

CITY OF BATAVIA
100 N. Island Avenue, Batavia, IL 60510
(630) 454-2000 <http://cityofbatavia.net>

Committee of the Whole Agenda
Tuesday, August 2, 2016
7:30 PM Council Chambers 1st Floor

1. Roll Call
2. Approve Minutes For July 19, 2016

Documents:

[COW 7-19-16M.PDF](#)

3. Items Removed/Added/Changed
4. Matters From The Public (For Items NOT On Agenda)
5. Consent Agenda:

(The consent agenda is made up of items recommended by city staff that require recommendation to the full City Council by the COW. This agenda is placed as a separate item on the COW agenda. The items on the consent agenda are usually minor items, already budgeted, standard non-policy activities or outgrowths of earlier meetings and are voted on as a "package" in the interest of saving time on non-controversial issues. However, any council member may, by simple request, have an item removed and placed on the "regular" agenda.)

a. Resolution 16-58-R: Authorization to Purchase Network Switches from Presidio

Networked Solutions, Inc for an amount not to exceed \$34,000 (Howard Chason 7/27/16)

b. Ordinance 16-47: Surplus Property and Authorizing Sale Thereof
(Howard Chason 7/27/16)

Documents:

[RES 16-58-R NETWORK SWITCHES.PDF](#)
[ORD 16-47 - SURPLUS VEHICLES.PDF](#)

6. Project Status
7. Other
8. Adjournment

MINUTES
July 19, 2016
Committee of the Whole
City of Batavia

Please **NOTE:** These minutes are not a word-for-word transcription of the statements made at the meeting, nor intended to be a comprehensive review of all discussions. They are intended to make an official record of the actions taken by the Committee/City Council, and to include some description of discussion points as understood by the minute-taker. They may not reference some of the individual attendee's comments, nor the complete comments if referenced.

Chair Brown called the meeting to order at 7:30pm.

1. Roll Call

Members Present: Chair Brown; Ald. Russotto, Atac, Stark, Wolff, Fischer, O'Brien, Callahan, Hohmann, Botterman (entered at 8:13pm); Cerone and McFadden

Members Absent: Ald. Chanzit, Mueller

Also Present: Mayor Schielke (entered at 7:39pm); Chief Schira, Batavia Police Department; Kevin Drendel, Legal Counsel; Peggy Colby, Director of Finance; Gary Holm, Director of Public Works; Wendy Bednarek, Human Resources Director; Jeff Albertson, Building Commissioner; Bill McGrath, City Administrator; Laura Newman, City Administrator Appointee; Scott Buening, Director of Community Development; and Jennifer Austin-Smith, Recording Secretary

2. Items to be Removed/Added/Changed

There were no items to be removed, added or changed.

3. Matters From the Public (For items NOT on the agenda)

Yvonne Dinwiddie, 1156 Pine Street, stated that she does not ever want this City to tell her whom she can and cannot hire to do things around her house. The City should not have the right to tell her that she has to go through an approved contractor. Chair Brown noted that the discussion on contractor registration would be held next Tuesday night at the Committee of the Whole meeting (COW).

4. Resolution 16-64-R: Authorizing Execution of a Master Services Agreement with EX2 Technology, LLC (Bob Rogde 7/6/16) PU

O'Brien stated that this is a Master Services Agreement for the fiber work we plan on bringing into the City. In the future, if we need to use them, we have the contract in hand.

Motion: To recommend to City Council approval of Resolution 16-64-R: Authorizing Execution of a Master Services Agreement with EX2 Technology, LLC

Maker: O'Brien

Second: Atac

Voice Vote: 11 Ayes, 0 Nays, 3 Absent
Motion carried.

CONSENT AGENDA

5. Resolution 16-61-R: A Resolution Expressing Official Intent Regarding Certain Expenditures to be Reimbursed from Proposed Washington-Wilson TIF District Funds (a.k.a. Inducement Resolution) (Chris Aiston 7/14/16) CD

Stark overviewed the memo with the Committee. The Committee discussed the TIF, the future Public Hearing, and notifications. O'Brien asked if this motion would tell the developer we are serious about moving forward. Aiston answered that it does state that we are officially moving forward to the next stage, which is the plan of the program.

