



**CITY OF CRYSTAL LAKE
AGENDA
CITY COUNCIL
REGULAR MEETING**

**City of Crystal Lake
100 West Woodstock Street, Crystal Lake, IL
City Council Chambers
April 18, 2017
7:30 p.m.**

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Proclamation – Arbor Day**
- 5. Approval of Minutes – April 4, 2017 Regular City Council Meeting**
- 6. Accounts Payable**
- 7. Public Presentation**
The public is invited to make an issue oriented comment on any matter of public concern not otherwise on the agenda. The public comment may be no longer than 5 minutes in duration. Interrogation of the City staff, Mayor or City Council will not be allowed at this time, nor will any comment from the Council. Personal invectives against City staff or elected officials are not permitted.
- 8. Mayor's Report**
- 9. City Council Reports**
- 10. Consent Agenda**
 - a. Chicago Title Land Trusts 1004004149 & 1004004152 & Reinhardt/Kirk Annexation Public Hearings - Continuation to the July 18, 2017 regular City Council meeting for the Annexation Public Hearings.**
 - b. Crystal Lake Park District – Request for the issuance of twelve Class “16” Temporary Liquor Licenses for 2017 Summer/Fall events.**
- 11. Approval for use of downtown sidewalks for National Poetry Month.**
- 12. McHenry County Bicycle Club – Special Event Permit for the 2017 Udder Century to be held on June 4, 2017.**
- 13. St. Thomas the Apostle School – Special Event Permit for the Field Days event to be held on May 27, 2017 and waiver of the application fee.**
- 14. Crystal Lake Water Ski Association – Special Event Permit for the 2017 Tournaments to be held on July 16, August 13, and September 3 and waiver of no-wake restrictions on Crystal Lake.**
- 15. M Supper Club, 394 Virginia Street - City Code Amendment to increase the number of Class “8” Liquor Licenses from the current permitted 7 to 8 licenses.**
- 16. County Zoning Request, 2120 South Crystal Lake Road- Renewal of a Conditional Use Permit for a Commercial Golf Course.**

17. **Public Hearing; Ordinance approving and adopting the Annual Budget for the 2017/2018 Fiscal Year; Salary Ordinance for the 2017/2018 Fiscal Year; Ordinance amending Section 515, Water and Sewer, of the City Code.**
18. **Bid award and adoption of a resolution authorization the execution of an agreement with Acres Group for Tree Removal Services.**
19. **Bid award and adoption of a resolution authorizing the execution of a contract with H&H Electric Co. for Fiscal Year 2017-2018 Street Light Maintenance Program.**
20. **Allocation of MFT funds for traffic signal maintenance, street light maintenance, EVP equipment and snow fighting material purchases.**
21. **Resolution authorizing the extension of the current agreement with Christopher B. Burke Engineering, Ltd. for stormwater management consulting through April 30, 2019 and a two year extension to April 30, 2021.**
22. **Adoption of an ordinance reserving the State of Illinois volume cap for private activity bonds.**
23. **Residential/Small Business Electrical Aggregation RFP.**
24. **Resolution approving the Lake Safety Program Budget FY 2017/2018.**
25. **Council Inquiries and Requests.**
26. **Adjourn to Executive Session for the purpose of discussing matters of pending and probable litigation, the sale, purchase or lease of real property, collective bargaining, and personnel.**
27. **Reconvene to Regular Session.**
28. **Adjourn.**

If special assistance is needed in order to participate in a City of Crystal Lake public meeting, please contact Brad Mitchell, Assistant to the City Manager, at 815-459-2020, at least 24 hours prior to the meeting, if possible, to make arrangements.



Agenda Item No: 10a

**City Council
Agenda Supplement**

Meeting Date: April 18, 2017

Item: Chicago Title Land Trusts 1004004149 & 1004004152 (Whiskey Business and Shopping Center) and Reinhardt/Kirk Annexation Public Hearing Continuation

Recommendation: Motion to continue the 1) Chicago Title Land Trusts 1004004149 & 1004004152 and 2) Reinhardt/Kirk requests to the July 18, 2017 City Council meeting for the Annexation Public Hearings.

Staff Contact: Michelle Rentzsch, Community Development Director

Background:

Chicago Title Land Trusts- The petitioner is requesting the annexation of three parcels that total approximately 3.04 acres, located at 4616 Route 176, 4709 Route 176 and lot 13 on Reiland Drive. The parcels are improved with Whiskey Business, a commercial retail shopping center, auto repair business and outdoor storage.

Reinhardt/Kirk- The property is contiguous with the above property and consists of one parcel that totals approximately 0.28 acres, located at 851 Reiland Drive. The property would be involuntarily annexed after the annexation of the Chicago Title Land Trusts.

City staff respectfully requests that the Whiskey Business and Reinhardt/Kirk petitions be continued to the July 18, 2017, City Council meeting for the Annexation Public Hearing in order to continue to work with the petitioner on the annexation agreement for the Chicago Title Land Trusts.

Votes Required to Pass: A simple majority vote.



Agenda Item No: 10b

**City Council
Agenda Supplement**

Meeting Date:

April 18, 2017

Item:

Class 16 Temporary Liquor License Requests –
Crystal Lake Park District 2017 Summer/Fall Events

Staff Recommendation:

Motion to approve issuance of twelve (12) Class 16
Temporary Liquor Licenses to the Crystal Lake Park
District for the Park District's 2017 Summer/Fall events.

Staff Contact:

Eric Helm, Deputy City Manager

Background:

The City has received a request from the Crystal Lake Park District for the issuance of Temporary Liquor Licenses for the Park District's 2017 Summer/Fall events. The Park District is requesting twelve (12) Class 16 Temporary Liquor Licenses for the scheduled events.

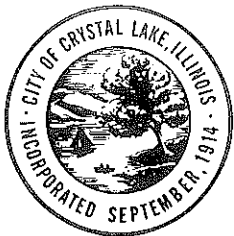
The 2017 Summer/Fall events include softball tournaments at Lippold Park on April 28-30, May 11-13, May 18-20, June 7-9, June 23-25, July 6-8, July 14-16, August 4-6, August 10-12, September 14-16, October 5-7 and "Blast on the Beach" at Main Beach on August 4-6.

Section 329-5-P of the City Code - Class "16" Temporary Liquor License - authorizes the retail sale of beer and wine for consumption upon the premises specified in the license where sold for a period not to exceed three (3) days for special events sponsored by a not-for-profit organization.

The Park District has submitted the required application forms, certificates of insurance and fees for the twelve (12) Class 16 Temporary Liquor Licenses.

Votes Required to Pass:

Simple majority



Agenda Item No: 11

**City Council
Agenda Supplement**

Meeting Date: April 18, 2017

Item: Downtown Sidewalk Poetry for April – National Poetry Month

Recommendation: Motion to grant approval for poems to be placed on the sidewalks in the downtown with the staff recommended conditions.

Staff Contact: Michelle Rentzsch, Community Development Director

Background:

A 7th grade Language Arts teacher at Bernotas Middle School, Belinda Strebel, is requesting permission to place poems on the sidewalks in downtown Crystal Lake to celebrate National Poetry Month. Ms. Strebel's students have been reading and writing poetry all year, and have several poetry projects underway. Recently, they read an article about sidewalk poetry in Boston. The poets use stencils and water repellent spray to spray poems on the sidewalks. The poems only show up when it rains. The information on this process and its effects on the sidewalk pavement are attached. Public Works has reviewed the material on the rain-proof product that is used to create the lettering and has no concerns with the material having a permanent effect on the sidewalks.

The poets would like to work downtown in the early afternoon on April 24th. The poems would start to wash away in several weeks and would only be visible when it rains.

In addition, note cards of the original poems would be left at downtown restaurants and shops so poetry admirers could obtain a copy of the poems, if they choose.

The request has been reviewed and staff recommends the following conditions:

- 1) Poems may be placed on the downtown sidewalks on April 24th.
- 2) The content of the poems must be reviewed by City staff before placement.
- 3) Work with staff and the Downtown Crystal Lake Association to locate the poetry in specific areas, such as around the Raue Clock or concentrated on the four corners of the main downtown intersections.

Votes Required to Pass: A simple majority vote.



Agenda Item No: 12

**City Council
Agenda Supplement**

<u>Meeting Date:</u>	April 18, 2017
<u>Item:</u>	McHenry County Bicycle Club Udder Century
<u>Staff Recommendation:</u>	Motion to approve the application for a Special Event Permit for the 2017 Udder Century to be held on June 4, 2017 pursuant to the conditions recommended in this agenda supplement.
<u>Staff Contact:</u>	Michelle Rentzsch, Director of Community Development

Background:

The Udder Century is an annual bicycle ride sponsored by the McHenry County Bicycle Club (MCBC). This bike ride offers several courses of between 31 and 100 miles for a ride through western McHenry County. This year, the MCBC has changed the starting location to McHenry County College. They have requested the presence of a Crystal Lake Police Officer to help bicycles cross Route 14 onto Lucas Road at the beginning of the ride. They will also be using a portion of Lucas Road under City jurisdiction.

City staff has reviewed the petitioner's request and offers the following conditions:

- 1) The volunteers are to carry cellular phones or radios to contact 911 in case of an emergency. Volunteers are not to direct traffic.
- 2) Emergency vehicle access must be maintained throughout the event. Items should not be placed on the roadway to prohibit access.
- 3) Streets are not to be marked with paint or any permanent materials.
- 4) All debris created by the event shall be cleaned up during and after the event.
- 5) Petitioner must adhere to the required City insurance provisions for the use of City-owned property by providing a certificate of insurance naming the City as additional insured, and sign the required Indemnity/Hold Harmless agreement.
- 6) If tents or canopies will be used, the petitioner shall contact the Fire Rescue Department (815-356-3640) for further review.
- 7) The application indicates that food will be served or sold at the event. Please contact the McHenry County Health Department to obtain the proper permits.

- 8) Promotional and informational banners and signage may need a limited duration sign permit issued from the Building Division. Please contact the Building Division regarding signage to be used in conjunction with the event.
- 9) In the case of inclement weather, an alternate date can be approved by the City Manager.
- 10) This event will require one Police Officer to assist with traffic control at the beginning of the event. Please contact the Police Department to coordinate the Police Officer Detail.

The cost for the Police Officer detail is estimated to be \$167.08. The event organizers will be responsible for reimbursing the Police Department for this cost.

The applicant has been made aware of these recommended conditions and concurs with them. The special event application and other supporting documentation are attached.

Votes Required to Pass:

Simple majority vote



Agenda Item No: 13

**City Council
Agenda Supplement**

Meeting Date: April 18, 2017

Item: St. Thomas the Apostle School Field Day

Staff Recommendation: Motion to approve St. Thomas the Apostle School's following requests for their annual Field Day to be held on May 27, 2017:

1. The application for a Special Event Permit pursuant to the conditions recommended in this agenda supplement
2. A waiver of the \$50 application fee.

Staff Contact: Michelle Rentzsch, Director of Community Development

Background:

St. Thomas the Apostle Church is requesting to hold its annual Field Day Special Event. This request includes the closure of Lake Street between Washington Street and the eastern portion of the St. Thomas the Apostle Church property, and Washington Street between Lake Street and Pierson Street, on Friday, May 27, 2016, from 7:45 a.m. until 3:15 p.m. for the St. Thomas Field Days end of school celebration.

During the St. Thomas Field Day, the children will be going back and forth from the school to the playing fields, participating in a wide variety of activities. They will be using the parking lot on Washington Street for the Field Day. Closing Lake Street to Washington Street and closing Washington Street between Lake Street and Pierson Street would make it safer for the children to cross from the school to the fields and parking lot, as well as make it easier on the parent volunteers coordinating the St. Thomas Field Day.

City staff has reviewed the petitioner's request and does not have any concerns regarding the closure of Lake Street, providing the following conditions are met:

- 1) City-owned barricades must be used to block off the street closure sections. Barricades shall be placed to allow access to existing crosswalks. In addition, a "Local Traffic Only" sign must be temporarily placed at the entrance to Lake Street from Dole Avenue. The petitioner has submitted a Barricade Borrowing Application.

- 2) The petitioner must send a notice to all affected property owners along Lake Street.
- 3) The petitioner must contact the School Districts in the area in case there are any bus routes that may utilize Lake Street.
- 4) Emergency vehicle access must be maintained throughout the event. Items should not be placed on the roadway to prohibit access, and volunteers should be available to remove barricades to allow emergency vehicles on the roadway, if necessary.
- 5) Emergency access to the School must be maintained throughout the event. The petitioner must provide a plan of the St. Thomas Field Days layout.
- 6) Local traffic access to Lake Street must be maintained throughout the event. Volunteers should be available to remove barricades to allow property owners on the roadway, if necessary.
- 7) All debris created by the event shall be cleaned up during and after the event.
- 8) Petitioner must adhere to the required City insurance provisions for the use of City-owned property by providing a certificate of insurance naming the City as additional insured, and sign the required Indemnity/Hold Harmless agreement.
- 9) If tents or canopies will be used, the petitioner shall contact the Fire Rescue Department at (815) 356-3640 for further review.
- 10) Promotional and informational banners and signage may need a limited duration sign permit issued from the Building Division. Please contact the Building Division regarding signage to be used in conjunction with the event.
- 11) In the case of inclement weather, an alternate date can be approved by the City Manager.

