Agenda Item No: 10a

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: 2019 Crystal Lake Brewing Company Oktoberfest

Staff Recommendation: Motion to approve the following requests for the 2019 Crystal Lake Brewing Company Oktoberfest to be held September 13 through 15, 2019:

1. A temporary variance to the Crystal Lake Brewing Company's Class "26" Liquor License to allow beer to be sold in a tent.
2. The application for a Special Event pursuant to the conditions recommended in this agenda supplement.

Staff Contact: Eric Helm, Deputy City Manager
Michelle Rentzsch, Director of Community Development

Background:
The Crystal Lake Brewing Company (CLBC) has requested a Special Event approval and liquor license variance to hold their Oktoberfest on September 13 through 15, 2019. The event is proposed to be held in the parking lot of their building at 105 North Main Street. This is the fifth year for the Oktoberfest. The festival includes live music, food vendors, and beer sales.

Temporary Liquor License Variance
CLBC has requested a temporary variance to their Class "26" liquor license. A Class "26" liquor license allows for the retail sale of beer manufactured at such premises for consumption on the premises, both the interior of the building and an open unroofed area immediately contiguous to the building or structure. The petitioner is asking for this variance to allow for the sale of beer in a tent and fenced in parking lot area at their Oktoberfest on September 13 through 15, 2019. The event will be from 3:00 – 11:00 p.m. on Friday and Saturday, and Noon to 6 p.m. on Sunday. Their current license only allows for the sale and consumption of beer in an open unroofed area adjacent to their building or structure. Attached is a letter of request from the petitioner.

If the Council chooses to deny this request, the petitioner will be required to limit their sales and service of beer to the patio area that is adjacent to their property. The Council approved similar temporary variances for the petitioner's previous Oktoberfests. CLBC is currently the only holder of a "Class 26" liquor license.

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

1) All food trucks must meet the requirements listed in City Code Chapter 385-35, including an inspection of the truck by the Crystal Lake Fire Prevention Bureau. The petitioner shall contact the Fire Prevention Bureau to arrange for an inspection prior to the event.
2) Should valet parking be offered, parking attendant should wear clothing to make them more visible at night as they walk between the festival site and remote parking area.
3) Organizers are to contact the Police Department for official "No Parking" signs that are to be posted along Gates Street. The "No Parking" signs are not to be posted on telephone poles and are to be removed the day after the event. Signs must be posted directing attendees to various City parking lots that can be used during the event.
4) Provide highly visible and moveable traffic barriers for the pedestrian areas. If City barricades are planned to be borrowed, the petitioner shall provide a completed form to Community Development to reserve the barricades.
5) All vending activities that are part of the festival, such as food and liquor sales, must cease no later than 11:00 p.m. on Friday and Saturday and no later than 6 p.m. on Sunday.
6) Tents/Canopies to be used for this event must follow City guidelines.
7) Maximum occupancy limits of the building must be maintained throughout the event.
8) Provide adequate lighting for participants during night hours. Submit stage lighting and canopy lighting specifications if applicable.
9) Provide male/female restroom facilities and one handicap accessible facility at each cluster and on an accessible route.
10) Obtain any necessary approvals from McHenry County Health Department.
11) Provide electrical plan/layout for stage and food tents. Temporary wiring must comply with the 2017 National Electrical Code:
    a) All exterior electrical equipment must be suitable for use in a wet location.
    b) All 15A and 20A receptacles installed in a wet location must be within an enclosure that's weatherproof when an attachment plug is inserted. The outlet box hood must be listed for "extra-duty" use if supported by grade. Nonlocking-type 15A and 20A, 125V and 250V receptacles in a wet location must be listed as weather resistant.
    c) Flexible electrical cords (extension cords) must be UL listed for wet locations and extra hard usage (e.g. SEW, SEOW, SOW and STOW).
    d) Cord connectors (plugs) must not be laid on the ground unless listed for wet locations.
    e) Use rubber cable protector / cable bridge where flexible electrical cords cross pedestrian paths.
    f) Generator must be grounded with two 8'-0" long ground rods, a minimum of 6'-0" apart, connected with a minimum #6 copper grounding conductor.
    g) 2005 NEC, Sections 250-50, 250-56 and 250-66[A]
    h) A generator or other internal combustion power sources must be separated from tents, canopies, or membrane structures by a minimum of 20 feet and must be isolated from contact with the public by fencing, enclosure or other approved means.
12) Schedule a meeting with the Fire Prevention Bureau (815-356-3640) and the Police Department (815-356-3793) at least 1 week prior to the event to review final details or any changes.
13) The site must be inspected the day prior to the event for compliance with canopy spacing (if applicable), electrical connections, etc.
14) An access lane of a minimum of 20 feet must be maintained around the building for emergency access. The fire connections must not be blocked.
15) Promotional and informational banners and signage may need a limited duration sign permit issued from the Building Division.

a) The petitioner shall contact the Building Division regarding signage to be used in conjunction with the event.
b) Ensure that all signage used for the event does not block the line of sight of vehicles exiting the parking lot.

16) Provide Certificate of Insurance noting the dates of the event and adding the City as additional insured.

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

Votes Required to Pass:
Simple majority vote

Agenda Item No: 10b

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: Referral to the Planning and Zoning Commission and Approval of the Public Notice for a Proposed PUD Overlay.

Staff Recommendation: Motion to ratify the referral of the PUD overlay amendment to the July 29, 2019 PZC meeting and to approve the public notice.

Staff Contact: Michelle Rentzsch, Director of Community Development

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As discussed previously, a Planned Unit Development (PUD) Overlay for the parcels immediately adjacent to the Three Oaks Recreation Area, that are not already designated as a PUD, is being proposed (see attached map and public notice). As a matter of formality, the City Council may ratify its referral of the item to the PZC and also the public notice. The PZC meeting will be held on July 29, 2019 at 7:30pm.

Votes Required to Pass:
A simple majority vote.

Agenda Item No: 10c

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: Designation and Auction Sale of Surplus Property

Staff Recommendation: Motion to Adopt a Resolution:

1. Designating the items identified in Exhibit "A" as surplus property, and
2. Authorizing the City Manager to execute an agreement with Obenauf Auction Service, Inc. for the sale of City surplused property, and
3. Authorizing surplus items not sold, donated, or whose proposed auction price is less than a scrap price, be scrapped in accordance with the City's scrap metal policy.

