



CITY OF CRYSTAL LAKE
AGENDA
CITY COUNCIL
REGULAR MEETING
City of Crystal Lake
100 West Woodstock Street, Crystal Lake, IL
City Council Chambers
May 15, 2018
7:30 p.m.

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Approval of Minutes –May 1, 2018 Regular City Council Meeting**
5. **Accounts Payable**
6. **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.
7. **Mayor's Report**
8. **City Council Reports**
9. **Consent Agenda**
10. **Immanuel Lutheran Church – Approval of non-resident parking fee waiver for July 8, 2018 morning service at Three Oaks Recreation Area.**
11. **Approval of the Special Event application from the Quarry Cable Park for the use of Three Oaks Recreation Area for the 2018 Liquid Force Free for All event on June 8, 2018; and the World Wake Association Points Chase Competition on June 12, 19 & 26, 2018.**
12. **Approval of the Special Event Application from the Quarry Cable Park for live outdoor music on all Friday and Saturday nights from May 1-September 30, 2018.**
13. **5764 Northwest Highway, TJ Maxx – Final Planned Unit Development Amendment for changes to the façade and additional signage.**
14. **402 Federal Drive – Preliminary Planned Unit Development for an office building.**
15. **540 E. Terra Cotta, Crystal Lake Food & Liquor – Increasing the number of Class “13” liquor licenses from 28 to 29 effective June 1, 2018; subject to the voluntary surrender of Class “13” liquor license by the current owner.**

16. **Resolution waiving the formal bidding requirements for electricity purchase, authorizing participation in the Northern Illinois Municipal Electric Collaborative and authorizing the execution of a contract with the lowest responsive and responsible electricity provider for streetlights.**
17. **Council Inquiries and Requests.**
18. **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.**
19. **Reconvene to Regular Session.**
20. **Adjourn.**

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



Agenda Item No: 10

**City Council
Agenda Supplement**

Meeting Date:

May 15, 2018

Item:

Immanuel Lutheran Church Morning Service at Three Oaks Recreation Area

Council Discretion:

Motion authorizing approval of non-resident parking fees to be waived for the Immanuel Lutheran Church Morning Service, to be held on July 8, 2018 at the Three Oaks Recreation Area.

Staff Contact:

Eric T. Helm, Deputy City Manager

Background:

Immanuel Lutheran Church has reserved the Picnic Grove Pavilion at Three Oaks Recreation Area for their church service on Sunday, July 8, 2018. The service time will be from 10:30 a.m. – 11:30 a.m. Immanuel Lutheran Church will be honoring service men and women as well as the civil servants who will be in attendance. At the morning service, the Church will feature sacred and patriotic music to celebrate the freedoms of our country and community.

Immanuel Lutheran Church would also like to invite the Council to their service on July 8, 2018.

The church is requesting approval for the non-resident parking fees to be waived. While a majority of their members and those attending the service are Crystal Lake residents, a smaller amount of their members are non-residents. The Church estimates 50 – 75 cars will be parking at Three Oaks Recreation Area.

Votes Required to Pass:

Simple majority vote of the City Council



Agenda Item No: 11

**City Council
Agenda Supplement**

Meeting Date:

May 15, 2018

Item:

The Quarry Cable Park Liquid Force Free For All and World Wake Association Points Chase Competition

Staff Recommendation:

Motion to approve the Special Event application from the Quarry Cable Park for use of the Three Oaks Recreation Area for the 2018 Liquid Force Free for All event on Friday June 8, from 10:00 a.m. to 4:00 p.m.; and the World Wake Association Points Chase Competition on Tuesday, June 12, 19 and 26, beginning at 5:30 PM.

Staff Contact:

Eric T. Helm, Deputy City Manager

Background:

The Quarry Cable Park has requested a Special Event permit to host two separate events at their location at the Three Oaks Recreation Area. Pursuant to section 5.08 (l) of the Concessionaire and Property Use Agreement, the Quarry Cable Park shall receive Special Event approval for all events involving "tournaments, special advertising displays, live bands, special promotions, outside vendors, night use, and/or large groups of people that could exceed the available parking spaces...The review of these events will be reviewed on a case-by-case basis."

Both events, and all related activities, will be contained in the designated premises outlined in the property use agreement. Since the events occur on non-weekend days, parking will be available on the property and the accessibility of off-site parking will not be required. The description of the events from the Quarry Cable Park website are attached.

Request #1: Liquid Force Free for All – Friday, June 8, 2018

This event is proposed for Friday, June 8, 2018. This event was held successfully and with no issues during the 2016 and 2017 season. Liquid Force is one of the premiere wakeboard manufacturers and one of the Quarry' sponsors. Liquid Force has included the Quarry Cable Park as one of their stops on their nation-wide tour this summer of the best cable parks in the U.S. The event will feature free wakeboard rides, free demonstrations and free instruction. The Liquid Force Pro Team will be in attendance offering tips on riding, signing autographs, etc. It is anticipated that there will be approximately 300 - 400 riders, with a total attendance of 1000 people, including spectators.

Request #2: World Wake Association 2018 Points Chase Competition

The second event request is the World Wake Association 2018 Points Chase Competition to be held on Tuesday June 12, 19 and 26 beginning at 4:30 p.m. Since this event is on Tuesdays, additional off-site parking will not be required. Even though this event is associated with the World Wake Association, and is advertised as a special event, the number of riders will be minimal. This an annual event that prepares riders for future competition. It is anticipated that there could be between 200 riders each day.

