



CITY OF CRYSTAL LAKE

AGENDA

CITY COUNCIL REGULAR MEETING

**City of Crystal Lake
100 West Woodstock Street, Crystal Lake, IL
City Council Chambers
December 6, 2011
7:30 p.m.**

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Approval of Minutes – November 15, 2011 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. **Council Reports**
9. **Consent Agenda**
 - a. **Resolution designating certain financial institutions as depositories of the City of Crystal Lake.**
 - b. **Abatement Ordinance for the 2004 Multi-Project General Obligation Bond Issue.**
 - c. **Abatement Ordinance for the Series 2009A and 2009B Taxable General Obligation Bond Issue.**
 - d. **Abatement Ordinance for the 2009C General Obligation Refunding Bond Issue.**
 - e. **Abatement Ordinance for certain properties within Special Service Area Number 43, Crystal Heights Subdivision.**
 - f. **Abatement Ordinance for certain properties within Special Service Area Number 44, Tracy Trail Subdivision.**
 - g. **Resolution to approve the City Investment Policy.**
 - h. **Resolution authorizing the continued implementation of the City's Personal Information Protection Act Procedures & Red Flag Policy.**
 - i. **Resolution appointing community members to the Crystal Lake Centennial Committee, amending the Crystal Lake Centennial Committee Enabling Resolution to increase the number of City Councilmembers permitted on the Committee, and appointing Councilmembers to the Crystal Lake Centennial Committee.**
10. **Fire Wagon Holding LLC/Crystal Ice House, 320 E. Prairie Street – Temporary Use Permit request for a Special Promotion to allow two outdoor ice rinks.**
11. **Sage YMCA, 701 Manor Road – Final Planned Unit Development Amendment for an electronic message center sign.**
12. **Bid award and resolution authorizing execution of a purchase agreement for the provision of Liquid Chlorine, Liquid Hydrofluosilicic Acid, and Ortho Poly Phosphate.**
13. **Bid award and resolution authorizing execution of an agreement for the purchase of Liquid Aluminum Sulfate.**

14. **Resolution designating Fire Engine 340 as surplus equipment and authorizing execution of an agreement for the sale of Fire Engine 340.**
15. **Resolution authorizing execution of the South Main Street Improvement Intergovernmental Agreement with McHenry County.**
16. **Proposal award and resolution authorizing execution of an agreement for the South Main Street Improvement for Phase II Design Engineering and Right-of-Way Acquisition Services, and approval of changes in scope by 10 percent of the original price.**
17. **Resolution appropriating MFT funds for the South Main Street improvement.**
18. **Proposal award and resolution authorizing execution of an agreement for the North Shore Drive Flooding Improvements Phase II Design Engineering and approval of changes in scope by 10 percent of the original price.**
19. **Proposal award and resolution authorizing execution of a contract for Radio Communications System Upgrade with a 10 percent contingency for justifiable additions.**
20. **Ordinance establishing Chapter 425, Retail Theft, in the City Code.**
21. **Ordinance providing for the submission to the electors of the City of Crystal Lake, McHenry County, Illinois the question whether the City of Crystal Lake should have the authority under Public Act 096-0176 to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program.**
22. **Property Tax Levy Ordinance/Truth in Taxation Public Hearing.**
23. **Council Inquiries and Requests**
24. **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.**
25. **Reconvene to Regular Session.**
26. **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: 9a

**City Council
Agenda Supplement**

<u>Meeting Date:</u>	December 6, 2011
<u>Item:</u>	Bank Depositories
<u>Staff Recommendation:</u>	Adopt a resolution authorizing the annual list of approved financial institutions
<u>Staff Contact:</u>	Mark F. Nannini, Director of Finance

Background:

Adoption of this resolution is merely an annual procedural requirement. This annual disclosure is presented to provide information relating to the individuals who have been designated as official signatories on the City's accounts, designated financial institutions and general functions that will be performed. This information was last reviewed by City Council in December, 2010.

Attached is a resolution that discloses the banks and brokerage firms along with the designated signatories.

Votes Required to Pass:

Simple majority.



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RESOLUTION

WHEREAS, the City Council of the City of Crystal Lake, McHenry County, Illinois has previously adopted a Resolution which designated certain financial institutions as depositories for City Funds and designated signatories; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS, Gary J. Mayerhofer, City Manager, Mark F. Nannini, Director of Finance, Nick Kachiroubas, City Clerk, and Laura Herrig, Assistant Finance Director of the City of Crystal Lake are hereby designated as official signatories. These signatories can conduct business at the following institutions conducting business with the City of Crystal Lake; American Community Bank and Trust, Associated Bank, Bank of America, Charter One Bank, Chase Bank, Citibank, Cornerstone National Bank and Trust, Countrywide Bank, Crystal Lake Bank and Trust Company, Fifth Third Bank, Harris Bank, LaSalle Bank, MB Financial, First Midwest Bank, Golden Eagle Community Bank, Home State Bank, LaSalle Street Securities, Mischler Financial Group, Morgan Stanley, PNC Bank, Park National Bank, PMA Financial, RW Baird and Company, US Bank, Wells Fargo Bank, Wintrust Financial (Wayne Hummer Investments) and Illinois Funds. One of the aforementioned persons initiates the transaction and a second person will confirm deposits and withdrawals of funds from any of the said bank accounts. The City of Crystal Lake reserves the right to conduct business with the above mentioned institutions as determined necessary. This includes a depository account; wire transfer agreements, third party surety agreements, safekeeping agreements, collateral agreements and lockbox agreements. For the purpose of transaction clearing and safekeeping or the purchase of insured certificates of deposit, the above are authorized to act on behalf of this entity as its agent with respect to such accounts and agreements. The intent is to earn the highest returns on its investments at the lowest cost and risk.

DATED this 6th day of December, 2011.

CITY OF CRYSTAL LAKE, an
Illinois Municipal Corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK



Agenda Item No: 9b

**City Council
Agenda Supplement**

<u>Meeting Date:</u>	December 6, 2011
<u>Item:</u>	2004 Multi-Project General Obligation Bond Abatement
<u>Staff Recommendation:</u>	Motion to adopt the Abatement Ordinance for the 2004 Multi-Project General Obligation Bond Issue
<u>Staff Contact:</u>	Mark F. Nannini, Director of Finance

Background:

In 2004, General Obligation Bonds were issued to provide for funding of the Crystal Heights water and sewer project, city-wide water and sewer improvements, and Southeast Emergency Communication (SEECOM). At the time these bonds were issued, dedicated revenue streams were identified that would provide for the repayment of this obligation.

In the case of the Crystal Heights water and sewer project, the Crystal Heights participants are on payment plans to cover their annual debt obligation. Water and Sewer user fees are utilized to repay improvement costs. The SEECOM portion is repaid by contributions from the participating agencies.

Under the terms of the bond agreement, the City obligates the full faith and credit of the City if dedicated revenues fall short. If dedicated revenues fall short, the City is required to collect property taxes as a means to repay the debt obligation. Since dedicated revenues did meet expectations, City staff is recommending that the City Council approve the attached abatement ordinance that provides official direction to the County Clerk to defray collecting property taxes next year for this bond issue. The City attorney has reviewed the attached ordinance.

Votes Required to Pass:

Simple majority

DRAFT



ORDINANCE NUMBER _____
File No. _____

ORDINANCE abating the tax heretofore levied for the Year 2011 to pay the principal and interest on \$7,825,000 General Obligation Bonds (2004 Issue) of the City of Crystal Lake, McHenry County, Illinois

* * *

WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance adopted on the 21st day of December, 2004 (the "Ordinance"), did provide for the issue of \$7,825,000 General Obligation Bonds (the "Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Bonds; and

WHEREAS, the City will have money in the "Bond Fund" established pursuant to Section 11 of the Ordinance for the purpose of paying the principal of and interest on the Bonds up to and including April 30, 2013; and

WHEREAS, it is necessary and in the best interests of the City that the tax heretofore levied for the year 2011 to pay the principal of and interest on the Bonds be abated.

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

Section 1. Abatement of Tax. The tax heretofore levied for the year 2011 in the Ordinance is hereby abated in its entirety.

Section 2. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the County Clerk of the County of McHenry,

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Illinois, and it shall be the duty of said County Clerk to abate said tax levied for the year 2011 in accordance with the provisions hereof.

Section 3. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

Passed by the Corporate Authorities on _____

Approved _____

MAYOR

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

ATTEST:

CITY CLERK



Agenda Item No: 9c

**City Council
Agenda Supplement**

<u>Meeting Date:</u>	December 6, 2011
<u>Item:</u>	Series 2009 Taxable General Obligation Bond Abatement
<u>Staff Recommendation:</u>	Motion to adopt the Abatement Ordinance for the 2009A and 2009B Taxable General Obligation Bond Issue
<u>Staff Contact:</u>	Mark F. Nannini, Director of Finance

Background:

In 2009, Taxable General Obligation Bonds were issued to provide for funding of construction of public improvements associated with the Three Oaks Recreation Area project and various water and sewer system improvements. At the time these bonds were issued, dedicated revenue streams were identified that would provide for the repayment of this obligation.

In the case of the Three Oaks Recreation Area project, home rule sales tax and incremental TIF property taxes, if available, will be transferred from time to time to the Bond Fund and utilized to abate the Pledged Taxes. Water and sewer user fees are utilized to pay capital improvement costs.

Under the terms of the bond agreement, the City obligates the full faith and credit of the City if dedicated revenues fall short. If dedicated revenues fall short, the City is required to collect property taxes as a means to repay the debt obligation. Since dedicated revenues will meet expectations, City staff recommends that the City Council approve the attached abatement ordinance that provides official direction to the County Clerk to defray collecting property taxes next year for this bond issue. The City attorney has reviewed the attached ordinance.

Votes Required to Pass:

Simple majority

DRAFT



ORDINANCE NUMBER _____
File No. _____

ORDINANCE abating the tax heretofore levied for the Year 2011 to pay the principal and interest on \$17,435,000 Taxable General Obligation Bonds (2009A and 2009B Issue) of the City of Crystal Lake, McHenry County, Illinois

* * *

WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance adopted on the 15th day of September, 2009 (the "Ordinance"), did provide for the issue of \$17,435,000 Taxable General Obligation Bonds (the "Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Bonds; and

WHEREAS, the City will have money in the "Bond Fund" established pursuant to Section 11 of the Ordinance for the purpose of paying the principal of and interest on the Bonds up to and including April 30, 2013; and

WHEREAS, it is necessary and in the best interests of the City that the tax heretofore levied for the year 2011 to pay the principal of and interest on the Bonds be abated.

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

Section 1. Abatement of Tax. The tax heretofore levied for the year 2011 in the Ordinance is hereby abated in its entirety.

Section 2. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the County Clerk of the County of McHenry, Illinois, and it shall be the duty of said County Clerk to abate said tax levied for the year 2011 in accordance with the provisions hereof.

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Section 3. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

Passed by the Corporate Authorities on _____

Approved _____

MAYOR

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

ATTEST:

CITY CLERK



Agenda Item No: 9d

**City Council
Agenda Supplement**

Meeting Date: December 6, 2011

Item: Series 2009C General Obligation Refunding Bond
Abatement

Staff Recommendation: Motion to adopt the Abatement Ordinance for the 2009C
General Obligation Refunding Bond Issue

Staff Contact: Mark F. Nannini, Director of Finance

Background:

In 2009, General Obligation Refunding Bonds were issued to provide for the refunding of Series 1998 General Obligation Bonds, (originally issued to provide financing for the municipal complex expansion and to provide for the replacement of water and sewer mains), realizing net debt service savings from the refunding. At the time these bonds were issued, dedicated revenue streams were identified that would provide for the repayment of this obligation. Funds to pay debt associated with the 1998 expansion of the municipal complex will come from General Fund revenues. Water and Sewer user fees are utilized to repay water and sewer improvement costs.

Under the terms of the bond agreement, the City obligates the full faith and credit of the City if dedicated revenues fall short. If dedicated revenues fall short or no alternative sources are available, the City is required to collect property taxes as a means to repay the debt obligation. Since dedicated revenues and/or other sources will be available, City staff recommends that the City Council approve the attached abatement ordinance that provides official direction to the County Clerk to defray collecting property taxes next year for this bond issue. The City attorney has reviewed the attached ordinance.

Votes Required to Pass:

Simple majority

DRAFT



ORDINANCE NUMBER _____
File No. _____

ORDINANCE abating the tax heretofore levied for the Year 2011 to pay the principal and interest on \$4,675,000 General Obligation Refunding Bonds (2009C Issue) of the City of Crystal Lake, McHenry County, Illinois

* * *

WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance adopted on the 15th day of September, 2009 (the "Ordinance"), did provide for the issue of \$4,675,000 General Obligation Refunding Bonds (the "Bonds"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Bonds; and

WHEREAS, the City will have money in the "Bond Fund" established pursuant to Section 11 of the Ordinance for the purpose of paying the principal of and interest on the Bonds up to and including April 30, 2013; and

WHEREAS, it is necessary and in the best interests of the City that the tax heretofore levied for the year 2011 to pay the principal of and interest on the Bonds be abated.

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

Section 1. Abatement of Tax. The tax heretofore levied for the year 2011 in the Ordinance is hereby abated in its entirety.

Section 2. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the County Clerk of the County of McHenry, Illinois, and it shall be the duty of said County Clerk to abate said tax levied for the year 2011 in accordance with the provisions hereof.

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Section 3. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

Passed by the Corporate Authorities on _____

Approved _____

MAYOR

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

ATTEST:

CITY CLERK



Agenda Item No: 9e

**City Council
Agenda Supplement**

Meeting Date:

December 6, 2011

Item:

Special Service Area Number 43, Crystal Heights
Subdivision Abatement

Staff Recommendation:

Motion to adopt the Abatement Ordinance for certain
properties within Special Service Area Number 43, Crystal
Heights Subdivision

Staff Contact:

Mark F. Nannini, Director of Finance

Background:

In April, 2005, construction began on the Crystal Heights water main, sanitary sewer, and road construction projects. Prior to construction, residents signed Participation Agreements, in which owners agreed to pay their proportionate share of the total project cost. The agreement served as a funding mechanism to pay for the improvements.

Several residents in the Crystal Heights area had failed to pay their proportionate share of the project costs as agreed upon in the Participation Agreement. This failure on their part had resulted in a shortage of funds required for the payment of annual outstanding bond obligations associated with the project. As a consequence, the City of Crystal Lake enacted Special Service Area #43 (SSA43).

Enacting the SSA #43 allowed the City to recoup the necessary delinquent funds through property taxes. Property owners who had paid their proportionate share of the project cost in full are able to receive reimbursement of the SSA #43 property tax on their tax bills.

To prevent property owners from having to escrow funds unnecessarily, staff conferred with the McHenry County Treasurer, and it is recommended that taxes for Special Service Area Number 43 property owners be abated for those participants who have paid their obligation in full. The City Attorney has reviewed the ordinance.

Votes Required to Pass:

Simple majority

DRAFT



ORDINANCE NUMBER _____
File No. _____

ORDINANCE abating the tax heretofore levied for the Tax Year 2011 for certain properties in the Crystal Heights Subdivision, City of Crystal Lake, McHenry County, Illinois

* * *

WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance adopted on the 4th day of May, 2004 (the "Ordinance"), did provide for establishing Special Service Area Number 43, Crystal Heights Subdivision and the imposition of a tax at a rate sufficient to pay the cost of providing special services in and for such area; and

WHEREAS, on the 4th day of May, 2004, the City entered into an agreement with the owners of property within the Crystal Heights Subdivision, Crystal Lake, Illinois, that allowed owners to connect their property to water and sewer mains of the City in exchange for payment of the owner's proportionate share of the total actual construction cost of the water and sewer mains; and

WHEREAS, some owners have prepaid the entire balance together with accrued interest before the final payment date;

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

Section 1. Abatement of Tax. The tax heretofore levied for the tax year 2011 in the Ordinance is hereby abated for:

25 John Street (PIN 19-04-126-022),

37 John Street (PIN 19-04-126-024),

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66 John Street (PIN 19-04-127-022),

29 Kent Avenue (PIN 19-04-201-020),

33 Kent Avenue (PIN 19-04-201-010),

41 Kent Avenue (PIN 19-04-201-011), Crystal Lake, Illinois.

Section 2. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the Treasurer of the County of McHenry, Illinois, and it shall be the duty of said Treasurer to abate said tax levied associated with the parcels identified in Section 1 of this Ordinance, for the tax year 2011 in accordance with the provisions hereof.

