

# SYCAMORE CITY COUNCIL

## AGENDA

December 2, 2002

### City Council Committee Meetings

**Please Note: The scheduled meeting of the Water and Sewer Committee will be postponed until the regular City Council meeting of December 16 to allow more time for further analysis of new options for water billing.**

**6:30 Tour of Former Henderson Building.** All City Council members and the local media are invited to take a brief tour of the former Henderson Building at 6:30 p.m. The tour will preview the many changes that are planned, and will show off the seasonal window decorations installed by our staff.

**7:00 Ordinance Committee Meeting.** The Committee will discuss two topics:

- a) a revision of the Class LH license description (3-2-6) to allow the sale of spirits; and
- b) a revision to the provisions determining the number of licenses to reduce the population threshold for Class D licenses from 5,000 to a lower number. Presently, one Class D license or “package liquor” license is available for each five thousand persons, based on the latest federal census.

Committee direction is recommended.

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### Regular City Council Meeting

7:30 P.M.

1. CALL TO ORDER
2. INVOCATION
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. AUDIENCE TO VISITORS
6. CONSENT AGENDA
  - A. Approval of the Minutes of the Joint Council/Plan Commission Meeting of November 11, 2002;

- B. Approval of the Minutes of the Regular City Council Meeting of November 18, 2002;
- C. Payment of the Bills for December 2, 2002.
- D. Approval of the Closed Session Minutes for the Council Meetings of September 4, 2001; January 7, 2002; February 4, 2002; February 18, 2002; March 4, 2002; March 18, 2002; May 6, 2002; May 20, 2002; June 17, 2002; July 1, 2002; July 15, 2002; August 5, 2002; September 3, 2002; and September 16, 2002.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
8. **REPORTS OF OFFICERS**
9. **REPORTS OF STANDING COMMITTEES**
10. **PUBLIC HEARINGS**

**A. Public Hearing on the 2002-2003 Corporate Levy.**

At the regular City Council meeting of November 18, the City Council reviewed five options concerning the annual City levy and came to a consensus around a five percent City levy increase. A breakdown of the proposed levy and the likely impact on the average homeowner is illustrated below:

	1999	2000	2001	2002
Total Levy	1,934,593	1,973,285	2,032,484	2,134,108
Police Pension	73,200	77,600	87,300	152,883
Fire Pension	147,000	130,000	180,390	213,142
FICA/IMRF	189,000	205,000	220,000	247,500
Crossing Guards	20,000	20,000	20,000	20,000
General Operations	1,505,393	1,540,685	1,524,794	1,500,583
City-Wide EAV	172,022,591	185,519,631	201,706,953	215,000,000
City Tax Rate	1.1246	1.0648	1.0076	.9926

**Resulting Impact on Single-Family Homeowner.** The “Property EAV” is derived from the average price of all homes sold in Sycamore during the previous year.

	2000	2001	2002
Property EAV	45,150	46,550	47,800
City Tax Rate	1.0648	1.0076	.9926
City Tax Bill	480.76	469.04	474.46

**Overall Impact:**

- Should result in a City tax rate decrease of 1.5% and a City rate lower than any since 1970!
- Property taxes (minus the portion going directly to the Fire and Police pension funds) would represent 23.2% of all budgeted FY2002-2003 General Fund expenditures (\$7,636,192). They presently represent 23.1%.
- Reduce the monies available for general operations by \$24,211 (1.6%), or to a level below that of 1999. This would be the second straight year that the

portion of property taxes allocated for general operations declined. In FY02, the reduction was \$15,891.

The Council also reviewed the Sycamore Library's proposed levy for 2002 on November 18. The City annually levies property taxes for the Sycamore Library. The combined City and Library levies are considered the *corporate levy*.

The FY2002-2003 Library levy recommendation of \$566,221 is \$65,351 (13%) higher than the FY2001-2002 Library levy of \$500,870 and should result in a Library rate of .2646, which is 6.56% higher than the Library rate of .2483/\$100 EAV in 2001. The proposed 2002 Library levy represents 84% of the Library's proposed FY2002-2003 operating budget of \$674,218. The Library's 2001 levy of \$500,870 represented 77% of the FY03 budget of \$651,101. Until the Sycamore Public Library has established a separate taxing authority through referendum, the Council is obliged to "pass through" the Library's levy request, provided the annual tax does not exceed .60% of the community's EAV (estimated to be \$1,290,000 in 2002).

The corporate levy in 2001 was \$2,533,354. This year, the combined Library levy of \$566,221 and the proposed City levy of \$2,134,108 create a corporate levy of \$2,700,329 or a \$166,975 (6.59%) increase over the corporate levy of 2001.

For the individual or business taxpayer, the impact of the annual levy discussion is felt in the following spring when the tax bills arrive. At that time, what matters most is the property tax rate. If our estimate of the City-wide EAV is correct (\$215,000,000), the corporate tax rate for the corporate levy described above will be \$1.2560 per \$100 EAV, equal to the 2001 corporate tax rate of \$1.2560 per \$100 EAV.

## 11. ORDINANCES

### A. Ordinance No. 2002.54—An Ordinance Levying Taxes for the Corporate Purposes of the City of Sycamore for the Fiscal Year Commencing May 1, 2002 and Ending April 30, 2003. First Reading Only.

As noted in the public hearing portion of this agenda, the corporate levy of \$2,700,329 includes a City levy of \$2,134,108 and a Library levy of \$566,221. This corporate levy would be \$166,975 (6.59%) above the 2001 corporate levy of \$2,533,354 but the resulting corporate tax rate would be essentially unchanged from last year, assuming our estimate of the City-wide EAV (\$215,000,000) is correct when the final extension is published next spring.

The Council is asked to hear this ordinance on first reading only. A second hearing and a second reading will occur on December 16.

### B. Ordinance No. 2002.55—An Ordinance Partially Abating Certain Debt Service Levied for a General Obligation Bond Issue for the City of

**Sycamore, DeKalb County, Illinois for the Fiscal Year 2002-2003. First Reading Only.**

This ordinance would partially abate the debt service on the 1996 general obligation bond for the 2002 levy year. The debt service obligation for FY2002-2003 is \$423,383. The City will levy \$155,000 and abate \$268,383.

This ordinance will be heard on first reading only.

**C. Ordinance No. 2002.56—An Ordinance Abating Certain Debt Service for a General Obligation Bond Issue for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2002-2003. First Reading Only.**

This ordinance would totally abate the debt service on the 1999 refunding bond that refinanced a portion of the 1996 bond series at a lower interest rate. The debt service obligation for FY2002-2003 is \$156,513. The levy is \$0.00 and the abatement is \$156,513. The debt service will be paid from a transfer from the 1996 Bond Fund, which gets its revenue from transfers from the General Fund, Water Fund, Sewer Fund, Motor Fuel Tax Fund, and Road & Bridge Fund.

This ordinance is up for a first reading only.

**D. Ordinance No. 2002.57—An Ordinance Abating Certain Debt Service for a General Obligation Bond Issue for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2002-2003. First Reading Only.**

This ordinance totally abates the debt service on the more recent 2002 general obligation bond. The debt service obligation is \$301,153 and the levy is \$0.00. This ordinance will also be heard on first reading only.

**E. Ordinance No. 2002.58—An Ordinance Abating Certain Real Estate Revenue Due for Property Owned by Sycamore Ford/Mazda/Hyundai in the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2002-2003. First Reading Only.**

The City Council will also have to abate 70 percent of the City's share of the property tax owed by Sycamore Ford/Mazda/Hyundai. In December of 2001, the Council fulfilled its obligation in the development agreement with Sycamore Ford by abating 80% of the City's share of the firm's local property tax. As the Council will recall, the development agreement called for a three-year abatement with 80 percent of the taxes owed to the City, the County, and the Sycamore Library abated in year one; 70% abated in year two; and 50% abated in year three. By this agreement, two-thirds of the property taxes owed by Sycamore Ford to the City, the County, and the Library would be abated over three years.

The EAV for the Sycamore Ford parcel (#09-06-125-001) \$620,030 (\$182,339 for the land and \$437,691 for the improvements). The site constitutes approximately 5.74 acres. The value of last year's abatement was about \$13,170 (.0212396 x \$620,030).

## 12. RESOLUTIONS

### A. Resolution No. 422—Approving a Cooperative Agreement Forming the DeKalb-Sycamore Area Transportation Study (DSATS)

In May of this year, the U.S. Census Bureau released the list of regions that, as a result of the 2000 Census, are now classified as urbanized areas. Such areas contain at least 50,000 persons. DeKalb County qualifies as an urban area. This designation is significant since the federal government prefers to funnel its transportation assistance funds to urban areas through an umbrella organization known as a metropolitan planning organization (MPO). In growing areas without an MPO, federal funds are shared with state governments that may, in turn, share them with local governments based on the qualification of projects by the state transportation authority (IDOT in Illinois). The roughly \$1 million in federal funds made available for the Bethany Road reconstruction project are an example of this process. Under an MPO, the funds are no longer funneled to individual municipalities, the county, or local transit agencies; instead, they are bundled and allocated to the MPO to provide what the federal government considers a more “comprehensive, consistent, and cooperative” planning process.

Whatever one may think about the centralization of planning for the use of federal funds, the City of Sycamore, the City of DeKalb, the County of DeKalb, and the State of Illinois (IDOT) are obliged to organize a metropolitan planning organization or MPO for DeKalb County. An initial organizing meeting was sponsored by IDOT officials on August 29. More meetings have occurred since then on a regular basis. In the course of those meetings, the four original parties have broadened the core group to include Northern Illinois University as a full partner in policy-making. The attached agreement represents the consensus of the parties about how the list of transportation projects proposed for federal funding will be created and managed in the future. The Policy Committee will include

1. City of DeKalb
2. City of Sycamore
3. County of DeKalb
4. Northern Illinois University
5. State of Illinois Department of Transportation

Other local taxing bodies such as Cortland may eventually be ex officio members, at the pleasure of the Policy Committee.

Under this federal highway assistance program, the federal government will fund 80% of eligible projects and the participating local jurisdictions or agencies will fund 20%. Some of the annual funding will be available for planning purposes, which is to say that some office expenses, personnel costs, and contractual services can be funded by the annual federal allocation. How is the list of eligible projects created? The policy-making body of the MPO will get recommendations from its own Technical Committee about county-wide transportation needs. The Technical Committee will consist of city engineers, city administrators and managers, the executive director of the Voluntary Action Center, etc. These professionals will do the legwork to compile priorities and projects for the review

and approval of the Policy Committee. These needs will be distilled by the policy-making board into an annual “transportation improvement program” (“TIP”) that is part of a five-year projection of prioritized capital projects. Each year, the “TIP” sheet is updated along with the five-year plan, and sent to the Springfield office of IDOT for forwarding to the federal government. The federal budget year begins on October 1 so authorizations will not be known until sometime after October 1 of each year.

By federal regulation, the largest municipality by population is the lead agency in a county-wide MPO, so DeKalb is the lead agency in the proposed DeKalb-Sycamore Urbanized Area. This means that the DeKalb’s City Manager will appoint the staff support—the “Study Director”—who will coordinate all staff work in behalf of the MPO. The appointment of this director must be approved by three-fourths of the Policy Committee.

The attached agreement is recommended for approval. All of the participating taxing bodies will be bringing copies of the agreement before their councils or boards in the next two weeks, to try to get an approved MPO to the Governor for signing before the end of December.

### **13. CONSIDERATIONS**

#### **A. Consideration of the Annual Motor Fuel Tax Audit.**

The City’s independent auditor prepares an annual audit of the City’s Motor Fuel Tax Fund (Fund 7) for the previous fiscal year. The State of Illinois, through the Illinois Department of Transportation, annually prepares an additional audit for the previous calendar year—in this case January 1, 2001 through December 31, 2001. As the Council will notice in the attached audit report of November 18, the state audit was recently completed. In the opinion of IDOT auditor Sally Laidig the financial statements were fairly presented in all material respects.

No Council action is necessary except to receive and file this report.

#### **B. Consideration of Bids for the Installation of a Fiber Optic Connection From the Municipal Building to the Henderson Building to the New Consolidated Dispatch Center.**

The Police department recently solicited bids for the installation of a fiber optic cable that would safely speed data transmission from the Municipal Building to the former Henderson building and to the DeKalb County Public Safety Center. Prior to going to bid, other options were considered including the transmission of data via internet connection, a dedicated phone line (T-1), or by point-to-point radio transmissions. The received wisdom among practitioners on these choices is that the long-term advantage in terms of reliability, security, and maintenance is through a fiber optic raceway.

Two firms submitted bids: Turnkey Communication Solutions and Cantel Communications, LLC. The budget for this expense was \$40,000 and was created

by reducing the 2002 Bond Fund allocation for in-car computers by a like amount. Both firms submitted bids over the budget amount. Turnkey's bid was \$43,385 and Cantel's bid was \$48,059.64. After the bid opening, Chief Thomas negotiated with the low bidder, Turnkey Communications, to investigate the feasibility of installing a single conduit rather than two conduit runs between the Municipal Building and the service vault on Somonauk Street. It was learned that this could be done without compromising the City's objectives. Turnkey agreed to deduct \$3,385 if the City directed the contractor to install one metal raceway.

City Council approval of the Turnkey Communication bid of \$40,000—for installation of a single conduit—is recommended.

**14. APPOINTMENTS**

**15. ADJOURNMENT**