Staff Conditions for Both Events

City staff from the Fire Rescue and Police Departments have reviewed the request and do not have any concerns regarding the event providing the following conditions are met:

- 1) The Quarry Cable Park & Grille shall coordinate with the Crystal Lake Fire Rescue and Police Departments, and Three Oaks Recreation Area staff regarding assistance during the event.
- 2) Provide a layout for each event showing the locations of the various event activities.
- 3) Provide and maintain emergency access (boat launch) to the North Lake for rescue purposes during the entire event.
- 4) Provide 20-foot access lane(s) for emergency vehicles to gain access to the building, Fire Department Connection, and the event site.
- 5) Fire hydrants located on or near property must remain unobstructed and “No Parking” signs posted.
- 6) Provide a site plan at least 30 days prior to the event for any tents/canopies, if used, for this event to ensure compliance.
- 7) Any barricades used to restrict traffic or pedestrians must be easily moveable or manned by event staff should an emergency occur during the event hours.
- 8) Provide adequate lighting for participants during night hours.
- 9) If a standby ambulance is being requested, contact the Fire Department at least 30 days prior to the event to discuss scheduling and associated fees.
- 10) All debris created by the event shall be cleaned up during and after the event.
- 11) Petitioner must adhere to the required City insurance provisions.
- 12) In the case of inclement weather, an alternate date can be approved by the City Manager.

Votes Required to Pass:

Simple majority vote of the City Council



Agenda Item No: 12

**City Council
Agenda Supplement**

<u>Meeting Date:</u>	May 15, 2018
<u>Item:</u>	2018 Quarry Cable Park Live Music Consideration
<u>Staff Recommendation:</u>	Motion to approve the Special Event application from the Quarry Cable Park for live outdoor music on all Friday and Saturday nights from May 1 to September 30 in 2018, pursuant to the conditions recommended in this agenda supplement
<u>Staff Contact:</u>	Eric Helm, Deputy City Manager

Background:

The Quarry Cable Park has requested a Special Event permit for live music to be held on the patio of the cable park adjacent to the building. Pursuant to Section 5.08 (i) of the Concessionaire and Property Use Agreement, the Quarry Cable Park shall receive special event approval for all live music.

Live music has been conducted in the past with no issues. A current schedule of live music events is attached; however, this is not an exhaustive list since the petitioner may wish to schedule additional live music events throughout the year on Friday and Saturday nights.

Special Event Permit

City staff has reviewed the applicant's requests and has no concerns regarding the band event, provided the following conditions are met:

- 1) Comply with section 5.08 of the concessionaire and Property Use Agreement.
- 2) Maximum occupancy limits of the building must be maintained throughout the events.
- 3) An access lane of a minimum of 20 feet must be maintained around the building for emergency access. The fire connections shall not be blocked.

The applicants have been made aware of these recommended conditions and will attend the City Council meeting to answer any questions. The application materials and current band schedule have been attached for reference.

Votes Required to Pass:

Simple majority



Agenda Item No: 13

City Council
Agenda Supplement

Meeting Date: May 15, 2018

Item: REPORT OF THE PLANNING & ZONING COMMISSION
Crystal Point Shopping Center Final PUD Amendment

Request: Final Planned Unit Development Amendment for changes to the façade and additional signage for TJ Maxx.

Petitioner: Jeff Brownell, petitioner
5764 Northwest Highway

PZC Recommendation: To approve the PZC recommendations and adopt an ordinance granting the Final PUD Amendment for TJ Maxx at 5764 Northwest Highway.

Staff Contact: Michelle Rentzsch, Community Development Director
Elizabeth Maxwell, Senior Planner

Background:

- TJ Maxx will be moving into the remaining portion of the former inline Sports Authority space adjacent to the recently approved ULTA. They plan to occupy 23,000 square feet of space.
- The redevelopment of this space will improve the overall shopping center and the City.

Analysis

- Façade change details
 - Renovations to the façade include removal of the two end circular columns. The renovation would also include removal of the top band of windows and creating a larger façade and sign area.
 - A new red top cap would be added and the large red awning would be reduced to a thinner red awning band.
 - The proposed renovations would comply with the Design Standards and create a more unified look to the center as a whole.

- Wall Signs:
 - The Sports Authority was permitted 353 square feet of signage.
 - ULTA is using 103 square feet of signage, leaving 250 square feet for the TJ Maxx tenant.
 - TJ Maxx was originally requesting 333 square feet of signage but at the PZC hearing, the commissioners suggested the amount of signage be reduced. In response, TJ Maxx has reduced the sign on the east side of the building.
 - TJ Maxx is requesting signs on the front elevation and on the side elevation, which would total 308 square feet, an additional variation of 58 square feet of signage. See the table below for sign information.

Proposed Sign	Size
Main Wall Sign	222 square feet
East Side Wall Sign	75 square feet
Canopy Blade Sign	3 square feet
2 Column Signs	8 square feet (total)
Total Proposed Signs	308 total square feet

- The chart below illustrates the approved size of other wall signs in Crystal Lake in relation to the TJ Maxx request.

Tenant	Wall Sign Size	Distance to ROW	Store Size
Savers	127.4 SF	360 feet	32,000 SF
Hobby Lobby	147.6 SF	767 feet	58,000 SF
Ross	175 SF	470 feet	38,000 SF
Burlington Coat Factory	194 SF	287 feet	61,000 SF
Best Buy	195 SF	444 feet	38,000 SF
Buy Buy Baby	211.58 SF	833 feet	32,000 SF
Fresh Thyme	239.5 SF	899 feet	30,000 SF
Bed, Bath & Beyond	256 SF	493 feet	51,000 SF
TJ Maxx	308 SF	497 feet	23,000 SF
Menards	310 SF	830feet	200,000 SF
Joseph's Marketplace	350 SF	326 feet	41,000 SF
Home Depot	411 SF	878 feet	131,000 SF
Wal-Mart	567.91 SF	712 feet	225,000 SF
Steinhafel's	571 SF	450 feet	100,000 SF

PZC Highlights:

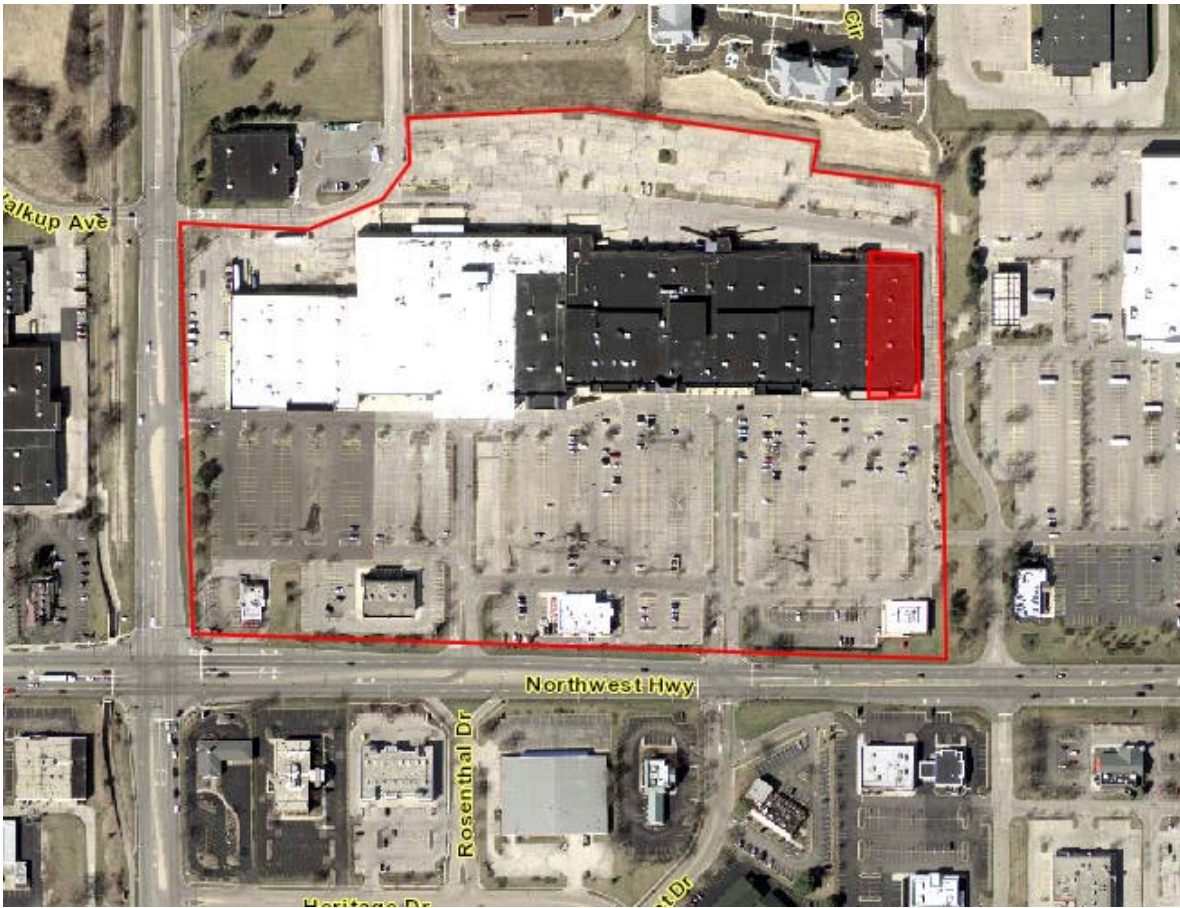
- The PZC members discussed the sign variations and suggested that TJ Maxx use the remaining 250 square feet and not request an additional variation.
- The PZC noted the request meets the Findings of Fact.

The PZC recommended **approval (4-0)** of the petitioner's request with the following conditions:

1. Approved plans, reflecting staff and advisory board recommendations, as approved by the City Council:
 - A. Application (IRC Retail Centers, received 02/23/18)
 - B. Narrative (PFDA Architects, dated 02/21/18, received 02/22/18)
 - C. **REVISED** Elevation with Signage (PFDA Architects, dated 02/13/18, received 05/01/18)
2. The overall planned unit development approval and all subsequent amendments are still in effect, as applicable.
3. The petitioner must address all of the review comments and requirements of the Community Development, Fire Rescue, Police, and Public Works Departments.

Votes Required to Pass: A simple majority vote.

2018-11 TJ Maxx – 5764 Northwest Hwy





DRAFT

The City of Crystal Lake Illinois

**AN ORDINANCE GRANTING AN AMENDMENT TO THE FINAL PUD FOR
CRYSTAL POINT SHOPPING CENTER (TJ MAXX) INCLUDING A
VARIATION TO ALLOW 250 SQUARE FEET OF SIGNAGE**

WHEREAS, pursuant to the terms of the Petition (File #2018-11) before the Crystal Lake Planning and Zoning Commission, the Petitioner has requested an Amendment to the Final Planned Unit Development to allow exterior changes including a variation to allow 308 square feet of signage to the facade; and

WHEREAS, the Planning and Zoning Commission of the City of Crystal Lake, pursuant to notice duly published on March 6, 2018 in the Northwest Herald, held a public hearing at 7:30 p.m., on March 21, 2018 at City Hall at 100 W. Woodstock Street, Crystal Lake, Illinois to consider the proposed Amendment to the Final Planned Unit Development; and

WHEREAS, on March 21, 2018, the Planning and Zoning Commission, having fully heard and considered the testimony of all those present at the public hearing who wished to testify, made findings of fact as required by law and recommended to the Mayor and City Council of the City of Crystal Lake that the proposed Amendment to the Final Planned Unit Development be approved, all as more specifically set forth in that certain Report of the Planning and Zoning Commission in Case #2018-11, dated as of March 22, 2018; and

WHEREAS, it is in the best interests of the City of Crystal Lake that the Amendment to the Final Planned Unit Development be granted as requested in said Petition,

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 a Final PUD Amendment be granted to allow exterior changes including a variation to allow 250 square feet of signage to the facade for the property located at 5764 Northwest Highway (19-04-351-009), Crystal Lake, Illinois.