Staff Contact: Michael Magnuson, Director of Public Works

Background:

The Public Works Department annually coordinates the selling of surplus City equipment. A list of property proposed as surplus, to be sold through a public online bidding process or brokerage sale in 2019, is attached as Exhibit "A". Exhibit "A" identifies a list of surplus non-utilized pieces of equipment, which have been compiled by the Administration, Public Works, IT, Police, and Fire Rescue Departments, as well as Three Oaks Recreation Area. The designation of equipment as surplus and subsequent auction sales of equipment provides the following benefits to the City:

1) Designating equipment as surplus allows the City the ability to make space available currently occupied by the non-utilized equipment.
2) Partnerships with auction firms minimizes the costs and time required to sell the equipment through a bidding process. These costs include advertising, publishing legal notification, and staff time required to show the equipment. The associated cost to the City by utilizing Obenauf Auction Service, Inc. is a 3% commission for all items sold.
3) Participation in auction sales provides an additional avenue for the sale of the surplus equipment and vehicles to increase the likelihood that the City will maximize its return on the sale of the items.

The items on Exhibit "A" will be sold through auction through the City's broker, Obenauf Auction Service, Inc.

Recommendation:

It is the recommendation of staff to designate the items in Exhibit "A" as surplus and authorize the City Manager to execute agreements with Obenauf Auction Service, Inc. for the sale of most of the surplus items through a public online bidding process administered by Obenauf with a 3% sales commission for all items sold and other brokerage firms for specialty items.

Votes Required to Pass:

Simple majority

DRAFT

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE THAT

1. The items identified on Exhibit "A" be and are hereby designated as surplus; and
2. The City Manager is hereby authorized and directed to execute an agreement with Obenauf Auction Services, Inc. for auction services pertaining to items listed on "Exhibit A" for a 3% sales commission; and
3. Any items not sold or whose proposed auction price is less than a scrap price, be scrapped in accordance with the City's scrap metal policy.

DATED this 16th day of July, 2019.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By:_____
MAYOR

SEAL
ATTEST

_____
CITY CLERK

PASSED: July 16, 2019
APPROVED: July 16, 2019

Agenda Item No: 11

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: 2019 Crystal Lake Brewing Company 5th Anniversary Party

Staff Recommendation: Motion to approve the following requests for the 2019 Crystal Lake Brewing Company 5th Anniversary Party to be held August 10, 2019:

1. A temporary variance to the Crystal Lake Brewing Company's Class "26" Liquor License to allow beer to be consumed in a fenced area on the property.
2. The application for a Special Event pursuant to the conditions recommended in this agenda supplement.

Staff Contact: Eric Helm, Deputy City Manager
Michelle Rentzsch, Director of Community Development

Background:
The Crystal Lake Brewing Company (CLBC) has requested a Special Event approval and liquor license variance to hold their 5th Anniversary Party on August 10, 2019. The event is proposed to be held in the parking lot of their building at 105 North Main Street. The festival includes live music, food vendors, and beer sales.

Temporary Liquor License Variance
CLBC has requested a temporary variance to their Class "26" liquor license. A Class "26" liquor license allows for the retail sale of beer manufactured at such premises for consumption on the premises, both the interior of the building and an open unroofed area immediately contiguous to the building or structure. The petitioner is asking for this variance to allow for the consumption of beer in a fenced in portion of the parking lot at their 5th Anniversary Party on August 10, 2019. The event will be from 3:00 – 11:00 p.m. Their current license only allows for the sale and consumption of beer in an open unroofed area adjacent to their building or structure. Attached is a letter of request from the petitioner.

If the Council chooses to deny this request, the petitioner will be required to limit their sales and service of beer to the patio area that is adjacent to their property. The Council approved similar temporary variances for the petitioner's previous Oktoberfests. CLBC is currently the only holder of a "Class 26" liquor license.

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

1) All food trucks must meet the requirements listed in City Code Chapter 385-35, including an inspection of the truck by the Crystal Lake Fire Prevention Bureau. The petitioner shall contact the Fire Prevention Bureau to arrange for an inspection prior to the event.
2) Should valet parking be offered, parking attendant should wear clothing to make them more visible at night as they walk between the festival site and remote parking area.
3) Organizers are to contact the Police Department for official "No Parking" signs that are to be posted along Gates Street. The "No Parking" signs are not to be posted on telephone poles and are to be removed the day after the event. Signs must be posted directing attendees to various City parking lots that can be used during the event.
4) Provide highly visible and moveable traffic barriers for the pedestrian areas. If City barricades are planned to be borrowed, the petitioner shall provide a completed form to Community Development to reserve the barricades.
5) All vending activities that are part of the festival, such as food and liquor sales, must cease no later than 11:00 PM.
6) Tents/Canopies to be used for this event must follow City guidelines.
7) Maximum occupancy limits of the building must be maintained throughout the event.
8) Provide adequate lighting for participants during night hours. Submit stage lighting and canopy lighting specifications if applicable.
9) Provide male/female restroom facilities and one handicap accessible facility at each cluster and on an accessible route.
10) Obtain any necessary approvals from McHenry County Health Department.
11) Provide electrical plan/layout for stage and food tents. Temporary wiring must comply with the 2017 National Electrical Code:
    a) All exterior electrical equipment must be suitable for use in a wet location.
    b) All 15A and 20A receptacles installed in a wet location must be within an enclosure that's weatherproof when an attachment plug is inserted. The outlet box hood must be listed for "extra-duty" use if supported by grade. Nonlocking-type 15A and 20A, 125V and 250V receptacles in a wet location must be listed as weather resistant.
    c) Flexible electrical cords (extension cords) must be UL listed for wet locations and extra hard usage (e.g. SEW, SEOW, SOW and STOW).
    d) Cord connectors (plugs) must not be laid on the ground unless listed for wet locations.
    e) Use rubber cable protector / cable bridge where flexible electrical cords cross pedestrian paths.
    f) Generator must be grounded with two 8'-0" long ground rods, a minimum of 6'-0" apart, connected with a minimum #6 copper grounding conductor.
    g) 2005 NEC, Sections 250-50, 250-56 and 250-66[A]
    h) A generator or other internal combustion power sources must be separated from tents, canopies, or membrane structures by a minimum of 20 feet and must be isolated from contact with the public by fencing, enclosure or other approved means.
12) Schedule a meeting with the Fire Prevention Bureau (815-356-3640) and the Police Department (815-356-3793) at least 1 week prior to the event to review final details or any changes.
13) The site must be inspected the day prior to the event for compliance with canopy spacing (if applicable), electrical connections, etc.
14) An access lane of a minimum of 20 feet must be maintained around the building for emergency access. The fire connections must not be blocked.