Section 3. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

Passed by the Corporate Authorities on _____

Approved _____

MAYOR

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

ATTEST:

CITY CLERK



Agenda Item No: 9f

**City Council
Agenda Supplement**

Meeting Date: December 6, 2011

Item: Special Service Area Number 44, Tracy Trail Subdivision
Property Tax Abatement

Staff Recommendation: Motion to adopt the Abatement Ordinance for certain
properties within Special Service Area Number 44, Tracy
Trail Subdivision

Staff Contact: Mark F. Nannini, Director of Finance

Background:

In the summer of 2007, construction began on Tracy Trail. Prior to construction, property owners adjacent to Tracy Trail signed Participation Agreements, in which owners agreed to pay their proportionate share of the total project cost. The agreement served as a funding mechanism to pay for the improvements.

In the event an owner defaulted in the payment or payments due, the unpaid balance was to be paid from taxes collected by the City from Special Service Area #44. In the event those property owners made their payments, they would be entitled to a rebate for the excess payment they made.

To prevent property owners from having to escrow funds unnecessarily, staff conferred with the McHenry County Treasurer, and it is recommended that taxes for Special Service Area Number 44 property owners be abated for those participants who have paid their proportionate share. The City Attorney has reviewed the ordinance.

Votes Required to Pass:

Simple majority



ORDINANCE NUMBER _____
File No. _____

ORDINANCE abating the tax heretofore levied for the Tax Year 2011 for certain properties in the Tracy Trail Subdivision, City of Crystal Lake, McHenry County, Illinois

* * *

WHEREAS, the Mayor and City Council (the "Corporate Authorities") of the City of Crystal Lake, McHenry County, Illinois (the "City"), by Ordinance adopted on the 24th day of April, 2007 (the "Ordinance"), did provide for establishing Special Service Area Number 44, Tracy Trail Subdivision and bonds, if issued, should be retired by the levy of Bond Taxes, being a direct annual tax sufficient to pay the principal and interest thereon; and

WHEREAS, in March, 2007, the City entered into an agreement with the owners of property within the Tracy Trail Subdivision, Crystal Lake, Illinois, for the purpose of completing street improvements to Trail Trail as required by the Code of Ordinances of the City in order that Tracy Trail would be accepted by the City as a part of the City's public street system in exchange for payment of the owner's proportionate share of the total actual cost of improving Tracy Trail; and

WHEREAS, one owner has made their annual payment and shall be entitled to a rebate of 2011 taxes unless they are abated;

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

Section 1. Abatement of Tax. The tax heretofore levied for the tax year 2011 in the Ordinance is hereby abated for:

600 Tracy Trail (PIN 19-04-476-012), Crystal Lake, Illinois

Section 2. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the City Clerk shall file a certified copy hereof with the Treasurer of the County of McHenry, Illinois, and it shall be the duty of said Treasurer to abate said tax levied associated with the parcels identified in Section 1 of this Ordinance, for the tax year 2011 in accordance with the provisions hereof.

Section 3. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and signing and approval by the Mayor.

Passed by the Corporate Authorities on _____

Approved _____

MAYOR

AYES:

NAYS:

ABSENT:

Recorded in the City Records on

ATTEST:

CITY CLERK



Agenda Item No: 9g

City Council Agenda Supplement

Meeting Date: December 6, 2011

Item: City Investment Policy

Staff Recommendation: Resolution to approve the Investment Policy for the City of Crystal Lake.

Staff Contact: Mark F. Nannini, Director of Finance

Background:

Adoption of this resolution is merely an annual procedural requirement. This annual disclosure is presented to provide information on the City's investment activities: the protection of the assets, the guidelines for cash management, safekeeping, internal controls, performance standards, collateral and investment activity reporting.

This Investment Policy applies to the investment practices relating to all funds of the City of Crystal Lake except the Police Pension Fund, the Fire Pension Fund and the Public Library Fund, which are governed by the Board of Trustees of each respective fund. All financial assets of other funds, including: the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds, Enterprise Funds, Internal Service Funds, Trust and Agency Funds, and other funds that may be created from time to time, shall be administered in accordance with the provisions of this Policy.

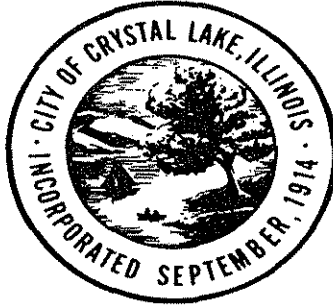
Recommendation

Staff request approval of the Resolution by the Mayor and City Council.

Votes Required to Pass:

Simple majority.

DRAFT



RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE as follows:

SECTION 1: That the Mayor and City Council hereby accept the Investment Policy of the City of Crystal Lake attached hereto and that the policy of the City of Crystal Lake shall meet or exceed standards consistent with those by the State of Illinois.

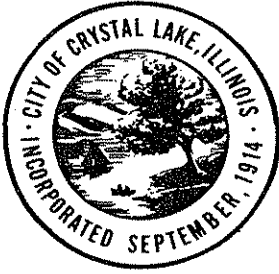
DATED this 6th day of December 2011.

CITY OF CRYSTAL LAKE, an Illinois Municipal Corporation

BY: _____
Aaron T. Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk



Agenda Item No: 9h

**City Council
Agenda Supplement**

Meeting Date: December 6, 2011

Item: Personal Information Protection Act & Red Flag Rules

Staff Recommendation: Motion to adopt a resolution authorizing the continued implementation of the City's Personal Information Protection Act Procedures & Red Flag Policy

Staff Contact: Mark F. Nannini, Director of Finance

Background:

Review of the City's Red Flag policies and procedures and the adoption of a resolution authorizing the continued implementation of these policies and procedures on an annual basis is a requirement of the Fair and Accurate Credit Transaction Act. City Council approval of the attached resolution fulfills the City's annual compliance requirements for the Act.

In October 2008, the City Council approved implementation of the Fair and Accurate Credit Transactions Act of 2003 regulations, which require financial institutions and creditors to develop and implement written identity theft prevention programs. Municipalities that provide a service to customers and collect payments later are considered creditors under this regulation and are, therefore, required to comply.

In order to comply with the regulatory requirements of the Act and avoid fines or penalties, the City must provide a written program that includes reasonable policies and procedures, known as Red Flag rules, that are designed to detect, prevent and mitigate identity theft in connection with existing accounts and with the opening of new accounts. These policies and procedures also include guidelines concerning who is to be notified and how they will be notified of any compromise of any information, as well as recommended actions to be taken to prevent a breach of information and ensure the integrity and security of the system.

Votes Required to Pass:

Simple majority.

DRAFT



RESOLUTION

WHEREAS, the City Council of the City of Crystal Lake, McHenry County, Illinois will apply the Personal Information Protection Act and Red Flag Rules.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS, that the City of Crystal Lake will apply the Personal Information Protection Act and Red Flag Rules, effective December 6, 2011.

DATED this 6th day of December, 2011

CITY OF CRYSTAL LAKE, an Illinois Municipal Corporation

By: _____
Aaron T. Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk



Agenda Item No: 9i

**City Council
Agenda Supplement**

Meeting Date: December 6, 2011

Item: Centennial Committee Appointments

Staff Recommendation: Motion to Adopt a Resolution:

- 1) Appointing the following community members to the Crystal Lake Centennial Committee: Melissa C. Bavester, Bob Blazier, Jeff Greenman, Carol A. Heisler, Diana Kenney, Jack Sebesta, Jerry Shaffer, and Susan Zeller.
- 2) Amending the Crystal Lake Centennial Committee Enabling Resolution to increase the number of City Councilmembers permitted on the Committee from two Councilmembers plus the Mayor to three Councilmembers plus the Mayor.
- 3) Appointing the following Councilmembers to the Crystal Lake Centennial Committee: Mayor Aaron T. Shepley, Councilmember Ellen Brady Mueller, Councilmember Ralph M. Dawson, and Councilmember Brett Hopkins.

Staff Contact: Gary J. Mayerhofer, City Manager
George J. Koczwar, Deputy City Manager

Background:

The City of Crystal Lake will be celebrating its centennial anniversary of incorporation in 2014 (September 23, 1914 to September 23, 2014). The Crystal Lake Centennial Committee would be responsible for planning and recommending events in the City to celebrate the City's first 100 years. At the September 6, 2011 City Council meeting, the City Council adopted a resolution establishing the City of Crystal Lake Ad Hoc Centennial Committee and the method of appointment for the members of the Committee.

Following the creation of the Committee, information was provided via the City newsletter, press releases and the government access channel inviting members of the community to submit applications for appointment to the Committee. Below are the eight individuals from the community that have expressed interest in serving on the committee.

Melissa C. Bavester
Bob Blazier
Jeff Greenman
Carol A. Heisler
Diana Kenney
Jack Sebesta
Jerry Shaffer
Susan Zeller

In addition to Mayor Shepley, the following City Councilmembers have indicated their willingness to serve on the Committee:

Ellen Brady Mueller
Ralph M. Dawson
Brett Hopkins

It is recommended that the Enabling Resolution be amended to increase the number of Councilmembers on the Committee. The Committee meetings will be subject to the Open Meetings Act.

The first Committee meeting will be held on January 24, 2012 at 7:00 p.m. at the Crystal Lake City Hall.

Votes Required to Pass:

Simple majority



DRAFT

**A RESOLUTION BY THE CRYSTAL LAKE CITY COUNCIL PROVIDING FOR THE APPOINTMENT OF
THE MEMBERS TO THE CENTENNIAL COMMITTEE**

WHEREAS, at the September 6, 2011 City Council meeting, the City Council adopted a resolution establishing the City of Crystal Lake Ad Hoc Centennial Committee and the method of appointment for the members of the Committee.

NOW, THEREFORE, the City Council of the City of Crystal Lake resolves as follows:

SECTION 1. MEMBERSHIP

1. The following community members are hereby appointed to the Crystal Lake Centennial Committee:

Melissa C. Bavester
Bob Blazier
Jeff Greenman
Carol A. Heisler
Diana Kenney
Jack Sebesta
Jerry Shaffer
Susan Zeller

2. The representation from the City Council shall include three Councilmembers and the Mayor and shall be made up of the following:

Mayor Aaron T. Shepley
Councilmember Ellen Brady Mueller
Councilmember Ralph M. Dawson
Councilmember Brett Hopkins

3. Seven members shall constitute a quorum.
4. The Committee shall select a vice chair at its first meeting. The Mayor shall serve as the chair.

DATED this 6th day of December, 2011

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: December 6, 2011
APPROVED: December 6, 2011



Agenda Item No: 10

**City Council
Agenda Supplement**

Meeting Date:

December 6, 2011

Item:

Fire Wagon Holding LLC/Crystal Ice House Temporary Use Permit request for a Special Promotion (two outdoor rinks).

Recommendation:

Council's discretion:

- A. Motion to approve the Temporary Use Permit, pursuant to the recommendations listed below.
- B. Motion to deny the applicant's request.

Staff Contact:

Michelle Rentzsch, Director of Planning & Economic Development

Background: Fire Wagon Holdings LLC, owner of the Crystal Ice House, is requesting a Temporary Use Permit to allow a Special Promotion to have two (2) outdoor ice rinks on the vacant property just north of the Crystal Ice House, 320 E. Prairie Street, from December 7, 2011 to February 28, 2012.

The request includes portable halogen floodlights (standing about every 40 feet along the length of the rinks), a possible portable generator for the lights, port-a-potties, and a rink-side bonfire. The applicant states there will be adequate trash receptacles available on-site.

The Unified Development Ordinance (UDO) allows special promotions for not more than 72 consecutive hours per calendar month and not more than 4 promotions each calendar year. Consistent with a previous temporary outdoor rink, this request is being presented as a TUP.

If the request is approved, the following conditions are recommended:

1. The Temporary Use Permit shall be valid from December 7, 2011 to February 28, 2012.
2. The generator is used to supply multiple light stands. The generator shall be properly grounded per the 2005 NEC. If the lights are mounted to the top of each portable generator, they are not required to be grounded.
3. All cords shall be sized properly and covered by mats or other means to eliminate a tripping hazard.
4. Lighting equipment shall be properly anchored to maintain it in an upright position.
5. A minimum of one (1) accessible toilet must be located on an accessible route.

6. The entire area is subject to a final inspection by the Building Division and Fire Prevention Bureau prior to opening to the public. Please contact 815-356-3605 to arrange these inspections.
7. Provide a 20-foot access for emergency vehicles to gain access to the building and Fire Rescue Department connection.
8. Contact the Fire Rescue Department for a permit for recreational camp fires.
9. Any downstream flooding damage caused by the melting of the ice rink shall be the full responsibility of the Crystal Ice House to repair.
10. No ice rinks shall be located within the high water level of the detention area.
11. The water source must come from the building (City water) and be metered.

The applicant has been made aware of these recommended conditions and will be attending the December 6, 2011 City Council meeting to answer any questions.

Votes Required to Pass: A simple majority vote.



Agenda Item No: 11

**City Council
Agenda Supplement**

Meeting Date: December 6, 2011

Item: REPORT OF THE PLANNING & ZONING COMMISSION
#2011-48 Sage YMCA
Final PUD Amendment for an electronic message center sign.
Foglia and Sage YMCA, petitioner
701 Manor Road

PZC Recommendation: Motion to deny the petitioner's request.

Staff Contact: Michelle Rentzsch, Director of Planning and Economic Development

Background:

- Existing YMCA, recently purchased by the YMCA Metro Chicago.
- Existing wall signage was amended through sign permits to illustrate new ownership and Sage sponsorship.
- Request to install free-standing monument sign near Manor Road. Sign will be illuminated and contain an electronic message center.

Planning and Zoning Highlights:

Ordinance requirements

- The site is zoned B-2 PUD General Commercial and is located between Manor Road and Route 31.
- Electronic Message Center (EMC) signs are allowed as a Special Use in the B-2 zoning district. This property already has a Special Use for the PUD. This EMC requires an amendment to their Final PUD.
- Although the site is zoned B-2, signage is based on the use. The use is a Civic Use for Membership Club and permits a 32 square-foot 8-foot high sign. The sign complies with the requirements.

Landscape

- The UDO requires 1' of landscape for each square foot of signage. A condition has been added to require landscape planting around the sign.

Electronic Message Center

- EMC signs are permitted through an SUP in the B-2 zoning district and should comply with the SUP standards in the UDO. These standards are listed under the Findings of Fact within the staff report.

Exterior Lighting

- The sign has ground mounted up-lighting for the painted metal, “the Y” logos on both tower elements, recessed LED lighting for the painted metal “Sage YMCA” sign, an electronic message center sign and two illuminated translucent acrylic beacons on the tower elements.
- Article 4-800 Exterior Lighting Standards states, “Sign Lighting: Any single luminaire used for lighting of a ground mounted sign that is not internally illuminated shall not exceed 1100 lumens and be angled at a maximum of 45 degrees.” The request illustrates 4 ground mounted spot lights for, “the Y” logo. This sign will comply with this requirement.
- Article 4-800 Exterior Lighting Standards also state, “Internally illuminated signage shall be designed to minimize the amount of light transmitted through the sign panel and not cause excessive glare. The display of light should be limited to the copy area. The sign contains translucent acrylic beacons on both tower cap elements. No sign copy is located in this area and this is simply illumination.

PZC Highlights

- The PZC felt that the internally illuminated EMC sign was not appropriate on this residential street. They suggested the YMCA look at a location on Route 31 to be able to advertise their programs to a wider audience.

The PZC recommended unanimous **denial (7-0)** of the project.

