

AUTHORIZING THE APPROVAL OF A PROPOSAL FROM FEHR GRAHAM FOR AN ENVIRONMENTAL SITE ASSESSMENT OF THE FORMER PROTANO'S AUTO SALVAGE PROPERTY AT 1151 S. FOURTH STREET, DEKALB, ILLINOIS, IN THE AMOUNT OF \$120,300.

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government and may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, the City is the owner of property located at 1151 S. Fourth Street in the City and described by PIN 08-27-279-029 (the "Property"); and

WHEREAS, the Property is vacant, contaminated with environmental hazards, and located in the City's TIF #4 district; and

WHEREAS, the TIF #4 redevelopment plan intends to redevelop the Property including, but not limited to, studying and remediating the environmental hazards on the Property; and

WHEREAS, the costs of engineering studies and environmental remediation of the Property are eligible redevelopment project costs under the TIF ACT; and

WHEREAS, the City Manager recommends approving a proposal attached and incorporated as Exhibit A (the "Proposal") from Fehr Graham for an environmental site assessment of the Property in the amount of \$120,300; and

WHEREAS, the City's corporate authorities find that approving the Proposal is in the City's best interests for the protection of the public health, safety, and welfare; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: The recitals to this resolution are true, material, adopted and incorporated as Section One to this Resolution.

SECTION 2: The City's corporate authorities approve the Proposal. The City's corporate authorities authorize and direct the City Manager to: (1) negotiate and execute an agreement with Fehr Graham for the Proposal; and (2) take all necessary acts to effectuate the Proposal.

SECTION 3: This resolution and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such resolution should (a) contain terms contrary to the provision of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the City's corporate authorities that if this resolution is inconsistent with any non-preemptive state law, this resolution shall supersede state law in that regard within its jurisdiction.

SECTION 4: This resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 14th day of April 2025 and approved by me as Mayor on the same day. Passed by an 8-0 roll call vote. Aye: Zasada, Larson, Smith, Perkins, Powell, Verbic, Walker, Barnes. Nay: None.




COHEN BARNES, Mayor

ATTEST:


Ruth A. Scott, Executive Assistant

**AGREEMENT
FOR PROFESSIONAL SERVICES**

Client Bill Nicklas, City Manager
City of DeKalb
164 East Lincoln Highway
DeKalb, Illinois 60115

815.748.2391

Description of Services:

**Environmental Site Remediation & Redevelopment Planning
Former Protano's Auto Salvage Site
1151 South 4th Street
DeKalb, Illinois 60115
Property Index Numbers (PINs): 08-27-279-027 and 08-27-279-029**

Fehr Graham will provide professional services related to environmental site remediation and redevelopment planning services for the Former Protano's Auto Salvage property as detailed in our proposal letter dated February 20, 2025.

COST: The fixed fee for performing the Environmental Site Assessment & SRP Reporting is \$120,300.

Reimbursables are not to exceed a 15% markup. Payment for the services rendered will be requested via a monthly invoice. Fehr Graham ~~does~~ not accept credit and/or debit card payments.

If you would like Fehr Graham to Conceptual Site Design & Topographic Survey, please check the corresponding box below:

☐ Conceptual Site Design & Topographic Survey \$18,200

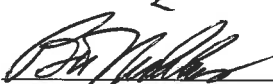
The attached General Conditions are incorporated into and made a part of this Agreement.

ACCEPTED AND AGREED TO:

I/we, the undersigned, authorize Fehr Graham to provide services as outlined above, and also agree that I/we are familiar with and **ACCEPT THE TERMS OF THE ATTACHED GENERAL CONDITIONS.**

CLIENT:

Signature



Name

Bill Nicklas

Title

City Manager

Date Accepted

4/14/25

CONSULTANT:

By



Name

Jason Stoll, PE

Title

Principal

Date Proposed

February 28, 2025

25-505

GENERAL CONDITIONS TO AGREEMENT FOR PROFESSIONAL SERVICES

1. The Client requests the professional services of Fehr Graham hereinafter called "The Consultant" as described herein.
2. The Consultant agrees to furnish and perform the professional service described in this Agreement in accordance with accepted professional standards. Consultant agrees to provide said services in a timely manner, provided, however, that Consultant shall not be responsible for delays in completing said services that cannot reasonably be foreseen on date hereof or for delays which are caused by factors beyond his control or delays resulting from the actions or inaction of any governmental agency. Consultant makes no warranty, expressed or implied, as to his findings, recommendations, plans and specifications or professional advice except that they were made or prepared in accordance with the generally accepted engineering practices.
3. It is agreed that the professional services described in the Agreement shall be performed for Client's account and that Client will be billed monthly for said services. A 1½% per month service charge will be incurred by Client for any payment due herein and not paid within 30 days of such billing which is equal to an ANNUAL PERCENTAGE RATE OF 18%. Partial payments will be first credited to the accrued service charges and then to the principal.
4. The Client and the Consultant each binds himself, his partners, successors, executors, and assigns to the other party to this agreement and to the partners, successor, executors, and assigns of such other party in respect to this agreement.
5. The Client shall be responsible for payment of all costs and expenses incurred by the Consultant for his account, including any such monies that the Consultant may advance for Client's account for purposes consistent with this Agreement.
6. The Consultant reserves the right to withdraw this Agreement if not accepted within 30 days.
7. A claim for lien will be filed within 75 days of the date of an invoice for services (last day of services rendered) unless the account is paid in full or other prior arrangements have been made. All attorney fees incurred by the Consultant due to the filing of said lien or the foreclosure thereof shall be borne by the Client.

In the event suit must be filed by Consultant for the collection of fees for services rendered, Client will pay all reasonable attorney's fees and court costs.

If Client defaults in payment of fees or costs due under the terms of this Agreement and Consultant incurs legal expenses as a result of such failure, Client shall be responsible for payment for Consultant's reasonable attorney fees and costs so incurred.

8. The Consultant shall present, for the consideration of the Client, engineering and technical alternatives, based upon its knowledge and experience in accordance with accepted professional standards, with selection of alternatives and final decisions as requested by the client to be the sole responsibility of the Client.
9. Construction Phase Activities (When applicable) - In connection with observations of the work of the Contractor(s) while it is in progress the Consultant shall make visits to the site at intervals appropriate to the various stages of construction as the Consultant deems necessary in Agreement to observe as an experienced and qualified design professional the progress and quality of the various aspects of the Contractor(s)'s work. Based on information obtained during such visits and on such observation, the Consultant shall endeavor to determine in general if such work is proceeding in accordance with the Contract Documents and the Consultant shall keep the Client informed of the progress of the work.

The purpose of the Consultant's visits to the site will be to enable the Consultant to better carry out the duties and responsibilities assigned to and undertaken by the Consultant during the Construction Phase, and, in addition, by exercise of the Consultant's efforts as an experienced and qualified design professional, to provide for the Client a greater degree of confidence that the completed work of the Contractor(s) will conform generally to the Contract Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by the Contractor(s). The Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor(s), for safety precautions and programs incident to the work of Contractor(s) or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractors(s) furnishing and performing their work. Accordingly, the Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' failure to furnish and perform their work in accordance with the Contract Documents.
10. Estimates of Fees – When fees are on a time and material basis the estimated costs required to complete the services to be performed are made on the basis of the Consultant's experience, qualifications, and professional judgment, but are not guaranteed. If the costs appear likely to exceed the estimate in excess of 20%, the Consultant will notify the Client before proceeding. If the Client does not object to the additional costs within seven (7) days of notification, the increased costs shall be deemed approved by the Client.
11. The Consultant is responsible for the safety on site of his own employees. This provision shall not be construed to relieve the Client or the Contractor(s) from their responsibility for maintaining a safe work site. Neither the professional services of the Consultant, nor the presence of his employees or subcontractors shall be construed to imply that the Consultant has any responsibility for any activities on site performed by personnel other than the Consultant's employees or subcontractors.
12. Original survey data, field notes, maps, computations, studies, reports, drawings, specifications and other documents generated by the Consultant are instruments of service and shall remain the property of the Consultant. The Consultant shall provide copies to the Client of all documents specified in the Description of Services.