The applicant has been made aware of these recommended conditions and concurs with them. The special event application and other supporting documentation are attached.

Votes Required to Pass:

Simple majority vote



Agenda Item No: 14

**City Council
Agenda Supplement**

<u>Meeting Date:</u>	April 18, 2017
<u>Item:</u>	Crystal Lake Water Ski Association Tournaments
<u>Staff Recommendation:</u>	Motion to approve the Crystal Lake Water Ski Association's requests for their 2017 Tournaments to be held on July 16, August 13, and September 3: <ol style="list-style-type: none">1. The application for a Special Event Permit pursuant to the conditions recommended in this agenda supplement2. A waiver of no-wake restrictions on Crystal Lake.
<u>Staff Contact:</u>	Michelle Rentzsch, Director of Community Development

Background:

The Crystal Lake Water Ski Association (CLWSA) is requesting approval of its schedule of three tournaments throughout the summer of 2017. This includes a waiver of the no-wake restrictions on Crystal Lake. The dates and times of the tournaments are:

1. Slalom Tournament – Sunday, July 16, 2017 from 2:00 p.m. to 6:00 p.m.
2. Slalom Tournament – Sunday, August 13, 2017 from 2:00 p.m. to 6:00 p.m.
3. Barefoot Tournament – Sunday, September 3, 2017 from 2:00 p.m. to 6:00 p.m.

As the events would occur during no-wake hours, the CLWSA is requesting a waiver from the no-wake restrictions for event participants. No-wake restrictions would be back in effect at the end of the events. The City Council has lifted the no-wake restrictions for these events in the past.

Ski areas will be clearly marked and adequate personnel will be provided to ensure a safe event. The organizers are not requesting any further assistance of the City. The CLWSA has also received approval for a no-wake restrictions waiver from the Crystal Lake Park District, and the Village of Lakewood.

City staff has reviewed the request and does not have any concerns in waiving the no-wake restrictions, providing the following conditions are met:

- 1) All debris created by the event shall be cleaned up during and after the event.

- 2) Petitioner must adhere to the required City insurance provisions for the use of City-owned property and sign the required Indemnity/Hold Harmless agreement.
- 3) Promotional and informational banners and signage may need a limited duration sign permit issued from the Building Division. Please contact the Building Division regarding signage to be used in conjunction with the event.
- 4) In the case of inclement weather, alternate dates can be approved by the City Manager.

The CLWSA has been advised of these conditions and concurs with them. The special event application and other supporting documentation are attached.

Votes Required to Pass:

Simple majority vote of the City Council



Agenda Item No: 15

**City Council
Agenda Supplement**

- Meeting Date:** April 18, 2017
- Item:** City Code Amendment to Increase the Number of Class “8” Liquor Licenses – Applicant: M Supper Club
- Staff Recommendation:** Motion to adopt an ordinance increasing the number of Class “8” Liquor Licenses from the current permitted 7 licenses to 8 licenses.
- Staff Contact:** Eric T. Helm, Deputy City Manager
-

Background:

The City has received a request from M Supper Club, an establishment located at 394 Virginia St., for the Council to consider the adoption of an ordinance providing for an amendment to the liquor license restriction provisions of the City Code, increasing the number of Class “8” liquor licenses from the current 7 licenses to 8 licenses.

The City Code permits the issuance of a Class “8” liquor license for the retail sale, on the premises specified, of alcoholic liquor, for consumption, on the premises between the hours of 11:00 a.m. and 1:00 a.m. Monday, Tuesday, Wednesday, Thursday; 11:00 a.m. and 2:00 a.m. Friday and Saturday; and 10:00 a.m. on Sunday and 1:00 a.m. on Monday. A Class A type restaurant may be located on the premises. For the purposes of this license, premises shall include not only the interior of any building or structure but also an open unroofed area immediately contiguous to the building or structure where alcoholic beverages are served or consumed.

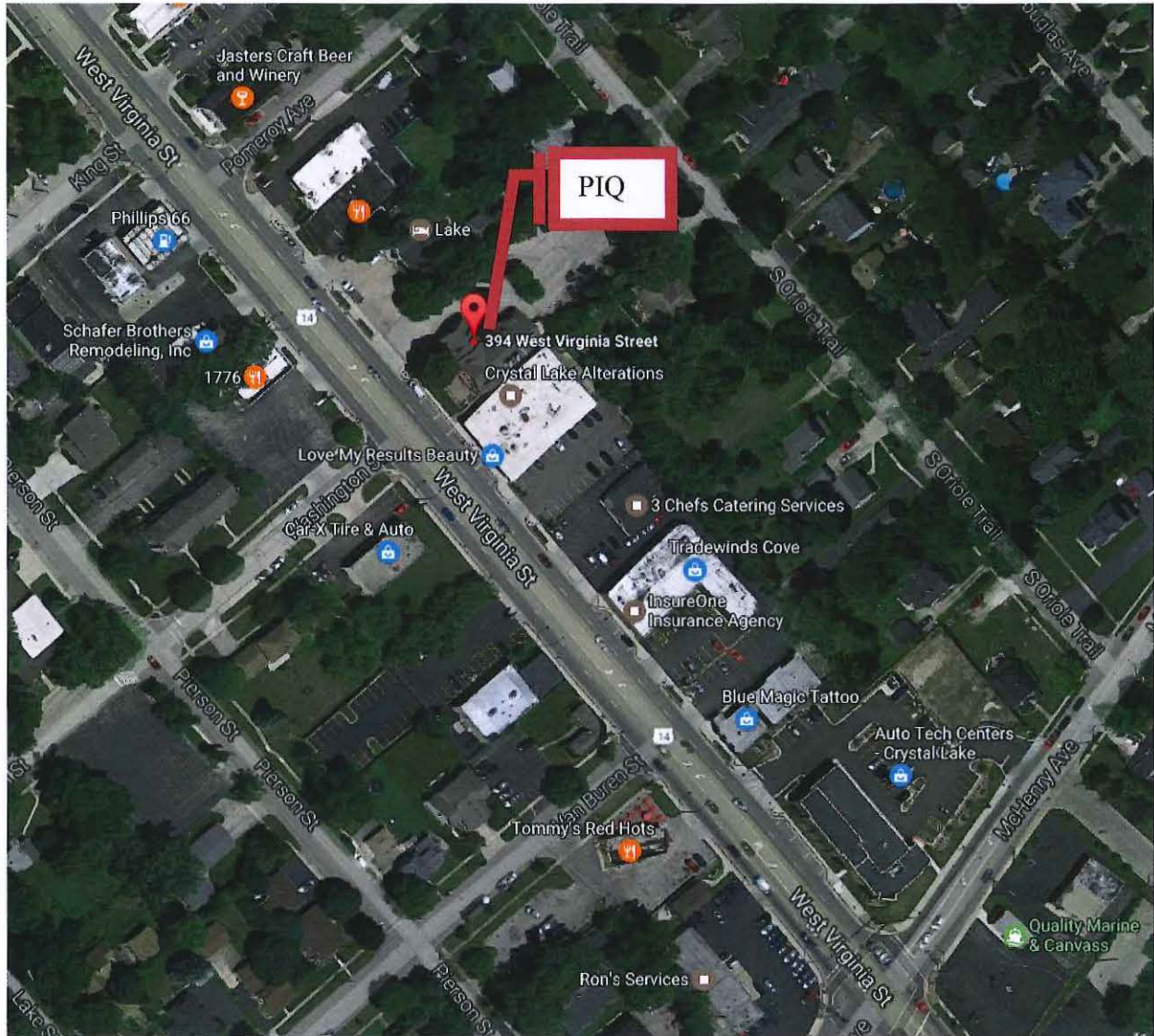
A fingerprint/background search revealed no criminal history under two of the applicants’ names. The issuance of the license will be dependent on the third applicant’s background check revealing no criminal history.

Other establishments currently holding a Class “8” liquor license include: Goal Line Sports Bar & Grill, Chen Chinese Cuisine, Chipotle Mexican Grill, Papa Saverio’s, Village Squire, Buffalo Wings & Rings and Nick’s Pizza & Pub.

Votes Required to Pass:

Simple majority

Property in Question





The City of Crystal Lake Illinois

DRAFT

**AN ORDINANCE AMENDING THE CODE
OF THE CITY OF CRYSTAL LAKE**

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, McHENRY COUNTY, ILLINOIS, as follows:

SECTION I: That CHAPTER 329 LIQUOR LICENSES Section 329-6 Limitations on licenses shall be amended as follows:

1. Class 8 License shall be increased from 7 to 8.

SECTION II: That this Ordinance shall be in full force and effect from and after its passage and approval according to law.

SECTION III: That all Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

DATED at Crystal Lake, Illinois, this 18th day of April, 2017.

City of Crystal Lake, an
Illinois municipal corporation

Aaron T. Shepley, Mayor

SEAL

ATTEST:

Nick Kachiroubas, City Clerk

Passed: April 18, 2017
Approved: April 18, 2017



Agenda Item No: 16

**City Council
Agenda Supplement**

Meeting Date: April 18, 2017

Item: COUNTY ZONING REQUEST

Randolph S. Wirkus and Kelly J. Hellyer
2120 South Crystal Lake Road

Recommendation: City Council's discretion.
a) Motion to object to the proposed renewal of the Conditional Use Permit, directing staff to proceed with an objection at the County Zoning Board of Appeals meeting.
b) No action.

Staff Contact: Michelle Rentzsch, Community Development Director

Background:

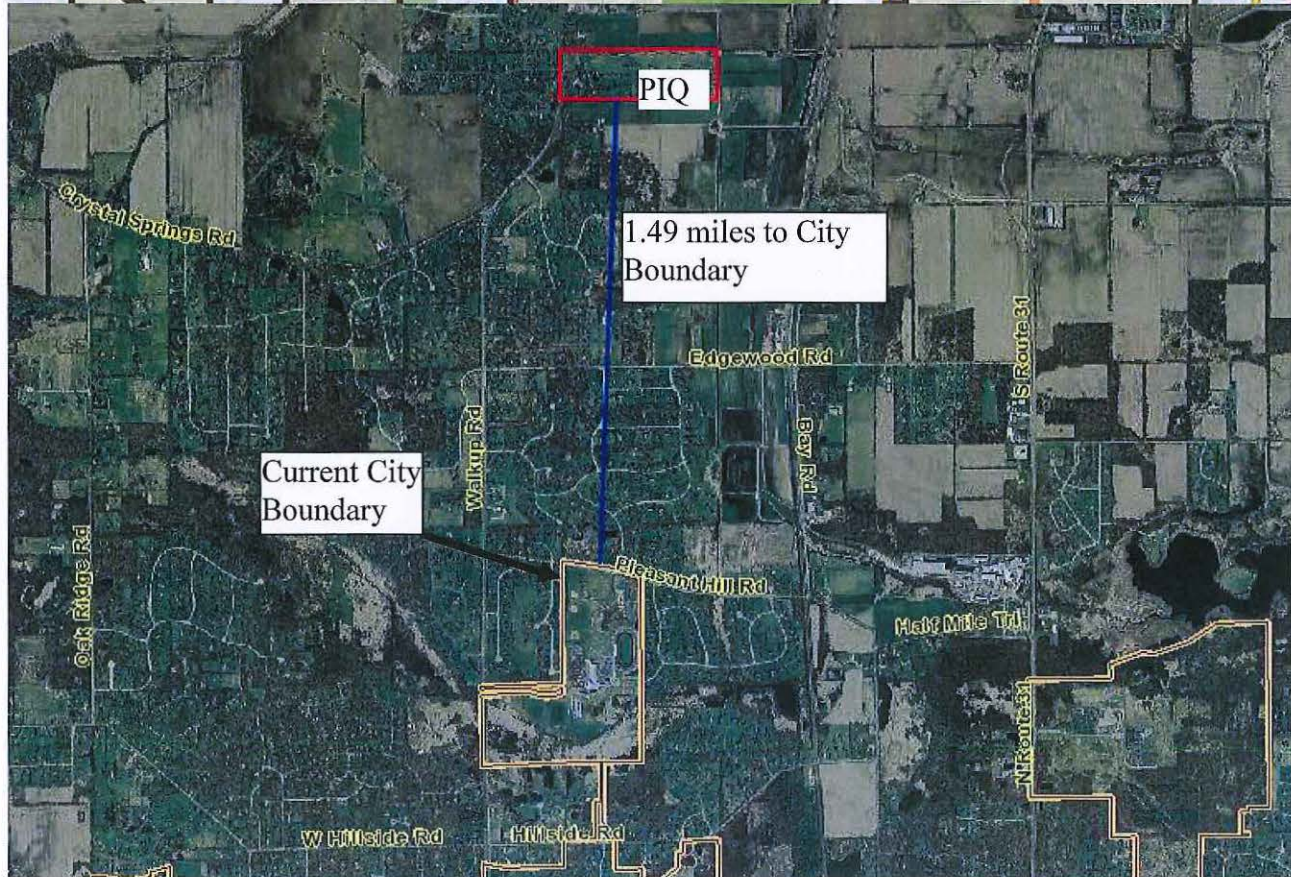
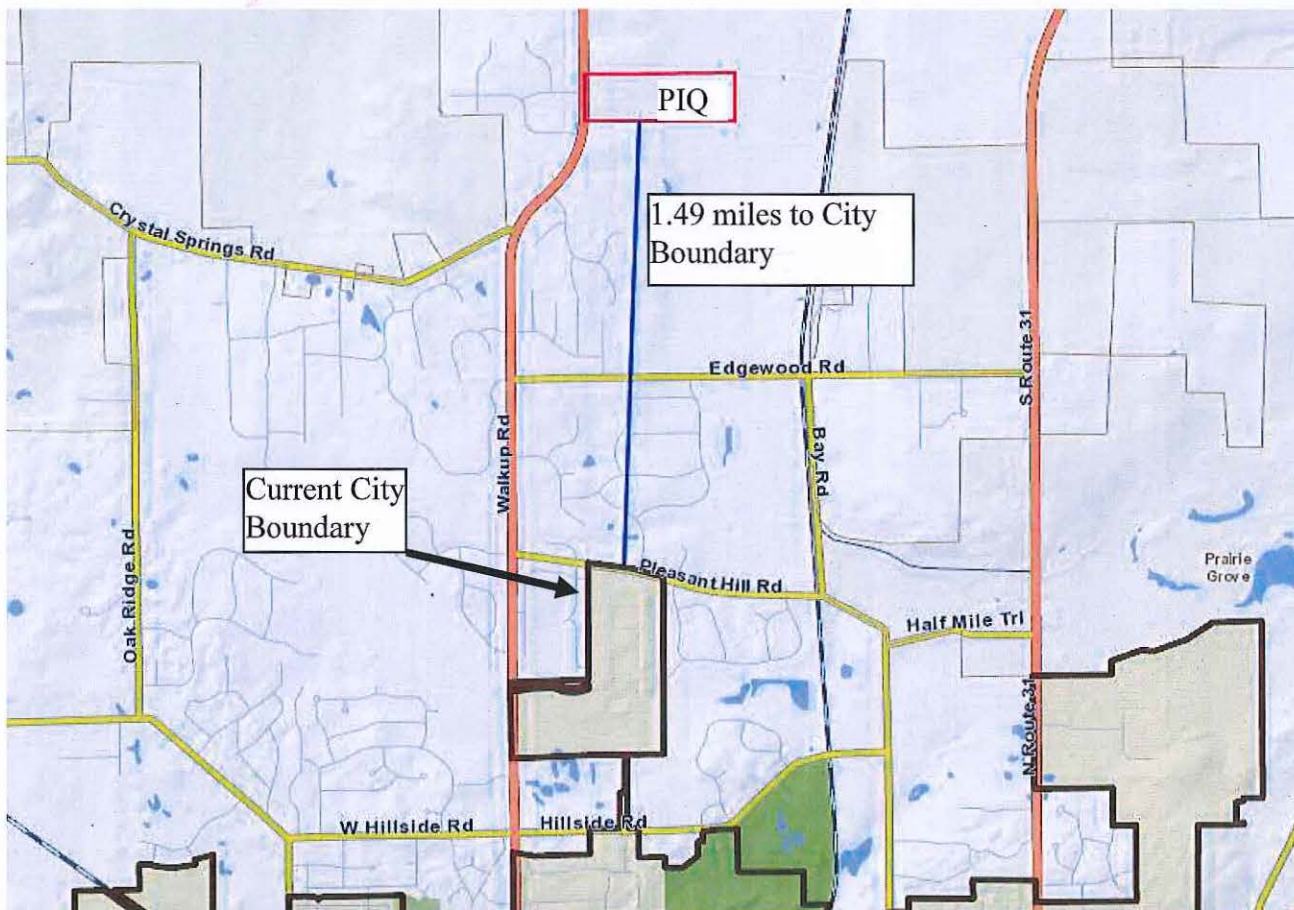
- As is customary with County Zoning requests within the City's mile and a half planning jurisdiction, the City received notice of this request. This property is right at that 1.5 mile planning boundary.
- The property in question consists of approximately 49.9 acres and is zoned "A-1" Agriculture District with a Conditional Use Permit for a Commercial Golf Course.
- Old Top Farm Golf Course occupies the property.
- The property is located approximately 1.49 miles from the northern edge of the current City boundaries.

Request:

- The petitioners are requesting to renew the Conditional Use Permit for a Commercial Golf Course to allow the existing use to remain. There is no proposed change of use or site improvements in this request.
- The property is not within the Crystal Lake Watershed and staff has no concerns with this request.

Votes Required to Pass: A simple majority vote.

2120 S. Crystal Lake Road PIQ



Aerial Image of 2120 S. Crystal Lake Road, Crystal Lake





Agenda Item No: 17

**City Council
Agenda Supplement**

Meeting Date:

April 18, 2017

Item:

Public Hearing/Annual Budget Ordinance/Salary Ordinance, and Water and Sewer City Code Amendment

Staff Recommendation:

Motion to Adopt:

1. An Ordinance approving and adopting the Annual Budget for the 2017/2018 Fiscal Year,
2. The Salary Ordinance for the 2017/2018 Fiscal Year, and
3. An Ordinance amending Section 515, Water and Sewer, of the City Code.

Staff Contact:

Gary J. Mayerhofer, City Manager
George J. Koczwarra, Director of Finance/Treasurer

Budget:

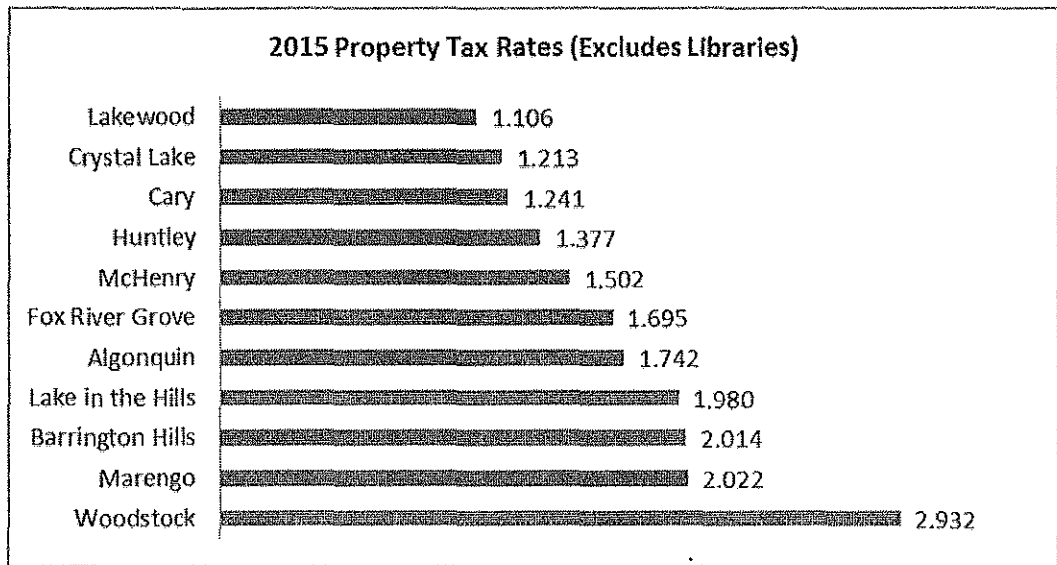
The Council is requested to adopt the budget in accordance with State Statutes, which requires the budget to be adopted prior to the beginning of the Fiscal Year, which begins on May 1, 2017.

On April 4, 2017, the City Council placed on public display, the proposed balanced fiscal year 2017/2018 Budget that maintains the high quality City services offered to residents while allowing for capital investment in facilities and improvements, as well as the development of other initiatives to help establish a solid foundation for the community for years to come.

Despite the continued economic challenges, the City has worked diligently to present a proposed annual budget that is:

- ✓ Balanced
- ✓ Continues the City's commitment to public safety
- ✓ Continues the City's investment in infrastructure
- ✓ Within the parameters of the City's financial policies

The proposed budget continues the funding of General Fund services without the use of a General Fund property tax. City residents enjoy one of the lowest municipal tax rates in the area. The chart below illustrates a comparison of municipal tax rates (excluding libraries).



Budgeted expenditures and other uses for all funds in fiscal year 2017/2018 total \$89,390,937 (including the Library), a decrease of \$6,775,922 or 7.05% from the 2016/2017 fiscal year budget. Revenues projected for fiscal year 2017/2018 reflect a conservative view and can be positively impacted by reductions in unemployment or increases in consumer spending and construction activities.

The fiscal year 2017/2018 City budget reflects capital expenditures of \$13.65 million. In addition to resurfacing and roadway improvements, other major capital expenditures reflected in this budget are:

- Fiber Optic Connection – City Hall (includes consultant and year 1 support)
- Fiber Optic Connection – WWTP #2, Fire Station #3
- Computer Hardware and Software
- Automotive Equipment
- Storm Sewer Cleaning, Televising, Repair – Nash Road
- Culvert Replacements (Engineering)
- Curb and Sidewalk Replacement
- Tree Removal and Replacement (EAB Eradication)
- Thermal Imaging Camera Replacement (2)
- Multi-Use Paths – Construction and Engineering
- Parking Lot Lighting, Signage, Landscape (new lots)
- Turbo Blower Replacement
- Generator Installation (Lift Stations)
- Lift Station #9 Rehabilitation
- Rehabilitation of Wastewater Plants #2 and #3),
- Water Treatment Plant #2 Rehabilitation/Expansion – Engineering

With the challenges posed by the slow economic recovery, a number of adjustments were made to balance the budget. These adjustments include:

Personnel

Since the start of the Great Recession, the City has eliminated a number of positions. Through the 2016/2017 budget, a total of 8.3% of positions have been eliminated through attrition. An additional one-and-half positions have been eliminated in the 2017/2018 budget, bringing the total number of full-time equivalent positions eliminated to twenty-three and three-quarter positions or 8.9%. None of the eliminated positions were sworn police or firefighter positions.

Insurance

Through concerted efforts and enhancements in the City's risk management program, the City is able to take advantage of very favorable insurance costs. Increases in the City's liability insurance overall are budgeted at 0%.

In an effort to better control health care costs, the City joined the Intergovernmental Personnel Benefit Cooperative (IPBC). The IPBC is an entity created under Illinois State laws, which allows municipal groups to band together for the purposes of health insurance. The IPBC was established in 1979 and includes 116 municipalities or municipal entities as members.

The purpose of the IPBC is to provide economies of scale and risk pooling that will allow members more financial stability than offered by the commercial insurance market. In response to a number of variables, including the Affordable Health Care Act and its effect on health care costs across the region, funding for the City's own group health insurance plan is expected to rise 7.01% over amounts budgeted in fiscal 2016/2017.

Capital Expenditures

One-time capital expenditures will be funded using unassigned fund balances coupled with bond proceeds. Bonds shall not be used to finance operating deficits and fund balances shall be maintained in accordance with the City's financial policies.