If the request is approved, the following conditions are recommended:

1. Approved plan, to reflect staff and advisory board comments, as approved by the City Council:
 - A. Application (Sage YMCA, received 09/30/11).
 - B. Signage Package (TENGE, dated 09/22/11, received 09/30/11 received 9/13/11)
2. A Final PUD Amendment is hereby granted to allow the EMC sign as illustrated and illuminated between the hours of 5:00 a.m. and 11:00 p.m., with the exception that the tower elements shall not have the translucent acrylic illuminated beacons.
3. Future changes to the signage, which meet all requirements of the Unified Development Ordinance, shall not be required to amend the PUD.
4. The EMC sign is required to meet the criteria listed in 61.A.vi (except II).
5. The petitioner shall submit a landscape plan that illustrates ground cover, low growing shrubs, and flowers around the base of the sign.
6. The petitioner shall comply with all of the requirements of the Planning and Economic Development and Engineering and Building Departments.

Votes Required to Pass: A super majority vote (5 votes) is required to overturn the unanimous negative recommendation of the PZC.



Agenda Item No: 12

**City Council
Agenda Supplement**

Meeting Date:

December 6, 2011

Item:

Liquid Chlorine, Liquid Hydrofluosilicic Acid, Ortho Poly Phosphate Bid

Staff Recommendation:

Motion to award the bid for the provision of Liquid Chlorine, Liquid Hydrofluosilicic Acid, and Ortho Poly Phosphate to Hawkins Inc. who was the lowest responsible, responsive bidder for all three chemicals, and adopt a resolution authorizing the City Manager to execute a one-year purchase agreement for Liquid Chlorine, Liquid Hydrofluosilicic Acid, and Ortho Poly Phosphate purchase agreement with Hawkins Inc.

Staff Contact:

Victor Ramirez P.E., Director of Public Works

Background:

On November 16, 2011, the City of Crystal Lake publicly opened and read aloud the bids received for the provision of Liquid Chlorine, Liquid Hydrofluosilicic Acid, and Ortho Poly Phosphate. These chemicals are used at the City's five water treatment plants to comply with drinking water standards.

All three chemicals were bid together in an effort to achieve the lowest possible price, and to save Water Division personnel time in coordinating multiple deliveries to the five water treatment plants. Hawkins Inc. submitted an alternate lower price per chemical if they were to be awarded all three chemicals. The following is a breakdown of the bids received.

		√Hawkins, Inc. Alt	Hawkins, Inc.	Viking Chemical	Alexander Chemical
Liquid Chlorine	Per 150 lb	\$ 57.75	\$ 59.25	\$ 63.00	\$ 109.00
	Per Year	\$ 27,912.50	\$ 28,637.50	\$ 30,450.00	\$ 52,683.33
Liquid Hydrofluosilicic Acid	Per Gal	\$ 4.71	\$ 4.81	\$ 4.60	No Bid
	Per Year	\$ 21,492.23	\$ 21,948.54	\$ 20,990.29	No Bid
Ortho Poly Phosphate	Per Gal	\$ 7.15	\$ 7.30	\$ 7.49	No Bid
	Per Year	37,273.02	38,054.97	39,045.44	No Bid
Annual Total		\$86,677.75	\$ 88,641.01	\$ 90,485.73	N/A

(√ Indicates recommended lowest responsible, responsive bidder)

Hawkins made their alternate pricing available only if they were awarded the bid for all three chemicals. Viking Chemical's bid is lowest for Liquid Hydrofluosilicic Acid (fluoride), but selecting that bid would negate the savings that could be realized by awarding all three commodities to Hawkins at their alternate pricing. The projected total annual cost to award Viking Chemical fluoride and Hawkins the chlorine and phosphate would be \$87,682.76, which is \$1,005.01 more than the expected total that Hawkins listed if they were to be awarded all three contracts.

Recommendation:

The Public Works Department has reviewed all bids received for completeness and accuracy in accordance with the invitation to bid document. The City has had a positive experience working with Hawkins Inc. for the provision of these commodities in the past. It is staff's recommendation to award a one-year purchase agreement for Liquid Chlorine, Liquid Hydrofluosilicic Acid, and Ortho Poly Phosphate to the lowest responsible, responsive bidder, Hawkins Inc., in the not-to-exceed amounts of \$57.75 per 150 lb Chlorine Cylinder, \$4.71 per gallon of Liquid Hydrofluosilicic Acid, and \$7.15 per gallon of Ortho Poly Phosphate.

Votes Required to Pass:

Simple Majority

RESOLUTION

DRAFT

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the City Manager is authorized to execute a one-year Purchase Agreement between the CITY OF CRYSTAL LAKE and Viking Chemical for the provision of Liquid Chlorine, Liquid Hydrofluosilicic Acid, and Ortho Poly Phosphate.

DATED this _____ day of _____, 2011.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: _____

APPROVED: _____



Agenda Item No: 13

**City Council
Agenda Supplement**

Meeting Date: December 6, 2011

Item: Liquid Aluminum Sulfate (ALUM)

Staff Recommendation: Motion to award the bid for the purchase of Liquid Aluminum Sulfate to the lowest responsible, responsive bidder, USALCO MICHIGAN PLANT, LLC, and to adopt a resolution authorizing the City Manager to execute a purchase agreement with USALCO MICHIGAN PLANT, LLC in the amount of \$445.81 per dry ton of Liquid Aluminum Sulfate.

Staff Contact: Victor Ramirez, P.E., Director of Public Works

Background:

On November 29, 2011, the City of Crystal Lake publicly opened and read aloud the bids received for the purchase of Liquid Aluminum Sulfate (ALUM) for the Public Works Department. Liquid Aluminum Sulfate (ALUM) is used at the City's two wastewater treatment plants for the purpose of phosphorous and barium removal as required in the facilities' NPDES permits. In the last year, WWTP#2 and WWTP#3 have combined to use 450 dry tons of ALUM. The City's current contract is with Thatcher Co. of Montana for \$420.89 per dry ton.

Following is a breakdown of the bids received:

√ USALCO MICHIGAN PLANT, LLC 1120 Middle River Rd. Baltimore, MD 21220	\$445.21 per dry ton
General Chemical Performance Products, LLC 90 East Halsey Road Parsippany, NJ 07054	\$521.00 per dry ton
Kemira Water Solutions, Inc. 3761 Canal St. East Chicago, IN 46312	No Bid

√ Indicates recommended lowest responsible, responsive bidder.

Recommendation:

The Public Works Department has reviewed all bids received for completeness and accuracy in accordance with the invitation to bid documents. Additionally, the Public Works Department contacted the references submitted by USALCO MICHIGAN PLANT, LLC, and all contacts reported that they have received satisfactory service. It is staff's recommendation to award the contract to the lowest responsible, responsive bidder, USALCO MICHIGAN PLANT, LLC, in the amount of \$445.81 per dry ton.

Votes Required to Pass:

Simple Majority

RESOLUTION

DRAFT

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the City Manager is authorized to execute a one-year Purchase Agreement between the CITY OF CRYSTAL LAKE and USALCO Michigan Plant, LLC for the provision of Liquid Aluminum Sulfate.

DATED this _____ day of _____, 2011.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: _____

APPROVED: _____



Agenda Item No: 14

**City Council
Agenda Supplement**

Meeting Date:

December 6, 2011

Item:

Designation as Surplus, and Sale of Fire Engine 340 (1994 HME/Luverene)

Staff Recommendation:

Motion to adopt a Resolution designating Fire Engine 340 (1994 HME/Luverene) as surplus equipment and authorizing the City Manager to execute an agreement with B & P Apparatus, Inc. for the sale of Fire Engine 340 (1994 HME/Luverene).

Staff Contact:

James P. Moore, Fire Rescue Chief

Background:

The Fire Rescue Department currently utilizes a 1994 HME/Luverene Fire Engine that no longer serves the needs of the community to provide fire and emergency medical services.

Fire Engine 340 was designated for replacement in the Fire Rescue Department's current budget. With almost 100,000 miles, 8,000 engine hours and 17 years of service, this fire engine has been replaced.

Staff has evaluated two options for the sale of this surplus equipment (auction and fire apparatus broker) and has determined that the use of a fire apparatus broker will garner the greatest selling price. An apparatus appraisal of Fire Engine 340 from B & P Apparatus, Inc. is included. This appraisal is at least double of what would be expected at auction.

B & P Apparatus Inc., in Aurora, Illinois, has a proven success record in selling surplus fire apparatus. B & P Apparatus charges a brokerage fee of 10% of the final price, which is added to the purchase price; thus, this fee is paid by the buyer. Utilization of this brokerage service would provide the following benefits to the City:

- 1) The City would not be required to transport the vehicle to an auction or the final point of purchase.
- 2) B & P Apparatus will provide all advertising and logistics.
- 3) B & P Apparatus maintains a nationwide network of fire apparatus re-builders who are purchasers of this type of equipment.
- 4) Achieve optimal resale price.

Recommendation:

It is staff's recommendation to designate Fire Engine 340 (1994 HME/Luverene) as surplus equipment and to authorize the City Manager to execute an agreement with B & P Apparatus, Inc. for the sale of Fire Engine 340 (1994 HME/Luverene).

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 1994 HME/Luverene Fire Engine is hereby designated as surplus equipment.

BE IT ALSO 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 an agreement with B & P Apparatus, Inc. for the sale of the 1994 HME/Luverene.

DATED this 6th day of December, 2011

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: December 6, 2011
APPROVED: December 6, 2011



Agenda Item No: 15

City Council Agenda Supplement

<u>Meeting Date:</u>	December 6, 2011
<u>Item:</u>	Intergovernmental Agreement with McHenry County for the South Main Street Improvement
<u>Staff Recommendation:</u>	Motion to adopt a resolution authorizing the City Manager to execute the South Main Street Improvement Intergovernmental Agreement with McHenry County.
<u>Staff Contact:</u>	Erik D. Morimoto, Director of Engineering and Building

Background:

The improvement to South Main Street is a programmed construction project that will widen Main Street to a five-lane section from Liberty Drive to Jennings Drive. This improvement will tie into the Rakow Road improvements to the south, and the improvements to Route 14 and Main Street, completed in 2002, to the north. The City has obtained \$1.5 million in federal Surface Transportation Program funding for the construction. The Phase I Engineering Report was completed and approved by the Illinois Department of Transportation on June 24, 2010.

Included in the proposed scope of improvement is the intersection of Main Street/Pyott Road and Virginia Road. Three legs of this intersection, the Pyott Road leg and the two Virginia Road legs, are under the jurisdiction of McHenry County. In addition, the traffic signal system at the intersection is under the jurisdiction of the County. This project will create a continuous four-lane roadway between Rakow Road and Crystal Lake Avenue and eliminate the traffic bottleneck that currently exists in the City's primary gateway to the Route 14 commercial corridor from the south. The City has been



negotiating with McHenry County to secure their financial participation for this project, which resulted in the proposed intergovernmental agreement.

According to the terms of the agreement, the County will reimburse the City for its proportionate share of the improvements to the intersection and Pyott Road. The County will contribute to the Phase II Engineering, the right-of-way and easement acquisition, the construction, and the Phase III Engineering. The City currently estimates that the County's total contribution will be \$1,998,826.16. The County's final contribution will depend on final costs for each item. Attachment A in the agreement details the cost division between the City and the County.

The City's final share is estimated to be \$3,411,949.27, which includes \$155,474.10 already spent for Phase I Engineering. This amount will be spread over several budget years. The City has sufficient MFT reserves to fund its share.

The City agrees to act as the lead agency for the improvement. The agreement also states that the County will retain jurisdiction of the traffic signal system after the construction. A legal review of the agreement was completed and has deemed it acceptable. The City has currently programmed construction for the project in 2013.

Votes Required to Pass:

Simple Majority

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 be authorized to execute an agreement between the City of Crystal Lake and the County of McHenry for the improvements to South Main Street.

DATED this sixth day of December, 2011.

CITY OF CRYSTAL LAKE, an Illinois
Municipal Corporation

BY: _____
AARON T. SHEPLEY, MAYOR

SEAL

ATTEST:

NICK KACHIROUBAS, CITY CLERK

PASSED: December 6, 2011

APPROVED: December 6, 2011

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



Agenda Item No: 16

City Council Agenda Supplement

Meeting Date:

December 6, 2011

Item:

Consultant Selection Approval for the South Main Street Improvement Phase II Design Engineering and Right-of-Way Acquisition Services.

Staff Recommendation:

Motion to award the proposal for the South Main Street Improvement for Phase II Design Engineering and Right-of-Way Acquisition Services to the most qualified, responsible, and responsive proposer, TranSystems Corporation, and adopt a resolution authorizing the City Manager to execute an agreement with TranSystems Corporation in the amount of \$618,237.33 and approve changes in scope by 10 percent of the original price.

Staff Contact:

Erik D. Morimoto, Director of Engineering and Building

Background:

The improvement to South Main Street is a programmed construction project that will widen Main Street to a five-lane section from Liberty Drive to Jennings Drive. This improvement will tie into the Rakow Road improvements to the south, and the improvements to Route 14 and Main Street, completed in 2002, to the north. The City has obtained \$1.5 million in federal Surface Transportation Program funding for the construction. The Phase I Engineering Report was completed and approved by the Illinois Department of Transportation on June 24, 2010.

Included in the proposed scope of improvement is the intersection of Main Street/Pyott Road and Virginia Road. Three legs of this intersection, the Pyott Road leg and the two Virginia Road legs, are under the jurisdiction of McHenry County. In addition, the traffic signal



system at the intersection is under the jurisdiction of the County. This project will create a continuous four-lane roadway between Rakow Road and Crystal Lake Avenue and eliminate the traffic bottleneck that currently exists in the City's primary gateway to the Route 14 commercial corridor from the south. The City has been negotiating with McHenry County to secure their financial participation for this project, which includes their participation with Phase II Engineering, the right-of-way and easement acquisition, the construction, and the Phase III Engineering.

CONSULTANT SELECTION PROCESS

As McHenry County funds are being utilized in the Phase II Design Engineering, their consultant selection process must be followed. Their process follows the federal law which requires a purely qualification-based selection process to be followed to secure an engineering firm. The City's selection process for federally funded projects is as follows:

- A sealed price proposal will be required for each RFP, submitted in a separate envelope
- Staff selects the three most highly qualified firms, in order of preference, without reviewing any price information.
- Staff then negotiates with the highest ranked firm and review, only the pricing information provided by the firm, and not pricing information from any of the other firms.
- If negotiation with the highest ranked firm is unsuccessful and is formally terminated, the City will negotiate with the next most highly qualified firm and the City may review the pricing by that firm during the negotiation.
- This process will continue until a satisfactory agreement is reached with a firm.
- After contract is awarded, the remaining sealed price proposals will be returned to the proposers.

Note that the County process takes the federal process a step further and does not solicit a sealed price proposal or costs of any means, until the top firm is determined during the qualification review. Only then is a cost submitted from the most-qualified firm and negotiated.

The City received proposals from sixteen firms in response to the request. Staff from the Engineering and Building Department and McHenry County Division of Transportation (MCDOT) reviewed each of the proposals based solely on their qualifications. The criteria that were considered during the review were:

- Proposal completeness
- Firm's reputation and integrity
- General experience and history of performance on similar projects
- Current or past projects related to the scope of services
- Approach to the design and understanding of the overall project scope
- Experience of personnel

- Miscellaneous – additional items which made the firm stand out

Of the 16 proposals received, the Engineering and Building Department and MCDOT determined TranSystems Corporation to be the most qualified and responsible proposer. TranSystems provided the best approach to the design of the project, and their proposal demonstrated that the project manager has the training and experience to handle the project successfully with a high level of communication. TranSystems also indicated a highly detailed level of project understanding in the proposal and was conscious of the strict project schedule. Their proposal also included additional insight into some of the key components necessary to ensuring the success of this particular project, as compared to the other proposals, including:

- A detailed narrative for their project approach (not a restatement of the RFP summary)
- Additional suggestions and discussion on the importance of water quality protection for the lakes at Three Oaks Recreation Area;
- Sensitivity to the economic impact of construction with a detailed summary of each local business in the project corridor with an analysis of their individual operations and needs during the construction staging process;
- Additional discussion on the importance of maintaining safe pedestrian access to Three Oaks Recreation Area during construction given the high trail use in this area;
- Additional focus on vehicular safety, with a suggested analysis of continuous lighting as an option, as this was not part of the Phase 1 Project Development Report recommendation; and
- Inclusion of an in-house landscape architect to ensure a cohesive design with the existing native planting of the Conservation District Prairie Trail and suggestion of an opportunity to integrate a new “welcome to Crystal Lake” sign in the project.