Any documents generated by the Consultant are for the exclusive use of the Client and any use by third parties or use beyond the intended purpose of the document shall be at the sole risk of the Client. To the fullest extent permitted by law, the Client shall indemnify, defend and hold harmless the Consultant for any loss or damage arising out of the unauthorized use of such documents.

13. No claim may be asserted by either party against the other party unless an action on the claim is commenced within two (2) years after the date of the Consultant's final invoice to the Client.
14. If a Client's Purchase Order form or acknowledgment or similar form is issued to identify the agreement, authorize work, open accounts for invoicing, provide notices, or document change orders, the preprinted terms and condition of said Purchase Order shall be superseded by the terms hereof.
15. Standard of Care – Services performed by Consultant under this agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. No other representation expressed or implied, and no warranty or guarantee is included or intended in any report, opinion or document under this agreement.
16. Liability Insurance – Consultant will maintain such liability insurance as is appropriate for the professional services rendered as described in this Agreement. Consultant shall provide Certificates of Insurance to Client, upon Client's request, in writing.
17. Indemnification and Limitation of Liability – Client and Consultant each agree to indemnify and hold the other harmless, including their respective officers, employees, agents, members, and representatives, from and against liability for all claims, costs, losses, damages and expense, including reasonable attorney's fees, to the extent such claims, losses, damages or expenses are caused by the indemnifying party's acts, errors or omissions.

The Client understands that for the compensation herein provided Consultant cannot expose itself to liabilities disproportionate to the nature and scope hereunder. Therefore, the Client agrees to limit Consultant's liability to the Client arising from Consultant's professional acts, errors or omissions, such that the total aggregate liability of Consultant shall not exceed \$50,000 or Consultant's total fee for services rendered on this Project, whichever is less.

18. Allocation of Risk – Consultant and Client acknowledge that, prior to the start of this Agreement, Consultant has not generated, handled, stored, treated, transported, disposed of, or in any way whatsoever taken responsibility for any toxic substance or other material found, identified, or as yet unknown at the Project premises. Consultant and Client further acknowledge and understand that the evaluation, management, and other actions involving toxic or hazardous substances that may be undertaken as part of the Services to be performed by Consultant, including subsurface excavation or sampling, entails uncertainty and risk of injury or damage. Consultant and Client further acknowledge and understand that Consultant has not been retained to serve as an insurer of the safety of the Project to the Client, third parties, or the public.

Client acknowledges that the discovery of certain conditions and/or taking of preventative measures relative to these conditions may result in a reduction of the property's value. Accordingly, Client waives any claim against Consultant and agrees to indemnify, defend, and hold harmless Consultant and its subcontractors, consultants, agents, officers, directors, and employees from any claim or liability for injury or loss allegedly arising from procedures associated with environmental site assessment (ESA) activities or the discovery of actual or suspected hazardous materials or conditions. Client releases Consultant from any claim for damages resulting from or arising out of any pre-existing environmental conditions at the site where the work is being performed which was not directly or indirectly caused by and did not result from, in whole or in part, any act or omission of Consultant or subcontractor, their representatives, agents, employees, and invitees.

If, while performing the Services set forth in any Scope of Services, pollutants are discovered that pose unanticipated or extraordinary risks, it is hereby agreed that the Scope of Services, schedule, and costs will be reconsidered and that this Agreement shall immediately become subject to renegotiation or termination. Client further agrees that such discovery of unanticipated hazardous risks may require Consultant to take immediate measures to protect health and safety or report such discovery as may be required by law or regulation. Consultant shall promptly notify Client upon discovery of such risks. Client, however, hereby authorizes Consultant to take all measures Consultant believes necessary to protect Consultant and Client personnel and the public. Furthermore, Client agrees to compensate Consultant for any additional costs associated with such measures.