Motion: To recommend to City Council approval of Resolution 16-61-R: A Resolution Expressing Official Intent Regarding Certain Expenditures to be Reimbursed from Proposed Washington-Wilson TIF District Funds (a.k.a. Inducement Resolution)

Maker: Wolff

Second: McFadden

Voice Vote: 11 Ayes, 0 Nays, 3 Absent
Motion carried.

6. Review of Agreement Between the City of Batavia and 1 N. Washington, LLC (TIF Working Budget and Redevelopment Agreement (Chris Aiston 7/14/16) CD

McGrath reported that this is a standard Tax Increment Financing project. The developer has to show a public benefit to what he is trying to do. The developer shows that there is a gap between the capital necessary for him to invest and the ability to make a reasonable return. Generally, the reason he cannot make a reasonable return are due to the very issues that led to the creation of the TIF. For example, lack of property values and lack of infrastructure. That gap is why we have the but-for test. But-for the assistance from the City who manages the TIF the project could not happen.

McGrath projected a worksheet titled 'One Washington Place (OWP) and State Street Deck.' The worksheet included information on the project, approximate cost, who builds these projects, who pays for these projects and incentives. McGrath noted that we will have a bond in place if something happened and for some reason the developer walked away, the bank would find someone to finish up the project. McGrath discussed the school district. Staff is very confident that there will not be many school-aged children here. In the event that there are school-aged children in this development, we pay the Batavia School District what it would cost to educate those kids. That money is considered and if there is not enough money from the real estate taxes and what we have to pay the Batavia School District, the SSA comes into play and makes up the money to pay for those bonds. O'Brien asked that the worksheet be emailed to Council. McGrath stated that he would.

Aiston presented on TIF Eligible Costs Working Budget with a PowerPoint presentation. The presentation included the following:

- Summary List of TIF Reimbursement-Eligible Costs
- TIF Reimbursement-Eligible Costs: Studies, Surveys, Plans, Implementation/Admin & Professional Services

- TIF Reimbursement-Eligible Costs: Property Assembly and Site Preparation
- TIF Reimbursement-Eligible Costs: Public Improvements, Environmental Remediation and Government Financing
- TIF Reimbursement-Eligible Costs: Relocation and Developer's Financing
- Further General Financial Considerations
- Final Analysis

*Botterman entered at 8:13pm

The Committee discussed the parking deck, taxes and the soil borings. Patzelt stated that the bedrock and environmental issues are being observed. O'Brien stated that a majority of the properties in this TIF District are owned by the City. Aiston agreed and noted that there are only two or three privately owned properties in this area.

Mayor Schielke commented that he keeps hearing from people that this is a housing opportunity that we do not have anything comparable to it at the moment. There are many who would be interested in moving in with this type of housing opportunity.

Chair Brown opened the floor for public comment. Steve Rackers, 472 Ridgelawn Trail, stated that this was a great presentation. His biggest concern is the risk. We are not prepared to take on more financial risk on our property taxes. He asked if there would be association fees. Patzelt stated that there would only be rental fees for the residential units. Association fees would only apply to condos. He asked how does this impact our property taxes. Aiston answered that NIU is doing an impact analysis on the project. The property would add value to the downtown. There will be some service demand. The denser an urban area is, the cost efficiencies are there with infrastructure costs and other services. There should be a positive economic impact. There would be opportunities for property taxes to at least stay stable but he is not making any promises. Callahan stated that we have surplus power. Callahan explained that we need more people to use more power and that is less than what is going back to the market. Rackers stated that he could see the merits of this development but he does not want to see our property taxes going up. Brown noted when the bond is paid off that the estimated property taxes would be \$800,000 annually without considering inflation.