The next step in the County’s consultant selection process was to request a cost from TranSystems for the Phase II Design Engineering and Right-of-Way Services, as they were recommended as the most qualified of all proposers. Both City and County staff reviewed the provided cost and the final negotiated cost is as follows:

	Total	City Share	County Share
Phase II Design Engineering	\$443,983.00	\$267,499.76	\$176,483.24
Right-of-Way Services	\$174,254.33	\$87,127.17	\$87,127.17
TOTAL	\$618,237.33	\$354,626.93	\$263,610.41

Based on the proposals received and the experience and qualifications noted, it is the recommendation of the Engineering and Building Department and MCDOT to select

TranSystems to perform the South Main Street Improvement Phase II Design Engineering and Right-of-Way Services.

The costs for the Phase II Design Engineering for this project were included in the Fiscal Year 2011-2012 budget. Construction would be targeted in 2013 pending completion of the right-of-way acquisition and approval by IDOT of the final plans and specifications.

Votes Required to Pass:

Simple majority



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 be authorized to execute an agreement with TranSystems Corporation for the South Main Street Improvement Phase II Engineering for \$618,237.33. The City Manager is additionally authorized to approve up to 10 percent in justifiable contract amendments from a contingency allowance.

DATED this sixth day of December, 2011.

CITY OF CRYSTAL LAKE, an Illinois
Municipal Corporation

BY: _____
AARON T. SHEPLEY, MAYOR

SEAL

ATTEST:

NICK KACHIROUBAS, CITY CLERK

PASSED: December 6, 2011

APPROVED: December 6, 2011

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



Agenda Item No: 17

**City Council
Agenda Supplement**

Meeting Date: December 6, 2011

Item: Appropriation of MFT funds for the South Main Street Improvement.

Staff Recommendation: Motion to adopt a resolution appropriating \$680,062 in MFT funds for the South Main Street improvement.

Staff Contact: Erik D. Morimoto, Director of Engineering and Building

Background:

City staff is requesting that the Council allocate \$680,062 in Motor Fuel Tax funds for the South Main Street Improvement. This allocation is for all engineering phases of the project, construction, and a 10 percent contingency. Any funds that are obligated and not spent will be returned to the City's unobligated balance once the project is complete. The City has budgeted for this project, and has sufficient reserves in its MFT fund for the engineering.

Votes Required to Pass:

Simple majority



BE IT RESOLVED, by the Mayor and City Council of the City of Crystal Lake, Illinois that the following described street(s) be improved under the Illinois Highway Code:

Table with 4 columns: Name of Thoroughfare, Route, From, To. Row 1: South Main Street, FAU 124, US Route 14, Rakow Road.

BE IT FURTHER RESOLVED, 1. That the proposed improvement shall consist of widening South Main Street; the funds appropriated here shall be used for Phase II Engineering

and shall be constructed 48 feet wide and be designated as Section 08-00106-00-FP

2. That there is hereby appropriated the (additional Yes No) sum of six hundred and eighty thousand, sixty-two Dollars (\$680,062.00) for the improvement of said section from the municipality's allotment of Motor Fuel Tax funds.

3. That work shall be done by Contract ; and, Specify Contract or Day Labor

BE IT FURTHER RESOLVED, that the Clerk is hereby directed to transmit two certified copies of this resolution to the district office of the Department of Transportation.

Approved
Date
Department of Transportation
Regional Engineer

I, Nick Kachiroubas Clerk in and for the City of Crystal Lake County of McHenry, hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by the Council at a meeting on December 6, 2011 IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 6th day of December, 2011 (SEAL) City, Town, or Village Clerk



Agenda Item No: 18

**City Council
Agenda Supplement**

Meeting Date:

December 6, 2011

Item:

Consultant Selection Approval for the North Shore Drive Flooding Improvements Phase II Design Engineering

Staff Recommendation:

Council Discretion:

- a) Motion to award the proposal for the North Shore Drive Flooding Improvements Phase II Design Engineering for Area 1B and Area 1D to the most qualified, responsible, and responsive proposer, Christopher B. Burke Engineering, LTD, and adopt a resolution authorizing the City Manager to execute an agreement with Christopher B. Burke Engineering, LTD in the amount of \$84,254.96 and approve changes in scope by 10 percent of the original price.
- b) Motion to award the proposal for the North Shore Drive Flooding Improvements Phase II Design Engineering for Area 1B, Area 1D, and North Shore Drive Reroute to the most qualified, responsible, and responsive proposer, Christopher B. Burke Engineering, LTD, and adopt a resolution authorizing the City Manager to execute an agreement with Christopher B. Burke Engineering, LTD in the amount of \$156,246.96 and approve changes in scope by 10 percent of the original price.

Staff Contact:

Erik D. Morimoto, Director of Engineering and Building

Background:

The Crystal Lake area experienced some of the heaviest rainfall totals in its recorded history in the summer of 2007. Because of this historic rain, several areas in the City flooded. In March of 2009, a study was completed by the City identifying flooding areas of concern and making recommendations on how to reduce the risk of future flooding.

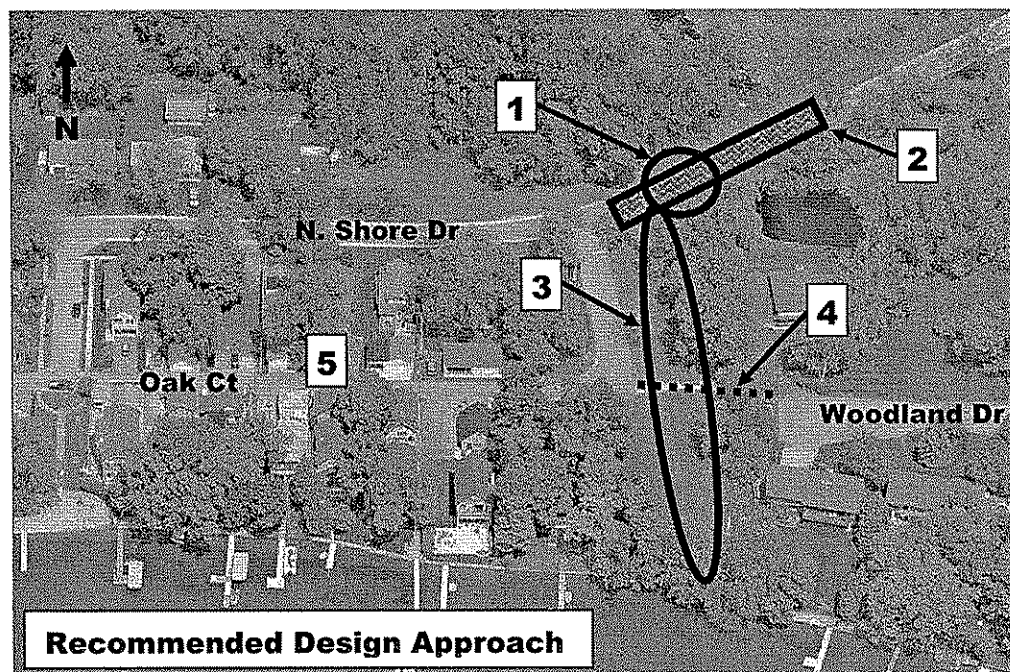
The report divided the flood-prone areas of the City into different study areas. The study area known as Area 1B includes North Shore Drive south of Crystal Lake Avenue and west of Virginia Street, east of Baldwin Avenue and north of the lake. Area 1D is the area immediately west of East Street extending to Baldwin Avenue.

The 2009 Flood Study recommended an improvement in Area 1B as the top priority as North Shore Drive is the sole access to over 250 residents north of Crystal Lake. Life safety issues also exist with water overtopping North Shore Drive, which currently occurs approximately every two to three years. An improvement to Area 1B will also provide some relief to Areas 1A and 1C, north and east of Area 1B.

DESIGN APPROACH FOR AREA 1B AND AREA 1D

Staff has conducted extensive evaluation and coordination to ensure the City builds an achievable, effective, and affordable project in this area. City staff has determined that a final recommended design approach has been reached. As previously presented at the September 20, 2011 City Council meeting, the recommended design includes:

1. Adding 3 Shallow Box Culverts
2. Raising North Shore Drive
3. Expanding Existing Overflow Swale
4. Enhancing Emergency Access Route at Woodland Drive
5. Improving Drainage West of the Overflow Channel



This improvement would raise the current 2-year level of flood protection for North Shore Drive to a 100-year level of protection upon completion of the project. The estimated cost of construction is approximately \$850,000. It will greatly benefit the residents north of the lake, as

the roadway will not overtop at the current frequency, allowing for access to homes for both residents and emergency vehicles during severe storm events. The Woodland Channel would also benefit as the storm water, which currently overflows North Shore Drive, would be redirected away from the Woodland Channel through the new culverts under North Shore Drive.

NORTH SHORE DRIVE REROUTE PROJECT ADDITION

The opportunity exists to enhance safety and traffic flow along North Shore Drive by rerouting the intersection of North Shore Drive to the north so it would connect to Crystal Lake Avenue. This would allow for direct access to U.S. Route 14 at a signalized intersection. The estimated cost of construction for the reroute itself is approximately \$714,000.

Upon further analysis, it was determined that rerouting North Shore Drive and removing the old roadway bed would not provide adequate flood mitigation benefits as a stand alone project for the following reasons:

- A detailed hydrologic and hydraulic model of the tributary area to Cove Pond and North Shore Drive showed that the flood elevations in Cove Pond and the frequency of North Shore Drive overtopping were not reduced; and
- The existing wetland south of North Shore Drive and north of the Woodland Channel has an available flood storage capacity of 19 acre-feet, which is less than 10% of the flood storage capacity required to lower the 100-year flood elevation of Cove Pond below the overtopping elevation of North Shore Drive; and
- Sending additional water to this wetland area, as opposed to a dedicated channel as currently proposed, could increase the flood elevations and water level fluctuations in the Woodland Channel, thus potentially increasing the risk of flooding for the homes adjacent to this channel; and
- Cove Pond was designed, permitted, and constructed as a treatment wetland to improve water quality of the stormwater draining to the lake from the 540 acres of tributary area. Redirecting stormwater to a different location reduces the water quality treatment and protection of the lake that is provided by Cove Pond.

GRANT FUNDING

Staff was recently informed that the City is expected to receive a grant from the Illinois Department of Commerce and Economic Development for the North Shore Drive improvement in the amount of \$482,000. Staff is currently working to complete all the necessary paperwork, which will begin the approval process for the grant award. It appears this is a non-matching grant with no deadlines.

NEXT STEPS

Following the selection of the Phase II design consultant, construction plans and permit submittals for this final design approach will begin. Staff anticipates the plans will be finalized this winter with construction late summer of 2012, pending permit approvals.

CONSULTANT SELECTION PROCESS:

The Engineering and Building Department followed the City's Purchasing Policy to secure a highly qualified engineering firm to address this project. The City sent the Request for Qualifications & Proposal (RFQ&P) directly to three qualified engineering firms. An advertisement of the RFQ&P was also placed in the *Northwest Herald* and on the City's webpage. Through this notification process, the City only received five proposals due to the complexities of the project. As Motor Fuel Tax (MFT) funds may be utilized for portions of the North Shore Drive Reroute option, a qualifications-based selection process in conformance with MFT requirements was utilized. No federal funds are anticipated for this project.

Qualification Review

Staff from the Engineering and Building Department reviewed each of the proposals and ranked the firms based solely on their qualifications. The criteria considered during the review were:

- Proposal completeness
- Firm's reputation and integrity
- General experience and history of performance on similar projects
- Current or past projects related to the scope of services
- Understanding of the unique project design challenges
- Adherence to the Project Scoping Summary
- Experience of personnel
- Miscellaneous – additional items which made the firm stand out

Cost was not taken into consideration during the qualification review; this portion of the review was strictly based on the firm's ability to meet or exceed the above criteria. The ranking of the top three firms based upon qualifications and project approach is:

1. Christopher B. Burke Engineering, Ltd. (CBBEL)
2. Primera
3. M. Gingerich, Gereaux & Associates (MG2A)

The Engineering and Building Department identified Christopher B. Burke Engineering, Ltd. (CBBEL) as being the most qualified and responsible proposer for reasons including:

- Proposal followed the requirements outlined in the Project Scoping Summary of the RFP and was broken into three separate sections thus allowing for three sets of design plans, if necessary.
- Proposal was detailed and easy to read which showed an overall understanding of the magnitude and complexities of the project.
- CBBEL staff understands the City's expectations and is extremely knowledgeable about not only the project but the City's Watershed Manual as well.
- CBBEL will also provide the City with three concept level designs regarding the improvements to Area 1D (important as this area has not been extensively studied).

Two additional firms provided proposals to the RFQ&P, but did not rank as finalists in the qualifications review. Hampton, Lenzini and Renwick did not provide enough information in the proposal. Gewalt Hamilton and Associates included deviations from the requested scope of services/recommended design approach, including:

- Proposal based on utilization of a design alternative for Area 1B previously rejected by the City due to escalated costs associated with water main conflicts, poor soils and other items (deviation from Project Scoping Summary from RFP).
- Consideration of design for Area 1D that would include infrastructure reconstruction beyond the scope and construction budget for this project (deviation from Project Scoping Summary from RFP).
- Insufficient hours devoted the North Shore Drive reroute, as compared to the other proposals, due to complex wetland, drainage, and permitting issues.
- Lack of overall understanding of the project and City expectations demonstrated in the proposal.

Cost Comparison

The next step was to review CBBEL's provided cost. Upon review of CBBEL's cost, the Engineering and Building Department determined that the proposed cost is competitive relative to the scope of services and the proposed costs provided by the other two finalists that adhered to the project approach as defined in the RFP&Q. The following table summarizes CBBEL's design costs compared with the proposed design costs of all five firms:

	<i>Finalists</i>			Average	<i>Other Proposals</i>	
	CBBEL	Primera	MG2A		HLR¹	GHA²
Area 1B	\$45,602.00	\$39,123.40	\$59,240.00	\$38,404.48	\$30,076.00	\$17,981.02
Area 1D	\$38,652.96	\$45,078.40	\$48,788.00	\$54,430.89	\$117,742.65	\$31,607.09
<i>SUBTOTAL</i>	<i>\$84,254.96</i>	<i>\$84,201.80</i>	<i>\$108,028.00</i>	<i>\$94,778.30</i>	<i>\$147,818.65</i>	<i>\$49,588.11</i>
<hr/>						
North Shore Drive Reroute	CBBEL	Primera	MG2A	Average	HLR	GHA
	\$71,992.00	\$91,529.40	\$73,104.00	\$71,648.73	\$81,283.18	\$40,335.05
<hr/>						
TOTAL	CBBEL	Primera	MG2A	Average	HLR¹	GHA²
	\$156,246.96	\$175,731.20	\$181,132.00	\$166,427.03	\$229,101.83	\$89,923.16

¹Lack of information provided in proposal

²Refer to summary of project scope deviations identified during qualifications review

Estimated Manhours	Consultant					Average
	GHA	CBBEL	Primera	MG2A	HLR	
Area 1B	53	389	346	486	291	313
Area 1D	311	288	266	454	1,102	484
North Shore Drive Reroute	434	643	816	656	798	669
Total Manhours	798	1,320	1,428	1,596	2,191	1,467
Average Hourly Rate	\$112.69	\$118.37	\$123.06	\$113.49	\$104.56	\$114.43

Based upon the qualifications review, and analysis of each firm's project approach relative to the RFP&Q requirements, the staff recommendation is to select CBBEL to perform the Phase II design engineering for the North Shore Drive Flooding Improvements.

