

Q/A for May 2, 2023

Agenda #	Title	Requestor Responder
15	Approve the award of Bid 23-063, 2023 Pavement Markings to Precision Pavement Markings, Inc. for an amount not to exceed \$207,479.59 plus a 5% contingency	
Q.	Did TED have a contractor who did this work in the past? Can staff please expand on why we received only one bid?	Longenbaugh
A.	There are a limited number of contractors who perform this work, and in the last couple of years there have also been supply chain issues. TED has tried a variety of ways to procure this work, ranging from contracts like this, to jumping onto the cooperative contract awarded by the County, to adding this work into our annual street resurfacing contract. All of the methods have their pros and cons. The contractor on the County cooperative contract was so busy one year that he never showed up and performed any of the work. When we include it with the resurfacing contract the work is not done until later in the year when the second resurfacing contract is getting completed. We chose the separate contract this year to avoid those other issues. Due to the solid volume of available work and the limited number of contractors we ended up with just the one bid this year.	Novack

18	Waive the first reading and pass the ordinance amending Section 7-1-3:2 of the Naperville Municipal Code to add the transitional use (TU) zoning district	
Q.	Could Staff please share a couple of examples of locations where this change could come into play?	Longenbaugh
A.	<p>Given the purpose of the TU (Transitional Use) zoning district is to serve as a transition between low density residential and more intensive uses, properties which are currently zoned TU are largely located on the perimeter of the B4 (Downtown Core) zoning district and along portions of Washington Street between North Avenue and Hillside Road. Additionally, per the Land Use Master Plan (2022), the TU zoning district is one of the recommended zoning districts for future land use areas identified as City Corridor. City Corridor areas are situated along Ogden Avenue, 75th Street, and part of Route 59. As properties redevelop in the City Corridor areas, staff may recommend rezoning to TU.</p> <p>An example of a recent development which utilized the allowance for multiple buildings on one lot is Charleston Row III located on the north side of Aurora Avenue east of the Eagle Street and Aurora Avenue intersection. This property is zoned OCI and the approved development included 8 single-family attached units in two buildings (one building has 5 dwelling units and the other building has 3 dwelling units). Without the allowance for multiple buildings on one lot, the development likely would have been one much larger building housing 8 dwelling units. The provisions for multiple buildings on one lot allows for the units to be divided into multiple smaller buildings creating architectural interest and reducing perceived bulk.</p> <p>Staff anticipates that a similar development form could be requested on a property zoned TU.</p>	Mattingly

I12	Adopt the resolution authorizing approval of certain relief from Section 6-16-5 related to the Ogden Avenue Pole Sign Grant Program	
Q.	How many signs out of the original list of 49 are still outstanding and will each require a variance to come up to compliance? Do the stores know that they have funds available to them for converting? How much of the \$30K had been used?	Longenbaugh
A.	<p>Approximately 41 pole signs still remain along the East Ogden Avenue corridor. To date, one grant was approved in the amount of \$10,000 for the property located at 909 E. Ogden Avenue.</p> <p>Given pole signs are prohibited per code, the existing pole signs are considered non-conforming signs (subject to Section 6-16-10 of the Municipal Code). Per the non-conforming regulations, existing pole signs can continue to be used in their current form; however, the signage cannot be modified as the business tenant changes. Upon removal of any non-conforming pole sign, the replacement signage must comply with current code requirements.</p> <p>Staff notifies property owners and applicants of the available grant funds at any time that the site is discussed (i.e., proposed redevelopment, submittal of sign permits, etc.). A webpage was created on the City of Naperville website that outlines the grant process: https://www.naperville.il.us/projects-in-naperville/ogden-sign-replacement/</p>	Mattingly
O1	Receive the 2023 first-quarter financial report	
	The presentation slides for this agenda item have been attached to the Q&A.	Munch

City of Naperville, Illinois

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A photograph of construction workers in high-visibility vests working on a city street. The workers are positioned around a construction site with rebar and concrete forms. In the background, there are commercial buildings, including a Starbucks Reserve and a cafe with a sign that says 'COFFEE FOOD COCKTAILS'. The scene is set in an urban environment with a clear sky.