15) Promotional and informational banners and signage may need a limited duration sign permit issued from the Building Division.
    a) The petitioner shall contact the Building Division regarding signage to be used in conjunction with the event.
    b) Ensure that all signage used for the event does not block the line of sight of vehicles exiting the parking lot.
16) Provide Certificate of Insurance noting the dates of the event and adding the City as additional insured.

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

Votes Required to Pass:
Simple majority vote.

Agenda Item No: 12

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: City Code Amendment to Increase the Number of Class "9" Liquor Licenses – Applicant: Pablo's Family Fiesta Restaurant

Staff Recommendation: Motion to adopt an Ordinance increasing the number of Class 9 Liquor Licenses from the currently permitted 6 licenses to 7 licenses, in order to allow for the issuance of a new Class 9 Liquor License Pablo's Family Fiesta Restaurant, located at 330 North Route 31.

Staff Contact: Eric T. Helm, Deputy City Manager

Background:
The City has received a request from Pablo's Family Fiesta Restaurant, an establishment that will be located at 330 North Route 31, for the Council to consider the adoption of an ordinance providing for an amendment to the liquor license restriction provisions of the City Code, increasing the number of Class "9" liquor licenses from the current 6 licenses to 7 licenses. Pablo's Family Fiesta Restaurant was previously Pablo's Mexican restaurant, located at 230 W. Virginia Street. The previous liquor license is no longer valid due to an ownership and location change.

Chapter 329 Liquor Licenses, Section 329-5 License Classification - Class 9 License which shall authorize the retail sale, on the premises specified, of alcoholic liquor, for consumption, on the premises as well as the retail sale of alcoholic liquor in the original package between the hours of 11:00 a.m. and 1:00 a.m. Monday, Tuesday, Wednesday, Thursday; 11:00 a.m. and 2:00 a.m. Friday and Saturday; and 10:00 a.m. on Sunday and 1:00 a.m. on Monday. A Class A type restaurant may be located on the premises. For the purposes of this license, premises shall include not only the interior of any building or structure but also an open unroofed area immediately contiguous to the building or structure where alcoholic beverages are served or consumed.

329-5-I-(1) Any open unroofed area in which alcoholic beverages are served or consumed pursuant to this license shall conform to the following:

(a) The open unroofed area shall be particularly described and adjacent to and operated as a part of the premises licensed to sell alcoholic liquor on the premises and shall have obtained all permits or approvals required by the ordinances of the City Code, City or other governmental authority.

(b) The open unroofed area shall be no greater than one-half the other floor space of the licensed premises.

(c) The open unroofed area shall have a maximum capacity as defined by the Liquor Commissioner which shall be separately posted at the entrance to the open unroofed area.

(d) Any part of the open unroofed area not blocked by a building shall be surrounded by a fence or other barrier approved by the Liquor Commissioner which shall contain the required number of fire exits. All fences or other barriers shall comply with the ordinances of the city regarding vision, clearance and required distances from corners.

(e) All electrical wiring shall comply with the codes of the City.

(f) All combustible rubbish shall be stored in a non-combustible container and the license holder shall be responsible for keeping the area in a clean and sightly condition.

(g) The noise emanating from any open unroofed area where alcoholic beverages are served pursuant to this license shall not violate any of the provisions of the City Code of Ordinances pertaining to noise.

(h) The license holder shall be responsible for preventing violations of this chapter.

(i) No open unroofed area where alcoholic beverages are served pursuant to this license shall be permitted within 100 feet of land zoned for residential purposes.

The annual fee for such license shall be the sum of $1,825.

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

The following conditions must be met prior to the license being issued:

- Payment of Prorated License Fee
- Surety Bond - $1,000 Payable to the City of Crystal Lake

The following businesses currently hold a Class 9 liquor license:

Name	Address	Zoning
Buffalo Wild Wings Grill & Bar	5755 Northwest Highway	"B-2"
Crystal Lake Rib House	5111 Terra Cotta	"B-2 PUD"
Finn McCools	72 N. Williams Street	"B-4"
Labemi's Tavern	109 N. Main Street	"B-4"
Fire Bar and Grill	435 Angela Lane	"B-2"
Reclaimed LLC/DBA Grounds Coffee Bar	82 Railroad Street	"B-4"

Votes Required to Pass:
Simple majority

Agenda Item No: 13

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: COUNTY ZONING REQUEST
Richard P. Campobello
12803 Pleasant Valley Road

Staff Recommendation: City Council's discretion.
a) Motion to object to the proposed renewal of the Conditional Use Permit for a landscape business with outdoor storage, directing staff to proceed with an objection to the County Hearing Officer.
b) No action.

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

Background:

- As is customary with County Zoning requests within the City's mile and a half planning jurisdiction, the City received notice of this request.
- McHenry County Zoning Board of Appeals will hear case 2019-006 at their July 25th meeting, which is a renewal of Conditional Use Permit 1998-77 allowing a landscape business with outdoor storage.
- The property in question consists of approximately 13.11 acres and is zoned "A-1" Agriculture District with a Conditional Use Permit.

Request:

- The petitioner is requesting to renew the Conditional Use Permit to continue the business at this location.
- The site is approximately 1.19 miles from the City limits.
- The property is not within the Crystal Lake Watershed and staff has no concerns with the request.

Votes Required to Pass: A simple majority vote.

Agenda Item No: 14

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: COUNTY ZONING REQUEST
Sands Road, LLC
6714 Sands Road

Staff Recommendation: City Council's discretion.
a) Motion to object to the proposed reclassification from "I-2" to "E-1", directing staff to proceed with an objection to the County Hearing Officer.
b) No action.

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

Background:

- As is customary with County Zoning requests within the City's mile and a half planning jurisdiction, the City received notice of this request.
- The property in question consists of approximately 2.65 acres and is zoned "I-2" Heavy Industrial District. The property currently has a single-family home and two outbuildings.
- The petitioner is proposing to demolish the existing residence and construct a new single-family home.

