DeKalb will not provide funding for SROs in the Malta or Cortland jurisdictions.
- The District will reimburse the City in an amount equal to seventy-five percent (75%) of the total cost of each SRO including base salary, benefits, and overtime pay directly arising from the SRO's work in the District. These costs may be amended at the beginning of each school year in relation to the following: applicable changes in salary and benefits as defined by the City's collective bargaining agreement with the DeKalb Fraternal Order of Police, Lodge 115; annual actuarial changes in the individual pension costs; and annual changes in the City's group health care costs.
- The District will additionally reimburse the City for a pro rata share of the Police Department's acquisition of two (2) additional Police vehicles, within the standard Police package including light bars and a variety of electronic equipment, similar to but not greater in cost than the package for other patrol vehicles. Because such vehicles will be available over a 24-hour period throughout the year, the District's one-time upfront cost shall not exceed 75% of 33% (or, 25%) of the combined vehicle cost and the cost of related upfitting. In the event that the Parties agree to a reduction in SROs from the five (5) officers identified in Section 3 during the three-year term of this Agreement, the City will consider a pro rata reimbursement toward the District's share of the original vehicle cost.

Additionally, the following non-economic terms are featured in the draft intergovernmental agreement:

- Code of Conduct. The Agreement requires that a revised code of conduct now under final review by District staff shall be distributed to all parents and students "prior to the start of the 2022-2023 school year." The District will also distribute a "student handbook," including the District disciplinary policies and rules, to each student's parent(s) or guardian(s) within 15 days of the beginning of the school year.
- Citations. It is more likely than not that in the future ordinance violations issued by the SROs shall result in a rigorous community service program operated by the District. In the event of a potential criminal or security issue, the SRO shall proceed with criminal law enforcement actions in cooperation with District officials. Representatives from the City and District will meet on a regular basis to brief cases and discuss any issues that may arise under the Agreement.
- Indemnity. The District shall indemnify and hold the City harmless from any damages (including reasonable attorney's fees) or actions relating to the negligent or intentional acts or omissions of the District. Such indemnity shall not extend to any negligent or intentional acts of the SROs that violate the Agreement.

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

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2. Resolution 2022-054 Receiving and Filing the FY2021 Annual Comprehensive Financial Report (ACFR), Single Audit Report, Report on Compliance with Public Act 85-1142 (TIF Report), Downstate Operating Assistance Certification and Independent Auditor's Reports, and Management Letter.

City Manager's Summary: At the top of this Agenda, there is a presentation by the City's auditing firm, Sikich LLP, regarding the City's financial statements for Fiscal Year 2021, which extended from January 1, 2021, through December 31, 2021.

If the attached resolution is approved, the City's corporate authorities hereby receive, file, and approve the Annual Comprehensive Financial Report, Single Audit Report, Report on Compliance with Public Act 85-1142 (TIF report), Downstate Operating Assistance Certification and Independent Auditor's Reports and Management Letter attached to this Council background. Upon approval, the City Manager or designee is authorized and directed to file and electronically submit the Annual Comprehensive Financial Report with the Office of the Comptroller of the State of Illinois in accordance with 65 ILCS 5/8-8-3(f).

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

3. Resolution 2022-055 Awarding a Three-Year Retainer Agreement Between the City of DeKalb and Crawford, Murphy & Tilly, Inc. for Professional Airport Consulting Services at the DeKalb Taylor Municipal Airport.

City Manager's Summary: The FAA requires airports receiving Federal funds for improvements to review engineering retainer agreements at least every five years. The current retainer with Crawford, Murphy, Tilly (CMT) expires on July 9, 2022. Airport Manager Renee Riani published a Request for Qualifications (RFQ) through IDOT-DA on May 6, 2022. The consultant selection procedures conformed with the Federal Aviation Administration's (FAA) Advisory Circular No. AC 150 5100-14E and the guidelines published by the Illinois Department of Transportation Division of Aeronautics (IDOT-DA).

The Airport staff received three phone inquiries and emailed the RFQ to CMT and Primera Engineering—two firms with considerable experience in the northern Illinois area. The City received one Statement of Qualifications proposal from CMT by the May 31, 2022 deadline.

CMT has helped guide the City's major runway improvements for many years. The firm has also provided timely assistance in assessing potential flight path encroachments that might arise from the construction of larger corporate structures in the City's two active business parks.

The Public Works department has recommended a three-year retainer agreement with CMT. The pricing of their services follows federal guidelines and varies among staff depending upon such factors as education, field experience, etc. (see attached). CMT's retainer proposal is attached in its entirety to this Agenda.

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

4. Resolution 2022-056 Authorizing an Agreement with DeKalb Corn Fest, Inc. for the 2022 Corn Fest.

City Manager's Summary: This resolution approves a special event agreement similar to one approved by the Council in recent years. It permits DeKalb Corn Fest, Inc. to conduct their event in the Central Business District and obtain a street closure on Lincoln Highway. The agreement also defines hours of operation, insurance coverages, etc.

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

5. Resolution 2022-057 Approving the Regulation of Traffic for the Purpose of Holding the Annual DeKalb Corn Fest on Illinois Route 38 (Lincoln Highway) Between First Street and Fourth Street Beginning Thursday, August 25, 2022, at 4:00 P.M., through Sunday, August 28, 2022, at 10:00 P.M.