19. In the event of legal action to construe or enforce the provisions of this agreement, the prevailing party shall be entitled to collect reasonable attorney fees, court costs and related expenses from the losing party and the court having jurisdiction of the dispute shall be authorized to determine the amount of such fees, costs and expenses and enter judgment thereof.
20. Assignment - Neither party to this Agreement shall, without the prior written consent of the other party, which shall not be unreasonably withheld, assign the benefit or in any way transfer its obligations under this Agreement or any part hereof; provided, however, either Party may freely assign this Agreement to a parent, subsidiary or affiliate without the other party's consent. This Agreement shall inure to the benefit of and be binding upon the parties hereto, and except as otherwise provided herein, upon their executors, administrators, successors, and assigns.
21. Termination – The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, Consultant will be paid for all services rendered to the date of receipt of written notice of termination, at Consultant's established chargeout rates, plus for all Reimbursable Expenses including a 15% markup.
22. Provision Severable – The unenforceability or invalidity of any provisions hereof shall not render any other provisions herein contained unenforceable or invalid.
23. Governing Law and Choice of Venue – Client and Consultant agree that this Agreement will be governed by, construed, and enforced in accordance with the laws of the State of Illinois. If there is a lawsuit, Client and Consultant agree that the dispute shall be submitted to the jurisdiction of the Illinois District Court in and for Stephenson County, Illinois.



February 28, 2025

Bill Nicklas, City Manager
City of DeKalb
164 East Lincoln Highway
DeKalb, Illinois 60115

**RE: Environmental Site Remediation Funding Options
Former Protano's Auto Salvage Site
1151 South 4th Street
DeKalb, Illinois 60115
Property Index Numbers (PINs): 08-27-279-027 and 08-27-279-029**

Dear Bill:

At the request of the City of DeKalb ("City"), Fehr Graham Engineering & Environmental ("Fehr Graham") has reviewed the available information regarding environmental conditions at the Former Protano's Auto Salvage property, located at 1151 South 4th Street in DeKalb, Illinois (herein referred to as the "Site"). This funding options summary is intended to be paired with the proposal prepared by Fehr Graham for Environmental Site Remediation and Redevelopment Planning, dated February 28, 2025.

BACKGROUND

The Site, now vacant with all structures removed, has been owned by the City of DeKalb since 2015. Given the recent introduction of the South 4th Street Tax Increment Financing (TIF) District, we understand the City is exploring options for cleaning up the Site and attracting redevelopment interests. According to previous environmental assessments conducted at the Site, contamination is present in the subsurface resulting from past automobile salvage operations. Specifically, soil at the Site contains hazardous auto fluff materials, elevated concentrations of polychlorinated biphenyls (PCBs), hazardous concentrations of lead, low-level concentrations of volatile organic compounds (VOCs) and polynuclear aromatic hydrocarbons (PAHs), and other select heavy metal concentrations. The presence of contamination will present challenges to redevelopment and ultimately impact the marketability of the Site. Based on the documented contamination, Fehr Graham recommends the Site be re-evaluated and enrolled into the Illinois Environmental Protection Agency (IEPA) Site Remediation Program (SRP), pursuant to an agency-issued No Further Remediation (NFR) designation. Updated environmental assessment and SRP enrollment are anticipated to cost \$138,500, as proposed by Fehr Graham. Cleanup of contamination is estimated to cost between \$500,000-\$600,000 and will include the removal and disposal of select contaminated materials, installation of engineered and green alternative barriers, and approval of a groundwater use restriction at the Site and surrounding properties. Refined remediation costs are expected following re-evaluation and delineation of contaminants at the Site.

February 28, 2025

City Manager Bill Nicklas, City of DeKalb

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FUNDING ASSISTANCE OPTIONS

Should the City wish to explore funding assistance to cover the costs for environmental assessment and remediation of the Site, Fehr Graham provides the following options and timelines for the City's consideration. Each option provides some advantages and disadvantages to either 1) perform site assessment and develop a cleanup plan or, 2) to physically cleanup the Site. A combination of options would be necessary to address both site assessment and physical cleanup, as described below:

Site Assessment Option – State Technical Brownfields Assistance

The State of Illinois through the Office of Site Evaluation (OSE) offers a Technical Brownfields Assistance (TBA) program to aid municipalities in evaluating the environmental condition of sites. In most cases, the state requires the City to own the subject site prior to commencement of environmental assessment. OSE offers to provide drilling and laboratory services during a site assessment.