Request:

- The petitioner is requesting a rezoning of the property from "I-2" Heavy Industrial District to "E-1" Estate District to allow the residential use to continue.
- The property is not within the Crystal Lake Watershed.
- The 2030 Comprehensive Plan designates the subject property as Parks & Open Space due to the proximity to the former Crystal Lake landfill. The proposed Estate zoning is more in line with the Comprehensive Plan than the existing zoning of Heavy Industrial; therefore, staff has no concerns with this request.

Votes Required to Pass: A simple majority vote.

Agenda Item No: 15

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: City Code Amendment to Reflect Changes to State Law

Staff Recommendation: A motion to amend Chapter 203; Cigarette Sales of the City Code.

Staff Contact: Derek Hyrkas, Deputy Chief of Police

Background:

On April 8, 2019, Governor Pritzker signed PA 101-0002, amending the Prevention of Tobacco Use by Minors and Sale and Distribution of Tobacco Products Act, changing the name of the Act to the Prevention of Tobacco Use by Persons under 21 Years of Age and Sale and Distribution of Tobacco Products Act. The changes within the Act raises the minimum age for the purchase of tobacco products, electronic cigarettes, and alternative nicotine products from 18 to 21. This amendment to the Act became effective July 1, 2019.

In light of the Prevention of Tobacco Use by Persons under 21 Years of Age and Sale and Distribution of Tobacco Products Act being signed into law, staff is recommending that the City of Crystal Lake's Cigarette Sales ordinance located under Chapter 203 be amended.

Although the Act prohibits the sale of tobacco products, electronic cigarettes, and alternative nicotine products to persons under the age of 21, there is no change to the ordinance as it pertains to enforcement of possession of tobacco violations to those persons under the age of 18 years old. Those violations will continue to be handled through the City's administrative adjudication process.

The attached ordinance effectuates this amendment. The amendment was reviewed and approved by the City special legal counsel.

Votes Required to Pass:

Simple Majority

DRAFT

ORD. NO. XXX
FILE NO. XXX

ORDINANCE AMENDING CHAPTER 203 OF THE CITY CODE OF THE CITY OF CRYSTAL, LAKE ILLINOIS

WHEREAS, the State of Illinois has amended The Prevention of Tobacco Use by Minors and Sale and Distribution of Tobacco Products Act (720 ILCS 675/1 *et. seq.*) (hereinafter, the "Act"), which changes the minimum age for the sale to and purchase of tobacco products and e-cigarettes from 18 to 21 years of age; and

WHEREAS, prior to the amendment of the Act, the sale to and purchase by persons under the age of 18 of tobacco products was prohibited by State law; and

WHEREAS, the Mayor and City Council of the City of Crystal Lake desire to amend Chapter 203 of the Municipal Code of the City to increase the minimum age for the sale by persons under the age of 21 of tobacco products, in order to allow for the regulation and local prosecution under civil law pertaining to such sales.

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

SECTION I: Recitals. The foregoing recitals are hereby restated and incorporated as though fully set forth herein

SECTION II: Amendment to Chapter 203. Chapter 203, Cigarette Sales, is hereby amended in its entirety as follows:

Chapter 203; Tobacco Sales

203-1 Findings.
The Mayor and City Council expressly find and declare that:

A. Tobacco use in all forms is dangerous to human health.

B. There is substantial scientific evidence that the use of tobacco products and nicotine causes or contributes to cancer, heart disease, and various other medical disorders.

C. The Surgeon General of the United States has declared that nicotine addiction is similar to addiction to cocaine and is the most widespread example of drug dependence in the United States.

D. The National Institute on Drug Abuse found that cigarette smoking precedes and may be predictive of adolescent illicit drug use.

E. The Food and Drug Administration has issued a caution related to e-cigarettes because the safety and efficacy of e-cigarettes have not been fully researched and studied and it is not known if the use of e-cigarettes may lead young people to try tobacco products, including conventional cigarettes, which are known to cause disease and lead to premature death.

F. The provisions of this Chapter 203 pertain directly to, and are in furtherance of, the health, welfare, and safety of the residents of the City, particularly residents under 21 years of age.

203-2 Definitions.

For the purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed to them:

ELECTRONIC CIGARETTE (E-CIGARETTE)

An electronic device that (1) typically includes a mouthpiece, a heating element or atomizer, a battery, and electronic circuits; (2) provides a gas derived from a liquid that includes nicotine, propylene glycol, or similar substance and perhaps other substances; and (3) is inhaled by a user in a manner that simulates or resembles smoking. The term "e-cigarette" includes all manner of these devices, regardless of the details of a device's appearance or marketed name, that are manufactured to resemble a cigarette, cigar, pipe, or other smoking device. The term "e-cigarette" includes the cartridges and component parts of an e-cigarette.

TOBACCO PRODUCTS

Any substance containing tobacco leaf, including without limitation a cigarette, a cigar, pipe tobacco, snuff, chewing tobacco, and dipping tobacco.

VENDING MACHINE

Any self-service device that dispenses a tobacco product in exchange for payment, regardless of the mechanics of the device or the form of payment.

203-3 Licenses required.

A. General license. It is unlawful to (1) sell or offer for sale at retail, (2) give away, (3) deliver, or (4) keep with the intention of selling at retail, giving away, or delivering any tobacco product or e-cigarette within the City without having first obtained a tobacco/e-cigarette dealer license from the City.

B. Vending machine license. It is unlawful to sell, give away, or otherwise make available any cigarette or any e-cigarette or cartridge or component of an e-cigarette by means of a vending machine in the City without having first obtained a license to do so from the City.

C. Other licenses. The licenses required by Subsections A and B of this section are in addition to any other license required by this Code of Ordinances.

D. Expired, revoked, or invalid licenses. It is unlawful for an activity for which a license is required under this chapter to continue at any time when a license has expired, been revoked, or is invalid.

203-4 Application for license.

An application for a license required by § 203-3 of this chapter must be made in writing to the City Clerk or his or her designated representative. The application must contain (1) the name of the applicant, (2) the address at which the sale, give-away, or delivery of a tobacco product or e-cigarette is proposed to be made, and (3) in the case of cigarette or e-cigarette vending machines, the number of machines for which licenses are requested and the specific, detailed location of each machine. The application must include payment in full of the license fee required by this chapter.

203-5 Term of license; fees.