City Manager's Summary: The attached resolution is required to formally request permission of the Illinois Department of Transportation (IDOT) to close Illinois Route 38 between First Street and Fourth Street beginning Thursday, August 25 at 4:00 p.m. and continuing through Sunday, August 28 at 10:00 p.m. to afford protected downtown space for the annual Corn Fest celebration.

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

L. ORDINANCES – SECOND READING

None.

M. ORDINANCES – FIRST READING

1. Ordinance 2022-028 Revoking Ordinance 2012-070 Providing a Special Use Permit for a Vehicle Salvage Yard Located at 1008 Oak Street.

City Manager's Summary: As noted in the Public Hearing portion of this Agenda, the attached Ordinance 2022-028 would revoke Ordinance 2012-070 which approved a special use permit for a vehicle salvage yard and recycling operation at 1008 Oak Street to store, decommission, flatten, and ship used vehicles for recycling purposes. The extraordinary act of revoking a special use permit is typically based on a property owner's disregard for the terms of the original permit and could involve practices that have a deleterious effect on neighboring properties. All of these factors apply.

For the past several years, the City's Building Department has had a series of conversations with the owners of the property at 1008 Oak Street and has issued written advisories as well as code violations concerning the erratic, unsightly, and at times unsafe storage of used vehicles at the site. In April 2022, the Department issued a formal Notice of Violations and an order to discontinue the illegal uses at 1008 Oak Street. As a part of that Notice, the property owner was given a clear indication of the City findings with related photographs and was informed that a failure to remedy the violations could lead to a revocation of the special use permit which allowed for vehicle recycling operations on the site. The property owner was also given 45 days to appeal the City's Notice, but the property owner did not appeal the City's Notice.

Lacking any appeal from the owner of 1008 Oak Street, the City Manager and staff recommend the revocation of the special use permit issued upon the Council's approval of Ordinance 2012-070. ([click here for additional information](#))

2. Ordinance 2022-029 Approving a Special Use Permit for a Vehicle Tow Facility and Storage Yard at 407 Industrial Drive (J&S Towing and Recovery).

City Manager's Summary: The petitioner, J&S Towing and Recovery, is requesting approval of a special use permit for a vehicle tow facility and storage yard at 407 Industrial Drive. The site will function as an auxiliary impound yard to handle overflow vehicles from their current site at 110 Industrial Drive, which received a special use permit in 2020. The applicant also applied for a variance to permit an adjacent 8-foot-high sight-proof fence to serve as screening for a portion of the storage yard in lieu of the required 10-foot-high sight-proof fence. The Planning and Zoning Commission has the authority to approve or deny variances.

The 1.4-acre site currently houses Pinkston-Tadd Roofing Services and has a large storage area at the rear of the property. J&S will initially fence in a 100' x 150' storage area at the far west end of the lot. There is a supply issue with the type of fence they want so the initial storage area will only take up a portion of the lot. The applicant would like to eventually have the ability to utilize the entire rear of the property for the storage of vehicles. The petitioner submitted a site layout showing the proposed vehicle storage area, which will be west of the existing building.

The UDO (Article 5.12.03) requires that junkyards, salvage yards and vehicle wrecking yards have their activities within an enclosed building or surrounded by a solid sight-proof fence not less than ten (10) feet in height, or the height of the materials being screened, whichever is greater. The regulations also state no materials shall be piled or stacked to a height in excess of fifteen (15) feet above the ground level.

There is an existing 8-foot-high sight-proof fence on the site to the north (Zimmerman Recycling) along the common lot line of the subject site that provides adequate screening. The site to the north is a recycling center with a large amount of materials stored outdoors. If the applicant were to construct a 10-foot-high privacy fence along the north property line, it would not provide any additional screening for a use that has more outside storage.

The applicant will not be occupying a space in the existing building, only utilizing the outside storage area. A paved parking area is provided in front of the building. As part of the special use, the staff is recommending the parking spaces be striped and a handicap space added with appropriate signage prior to final occupancy of the towing operation. The applicant will have to go through the licensing process for towing operations located in Chapter 35 "Towing" of the Municipal Code.

The Planning and Zoning Commission held a public hearing regarding the special use petition at their meeting on June 21, 2022. By a vote of 4 to 0 (Commissioners Wright, Stoker and Pena-Graham were absent) the Commission recommended to the City Council approval of a Special Use Permit for a vehicle tow facility and storage yard located at 407 Industrial Dr. per the site plan dated 5-31-22 and labeled as Exhibit A and per the conditions listed in Exhibit B of the staff report. The Commission also approved the variance request for the fence height by a vote of 4 to 0. The approval allows an adjacent 8-foot-high sight-proof fence to serve as screening along the north property line of the storage yard in lieu of the required 10-foot-high sight-proof fence.

City Council approval of the Planning & Zoning Commission recommendations is requested. [\(click here for additional information\)](#)

N. REPORTS AND COMMUNICATIONS

- 1. Council Member Reports.**
- 2. City Manager Report.**

O. EXECUTIVE SESSION

None.

P. ADJOURNMENT

[REGULAR AGENDA PACKET – JUNE 27, 2022](#)