Yvonne Dinwiddie, 1156 Pine Street, stated that Shodeen walked away from the property in St. Charles and it went into foreclosure. Shodeen retained some development rights that he was able to block future development. When you are talking about this to be one property for an SSA you are putting a lot of eggs in one basket. This is 23 years of a TIF district and 23 years before we are going to see any kind of increase. That is only if we don't have another drop in property values like we had in 2006-2008. She asked how many properties in developments are vacant and how many empty businesses are in downtown? We are not Geneva or St. Charles. What do you think these people are going to be able to do? There is not much in the downtown to come down here for. We are obligating taxpayers to general obligation bonds of thirteen million dollars and if Shodeen walks away from this project are we going to have the banks pick it up. The banks own the property in St. Charles and it is still vacant. She encouraged the Committee to look into the history of Shodeen. Yvonne stated that she is upset that the City purchased the

Baptist Church property and never maintained it. She has to maintain her property. Wolff stated that the property was purchased for the Route 25 expansion that fell through. Stark stated that a study was done and it was found that it would cost too much of the taxpayers money to bring the Baptist Church building up to code.

Patzelt, representative of Shodeen, addressed the Committee and stated that the St. Charles property on Lincoln Highway is still owned by Shodeen. Shodeen had developed that property from a cornfield into a mall. He leased the property and it was purchased by an insurance company and then it was sold to another property owner and the mall started to go dark. On that property, Shodeen still owned the Jewel food store and retained rights on that property that no other grocery store could be built on that parcel. After the lights went out in the mall, Shodeen purchased the property back. We worked with a redevelopment plan to create an automall and it was approved by the City. The car dealership decided to move to the east side of the river. There was another attempt to build a project similar to this one and the project was denied.

Sylvia Keppel, 1420 Becker Avenue, stated that the City is setting a bad precedent by carving out TIFs for individual projects. Keppel noted that if you get more children than you expect with this project then that will eat up the money really fast. Drendel answered we will still be repaying the school district so there will not be any waiver. If there is a shortfall created by the students then that will be picked up through the SSA. Keppel asked about what the required parking would be for a building this size. Aiston stated that this project would be a new development and we will be presenting what we perceive to be the actual parking demand from these residential units. We anticipate people will be parking one car in these residential units. Buening stated that the requirements in the zoning ordinance are roughly 300 parking spaces. Keppel queried how this proposed parking garage would be a public benefit. McGrath stated that this project produces property taxes, which is beneficial to the City. The Codes are old fashioned and need to be reviewed. Keppel stated that there is nowhere one could walk to in Batavia to get to public transportation. Keppel stated that just because there are a lot of people it does not mean that there are going to be a lot of businesses locating there. She urged the Committee to really think about what you are asking the citizens for more of a private development benefit. McGrath noted that many large developments are single TIFs. The only reason this project is being carved out is due to the matter of time and necessity to do it to make bonding. Buening stated that this is a development accessible to the Geneva Train System. We do have public transit for people in the western suburbs to get where we need to go.

James Gorski, 717 Blaine Street, heard that the developer came to us. Aiston stated that a RFP was sent out and he personally reached out to the developer in this case. The company was included in the RFP and he followed up to companies by telephone. Gorski proposed that if Shodeen believes in this property then have no liability on the Batavia taxpayers. If the developer is sure that this property would work, have it in writing that if it fails it is on his company and not the Batavia taxpayers. Aiston stated that the developer is sure that the project would work with very thin margin and only with a subsidy. Our consultant firm made it very clear that the ROI is not economically sound without TIF assistance. If we asked the developer to do the project without assistance he is sure the answer would be no. Gorski asked if they would not do this project without money from Batavia. Patzelt stated that is correct.

Carl Dinwiddie, 1156 Pine Street, complemented City staff for their work and presentations on this project. Dinwiddie stated that he does have some comments and concerns that he has and other citizens have passed on to him. Dinwiddie stated that this proposal is not ready for prime time. The forwarding memo has many exhibit pages with data and information yet to be developed. The proposal has a very tall and large building that doesn't fit the rest of the architecture in the City in general or in that specific corner of a high traffic major intersection area. Demographics of how many children might end up in the apartments sounds more like a wag than hard information, and where would all those children be able to play or go outside on that small corner property. The City debt is already a quarter of a billion dollars and we already have a lowered credit rating because of that debt. The track record of the developer regarding completion record and defaults needs to be explored more. If the City gets this close as a partner in this project, I wonder how much staff time will be consumed, how much COW time will be taken up as the project runs into snags and changes and maybe even financial problems. Dinwiddie shared he remembers the hours spent in COW meeting just getting Walgreens moved across an ally in the same strip mall. There are issues with potential eminent domain in taking of private property for an LLC's commercial purposes. With a proposed TIF confiscating future tax increases that would go to the school district and other government bodies to be given to an LLC for development when as far as he has known banks in the Chicago area are still making commercial loans.

Botterman asked if there is a reason why the NIU study is coming at this point in the process. Aiston stated that we expect that the questions would come up at the public hearing and Plan Commission hearings. We will also study inventory and demand. Now that we know that we have a committed project we could now put the time and money into reports. Colby asked Aiston to discuss the difference between an Economic Impact Study and a Financial Analysis Study. Aiston explained that an Economic Impact Study looks at direct impact (e.g. utility taxes and property taxes) and indirect impact (e.g. the multiplier that occurs when all the people who live and work there are there) and the induced development. A Financial Analysis Study was performed to find out what the value of improvement would be to the tax base and understand how we could assume the debt and pay it off. Botterman asked who would be providing the parking study. Aiston stated that it has not been decided as of yet. There have been questions and concerns addressed today that will be taken into consideration during the analysis. Drendel stated that having an agreement in place gives us the space to move forward. He added that there are a lot of exit routes in this agreement that if we found we needed to exit there is that option. Staff has gone as far as they can to present this project through the process and now it has to go further through the process.

O'Brien asked how much the developer has paid into this process already. Patzelt stated that they have already invested \$250,000. We are at the point that we need to have Council's input on the project. Does the Council want to commit to thirteen million dollars towards the project and do they want a four-story building with a parking garage. In a partnership you need to start talking about those hard issues.

James Gorski, 717 Blaine Street, stated that he does not see how the numbers are adding up for the parking. Employees need to park also. He feels that the risk is very high. If the numbers are there to make this work that needs to be brought out so that we could see it. He needs to see it

before he could say yes; he does not have a good feeling about this right now. Gorski stated that he is hoping that there is information that would give the citizens confidence that this would work.

Yvonne Dinwiddie, 1156 Pine Street, informed the Committee that her opinion on Shodeen is not based on recent activity. She shared that when the downtown was thriving there was not enough parking. At that time the City issued City stickers. Dinwiddie commented that employees of the commercial buildings would need places to park. She asked the Committee to consider all of that.

Aiston stated that this will go to the COW on July 26th and may call to question for recommendation to City Council as early as August 1st.

7. Discussion: Raising the Minimum Age to Buy Cigarettes from 18 to 21 in Batavia GS

Atac asked if Batavia is interested in raising the minimum age to buy cigarettes. Chicago has done this recently. Callahan stated that he is not in favor of it. He explained that it is state law, they are adults, and there is a right to freedom of choice. Alcohol is regulated by the state. He does not see that we need to step outside of what the state regulates. Fischer and Hohmann voiced their agreement. Atac stated that she feels that the state age of 18 is too young. Stark stated that she finds it odd that you could serve at war but not buy a pack of cigarettes.

8. Discussion: Strategic Planning and Retreat GS

Atac stated that we have talked about strategic planning and we have talked about having a retreat when we have our new administrator. Atac stated that she thinks that strategic planning needs to be incorporated into our annual budgeting process and it should be the first part of our budgeting process. Callahan agreed that strategic planning must be done.