The fiscal year 2017/2018 budget reflects \$1,720,000 for the City's annual street resurfacing program. The annual street resurfacing program, combined with other roadway improvements budgeted in the Motor Fuel Tax Fund, total over \$3.8 million. Roadway improvements budgeted in the Motor Fuel Tax Fund includes:

- Intersection (IL 176/Main) Improvement - Engineering
- Intersection (US 14/Virginia Rd) Improvement – Engineering
- Intersection (Main/Crystal Lake Ave) Improvement – ROW Acquisition
- Intersection (Main/Crystal Lake Ave) Improvement - Construction

Funds to provide for intersection improvements at Route 176/Briarwood Road, as well as those for roadway improvements along Pingree Road, and South Main Street have been re-budgeted. These projects are complete; however, the City has not received final construction invoices from the State of Illinois. Streets programmed for resurfacing in fiscal year 2017/2018 are:

Street	Limits	
	From	To
Arrowhead Lane	Indian Hill Trail	Burning Bush Trail
Burning Bush Trail	Walkup Road	East End
Cardiff Drive	North End	South End
Compost Drive	Main Street	Railroad ROW
Deer Run	Arrowhead Lane	Tomahawk Lane
Denton Court	Aberdeen Drive	Surrey Lane
Dolle Lane	Pomeroy Street	West End
East Street	Prairie Street	Crystal Lake Ave.
Elm Street	Ash Street	South End
Esther Street	Walkup Avenue	East End
Franklin Avenue	Walkup Avenue	Williams Street
Hull Lane	Dartmoor Drive	Surrey Lane
Lill Avenue	College Avenue	Wallace Avenue
Lincoln Parkway	Crystal Lake Ave.	Woodstock Street
Maple Street	Ash Street	Crystal Lake Ave
Marhill Court	Dole Avenue	East End
Newcastle Court	Dartmoor Drive	Dartmoor Drive
Old Westbury Court	Old Westbury Road	North End
Old Westbury Road	Terra Cotta Road	Glenbrook Road
Pingree Road	Railroad Tracks	North City Limits
Pomeroy Street	Ash Street	Crystal Lake Ave.
Rosedale Avenue	McHenry Avenue	Wallace Avenue
Seybrooke Lane	Terra Cotta Road	East End
Short Street	East Street	East End
South Street	College Avenue	Wallace Avenue
Surrey Lane	Cardiff Drive	Abbingdon Drive
Terra Cotta Road	Dakota Street	Nunda Trail
Tomahawk Lane	Deer Run	Burning Bush Trail
Various Alleys	North of Downtown; Near Esther	
Walkup Avenue	Franklin Avenue	South End
Wallace Avenue	Franklin Avenue	Union Street
Wyndmuir Court	Wyndmuir Drive	End
Wyndmuir Drive	Seybrooke Lane	Terra Cotta Road

Financial Stewardship

The City takes its role as financial steward very seriously. The Government Finance Officers Association (GFOA) voted to award the City of Crystal Lake's budget document the Distinguished Budget Presentation Award for the 2016/2017 fiscal year. This award is the highest form of

recognition in governmental budgeting. Also this year, the City again received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. This is the twenty-seventh year in a row the City has received this award and it is expected that this year the City will again receive this award. Finally, in 2009, Standard and Poor's rated the City for the first time with an AA+ rating. The AA+ rating was affirmed by Standard and Poor's again in 2012, 2013 and 2014.

Salary Ordinance:

Included as part of the adoption of the proposed Annual Budget for Fiscal Year 2017/2018 is the salary ordinance. As in past years, staff has conducted a salary survey. This data is used in the review of the City's non-collectively bargained position classifications. Based on staff's review, the minimum and maximum of the ranges in the proposed salary ordinance were adjusted 2.5%. Non-union employees' ability to receive a raise (from 0% to 2.5%) is based upon their individual performance, or merit, and not cost of living.

Year Four of the Utility Rate Study:

Previously, the City Council approved contracts with consultants to provide Wastewater and Water Master Plans. The purpose of these plans was to identify significant capital improvements to repair, rehabilitate and enhance the City's water and sewer system. In addition, the City approved a contract with Baxter and Woodman to evaluate the financial impacts of undertaking the proposed capital improvements, review the existing rate structure and make recommendations regarding five-year rate modifications to support capital improvements.

Based on these studies, a number of options were presented during the 2014 budget workshop to determine the utility rates and connection fees for the next five years. Ultimately, a rate structure was approved that not only will support the existing debt service and to make the minimum capital investment required to avoid critical system failure, but also the infrastructure improvements necessary for maintaining the integrity of the systems. These improvements were identified by the Public Works Department utilizing the Wastewater and Water Master Plans. In order to fund these capital improvements, existing operations and existing debt payments, an annual rate increase of 11.4% is required. The proposed budget incorporates the fourth year of 11.4% increases in the water and sewer rates which would go into effect on May 1, 2017.

Votes Required to Pass:

Simple majority



DRAFT

**AN ORDINANCE APPROVING THE ANNUAL BUDGET OF THE CITY OF
CRYSTAL LAKE, ILLINOIS, FOR THE FISCAL YEAR
BEGINNING MAY 1, 2017 AND ENDING APRIL 30, 2018**

WHEREAS, the City Council designates a Budget Officer for the City who shall compile an annual budget for the City of Crystal Lake; and

WHEREAS, the Budget Officer has proposed to the corporate authorities a budget as required by Section 8-2-9.3 of the Illinois Municipal Code; and

WHEREAS, Section 8-2-9.9 of the Illinois Municipal Code requires that the corporate authorities of the City of Crystal Lake allow for public inspection of the tentative annual budget at least ten (10) days prior to its passage; and

WHEREAS, the tentative annual budget has been available for public inspection in the Office of the City Manager from April 4, 2017; and

WHEREAS, after proper notice being given, a public hearing was conducted on April 18, 2017, to obtain public comment on the tentative annual budget for the City of Crystal Lake for the fiscal year beginning May 1, 2017 and ending April 30, 2018.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Crystal Lake, McHenry County and State of Illinois, as follows:

Section 1: The fiscal year budget of the City of Crystal Lake, McHenry County, Illinois, for the fiscal year beginning May 1, 2017 and ending April 30, 2018, in the form attached hereto is hereby approved and adopted.

Section 2: That a certified copy of this Ordinance and a copy of the budget hereby approved shall be filed with the McHenry County Clerk in accordance with the provisions of the statutes of the State of Illinois.

DATED at Crystal Lake, Illinois, this 18th day of April 2017.

APPROVED:

Aaron T. Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk

PASSED: April 18, 2017

APPROVED: April 18, 2017

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.



DRAFT

AN ORDINANCE ESTABLISHING CERTAIN ANNUAL, DAILY OR HOURLY PAY RATES AND PAY RANGES AND THE SALARY ADMINISTRATION SCHEDULE FOR THE CITY OF CRYSTAL LAKE EMPLOYEES

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, ILLINOIS;

SECTION I: ANNUAL, DAILY OR HOURLY RATES

That the ranges of annual, daily or hourly rates for the employees of the City are hereby to read as follows on attached chart:

SECTION II: SALARY ADMINISTRATION PROCEDURES

- A. The City Manager shall develop procedures and direct the administration of those procedures to ensure that individual employee's wages are determined and allocated in an equitable manner in keeping with the goals and requirements of this policy.
- B. New employees and newly promoted employees shall be paid a salary within their new salary range that is not less than the minimum of the range and does not exceed the maximum of their new pay range. Salary increases for individual employees will be timed and salary increase amounts will be determined following the specific criteria below:
 - 1. Quality of performance since the employee's last salary adjustment.
 - 2. Comparison of current salary to pay of other employees of like duties, responsibilities and performance.
 - 3. Position of an employee's current salary within the pay range in terms of overall ability and overall performance since the employee first entered the range.
- C. The City Manager shall annually direct the review and survey of certain positions and their salary ranges in comparison with other communities in proximity to the City of Crystal Lake or of like size and comparable composition.
- D. The City Manager shall annually approve salary rates and their effective dates for all employees.
- E. The City Manager may initiate exceptions to this policy when, in his judgment, such action is for the good of the organization.

SECTION III: JOB CLASSIFICATION:

That all positions of the City shall be separated into classifications and each classification shall have a pay range and the designation of an annual, daily, or hourly rate of pay. The classifications of positions may be modified as deemed appropriate by the City Manager.

All employees, including department directors, part-time and seasonal employees, shall receive such compensation as shall be determined from time to time by the City Manager provided, however, no expenditure shall be made on account of or pursuant to appointment or employment by the City Manager unless sufficient funds have been appropriated in the annual budget.

SECTION IV: REPEALER

That all ordinances or parts of ordinances, rules and regulations in conflict with this ordinance shall be and are hereby repealed.

SECTION V: EFFECTIVE DATE

That this Ordinance shall be in full force and effect from and after the first day of May 2017.

DATED at Crystal Lake, Illinois, this 18th day of April 2017.

APPROVED:

Aaron T. Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk

PASSED: April 18, 2017

APPROVED: April 18, 2017

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.

Compensation Plan - Full-Time Non-Represented Employees
Effective 05.01.2017 to 04.30.2018

	Grade	Annual		Hourly	
		Minimum	Maximum	Minimum	Maximum
Office Assistant	1	38,155	56,917	18.34	27.36
Police Records Assistant	2	40,078	59,784	19.27	28.74
Accounts Payable Clerk	3	42,067	62,763	20.22	30.17
Utility Customer Service Representative	4	44,995	67,131	21.63	32.27
Permit Assistant	4	44,995	67,131	21.63	32.27
Community Service Officer	4	44,995	67,131	21.63	32.27
Administrative Assistant	4	44,995	67,131	21.63	32.27
Payroll Clerk	4	44,995	67,131	21.63	32.27
Human Resources Assistant	6	51,551	76,897	24.78	36.97
Executive Assistant	7	55,660	83,012	26.76	39.91
Accountant	8	59,003	87,985	28.37	42.30
Administrative Analyst	8	59,003	87,985	28.37	42.30
Engineering & Building Inspector	8	59,003	87,985	28.37	42.30
Fire Inspector	8	59,003	87,985	28.37	42.30
Support Services Coordinator	8	59,003	87,985	28.37	42.30
Plans Examiner	9	64,313	95,914	30.92	46.11
Planner	9	64,313	95,914	30.92	46.11
Lab Supervisor	9	64,313	95,914	30.92	46.11
Plumbing Inspector	9	64,313	95,914	30.92	46.11
Public Works Supervisor	10	74,606	103,485	35.87	49.75
Police Records Supervisor	10	74,606	103,485	35.87	49.75
Assistant to the City Manager	11	77,600	107,606	37.31	51.73
Assistant to the Director of Public Works	11	77,600	107,606	37.31	51.73
Police Sergeant ⁽¹⁾		98,836	109,341	47.52	52.57
Civil Engineer	12	80,703	111,907	38.80	53.80
Senior Planner	12	80,703	111,907	38.80	53.80
Public Works Superintendant	14	87,281	121,046	41.96	58.20
Assistant Finance Director	14	87,281	121,046	41.96	58.20
City Engineer	15	90,756	125,324	43.63	60.25
Economic Development Manager	15	90,756	125,324	43.63	60.25
Building Commissioner	15	90,756	125,324	43.63	60.25
Police Commander	15	90,756	125,324	43.63	60.25
Fire Bureau Chief	15	90,756	125,324	43.63	60.25
Fire Battalion Chief	15	90,756	125,324	43.63	60.25
Deputy Police Chief	17	98,164	142,975	47.19	68.74
Deputy Fire Chief	17	98,164	142,975	47.19	68.74
Director of Information Technology	18	102,097	146,447	49.09	70.41
Director of Human Resources	18	102,097	146,447	49.09	70.41
Director of Finance	19	106,184	158,162	51.05	76.04
Deputy City Manager	19	106,184	158,162	51.05	76.04
Director of Community Development	19	106,184	158,162	51.05	76.04
Director of Public Works	20	110,423	164,501	53.09	79.09
Fire Rescue Chief	20	110,423	164,501	53.09	79.09
Police Chief	20	110,423	164,501	53.09	79.09

(1) For internal equity purposes, Sergeant pay range is linked to Fire Lieutenant step ranges

Compensation Plan - Regular & Temporary Part-Time Non-Represented Employees
Effective 05.01.2017 to 04.30.2018

	Grade	Hourly	
		Minimum	Maximum
Temporary/Seasonal Positions			
Seasonal Laborer			
Public Works Fleet		9.50	10.50
Public Works Streets Summer		9.50	10.50
Public Works Water		9.50	10.50
Public Works Wastewater		9.50	10.50
Three Oaks Attendant		8.25	10.50
Three Oaks Lifeguard		9.00	11.00
Three Oaks Assistant Site Supervisor		10.50	12.50
Public Works Streets Winter		18.50	20.00
Interns			
Administrative Intern		8.25	26.50
Engineering Intern		9.00	15.00
Regular Part-Time Positions			
Office Assistant	1	18.34	27.36
Police Records Assistant	2	19.27	28.74
Firefighter II/EMT-B Trainee		8.25	8.25
Firefighter II/EMT-B ⁽¹⁾		15.50	19.00
Three Oaks Security Assistant		10.50	13.00
Three Oaks Beach/Recreation Manager		16.25	30.00

(1) Fire Rescue Part Time Staff: Additional \$0.50/hour for each certification on top of base for for additional Certifications of Paramedic, FAE, or Firefighter III; Additional \$0.50/hour for 10 years or more service to CLFRD

DRAFT



ORDINANCE AMENDING THE CRYSTAL LAKE CITY CODE

BE IT ORDAINED by the Mayor and City Council of the City of Crystal Lake, McHenry County and State of Illinois, as follows:

Section 1: Amendment of City Code § 515-15, Rates and Charges, of Chapter 515, Water and Sewer, of the City Code is hereby repealed and replaced in its entirety with the following:

§ 515-15. Rates and Charges.

The consumer or user on all property or premises upon which any building or structure has been or may hereafter be erected having connection with any mains or pipes which exist or may hereafter be constructed and used in connection with the water and sewage or water or sewage systems of the City of Crystal Lake shall pay the following rates according to the following schedule:

A. Water rate. Beginning May 1, 2017, the following rates shall apply:

- (1) Monthly service charge: \$6.54.
- (2) Each 1,000 gallons: \$4.46 per 1,000 gallons.

B. Sewer rate. Beginning May 1, 2016, the following rates shall apply:

- (1) Monthly service charge: \$7.81.
- (2) Each 1,000 gallons: \$4.47 per 1,000 gallons.

