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COMMITTEE CHAIRMAN
ECONOMIC, CAPITAL, AND TECHNOLOGY DEVELOPMENT
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MONTHLY REPORT — August 2020

Pursuant to Rule 45 of the City Council Rules of Order, the **Committee on Economic, Capital and Technology Development** submits the following **Monthly Report for August 2020**.

Committee Meeting Held on August 18, 2020

In compliance with Governor Pritzker's Executive Orders 2020-7, 2020-10, and 2020-18, attendance at this meeting was held by remote means only.

Chairman Villegas called the meeting to order at 10:04 AM

Roll Call:

The following members of the Committee were present as determined during roll call: Aldermen Villegas, Mitchell, Harris, Curtis, Scott, Burnett, Reboyras, Sposato, Vasquez, Reilly, Tunney, and Hadden. With 12 members present, it was determined a quorum was present

Public Comment:

Chairman Villegas noted that due to the remote format of the meeting, public comment would be held at the beginning of the meeting. He first noted that the following people and organizations had submitted a written public comment that would be entered into record:

- Dan Allen, Board of Directors, Construction Industry Services Corporation,
- Michael Weidmayer, Executive Director, Underground Contractors Association
- Midwest Energy Efficiency Alliance
- Openlands

The following people spoke during the oral public comment position:

- Audrey Wennink, Director of Transportation, Metropolitan Planning Council, spoke on the importance of providing transparency and maximizing efficiency of money spent on transportation infrastructure. She also spoke about the importance of bicycle lanes, public transportation, and pedestrian safety, all low in cost and of great benefit to all communities, when making plans for transportation infrastructure development.
- Adam Slade, Metropolitan Planning Council, made the following recommendations: capital improvement programs or plans that complement comprehensive plans, master plans or community plans; capital budget and capital improvement process should be documented that would include project identification at the department levels, prioritization of projects

within the department, how projects are selected to move forward, and recent history that informs on dept financing; effective, performance-based project selections based on department needs, but also something streamlined at all departments.

- Ryan Wilson, Manager of Water Resources, Metropolitan Planning Council, made the following recommendations on which investments should be prioritized: establish water as a human right, implementing fees which provide equitable water access, implementing a lead service line replacement equitably; create a comprehensive flood relief program; implementing “One Water Agenda” by centering water in the comprehensive plan.
- James Majerowicz, Training Director, Plumbers Local 130 of Chicago, spoke about the improvements needed to improve basement sewer water flooding. He spoke in support of a flood control program.
- Kevin Artl, President and CEO, American Council of Engineering Companies of Illinois, spoke on the importance of a Chicago Capital Infrastructure Fund, similar to the Illinois Capital Bill and Federal Capital Bill.
- Paul Volpe, Village Manager, Village of Elmwood Park, spoke about Elmwood Park’s cost-sharing flood protection program.
- Mark Czarnik spoke in support of Alderman Napolitano’s shared-cost flooding program.

Chairman Villegas announced the following departments and personnel were present for today’s hearing to give presentations: Susie Park, Budget Director, Office of Budget and Management (“OBM”); Gia Biagi, Commissioner, Department of Transportation (“CDOT”); David Reynolds, Commissioner Department of Assets, Information and Services (“AIS”); and Randy Conner, Commissioner, Department of Water Management (“DWM”).

Presentations:

Budget Director Susie Park gave an overview and update on the City’s capital needs and upcoming planning process. The presentation focused on the infrastructure facilities and sewer water programs. She went over the following five key areas: capital planning strategy, capital program funding, historic funding vs. replacement cycle funding, 10-Year Water and Sewer Capital Plan update, and 5-Year Capital Program funding need.

Commissioner Gia Biagi explained the processes by which replacement of arterial, residential, “WPA” (Works Progress Administration) streets were replaced and where the City stands schedule-wise. She explained the Smart-Lighting Program and gave an update. She explained the shortfall of funding for bridges and viaducts. She also spoke of the shortfall for the modernization of traffic lights. Lastly, she addressed the issues with shoreline improvements .

Commissioner David Reynolds spoke on the capital needs of the City’s core facilities and fleet. He explained there was a shortfall of about \$165 million for the maintenance of core facilities. Regarding the core fleet, he explained the replacement cycles for the different types of vehicles. He mentioned that the shortfall for core fleet was \$60 million short for replacement at recommended ages.