A. Annual tobacco/e-cigarette dealer license. A tobacco/e-cigarette dealer license is valid for one year commencing on June 1 and expiring on May 31 of the next year. A license issued during the license year is valid until May 31. The required fee must be paid in full for a tobacco/e-cigarette dealer license regardless of the date on which it is issued.

B. Annual license fee. The annual fee for a tobacco/e-cigarette dealer license is $50. The license fee must be paid to the City's Director of Finance on or before June 1 of each year.

C. Annual vending machine fee. In addition to the tobacco/e-cigarette dealer license fee, the annual fee for a vending machine is $50, payable in the same manner as the annual license fee. This fee of $50 applies to each vending machine.

203-6 Sale to persons under 21 years of age prohibited; posting signs; sale in original package required.

A. It is unlawful for any person, including any licensee, to sell, offer for sale, give away, or deliver any tobacco product or e-cigarette or cartridge or component of an e-cigarette to any person under the age of 21 years.

B. Posting signs. The licensee must post signs informing the public of the age restrictions in this section at or near every display of a tobacco or e-cigarette product and on every vending machine that offers a tobacco or e-cigarette product for sale. Each sign must be plainly visible and must state: "THE SALE OF TOBACCO PRODUCTS, E-CIGARETTES, AND E-CIGARETTE CARTRIDGES AND COMPONENTS TO PERSONS UNDER 21 YEARS OF AGE IS PROHIBITED BY LAW."

C. Original package required. It is unlawful for any person, firm, or corporation, including any licensee, to sell or offer for sale any cigarettes or e-cigarettes to any person unless they are in the original package, pack, or carton.

203-7 Sale by persons under 16 years of age prohibited.

It is unlawful for any licensee, or any officer, associate, member, representative, agent, or employee of a licensee, to engage, employ, or permit any person under 16 years of age to sell any tobacco product or e-cigarette or e-cigarette cartridge or component.

203-8 Purchase by persons under 21 years of age prohibited; penalty.

A. It is unlawful for any person under the age of 21 years to purchase any tobacco product or any e-cigarette or e-cigarette cartridge or component.

B. Misrepresentation of identity or age. It is unlawful for any person under the age of 21 years to misrepresent his or her identity or age, or to use any false or altered identification for the purpose of purchasing any tobacco product or any e-cigarette or e-cigarette cartridge or component.

203-9 Possession by minors prohibited; exception.

It is unlawful for any person under the age of 18 years to possess any tobacco product or e-cigarette, except that the possession by a person under the age of 18 years under the direct supervision of that person's parent or guardian in the privacy of the parent's or guardian's home is not prohibited.

203-10 Proximity to certain institutions.

It is unlawful for any person to sell, offer for sale, give away, or deliver any tobacco product or any e-cigarette or e-cigarette cartridge or component within 100 feet of any school or child-care facility.

203-11 Certain free distributions prohibited.

A. Definitions. For the purpose of this 203-11, the following phrases have the meanings ascribed to them:

LICENSEE/DISTRIBUTOR

Any licensee under this chapter and any person in the business of selling or otherwise distributing, promoting, or advertising any tobacco product or any e-cigarette or e-cigarette cartridge or component, or any employee or agent of any such licensee or person.

RESTRICTED AREA

Any public right-of-way, and any park, playground, or other property owned by the City, a township, a school district, a park district, or a public library.

B. Prohibited distributions. It is unlawful for a licensee/distributor, in the course of that licensee's/distributor's business, to distribute, give away, or deliver any (1) tobacco product or any e-cigarette or e-cigarette cartridge or component or (2) promotional or advertising materials for any tobacco product or any e-cigarette or e-cigarette cartridge or component free of charge to any person in any restricted area.

203-12 Vending machines locking devices required; exception.

A. Locking device required. It is unlawful for any licensee to sell or offer for sale, give away, deliver, or keep with the intention of selling, giving away, or delivering any tobacco product or e-cigarette by use of a vending machine, unless the vending machine is equipped with a manual, electric, or electronic locking device controlled by the licensee that prevents its operation by persons under the age of 21 years.

B. Exception. A locking device under this section is not required on a vending machine located in a premises:

(1) Where access by persons under the age of 21 years is prohibited by law; or

(2) Where the public generally is not permitted and the vending machines are strictly for the use of employees of businesses located in that premises.

203-13 Liability of agents and employees.

Every act or omission in violation of any provision of this chapter committed by an officer, director, manager, or other agent or employee of a licensee is deemed and held to be the act or omission of the licensee. The licensee may be punished for that act or omission in the same manner as if that act or omission had been committed by the licensee personally.

203-14 Administration; suspension, revocation, or fines; public hearing and costs.

A. Administration by Mayor. The Mayor is charged with the administration of this chapter.

B. Suspension and revocation; fine. The Mayor may suspend or revoke any tobacco/e-cigarette dealer license or any vending machine license issued under this chapter if the Mayor determines that the licensee has violated any provision of this chapter or of Chapter 226, Drugs and Drug Paraphernalia, of this Code of Ordinances. In lieu of a suspension or revocation of a license, the Mayor may levy a fine on the licensee as provided in Subsection D of this section.

C. Notice and public hearing.

(1) No license may be suspended or revoked and no licensee may be fined except after a public hearing by the Mayor with a seven-day written notice to the licensee affording the licensee an opportunity to appear and defend against the charges contained in such notice. The seven-day notice period begins on the first day after delivery by certified mail or personal service.

(2) If the Mayor decides after the public hearing that a license should be suspended or revoked, or that the licensee should be fined, then the Mayor, within seven days after the conclusion of the public hearing, shall state the reason for the decision in a written order and shall state either the amount of the fine or the period of suspension or that the license has been revoked. The written order must be served on the licensee within the seven days after it is made.

D. The Mayor of the City shall, for a first offense, impose a fine of not more than $500. The fine shall be in addition to any other penalty imposed by the Mayor. If the licensee is convicted of another offense within three years of the conviction for the prior offense, the Mayor shall impose a fine of not more than $1,000, which shall be in addition to any other penalty imposed by the Mayor; and for any subsequent convictions of the licensee for offenses committed during the three-year period, the Mayor shall impose a fine of not more than $1,500, which shall be in addition to any other penalty imposed by the Mayor.