C. The rates and charges herein established shall be collected from owners, occupants, consumers and users of the premises for all such use from and after each scheduled rate adjustment. The minimum rate for water and sewer monthly billing shall be equal to the combined water and sewer monthly service charge for the rate period covered. The fee paid for sewer use shall be determined by the water meter reading. No discounts shall be allowed for any difference between the water meter reading and actual sewer use.

D. Senior citizens may qualify for a water and sewer rate discount of 20% for the first 5,000 gallons billed each month by requesting the discount and registering with the Finance Department. To receive the discount, a senior citizen must be 65 years of age, and must reside at the address and the account must be in his/her name.

E. Water users outside corporate limits of the City of Crystal Lake shall pay 1 1/3 times the fee charged for the same services within the City (except those users covered by contractual agreements whose fees should be determined in accordance with such contracts).

F. Bulk water sales made by metered connections to secondary community water supplies or via metered hydrant for on-site use or via metered hydrant to a tanker for transport to an end

user (except those users covered by contractual agreements) shall be billed monthly and pay the following rates according to the following schedule:

(1) Bulk water rate (except those users covered by contractual agreements). Beginning May 1, 2017, and continuing until further adjusted by the Mayor and City Council of the City of Crystal Lake:

- (a) Monthly service charge: \$34.99.
- (b) Each 1,000 gallons: \$13.62 per 1,000 gallons.

G. Water used during construction of new buildings. Beginning May 1, 2017, and continuing until further adjusted by the Mayor and City Council of the City of Crystal Lake:

- (1) One- and two-family residences: \$85.02.
- (2) Multifamily, commercial, industrial:
 - (a) Under 2,000 square feet, minimum fee: \$85.02.
 - (b) Each additional square foot over 2,000 to 10,000: \$0.050.
 - (c) Each additional square foot over 10,000 to 50,000: \$0.016.
 - (d) Each additional square foot over 50,000: \$0.010.

H. Surcharge for industrial users. When the average concentrations of BOD and/or suspended solids exceeds 300 mg/l or 350 mg/l, respectively, a surcharge shall be \$0.58 per pound of BOD, and \$0.29 per pound of suspended solids. All measurements, tests, and analysis of the characteristics of water and wastes to determine the industrial user surcharge factors shall be conducted in conformance with § 515-13. All commercial and institutional users shall be reclassified "industrial" as per the Office of Management and Budget's "Standard Industrial Classification Manual," 1972 Edition, under the category "Division D Manufacturing," when any of their wastes exceed the concentration of § 515-13 of this article.

I. New Account Deposit.

1. All new water/sewer accounts shall be required to make a utility deposit with the City to their utility account prior to receiving any water/sewer service. Upon application for service, all new customers must indicate whether the service is being requested for property that is owned or rented.
2. The new customer deposit shall be fifty dollars (\$50.00) for water/sewer service.
3. Utility deposits shall be credited to utility customers in "good standing" having had twenty-four (24) consecutive months with a minimum of twenty-two (22) timely payments and no payments or drafts having been returned for insufficient funds. Utility deposits credited shall be applied to the customer's next bill following the 24th consecutive month of timely payments. No deposits to current accounts shall be refunded directly to the customer until account closure.
4. The deposit requirement shall be waived in the event the applicant applies for participation in the City's "Direct Debit Program" and remains in good standing. A customer in good standing is one that has not had direct payments returned to the City on two consecutive billing periods. The Finance Director is authorized to process a

refund of deposits held by the City on behalf of water and sewer customers who participate in the Direct Debit Program. Refunds shall be processed in the form of an account billing credit.

J. Terms of Payment

1. **Liability For Payment Of Fees For Water/Sewer Service:** The user of the City's water/sewer service and the occupant and owner of the property, or the owner's agent, if different from the user, shall be jointly and severally liable for the payment of any user fees, penalties, or special assessments billed for water/sewer service.

2. **Owner Notified If Tenant Delinquent:** After the account has been delinquent for sixty (60) days, if the owner has provided the City with the owner's name and address, the City shall deliver notice of the tenant's or occupant's delinquency to the owner. Depositing the required notice in the mail, addressed to the owner at the address listed in the City's records, postage prepaid, shall constitute delivery.

3. **Manner Of Correcting Inaccurate Bills:** In any instance where a customer's bill has been incorrectly calculated or stated for any reason except unlawful use of utility services, the City shall correct the billing for any period of time not exceeding twelve (12) months during which incorrect bills were rendered for underbilled accounts and twelve (12) months for credits due to an error which caused the account to be overbilled.

4. **Deferred Payment Plan:** Where a customer has been underbilled, the City may enter into a written deferred payment agreement with the customer, whereby the amount due to the billing error may be paid in equal installments over a period not to exceed twelve (12) months from the date on which the agreement is signed.

5. **Termination Of Service:** The City shall have and hereby reserves the right, power and authority to suspend or terminate water/sewer service as provided for in § 515-16 to any customer at any time without incurring any liability or cause of action for damages of any kind.

6. **Resumption Of Service:** If service is discontinued because the customer's bills for service are in arrears, or for violation of any provisions of this Article after notice, such service shall not be restored until all charges, costs and damages, if any, shall have been paid to the Finance Department; or the violation has been corrected; and any charges for reinstatement of service pursuant to this Chapter have been paid to the Finance Department.

7. **Responsibility For Meter With Customer:** If water service is terminated pursuant to this Section, the customer shall remain liable for protecting the water meter from damage from freezing or other causes. If the meter is damaged, the customer shall be required to return the damaged meter to the City, purchase a new meter, and have the new meter installed in accordance with City Code requirements, all at his/her own expense.

8. Collection: The City may take all legal action necessary to collect user fees from delinquent accounts including, without limitation, termination of service, recording a lien against the property, foreclosing on such lien, hiring a collection agency, refusing to grant any other utility service, or to issue any City permit or license to the delinquent customer until the delinquent account has been paid in full, including any penalties, costs incurred to record liens or releases of lien, or costs of collection.

9. Blanket Policy: The City shall also have the right to disconnect or refuse service to any customer with one or more installations if the bills are not paid at any one installation.

10. Charges And Discounts Prorated: The charges and discounts established in this Article shall be prorated by the Finance Department for customers receiving service for less than a full billing period.

K. Periodic review of charges. The adequacy of the water and sewer charge shall be reviewed by the City Manager at least annually as part of the annual budget process. The water and sewer service charge shall be revised periodically to reflect change in local operation, maintenance and repair costs, including capital replacement costs.

L. Disposition of revenues. All revenues and moneys derived from the operation of the water and sewer system shall be deposited in the Water and Sewer Fund. The Director of Finance shall receive all such revenues from the water and sewer system and all other funds and moneys incidental to the operation of such system as the same may be delivered to him/her and deposit the same in the account of the fund designated as the Water and Sewer Fund of the City of Crystal Lake.

M. Accounts. The Director of Finance shall establish a proper system of accounts and shall keep proper books, records and accounts in which complete and correct entries shall be made of all transactions relative to the water and sewer system, and at regular annual intervals he/she shall cause to be made an audit by an independent auditing concern of the books to show the receipts and disbursements of the sewerage system.

Section 2: Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval according to law.

DATED at Crystal Lake, Illinois, this 18th day of April 2017.

APPROVED:

Aaron T. Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk

PASSED: April 18, 2017

APPROVED: April 18, 2017

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.



Agenda Item No: 18

**City Council
Agenda Supplement**

Meeting Date: April 18, 2017

Item: Tree Removal Services Bid

Staff Recommendation: Motion to award the bid for Tree Removal Services to the lowest responsible and responsive bidder, Acres Group, and adopt a resolution authorizing the City Manager to execute an agreement with Acres Group for Tree Removal Services in the bid amount for a two-year agreement with an option to extend the agreement up to one additional year.

Staff Contact: Michael Magnuson, Director of Public Works

Background:

On March 29, 2017, the City of Crystal Lake publicly opened and read aloud bids received for a two-year contract with an option for a one-year extension for tree removal services. The breakdown of the bids received is:

May 2017 - April 2019	√ Acres Group	Homer Tree Care	Clean Cut Tree Service
Class A (under 6") DBH Remove/Grind	\$40.00	\$72.00	\$70.00
Class B (6.1"-12") DBH Remove/Grind	\$75.00	\$99.00	\$150.00
Class C (12.1"-18") DBH Remove/Grind	\$200.00	\$189.00	\$285.00
Class D (18.1"- 24") DBH Remove/Grind	\$450.00	\$380.00	\$495.00
Class E (24.1"-30") DBH Remove/Grind	\$625.00	\$554.00	\$750.00
Class F (30.1"-36") DBH Remove/Grind	\$1,000.00	\$782.00	\$1,100.00
Class G (36"+) DBH Remove/Grind	\$1,500.00	\$1,400.00	\$1,500.00
SUB-TOTAL (1 of each)	\$3,890.00	\$3,476.00	\$4,350.00

	√ Acres Group	Homer Tree Care	Clean Cut Tree Service
Optional May 2019 - April 2020			
Under 6" diameter DBH Remove/Grind	\$40.00	\$78.00	\$72.00
6.1" - 12" diameter DBH Remove/Grind	\$75.00	\$120.00	\$169.00
12.1" - 18" diameter DBH Remove/Grind	\$200.00	\$199.00	\$305.00
18.1" - 24" diameter DBH Remove/Grind	\$450.00	\$397.00	\$510.00
24.1" - 30" diameter DBH Remove/Grind	\$625.00	\$590.00	\$775.00
30.1" - 36" diameter DBH Remove/Grind	\$1,000.00	\$850.00	\$1,130.00
Over 36" diameter DBH Remove/Grind	\$1,500.00	\$1,440.00	\$1,545.00
SUB-TOTAL (1 of each)	\$3,890.00	\$3,674.00	\$4,506.00
May 2017 - April 2019 (Stump Grinding Only)			
Under 6" diameter	\$20.00	\$60.00	\$50.00
6.1" - 12" diameter	\$40.00	\$60.00	\$65.00
12.1" - 18" diameter	\$70.00	\$70.00	\$90.00
18.1" - 24" diameter	\$150.00	\$100.00	\$128.00
24.1" - 30" diameter	\$225.00	\$145.00	\$150.00
30.1" - 36" diameter	\$350.00	\$199.00	\$200.00
Over 36" diameter	\$350.00	\$192.99	\$300.00
SUB-TOTAL (1 of each)	\$1,205.00	\$826.99	\$983.00
Optional May 2019 - April 2020 (Stump Grinding Only)			
Under 6" diameter	\$20.00	\$60.00	\$55.00
6.1" - 12" diameter	\$40.00	\$100.00	\$68.00
12.1" - 18" diameter	\$70.00	\$150.00	\$100.00
18.1" - 24" diameter	\$150.00	\$200.00	\$130.00
24.1" - 30" diameter	\$225.00	\$220.00	\$165.00
30.1" - 36" diameter	\$350.00	\$250.00	\$250.00
Over 36" diameter	\$350.00	\$280.00	\$350.00
SUB-TOTAL (1 of each)	\$1,205.00	\$1,260.00	\$1,118.00
May 2017 - April 2019			
Foreman Normal Hourly Rate	\$60.00	\$75.00	\$70.00
Climber Normal Hourly Rate	\$60.00	\$75.00	\$60.00
Groundman/Laborer Normal Hourly Rate	\$60.00	\$50.00	\$50.00

Bucket Truck 50 ft. Min Normal Hourly Rate	\$90.00	\$32.00	\$115.00
Chipper Truck & Chipper/min 85hp Normal Hourly Rate	\$90.00	\$50.00	\$100.00
Stump Grinder min. 35hp with Operator Normal Hourly Rate	\$90.00	\$60.00	\$125.00
Grapple Truck with Operator/min. 25yd Normal Hourly Rate	\$150.00	\$150.00	\$250.00
Foreman Emergency/After Hours Response Rate	\$85.00	\$195.00	\$120.00
Climber Emergency/After Hours Response Rate	\$85.00	\$195.00	\$110.00
Groundman/Laborer Emergency/After Hours Response Rate	\$85.00	\$195.00	\$75.00
Bucket Truck 50 ft. Min Emergency/After Hours Responde Rate	\$150.00	\$195.00	\$150.00
Chipper Truck & Chipper/min. 85hp Emergency/After Hours Rate	\$150.00	\$195.00	\$150.00
Stump Grinder min 35hp w/Operator Emergency/After Hours Rate	\$150.00	\$125.00	\$150.00
Grapple Truck with Operator/min. 25yd Emergency/After Hours Rate	\$185.00	\$300.00	\$300.00
SUB-TOTAL (1 of each)	\$1,490.00	\$1,892.00	\$1,825.00
Optional May 2019 - April 2020			
Foreman Normal Hourly Rate	\$60.00	\$75.00	\$72.00
Climber Normal Hourly Rate	\$60.00	\$75.00	\$62.00
Groundman/Laborer Normal Hourly Rate	\$60.00	\$50.00	\$51.50
Bucket Truck 50 ft. Min Normal Hourly Rate	\$90.00	\$50.00	\$118.00
Chipper Truck & Chipper/min 85hp Normal Hourly Rate	\$90.00	\$50.00	\$103.00
Stump Grinder min. 35hp with Operator Normal Hourly Rate	\$90.00	\$100.00	\$128.00
Grapple Truck with Operator/min. 25yd Normal Hourly Rate	\$150.00	\$200.00	\$257.00
Foreman Emergency/After Hours Response Rate	\$85.00	\$250.00	\$123.00
Climber Emergency/After Hourss Response Rate	\$85.00	\$250.00	\$100.00
Groundman/Laborer Emergency/After Hours Response Rate	\$85.00	\$250.00	\$78.00
Bucket Truck 50 ft. Min Emergency/After Hours Responde Rate	\$150.00	\$250.00	\$155.00
Chipper Truck & Chipper/min. 85hp Emergency/After Hours Rate	\$150.00	\$250.00	\$155.00
Stump Grinder min 35hp w/Operator Emergency/After Hours Rate	\$150.00	\$250.00	\$155.00
Grapple Truck with Operator/min. 25yd	\$185.00	\$350.00	\$310.00