Commissioner Randy gave an overview and update of DWM’s 10-Year Capital Plan. He explained that the City was experiencing more and more heavy rains compared to historical figures. He spoke on the updates to the water processing plants to cut operating costs and the City’s carbon footprint and updates to water and sewer mains that would also decrease the amount of water being lost.

Director Park recapped with capital need vs the unfunded portion.

Chairman Villegas noted that Alderman Smith had joined the meeting.

Ald. Sposato spoke in support of a shared-cost flood control program resolution.

Ald. Tabares spoke in support of a shared-cost flood control program resolution.

Ald. Scott asked Commissioner Reynolds to repeat the numbers for the amount needed on a yearly basis for facilities repairs and fleet replacement.

Commissioner Reynolds answered that \$214 million is the industry standard that the City would need based on the amount of square footage and that \$94 million would be needed based on a similar analysis.

Ald. Scott asked about preventative maintenance for buildings and fleet

Commissioner Reynolds replied that the City performed regular maintenance that often extended the life of building systems. Regarding the fleet, Commissioner Reynolds replied that fleet vehicles were updated once the cost of repairs was greater than the cost of replacement.

Ald. Scott asked Commissioner Biagi and Commissioner Conner about the cost of "green alleys."

Commissioner Conner responded that DWM engineers would have to discuss with CDOT

Ald. Scott asked where the funding from the lead pipe replacement program would be coming from.

Director Park responded that it would have to be from a multitude of funding sources once they had an idea what the full cost would be and that those numbers would have to be provided through the chair. She stated that the City had \$5 million from the Community Development Block Grants ("CDBG") available this year.

Ald. Reboyras thanked everyone for the hearings and spoke in support of Ald. Napolitano for his flood control resolution.

Ald. Vazquez spoke in support of Ald. Napolitano's resolution. He asked Commissioner Conner about the status of the cured-in-place pipe ("CIPP") study.

Commissioner Conner responded that there were two pilots in place, one for the private drain and another for the CIPP. DWM was in the process of putting together some locations, but was interrupted by the coronavirus outbreak. DWM expects to resume within the next 2-3 months.

Ald. Vazquez asked what had been done up to date.

Commissioner. Conner replied that he would have to provide that information through the Chair.

Ald. Vazquez asked about the lead service line replacement.

Commissioner. Conner responded that he would have to wait to comment until the City made the announcement in the upcoming days.

Ald Vazquez asked how he could find out which water mains were being prioritized.

Commissioner Conner responded that he would have to provide that information through the chair. That assessments were performed every 2-3 years.

Ald. Vazquez asked Commissioner Biagi how she imagined the public way would be used in light of social distancing due to COVID-19.

Commissioner Biagi responded that it was actually already happening, both by the public and different City agencies. She explained that some of the changes introduced were well received and the public wanted an expansion and others were not well received.

Ald. Vazquez asked about the regular paving of alleys and how prioritization can be addressed with respect to water run-off.

Commissioner Biagi responded that each alley was different and it depended on what was found beneath the asphalt. She also mentioned that there wasn't an approach that was adequate at every locations.

Ald. Vazquez asked if there was any conversation about consolidation of buildings and if there were any assets the City may no longer need.

Commissioner Reynolds responded that a large part of the portfolio were neighborhood specific such as libraries, police districts, and senior centers.

Chairman Villegas asked if there was an approximate total cost for the lead replacement program. He also asked if the City was looking for further funding from the state and federal governments.

Commissioner Conner responded that it was somewhere around \$8-10 billion dollars; he responded that no funding sources were off the table and DWM was looking into funding sources available through the state and federal governments.

Director Park responded agreed that it was something the Office of Budget and Management was working on.

Ald. Hadden if AIS has been looking into co-locating services into one building.

Commissioner Reynolds responded that they have tried it, putting a library into a CHA building. It is something AIS is looking further into.

Ald. Hadden asked if how are needs evaluated in the fleet and how are a decisions being made based on the City's sustainability and carbon emissions goals.