Funding: Specific to the projected site assessment costs for the Site, the state TBA program could cover up to \$64,000 of subcontracted drilling and laboratory fees. Not all TBAs are approved by the State and the scope of work performed by the state may not fully address all project needs.

Timing: OSE responds to TBA applications within 1 month of submittal and fieldwork can be completed within the same calendar year as long as the application is submitted to the state during the first quarter of the year. TBA applications are competitive to communities within the State of Illinois.

Notes: The City is still required to hire its own environmental consultant to develop a work plan, oversee the field investigation, and prepare site assessment reports based on the data collected by the state.

Site Assessment Option - Federal Brownfields Community-Wide Assessment Grant

This is a federal grant opportunity that can be used to assess contaminated sites or sites perceived to be contaminated through Phase I and Phase II Environmental Site Assessments and Cleanup Planning. Beyond the actual assessment work, grant funds may be used for direct costs associated with programmatic management of the grant, as well as site inventory and prioritization, community outreach, planning, and funds management. There is typically no cost share required. If awarded, the City could perform assessment and cleanup planning on the Protano's Site and other eligible sites within the City's corporate boundary.

Funding: Depending upon annual grant guidance, a community-wide assessment grant application could request up to \$500,000 in grant funding for hazardous substance and petroleum assessments over four years.

Timing: Typically, assessment grant applications are subject to agency review following application solicitations in September or October of each year. Grant awards are then announced in late Spring of the following year with actual grant funding becoming available in October of the following year.

February 28, 2025

City of DeKalb – City Manager Bill Nicklas

Funding Options - Former Protano's Auto Salvage Site Assessment and Redevelopment Planning

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For example, if the City applied for a grant in September 2025, awards would be announced in May 2026 and funding would become available in October 2026. It should be noted that a grant award is not guaranteed as federal brownfield grants are open to communities and non-profit organizations nationwide and have historically been highly competitive.

Notes: This funding option allows for only environmental site assessment and cleanup planning. Physical remediation costs are not eligible.

Site Cleanup Option – State Revolving Loan Fund

The Illinois Environmental Protection Agency (IEPA) administers a Revolving Loan Fund for site remediation. The loan program involves a low-interest loan with 20-30% forgiveness included dependent upon the cleanup activity. Eligible costs are reimbursed through the loan program, requiring some coordination between the City and State.

Funding: The amount of revolving loan funds varies from year to year. Recently, the IEPA has held up to \$3.5 million to loan to municipalities and developments for site cleanup activities.

Timing: Revolving loan fund applications will take 3-6 months to gain approval. Eligible costs are tracked by the City and submitted for reimbursement through the revolving loan fund.

Notes: This funding option allows for only cleanup-related activities and requires the City to obtain an approved Remedial Action Plan through the SRP prior to the Site becoming eligible to receive loan funding.

Site Cleanup Option – Federal Brownfields Cleanup Grant

This is a federal grant opportunity that can be used to remediate contamination at a single site. There is typically a 20% cost share required. If awarded, the City could perform the cleanup of contaminated soils on the Protano's Site and pay for the installation of engineered and alternative green barriers.

Funding: Depending upon annual grant guidance, a site-specific cleanup grant application could request up to \$2,000,000 in grant funding over four years.

Timing: Typically, cleanup grant applications are subject to agency review following application solicitations in September or October of each year. Grant awards are then announced in late Spring of the following year with actual grant funding becoming available in October of the following year. For example, if the City applied for a grant in September 2025, awards would be announced in May 2026 and funding would become available in October 2026. It should be noted that a grant award is not guaranteed as federal brownfield grants are open to communities and non-profit organizations nationwide and have historically been highly competitive.

Notes: This funding option allows for only cleanup of the Site. Assessment costs are not eligible under this grant program. The Site will need to hold an approved Remedial Action Plan within the State of Illinois Site Remediation Program, requiring some upfront costs for site assessment and cleanup planning prior to applying for the cleanup assistance.