Votes Required to Pass:

Simple Majority



Agenda Item No: 19

**City Council
Agenda Supplement**

Meeting Date: December 6, 2011

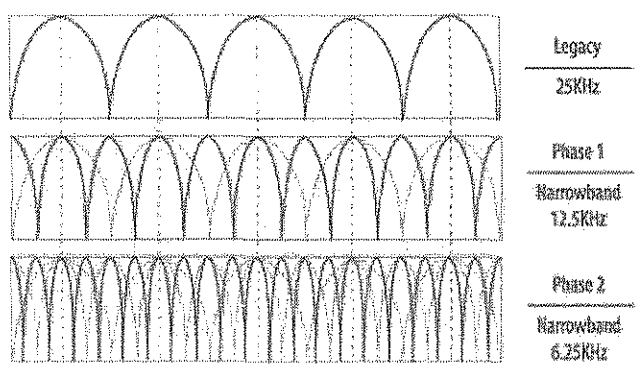
Item: Radio Communications System Upgrade

Staff Recommendation: Motion awarding the proposal for Radio Communications System Upgrade to the lowest responsive, responsible proposer, Chicago Communications, LLC, and adopting a resolution authorizing the City Manager to execute a contract with Chicago Communications, LLC in the submitted per unit proposal amount with a 10 percent contingency for justifiable additions.

Staff Contact: George J. Koczwar, Deputy City Manager

The Federal Communication Commission (FCC) has mandated that all public safety radio systems be narrowbanded from 25 kHz to 12.5 kHz by January 1, 2013 due to congestion within this spectrum. Therefore, each public entity, including the City of Crystal Lake, which operates a UHF/VHF radio system must meet this federally mandated deadline.

In an effort to promote more efficient use of spectrum, the FCC mandated all VHF and UHF Public Safety and Industrial /Business licensees using 25 kHz land mobile radio (LMR) systems migrate to narrowband 12.5 kHz efficiency technology by January 1, 2013. Currently, the UHF and VHF frequency bands are congested and often there is not enough spectrum available for licensees to expand their existing systems or implement new systems. This mandate requires licensees to operate more efficiently, either on narrower channel bandwidths or increased voice paths on existing channels. This will allow creation of additional channels within the same spectrum, thereby supporting more users. The following graph demonstrates the narrowbanding progression:



To meet the federally unfunded, mandated deadline and to address the city-wide radio system coverage area, at the February 15, 2011 City Council meeting, the City Council approved a contract with Elert &

Associates to serve as the City's independent radio system consultant to: 1) guide the City through the FCC mandated narrowbanding requirements prior to the deadline, including bid specification preparation, 2) demonstrate how to improve the existing city-wide VHF radio system and its coverage area, and 3) guide the City through the process of adding an additional city-wide radio channel, including bid specification preparation.

In collaboration with Elert & Associates, a Request for Proposals was issued for this project. The RFP sought qualified vendors to provide a proposal for the upgrades to the radio communication system. This includes all necessary systems design, equipment/hardware, re-programming, installation, software, installation management, licensing support, warranty, maintenance, acceptance testing, and training for the following:

- All existing fixed radio equipment shall be re-programmed for narrowband operation to be compliant with the FCC narrowband mandate. Both over-the-air and wireline levels shall be checked for proper operation in the narrowband mode. All fixed equipment shall be checked for proper operation (On frequency, TX Power, RX Sensitivity, proper audio levels, etc). New equipment shall be supplied and installed for a new "Event" channel. Levels on the new channel shall also be checked and set for proper operation. Proposed "Event" channel station shall be offered that meets the requirements as outlined in this RFP.
- Add new base station for Police "Event" Channel at SEECOM tower location.
- Re-program or replace mobile and portable field terminal units for narrowband as specified and add "Event Channel". Current wideband channels will remain to facilitate changeover to narrowband.
- Re-program mobile and portable field units again in the fall of 2012 to remove all unused wideband channels.
- Provide quarterly preventative maintenance of fixed equipment.
- Add a vehicular repeater to one vehicle (Command Vehicle) for the purpose of extending the range of portables on the "Event Channel".
- Replace existing Voting comparators. Reprogram existing satellite receivers for operation with new comparators (status tone frequency & level)

On November 4, 2011, proposals were publicly opened for this project. Attached is a pricing matrix of the proposals received.

Recommendation:

It is the recommendation of the Fire Rescue Department, the Police Department, the City Manager's Office and Elert & Associates (a) that the City Council award a contract for the Radio Communications System Upgrade to Chicago Communications, LLC as the lowest responsive, responsible proposer and (b) that the City Council adopt a resolution authorizing the City Manager to execute the contract, including the unit pricing for system components stated in the Pricing Matrix in Chicago Communications, LLC's proposal plus a 10 percent contingency for appropriate additional components or extras. Chicago Communications, LLC is the City's current radio system maintenance provider.

Votes Required to Pass:

Simple majority vote of the City Council.



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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 a contract for the Radio Communications System Upgrade between the City of Crystal Lake and Chicago Communications, LLC with unit pricing as stated in Chicago Communications' proposal plus a 10 percent contingency for appropriate additional components or extras.

BE IT ALSO RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE to amend the 2010-2011 City Budget and authorize payment of the per unit proposal amount with contingency, from the General Fund Reserves for any amount not already budgeted.

DATED this 6th day of December, 2011

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By: _____
MAYOR

SEAL

ATTEST

CITY CLERK

PASSED: December 6, 2011

APPROVED: December 6, 2011

RFP Pricing Matrix - City of Crystal Lake Equipment and Services									
ITEM	DESCRIPTION	QUANTITY	Chicom Unit	Chicom Total	Ultrastrobe Unit	Ultrastrobe Total	Radicom Unit	Radicom Total	
Global System and Support Elements									
1.1	System Documentation	1	Included	\$0.00	\$1,200.00	\$1,200.00	\$200.00	\$200.00	
1.2	Detailed System Design	1	Included	\$0.00	\$1,200.00	\$1,200.00	\$2,000.00	\$2,000.00	
1.3	Radio System Installation	1	Included	\$0.00	\$2,500.00	\$2,500.00	\$0.00	\$0.00	
1.4	Project Management	1	Included	\$0.00	\$1,500.00	\$1,500.00	\$3,500.00	\$3,500.00	
1.5	Warranty (One Year)	1	Included	\$0.00	\$8,100.00	\$8,100.00	\$31,086.00	\$31,086.00	
1.6	Total Documentation			\$0.00		\$14,500.00		\$36,786.00	
Roll Up Costs for Site Equipment Inclusive of Radio Equipment, Antennas, Transmission Line, Grounding, Lightning									
2.1	Reprogram Satellite Receiver - SEECOM Dis	1		\$28.75	\$28.75	\$365.00	\$365.00	\$100.00	\$100.00
2.2	Reprogram Satellite Receivers - Althoff Tower	1		\$57.50	\$57.50	\$365.00	\$365.00	\$600.00	\$600.00
2.3	Reprogram Satellite Receivers - Ambutal Water	1		\$57.50	\$57.50	\$365.00	\$365.00	\$600.00	\$600.00
2.4	Reprogram Satellite Receivers - McHenry Cou	1		\$57.50	\$57.50	\$365.00	\$365.00	\$600.00	\$600.00
2.5	Reprogram Satellite Receivers - Bard Rd Water	1		\$57.50	\$57.50	\$365.00	\$365.00	\$600.00	\$600.00
2.6	Reprogram Repeaters - SEECOM Tower	1		\$115.00	\$115.00	\$265.00	\$265.00	\$600.00	\$600.00
2.7	Repeater antenna, transmission line, filtering, duplexer	1	Included	\$0.00	\$3,579.00	\$3,579.00		\$0.00	
2.8	Total Roll Up for Site Equip.				\$373.75		\$5,669.00		\$3,100.00
Reprogramming of Field Radios									
4.1	Reprogram Portable Radio	155		\$18.00	\$2,790.00	\$20.00	\$3,100.00	\$20.00	\$3,100.00
4.2	Reprogram Mobile Radio	131		\$29.00	\$3,799.00	\$20.00	\$2,620.00	\$20.00	\$2,620.00
					\$6,589.00		\$5,720.00		\$5,720.00
User Equipment Items									
5.1	VHF Display Portable	24		\$875.20	\$21,004.80	\$1,349.30	\$32,383.20	\$1,320.00	\$31,680.00
5.2	Portable Speaker-Mic	24		\$113.00	\$2,712.00	\$69.60	\$1,670.40	\$92.00	\$2,208.00
5.3	Portable Carrying Case	24		\$42.60	\$1,022.40	\$31.80	\$763.20	\$56.00	\$1,344.00
5.4	Portable Belt Clip	0	Included	\$0.00	\$0.00	\$15.84	\$0.00	\$12.00	\$0.00
5.5	Spare portable battery	24		\$78.10	\$1,874.40	\$98.30	\$2,359.20	\$108.00	\$2,592.00
5.6	Group Battery Charger	4		\$559.48	\$2,237.92	\$453.60	\$1,814.40	\$504.00	\$2,016.00
5.7	Single Battery Charger	0		\$117.15	\$0.00	\$50.40	\$0.00	\$56.00	\$0.00
5.8	Portable Programmer	1	Included	\$0.00	\$0.00	\$0.00	\$0.00	\$721.00	\$721.00
5.9	VHF Mobile (if needed)	0		\$1,420.80	\$0.00	\$406.80	\$0.00	\$574.00	\$0.00
5.10	Mobile accessories	0		\$0.00	\$0.00	\$27.85	\$0.00	\$30.00	\$0.00
5.11	Mobile installation per radio	0		\$225.00	\$0.00	\$125.00	\$0.00	\$230.00	\$0.00
5.12	Programming per radio	0	Included	\$0.00	\$0.00	\$20.00	\$0.00	\$25.00	\$0.00
	Total Portables & Mobiles				\$28,851.52		\$38,990.40		\$40,561.00
Site Equipment Optional Items									
6.1	Replacement PD Comparator with channel cards	1		\$7,676.00	\$7,676.00	\$12,715.00	\$12,715.00	\$10,160.00	\$10,160.00
6.2	Satellite Receiver Interconnect Upgrade if Required	1		\$920.00	\$920.00	\$1,500.00	\$1,500.00	\$1,840.00	\$1,840.00
6.3	Replacement FD Comparator with channel cards	1		\$7,676.00	\$7,676.00	\$12,175.00	\$12,175.00	\$9,280.00	\$9,280.00
6.4	Satellite Receiver Interconnect Upgrade if Required	1		\$920.00	\$920.00	\$1,500.00	\$1,500.00	\$1,840.00	\$1,840.00
6.5	Labor	2		\$0.00	\$0.00	\$900.00	\$1,800.00		\$0.00
6.6	VHF Mobile if needed	0		\$1,420.80	\$0.00	\$406.80	\$0.00	\$718.00	\$0.00
6.7	Mobile accessories	0		\$0.00	\$0.00	\$27.85	\$0.00	\$30.00	\$0.00
6.8	Mobile Install	0		\$225.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6.10					\$17,192.00		\$29,690.00		\$23,120.00
Describe System Maintenance Options and Associated Pricing as per RFP Descriptions									
7.1	Quartly PM of fixed station equipment	0		\$460.00	\$1,840.00	\$1,800.00	\$0.00	\$5,520.00	\$0.00
7.3	Year service contract	1			\$13,543.00		\$0.00	\$35,778.00	\$143,112.00
7.4	Total Maintenance (1st Yr.)				\$15,383.00		\$0.00		\$143,112.00
8.1	Vehicular Repeater	0		\$1,800.00	\$0.00		\$0.00	\$1,995.00	
8.2	Optional Site	0		\$7,570.50	\$0.00		\$0.00		
8.5	Coverage Testing				\$1,840.00		\$0.00		
8.7	BIM	1		\$400.00	\$400.00		\$0.00		
8.9	Event Station	1		\$10,854.00	\$10,854.00	\$4,515.40	\$4,515.40	Incl in 2.7	
	Event Station Labor	0				\$1,300.00	\$1,300.00	Incl in 2.7	
	Total Fixed Stations				\$11,254.00		\$5,815.40		\$0.00
	Maintenance (1st Yr)				\$15,383.00		\$0.00		\$143,112.00
	System & Support Documentation				\$0.00		\$14,500.00		\$36,786.00
	Total Roll Up for Site Equip.				\$373.75		\$5,669.00		\$3,100.00
	Total Programming of Field Radios				\$6,589.00		\$5,720.00		\$5,720.00
	Total Portables & Mobiles				\$28,851.52		\$38,990.40		\$40,561.00
	Base Stations (Event)				\$11,254.00		\$5,815.40		\$16,575.00
	Total				\$62,451.27		\$70,694.80		\$245,854.00



Agenda Item No: 20

**City Council
Agenda Supplement**

Meeting Date:

December 6, 2011

Item:

Retail Theft

Staff Recommendation:

Motion to adopt an ordinance establishing Chapter 425, Retail Theft, in the City Code.

Staff Contact:

David Linder, Chief of Police

Background:

Currently, misdemeanor and felony retail theft is under State of Illinois statutory purview and is a criminal offense. On average, retail thefts occur several times per week, contributing to a great amount of time dedicated to this offense. For example, once a retail theft crime is reported, police personnel travel to the retail establishment, gain an understanding of the possible circumstances, and possibly transfer the offender to the police station for fingerprinting and processing. For a crime that can be relatively minor, this process can take several hours. Furthermore, on many occurrences, retail theft involves first-time offenders taking monetarily small amounts of merchandise. Consequently, a great amount of Departmental time and resources are concentrated on this minor offense.

Other area communities have experienced similar issues and enacted local retail theft ordinances. Such an ordinance would allow police personnel to handle a misdemeanor retail theft by issuing a ticket rather than charge an offender. Offenders would no longer be subject to possible jail time, as they would if given a misdemeanor charge. Felony retail thefts would still be considered an arrestable, criminal offense and not subject to the proposed ordinance. Nevertheless, issuing tickets would significantly reduce the amount of time personnel spend on retail theft cases. Violations under this ordinance would be heard before the Administrative Law Judge under the City's administrative adjudication process. The minimum fine recommended would be \$250, while the maximum fine would be \$1,000.

Violators would have the ability to pay the fine without appearing before the Administrative Law Judge if the responding officer indicates on the citation that the minimum fine may be paid instead of appearing at the hearing. This option would only be made available when, in the opinion of the officer, the individual would not need to appear at a hearing in order to satisfy compliance. The minimum fine amount would be the fine-in-lieu-of-hearing penalty. Payment under this scenario serves as a plea of liable. Each individual receiving a violation notice would always have the opportunity for

their case to be heard in front of the Administrative Law Judge. The City Attorney has reviewed the ordinance.

Recommendation:

It is staff's recommendation to adopt an ordinance amending the City Code to include Chapter 425, Retail Theft.

Votes Required to Pass:

Simple majority



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ORDINANCE AMENDING THE CODE OF THE CITY OF CRYSTAL LAKE, ILLINOIS

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE as follows:

SECTION I: That Chapter 425, Retail Theft, is hereby added as a new Chapter to the Crystal Lake City Code as follows:

§ 425-1 Definitions

As used in this chapter, the following terms shall have the meanings indicated:

Retail Mercantile Establishment means any place where merchandise is displayed, held, stored or offered for sale to the public.

Theft Detection Shielding Device means any laminated or coated bag or device designed and intended to shield merchandise from detection by an electronic or magnetic theft alarm sensor.

Theft Detection Device Remover means any tool or device specifically designed or intended to be used to remove any theft detection device from any merchandise.

§ 425-2 Misdemeanor Retail Theft

The offense of misdemeanor retail theft is committed when a person knowingly commits the following acts and the full retail value of the merchandise involved does not exceed the amount listed as a misdemeanor in Section 16-25(f)(1) of the Illinois Criminal Code, 720 ILCS 5/16-25:

- A. Takes possession of, carries away, transfers or causes to be carried away or transferred any merchandise displayed, held, stored or offered for sale in a retail mercantile establishment with the intention of retaining such merchandise or with the intention of depriving the merchant of the possession, use or benefit of such merchandise without paying the full retail value of such merchandise; or
- B. Alters, transfers, or removes any label, price tag, marking, indicia of value or any other markings which aid in determining value affixed to any merchandise displayed, held, stored or offered for sale in a retail mercantile establishment and attempts to purchase such merchandise personally or in consort with another at less than the full retail value with the intention of depriving the merchant of the full retail value of such merchandise; or
- C. Transfers any merchandise displayed, held, stored or offered for sale in a retail mercantile establishment from the container in or on which such merchandise is displayed to any other

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container with the intention of depriving the merchant of the full retail value of such merchandise; or

- D. Causes the cash register or other sales recording device to reflect less than the full retail value of the merchandise; or
- E. Removes a shopping cart from the premises of a retail mercantile establishment without the consent of the merchant given at the time of such removal with the intention of depriving the merchant permanently of the possession, use or benefit of such cart; or
- F. Represents to a merchant that he or another is the lawful owner of property knowing that such representation is false, and transfers or attempts to transfer that property to a merchant who is the owner of the property in exchange for money, merchandise credit or other property of the merchant; or
- G. Uses or possesses any theft detection shielding device or theft detection device remover with the intention of using such device to deprive the merchant of the possession, use or benefit of any merchandise displayed, held, stored or offered for sale in a retail mercantile establishment without paying the full retail value of such merchandise.

