

Council QA – Oct. 4, 2022

Thursday, September 29, 2022 11:38 AM

F. AWARDS AND RECOGNITIONS:

1.	22-1165	Proclaim October 2022 as Disability Employment Awareness Month
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2.	22-1175	Proclaim October 5, 2022 as Energy Efficiency Day in the City of Naperville
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I. CONSENT AGENDA:

1.	22-1180	Approve the regular City Council meeting minutes of September 20, 2022
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Q:	99% of the summary of the Brixmore discussion lists all the potential positives of the project commented on by Council members, only listed one of the criticisms even though 4 Council members listed multiple objections to it - that evening just as many criticisms were listed as positives. The summary looks one sided and biased. Please correct and add the multiple objections as well. If staff needs help remembering I can provide them to you as well as I am sure the other 3 Council members who listed their objections.	Taylor
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A:	<p>Staff reviewed the meeting video and revised item L4 to read as follows:</p> <p><i>Council discussed that this is an additional tax, that the scope of the project is now too big, the first proposal was a \$17 million tax increase and now it is \$20 million, the impact on specific stores, that shoppers may decide to go elsewhere due to the additional tax, that the tax will go to financing the project and not toward City services, that no revenue data has been provided by the developer, the appropriateness of calling the area "blighted," the concern of a proliferation of business district area requests, previous requests that have been denied by the City, and the need to include an enforcement mechanism if revenue targets are not reached to ensure the City is not subsidizing the project.</i></p> <p><i>Council went on to discuss school district support, that home</i></p>	Gallahue
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rule sales tax in Aurora is currently 1% higher than Naperville, that strip malls are being converted to residential, the other properties the City has invested in, benefit to Food and Beverage tax revenue, requests will be considered on a case-by-case basis, that a percent of taxes in this area will be paid by non-Naperville residents, and the agenda item will come back twice for deliberation.

Krieger explained that funds are distributed to Illinois and then sent to the City for reimbursement and that the state statute will need to be reviewed before incorporating enforcement policies.

Q.	Does staff have any additional information on what percentage of customers from the proposed Brixmoor development will be from Naperville and non-Naperville residents?	Taylor
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A:	The City is not aware of any specific data or information that would indicate what percentage of sales tax from the development would come from Naperville or non-Naperville residents. The Business District Plan does not include any estimates of customer location anticipated at the proposed development at Rt 59 and Aurora.	Krieger
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2.	22-118 6	Approve the City Council meeting schedule October, November and December 2022
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3.	22-1185	Approve appointments to various Boards & Commissions
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4.	22-0980	Approve the award of Cooperative Procurement 22-256, SMARTnet Maintenance Renewal, to CDW-G for an amount not to exceed \$230,777 and for a one-year term
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5.	22-098 5	Approve the award of Bid 22-187, Aggregate Materials, to Green Dream International LLC for an amount not to exceed \$413,634.90, and for a one-year term
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Q:	Where is Green Dream International located?	Hinterlong
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A:	Green Dream International LLC 32 W. 8th Street, Suite No. 607, Erie, PA 16501	Blenniss
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6.	22-1022	Approve the award of RFP 22-091, Emergency Notification Alert System Services, to Everbridge, Inc., for an amount not to exceed \$214,744.33 and for a four-year term
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7.	22-1160	Approve the award of Cooperative Procurement 22-282 HPe Aruba 4001i Network Switches, to CDW Government for an amount not to exceed \$259,807.60
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8.	22-1146	Approve the award of Change Order #1 to Cooperative Procurement 22-061, Police Department Roof Restoration - Phase III and Final, to Weatherproofing Technologies Inc./Tremco for an additional 122 days
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9.	22-1158	Approve the award of Change Order #1 to RFQ Work Order 17-122-TED-2201, Phase III Downtown Streetscape Improvements to Civiltech Engineering Inc for an amount not to exceed \$98,337.00 and a total award of \$493,431
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Q:	I.9: Was the RFP not accurate or did this engineering company not properly understand the scope of the project?	Taylor
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A:	There are a couple of outside factors that affected the staffing of the project. There were many weeks that the contractor worked 16 hour days; having one crew start between midnight and 2 a.m. and then having another crew work during the traditional work hours. We needed Civiltech to be on site when both crews were working. Additionally, the operator strike, the additional work we added during construction and supply chain delays have stretched the completion date of this contract about a month and a half beyond what was originally set.	Novack
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Q:	Are these extras paid with the 60/40 split between the taxpayers and the property owners?	Hinterlong
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A:	Yes, the streetscape percentage of the overall project will be added to the costs that are being split 60/40 with the property owners through the SSA.	Novack
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10.	22-1154	Approve the award of Change Order #4 to Contract 22-035, 2022 Downtown Streetscape Construction, to RW Dunteman Co. for an amount not to exceed \$44,423.98 and a total award of \$4,933,925.92 and for an additional 46 days
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Q:	Are these extras paid with the 60/40 split between the taxpayers and the property owners?	Hinterlong
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A:	The streetscape portions of the additional work will be added to the portion that is being split 60/40 with the property owners through the SSA.	Novack
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11.	22-1064	Approve the award of Option Year Three of Contract 20-001, Pipefitting, Plumbing and Mechanical Services, to Dahme Mechanical Industries, Inc. for the amount to not exceed \$210,560
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12.	22-1156	Approve the award of Change Order #1 to Option Year Two of Contract 18-022, Motor Fuel Tank Wagon, to Heritage FS, Inc., for an amount not to exceed \$70,000 and a total award of \$235,000
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13.	22-1136	Approve the award of Change Order #1 to Option Year Three of Contract 18-025, Motor Fuel, to Luke Oil for an amount not to exceed \$270,000 and a total award of \$1,270,000
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14.	22-114 5	Approve the award of Change Order #1 to Bid 21-245, Central Parking Facility - LED Lighting Retrofit, to Rag's Electric Inc. for an additional 273 days
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15.	22-1181	Approve the award of Change Order #1 to Bid 22-036, Landscape Restoration Services, to Semper Fi Landscaping Inc. and Local Lawn Care and Landscaping for an amount not to exceed \$165,000 and a total award of \$490,000
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16.	22-1182	Accept the public underground improvements for Heritage Place Phase I and IA and authorize the City Clerk to reduce the corresponding public improvement surety
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17.	22-1163	Adopt the resolution approving the Intergovernmental Agreement between the County of DuPage and the City of Naperville for Improvement of CH23/Naperville Road from Naperville-Wheaton Road/Ridgeland Avenue to Diehl Road, Section No. 16-00195-06-CH
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Q:	Why do we want to take ownership in these lights and pay for the energy and maintenance?	Hinterlong
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A:	DuPage County's policy is to not provide lighting on their highways. All lighting on County roadways is owned and operated by the municipality that the highway is located in.	Novack
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Along certain stretches of DuPage County highway the City of Naperville has paid for and maintains lights today. City staff believes that based on roadway volumes and alignment that this stretch of county highway should continue to have street lights as it does today.
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Q:	Why is the City, instead of DuPage County, paying for the reconstruction of the road?	Taylor
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A:	The City of Naperville is only paying for the roadway reconstruction on the sections of roadway that we currently own and maintain today. The County's proposed improvement required work on some of the City's intersecting streets, and we desired to reconstruct one of those streets as part of their project. The City is only paying the difference between the resurfacing work that the County would have done and the cost of reconstruction that we are requesting.	Novack
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18.	22-1184	Adopt the resolution approving the Intergovernmental Agreement between Will County and the City of Naperville for placement of license plate recognition cameras located on Will County rights-of-way
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J. PUBLIC HEARINGS:

1.	22-117 7	Conduct the public hearing and direct staff to prepare ordinances approving the Heinen Business District Plan and setting an associated Business District tax of one-half of one percent
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L. ORDINANCES AND RESOLUTIONS:

1.	22-098 8C	Option A: Concur with the Planning and Zoning Commission and the petitioner and pass the ordinance approving a variance to Section 6-6A-7 for the property located at 620 N Sleight Street - PZC 22-1-068; or Option B: Concur with staff and deny the variance - PZC 22-1-068
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M. AWARD OF BIDS AND OTHER ITEMS OF EXPENDITURE:

1.	22-11 62	Approve the award of RFQ 22-255, Polyethylene/PVC Conduit Qualifications, to Power Line Supply, Universal Utility Supply, and Wesco Distribution as approved vendors for future projects, for an amount not to exceed \$1,387,000 and for a one-year term
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O. REPORTS AND RECOMMENDATIONS:

1.	22-0258	Provide direction regarding construction and location of noise walls for the 248th Avenue improvement project	
2.	22-0505D	Consider the three options regarding the Affordable Housing Incentive Program and direct staff accordingly - PZC 22-1-017	
3.	22-1179	Receive the City of Naperville Bridge for 2023 Priorities Plan fall 2022 status update	
	Attached, titled 01 - Bridge to 2023 Priorities Plan - October 2022 update, is the slide deck that will accompany staff's presentation on this item.		Schatz/ Gallahue/ LaCloche

City of Naperville

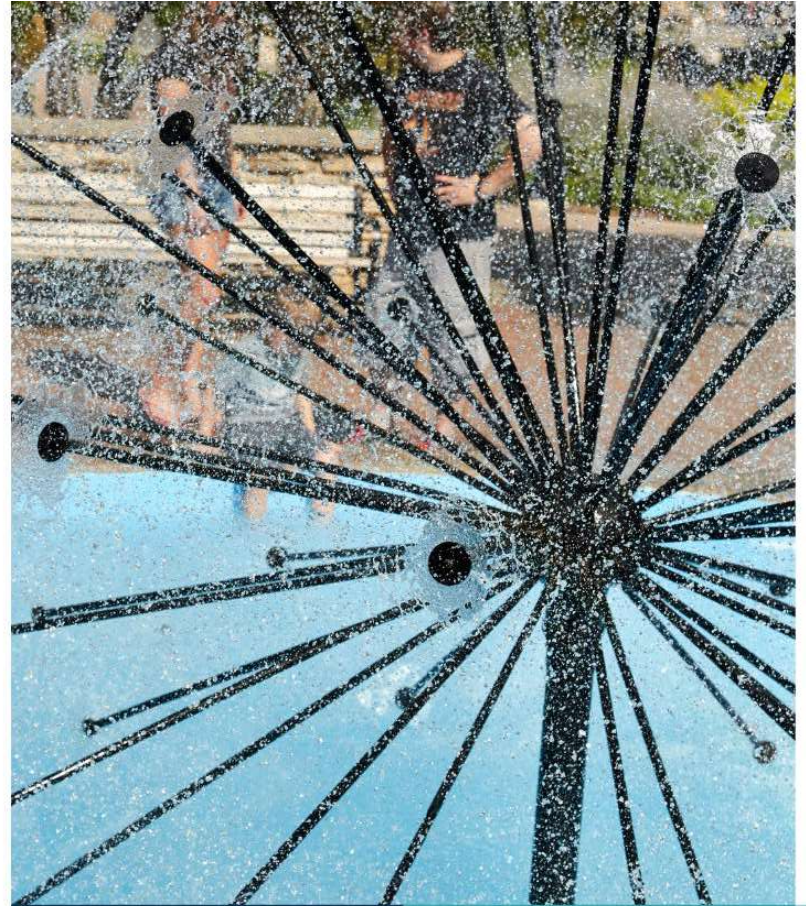
Priorities Plan Update

October 2022



Tonight's Discussion

- 1 Overview of five priorities
- 2 In-depth focus:
 - Financial Stability & Economy
 - Infrastructure & Utilities
 - Housing Choice
- 3 Moving into 2023 with the Priorities Plan



Priorities Overview



Public Safety

Provide a safe and secure community for all Naperville residents and businesses

ON TRACK

- **Police:** 405 community education & crime prevention presentations to date in 2022
- **Police:** fully implemented body-worn cameras; anticipate new in-car cameras delivered & installed by end of year
- **Fire:** 90 individuals assisted by Community Risk Reduction Team to date in 2022
- **Fire:** 3 more captains applied for Fire Officer Designation; dept. holding officer development course in October



Sustainability

Work within City government and community partners to act sustainably and make Naperville more resilient

MONITORING

- Sustainability specialist hired in September
- Electric lawn equipment rebate pilot program launched in August; full funding allocated in 3 days
- Continue to collect input & partner internally (Emerging Leaders) and externally (NEST) & through new initiative-focused working groups



Infrastructure & Utilities

Provide infrastructure, electric service, and water/wastewater services that are reliable and safe, contributing to quality of life and economic development

MONITORING



Financial Stability & Economy

Promote development of the local economy and be a good steward of city tax revenues

ON TRACK



Housing Choice

Support housing and neighborhoods for all stages of life

MONITORING



Financial Stability & Economy

Priority Goals - Overview

Priority Goal

Status

Financial Principles:

Principle No. 1: The City will pass a structurally balanced operating budget annually.

Principle No. 2: The City commits to continuous improvement in the delivery of necessary and cost-effective services.

Principle No. 3: The City will actively seek to increase its reserves to 25% and reduce its debt by 25% by the end of 2022.

Maintain flexibility while seeking redevelopment options in order to fully utilize Naperville’s developed commercial properties.



Not started



Ongoing



Complete - part of operating procedures

Stability through Strategic Flexibility

ON TRACK

Principle No. 1: The City will pass a structurally balanced operating budget annually.

ON TRACK

Principle No. 2: The City commits to continuous improvement in the delivery of necessary and cost-effective services.

ON TRACK

Principle No. 3: The City will actively seek to increase its reserves to 25% and reduce its debt by 25% by the end of 2022.

32.8% debt reduction
27.6% cash reserves

Naperville leverages economic incentives in specific instances to help attract development – and spur re-development.

- Recent re-developments: Amazon Fresh stores (95th St. & East Ogden), LA Fitness, East Ogden corridor, Mall of India, Market Meadows
- Economic incentives leveraged in specific instances when they provide value
 - Six incentives currently in place
 - Costco, Hotel Arista, Embassy Suites, Marriott, Hotel Indigo, Main Street Promenade East
 - \$1.5M total rebate annually across all agreements

Costco (Ogden Ave.)

\$5.5M incentive payable through rebate of state tax/HRST over 15 yrs.

Est. incentive payback within 5 yrs.

Hotel Indigo

Sales in first half of '22 exceeded same time in '19 by 20%

Overall strength of Water Street evident in 2021 reassessment – able to fully pay TIF debt service prior to TIF expiration

2023 Considerations

- **Four trends will influence** Naperville's budget requests for 2023
 - **Workforce shifts** – recruitment and retention
 - **Economic impacts** – supply chain issues, material lead times, inflation
 - **Regulatory demands** – uptick in public safety & utility legislation, resulting in additional resource needs and associated costs
 - **Customer service expectations** – continued push for online services, which requires significant, ongoing resources for technology implementation, maintenance, enhancements & secure decommissioning
- While the City's financial performance to date is strong, these trends will have a stronger influence on next year's budget requests
 - Additional personnel
 - Strategically planned procurements
 - Investments and resources for long-term technology projects

Key Takeaways



ON TRACK



The financial principles and Council's financial flexibility have led the City to a place of financial stability over the past eight years.



Staff will begin exploring potential financial parameters that can build upon the principles.



Flexibility and adequate resources will be critical to moving 2023 projects, programs, and priorities forward.



Infrastructure & Utilities

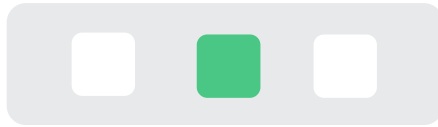
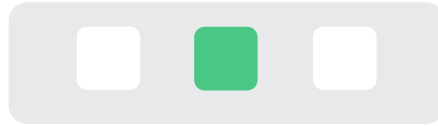
Priority Goal

Strategically invest in the City's aged infrastructure to help facilitate business retention and expansion

Develop and implement a water utility capital plan that maintains the City's high service levels while ensuring regulatory compliance with all IEPA and EPA mandates

Develop and implement programs that will improve utility load factor and reduce system peaks

Status



Update

- Downtown Streetscape
- Washington Street Bridge
- East Ogden Avenue corridor

- Expansion of water main replacement program to 3 miles per year
- Implementation in the coming years of Naperville's largest-ever capital program to update and expand capacity at the Springbrook Water Reclamation Center

- Demand management system exploration
- Expansion of commercial demand response program
- Conservation Voltage Reduction (CVR) being utilized in demand response mode to reduce system peaks



Not started



Ongoing



Complete - part of operating procedures

Capital Considerations

The same trends that will impact the 2023 budget also impact Naperville’s capital program, which is a key way the City advances this priority.

Economic Impacts

- Inflation & supply chain issues impacted project timelines and material deliveries throughout 2022 – anticipated to continue

Regulatory Demands

- Electric – Clean Energy Jobs Act (CEJA)
- Public Safety – Body-camera program, Community Emergency Services and Supports Act (CESSA)
- Water Utilities - USEPA and IEPA mandates

Workforce shifts

- Capital projects require internal & external employee resources to effectively achieve
- Projects impacted by external workforce events - summer 2022 quarry strike

All of these have future financial impacts and considerations.

Financial flexibility + long-term funding strategies provide **financial stability** and move our **infrastructure & utilities** forward.



Key Takeaways



MONITORING

-  We continue to reinvest in both seen (key community locations) and unseen (buried utility assets) infrastructure.
-  Adequate resources and global economic issues continue to impact the ability to plan and execute capital programs.
-  Just like with the financial stability & economy priority, flexibility and adequate resources will be critical to moving 2023 infrastructure and utility projects, programs, and priorities forward.



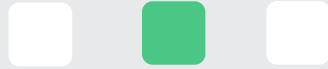
Housing Choice

Priority Goal

Status

Update

Leverage publicly owned land to address housing choice



- Gorman and Co. selected to develop senior/IDD housing on city-owned land at 103rd Street/Route 59
- Major business terms unanimously agreed upon
- Gorman finalizing applications to pursue outside funding for project

Develop plan for Naturally Occurring Affordable Housing



- Incorporated into Naperville Housing Action Plan & Affordable Housing Work Plan
- Actions taken as a result of these plans included vacant, city-owned land inventory & inclusionary zoning ordinance study

Establish a revolving rehabilitation loan program targeted toward low-income seniors



- Issued RFP this year for nonprofit subrecipient to manage Single Family-Home Repair Program – one proposal received
- Rebid due to HUD request; no further bids were received
- Waiting on HUD approval following staff's written request

Consider options for a voluntary inclusionary zoning ordinance



- Numerous discussions at HRFHC and PZC levels throughout 2022
- Discussed as part of Oct. 4 City Council agenda



Not started



Ongoing



Complete - part of operating procedures

Key Takeaways



MONITORING

- Ⓜ Short-term effort: receive approval from HUD on subrecipient to manage Single Family-Home Repair Program
- Ⓜ Short-term effort: continue to work with Gorman & Co on senior/IDD development
- Ⓜ Staff will continue to seek Council input and direction to further the conversation around this priority.



Naperville, Illinois
PRIORITIES PLAN 2021



Bridge through 2023

“Not to, but through”

All of the goals and priorities outlined in the Priorities Plan are ongoing and long-term in nature

2023 consideration:

- Community outreach – Citizen Survey

Staff will continue working on goals associated with all five priorities throughout the coming year

- Progress updates: spring and fall 2023

Priorities Plan Update

Questions and Discussion