E. Any licensee that has been found by the Mayor to have violated a provision of this chapter or of Chapter 226 shall pay to the City the costs of the public hearing as calculated by the Mayor, including without limitation court reporter's fees, the costs of transcripts or records, City attorneys' fees, the costs of preparing and mailing notices and orders, and all other miscellaneous expenses incurred by the City. The Mayor, in his or her discretion and consideration of all of the facts and circumstances, may reduce the amount of costs the licensee is required to pay. The licensee shall make the required payment of costs to the City within 30 days after notification of those costs by the Mayor. The failure of the licensee to pay the costs as required is a violation of this chapter and cause for license suspension or revocation or levy of a fine.

203-15 Penalty.

Unless another penalty is set forth in this chapter, the following fines and penalties apply to violations of this chapter. The fine and/or penalty will not be less than $75 and not more than $1,000. Each day on which a violation continues shall constitute a separate violation.

203-16 Subsequent license after revocation.

When a license has been revoked under this chapter for whatever cause, no license under this chapter may be granted to the same licensee or for the same premises for six months after the date of revocation of the license.

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

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

DATED at Crystal Lake, Illinois, this 16th day of July 2019.

APPROVED:

_____

Aaron T. Shepley, Mayor

ATTEST:

_____

Nick Kachiroubas, City Clerk

PASSED:
APPROVED:

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: July 16, 2019

Item: Route 176 and Haligus Road/Mt. Thabor Road Water Main Adjustment Intergovernmental Agreement

Staff Recommendation: Motion to authorize the City Manager to execute an intergovernmental agreement with the Illinois of Department of Transportation for the Route 176 and Haligus Road/Mt. Thabor Road Water Main Adjustment.

Staff Contact: Abigail Wilgreen, City Engineer

Background:
The Illinois Department of Transportation (IDOT) will be improving the intersection of Route 176 and Haligus Road/Mt. Thabor Road. The improvement consists of realigning Mt. Thabor Road with Haligus Road, installing new traffic signals, and adding left-turn lanes on all four legs of the intersection. IDOT opened bids for the construction in June, and utility companies are relocating their facilities in the area. Full construction is anticipated to start later this summer.

IDOT recently realized that a section of the City's watermain is in conflict with the proposed improvement. However, the adjustment of this watermain was not included in the proposed plans. Therefore, IDOT is requesting that the City complete this work independent of the intersection improvement. Since the watermain is located within an easement, IDOT will reimburse the City for the full amount of the watermain adjustment.

The attached agreement between the City and IDOT formalizes this arrangement. It has been reviewed by the City's special legal counsel and been deemed acceptable.

Votes Required to Pass:
Simple majority vote.

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 intergovernmental agreement with the Illinois Department of Transportation for the Route 176 and Haligus Road/Mt. Thabor Road Water Main Adjustment.

DATED this 16th day of July, 2019.

CITY OF CRYSTAL LAKE, an Illinois Municipal Corporation

BY: _____
Mayor

SEAL

ATTEST:

_____
City Clerk

PASSED: July 16, 2019

APPROVED: July 16, 2019

Agenda Item No: 17

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: Route 176 and Haligus Road/Mt. Thabor Road Water Main Adjustment Bid Award

Staff Recommendation: Motion to award the Route 176 and Haligus Road/Mt. Thabor Road Water Main Adjustment bid to the lowest responsive and responsible bidder, Mauro Sewer Construction, in the bid amount of $34,990.00, and adopt a resolution authorizing the City Manager to execute a contract with Mauro Sewer Construction, allowing for a 10 percent contingency.

Staff Contact: Abigail Wilgreen, City Engineer

Background:
As part of the IDOT's improvement of the Route 176 and Haligus Road/Mt. Thabor Road intersection, the City is required by IDOT to adjust the existing watermain that is in conflict with the project. The watermain is located within an easement and therefore IDOT will reimburse the City for the work. On May 30, 2019, the City opened and publicly read the bids received for the water main adjustment. The City received three bids and the results are tabulated below.

Firm	*Amount of Bid*
Mauro Sewer Construction Des Plaines, IL	$34,990.00
Maneval Construction Company Ingleside, IL	$53,130.00
Berger Excavating Wauconda, IL	$55,475.00

[1] Indicates Recommended Lowest Responsive and Responsible Bidder.

The City has used Mauro Sewer Construction on two recent storm sewer improvement projects and was satisfied with their performance. Specifications were sent to various contractors and standard bid advertisement procedures were followed.

Votes Required to Pass:
Simple majority vote.

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 the contract with Mauro Sewer Construction for the Route 176 and Haligus Road/Mt. Thabor Road Water Main Adjustment in the amount of $34,990.00. The City Manager is additionally authorized to approve up to 10 percent in justifiable contract amendments from a contingency allowance.

DATED this 16th day of July, 2019.

CITY OF CRYSTAL LAKE, an Illinois Municipal Corporation

BY: _____
Mayor

SEAL

ATTEST:

_____
City Clerk

PASSED: July 16, 2019

APPROVED: July 16, 2019

Agenda Item No: 18

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: Appropriation of MFT funds for the Route 14 and Virginia Road Intersection Improvements.

Staff Recommendation: Motion to adopt a resolution appropriating $45,200 in MFT funds for the Route 14 and Virginia Road Intersection Improvement Construction and Phase 3 Construction Engineering services.

Staff Contact: Abigail Wilgreen, City Engineer

Background:
It is recommended that the City Council appropriate $45,200 in Motor Fuel Tax (MFT) funds for the Route 14 and Virginia Road Intersection Improvement. This appropriation is for the construction and the Phase 3 Construction Engineering consulting services.

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 sufficient reserves in its MFT funds for this expenditure. The improvement is budgeted in the upcoming FY 2019/2020 budget using MFT funds.

Votes Required to Pass:
A simple majority

Illinois Department of Transportation

Resolution for Improvement Under the Illinois Highway Code

DRAFT

Resolution Number	Resolution Type	Section Number
	Supplemental	17-00125-00-CH

BE IT RESOLVED, by the Council (Governing Body Type) of the City (Local Public Agency Type)

of Crystal Lake (Name of Local Public Agency) Illinois that the following described street(s)/road(s)/structure be improved under the Illinois Highway Code. Work shall be done by Contract (Contract or Day Labor)

For Roadway/Street improvements:

	Name of Street(s)/Road(s)	Length (miles)	Route	From	To
+	US Route 14		FAP 305	@ Virginia Road (FAU 121)	

For Structures:

	Name of Street(s)/Road(s)	Existing Structure No.	Route	Location	Feature Crossed
+					

BE IT FURTHER RESOLVED,

1. That the proposed improvement shall consist of

Road widening and resurfacing, traffic signal installation, pavement markings, and other miscellaneous improvements.