Commissioner Reynolds responded that the goal is reduce the total fleet. Currently, there are a large number of vehicles that are being repaired. If the City were to replace the vehicles in use with newer models, the City would then be able to sell off the existing fleet. Additionally, selling the fleet while it is still in operating conditions will bring in more money than what is being received by basically selling it for scrap. AIS has also been gradually moved to leased vehicle for light-duty vehicles, allowing it to renew the fleet every two to three years, thereby also increasing the efficiency of the fleet. AIS is also moving away from gasoline, moving towards electric vehicles where possible and natural gas-powered vehicles if it is a viable substitute when electric vehicles are not a good choice.

Ald. Hadden asked if there might be a better way to manage and plan the erosion-control effort for the shoreline.

Commissioner Biagi responded that it is truly a multi-agency effort. However, there could be an improvement as far as providing a point-of-contact for alderman and providinh regular updates to the projects and status of shoreline with respect to the lakefront.

Ald. Hadden asked what is being done to make the streets safer for bicyclists.

Commissioner Biagi responded that having a dedicated bond-source for Vision Zero. The project's goals are to make it safer and more inviting to take alternate sources of transportation. CDOT has finished Vision Zero planning for the west side and has moved on to planning for the south side. Commissioner Biagi explained that making it safer and more inviting was dependent on the neighborhood and CDOT was taking those things into consideration when forming the Vision Zero plan for the area. Commissioner Biagi gave an update of the Streets for Cycling plan was a 2020 plan started in 2012. There are currently over 300 miles of street that are finished with 600 miles to go. She focused on the importance of having connectivity miles instead of just focusing completing the project.

Ald. Hadden added that urban forestry should be something to consider in the 5-year plan.

Ald. Dowell asked about the City's viaducts, particularly the long-term maintenance and improvement of these assets.

Commissioner Biagi responded that viaducts were considered as part of the 300+ miles of bridges the CDOT maintained. She said CDOT was addressing it the programmatic way along with railroads and by accessibility. It was something that CDOT needed to address the long-term needs that weren't already being addressed by other funds. To do so, CDOT would need to form a tiered priority list which evaluated what bridges and viaducts were in greatest need of repair.

Ald. Dowell inquired how DWM assessed the need for new sewer and/or water mains to address an increase in population to certain areas.

Commissioner Conner responded that, with respects to sewer mains, DWM partnered with the Department of Buildings to see what the size of the building would look like and right-size the sewer main based on those plans. DWM performs a hydraulic study to understand how much capacity the existing sewer has. Regarding water mains, DWM already knows how much additional water the mains can deliver. With new developments, DWM has to take into account any fire suppression systems a new development will be required to have in place.

Ald. Dowell asked how streets that consistently had standing water after a rain were being addressed.

Commissioner Conner responded that DWM preferred that the water be on the street rather than going into residents' basements. DWM considers streets that have standing water for more than 24 hours to be problematic, but the sewer system in place is designed to take in water slowly, to allow removal of water without endangering basements.

Ald. Rodriguez asked if there were currently any incentives for aldermen to choose a green alley.

Commissioner Biagi responded that CDOT needed to do a better job at looking for grant opportunities and working with partners, like the Metropolitan Water Reclamation District ("MWRD"), to take a holistic approach.

Ald. Rodriguez inquired how many WPA streets still existed in the City.

Commissioner Biagi responded that there were still about 65 miles left, with 13 of those being real high-priority because they did not have curbs and gutters.

Ald. Rodriguez inquired what the plan was for accelerating the installation for the Streets for Cycling roll-out.

Commissioner Biagi responded that the program needs a reset to look at how easing traffic congestion and having traffic control methods in place.

Ald. Rodriguez inquired what the coordination between CTA and CDOT was for creating better traffic flow.

Commissioner Biagi responded that there were modifications needed to modernize and keep ahead of the standard for traffic control measures including modernizing traffic lights.

Ald. Rodriguez inquired about the equity-based investments.

Commissioner Conner responded that it is difficult to look at it through an equity lens because DWM looks at the condition of the mains and not the age or neighborhood it is located in.

Ald. Cardenas asked DWM about the issue of restoration of tree removal.

Commissioner Conner responded that there were State regulations regarding the distance between trees and private drains or sewer mains. DWM replants trees to re-establish the canopy wherever possible.

Ald. Cardenas asked if DWM had a model to predict what areas will be hit the hardest by storms, as it pertains to basement flooding.

Commissioner Conner responded that DWM had a predictive model. He explained that while the problem may be observed on a certain block, it is possible that the problem can actually occur several blocks away due to the gravity-based system that mains operate under.

Ald. Cardenas inquired what the City's responsibility (i.e. legal liability) was as it pertains to basement flooding.

Commissioner Conner responded that the City's responsibility was to determine who's responsibility it was to prevent basement flooding. The DWM repairs what the City is responsible for and issues recommendations how to fix the issues when the problem lies in the resident's property.

Ald. Cardenas asked what the status was for the CIPP pilot program.

Commissioner Conner responded that, due to COVID-19, DWM had refocused their effort to make sure current projects were prioritized over the pilot program for water mains. Commissioner Conner estimated that DWM would restart the pilot program within the next two to three months.

Ald. Cardenas asked what the social equity component was for subcontractors of DWM projects.

Commissioner Conner responded that DWM goes through the procurement process and makes sure that minority- and women-owned enterprises and disadvantage business enterprises ("MBE/WBE" and "DBE," respectively) and encourages those enterprises to bid on the project. However, due to budget constraints, DWM is limited to how many MBE/WBE and DBE contractors they can hire.

Ald. Cardenas stated that members of the City Council felt that, based on observations, they did not feel DWM was meeting those goals.. He asked how much DWM was spending in infrastructure projects.

Commissioner Conner responded that it was close to \$1 billion.

Ald. Cardenas inquired how the City could accelerate plans to make streets and sidewalks more pedestrian- and cyclist-friendly.

Commissioner Biagi responded that it was all a matter of funding, strategic projects, and incorporating projects into City and State partnered projects.

Ald. Cardenas thought it was important to look at prioritizing arterial streets and connecting neighborhoods.

Commissioner Biagi responded that it was important that neighborhoods be connected to other economic centers.

Ald. Cardenas asked how coordination with CTA could be improved.

Commissioner Biagi said CDOT coordinated with CTA on a daily basis, quarterly updates, but that there was room to improve communication. Pre-COVID, Commissioner Biagi had assembled a task force with CDOT, CTA, and other agencies.

Ald. Cardenas asked how traffic lights could be improved so buses were not bunched up at traffic lights.

Commissioner Biagi responded that the traffic signals needed to be modernized so that they could change based on traffic flow. Currently, CDOT had 3,000 signals and 3 traffic engineers, which limits how fast they can update.

Ald. Cardenas asked when CDOT would propose issuing a bond for that.

Commissioner Biagi responded that part of the problem was a lack of a capital bill.

Ald. Cardenas asked if OBM could provide a timeline on a capital and budgeting plan.

Director Park responded that the plan was to roll out a 5-year plan with the upcoming budget appropriations ("budget").

Ald. Cardenas asked how much money was available in tax increment financing ("TIF").

Director Park responded that \$85 million is unused and available.

Ald. Cardenas asked if Director Park thought this was a high amount.

Director Park responded that the City was focused on aggressively surplus money to balance the sudden increase to what some communities had not seen in previous years and balance that with economic development. OBM wanted to make sure that anything that was not needed this year could be surplus.

Ald. Cardenas asked why a bonding for modernization of Chicago infrastructure was not being performed in neighborhoods that were lagging in economic development.

Director Park responded that OBM was headed in that direction, although not exactly in the way the alderman was suggesting.

Ald. Cardenas inquired if OBM was looking at development through an equity lens given that the Downtown, South Loop and West Loop areas had already been developed through TIFs.

Director Park answered that was exactly what OBM was doing.

Ald. Cardenas asked how the City addressed the issue of contracts to make sure all of Chicago benefits, considering the City consists of 60% minorities.

Director Park responded that part of it was making sure we were looking at the economic development leverage.

Ald. Hopkins asked for the report on the private drain pilot.

Commissioner Conner responded that the pilot program was not finished yet. He stated that DWM could provide an update through the Chair.

Ald. Hopkins asked if the water mains that would be part of the second part of the water main pilot had been selected and what would be the length of the study area.