Newman passed out a handout titled "Leadership Summit/Annual Strategic Planning Meeting." Newman discussed the ideas for the summit listed on the handout. Newman suggested a one-day Saturday session at or near the beginning of the budget process. Fischer suggested a company for the retreat and handed out an article titled "Team Evolution in the Public Sector." The Committee was all in favor of moving forward on the retreat. Newman stated that she would send a survey for dates. Newman stated a projected cost and budgeting for the retreat would be discussed at a future COW meeting.

9. Project Status

Buening stated that Siemens has treated the ground water contamination. They have to wait thirty days to make sure that treatment has taken hold and if it has they could move forward with land remediation. Buening will continue to update the Committee.

10. Other

There were no other items at this time.

11. Closed Session: Setting the Price of Land for Sale (SB)

Motion: To enter into closed session for setting the price of land for sale

Maker: Wolff
Second: Stark
Voice Vote: 12 Ayes, 0 Nays, 2 Absent
Motion carried.

The COW went into Closed Session at 10:19pm. The Closed Session was completed at 10:32pm.

12. Adjournment

There being no other business to discuss, Brown asked for a motion to adjourn the meeting at 10:32pm; Made by O'Brien; Seconded by Stark. Motion carried.

Minutes respectfully submitted by Jennifer Austin-Smith

CITY OF BATAVIA

DATE: July 27, 2016
TO: Mayor and City Council
FROM: Howard Chason, Information Systems Director
CC: City Administrator and Department Heads
SUBJECT: Authorization to Purchase Network Switches

We are seeking authorization to purchase network switches from Presidio Networked Solutions, Inc for an amount not to exceed \$34,000.

Summary

Our core network switches were purchased in 2007. Last year we replace the building switches, this year we are replacing core switches. The core switches are more powerful and connect our buildings to one another though fiber. We are requesting the authorization to purchase network switches from Presidio Networked Solutions, Inc for an amount not to exceed \$34,000.

Background

We have 13 building switches and 5 core switches in our City buildings. The core switches are over 9 years old and have functioned well during their lifetime. As the switches age, the reliability decreases. Performing software upgrades or getting support is no longer an option. We want to keep our network reliable and safe from potential threats by upgrading with new core switches.

Presidio helped us upgrade the phone system in 2014 and they supplied us with building switches last year. They have been dependable in keeping our Cisco maintenance up to date. They had the lowest price out of the 10 companies who submitted proposals. Presidio's proposal is below our budget for this equipment.

Alternatives

One alternative is to keep our current switches. When one of these switches fails, IS personnel will be pulled from other projects to replace the old switch and employees will not have network resources until a new switch can be installed. If a threat attacks our network switches we are left with no way to protect our network since Cisco will be ending support for these devices.

A second alternative is to purchase switches from another manufacturer such as HP or Juniper. The Cisco switches work well with our current phone system. We don't want to find ourselves in the middle of a manufacturer support conflict.

Recommended for Approval

Recommend to the City Council, approval of Resolution 16-58-R, and authorize staff to purchase network switches from Presidio Networked Solutions, Inc in the amount not to exceed \$34,000.

**CITY OF BATAVIA, ILLINOIS
RESOLUTION 16-58-R**

**AUTHORIZATION TO PURCHASE NETWORK SWITCHES
FROM PRESIDIO NETWORKED SOLUTIONS, INC.**

WHEREAS, the City of Batavia’s network reliability depends on network switches being maintained and supported, and

WHEREAS, as the City’s current Network Switches are over nine years old and as they age become less reliable, and

WHEREAS, Presidio, Inc. had the lowest proposal for this equipment, and

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Batavia, Kane and DuPage Counties, Illinois authorizing staff to purchase network switches from Presidio Networked Solutions, Inc for an amount not to exceed \$34,000.

PRESENTED and PASSED by the City Council of the City of Batavia, Illinois, this 15th day of August, 2016.

APPROVED by me as Mayor of said City of Batavia, Illinois, this 15th day of August, 2016.

