



**DEKALB CITY COUNCIL AGENDA  
SEPTEMBER 28, 2020  
6:00 P.M.**

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

**REGULAR CITY COUNCIL MEETING**

COVID-19 Notice: This meeting will be conducted in-person with a physically present quorum and open to the public. The corporate authorities of the City of DeKalb intend to conduct this meeting in compliance with all applicable social distancing and public health requirements. All persons attending this meeting in-person shall be required to wear protective face masks/coverings. Furthermore, the corporate authorities of the City of DeKalb intend to conduct this meeting pursuant to Illinois Governor JB Pritzker's Executive Order 2020-43 dated June 26, 2020 (the "Executive Order"), which prohibits gatherings of more than 50 people, unless the City of DeKalb determines that it is necessary to invoke the Governmental Functions exemption contained in Section 4(c) of the Executive Order "to ensure the operation of government agencies or to provide for or support the health, safety and welfare of the public."

As a convenience to the public, the City of DeKalb may also provide video, audio, telephonic or internet access for the public to monitor this meeting. The provision of any such remote means of access is not intended to provide for attendance by a means other than physical presence due to the COVID-19 public health emergency, nor is it intended to provide an opportunity for the public to address public officials, make public comment or otherwise participate in the meeting.

Persons wishing to provide public comment or otherwise address public officials in person during this meeting must comply with all applicable rules governing the conduct of this meeting including, but not limited to, the aforementioned social distancing and face covering requirements.

The City of DeKalb is providing the following conveniences for the public to monitor and participate in this meeting:

- Persons wishing to view the meeting from home or elsewhere can tune in to Channel 14 or by following the link provided [here](#).
- Persons wishing to provide public comment but are unable to attend the meeting in person or remotely may forward their comments by clicking on the link provided [here](#). Note that all submissions must be received no later than 12:00 p.m. on the day of the meeting in order to ensure dissemination to the City Council before the meeting convenes.
- **Zoom Meeting Information**  
Join Zoom Meeting: <https://us02web.zoom.us/j/89360651625?pwd=eUdQbSt4MWlpTm52eGhaR2EzNyt6dz09>  
Meeting ID: 893 6065 1625  
Passcode: 507313  
One Tap Mobile: +13126266799,,89360651625#,,,,,0#,,507313# US (Chicago)
- For those participating via Zoom and wishing to comment during the public participation portion of the meeting, or prior to Council's discussion of a particular item, please click on the link provided [here](#) and add in the Comment Section that you wish to address Council verbally. Note that all submissions must be received no later than 12:00 p.m. on the day of the meeting in order to ensure your name is added to the list of remote speakers.

**A. CALL TO ORDER AND ROLL CALL**

**B. PLEDGE OF ALLEGIANCE**

**C. APPROVAL OF THE AGENDA**

**D. PUBLIC PARTICIPATION**

**E. PRESENTATIONS**

None.

**F. APPOINTMENTS**

1. **Appointment of Ann Shult to the Citizens' Environmental Commission for the Completion of a Two-Year Term through December 31, 2021.**

**G. CONSENT AGENDA**

1. [Minutes of the Joint City Council and Finance Advisory Committee Meeting of August 17, 2020.](#)
2. [Minutes of the Regular City Council Meeting of September 14, 2020.](#)
3. [Accounts Payable and Payroll through September 28, 2020, in the Amount of \\$1,306,469.47.](#)
4. [Investment and Bank Balance Summary through July 2020.](#)
5. [Year-to-Date Revenues and Expenditures through July 2020.](#)
6. [Freedom of Information Act \(FOIA\) Report – August 2020.](#)
7. [Hospitality Recovery Program Update. \(see July update, attached\)](#)

**H. PUBLIC HEARINGS**

1. **Public Hearing on the Taxable General Obligation Refunding Bonds, Series 2020.**

City Manager Summary: At the August 17 meeting of the City Council and the Finance Advisory Committee, the extraordinary impact of the COVID-19 crisis on City finances was described in considerable detail. The estimated \$4.5 million drop in general operating revenues, offset in part by an expected infusion of \$500,000 in federal Cares Act funding by the end of the calendar year, has posed very substantial challenges. Maintaining the services expected of the Fire, Police and Public Works departments under such reduced revenues is perhaps the singular challenge. It is also important to note that the fall in general operating revenues means a fall in the City's General Fund reserve balance, which had been re-built in 2019 after several years of resting below the policy level of 25% of the annual General Fund expenses. The starting General Fund balance as of January 1, 2020 was \$10,524,735 – an increase of \$3,121,847

over the balance on January 1, 2019 and a rise from 19.64% of General Fund expenditures to 29.6% of General Fund expenditures.

To balance the projected 2021 General Fund Budget without further exhaustion of the City's General Fund reserves, the City Manager proposed an investigation of bond refunding options that might reduce or eliminate the roughly \$1.8 million in general obligation debt to be paid from the General Fund in 2021.