2023 Q1 Financial Update

City Council

May 2, 2023



TONIGHT'S AGENDA

2023 First Quarter (Q1) Review

- Summary of budget performance by fund category

Revenue and Expenditure Summaries

- Highlight performance in key areas

2023 Capital Projects

- Project status updates
- Revised borrowing estimates



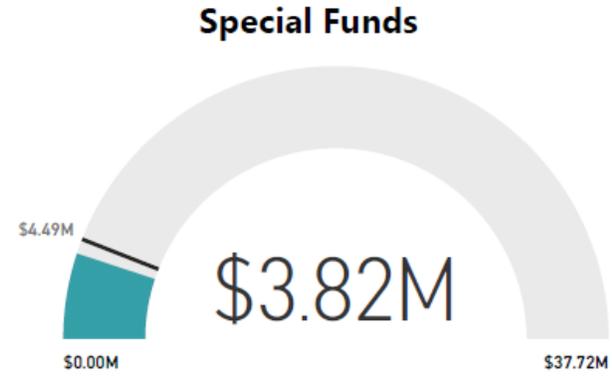
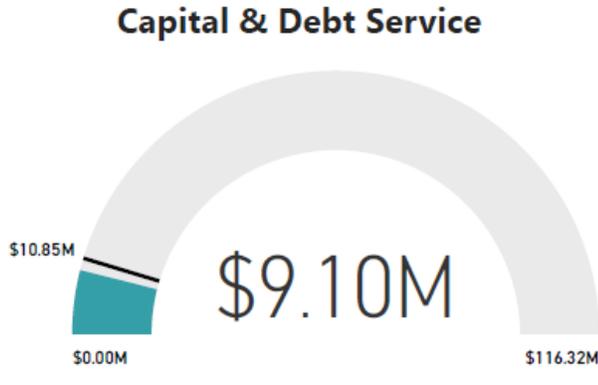
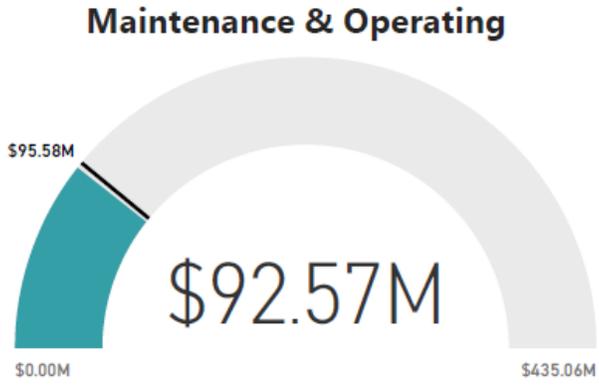
KEY TAKEAWAYS

- Growth continues in key operating revenues but is moderating in comparison to 2021 & 2022
- Expenditures remain in line or below budget, particularly in the General, Electric and Water Funds
- While the Capital Improvement Program is off to a strong start, delays on several key projects are reducing the need to issue debt

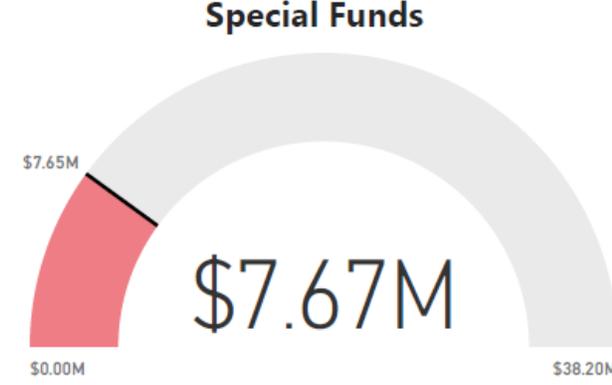
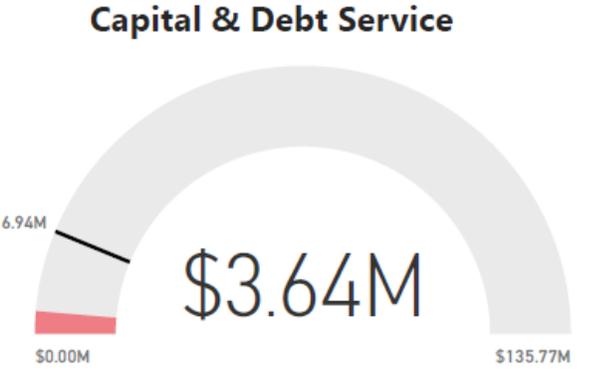
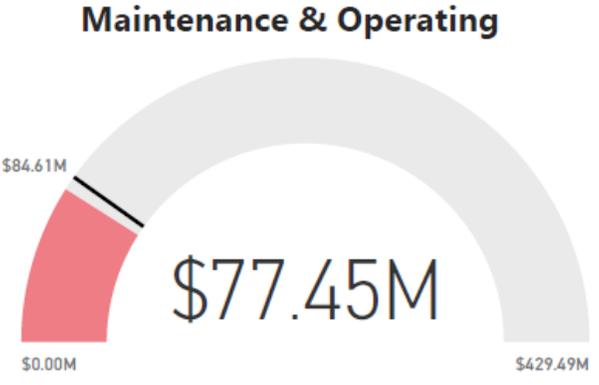