Jeffery D. Schielke, Mayor

ATTEST:

Christine Simkins, Deputy City Clerk

Ward	Aldermen	Ayes	Nays	Absent	Abstain	Aldermen	Ayes	Nays	Absent	Abstain
1	O'Brien					Fischer				
2	Callahan					Wolff				
3	Hohmann					Chanzit				
4	Mueller					Stark				
5	Botterman					TheLin Atac				
6	Cerone					Russotto				
7	McFadden					Brown				
Mayor Schielke										
VOTE:		Ayes	Nays	Absent	Abstentions					
Total holding office: Mayor and 14 Aldermen										

CITY OF BATAVIA

DATE: July 27, 2016
TO: Mayor and City Council
FROM: Howard Chason, Information Systems Director
CC: City Administrator and Department Heads
SUBJECT: Declare Vehicle Surplus

Ordinance 16-47: Declaring Vehicle Surplus and authorizing sale thereof.

Summary

We would like authorization to dispose of an old vehicle used by Information Systems Department. The vehicle was used to move equipment and perform GPS locating and field verification by GIS. The vehicle has multiple mechanical problems, high mileage and is too costly to maintain. Staff recommends declaring the following vehicle surplus property and authorizes Staff to sell or auction the vehicle:

2001 Ford Crown Victoria (White), 124,828 miles, VIN#2FAFP71W01X166173

Recommended Committee/Council Action

Recommend to City Council approval of Ordinance 16-47 declaring vehicle to be surplus and authorizing sale or disposal of said property.

Attachments

**CITY OF BATAVIA, ILLINOIS
ORDINANCE 16-47**

**AN ORDINANCE DECLARING CERTAIN PERSONAL
PROPERTY TO BE SURPLUS AND AUTHORIZING SALE
THEREOF**

**ADOPTED BY THE
MAYOR AND CITY COUNCIL
THIS ___ DAY OF _____, 2016**

Published in pamphlet form
by authority of the Mayor
and City Council of the City of Batavia,
Kane & DuPage Counties, Illinois,
This ___ day of _____, 2016

Prepared by:

City of Batavia
100 N. Island Ave.
Batavia, IL 60510

**CITY OF BATAVIA, ILLINOIS
ORDINANCE 16-44**

**AN ORDINANCE DECLARING CERTAIN PROPERTY
TO BE SURPLUS AND AUTHORIZING SALE THEREOF**

WHEREAS, in the opinion of the corporate authorities of the City of Batavia, it is no longer necessary or useful to or for the best interest of the City to retain the following described property:

2001 Ford Crown Victoria (White), 124,828 miles, VIN#2FAFP71W01X166173

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Batavia, Kane and DuPage Counties, Illinois as follows:

SECTION 1: Pursuant to section 11-76-4 of the Illinois Municipal Code, the City Council finds that the following described personal property:

2001 Ford Crown Victoria (White), 124,828 miles, VIN#2FAFP71W01X166173

and currently owned by the City, is no longer necessary or useful to the City of Batavia and the best interest of the City will be served by its sale.

SECTION 2: Pursuant to Section 11-76-4, the City of Batavia Information Systems Department is hereby authorized and directed to sell above said surplus property.

SECTION 3: This Ordinance shall be in full force and effect from and after its passage and approval in the manner provide by law.

CITY OF BATAVIA ORDINANCE 16-44

PRESENTED to and **PASSED** by the City Council of the City of Batavia, Illinois, this _____ day of _____, 2016.

APPROVED by me as Mayor of said City of Batavia, Illinois, this _____ day of _____, 2016.

Jeffery D. Schielke, Mayor

Ward	Aldermen	Ayes	Nays	Absent	Abstain	Aldermen	Ayes	Nays	Absent	Abstain
1	O'Brien					Fischer				
2	Callahan					Wolff				
3	Hohmann					Chanzit				
4	Mueller					Stark				
5	Botterman					Theilin Atac				
6	Cerone					Rusotto				
7	McFadden					Brown				
Mayor Schielke										
VOTE:		Ayes	Nays	Absent	Abstentions					
Total holding office: Mayor and 14 aldermen										

ATTEST:

Christine Simkins, Deputy City Clerk