February 28, 2025

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CONCLUSION

Redeveloping a contaminated site can prove to be challenging, both in completing remediation that is protective of human health and the environment; and finding funding to address rising remediation costs. Fehr Graham brings over 20 years of experience in developing funding and cleanup strategies for municipally-led cleanup projects. We've helped secure over \$24 million in grant funding to move underutilized and blighted sites to vibrant redevelopments that the community can enjoy. We'd be happy to provide this expertise to the City of DeKalb as you continue to explore options for redeveloping the Former Protano's Auto Site. If you have any questions or wish to discuss further, please do not hesitate to contact us in the office at 815-394-4700. Thank you for the opportunity.

Sincerely,



Annie Ray, PG

Senior Project Hydrogeologist

aray@fehrgraham.com



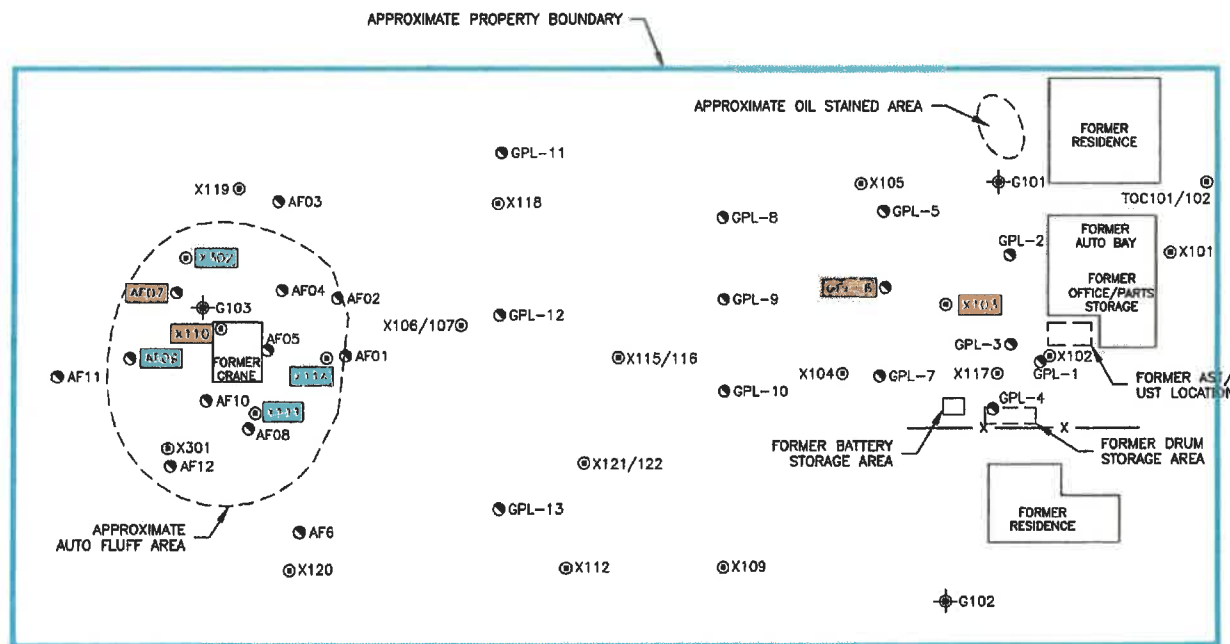
Ross Grimes, PG

Senior Project Manager

rgrimes@fehrgraham.com

AR/RG:cld

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LEGEND

- ⊙ SOIL BORING LOCATION (2004)
- ⊕ GROUNDWATER SAMPLE LOCATION (2004)
- SOIL BORING LOCATION (2013)
- SAMPLE LOCATION CONTAINS TCLP LEAD > 5 mg/L
- SAMPLE LOCATION CONTAINS PCBs > 1 mg/kg

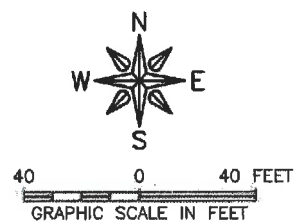


EXHIBIT HISTORIC SITE LAYOUT MAP FORMER PROTANO'S AUTO 1151 S. 4th ST. DEKALB, IL

2/13/25

FEHR GRAHAM

ENGINEERING & ENVIRONMENTAL

ILLINOIS DESIGN PERM NO. 194-000005

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IOWA
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