§ 425-3 Presumptions

If any person conceals upon his or her person, or among his or her belongings, unpurchased merchandise displayed, held, stored or offered for sale in a retail mercantile establishment and removes that merchandise beyond the last known station for receiving payments for that merchandise in that retail mercantile establishment, such person shall be presumed to have possessed, carried away or transferred such merchandise with the intention of retaining it or with the intention of depriving the merchant of the merchandise without paying the full retail value of the merchandise. For purposes of this section, to "conceal merchandise" means that, although there may be some notice of the merchandise's presence, the merchandise is not visible through ordinary observation.

§ 425-4 Detention

A. Any merchant who has reasonable grounds to believe that a person has committed retail theft may detain such person, on or off the premises of a retail mercantile establishment, in a reasonable manner and for a reasonable length of time for all or any of the following purposes:

- 1) To request identification;
- 2) To verify such identification;
- 3) To make reasonable inquiry as to whether such person has in his possession unpurchased merchandise, and to make reasonable investigation of the ownership of such merchandise;
- 4) To inform a peace officer of the detention of the person and surrender that person to the custody of a peace officer;

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5) In the case of a minor, to inform a peace officer, the parents, guardian or other private person interested in the welfare of that minor of this detention and to surrender custody of such minor to such person.

B. A merchant may make a detention as permitted herein off the premises of a retail mercantile establishment only if such detention is pursuant to an immediate pursuit of such person.

C. A merchant shall be deemed to have reasonable grounds to make a detention for the purposes of this chapter if the merchant detains a person because such person has in his possession either a theft detection shielding device or a theft detection device remover.

§ 425-5 Penalty

Any person convicted of a violation of any section of this chapter shall be fined as set forth in Chapter 248, Fines.

SECTION II. That Chapter 248, Fines of the Code of Ordinances, City of Crystal Lake, Illinois, is hereby amended by adding the following:

§248-2. Fines enumerated

Code Section	Violation	Fine	
		Minimum	Maximum
425-5	Misdemeanor retail theft	\$250	\$1,000

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 all Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

DATED at Crystal Lake, Illinois, this 6th day of December 2011.

APPROVED:

Aaron T. Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk

PASSED: December 6, 2011

APPROVED: December 6, 2011

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



Agenda Item No: 21

City Council Agenda Supplement

Meeting Date: December 6, 2011

Staff Recommendation: Motion to adopt an Ordinance providing for the submission to the electors of the City of Crystal Lake, McHenry County, Illinois the question whether the City of Crystal Lake should have the authority under Public Act 096-0176 to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program.

Staff Contact: George Koczvara, Deputy City Manager

At the November 1, 2011 City Council meeting, the City Council discussed the possibility of proceeding with municipal electrical aggregation. The City Council directed staff to conduct further research and to provide a recommendation. Following is additional information regarding aggregation, including information from Oak Park, a consortium made up of Grayslake, Lincolnwood and Oak Park, all of which are like-sized communities, as well as research conducted by the City of Woodstock.

City Staff has conducted an extensive review of municipal aggregation and believes that financial savings would be derived for residents and small businesses through a municipal aggregation program. It is Staff's recommendation that the City move forward with the implementation of a municipal aggregation program and that an Ordinance requesting that a referendum be included on the March 20, 2012 ballot be adopted. In addition, City Staff will work with other communities through the County and McHenry County Council of Governments to provide a recommendation for a consultant that would be responsible for the implementation of a municipal aggregation program.

What is Municipal Aggregation

Municipal aggregation, as defined by the Illinois Commerce Commission (ICC), is "a process whereby a municipality, county, township, or other form of local government, acts on behalf of all or a part of its constituents in procuring their electric supply, either directly or via a third party supplier. Providing the means to aggregate customers at a reasonable cost is critical to achieving the benefits of municipal aggregation."

In essence, within a competitive energy marketplace, municipal aggregation provides local governments the purchasing power to buy in bulk by bidding out the total electric usage of its residents and small businesses resulting in lower electric rates for their respective customers. It is important to note at the onset of any discussion concerning municipal aggregation that this type of program will only address the "electricity supply" costs for a community's residents and

does not, in any way, modify or reduce the associated distribution costs that are charged on their electric bills by Commonwealth Edison (ComEd).

ComEd is paid a distribution charge, which is utilized to fund the operations of the electric distribution system. The distribution charges imposed by ComEd are regulated, reviewed and approved by the ICC. ComEd is not allowed to add any additional mark-up for the energy charges included on their electric bills and must pass on only the associated costs to the end users. The energy charges normally incurred on a resident's electric bill typically represent more than 50% of the total bill and can range even higher depending on the electricity usage at each individual residence.

It is important to note that ComEd remains solely responsible for the distribution of all electricity to our residents no matter which electric supplier is selected to serve as the customers' chosen supplier. Any loss of power, downed wires, or other distribution issues will continue to be serviced by ComEd, even if the City decides to move forward in the future with a municipal aggregation program and the residents approve the associated referendum.

History of Municipal Aggregation

In December of 1997, the Illinois State Legislature adopted the Electric Service Customer Choice and Rate Relief Law of 1997 (Public Act 90-561). This law paved the way for deregulation and the formation of a competitive marketplace for the purchase of electricity, allowing all of ComEd's customers to eventually be able to choose their own electric suppliers, technically referred to as Alternative Retail Electric Suppliers (ARES). The law also required ComEd to transition from functioning as a combined electric supplier and distributor to instead focus on only providing distribution services to its customers, in effect requiring ComEd to sell or transfer all of its power generation capabilities. In addition, the law included that a required transition charge be imposed through 2006 for customers that decided to move their electric supply from ComEd to an ARES. In exchange, Illinois residents received a mandated reduction to the electric supply rates being charged by ComEd, which were then frozen for an extended period of time.

At the end of the rate freeze, the determination of the electric supply costs being provided by ComEd was transitioned to a free-market reverse-auction system, which led to significant increases in electric rates. In response, the State of Illinois passed the Illinois Power Agency Act that established the Illinois Power Agency (IPA), which is responsible for the bidding and procurement of electricity to be sold by ComEd. The IPA conducts a bidding process each year to pursue one third of the total electric supply needed by ComEd for a three-year period. As a result, this bidding process requires residents and small businesses to pay an electric supply rate to ComEd based on a three-year blended rate. A three-year blended rate is slow to fall in a declining rate market as the new supply purchased each year gradually reduces the rates charged to the end users, but is also slow to increase during a rising rate market. It does provide an opportunity for municipal aggregation to be successful from the onset, since the current marketplace for electricity has been impacted by the recession, resulting in lower electric rates from suppliers than the three-year blended rate.

The State Legislature eventually amended the Illinois Power Agency Act to allow for the implementation of municipal aggregation programs. The Act also required a report be completed by the Illinois Commerce Commission (ICC) and provided to the State Legislature that would review the value of municipal aggregation programs. A variety of states, including

Massachusetts, Ohio, California and Pennsylvania, have all conducted the deregulation of their respective electric generation and adopted a competitive marketplace for the purchase of energy. In addition, each of these states has also instituted municipal aggregation programs.

Various national and state studies have been conducted concerning the deregulation of the electric marketplace and the implementation of municipal aggregation and each study has noted a significant conversion of large energy users in manufacturing and commercial sectors to ARES providers early in the deregulation process, since these end-users receive the most significant cost savings. However, small businesses and residential customers tend to fall behind and do not see any significant movement to utilize other electric suppliers unless municipal aggregation programs are instituted.

These same studies tend to attribute the lag in savings generated on behalf of residential and small business accounts to lack of interest by alternate suppliers. In the viewpoint of these suppliers, residential accounts require significantly higher costs to service, specifically in regards to account acquisition where the costs to gain residential accounts are allocated against much smaller electric usage generated per each new account. In addition, billing and customer service costs tend to be higher for smaller accounts, making them less attractive to future suppliers. These issues were resolved with the passage of the Illinois Power Agency Act by making ComEd responsible for billing, collection and customer service. The ARES pay ComEd a fee for this service. Currently, twenty (20) ARES have obtained a certificate from the Illinois Commerce Commission and have completed the registration process with ComEd to serve residential customers in ComEd's territories. Municipal aggregation programs further reduce these costs for potential suppliers and, therefore, make it that much more attractive for these suppliers to enter into the residential and small business market.

Consumer Choice

There are three different methodologies for consumer electrical choice.

- 1.) Opt In – This is a voluntary program. A contract is negotiated on behalf of residents and small businesses by the municipal aggregators with an ARES. The residents and small businesses must then submit a written request to move from the ComEd rate to the ARES. This methodology does not take advantage of one of the main benefits from municipal aggregation, which is bulk purchasing. Residents already have the option to participate in several “opt-in” plans currently being offered by various electric suppliers. The Illinois Commerce Commission (ICC) has added an Offer Comparison Matrix to its “Plug In Illinois” website at PluginIllinois.org. Information regarding “Plug In Illinois” was included in the current City Newsletter. The new listing enables residential electric customers in the ComEd service territory to more easily compare their electric supply options. The Offer Comparison Matrix lists competing electric supply offers as well as the utility’s “Price to Compare” in order to give a broad overview of the offers available to residential customers. The opt-in process has the least impact on City staff, and also does not require a referendum. Although most opt-in programs provide lower rates when compared to current ComEd rates, they do not result in the lowest possible electric rates being derived by the participants.
- 2.) Opt Out Aggregation – In this model, with limited exceptions, all residents and small business are included within this program unless they return a notice indicating their intention to opt out. Again, a contract is negotiated on behalf of the residents and small businesses that are eventually transitioned to the new electric supplier selected by the

municipal aggregation process. Residents and small businesses that are currently under contract with another ARES are automatically excluded from the opt-out program. In addition, residents and small businesses that have elected ComEd's hourly rate (RRTP for residential) or are on a "bundled hold" because they have recently returned to ComEd after being with a different supplier, may not transfer to the ARES. The remaining residents and small businesses that are still on the ComEd rate plan are notified by the new electric supplier and provided a window to indicate their desire to opt out of the program. If the customer fails to contact the chosen electric supplier within the opt-out timeframe, they are automatically converted to the new electric supplier. This type of program normally results in a lower electric rate achieved for all participants. This type of program is currently authorized by State Statute and first requires the successful passage of a referendum by the community's electorate.

- 3.) Opt-In Aggregation Option - The City may pursue an opt-in electrical aggregation program without referendum approval. Under such a program, the City may solicit bids for the supply of electricity and related services to its residents and, within 60 days of receiving bids, allow residential and small commercial retail customers to commit to the terms and conditions of the bid that has been selected by the City. If the City and the selected electrical supplier enter into an agreement, then the customers who opted-in become committed to the terms of the agreement.

In consideration of achieving the highest potential savings for the residents, the opt-out municipal aggregation program is the only option that will be considered throughout the remainder of this report.

Municipal Aggregation Results in Other Communities

The Illinois Municipal League (IML) is reporting that in 2011, twenty-four (24) municipalities located within the ComEd territory have placed referendums on their ballots, and twenty-one (21) of those referendums were successful. A listing of twenty (20) of the communities currently pursuing municipal aggregation is available on the Illinois Commerce Commission website and has been provided below. The information was last updated on November 2, 2011. As a comparison, the current ComEd fixed price is 7.733 per kWh.

Community	Status
Campton Hills	Referendum Passed
Crest Hill	Supplier - Direct Energy, Rate - 5.89 cents per kWh through September 2013
Elburn	Supplier - Direct Energy, Rate - 5.99 cents per kWh through October 2012
Erie	Supplier - Nordic Energy Services, Rate - 5.471 cents per kWh, Term - 3 years
Fox River Grove	Supplier - Direct Energy, Rate - 5.99 cents per kWh through September 2013
Fulton	Supplier - FirstEnergy Solutions, Rate - 6.23 cents per kWh (residential) through July 2014
Glenwood	Supplier - Direct Energy, Rate - 5.99 cents per kWh through September 2013
Grayslake	Supplier - Integrys, Rate - 5.52 cents per kWh, Term - 2 years
Harvard	Supplier - Direct Energy, Rate - 5.99 cents per kWh through September 2013
Lincolnwood	Supplier - Integrys, Rate - 5.52 cents per kWh, Term - 2 years
Milledgeville	Supplier - FirstEnergy Solutions, Rate - 5.90 cents per kWh, Term - 3 years
Morris	Supplier - FirstEnergy Solutions, Rate - 5.43 cents per kWh through September 2013
Mount Morris	Supplier - FirstEnergy Solutions, Rate - 5.88 cents per kWh, Term - 32 months

New Lenox	Supplier - Direct Energy, Rate - 5.89 cents per kWh through September 2013
North Aurora	Supplier - Integrys, Rate 5.75 cents per kWh (residential), Term - 2 years
Oak Brook	Supplier - Integrys, Rate - 5.52 cents per kWh, Term - 2 years
Oak Park	Supplier - Integrys, Rate - 5.78 cents per kWh, Term - 2 years
Polo	Supplier - FirstEnergy Solutions, Rate - 5.83 cents per kWh, Term - 32 months
Sugar Grove	Supplier - Direct Energy, Rate - 5.99 cents per kWh through September 2013
Wood Dale	Supplier - FirstEnergy Solutions, Rate - 5.92 cents per kWh, Term - 30 months

According to information received by the City of Woodstock that was provided by Progressive Energy Group, which is one of several consultants utilized to implement municipal aggregation programs, the referendums that have passed in other communities have received varying levels of support, with a high point of 83.6% to a low point of 50.5% of the electorate approving the implementation of this type of program. The three communities which were unsuccessful with the passage of their respective referendums were still relatively close votes, with a high of 48.6% to a low of 45.5% in favor of municipal aggregation.

The information provided in the table above demonstrates the rate advantage from municipal aggregation. The rates achieved through municipal aggregation for the thirteen (13) communities range from a high of 6.23 cents per kWh to a low of 5.52 cents per kWh. Furthermore, all of the communities have selected fixed-rate contracts for their residents and small businesses.

The results of the municipal aggregation programs have all achieved lower rates than the lowest rates currently being offered through any of the opt-in programs. Most recently, a consortium of Grayslake, Lincolnwood and Oak Brook (total population of 41,430) completed the bid process and selected a fixed-rate supplier at 5.52 cents per kWh which is a reduction of 30% when compared to ComEd's fixed rate. In dollar savings, residents with 500 kWh demand would save \$11.26 per month or \$135.18 per year, while residents with higher demand that utilized 1,500 kWh per month would save \$33.79 per month or \$405.48 per year.

The Grayslake, Lincolnwood and Oak Brook consortium, when developing their bid specifications, indicated that they would be selecting a supplier based on overall cost savings. Whereas, Oak Park (total population of 51,878), which also recently completed the bid process, stipulated that they would make a selection based on lowest cost, but the energy supplied must be from all-green energy (wind and solar). Their selected supplier is providing all-green energy at a fixed rate price of 5.78 cents per kWh, which is a reduction of 25.64% when compared to ComEd's fixed rate. In dollar savings, residents with 500 kWh demand would save \$9.96 per month or \$119.52 per year, while residents with higher demand that utilized 1,500 kWh per month would save \$29.89 per month or \$358.68 per year.

Oak Park's fixed rate is higher than the Grayslake, Lincolnwood and Oak Brook consortium because green energy continues to remain a small portion of the overall supply for electricity and requires the payment of a premium or, in essence, a higher electricity supply rate. The U.S. Department of Energy reports total electricity consumption of 144,986 million kWh for the State of Illinois in 2005. This same report also indicates 2% of the overall electricity generation as being provided through renewable sources within the U.S. and less than 1.0% of renewable energy being generated within Illinois. Although the amount of renewable electric supply has increased over the last six years, the total provided by renewable energy still represents a small portion of the total electricity generation offered within the marketplace.

