

MINUTES
THE CITY OF ST. CHARLES
GOVERNMENT OPERATIONS COMMITTEE
ALD. RON SILKAITIS, CHAIR
MONDAY, APRIL 17, 2023

1. Call to Order

Chairman Silkaitis called the meeting to order at 7:26 pm.

2. Roll Call

Present: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard

Absent: Ald. Lencioni

3. Administrative

- a. Video Gaming Statistics March 2023 – for information only, no comments

4. Omnibus Vote

Items with an asterisk (*) are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.

Motion by Ald. Pietryla, second by Ald. Wirball to approve the Omnibus item.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

5. Police Department

- a. Recommendation to approve a proposal for a B-1 liquor license application for Dave's Burritos, located at 3677 E Main Street.

This agenda item was presented at the Liquor Control Commission meeting and passed unanimously. Chief Keegan provided details for this new application. Daves Burritos has been doing business since September 2014. Yan David Barrios said his intent is to sell beer and margaritas.

Motion by Ald. Payleitner, second by Ald. Wirball to approve a proposal for a B-1 liquor license application for Dave's Burritos, located at 3677 E Main Street.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.

Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

- b. Recommendation to approve a proposal for a massage license application for Zeal Spa Corporation, located at 2015 Dean Street.

This agenda item was presented at the Liquor Control Commission meeting and passed unanimously. Chief Keegan stated that this is the former Shangri La location which had a 5-year moratorium on licensure, which has now expired. This is a new business for that location, which has been unoccupied for five years. The Zeal Spa owners have a Lombard location which has been open for two years. They are hoping to open this business in June 2023.

Motion by Ald. Wirball, second by Ald. Bessner to approve a proposal for a massage license application for Zeal Spa Corporation, located at 2015 Dean Street.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.
Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

- c. Recommendation to approve an Ordinance Amending Title 5 “Business Licenses and Regulations,” Section 5.08 “Alcoholic Beverages,” Chapter 5.08.95 “Late Night Permit,” and Chapter 5.08.140 “License-Renewal Deadline,” of the St. Charles Municipal Code.

This agenda item was presented at the Liquor Control Commission meeting and passed unanimously.

Chief Keegan explained that City staff annually encounters repeated issues with obtaining license renewal applications and payment from business owners. It is proposed to use the same late fee structure for licenses and late-night permits as is currently in place for alcohol taxes. It is hoped that the revised late payment fee structure will result in the businesses taking the deadlines more seriously. Follow up is done by City staff in an effort to be business-friendly and attempt to avoid licenses lapsing and result in businesses being unable to provide core products and services. It is suggested that this process be reviewed again next year for possible further improvements.

Motion by Ald. Wirball, second by Ald. Pietryla to approve an Ordinance Amending Title 5 “Business Licenses and Regulations,” Section 5.08 “Alcoholic Beverages,” Chapter 5.08.95 “Late Night Permit,” and Chapter 5.08.140 “License-Renewal Deadline,” of the St. Charles Municipal Code.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.

Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

6. Information Systems

- a. Recommendation to approve a Resolution Authorizing an Agreement with Granicus to Provide Digital Government Software for a Not-to-Exceed Cost of \$67,146.

Penny Lancor explained that this software will increase the City's online capabilities in the pursuit of providing exceptional online services. This is a three-year initiative, and tonight's request is for phase one, the foundational phase, which is planned to be completed in fiscal year 2023-2024. The Community Engagement and Organizational Resilience aspects of the Strategic Plan include several goals related to the implementation of this software.

After extensive research and discussions with peer communities, it became clear that Granicus is the only vendor capable of meeting the City's functionality requirements. There will be an implementation cost and an annual fee, but no separate data storage costs. It is expected that there will be an overall savings compared to current suppliers. It was requested that security standards are considered during implementation.

The committee requests updates, possibly quarterly, on this project. They would also like to see some calculations regarded expected savings.

Motion by Ald. Wirball, second by Ald. Pietryla to approve a **Resolution** Authorizing an Agreement with Granicus to Provide Digital Government Software for a Not-to-Exceed Cost of \$67,146.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.
Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

- b. Recommendation to approve a **Resolution** approving the purchase of Microsoft Exchange software licensing from Dell Marketing LP in the amount of \$45,320.

Larry Gunderson explained that this software is the email solution from Microsoft, and the goal is to stay supported until the City can migrate to Office 365. Current hardware is compatible with Exchange 19.

Motion by Ald. Wirball, second by Ald. Pietryla to approve a Resolution approving the purchase of Microsoft Exchange software licensing from Dell Marketing LP in the amount of \$45,320.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Bongard. Nays: None. Absent: Ald. Lencioni. Abstain:

Ald. Payleitner. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

7. Finance Department

- a. Recommendation to Approve a Service Agreement with the St. Charles Business Alliance in the Amount of \$698,600 for Fiscal Year 2023-2024.

Derek Conley explained that of the total amount, \$262,000 would be funded by SSA1B, and \$436,600 will be funded by hotel/motel tax revenues.

Motion by Ald. Bancroft, second by Ald. Bongard to approve a Service Agreement with the St. Charles Business Alliance in the Amount of \$698,600 for Fiscal Year 2023-2024.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.
Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

- b. Recommendation to Approve the Service Agreement with the St. Charles History Museum for FY 2023-2024 in the amount of \$50,000.

