



City Council Meeting – August 16, 2021

Staff Responses Council Questions

Before each Committee of the Whole or City Council meeting, questions that have been posed by the City Council relating to the agenda for that evening will be posted to the City's website.

Below are the responses to this week's questions.

Agenda Item 3. Public Hearings, Special Items and Presentations

d. Consider Approval of Special Event Application for Geneva Chamber of Commerce's Festival of the Vine September 10-12, 2021 With Conditions.

Q: The Special Event Application reflects a carnival closing time of 10pm on Friday and Saturday. Staff recommended a condition to close the carnival at 5. Was this recommendation discussed with petitioner?

A: Yes, discussions and an in-person meeting occurred to review the application in total and to discuss staff's concerns regarding the carnival. The applicant's representatives seemed receptive to the concerns and the request. Later the applicant indicated they had decided to not make any changes to the Special Event Application submittal regarding the carnival. Staff's concerns were based upon an evaluation by the police department as it relates to required manpower for an already increased event attendance (based on pre-COVID experience), along with increased traffic volumes at the event location. Typically, four officers are detailed to this event. The addition of the carnival (after the craft show has closed for the evening) would further tax our already thin manpower as they would have to be on both sides of Route 38 during the evening hours.

Q: Packet reflects a request for additional totes at the carnival site, staff recommends that these would be funded by petitioner. Were these items discussed with petitioner?

A: After the Agenda was published, another meeting was held regarding refuse and the petitioner advised that the carnival will provide their own independent refuse service and will not require assistance from the City. LRS agreed to provide a fourth dumpster for craft show vendors only at no additional cost to either the applicant or the City.

Agenda Item 7. Reports

a. Tax Reports

Q: Page 55 – How is the high projection amount of \$7,880,426 estimated?

A: The high projection is based upon last years' percentage received as of August divided by this years' collection.

Q: Page 59 – current actual balance of \$1.907m is for 4 months. Current budget of 1.078m is for 3 months. The actual favorable variance appears to be about \$436K, not \$830K.

A: Spreadsheet has been corrected.

b. April/May 2021 Financial Reports

Q: Page 92 – the analysis states that "so far 13% of the budget has been received". As the year is complete, why was only 13% of the full year budget received?

A: City Council approved Ordinance 2020-18 approved on June 15, 2020 waived all renewal fees for business and liquor license for FY 2021. The only fees charged were for new licenses.

Q: Are there any indications that the FY22 budget may not be received as well for similar reasons?

A: The FY 2022 budget included the waiver of renewal business and liquor licenses fees for a second year in a row. As such, there is no budgeted amount for FY 2022.

Q: Same question for Permits, only 69% of budget received. Why?

A: During COVID, the City saw fewer larger projects that expected but realized an increase in smaller residential projects. Larger projects were delayed due to increased construction costs.

Q: Page 93 – Electric Analysis – While the average price per KWH is an interesting chart, the revenue per rate class would be more meaningful. Is this information available for the full year?

A:

Customer Type	KWH	Dollars
Residential	82,128,195	\$ 9,112,345
General	26,402,412	\$ 2,783,922
Medium	66,088,686	\$ 6,671,193
Large	188,135,726	\$ 16,096,144
Total	362,755,018	\$ 34,663,603

Q: Page 98 – Why was the April MTD actual for interest income negative \$6,592? Why was full year interest income \$3K versus \$95K budgeted?

A: The month-to-date numbers account for audit adjustments, which are only posted in April. The interest income in FY 2021 is significantly less than the budget because the budget (and related assumptions) was approved on February 1, 2021 before COVID. Due to the instability in the market and COVID effect on the economy, the Fed reduced interest from 1.5% in early 2020 to .05% as of April 30, 2021.

Q: In light of this shortfall for FY21, does the FY22 budget for this line item appear reasonable?

A: This remains to be seen. The FY 2022 budget for general fund interest income is \$23,000. If interest rates increase in the future, the City may make the budgeted amount.

Q: Page 100 – What does the negative capital outlay of \$1,000,579 represent for the month of April?

A: This amount is related to the amount of expense throughout the year that was capitalized as of April 30, 2021.

Q: Page 173 – Investments. What rate of return is being earned on COG cash balances? Are they yielding anything?

A: As of July 31, 2021, the interest rates on the City's money market accounts is .03%.

Q: Why are one year CD investments being purchased that yield .1%?

A: As stated above, the City's money market accounts are yielding very small returns. The investments above yield the City a 233% increase from the money market account.

Agenda Item 9. Other Items and Correspondence

a. Consider Acceptance of FY2021-22 First Quarter Goals Status Report

Q: Page 198 – Goal # 2 - Who are the SEMP project managers as referenced?

A: Project managers include City Staff, Engineering and Financial Consultants, Legal resources and Team members from Midwest Industrial Funds (owner of the property).

Q: Page 198 – Goal # 2 – Please define what end users we are seeking.

A: End users will be light industrial manufacturers, warehousing and distribution companies similar to those in the Geneva Business Park.

Q: Page 198 – Goal # 2 – Are we open to any other uses/users or is the Southeast Industrial Park strictly for those identified in answer 2?

A: There is no plan to incorporate any other land uses such as residential or commercial.

Q: Page 198 – Goal # 2 – Is there any new data/research on the need for industrial space in this area?

A: Yes, the industrial vacancy rate for the submarket continues to drop. The 2Q vacancy rate for Fox Valley was 2.44 % which was a drop from 3.35% in the 1Q. A low vacancy rate indicates an unmet demand. Activity is strong in the DuPage Business Center in West Chicago and in the City of Batavia. In Geneva, there is strong interest in several vacant tracts by a few different industrial developers which is indicative of the strength of the industrial market in our region.