2. That there is hereby appropriated the sum of forty-five thousand, two hundred Dollars ($45,200.00) for the improvement of said section from the Local Public Agency's allotment of Motor Fuel Tax funds.

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

I, Nick Kachiroubas (Name of Clerk) City (Local Public Agency Type) Clerk in and for said City (Local Public Agency Type)

of Crystal Lake (Name of Local Public Agency) in the State aforesaid, and keeper of the records and files thereof, as provided by statute, do hereby certify the foregoing to be a true, perfect and complete original of a resolution adopted by

Council (Governing Body Type) of Crystal Lake (Name of Local Public Agency) at a meeting held on July 16, 2019 (Date)

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 16th (Day) day of July, 2019 (Month, Year)

(SEAL)

Clerk Signature

Approved

Regional Engineer
Department of Transportation

Date

Agenda Item No: 19

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: Wastewater Division Lab Equipment Purchase

Staff Recommendation: Motion to award the contract for the ICP OES Analyzer to the lowest responsive and responsible bidder, Agilent Technologies, and to adopt a resolution authorizing the City Manager to execute a contract with Agilent Technologies, in the submitted bid amount with a 10% contingency for unforeseen expenses.

Staff Contact: Michael Magnuson, Director of Public Works

Background:

On June 7, 2019, the City of Crystal Lake publicly opened and read aloud the bids received for the ICP OES Analyzer. The following is a breakdown of the base bids received:

	Total
✔Agilent Technologies Wood Dale, IL	$74,149.25
PerkinElmer Downers Grove, IL	$85,914.50
Shimadzu West Chicago, IL	$103,653.84

✔*Indicates lowest responsive and responsible bidder*

The Inductively Coupled Plasma (ICP) analyzer is a piece of laboratory equipment used for the detection of trace metals. The Division performs hundreds of tests over the course of a year. The current laboratory equipment was purchased in 1998 (21 years old). The equipment has reached the end of its expected life.

The Illinois Environmental Protection Agency (IEPA) and the United States EPA require that the City test both influent (wastewater entering the plants), effluent (treated wastewater) and sludge (waste product) for trace metals. Our IEPA operating permits sets limits on trace metal concentrations in our effluent, including barium, which require Public Works to be able to obtain fast results on a daily basis to monitor and adjust operations. In addition to wastewater operations,

the ICP is utilized to test for trace metals at industrial sites (US EPA mandated pretreatment program) and is used to test groundwater at City monitoring wells in the watershed.

The City's FY 2020 budget and FY 2021 Capital Improvement Program (CIP) identified the purchase of two pieces of lab equipment, a Discrete Analyzer ($50,000 in FY 20) and an ICP OES analyzer ($85,000 in FY 21) for a total of $135,000 over two years. In reviewing operations and the proposed equipment's capabilities, the ICP OES analyzer will replace both pieces of lab equipment and therefore result in a savings of $60,850.75.

Recommendation

The Public Works Department has reviewed bids received for completeness and accuracy in accordance with the invitation to bid document. The Public Works Department recommends that the contract for the ICP OES Analyzer be awarded to the lowest responsive and responsible bidder, Agilent Technologies, in the amount of $74,149.25. Funding is available in the FY2020 Budget.

Votes Required to Pass:

Simple majority

DRAFT

RESOLUTION

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE that the City Manager is hereby authorized to award the contract for the ICP OES Analyzer to the lowest responsive and responsible bidder, Agilent Technologies and adopt a resolution authorizing the City Manager to execute a contract with Agilent Technologies for the submitted bid amount with a 10% contingency for unforeseen expenses.

DATED this 16th day of July, 2019.

CITY OF CRYSTAL LAKE, an
Illinois Municipal Corporation,

By:_____
MAYOR

SEAL

ATTEST

_____
CITY CLERK

PASSED: July 16, 2019
APPROVED: July 16, 2019

Agenda Item No: 20

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: Receiving bond sale information regarding two series of general obligation bonds to be issued by the City of Crystal Lake.

Staff Recommendation: A motion adopting a Resolution receiving bond sale information regarding two series of general obligation bonds to be issued by the City of Crystal Lake, McHenry County, Illinois.

Staff Contact: George Koczwara. Director of Finance

Background

At the June 18, 2019 City Council meeting, the City Council adopted an Ordinance that provided for the issuance of not to exceed $15,000,000 in general obligation bonds for the City for the purpose of financing certain capital improvements within the City and refunding certain outstanding bonds of the City.

These improvements include:

- North Shore Storm Sewer Project – There is no existing storm sewer system in the North Shore neighborhood, more specifically the area between North Shore Drive and Lippold Park. Flooding consistently occurs in this area, especially for the homes along East End Avenue, Greenfield Road, and Crystal Beach Avenue. The proposed improvement would install new storm sewer in the right-of-way along Crystal Beach Avenue, Greenfield Road and East End and replace the existing storm sewer pipes that go into the lake at two beach areas along North Shore Drive. Best management practice (BMP) basins would be installed along each street on existing vacant lots to ensure storm water is filtered before entering the lake.

- Pine/Oriole Storm Water Project - This project includes the acquisition of up to five homes which would be demolished and the properties be restored to pre-development grade. The project assumes the purchase of the two lowest and most impacted homes. This project provides the best relief to homes along Crystal Lake Avenue. Costs assume utility disconnections, environmental permitting and abatement (asbestos abatement, if needed).

- McCormick Park Area Water Main - The City's Water System Master Plan identifies the need to replace 4,000 feet of 6 inch and 4 inch water main with new 12 inch water main to improve hydraulic connection to the McCormick Park Water Tower. During peak flow demands, the level in the McCormick Park Water Tower can fall to very low levels, jeopardizing the City's ability to meet its water demands and required fire flow pressure. This new water main is required for additional flows to the McCormick Park Water Tower. Additional water capacity will be available by upsizing these water mains and it will also allow the tank to fill at a faster rate. Improvements will be on Pierson Street from Lakeshore Drive to McHenry Avenue, McHenry Avenue from Pierson Street to Lake Street, Lake Street from McHenry Avenue to Linn Avenue, and on Linn Avenue from Lake Street to Virginia Street, plus a new 8 inch water main on Pierson Street from Lakeshore Drive to Dole Avenue. This work would include connection from Pierson Street to the elevated tank riser.