SECTION II: That the Final PUD Amendment be granted with the following conditions:

1. Approved plans, reflecting staff and advisory board recommendations, as approved by the City Council:
 - A. Application (IRC Retail Centers, received 02/23/18)
 - B. Narrative (PFDA Architects, dated 02/21/18, received 02/22/18)
 - C. Elevation with Signage (PFDA Architects, dated 02/13/18, received 05/01/18)
2. The overall planned unit development approval and all subsequent amendments are still in effect, as applicable.
3. The petitioner must address all of the review comments and requirements of the Community Development, Fire Rescue, Police, and Public Works Departments.

SECTION III: That the City Clerk be and is hereby directed to amend all pertinent records of the City of Crystal Lake to show the issuance of a Final PUD Amendment in accordance with the provisions of this Ordinance, as provided by law.

SECTION IV: That this Ordinance shall be in full force and effect from and after its passage, approval and publication as provide by law.

DATED at Crystal Lake, Illinois, this 15th day of May, 2018.

City of Crystal Lake, an
Illinois municipal corporation

Aaron T. Shepley, Mayor

SEAL

ATTEST:

Nick Kachiroubas, City Clerk

Passed: May 15, 2018

Approved: May 15, 2018



Agenda Item No: 14

City Council
Agenda Supplement

Meeting Date: May 15, 2018

Item: REPORT OF THE PLANNING & ZONING COMMISSION

Request: Preliminary Planned Unit Development for a 7,850 square-foot office building.

Petitioner: David Helmrich, petitioner
402 Federal Drive

PZC Recommendation: To approve the PZC recommendation for a Preliminary Planned Unit Development for an office building at 402 Federal Drive.

Staff Contact: Michelle Rentzsch, Director of Community Development
Kathryn Cowlin, Planner

Background:

- Existing Use: The subject property is vacant land.
- Request: The petitioner is requesting a Preliminary Planned Unit Development with PUD variations to allow a 7,850 square-foot office building with a shared access point.
 - Milestone Therapy was approved in 2012 and the subject property was created with the intent that a shared access would be utilized.
 - Due to the existing 35-foot drainage and utility easement along the south property line, the proposed development is shown on the north part of the lot and requires PUD variations. The PUD variations would allow for the off-street parking spaces, parking lot landscaping and the sign to be located on the property line.
 - The architecture of the building is prairie style with brick and limestone building materials.

PZC Highlights:

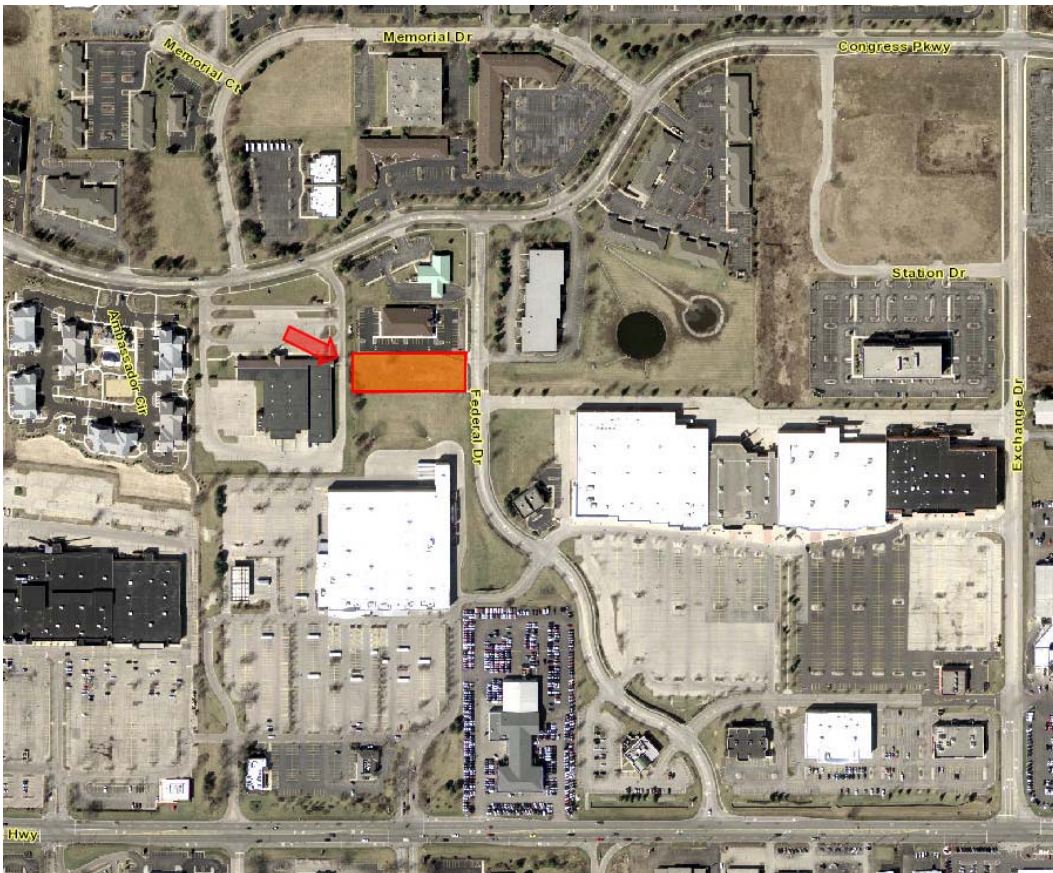
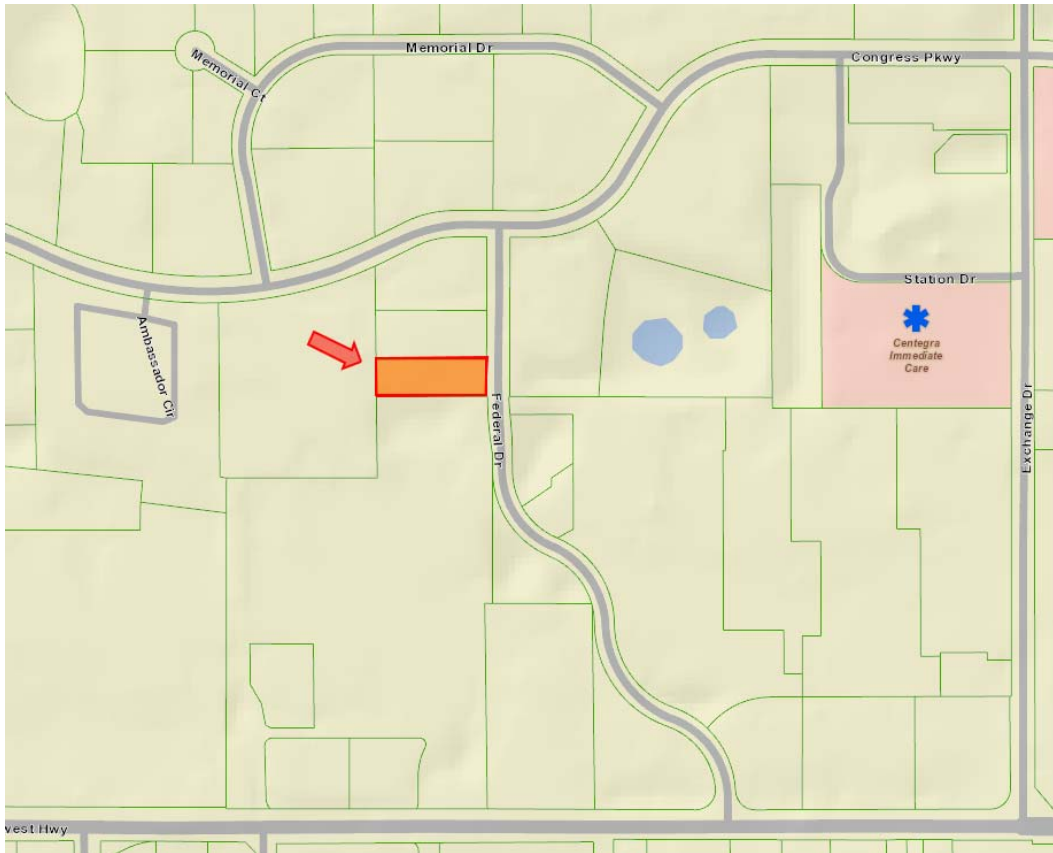
- The PZC agreed that the site plan and shared access with Milestone Therapy is the appropriate layout for the narrow lot.
- The PZC stated that the Findings of Fact had been met.