Emergency/After Hours Rate			
SUB-TOTAL (1 of each)	\$1,490.00	\$2,450.00	\$1,867.50
GRAND TOTAL BID	\$13,170.00	\$13,578.99	\$14,649.50

√ Indicates recommended lowest responsible and responsive bidder

Discussion:

Contracted tree removal services have historically been used on large trees that exceed the Public Works Department's tree removal capabilities, or City trees that have suffered significant storm damage that require a technical removal around power lines. In addition, the contract will also remove diseased Ash trees as City staff continues to monitor the less than 400 trees that remain. More specifically, the removal service will include the following:

- Tree cutting
- Tree removal and tree debris disposal
- Stump grinding/removal (no less than eight (8") inches below ground)
- Emergency services, if required, as determined by severe weather conditions, if authorized by the City of Crystal Lake Public Works Street Division Superintendent or an authorized representative.

The City has previously worked with Acres Group. They were a very efficient and thorough contractor, and they have responded to the City's needs with appropriate equipment and manpower to complete tree removal assignments.

Recommendation:

The Public Works Department has reviewed bids for completeness and accuracy. Acres Group has submitted the lowest responsible and responsive bid per the specifications. Public Works Department staff has worked with Acres Group previously and they have been a very responsive contractor. It is the recommendation of staff to award the bid to Acres Group to perform tree removal services.

There are sufficient budget funds for this expense.

Votes Required to Pass:

Simple Majority



DRAFT

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the City Manager be and he is hereby authorized and directed to execute, and the City Clerk is hereby directed to attest, the contract between the City of Crystal Lake and Acres Group for Tree Removal Services for a two-year agreement with an option for a third year.

DATED this 18^h day of April 2017.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL
ATTEST

CITY CLERK

PASSED: April 18, 2017

APPROVED: April 18, 2017



Agenda Item No: 19

**City Council
Agenda Supplement**

Meeting Date: April 18, 2017

Item: FY 2017-2018 Street Light Maintenance Contract Bid Award

Staff Recommendation: Motion to award the bid for the Fiscal Year 2017-2018 Street Light Maintenance Program to the lowest responsive and responsible bidder, H&H Electric Co. in the bid amount of \$38,295.84, and adopt a resolution authorizing the City Manager to execute the contract with H&H Electric Co., allowing for a 10 percent contingency.

Staff Contact: Abigail Wilgreen, City Engineer

Background:

The City is responsible for maintaining and repairing certain street lights in the City. The City maintains the street lights in the downtown area including the commuter parking lots, and most of the street lights along Route 14. The City maintains and repairs these street lights using IDOT prequalified street light maintenance contractors, and funds this activity using MFT and General funds.

Bids for the Fiscal Year 2017-2018 street light maintenance contract were opened April 7, 2017. The results of the bids are as follows:

<i>Contractor</i>	<i>Amount of Bid²</i>
H&H Electric Company ¹ Franklin Park, IL	\$38,295.84
Meade, Inc. McCook, IL	\$39,914.00

¹ Indicates lowest responsive and responsible bidder

² Bids as Calculated With Adjusted Quantities

The street light contract provides for routine maintenance inspections as well as regular repair of outages to ensure the street light system functions properly. H&H Electric was the City's street

light maintenance contractor for Fiscal Years 2012-2013 and 2013-2014. Their performance was acceptable.

The City followed all standard bid advertisement procedures and seven IDOT prequalified contractors were notified. A limited number of IDOT prequalified contractors have a presence in McHenry County for this type of work. Lyons Pinner Electric was the City's street light maintenance contractor for many years prior to 2012 and did attend the mandatory pre-bid meeting. Staff did contact them to inquire why they did not provide a bid. They did not feel that based upon recent bid results in nearby municipalities that they would be able to place a competitive bid, as they currently do not have a presence in the northwest suburbs.

H&H Electric was recently awarded the street light and traffic signal maintenance contractor for McHenry County Division of Transportation. They have been satisfied with their performance to date.

The contract period is for one year, with the option by the City to extend the contract up to two additional years at the same prices. H&H Electric is also the low bidder for the Fiscal Year 2017-2018 Traffic Signal Maintenance Contract.

Votes Required to Pass:

Simple majority by City Council



DRAFT

The City of Crystal Lake Illinois

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the City Manager is authorized to execute an agreement with H&H Electric Co. for the maintenance of street lights under City jurisdiction in the amount of \$38,295.84. The City Manager is additionally authorized to approve up to 10 percent in justifiable contract amendments from a contingency allowance.

BE IT FUTHER RESOLVED that the City Manager is authorized to execute up to two one-year extensions of the agreement for maintenance of street lights under City jurisdiction.

DATED this 18th day of April, 2017.

CITY OF CRYSTAL LAKE, an Illinois
Municipal Corporation

BY: _____
Mayor

SEAL

ATTEST:

City Clerk

PASSED: April 18, 2017

APPROVED: April 18, 2017



Agenda Item No: 20

**City Council
Agenda Supplement**

Meeting Date:

April 18, 2016

Item:

Allocation of MFT funds for traffic signal maintenance, street light maintenance, EVP equipment, and snow-fighting material purchases.

Staff Recommendation:

Motion to adopt a resolution appropriating \$648,063.00 in MFT funds for FY 2017-2018 traffic signal maintenance, street light maintenance, EVP equipment, and snow-fighting material purchases.

Staff Contact:

Abigail Wilgreen, City Engineer
Michael Magnuson, Director of Public Works

Background:

The City has traditionally used Motor Fuel Tax (MFT) funds to fund traffic signal maintenance, street light maintenance, emergency vehicle pre-emption (EVP) equipment and snow-fighting material purchases, and has budgeted to do so again for fiscal year 2017-2018. The Illinois Department of Transportation (IDOT) requires the City to appropriate MFT funds, through a City Council resolution, for these purposes annually.

Traffic Signal and Street Light Maintenance (Total \$130,000)

The City maintains traffic signals for intersections under City jurisdiction, as well as certain intersections along IDOT routes per agreements between the City and IDOT. The City is responsible for the maintenance of 33 signalized intersections. For this maintenance period, City staff estimates that traffic signal maintenance and repairs will cost \$85,000. This includes an allotment for the City's routine signal maintenance, which is performed under contract for a fixed amount per intersection and an allocation for emergency repairs, such as knockdowns and lightning strikes. City staff also estimates that \$40,000 will be needed for MFT-funded street light maintenance and repairs, and \$5,000 will be needed to fund the City's share of traffic signal maintenance that IDOT maintains on Route 31.

Emergency Vehicle Preemption (Total \$10,063)

The City will also be spending \$10,063 for replacement of an Emergency Vehicle Preemption (EVP) unit for IDOT's Route 176 and Route 31 project as part of the completed intersection

improvement by the State. The City is rebudgeting this as IDOT has not invoiced the City for this cost to date. The invoice is anticipated to be received in fiscal year 2017-2018.

Snow-Fighting Materials (Total \$508,000)

The Public Works Department estimates that it will spend \$508,000 on snow-fighting material purchases in the next fiscal year. This \$508,000 will be sufficient for the City's salt purchases for snow-fighting, including road salt, calcium chloride, and bag salt for sidewalks. The City also uses a snow-fighting material called Super Mix, which is a combination of salt brine, liquid calcium chloride, and an anti-icing agent derived from sugar beets. This mixture is combined with road salt to increase effectiveness, while decreasing the amount of salt runoff, when temperatures fall below 25 degrees.

Any funds that are obligated and not spent will be returned to the City's unobligated MFT fund balance. The funds will then be available for future projects.

Votes Required to Pass:

Simple majority vote



Resolution for Maintenance Under the Illinois Highway Code

DRAFT

Resolution Number	Resolution Type	Section Number
	Original	18-00000-00-GM

BE IT RESOLVED, by the Council of the City of Crystal Lake Illinois that there is hereby appropriated the sum of six hundred and forty-eight thousand, sixty-three Dollars (\$648,063.00)

of Motor Fuel Tax funds for the purpose of maintaining streets and highways under the applicable provisions of Illinois Highway Code from 05/01/17 to 04/30/18 .

BE IT FURTHER RESOLVED, that only those operations as listed and described on the approved Estimate of Maintenance Costs, including supplemental or revised estimates approved in connection with this resolution, are eligible for maintenance with Motor Fuel Tax funds during the period as specified above.

BE IT FURTHER RESOLVED, that City of Crystal Lake shall submit within three months after the end of the maintenance period as stated above, to the Department of Transportation, on forms available from the Department, a certified statement showing expenditures and the balances remaining in the funds authorized for expenditure by the Department under this appropriation, and

BE IT FURTHER RESOLVED, that the Clerk is hereby directed to transmit four (4) certified originals of this resolution to the district office of the Department of Transportation.

I Nick Kachiroubas City Clerk in and for said City of Crystal Lake in the State of Illinois, and keeper of the records and files thereof, as provided by statute, do hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by the

Council of Crystal Lake at a meeting held on 04/18/17 .

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 18th day of April, 2017 .

(SEAL)

Clerk Signature

APPROVED

Regional Engineer
Department of Transportation

Date



Agenda Item No: 21

City Council Agenda Supplement

Meeting Date:

April 18, 2017

Item:

Stormwater Consultant Agreement Extension

Staff Recommendation:

Motion to adopt a resolution authorizing the City Manager to execute an extension of the City's current agreement with Christopher B. Burke Engineering, Ltd. for stormwater management consulting services through April 30, 2019 and authorizing a two-year extension to April 30, 2021.

Staff Contact:

Abigail Wilgreen, City Engineer

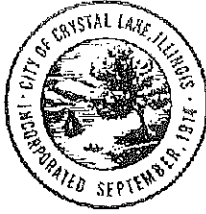
Background:

On September 16, 2008, the City Council approved the use of Christopher B. Burke Engineering, Ltd. (CBBEL) as the City's Stormwater Management Consultant. The City Council approved two-year extensions to CBBEL's current agreement in 2013 and 2015. City staff continues to be extremely satisfied with the performance of CBBEL and their ability to provide timely review comments and assist staff on various technical stormwater and watershed related matters.

This fourth extension to their agreement, which stipulates 2007 hourly rates, is recommended for an additional two-year term and would expire April 30, 2019. At that time, staff will review their performance and either extend CBBEL's agreement for an additional two years or complete a request for proposal to select a different firm. It is also recommended to authorize the City Manager to grant an additional two-year extension that would extend the contract to April 30, 2021.

Votes Required to Pass:

Simple majority of City Council present.



DRAFT

The City of Crystal Lake Illinois

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the City Manager is authorized to execute a two-year extension, through April 30, 2019, to the agreement with Christopher B. Burke Engineering Ltd. (CBBEL) for stormwater management consultation services using the 2007 Rate Schedule provided by CBBEL.

BE IT FUTHER RESOLVED that the City Manager is authorized to grant an additional two-year extension, through April 30, 2021, to the contract of the agreement for stormwater management consultation services using the 2007 Rate Schedule proved by CBBEL.

DATED this 18th day of April, 2017.

CITY OF CRYSTAL LAKE, an Illinois
Municipal Corporation

BY: _____
Mayor

SEAL

ATTEST:

City Clerk

PASSED: April 18, 2017

APPROVED: April 18, 2017



Agenda Item No: 22

**City Council
Agenda Supplement**

Meeting Date: April 18, 2017

Item: Private activity bond volume cap reservation.

Recommendation: Motion to adopt an ordinance reserving the State of Illinois volume cap for private activity bonds.

Staff Contact: Heather Maieritsch, Economic Development Manager

Background: The City of Crystal Lake received notification from the Governor's office regarding the reservation of Crystal Lake's volume cap. Private activity bonds can be issued as Industrial Revenue Bonds using the volume cap allocation. The State requires that all eligible municipalities pass an Ordinance to reserve their volume cap for the fiscal year.

For 2017, each home rule municipality is authorized a volume cap amount equal to \$100 per capita. Using this formula, Crystal Lake's allocation equals \$4,044,800, based upon the State's assigned population of 40,448.

At this time, there have been no official applications from private businesses for the City to allocate our volume cap in the form of Industrial Revenue Bonds. However, staff has had discussions with several businesses recently regarding the issuance of Industrial Revenue Bonds for pending or prospective developments. According to the State Office of Management and Budget, after the volume cap has been reserved, the municipality is supposed to allocate the amount reserved for private activity bonds by December 31 of that year. If the City does not allocate our volume cap by December 31, we can request to carry-over our allocation for up to three years for a variety of different projects, but not for qualified small issue bonds (Industrial Revenue Bonds). The attached ordinance reserves the City's allocation for possible future use.

There is no obligation to the municipality in issuing Industrial Revenue Bonds. All the payment responsibility rests with the private party. The lien is on the property, secured by the Industrial Revenue Bonds. Under Federal law, the City can utilize the authorized volume cap as additional incentive for industrial firms to relocate or expand facilities within its jurisdiction. Industrial Revenue Bonds can be attractive to industrial firms because of the difference to the bond buyers between the tax-free interest rates and the prevailing taxable interest rates.

Votes Required to Pass: A simple majority vote.

ORDINANCE NO. _____
FILE NO. _____



DRAFT

AN ORDINANCE RESERVING VOLUME CAP IN CONNECTION WITH
PRIVATE ACTIVITY BOND ISSUES, AND RELATED MATTERS.

WHEREAS, the City of Crystal Lake, McHenry County, Illinois (*the "Municipality"*), is a Municipality and a home rule unit of government under Section 6 of Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986, as amended (*the "Code"*), provides that the Municipality has volume cap equal to \$100 per resident of the Municipality in each calendar year, which volume cap may be reserved and allocated to certain tax-exempt private activity bonds; and

WHEREAS, the Illinois Private Activity Bond Allocation Act, *30 Illinois Compiled Statutes 1998, 345/1 et seq.*, as supplemented and amended (*the "Act"*), provides that a home rule unit of government may transfer its allocation of volume cap to any other home rule unit of government, the State of Illinois or any agency thereof or any non-home rule unit of government; and

WHEREAS, it is now deemed necessary and desirable by the Municipality to reserve all of its volume cap allocation for calendar year 2017 to be applied toward the issuance of private activity bonds (*the "Bonds"*), for unidentified projects, as provided in this Ordinance, or to be transferred, as permitted by this Ordinance.

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, McHENRY COUNTY, ILLINOIS, as follows:

SECTION I: That, pursuant to Section 146 of the Code and the Act, the entire volume cap of the Municipality for calendar year 2017, in the amount of \$4,044,800, based upon the State of Illinois assigned population of 40,448, is hereby reserved by the Municipality, which shall issue Bonds using such volume cap, or shall transfer such cap, without further action required on the part of the Municipality; and the adoption of this Ordinance shall be deemed to be an allocation of such volume cap to the issuance of the Bonds or such other bonds, provided that any such transfer shall be evidenced by a written instrument executed by the Mayor or any

other proper officer or employee of the Municipality.

SECTION II: That the City of Crystal Lake shall maintain a written record of this Ordinance in its records during the term that the Bonds or any other such bonds to which such volume cap is allocated remain outstanding.

SECTION III: That the Mayor, the City Clerk and all other proper officers, officials, agents and employees of the Municipality are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to further the purposes and intent of this Ordinance.

SECTION IV: That the provisions of this Ordinance are hereby declared to be separable, and if any section, phrase, or provision of this Ordinance shall for any reason be declared to be invalid, such declaration shall not affect the remainder of the sections, phrases, and provisions of this Ordinance.

SECTION V: That this Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

DATED at Crystal Lake, Illinois, this 18th day of April, 2017.

MAYOR

ATTEST:

CITY CLERK

Published in pamphlet form by the authority of the Mayor and the City Council of the City of Crystal Lake.



Agenda Item No: 23

City Council Agenda Supplement

- Meeting Date:** April 18, 2017
- Item:** Residential/Small Business Electrical Aggregation RFP
- Staff Recommendation:** Based on results of Tuesday, April 18, 2017 municipal aggregation bid:
- A. *If aggregation results are favorable as compared to ComEd rates, then the City will elect to continue municipal aggregation:*
 - 1. Motion to award the proposal for consultant services for residential/small business electrical aggregation to Northern Illinois Municipal Electrical Collaborative and adopt a resolution authorizing the City Manager to execute an agreement with Northern Illinois Municipal Electrical Collaborative in the submitted proposal amount of \$.0002/kWh; and,
 - 2. Adopt a resolution authorizing the City Manager to execute a contract for the purchase of electricity to the recommended electrical aggregation supplier.
 - B. *If aggregation results are unfavorable as compared to ComEd rates, then the City will suspend municipal aggregation:*
 - 1. Motion to adopt a resolution to reject all bids for electrical aggregation supply services and revert back to default Commonwealth Edison pricing.
- Staff Contact:** Eric T. Helm, Deputy City Manager
-

On March 20, 2012, City of Crystal Lake voters approved a referendum allowing the City of Crystal Lake to have the authority to arrange, through aggregation, for the supply of electricity for its residential and small commercial retail customers. Since that time, the City has been utilizing the Northern Illinois Municipal Electrical Collaborative (NIMEC), to bid the supply of electricity for Crystal Lake residents and small businesses.

On the morning of Tuesday, April 18, 2017, the City, with the help of NIMEC, will receive bid results for electrical supply prices for the City. Due to the nature of the electrical commodity, the City has 24 hours to evaluate the bid pricing and provide the bidder a response. At the April 18th City Council meeting, City Staff and NIMEC will provide the pricing information, along with a recommendation, to the City Council for consideration. At this time, the City Council can evaluate whether the aggregation results are favorable or unfavorable as compared to ComEd rates.

The City's current electrical supply contract with Homefield Energy began in July 2014 and expires in July 2017. Over the last 12 months, the City has benefited from the bidding provided by NIMEC when

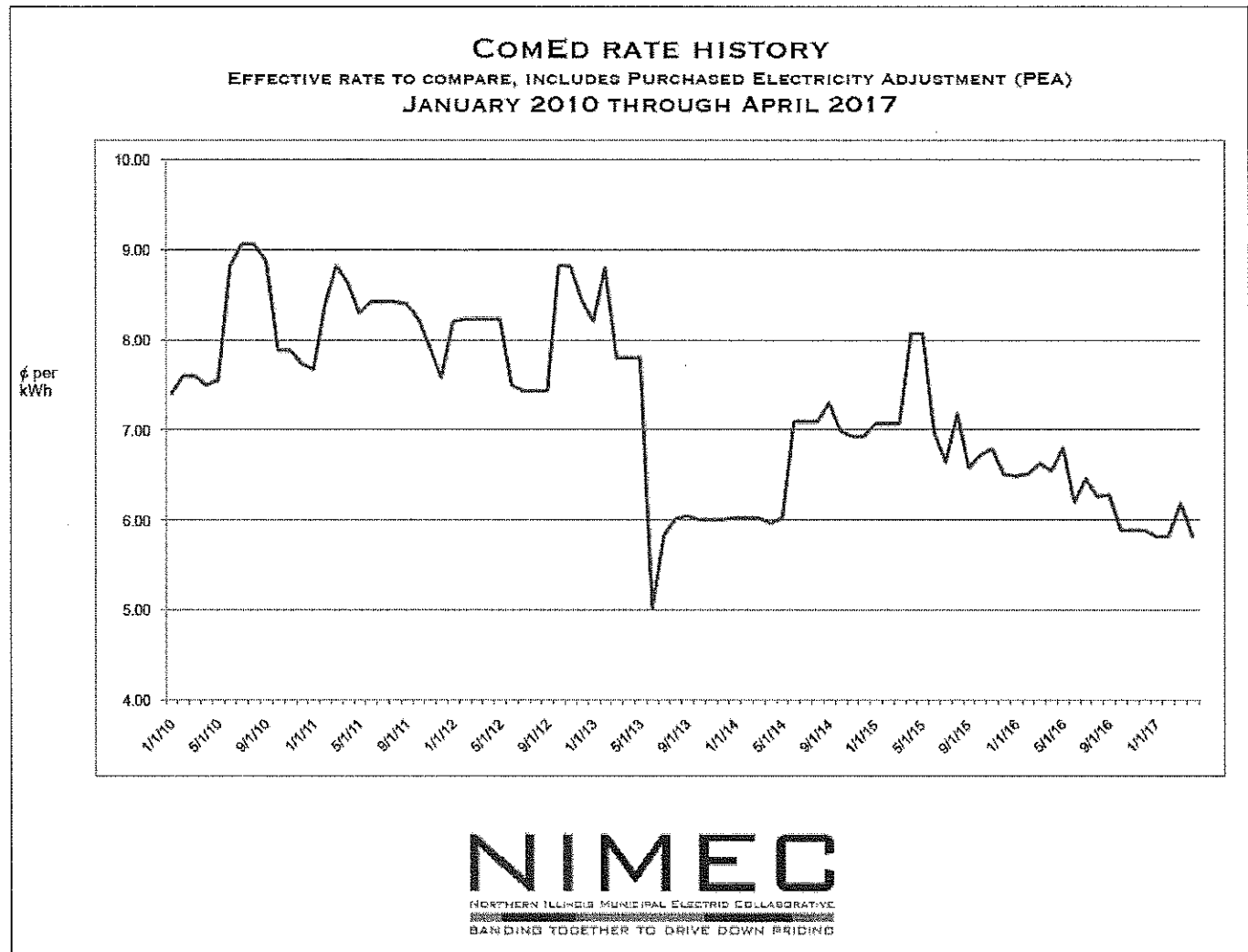
compared to the electrical pricing paid by other McHenry County communities that utilize municipal aggregation.

Community	Pricing (cents per/kWh)	Pricing Expiration	Supplier
Algonquin*	6.89	July 2017	Constellation
Cary	7.40	November 2017	Constellation
Crystal Lake	6.47	July 2017	Homefield
Huntley*	6.89	July 2017	Constellation
Lakewood*	6.89	July 2017	Constellation
Woodstock*	6.89	July 2017	Constellation

* These communities recently suspended their aggregation program due unfavorable bid results.

ComEd Pricing Historical Pricing

Unlike the rates acquired under municipal aggregation, ComEd rates fluctuate regularly. The below chart shows ComEd pricing since 2010. Prices dropped significantly in 2013 and have remained generally low since that time.

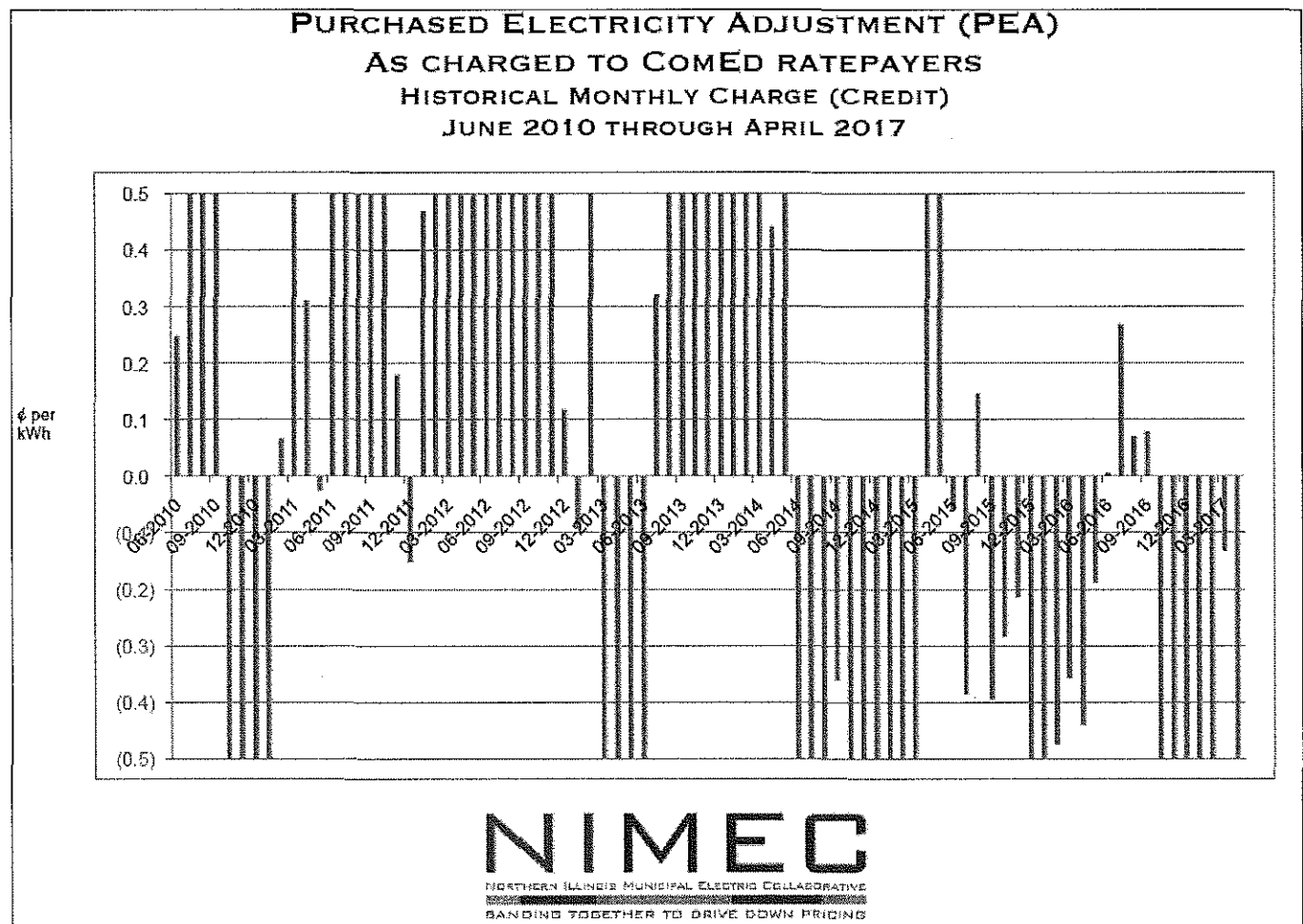


ComEd adjusts their rates twice a year. In addition, the rates are adjusted monthly, by + or - .5 cents per kWh, through a Purchased Electricity Adjustment (PEA). The PEA could be a monthly credit or addition

to each bill based on power purchases by ComEd. For example, the current ComEd base rate is 6.32 cents per kWh. ComEd can either adjust the base rates +.5 cents or -.5 cents. This could yield an effective rate in the range of 5.81 - 6.82 cents per kWh. The current PEA is -.5 cents per kWh, which results in a current ComEd effective rate of 5.81 cents per kWh.

ComEd recently announced their rate for the next twelve month period from June 1, 2017 to May 31, 2018. The rate will be 7.19 cents per kWh. This rate is adjusted by the PEA, so the rate for the next twelve months will range from 6.69 cents – 7.69 cents per kWh.

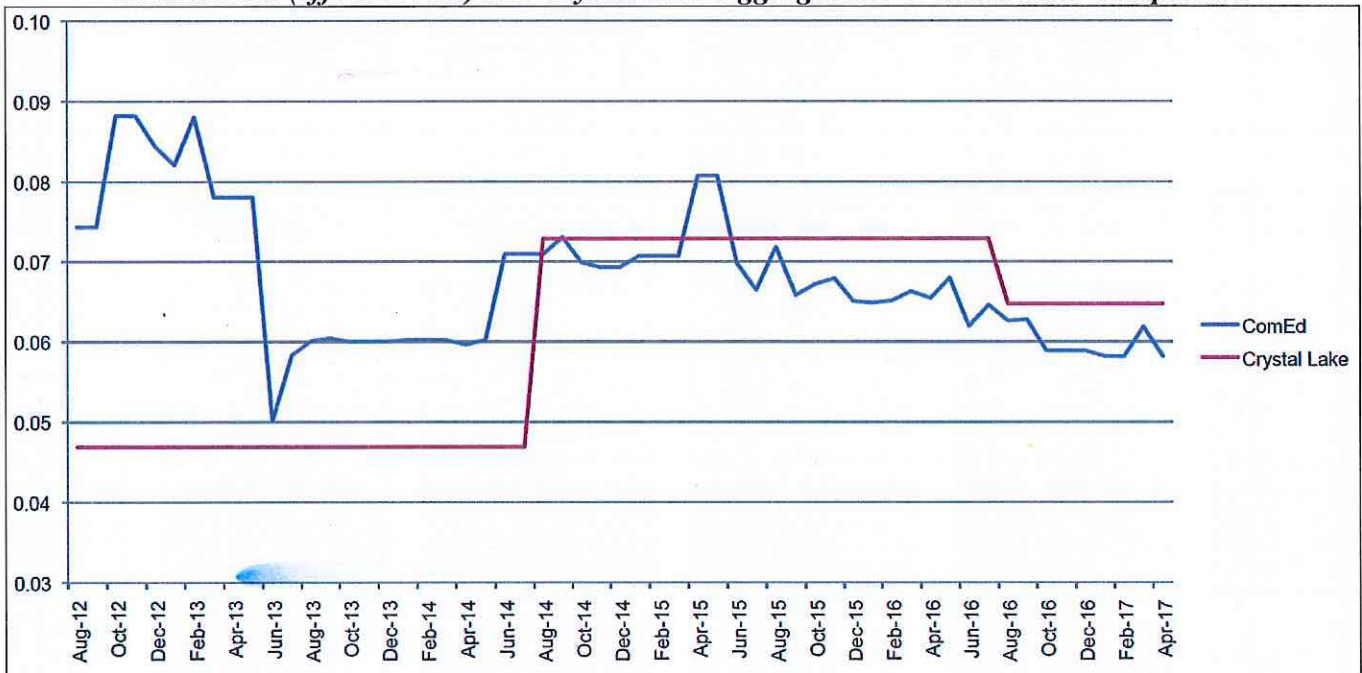
As you can see from the below chart, since mid-2014, the PEA has generally been a credit to the ComEd rate. From 2010 – 2014, the PEA was an addition to the base rate. Due to the PEA credits, the City’s current rate through Homefield Energy (6.47 cents per kWh) is significantly greater than the current ComEd rate (5.81 cents per kWh); however, beginning June 1, 2017, the City’s aggregation rate will be lower than the ComEd rate.



Evaluating City's Aggregation Program

From the time period of 2012 – present, residents have saved over \$302 in the aggregation program. The chart below shows that much of this savings was in the first two years of the program from August 2012 to April 2014. Since August 2014, the aggregation pricing has not compared favorably with the ComEd rate. It should be noted that residents are not obligated to participate in the electrical aggregation contract and can choose a supplier of their choice at anytime.

ComEd Rate (effective rate) and Crystal Lake Aggregation Electrical Rate Comparison



Due to the potential advantages of providing a fixed, competitive rate for electricity, the City has chosen to re-bid the electrical supply through the aggregation program. The City will not be obligated to accept the bid pricing and can suspend the aggregation program, with all customers reverting to ComEd for electrical supply.

Aggregation Consultant Selection

In order to bid out the aggregation of electrical supply to the City, it is important to contract with a consultant/broker.

The broker will be responsible for drafting the operations plan, completing the RFP, overseeing the transition to the new Alternative Retail Electric Supplier (ARES), and monitoring the contract. Although the City would not be responsible for paying the broker directly, brokers do receive compensation from the winning ARES through the final electric supply rate charged to the residents. Without a consultant, the implementation of a municipal aggregation program brings about its own set of unique challenges. The City would need to be able to compile, review and analyze load data, develop the requirements for a successful RFP process, conduct negotiations with the ARES, and provide the staff required to manage day-to-day contract monitoring on behalf of the residents.

Based on the result of a competitive proposal process performed by the McHenry County Council of Governments in 2012, it is recommended that the City select the Northern Illinois Municipal Electric Collaborative (NIMEC) for its aggregation consultant services. As the Council may recall, NIMEC was selected in March 2012 to perform the initial electrical aggregation bid. During the entire process, City staff has been very satisfied with the services provided by NIMEC and would recommend using them again. The proposed contract with NIMEC is also attached. If the City does not select any of the bids received, and chooses not to pursue electrical aggregation, NIMEC will not receive compensation and the contract with the broker consultant will be nullified. NIMEC has also agreed to hold its pricing offered in 2012 of \$0.0002/kWh. This charge is embedded in the aggregation pricing paid by customers and is not a direct fee for the City.

Electrical Aggregation Bid Process

The Municipal Aggregation Request for Proposal document is attached for the City Council's review. NIMEC will solicit electricity pricing for one, two and three-year terms. The RFP document includes language that allows customers to "opt-out" of the program at anytime. Unfortunately, only a few suppliers offer a "universal opt-out" option, where the City can terminate the agreement and have all residents revert to ComEd pricing if the ComEd pricing is lower than the selected supplier pricing during the contract term.

In addition, the agreement with the selected ARES will include the elimination of termination fees, allowing residents and small businesses to revert back to the ComEd rate without suffering any financial penalty. A representative of NIMEC will also be present to answer City Council questions. On April 18th, based on pricing reviewed, the City Council may choose to select a vendor or return all City customers to Commonwealth Edison, depending on the results of the proposal pricing. The City can elect to re-bid aggregated electrical supply in future years based on market conditions.

Analysis and Options

Based on current market conditions, electrical aggregation pricing may not be significantly different than the current ComEd pricing. Due to this fact, some communities have suspended their aggregation program. The McHenry County Council of Governments will no longer utilize electrical aggregation based on recent pricing. Despite the fact that aggregation no longer offers substantial energy savings, fixed electrical supply pricing still may have some advantages for Crystal Lake residents and small businesses. Fixed pricing provides a buffer against unknown future price increases. A fixed rate may be desirable to residents since ComEd rates change throughout the year.

The ComEd rate will vary between 6.69 cents to 7.69 cents per kWh during the period of June 1, 2017 to May 31, 2018. Based on the bid pricing that the City will receive on April 18th and the comparison of this bid price to the ComEd rate, the City could take the following actions:

1. Choose a One, Two or Three Year Contract for Electrical Supply from the lowest responsive and responsible electrical supplier. Even though the City's current agreement is a three year agreement with Homefield Energy for electrical supply, the City could enter into a shorter one or two year agreement with the lowest responsive and responsible bidder.
2. Rejecting all Bids: The City could choose to suspend the aggregation program, and reject all bids received by NIMEC. In the future, the City could evaluate electrical supply pricing and rebid electrical supply. If this option is selected, all Crystal Lake residents and small businesses would be automatically reverted to ComEd's variable rate.



DRAFT

RESOLUTION

**A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH _____
FOR ELECTRICAL AGGREGATION SERVICES**

WHEREAS, the City of Crystal Lake, on December 6, 2011, passed a resolution placing a public question on the March 20, 2012 ballot. The public question was approved by voters and allows the City of Crystal Lake to undertake municipal electric aggregation, as allowed under the Illinois Power Agency Act, 20 ILCS 3855/1-92.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Crystal Lake that the City Manager be is hereby authorized to execute a three-year contract with the lowest responsible and responsive bidder _____ in the amount of _____ cents per kWh, for _____ months.

DATED this 18th day of April, 2017

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: April 18, 2017

APPROVED: April 18, 2017



DRAFT

RESOLUTION

**A RESOLUTION AUTHORIZING CHANGES TO THE CITY'S
ELECTRICAL AGGREGATION SERVICES**

WHEREAS, the City of Crystal Lake, on December 6, 2011, passed a resolution placing a public question on the March 20, 2012 ballot. The public question was approved by voters and allows the City of Crystal Lake to undertake municipal electric aggregation, as allowed under the Illinois Power Agency Act, 20 ILCS 3855/1-92.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Crystal Lake that the City Manager be is hereby authorized to suspend the aggregation program and revert all residential and small commercial retail customers, that utilized aggregated electrical supply pricing, back to Commonwealth Edison for the supply of electricity.

DATED this 18th day of April, 2017

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: April 18, 2017
APPROVED: April 18, 2017



Agenda Item: 24

**City Council
Agenda Supplement**

<u>Meeting Date:</u>	April 18, 2017
<u>Item:</u>	Proposed Lake Safety Program Budget
<u>Staff Recommendation:</u>	Motion to adopt a resolution approving the proposed Lake Safety Program Budget for Fiscal Year 2017/2018
<u>Staff Contact:</u>	George Koczwar, Finance Director Eric Helm, Deputy City Manager

Background:

Per the terms of the Intergovernmental Agreement for Enforcement and Safety Patrol upon Crystal Lake, attached is the 2017/2018 Budget proposal from the Village of Lakewood. No increase in decal fees or regulations is recommended this year. The Village of Lakewood is recommending that consideration be given to potentially increasing the purchase price of boat decals as part of next year's Lake Safety Program Budget deliberations.

Also enclosed is a copy of the 2016 Lake Patrol Activity Report, the 2017 Boating and Safety Regulations, the Intergovernmental Agreement for Enforcement and Safety Patrol, and the Lake Safety Ordinance.

Votes Required to Pass:

Simple majority vote of the City Council.



DRAFT

The City of Crystal Lake

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the annual Lake Safety Program Budget for the fiscal year May 1, 2017 through April 30, 2018 is hereby approved and adopted.

DATED at Crystal Lake, Illinois, this 18th day of April 2017.

APPROVED:

Aaron T. Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk

PASSED: April 18, 2017

APPROVED: April 18, 2017

Published in pamphlet form by the authority of the Mayor and City Council of the City of Crystal Lake.