- Illinois Route 176/Main Street Water Main - The City's Water System Master Plan identifies the need for water main replacements in order to increase fire flows and to improve water system connectivity. This project includes the replacement of approximately 1,100 feet of water main along Illinois Route 176 (Main Street to Prairie Street), replacement of approximately 1,600 feet of water main along Illinois Route 176 (Main Street to Park Avenue) and extension of water main under Illinois Route 176 near Park Avenue. The project also includes lining of approximately 1,100 feet of sanitary sewer along Main Street (from Prairie Street to Illinois Route 176). This project will be completed in conjunction with roadway improvements at the intersection of Illinois Route 176 at Main Street.

The June 18, 2019 Ordinance also put into place the process to refinance $9,995,000 in 2009 Series A and 2009 Series B bonds that had been previously issued. Based on the then current market conditions, it was estimated that the City would realize a total net savings of $415,000. Instead, because of very favorable bond sale results, the City will realize a total net savings of $622,352.52.

With regard to the new debt issuance for the capital improvements, repayment will be made utilizing the recently approved Utility Taxes. As far as the refinancing, the revenue source for the repayment will continue to be proceeds from the Home Rule Sales tax as well as water and sewer user fees.

Credit Rating:

As part of this bond issuance, Standard and Poor's recently reaffirmed the City's AA+ rating and stable outlook. AA+ is the second highest rating a debt issuer can receive.

Writing in their rating report, Standard and Poor's noted that Crystal Lake has a:

> "Strong economy, with access to a broad and diverse metropolitan statistical area ;
> Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology"

Sale Summary

$9,025,000 General Obligation Bonds, Series 2019A
Maturity Date: December, 2039

Bid Award*	Bidder Name	TIC
√	The Baker Group	2.591720
	D.A. Davidson & Co.	2.596052
	Robert W. Baird & Co., Inc.	2.602728
	FTN Financial Capital Markets	2.629252
	Fifth Third Securities, Inc.	2.629934
	Northland Securities, Inc.	2.642152
	SunTrust Robinson Humphrey	2.659342
	Raymond James & Associates, Inc.	2.724761
	Hutchinson, Shockey, Erley & Co.	2.732675

$5,305,000 General Obligation Bonds, Series 2019B
Maturity Date: December, 2024

Bid Award*	Bidder Name	TIC
√	Fifth Third Securities, Inc.	1.564755
	Hutchinson, Shockey, Erley & Co.	1.586447
	Robert W. Baird & Co., Inc.	1.625941

Recommendation

The attached Resolution formalizes the receipt of the bond sale information. It is staff's recommendation to adopt a Resolution receiving bond sale information regarding two series of general obligation bonds to be issued by the City of Crystal Lake, McHenry County, Illinois. The City's Bond Counsel Kelly Kost drafted the attached Resolution.

Votes Required to Pass:

Simple Majority

Agenda Item No: 21

City Council
Agenda Supplement

Meeting Date: July 16, 2019

Item: Illinois Environmental Protection Agency Annual National Pollution Discharge Elimination System (NPDES) Permit Fees

Staff Recommendation: Motion to adopt a resolution authorizing payment in the amount of $48,500.00, for annual NPDES permit fees under protest.

Staff Contact: Michael Magnuson, P.E., Director of Public Works

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Background:

As part of the State of Illinois' adoption of its annual budget in 2003 and its efforts to overcome a budget deficit, unprecedented annual fees were established for holders of National Pollution Discharge Elimination System (NPDES) Permits. These permits, which regulate the operation and discharges of the City's wastewater and storm water systems, are required under the Clean Water Act and are issued by the IEPA. Operation of wastewater and storm water facilities in violation of the permit requirements, or without a permit, constitutes violations of the Clean Water Act and the State of Illinois compiled statutes relative to Water Pollution Control. Violators are subject to civil and criminal prosecution. The fees were previously "justified" by the Governor and Legislature as being needed to fund the IEPA and its oversight of NPDES holders' operations, which have, prior to 2003, been funded without permit fees other than new water and sewer extension permit application fees.

The annual permit fees for the wastewater plants are based on design average flows (DAF), with facilities with a DAF of more than one Million Gallons per Day (MGD) and less than five MGD receiving an annual fee of $15,000.00. This would be the fee for WWTP #3 since the DAF is 1.7 MGD. Facilities with a DAF greater than five MGD and less than ten MGD are to be charged $30,000.00. The DAF of WWTP #2 is 5.8 MGD. The IEPA has invoiced the City of Crystal Lake in the amount of $30,000.00 for WWTP #2 and $15,000.00 for WWTP #3, with a payment due date of August 9, 2019. In addition to these fees, a fee of $2,500.00 per year is assessed for our Sludge Generator Land Application permit.

Storm water annual permit fees have been assessed to the City for its municipally-owned and operated separate storm sewer system (MS4) in the amount of $1,000.00 and these annual permit fees are due by August 9, 2019.

These NDPES permit fees were unforeseen and not publicized and were, therefore, unbudgeted when first implemented in 2003, but have been budgeted items in subsequent fiscal years. The fees were established within the State of Illinois' FY2004 Budget Implementation Act and became effective July 1, 2003 and, in spite of intense political rhetoric, have not been repealed or modified. The City Council has voted to pay these fees under protest since 2003. A copy of the letter to be submitted with the 2019 payment is attached, in addition to the invoices for the current year.

The City has been assessed a total of $777,500.00 in NPDES fees since 2003.

The IEPA website includes the ominous statement that failure to pay the required fees will result in referral to the Attorney General's office for "prosecution as provided for within the act".

Attached for consideration is a resolution authorizing payment of the NPDES Permit Fees in the amount invoiced, totaling $48,500.00.

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 is authorized to issue payment under protest in the amount of $48,500.00 for annual NPDES permit fees to the State of Illinois.

DATED this 16th day of July, 2019.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

_____
Aaron T. Shepley, Mayor

SEAL

ATTEST

_____
Nick Kachiroubas, City Clerk

Passed: July 16, 2019
Approved: July 16, 2019