The goal of including green renewable energy within an electric supply purchase contract conflicts with the goal of achieving the lowest possible electric rates for the residents and small businesses. If the City were to pursue aggregation, it would be staff's recommendation to pursue the lowest possible electric rates. Those residents or small businesses who wish to have all or some of their electricity provided through green energy can opt out of the City's aggregation program and instead opt-in to one of the existing green energy options found at the "Plug In Illinois" website.

Based on the results generated to date, the implementation of a municipal aggregation program would appear to achieve significant savings for the residents and small businesses within their respective electric bills.

Municipal Aggregation Advantages and Disadvantages

There are several advantages and even some disadvantages identified with implementing a municipal aggregation program for the residents and small businesses. Below is additional information concerning these elements of municipal aggregation.

Advantages

The major advantage of a municipal aggregation program is to achieve lower electricity supply rates for residents and small businesses. As previously discussed, the ability to bundle the demand of thousands of potential customer accounts and their associated electricity supply will result in a more competitive process and ultimately lower electricity rates for both residents and small businesses. Bulk purchasing has been a proven method utilized in both the public and private arenas for securing the lowest possible costs.

Savings derived from these lower-cost electric supply programs will result in additional disposable income that should be returned to the local marketplace. This spending infusion should assist with job creation within the local economy and generate additional tax revenues for the local governments. In fact, the Metropolitan Mayors Caucus (MMC) is supporting an opt-in electric supply program through its Clean Air Initiative to facilitate an early engagement by the residents and small businesses that would likely spark local economic growth.

The MMC estimates approximately \$10 million in total electric savings if Crystal Lake residents and small businesses were to transition immediately into their proposed opt-in program. The rate, sponsored through the MMC's *Clean Air Counts Energy Savings Program* would be \$0.062 per kWh provided by Integrys and would be valid through June, 2013 with a guarantee to continue to offer a lower rate than ComEd, even when the ComEd rate is adjusted in June, 2012. In addition, this program provides each participant with four (4) compact fluorescent light bulbs (CFLs) to lower energy consumption and reduce electric costs.

Disadvantages

Conversely, there are also several potential disadvantages with implementing a municipal aggregation program. Although the savings generated for the residents and small businesses undoubtedly will financially outweigh any of the cost items that follow, the most significant hurdle in regards to municipal aggregation will be public education regarding this new program.

Up to now, the public has not been exposed to any form of municipal aggregation for the bulk purchasing of a commodity, where the residents and the small businesses remain the customers and are required to continue to pay the respective bills negotiated by the aggregator. In addition,

the purchases of commodities, such as electricity, are subject to a variety of uncontrollable market forces that can cause fluctuations in pricing.

As previously discussed, the ComEd rate charged for electric supply is determined utilizing a three-year blended rate. Negotiating a one-year agreement that coincides with the ComEd rate cycle will always allow the municipal aggregation process to determine guaranteed savings, which will be derived from the contracted rates from moving the resident and small business accounts to an ARES provider. However, longer-term contracts may not result in generating the same level of savings over the entire contract or may result in the residents and small businesses having to pay more than the ComEd rate for a period of time, if the ComEd rate falls below the contract rate with the ARES.

As a result, some communities have included requirements that the ARES match the ComEd rate if it falls below the contracted rate during the period of the agreement. Other communities have eliminated all termination fees within the contract, allowing residents and small businesses to revert back to the ComEd rate without suffering any financial penalty; however, the residents and small businesses would need to proactively terminate the arrangement to convert back to ComEd. On a positive note, the three-year blended rate will gradually fall during a declining market, as the higher rates contracted in prior years that keep the current rate elevated eventually expire.

In addition, members of the community are likely to compare rates being paid in surrounding communities for electric supply. If the City is unable to achieve the lowest rate, the residents will, rightfully, inquire into why they are paying a higher rate. As illustrated earlier, the rates paid by the various communities that have already instituted municipal aggregation have varied from a high of \$0.0623 versus a low of \$0.0552. A variety of legitimate factors can lead to differences in rates paid by comparable communities.

The term of the contract (e.g., one year, two years, and three years) will also play a role in the price paid by the community. Longer-term contracts tend to result in a higher supply rate, as the risk for increasing electricity supply costs is being assumed by the ARES. A shorter-term contract will result in the lowest possible rate, with a variable rate contract providing the lowest rate of all (i.e., the rate is modified each month based on the supplier's costs, eliminating the supplier's risk of future price increases). Furthermore, commodity pricing for electricity changes from day to day and is impacted by the price of other commodities as well as world events. Finally, as previously mentioned, varying levels of green energy requirements, which impose the payment of a rate premium, will result in different rates paid by each community.

A variety of different fees may be charged by an ARES that must be taken into consideration to determine the best rate for the community. Certain providers require the payment of a fee to terminate the contract prior to its expiration date. Some ARES utilize set termination fees (e.g., \$50) while others may require a payment based on a simplified formula (e.g., \$10 per month remaining on the contract). However, the City can also require participating bidders to waive any termination fees, but this could result in a higher supply rate. When reviewing any bids, it will be important for the City to properly analyze and research the costs of any fees.

To initiate a municipal aggregation program will involve some costs for the municipality. The startup costs would include staff time to prepare the necessary documentation and participate in the bidding process, as well as legal costs to review the RFP and ensuing contracts.

Furthermore, the City may need to incur costs to provide information to the public concerning this new program. These costs may vary depending on the types of materials developed to educate the public and the delivery methods chosen. Some of these costs can be absorbed by an electric broker that would be willing to partner with the City to implement the municipal aggregation program.

The broker is normally responsible for assisting in the development of the public education materials, mailing this information to the individual households, drafting the operations plan, completing the RFP, overseeing the transition to the new ARES, and monitoring the contract. Although the City would not be responsible for paying any of the brokers 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 ARES, and provide the staff required to manage day-to-day contract monitoring on behalf of the residents.

McHenry County is partnering with participating communities through the McHenry County Council of Governments toward a McHenry County consortium for aggregation. The County has issued an RFP for broker services in order to select a broker to assist with the aggregation process. If the City Council adopts the ordinance for the referendum, City staff will be part of the working group analyzing the submitted proposals for broker services.

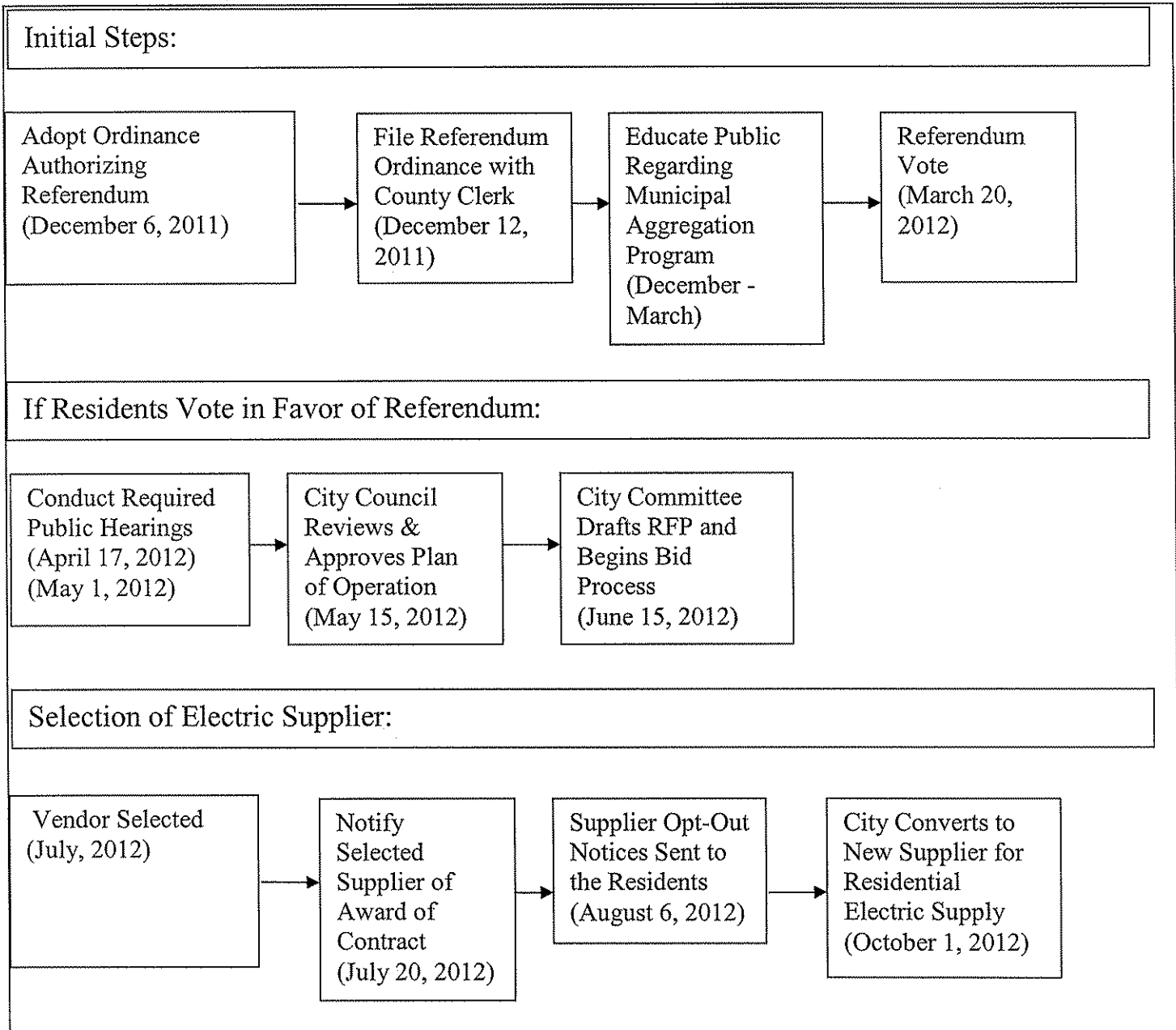
Another potential concern is that a municipal aggregation program may heighten the public's perception that the City has significant influence and/or oversight over ComEd. During the major power outage experienced over the summer, the City received numerous calls from residents that requested assistance with their individual power outage and hoped the City could encourage ComEd to provide a more rapid response. The City has had a very good working relationship with ComEd over the years, but the City is not in a position to determine the utilization of ComEd's resources during a power outage. This issue could be addressed through the public education materials that would describe the residents' continuing relationship with ComEd and their responsibility for addressing power outages.

Municipal Aggregation Process/Sample Timeline

To properly implement a municipal electric aggregation program, the City will need to complete the following nine (9) steps:

- 1.) Identify and retain a consultant or identify internal resources to manage the program.
- 2.) Submit a referendum to be put to the electorate at the next regular election.
- 3.) Provide educational materials concerning the program to the public.
- 4.) Receive an affirmative vote of the electorate.
- 5.) Develop a plan of operation and governance for the aggregation program
- 6.) Hold two public hearings regarding the plan of operation and governance for the aggregation program.
- 7.) Prepare an RFP and put it out to bid.
- 8.) Review bid results and award a contract to the lowest rate provider.
- 9.) Notify electric utility customers in the City of the rates and conditions of enrollment, and provide the option to "opt-out" of the aggregation.

Below is a general timeline of the key activities for implementing a municipal aggregation program that would become effective by October, 2012.



Referendum

The next election date is scheduled for March 20, 2012. The County Clerk’s deadline for a referendum to be included on the next ballot would require a resolution or ordinance be adopted by the City Council no later than January 3, 2012 and a copy of the resolution or ordinance be filed and certified by the County Clerk no later than January 12, 2012.

In addition, the actual language utilized for the referendum is specified by the State Statute and has been provided below:

“Shall the (municipality or county in which the question is being voted upon) have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?”

Civic Contribution

Some of the suppliers are offering communities the ability to receive “Civic Contributions” as part of a municipal aggregation program. The supplier will pay the City a set dollar amount each year of the contract to be utilized for civic projects. These payments could range from \$50,000 to \$75,000 per year for the City of Crystal Lake. It has also been indicated that the proposed rates bid by these suppliers vary depending on if the City were to accept a civic contribution or not, with the inclusion of a civic contribution resulting in a slight increase to the electric supply rate. Therefore, City Staff would propose that if a future municipal aggregation program is approved by the City Council, any future bidding that is conducted on behalf of the City of Crystal Lake would be with the intent to decline any and all future civic contributions.

Frequently Asked Questions

The following information is intended to address other issues regarding the implementation of a municipal aggregation program:

1.) Why is ComEd indifferent to the selection of an ARES?

Moving to another power supplier has no financial impact upon ComEd, since they no longer have any power generation capabilities. ComEd must purchase their electric power from another provider and they are not allowed to earn any income from the power they sell. ComEd must pass the revenue for the electric supply portion of the bill back to the actual power generators.

2.) Would residents have to participate in the municipal aggregation plan, if adopted?

If the City was to move forward with a municipal aggregation program and the program was approved through a referendum, all residents who did not want to participate would still have the option to opt-out of the City’s program, if a lower-cost ARES was selected. Their electric account would remain with ComEd and they would continue to be charged the higher prevailing ComEd electric supply rate unless they are already with an ARES through the “Plug In Illinois” program.

3.) Who would bill the residents if a municipal aggregation program is implemented?

ComEd will still be responsible for billing the customers for both their distribution costs and the electric supply costs for the ARES. Residents would continue to receive one bill and would also see a reduction in their bills, assuming no major change in electric utilization.

4.) What if the current ComEd rates end up being lower than the ARES’ bids?

The City would reject all of the bids and no action would be taken. The residents would remain with ComEd until a lower rate was achieved in a future round of bids conducted by the City.

5.) How many businesses currently utilize an ARES?

The ICC reports that currently over 75% of businesses purchase their supply from sources other than ComEd and Ameren (i.e., supplies the southern areas of Illinois).

6.) Are there options other than fixed rate pricing?

Yes. ComEd has two electricity pricing plans: (1) the standard plan that is based on a fixed rate, and (2) an hourly pricing plan. Municipal aggregation programs seek to provide lower fixed rate pricing. However, instead of purchasing electricity on a fixed rate, customers can utilize ComEd's Residential Real-Time Pricing (RRTP) program.

Real-time electricity pricing is a legally required option for electricity consumers in Illinois. Real-time pricing gives consumers information about the actual cost of electricity at any given time. Real-time pricing lets consumers adjust their electricity usage accordingly; for example, scheduling usage during periods of low demand to pay cheaper rates. The main risk with RRTP is that rates are not guaranteed and are based on hourly market rates. ComEd customers have the immediate ability to sign-up for RRTP. More information is available at the ComEd website.

Recommendation

City Staff has conducted an extensive review of municipal aggregation and believes that financial savings would be derived for residents and small businesses through a municipal aggregation program. It is Staff's recommendation that the City move forward with the implementation of a municipal aggregation program and that an Ordinance requesting that a referendum be included on the March 20, 2012 ballot be adopted. In addition, City Staff will work with other communities through the County and McHenry County Council of Governments to provide a recommendation for a consultant that would be responsible for the implementation of a municipal aggregation program.

Votes Required to Pass:

Simple Majority



DRAFT

ORDINANCE NO.

ORDINANCE PROVIDING FOR THE SUBMISSION TO THE ELECTORS OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS THE QUESTION WHETHER THE CITY OF CRYSTAL LAKE SHOULD HAVE THE AUTHORITY UNDER PUBLIC ACT 096-0176 TO ARRANGE FOR THE SUPPLY OF ELECTRICITY FOR ITS RESIDENTIAL AND SMALL COMMERCIAL RETAIL CUSTOMERS WHO HAVE NOT OPTED OUT OF SUCH PROGRAM

Recitals

1. Recently the Illinois Power Agency Act, Chapter 20, Illinois Compiled Statutes, Act 3855, added Section 1-92 entitled Aggregation of Electrical Load by Municipalities and Counties. (Hereinafter referred to as the "Act")

2. Under the Act, if the City of Crystal Lake seeks to operate the aggregation program under the Act as an opt-out program for residential and small commercial retail customers, then prior to an adoption of an ordinance to establish a program, the City must first submit a referendum to its residents to determine whether or not the aggregation program shall operate as an opt-out program for residential and small commercial retail customers. If the majority of the electors voting on the question vote in the affirmative, then the Mayor and City Council may implement an opt-out aggregation program for residential and small commercial retail customers.