The PZC recommended **approval (5-0)** of the petitioner's request with the following conditions:

1. Approved plans, reflecting staff and advisory board recommendations, as approved by the City Council:
 - A. Application (Metronomic, Inc, dated 3/22/18, received 03/22/18)
 - B. Plat of Survey (Nekola Survey, Inc, dated 11/20/17, received 03/22/18)
 - C. Elevations (Architect J. Michael Delapp, dated 04/03/18, received 04/03/18)
 - D. Colored Elevations (Architect J. Michael Delapp, dated 01/09/18, received 03/22/18)
 - E. Sign Elevation (Architect J. Michael Delapp, dated 04/03/18, received 04/03/18)
 - F. Landscape Plan (J. Davito Design Inc., dated 04/05/18, received 04/05/18)
 - G. Site Plan (Architect J. Michael Delapp, dated 01/09/18, received 03/22/18)
 - H. Utility Plan (Architect J. Michael Delapp, dated 02/22/18, received 03/22/18)
2. Provide the City a recorded copy of the Ingress and Egress Easement Agreement with Kapadia & Sons for the cross access and shared drive aisle.
3. Landscape Plan:
 - A. Add perimeter landscaping, specifically shrubs, to the rear parking lot area.
 - B. Add foundation plantings along the south foundation. The plantings can include decorative grasses and small shrubs since it would be located in the drainage easement.
4. The petitioner shall address all of the review comments and requirements of the Community Development, Public Works and Fire Rescue Departments.

Votes Required to Pass: A simple majority vote.

2018-18 CRYSTAL TERRACE – 401LT FEDERAL DR.





DRAFT

The City of Crystal Lake Illinois

**AN ORDINANCE GRANTING A PRELIMINARY PLANNED UNIT DEVELOPMENT
FOR CRYSTAL TERRACE**

WHEREAS, pursuant to the terms of the Petition (File #2018-18) before the Crystal Lake Planning and Zoning Commission, the Petitioner has requested a Preliminary Planned Unit Development for an office building; and

WHEREAS, the Planning and Zoning Commission of the City of Crystal Lake, pursuant to notice duly published on April 14, 2018 in the Northwest Herald, held a public hearing at 7:30 p.m., on May 2, 2018 at City Hall at 100 W. Woodstock Street, Crystal Lake, Illinois to consider the proposed site plan and variation; and

WHEREAS, on May 2, 2018, the Planning and Zoning Commission, having fully heard and considered the testimony of all those present at the public hearing who wished to testify, made findings of fact as required by law and recommended to the Mayor and City Council of the City of Crystal Lake that the proposed Preliminary Planned Unit Development be approved, all as more specifically set forth in that certain Report of the Planning and Zoning Commission in Case #2018-18, dated as of May 3, 2018; and

WHEREAS, it is in the best interests of the City of Crystal Lake that the Final Planned Unit Development be granted as requested in said Petition,

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 a Preliminary Planned Unit Development be granted to permit an office building for the property located at 402LT Federal Drive (19-04-327-004), Crystal Lake, Illinois.