Commissioner Conner responded that DWM was still looking at locations. Additionally, DWM was still evaluating the distance of the project and how much would be done in residential areas and how much was to be done in commercial areas.

Ald. Hopkins offered the 2nd Ward as DWM's laboratory. He asked if any of the contracts that had been recently issued included efforts to include CIPP in order to save trees.

Commissioner Conner clarified that the pilot program for the CIPP would not necessarily save trees due to current standards.

Ald. Smith asked where the City stood with regards to continuing to remove non-capital projects from the capital bond budget as per the plan from the previous administration.

Director Park responded that OBM was on pace with the plan that Ald. Smith had referenced.

Ald. Smith asked CDOT and DWM about the efforts they were making to work with other agencies and stakeholders outside of the City.

Commissioner Conner responded that DWM was working with MWRD and Greenspace through CDOT on a pilot program on the southeast side to alleviate flooding through different infrastructure, including above- and below-ground storage, green space

Ald. Smith asked if there was an easier way to communicate the status of 311 requests. She stated that the codes being used were often not accessible to people outside of DWM.

Commissioner Conner responded that DWM was working on a reporting tool that would be advantageous to everyone.

Ald. Smith asked what was happening with some of the City contractors and why they were not finishing the projects awarded.

Commissioner Biagi responded that COVID has had an impact, that CDOT was working with the Department of Procurement Services ("Procurement") to streamline the process to bid on projects.

Commissioner Conner added that DWM was also working with Procurement to let available contract more quickly.

Ald. Smith inquired if the departments were looking at retro-grade technology.

Commissioner Biagi responded that there were issues with maintainability of some of the suggestions.

Ald. Smith asked for the status of the planned inventory of trees.

Director Park responded that the Department of Streets and Sanitation was responsible for creating the inventory and she would have to provide it through the chair.

Alderman Nugent spoke in support of Ald. Napolitano's flood control-sharing resolution.

Ald. Sigcho-Lopez asked what the role of the railroad companies was with regards to infrastructure upkeep.

Commissioner Biagi responded that CDOT and railroads cooperated well with each other when it comes to projects, but not as well when it comes with upkeep.

Ald. Sigcho-Lopez asked for information on street lighting repairs and modernization.

Commissioner Biagi responded that CDOT was updating its circuitry, replacing streetlight poles, and continued implementation of the Smart Lighting System.

Ald. Sigcho-Lopez asked what the City could do to alleviate the high water bills some residents are experiencing in light of the long wait for smart meters to be installed.

Commissioner Conner responded that in there was an uptick in the incidents of lead in the water and that installation of new meters was stopped in June 2019. DWM is in the process of implementing a pilot program that would provide alternative meters that could be used.

Ald. Gardiner spoke in favor Ald. Napolitano's resolution.

Ald. Cardona spoke in favor of Ald. Napolitano's resolution.

Ald. Napolitano explained the importance of sharing the cost of flood control with residents and the impetus of his resolution.

Chairman Villegas expressed the importance of updating the City's infrastructure, especially that which is unseen, working with colleagues at the state and federal level, making sure that local contractors are participating in the contracting process, and that there is continued investments in historically disinvested areas.

Ald. Mitts stated that she was in agreement that there needed to be a capital plan, especially when some of the projects needed were cost-prohibitive based on the current menu projects.

All business being concluded, Chairman Villegas asked for a motion to recess.

Alderman Hadden motioned to recess, with all members voting in favor.

Chairman Villegas adjourned the meeting at 1:47 PM.

The members of the Committee on Economic, Capital and Technology Development in attendance included: Alderman Villegas (36), Mitchell (7), Harris (8), Curtis (18), Tabares (23), Scott (24), Burnett (27), Reboyras (30), Mitts (37), Sposato (38) Vasquez (40), Reilly (42), Tunney (44), Hadden (49)

Members of the City Council not on the Committee in attendance included: Alderman Hopkins (2), Dowell (3), Rodriguez (22), Sigcho-Lopez (25), Cardona (31), Nugent (39), Napolitano (41), Smith (43), Gardiner (45)

Respectfully submitted by:
Carlos Díaz
For the Committee on Economic, Capital and Technology Development