3. The Mayor and City Council hereby find that it is in the best interest of the City of Crystal Lake to operate the aggregation program under the Act as an opt-out program and to submit the question to the electors in a referendum pursuant to the Act.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY, ILLINOIS, AS FOLLOWS:

SECTION ONE: The Mayor and City Council of the City of Crystal Lake find that the recitals set forth above are true and correct and include the recitals in this Ordinance.

SECTION TWO: The Mayor and City Council find and determine that it is in the best interests of the City of Crystal Lake to operate the aggregation program under the Act as an opt-out program.

SECTION THREE: In the event such question is approved by a majority of the electors voting on the question at the regular election on March 20, 2012, the Mayor and City Council

may implement an opt-out aggregation program and if the Mayor and City Council adopt the program, the City of Crystal Lake shall comply with all the terms and provisions of the Act.

SECTION FOUR: The City Clerk is directed to immediately certify and submit the following question to the McHenry County Clerk to be placed on the ballot for the general election to be held on March 12, 2012, in the following form:

Shall the City of Crystal Lake have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?	Yes
	No

SECTION FIVE: In the event the State of Illinois amends the Act to revise the form of the question to be placed on the ballot, the Mayor is authorized to direct the County Clerk to change the form of the question to conform with the amended Act, if required.

SECTION SIX: This ordinance shall be in full force and effect from and after its passage and approval as required by law.

PASSED this 6th day of December, 2011

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this 6th day of December, 2011

SIGNED: _____
Aaron T. Shepley, Mayor

ATTEST: _____
Nick Kachiroubas, City Clerk

SEAL



Agenda Item No: 22

**City Council
Agenda Supplement**

<u>Meeting Date:</u>	December 6, 2011
<u>Item:</u>	Property Tax Levy Ordinance/Truth in Taxation Public Hearing
<u>Staff Recommendation:</u>	Motion to adopt the 2011 property tax levy ordinance and certificate of compliance.
<u>Staff Contact:</u>	Gary J. Mayerhofer, City Manager Mark F. Nannini, Director of Finance

Background:

In order to collect a property tax, government agencies in the State of Illinois are required to establish a "tax levy" and comply with the Truth in Taxation Act. The tax levy is a projection of monies the government agency expects to obtain through the annual property tax. The Truth in Taxation law requires taxing districts to disclose by publication and to hold a public hearing on their intention to adopt an aggregate levy in amounts more than 105% of the amount of property taxes extended the prior levy year.

The City of Crystal Lake City Council must adopt a property tax levy by ordinance and submit the ordinance to the McHenry County Clerk no later than the last Tuesday in December. The process for the adoption of the tax levy ordinance is as follows:

- 1) Adopt a resolution determining the maximum 2011 tax levy.
- 2) Hold a public hearing.
- 3) Adopt the tax levy ordinance.
- 4) File the levy with the McHenry County Clerk by the last Tuesday in December.

The resolution determining the maximum 2011 tax levy was adopted on November 15, 2011. Adoption of this resolution was merely a procedural requirement and the actual levy ordinance is considered during the public hearing at the December 6, 2011 City Council meeting. In addition, the City of Crystal Lake is not required by law to either publish or hold a public hearing given the proposed tax levy is less than a 5% increase over the previous year. In the past, even when not required, we have historically done both for transparency purposes.

The process in determining the actual tax levy is challenging because the actual dollars collected from the 2011 tax levy are not received until fiscal year 2012/2013, for which the City has not yet considered an annual budget. The City's 2011 tax levy will be incorporated into property tax bills,

which homeowners will receive during the calendar year 2012, and will be utilized by the City to fund a portion of the 2012/2013 City Budget (the City operates on a May 1 through April 30 fiscal/budget year). The tax levy ordinance adopted by the City of Crystal Lake is filed with the McHenry County Clerk, whose office determines the actual "tax rate" necessary in order to raise the dollars levied by the City. The City levies in dollars needed rather than a specific tax rate. As a result, the City does not receive any additional dollars if the assessed valuation of property in the City increases. Rather, the amount of the City tax levy remains the same and is spread over a greater total assessed valuation of property (which can result in a decrease in the actual City tax rate).

Property owners in the City of Crystal Lake will note that the City is only one of many taxing bodies that appear on the property tax bill. Since 1997, the City has not levied a property tax for the General Fund. The City's tax levy, therefore, is made up of the following funds:

- Crossing Guard Fund
- Fire Pension Fund
- Fire Rescue Fund
- Illinois Municipal Retirement Fund (IMRF)
- Library Operating Fund
- Library IMRF Fund
- Police Pension Fund

The impact of a proposed property tax levy is determined by estimating the Equalized Assessed Value (EAV). The actual City EAV will be calculated by the County Assessor and is not known at this time. It is estimated that the City's 2011 EAV will be \$1,213,060,719, which is a 7.5% decrease over the 2010 EAV. As a comparison, the 2010 EAV decreased 7.565% from 2009. The 2009 EAV decreased 1.201% from 2008.

The tax levies for the Fire and Police Pensions have been actuarially determined. The State of Illinois' actuary determines an amount and each of the Pension Funds retains a third party actuary to verify the amounts. The intention of the actuaries' study is to continue to fund the pension benefits outlined in the State Statutes. Both the Fire and Police Pension Boards have recommended that the City Council adopt the levy amounts in the actuarial reports. The levy amounts are \$1,544,269 for the Fire Pension and \$1,837,308 for the Police Pension. The Fire Pension Fund is currently 60.99% funded and the Police Pension Fund is currently 55.48% funded.

The recommended levy for the Illinois Municipal Retirement Fund (IMRF), which also pays the employer's share of Social Security (FICA) and Medicare taxes, is \$1,410,475. Staff calculated the levy amount based on rates provided by IMRF for the upcoming year less two IMRF-eligible positions that were eliminated this year. The recommended IMRF levy restores funding from property taxes to the 2009 levy amount less contributions for Library employees (the Library levies IMRF for its employees separately) plus an adjustment for wages. Last year, the City reduced its levy for IMRF in favor of utilizing reserves. It is projected that reserves in the IMRF Fund will be depleted by the end of the 2011/2012 fiscal year.

It is anticipated that the Fire Rescue operating budget will increase by approximately 2.36% in fiscal year 2012/2013 before a reallocation of SEECOM charges. The increase in operations is the result of increased personnel costs. All other operational accounts have been kept at a zero percent

increase. Fund reserves will be utilized again in fiscal year 2012/2013 in order to keep the 2011 tax levy equal to the 2010 property tax levy or \$381,388 below the 2009 levy.

Below is the projected effect that the recommended 2011 tax levy will have on property tax rates as compared to the effects of the City's 2010 property tax levy. The projections below reflect an estimated decrease of -7.50% in the City's overall EAV for tax year 2011.

Fund	Actual 2010 Levy Rate	Estimated 2011 Levy Rate
General	0.000000	0.000000
I.M.R.F.	0.080448	0.116274
Library Operations	0.314547	0.341953
Police Pension	0.140101	0.151461
Fire Rescue	0.416397	0.447834
Crossing Guard	0.002136	0.002885
Fire Pension	0.118367	0.127304
Total	1.071996	1.187710

Determining the impact of the City's tax levy on area home values is dependent on several factors: the assessed value of a property as determined by each township's assessor, the equalization multiplier assigned by each township supervisor, the equalization multiplier assigned by the State and exemptions specific to each property and property owner, (homestead, senior, senior freeze, etc.). The City of Crystal Lake spans four different townships: Algonquin Township, Nunda Township, Dorr Township and Grafton Township.

Assuming a home valued at \$250,000 has experienced the same decline in EAV as the City overall, -1.20% in 2009, -7.57% in 2010 and -7.50% (projected) during 2011, then the impact of the City's recommended 2011 property tax levy which is estimated to add \$14.04 to the annual tax bill or \$1.17 per month. With the approval of this ordinance, the property tax levy since 2009 will increase 0.41%.

Summary:

The adoption of the attached ordinance would:

- 1) Maintain a zero General Fund levy, which has been in place since 1997. The General Fund, which is the largest fund of the City's Budget, funds general City services, such as police, public works, planning, building, vehicle and equipment maintenance, administration and legal. This fund would continue to be supported primarily through sales and income tax revenues.
- 2) Maintain the same funding level as last year for the Police and Fire Pension Funds.
- 3) Maintain the same funding level as last year for Fire Rescue operations by utilizing Fire Rescue Fund reserves.
- 4) Cover the City and Library I.M.R.F. pension obligations.

The attached spreadsheet shows the total 2010 rates for neighboring communities with similar municipal services.

Recommendation:

It is the recommendation of the City Manager and Director of Finance to adopt the 2011 property tax levy ordinance and certificate of compliance.

Votes Required to Pass:

Simple majority

DRAFT



**AN ORDINANCE FOR THE LEVY
AND ASSESSMENT OF TAXES
FOR THE CITY OF CRYSTAL LAKE
FOR THE FISCAL YEAR BEGINNING
THE 1ST DAY OF MAY, 2011 TO
THE 30TH DAY OF APRIL, 2012**

**ADOPTED BY THE
CITY COUNCIL
OF THE
CITY OF CRYSTAL LAKE**

December 6, 2011

**Published in pamphlet form by the authority of the City Council of the
City of Crystal Lake, McHenry County, Illinois, this 6th day of December, 2011.**

DRAFT

**AN ORDINANCE FOR THE LEVY AND ASSESSMENT OF TAXES
FOR THE CITY OF CRYSTAL LAKE FOR THE FISCAL YEAR
BEGINNING THE 1ST DAY OF MAY, 2011 TO
THE 30TH DAY OF APRIL, 2012**

WHEREAS, the City Council of Crystal Lake in the County of McHenry and State of Illinois did on the 19th day of April, 2011, pass the Annual Budget in accordance with Chapter 65 5/8-2.-9.1, *et. seq.* of the Illinois Compiled Statutes, for the City for the fiscal year beginning on the 1st day of May 2011 the amount of which is ascertained to be Seventy Million Eighty-Four Thousand Six Hundred Eighty-Four Dollars and No Cents (\$85,574,910), including inter-fund transfers, which said Budget Resolution was duly published on the 19th day of April, 2011.

WHEREAS, the Mayor and City Council of the City of Crystal Lake did on the 15th day of November, 2011, determine that the levy of the City of Crystal Lake for 2011 would not exceed \$14,407,648 exclusive of debt service (or \$16,917,975 inclusive of debt service) and, therefore, the City of Crystal Lake did on the 26th day of November, 2011, publish a Notice pursuant to Chapter 35, Illinois Compiled Statutes 200/18-55 *et. seq.*, entitled "Truth in Taxation Act" and all provisions of said Act were fully complied with by the City of Crystal Lake.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Crystal, McHenry County, Illinois:

Section 1: That the total amount of appropriations for all corporate purposes legally made to be collected from the tax levy of the current fiscal year is hereby ascertained to be the sum of Fourteen Million Three Hundred Thirty-Two Thousand One Hundred Three Dollars and No Cents (\$14,407,648).

Section 2: That the sum of Fourteen Million Four Hundred Seven Thousand Six Hundred Forty-Eight Dollars and No Cents (\$14,407,648) being the total of appropriations heretofore legally made that are to be collected from the tax levy of the City of Crystal Lake for the purpose of providing for the Illinois Municipal Retirement Fund, Police Pension Fund, Fire Pension Fund, Library Operating Fund, Library Pension Fund, Fire Rescue Fund and School Crossing Guard Fund,

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and Debt Service Fund as appropriated for the current fiscal year by annual appropriation of the City of Crystal Lake for the Fiscal Year 2011-2012, passed by the Mayor and City Council of said City at the legally convened meeting of April 19, 2011 be, and the same is hereby levied upon all of the taxable property in the City of Crystal Lake subject to taxation for the current year, the specific amounts as levied for the various funds heretofore named being included herein by being placed in separate columns under the heading "Tax Levy" that appears over them, the tax so levied being for the current fiscal year of said City, and for the said appropriation to be collected from said tax levy, the total of which has been ascertained as aforesaid and being as follows:

	<u>AMOUNT APPROPRIATED</u>	<u>TAX LEVY</u>
GENERAL FUND	\$27,418,011	\$0
HOME RULE SALES TAX	\$7,083,298	\$0
WATER & SEWER FUND	\$9,364,984	\$0
WATER AND SEWER CAPITAL IMPROVEMENT	\$3,817,042	\$0
FIRE RESCUE FUND	\$11,059,897	\$5,432,500
SCHOOL CROSSING GUARD FUND	\$60,274	\$35,000
MOTOR FUEL TAX FUND	\$7,476,174	\$0
ROADS & VEHICLE LICENSE FUND	\$2,328,120	\$0
DEBT SERVICE FUNDS	\$2,134,134	\$0
FOREIGN FIRE INSURANCE FUND	\$62,526	\$0
CAPITAL CONSTRUCTION FUNDS	\$5,483,595	\$0
THREE OAKS RECREATION AREA FUND	\$565,162	\$0
ILLINOIS MUNICIPAL RETIREMENT FUND	\$1,662,475	\$1,410,475
INSURANCE FUND	\$79,200	\$0

	<u>AMOUNT</u> <u>APPROPRIATED</u>	<u>TAX LEVY</u>
POLICE PENSION FUND	\$1,636,000	\$1,837,308
FIRE PENSION FUND	\$723,000	\$1,544,269
LIBRARY-OPERATING FUND	\$4,075,876	\$3,686,752
LIBRARY-PENSION FUND	\$427,206	\$461,344
LIBRARY-CONSTRUCTION & REPAIR FUND	\$21,440	\$0
LIBRARY-AMES TRUST FUND	\$0	\$0
LIBRARY-GIFT & MEMORIAL FUND	\$55,750	\$0
LIBRARY-PER CAPITA FUND	\$40,626	\$0
LIBRARY-WORKING CASH	\$120	\$0
LIBRARY-SPECIAL RESERVE FUND	<u>\$0</u>	<u>\$0</u>
GRAND TOTAL - ALL FUNDS	\$85,574,910	\$14,407,648

Section 3: That the total amount of Fourteen Million Four Hundred Seven Thousand Six Hundred Forty-Eight Dollars and No Cents (\$14,407,648) ascertained above, be and is hereby levied and assessed on all property subject to taxation within the City of Crystal Lake according to the value of said property as assessed and equalized for state and county purposes for the current year.

Section 4: That this Levy Ordinance is adopted pursuant to the procedures set forth in the Illinois Municipal Code.

Section 5: That there is hereby certified to the County Clerk of McHenry County, Illinois, the several sums above, constituting said total amount, and the total amount of Fourteen Million Four Hundred Seven Thousand Six Hundred Forty-Eight Dollars and No Cents (\$14,407,648), which total amount the City of Crystal Lake requires to be raised by taxation for the current fiscal year of the City, and the City Clerk of the City is hereby ordered and directed to file with the County Clerk of the County on or before the time required by law, a certified copy of this Ordinance.

Section 6: That the rate percent be ascertained and tax extended as provided by law against the property included in the City of Crystal Lake.

Section 7: That the provisions of the Truth in Taxation Act, Chapter 35, Illinois Compiled Statutes, 200/18-55 *et. seq.*, were complied with by the City of Crystal Lake.

Section 8: Pursuant to Statute, in compliance with Public Act 83-881, the City of Crystal Lake did file on May 4, 2011 an Estimate of Revenue by Source with the McHenry County Clerk's office.

Section 9: Pursuant to the Illinois State Constitution of 1970, the City of Crystal Lake is a Home Rule unit of government, and as such, is not subject to the Act adopted by the Legislature in 1991 providing for tax levy limitations, nor is the City of Crystal Lake subject to individual fund rate limitations.

Section 10: That this Ordinance shall take effect and be in full force and effect immediately on and after its passage and approval.

ADOPTED this 6th day of December 2011, pursuant to a roll call vote as follows:

AYES:

NAYS:

APPROVED this 6th day of December 2011.

Aaron Shepley, Mayor

ATTEST:

Nick Kachiroubas, City Clerk