SECTION II: That the Preliminary Planned Unit Development be granted with the following conditions:

1. Approved plans, reflecting staff and advisory board recommendations, as approved by the City Council:
 - A. Application (Metronomic, Inc, dated 3/22/18, received 03/22/18)
 - B. Plat of Survey (Nekola Survey, Inc, dated 11/20/17, received 03/22/18)

- C. Elevations (Architect J. Michael Delapp, dated 04/03/18, received 04/03/18)
 - D. Colored Elevations (Architect J. Michael Delapp, dated 01/09/18, received 03/22/18)
 - E. Sign Elevation (Architect J. Michael Delapp, dated 04/03/18, received 04/03/18)
 - F. Landscape Plan (J. Davito Design Inc., dated 04/05/18, received 04/05/18)
 - G. Site Plan (Architect J. Michael Delapp, dated 01/09/18, received 03/22/18)
 - H. Utility Plan (Architect J. Michael Delapp, dated 02/22/18, received 03/22/18)
2. Provide the City a recorded copy of the Ingress and Egress Easement Agreement with Kapadia & Sons for the cross access and shared drive aisle.
 3. Landscape Plan:
 - A. Add perimeter landscaping, specifically shrubs, to the rear parking lot area.
 - B. Add foundation plantings along the south foundation. The plantings can include decorative grasses and small shrubs since it would be located in the drainage easement.
 4. The petitioner shall address all of the review comments and requirements of the Community Development, Public Works and Fire Rescue Departments.

SECTION III: That the City Clerk be and is hereby directed to amend all pertinent records of the City of Crystal Lake to show the issuance of a Planned Unit Development in accordance with the provisions of this Ordinance, as provided by law.

SECTION IV: That this Ordinance shall be in full force and effect from and after its passage, approval and publication as provide by law.

DATED at Crystal Lake, Illinois, this 15th day of May, 2018.

Ord. No.
File No.

City of Crystal Lake, an
Illinois municipal corporation

Aaron T. Shepley, Mayor

SEAL

ATTEST:

Nick Kachiroubas, City Clerk

Passed: May 15, 2018

Approved: May 15, 2018



Agenda Item No: 15

**City Council
Agenda Supplement**

Meeting Date:

May 15, 2018

Item:

City Code Class "13" Liquor Licenses – Crystal Lake Food and Liquor

Staff Recommendation:

Motion to adopt an ordinance increasing the number of Class 13 liquor licenses, in order to allow for the issuance of a new Class "13" liquor license to the new owner of Crystal Lake Food and Liquor, Matru Krupa3 Inc., effective June 1, 2018, subject to the voluntary surrender of the Class "13" liquor license issued to the current owner, Kap Inc., by no later than May 31, 2018.

Staff Contact:

Eric T. Helm, Deputy City Manager

Background:

The current owner of Crystal Lake Food and Liquor, Kap, Inc., will be surrendering their license effective May 31, 2018 upon the owner's retirement. The new owner of Crystal Lake Food and Liquor, Matru Krupa3 Inc. is requesting a liquor license, Class "13" for this establishment located at 540 E. Terra Cotta Ave. to be effective June 1, 2018. Licenses are non-transferable, thus the new owner is requesting the City Council to approve an increase in the number of Class "13" license to allow for the continuous operation of the business at Crystal Lake Food and Liquor.

The City Code permits the issuance of a Class "13" liquor license for the sale of alcoholic liquors on the premises specified in the license in packages only but not for consumption on the premises where sold between the hours of 7:00 a.m. and 1:00 a.m. Monday, Tuesday, Wednesday, Thursday, Friday and 7:00 a.m. Saturday and 2:00 am. Sunday and 7:00 a.m. Sunday and 2:00 a.m. Monday. A Class B type restaurant may be located on the premises.

The applicant has submitted all of the necessary paperwork. A fingerprint/background search revealed no criminal history under the new owner's name.

Other establishments currently holding a Class "13" liquor license include: 7-Eleven (Terra Cotta), 7-Eleven (McHenry Ave.), Bucky's Express, Casey's General Stores, Circle K (Virginia), Circle K (Route 31), Circle K (Terra Cotta), Convenient Food Mart, Cost Plus World Market, Crystal Lake Food & Liquor, CVS Pharmacy (Randall), CVS Pharmacy (Virginia),