Agenda Item 12. Presentation of Ordinances, Resolutions, Petitions, Bids

b. Recommend Resolution No. 2021-72 Authorizing the Purchase of a 1-Ton Carrier Condenser Unit, Air Handler Unit and Duct Heater from RJ O'Neill Mechanical Contractors in the Amount of \$32,290.00 and Authorize the City Administrator to Approve Up to \$2,583.20 in Change Orders for a Total Not-to-Exceed Amount of \$34,873.20.

Q: Can more information on the bids for this project be shared?

A: Only two written quotes were received. The second one is attached. Elgin Sheet Metal declined to quote and Tony's Heating and Air only provided a verbal quote of \$52,000.

PROPOSAL
YOUNGREN'S INC.
HEATING*AIR CONDITIONING*REFRIGERATION
BOILERS*SHEET METAL WORK
736 NEW HAVEN AURORA, IL 60506
(630) 897-5248 FAX (630) 897-5290
Since 1932

PROPOSAL SUBMITTED TO: City of Geneva	PHONE: (630) 232-1502	DATE: 6/24/2021
STREET: 1800 South St	FAX:	JOB NAME: Condenser, Air Handler & Duct Furnace
CITY, STATE, ZIP: Geneva, IL	JOB LOCATION:	
ARCHITECT:	Date of plans:	JOB PHONE:

WE HEREBY SUBMIT SPECIFICATIONS AND ESTIMATES FOR:

Existing condenser, air handler and duct heaters

- Installation of new 400,000 BTU duct heater. Installed in existing location to existing flue, gas, electric and ductwork.
- Installation of new Carrier 20-ton air handler. Installed in existing location adapting to existing ductwork, electric and drain.
- Installation of new Carrier 20-ton condenser. Installed in existing location adapting to existing electric, line set (braze over soft solder and flush with Rx11), pad and air handler.
- Re-Insulate bare suction line as needed.
- Charge and check operation.

Quotes includes all equipment, materials and labor to complete above outlined work.
 Quote does not include any other system repairs, previous service calls or overtime.

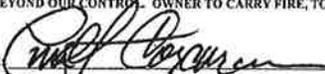
Equipment will have 1-year parts and labor warranty.

WE PROPOSE HEREBY TO FURNISH MATERIAL AND LABOR IN ACCORDANCE WITH ABOVE SPECIFICATIONS FOR THE SUM OF:

Thirty-Nine Thousand Nine Hundred Eighty-Nine Dollars and no cents **\$39,989.00**

PAYMENT TO BE MADE AS FOLLOWS:
UPON COMPLETEION

INTEREST WILL BE CHARGED AT THE RATE OF TWO PERCENT (2%) PER MONTH ON ANY ACCOUNTS THAT REMAIN UNPAID FOR MORE THAN THIRTY (30) DAYS WHICH IS AN ANNUAL PERCENTAGE RATE OF 24%. THE CUSTOMER AGREES THAT SHOULD YOUNGREN'S HAVE TO PLACE THIS CLAIM IN THE HANDS OF AN ATTORNEY OR COLLECTION AGENCY TO COLLECT, THAT CUSTOMER SHALL PAY ALL COURT COSTS, COLLECTION FEES, AND REASONABLE COLLECTION FEES OF THIRTY-THREE AND ONE THIRD PERCENT (33 1/3%) OF ALL MONIES AND INTEREST REMAINING TO BE PAID TO YOUNGREN'S INC. CUSTOMER AGREES TO WAIVE JURY TRIAL AND THAT VENUE SHALL BE PROPER IN KANE COUNTY, IL SHOULD ANY OF THIS CONTRACT HAVE TO BE LEGALLY ENFORCED OR LITIGATED. ALL MATERIAL AND INTEREST WILL BE CHARGED AT THE RATE OF TWO PERCENT (2%) PER MONTH ON ANY ACCOUNTS THAT REMAIN UNPAID GUARANTEED TO BE AS SPECIFIED. ALL WORK IS TO BE COMPLETED IN A WORKMANLIKE MANNER ACCORDING TO STANDARD PRACTICES. ANY ALTERATION OR DEVIATION FROM ABOVE SPECIFICATIONS INVOLVING EXTRA COSTS WILL BE EXECUTED ONLY UPON WRITTEN ORDERS AND WILL BECOME AN EXTRA CHARGE OVER AND ABOVE THE ESTIMATE. ALL AGREEMENTS CONTINGENT UPON STRIKES, ACCIDENTS OR DELAYS BEYOND OUR CONTROL. OWNER TO CARRY FIRE, TORNAO AND OTHER NECESSARY INSURANCE. OUR WORKERS ARE FULLY COVERED BY WORKMAN'S COMPENSATION INSURANCE.

AUTHORIZED SIGNATURE:  NOTE: THIS PROPOSAL MAY BE WITHDRAWN BY US IF NOT ACCEPTED IN 30 DAYS.

ACCEPTANCE OF PROPOSAL: THE ABOVE PRICES, SPECIFICATIONS, AND CONDITIONS ARE SATISFACTORY AND ARE HEREBY ACCEPTED. YOU ARE AUTHORIZED TO DO THE WORK AS SPECIFIED. PAYMENT WILL BE MADE AS OUTLINED ABOVE.

DATE OF ACCEPTANCE: _____ SIGNATURE: _____
 DATE OF ACCEPTANCE: _____ SIGNATURE: _____