Q1 BUDGET SUMMARY

Revenues



Expenses



\$ in millions

Q1 REVENUE SUMMARY

Category	Source	YTD Actual	Difference to 2022 Q1	Analysis
State Shared	Sales tax*	\$12.03	↑ 4.6%	Driven by consumer sales/inflation
	Income tax	\$5.73	↑ 0.9%	Strength in state economy/employment
	Motor fuel tax	\$1.69	↑ 9.6%	Continued post-pandemic recovery
Utility Charges	Electric	\$35.00	↑ 0.4%	In line with rates
	Water/Wastewater	\$16.49	↑ 4.5%	In line with rates
Local Taxes	HRST*	\$5.11	↑ 6.0%	Driven by consumer sales/inflation
	Food & beverage	\$1.62	↑ 5.4%	Strong sales activity/inflation
	Hotel/motel *	\$0.78	↑ 12.4%	Return to pre-pandemic activity
	Real estate	\$0.83	↓ 40.0%	Expected decline from record highs
Other Revenues	Utility taxes	\$4.75	↑ 2.7%	Higher natural gas cost
	Service charges	\$5.69	↑ 25.8%	Timing of payments from ambulance biller

\$ in millions

***Gross revenue prior to development incentive rebates**

Q1 EXPENSE SUMMARY

Category	Source	YTD Actual	Difference to 2022 Q1	Analysis
Salaries & Wages	Regular pay	\$22.65	↓ 2.0%	Staff vacancies/hiring lags
	Overtime pay	\$1.73	↓ 24.3%	Mild winter, DPW down 50%
Healthcare	Medical	\$3.07	↓ 11.9%	Lower HMO & PPO claims
	Dental	\$0.28	↑ 17.0%	Higher claims
	Pharmacy	\$0.50	↑ 19.8%	Higher claims
Purchased Items	Purchased electric	\$24.33	↓ 5.9%	Lower demand
	Purchased water	\$6.29	↑ 12.4%	Higher DWC cost, increased consumption
	Other items	\$5.15	↑ 10.5%	Operating supplies/higher service costs
Purchased Services	Architect/engineer	\$0.08	↓ 79.2%	Delays in project engineering
	Operational services	\$0.68	↓ 29.9%	Contracted snow removal down
	IT software/hardware	\$2.21	↑ 39.7%	Timing of enterprise software license
Capital	Capital outlay	\$5.49	↑ 29.1%	Aligns with expanded capital programs

\$ in millions

2023 CAPITAL PROJECTS

In Progress	Delayed
Washington Street Bridge	Downtown Streetscape – Phase 2
Street Maintenance Program (2022 catch-up)	Columbia Street Reconstruction
Van Buren Parking Deck	North Aurora Road Underpass
Main & Porter Watermain	Naperville Road Improvements (county led)
Springbrook UV Disinfection System	Northwest Wastewater Pump Station
CAD/RMS Replacement (vendor selection)	Tollway Substation Upgrades
Electric Substation Relay Improvements	Electric Utility Improvements (grant funded)

Revised Borrowing Estimates

- **General purpose**
 - No debt issuance needed – estimated at \$14M in the budget
- **Water Utilities**
 - \$10 – 12M debt issuance in Q4 – estimated at \$20M in the budget

**City issues debt on a reimbursement basis to avoid unnecessary borrowing*



City of Naperville, Illinois

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Questions?