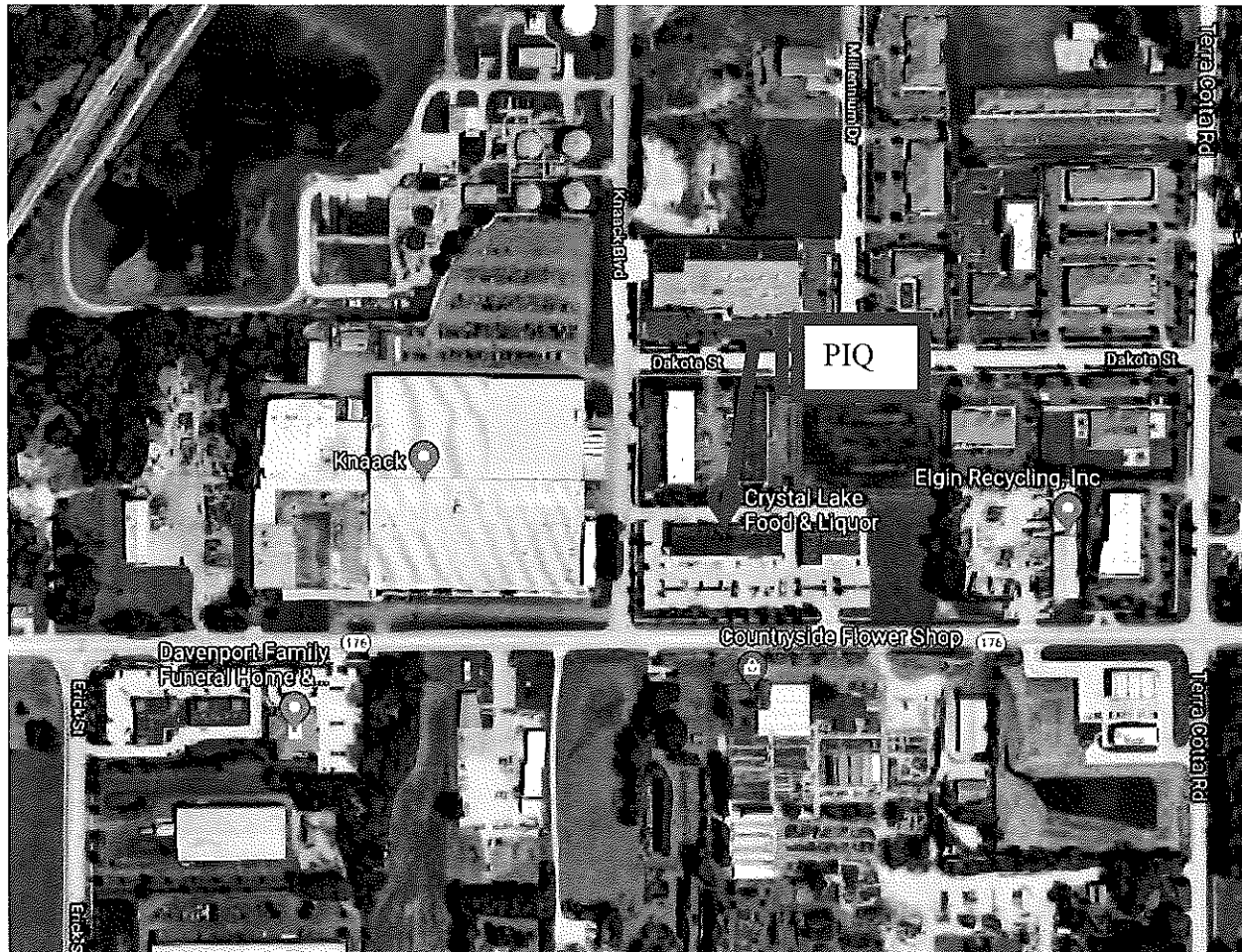
Fresh Market, Fresh Thyme Farmer's Market, Ralph's General Store, KA Sales (Exxon Mobil) La Rosita of Mesos Group, Inc., Midwest Petroleum Dev., Mobil Market, Murphy's Oil, Oak Street Food & Liquor, Open Pantry/Shell #801, Osco Drug, Sam's Club, Target, Walgreens (Northwest Highway), Walgreen's (Route 31), and Wal-Mart.

The attached ordinance approves an increase in the number of Class 13 liquor licenses in order to allow the new owner of Crystal Lake Food and Liquor to continue to operate under a new license effective June 1st. This ordinance is expressly made subject to the voluntary surrender of the existing liquor license by the current business owner, Kap, Inc. by not later than May 31, 2018.

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 "13" License shall be decreased from 29 to 28 effective May 31, 2018.

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

1. Class 13 License shall be increased from 28 to 29 effective June 1, 2018.

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

SECTION IV: That this Ordinance shall be in full force and effect after its passage and publication as provided by law and further subject to the liquor license presently held by Kap, Inc. being surrendered by May 31, 2018.

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

DATED at Crystal Lake, Illinois, this 15th day of May, 2018.

City of Crystal Lake, an
Illinois municipal corporation

Aaron T. Shepley, Mayor

SEAL

ATTEST:

Nick Kachiroubas, City Clerk

Passed: May 15, 2018

Approved: May 15, 2018



Agenda Item No: 16

**City Council
Agenda Supplement**

Meeting Date:

May 15, 2018

Item:

Street Light Electrical Supplier Bid

Staff Recommendation:

Motion to adopt a resolution waiving the formal bidding requirements for electricity purchase, authorizing participation in the Northern Illinois Municipal Electric Collaborative (NIMEC), and authorizing the City Manager to execute a one, two or three year contract with the lowest responsive and responsible electricity provider for street lights.

Staff Contact:

Eric T. Helm, Deputy City Manager

Background:

In 2007, the State of Illinois implemented a plan to deregulate Commonwealth Edison. Under deregulation, ComEd no longer generates electricity for its customers but continues to provide power through its distribution system. As a result of the deregulation, electricity is purchased based on market price and is no longer dominated by one electrical supplier.

In order to take advantage of de-regulation, it is recommended that the City receive bids from other electrical suppliers for its non-metered streetlights. The City rents these streetlights from ComEd and can be identified by their wooden construction. The City pays for the electricity provided for these poles based on a ComEd usage formula that is based on monthly sunrise and sunset times.

City staff recommends that the City continue its relationship with the Northern Illinois Municipal Electric Collaborative (NIMEC) to conduct the bidding process and recommend to the City the most advantageous pricing for these non-metered streetlights. The program addressed in this agenda supplement and resolution is specifically for street lights, as opposed to the recently approved electrical aggregation program for residential customers and municipal properties such as the City's wastewater treatment plants. In June 2015, the City utilized the joint pricing provided by the NIMEC bid. During the NIMEC bidding process Dynegy Energy provided the lowest supplier pricing in the amount of 3.421 cents in 2016, 3.396 cents in 2017 and 3.393 cents in 2018. The agreement is included in this agenda supplement. Since the agreement expires July 2018, City Staff proposes to utilize NIMEC to acquire bid pricing for electricity for one, two or three year contracts.