After consultation with Baird Public Finance, the nation's number one municipal underwriter, and Katten Muchin Rosenman, LLP, a renowned Chicago-based bond counsel, it is apparent that there is an opportunity for a one-time savings of \$1,795,554 in principal and interest payments in FY2021, which reduces the General Fund expenditures by an equal amount. The re-structuring of the City's January 1, 2021 and July 1, 2021 principal and interest payments is, in effect, a "scoop and toss." Debt payments on the pertinent bonds from each of the outstanding City general obligations are moved from Fiscal Year 2021 to Fiscal Years 2028, 2029, and 2030. This process extends the bond terms but at a lower annual debt service level at the end of the terms (please see the attached spreadsheet). The overall increase in debt service over the next 10 years is \$381,277. However, by deferring the debt payments from FY2021 to a future date when the full EAV of the Ferrara and Facebook projects should have been realized, the City will be in a better position than the current COVID-19 environment to make those payments.

Later in this Agenda, the Council will consider an ordinance authorizing City staff to work with Baird, Katten Muchin, and others to proceed with the public offering.

## I. CONSIDERATIONS

None.

## J. RESOLUTIONS

1. **Resolution 2020-107 Authorizing the Sale of Real Property Located at 805 E. Locust Street (PIN: 08-23-329-004) in the Amount of \$1,500.**

City Manager's Summary: Nehring Electric has been using an abandoned city well house for storage in recent years and would like to purchase the 0.02-acre parcel, demolish it, and construct an enclosed compound on which it could store its large wire spindles. Currently, these spindles are staged in random fashion on the E. Locust Street corridor and exposed to public view.

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

2. **Resolution 2020-108 Authorizing Payment to Syndeo Networks, Inc. in the Amount of \$62,345 to Relocate City-Owned Fiber from the Former City Hall Building at 200 S. Fourth Street to 223 S. Fourth Street, and Move an Existing Fiber Handhole into the Right of Way at 200 S. Fourth Street.**

City Manager's Summary: All City-owned buildings have been connected to the old fiber network at 200 S. Fourth Street and terminated in the basement, including the Police Department, all three Fire Stations, the Water Department, and the Airport. The

North, East and West Water towers are also connected for Fire radio traffic as well as the Water SCADA system and the City's traffic controller that is connected to State of Illinois fiber that runs under Fourth Street and Lincoln Highway.

The plan has been to relocate these connections to the IT department's suite in the City Hall annex at 223 S. Fourth Street. The relocation will upgrade the fiber network while making it easier to monitor.

The City's IT department recently solicited proposals for the relocation, which are shown in the table below:

<b>Vendor</b>	<b>Price for Relocation</b>
Aero Group, Inc., Freeport, IL	\$92,000
Syndeo, St. Charles, IL	\$62,345

The IT department recommends the award of the fiber relocation contract to Syndeo in the amount of \$62,345. The funding for this work is in the Capital Projects Fund (400-00-00-86100)

**City Council approval is recommended.** [\(Click here for additional information\)](#)

**3. Resolution 2020-109 Authorizing an Intergovernmental Agreement with DeKalb Township Regarding the Ownership and Maintenance of the Roundabout at Peace Road and Gurler Road.**

City Manager's Summary: The extraordinary industrial developments along Gurler Road, between IL Rt. 23 and Peace Road, have created a demand for higher capacity roadways. The intersection of Gurler Road and Peace Road is being rebuilt to create a roundabout that can safely direct truck traffic that would otherwise be making repeated stops-and-starts at a signalized intersection. The City has collaborated with private developers to advance these improvements to benefit the developments and the region.



Some of the Gurler Road corridor improvements fall within the highway jurisdiction of DeKalb Township. The attached resolution and intergovernmental agreement outline the City's responsibility to make sure the improvements conform to the Township Highway Commissioner's requirements and that the Township is held harmless against claims arising from poor design or workmanship.

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

## K. ORDINANCES – SECOND READING

- 1. Ordinance 2020-055 Amending Chapter 38 “Intoxicating Liquors”, Section 38.07 “Classifications of Liquor Licenses”, by Adding a New Classification “Laundromats”.**

City Manager's Summary: At the regular City Council meeting of September 14, the City Council postponed consideration of this ordinance on second reading at the City Manager's recommendation to allow the DeKalb Board of Education to review the request at its September 15 Board meeting. The City Council had previously approved the attached ordinance on first reading on August 10. The focus of the Board's concern was reportedly whether the sale of alcohol posed a threat to students passing to and from the nearby middle school. Although the end of the driveway serving the backside of the laundromat at 1387 S. Fourth Street touches Barb Boulevard within 100 feet of the middle school boundary, the actual laundromat building is 255 feet away from the school property, well outside the 100-foot statutory buffer area (see the attached photo). The City has been advised that the Board of Education does not support the passage of this proposed ordinance.

Notwithstanding the staff's respect for the Board's view, the 100-foot buffer is more than satisfied in fact, as the attached exhibit shows. Accordingly, the City Manager continues to support this ordinance.

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

## L. ORDINANCES – FIRST READING

- 1. Ordinance 2020-062 Amending the Fiscal Year-End December 31, 2020 Budget.**

City Manager's Summary: The City Manager offers several minor revisions to the FY2020 Budget to properly record entries unforeseen when the FY2020 Budget was adopted on November 25, 2019. The proposed changes are as follows:

### Fund 400: Capital Projects Fund

Revenue	Account Number	Increase/Decrease	Revised Line Item
Sales of Surplus Property	400-00-00-38600	\$450,000	\$700,000
		\$450,000	

Explanation: On August 14, the Council approved the purchase of the former City Hall property in the amount of \$600,000. Other surplus property sales in 2020 include \$69,362 for the sale of the property at 1101 N. First Street (which was inadvertently recorded in Fund 420 – see below) and smaller residential parcels.

Expenditure	Account Number	Increase/Decrease	Revised Line Item
Land Acquisition	400-00-00-81000	\$375,000	\$375,000
Bldgs & Improv	400-00-00-82000	(\$20,000)	\$180,000
Technology Equip	400-00-00-86100	\$212,500	\$272,500
		\$567,500	

Explanation:

- On August 10, the Council approved a settlement agreement with West Suburban Bank, trustee for the Campus Cinema Property, in the amount of \$375,000 (400-00-008100).
- Andy Raih kept the Nehring Building remodeling under the approved budget of \$200,000 (400-00-00-82000).
- The first-year cost for the purchase of body cams, approved by the Council on September 14, in the amount of \$150,000 is included in 400-00-00-86100.
- The relocation of the fiber optic connections from the old city hall to the Annex at 223 S. Fourth will cost \$62,500 and is also included in 400-00-00-86100.

**Fund 100: General Fund**

Expenditure	Account Number	Increase/Decrease	Revised Line Item
Marketing, Ads, Public Info	100-15-12-65200	(\$52,000)	\$473
Marketing, Ads, Public Info	100-55-00-65200	\$52,000	\$52,000
		\$0.00	

Explanation:

- The Census Grant from the Illinois Department of Human Services supported the City-wide effort to communicate the importance of resident participation in the 2020 Census. The City staff expenses were “parked” in the City Manager’s Office, but they represent an organizational cost. This revision cleans up a “blow-out” in the Administration budget (#15-12) and properly records the expense as an organizational initiative in the General Fund Support budget (#55-00).

**Fund 420: Capital Equipment Replacement Fund**

Revenue	Account Number	Increase/Decrease	Revised Line Item
Sales of Surplus Property	420-00-00-38600	(\$15,000)	\$0.0
		(\$15,000)	

Explanation:

- The proceeds from the sale of the former city property at 1101 N. First Street (\$75,000) in June, 2020 were inadvertently recorded in the Capital Equipment Replacement Fund (Fund 420) and not the Capital Projects Fund (Fund 400).

**City Council approval is recommended.** [\(Click here for additional information\)](#)

**2. Ordinance 2020-063 Authorizing the Issuance of Not to Exceed \$2,000,000 in General Obligation Refunding Bonds, Taxable Series 2020, of the City of DeKalb, Illinois.**

City Manager's Summary: As explained in the Public Hearing portion of this Agenda, the City has an opportunity to substantially reduce General Fund expenditure obligations in FY2021 by refunding principal and interest payments on its general obligation debt. Spreading the \$1,795,554 in debt service otherwise due in FY2021 over three years toward the end of this decade (2028,2029,& 2030) adds \$381,277 to the City's debt service over the next ten years, but spares the City nearly \$1.8 million in expenditures in FY2021 which are not supported by projected FY2021 General Fund revenues.

With the Council's approval, the investment team of Baird Public Finance and Katten Muchin will proceed to engage Moody's Investors Service for a rating review. In September 2018, Moody's put the City of DeKalb's "A-1" rating on the watch list. A refunding will typically prompt a review. Although the City's outstanding new industrial citizens on Gurler Road and significant downtown redevelopment will be highly rated, along with the City's prudent fiscal management over the past 18 months, but the significant challenge in any rating review is to convince investors that the state pension crisis which now soaks up every property tax dollar is on the way to resolution. This will not be the case until the state legislature tackles its actuarial method of calculating the annual pension obligations.

**City Council approval on first and second reading is recommended.** ([Click here for additional information](#))

**M. REPORTS AND COMMUNICATIONS**

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

**N. EXECUTIVE SESSION**

**Approval to Hold an Executive Session in Order to Discuss:**

- 1. Personnel as Provided for in 5 ILCS 120/2(c)(1); and**
- 2. Pending or Imminent Litigation as Provided for in 5 ILCS 120/2(c)(11).**

**O. ADJOURNMENT**

**[FULL AGENDA PACKET](#)**