Bill Hannah shared that this is the same funding amount as was provided last year.

Motion by Ald. Pietryla, second by Ald. Wirball to approve the Service Agreement with the St. Charles History Museum for FY 2023-2024 in the amount of \$50,000.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.
Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

- c. Recommendation to approve an **Ordinance** Amending Title 13, "Public Utilities," Chapter 13.16, "Water," of the St. Charles Municipal Code to Allow for Changes in the Rate Structure for the Water Utility.

Bill Hannah covered both the Water and Sewer proposed rate changes, which are intended to adequately fund operations, capital improvements, and the repayment of debt and loan obligations by undertaking several capital projects. Based on the recommended increases, the typical utility bill will increase approximately 4.7%, or \$12 per month, to \$274.

The electric utility is in good shape and most of the capital projects are in maintenance mode. For the fourth consecutive year, no rate increase is proposed. Electric services typically comprise 44% of a utility bill.

The water fund budget contains \$17.5 million in revenues and \$20.8 million in

outlays. This is after \$2.6 million in capital outlays were deferred due to insufficient funding. Water main and meter infrastructure need to be replaced, and these projects cannot continue to be deferred. Aging infrastructure will continue to experience water main breaks and other emergency situations that will escalate the costs. A 12% water rate increase is recommended by staff.

The sewer fund budget contains \$25 million in revenues and \$30 million in outlays. It had been previously discussed to implement an 8% sewer rate increase, and after further review, it is now proposed to increase rates by 6%.

When comparing St. Charles utility rates to Geneva and Naperville, St. Charles is 9-11% higher. Due to varying infrastructure, it's difficult to compare the different community needs. Geneva approved 7.5% rate increases for water and sewer over the next two years. Batavia is increasing water rates by 3% and sewer rates by 8%.

Ald. Wirball requested that the water rate increase be reduced to 6% to match the sewer rate increase. Bill Hannah explained that the reduction in revenue will not allow us to meet our debt coverage obligations nor allow us to get into position to build the reserve. If the rates are not increased this year to be at a more sustainable level, future rate increases will be even higher. The committee asked staff to find other ways to fund infrastructure projects and also to offer a long-term plan for revenues and expenditures. It was also requested that the \$400,000 shortfall for 2023-2024 be transferred from the general fund or a different account.

Motion by Ald. Pietryla, second by Ald. Wirball to approve an Ordinance Amending Title 13, "Public Utilities," Chapter 13.16, "Water," of the St. Charles Municipal Code to Allow for Changes in the Rate Structure for the Water Utility at the amended increased rate of 6% rather than the proposed 12% rate increase.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Kalamaris, Ald. Bongard. Nays: Ald. Payleitner, Ald. Weber. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

- d. Recommendation to approve an Ordinance Amending Title 13, "Public Utilities," Chapter 13.12 "Sewer," of the St. Charles Municipal Code to Allow for Changes in the Rate Structure for the Sewer Utility.

Motion by Ald. Wirball, second by Ald. Pietryla to approve an Ordinance Amending Title 13, "Public Utilities," Chapter 13.12 "Sewer," of the St. Charles Municipal Code to Allow for Changes in the Rate Structure for the Sewer Utility.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

*e. Budget Revisions March 2023.

Motion by Ald. Pietryla, second by Ald. Wirball to approve Budget Revisions March 2023.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.
Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

8. City Administration

a. Recommendation to approve a Resolution in Support of Tax Increment Financing.

Heather McGuire shared with the committee the proposal to maintain the current TIF statute. TIF is a powerful economic development tool for the City and enables long term improvements. There are several bills pending in the legislature which would reduce the City's ability to successfully use TIF as an effective tool to incentivize development. This Resolution allows the City to take a formal stance and does not impact the City's TIF policy.

Motion by Ald. Bancroft, second by Ald. Bongard to approve a Resolution in Support of Tax Increment Financing.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.
Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

b. Recommendation to approve an **Ordinance** Amending Ordinance No. 2022-M-17 with Regard to the Deferred Imposition of a Municipal Push Tax on Plays of Video Gaming Terminals.

Heather McGuire explained that this Ordinance is an extension of the Ordinance that passed in October 2021. The case is still in the appellate court, and pending that resolution, staff would bring this back to committee in December 2023 and then on a biannual basis.

Motion by Ald. Payleitner, second by Ald. Bongard to approve an Ordinance Amending Ordinance No. 2022-M-17 with Regard to the Deferred Imposition of a Municipal Push Tax on Plays of Video Gaming Terminals.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.
Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

9. Public Comment

10. Additional Items from Mayor, Council or Staff

Ald. Payleitner raised the issue of the D303 School Board's Handle with Care initiative and asked Chief Keegan to cover the topic. It allows the School District and the Police Department to share information about students as it pertains to police incidents. The goal is to protect, heal, and make sure kids thrive. Confidentiality would be maintained, and parents will continue to be notified.

11. Executive Session

- Personnel – 5 ILCS 120/2(c)(1)
- Pending, Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
- Property Acquisition – 5 ILCS 120/2(c)(5)
- Collective Bargaining – 5 ILCS 120/2(c)(2)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

12. Adjournment

Motion by Ald. Wirball, second by Ald. Pietryla to adjourn the meeting at 8:43 pm.

Roll Call Vote: Ayes: Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber, Ald. Kalamaris, Ald. Payleitner, Ald. Bongard. Nays: None.
Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

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