Northern Illinois Municipal Electric Collaborative (NIMEC)

In 2006, the City joined NIMEC, which is a municipal Collaborative that pools the energy needs of members in order to secure more competitive pricing than can be provided individually to a single municipality, based on higher volumes. The Collaborative is comprised of 150 members, most of which are municipalities. The amount of aggregated energy purchases of the Collaborative is \$25 million. In the past, the City has utilized NIMEC to receive advantageous electrical supply pricing for City facilities and residential addresses. NIMEC does not receive direct compensation from the City and NIMEC's compensation is included in the rate paid by the City. This rate is \$0.0013 of the cost per kilowatt-hour.

NIMEC Bidding Process

Large electrical suppliers have expressed an interest in the NIMEC member bid for street light electrical supply. The collective usage of the NIMEC group (\$3 million annually) allows NIMEC to negotiate rates lower than what individual municipalities could negotiate on their own. This makes utilizing NIMEC bid pricing a potentially attractive option.

On Thursday, May 31, 2018, NIMEC will conduct bidding for fixed electrical supply for its members' street lights. Following receipt of the bids, NIMEC will recommend whether the City should accept these prices or revert to the ComEd supplier's floating rate.

Because commodity pricing is volatile (much like the stock market), pricing can only be held for one day. As such, it is necessary to delegate signing authority to the City Manager to accept the NIMEC bid on the day of the bid with the lowest cost electricity provider within hours of the bids being received by NIMEC. The resolution attached for City Council consideration directs the City Manager to engage the services of NIMEC and provides the City Council authorization to allow the City Manager to execute a contract with the successful energy supplier upon receipt of the bids by NIMEC.

After the bids are opened on May 31st, an analysis will be conducted of the submitted bids to determine the optimal length of the electrical supply contract for the City. As part of the analysis, NIMEC and City Staff will review the bid pricing and compare them to the ComEd rates for electricity. The City will be able to revert to ComEd pricing if the bid pricing is not favorable. The City will sign either a one, two, or three-year contract, through a supplier agreement, for fixed electrical supply pricing based on NIMEC's recommendation. The sample supplier agreements have been attached to this supplement. The City Attorney will review the final supplier agreement, with pricing, prior to the City Manager executing the agreement and accepting bid pricing. The future agreement will be very similar to the one attached to this agenda supplement, which was previously reviewed and approved by the City Attorney.

Recommendation

It is staff's recommendation to approve the waiving of formal bidding requirements for electricity purchase, authorizing participation in the Northern Illinois Municipal Electric Collaborative (NIMEC), and authorizing the City Manager to execute a contract with the lowest responsible electricity provider for street lights.

Votes Required to Pass:

Super majority.



DRAFT

RESOLUTION

A RESOLUTION WAIVING THE FORMAL BIDDING REQUIREMENTS FOR
ELECTRICITY PURCHASE, AUTHORIZING PARTICIPATION IN THE NORTHERN ILLINOIS
MUNICIPAL ELECTRIC COLLABORATIVE (NIMEC) AND
AUTHORIZING THE CITY MANAGER TO EXECUTE
A CONTRACT WITH THE LOWEST RESPONSIVE AND RESPONSIBLE ELECTRICITY
PROVIDER

WHEREAS, the Mayor and City Council find as follows:

- A. On January 2, 2007 the State of Illinois implemented a plan to deregulate Commonwealth Edison;
- B. Under the aforementioned deregulation plan, Commonwealth Edison no longer generates electricity for its customers, but will continue to provide electric power through its distribution system;
- C. As a result of this deregulation, electricity will be purchased based on market price and Exelon, the parent company of Commonwealth Edison, is no longer the sole supplier of electricity in Northern Illinois, resulting in new electricity suppliers being able to compete against Exelon, and competitive market forces dictating the price of electricity;
- D. Municipalities across the State are entering the market to purchase electric power in order to mitigate some of the economic impact of rising rates, which, on a practical basis, can only be done using a third party who will serve as a broker for the municipalities and has the knowledge and experience to seek bids from the various electricity providers;
- E. The City of Crystal Lake has selected the Northern Illinois Municipal Electric Collaborative (NIMEC) to serve as the City's broker relative to the acquisition of electrical energy due to NIMEC's municipal experience and the fact that NIMEC is a municipal Collaborative which will be pooling the energy needs of members of the Collaborative in order to secure more competitive pricing based on higher volumes than can be provided individually to a single municipality;
- F. The amount of compensation that NIMEC receives, if the City chooses the NIMEC electricity supplier, is being built into the prices bid by the electricity supplier and equaling \$0.0013 of the cost per kilowatt hour (as would be the case with any broker), so there will be no direct payments made to NIMEC by the City;

G. That because of the way the bidding process works, the City Manager will need to have the authority to sign a contract with the electricity provider which is deemed most favorable for the City within hours of the bids being received by NIMEC.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Crystal Lake that the Northern Illinois Municipal Electric Collaborative (NIMEC) is hereby appointed as the City's broker for purposes of obtaining a supply of electricity for the City's non-metered street light accounts, and City Staff is hereby directed to take all actions necessary to establish said broker relationship.

BE IT FURTHER RESOLVED that the bidding requirements are hereby waived and instead the City of Crystal Lake will participate in the NIMEC bid for electricity. Also, the City Manager is authorized to discuss and negotiate energy rates directly with suppliers in an effort to secure a lower energy cost for the City of Crystal Lake.

BE IT FURTHER RESOLVED that, in light of the time constraints applicable to the acceptance of a competitive bid for a supply of electricity, once the bids are received by NIMEC, the City Manager is hereby authorized to execute a one, two, or three-year contract with the lowest responsible bidder, provided the bid is at a rate that is of benefit to the City.

DATED this 15th day of May, 2018

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED:
APPROVED: