



**ORDINANCE AMENDING VARIOUS SECTIONS OF THE CODE OF ORDINANCES OF
THE CITY OF CRYSTAL LAKE**

WHEREAS, Section 102-3(C)(2) of the Code of Ordinances of the City of Crystal Lake (the “City Code”) Code provides for small purchases authorization and further provides that purchases greater than \$5,000 but not more than \$15,000 require the approval of both the City Manager and Director of Finance; and

WHEREAS, amending section 102-3(C) to allow the Director of Finance independent authority to approve purchases of \$5,000 or more but less than \$10,000 will allow for greater operational efficiency; and

WHEREAS, Section 102-3(C)(1) of the City Code provides that purchases greater than \$15,000 but less than \$25,000 require written quotes to be authenticated by an appropriate officer of the vendor; and

WHEREAS, purchases greater than \$15,000 but less than \$25,000 are made by comparing written quotes of similar products or services. Removing the requirement that quotes be “authenticated by an appropriate officer” would provide greater efficiency in receiving and processing timely quotes; and

WHEREAS, Section 102-4(E) of the City Code provides for the retention and disposition of procurement records in accordance with records retention guidelines and schedules approved by the State of Illinois but does not account for applicable record retention regulations or requirements for federal grants and bond covenants which may require longer periods of record retention or different standards for record retention; and

WHEREAS, amending Section 102-4(E) will recognize the necessity of enforcing record retention requirements pertaining to federal grants and bond covenants as well as the requirements of the State of Illinois; and

WHEREAS, the City generally applies the standards of the Local Government Professional Services Selection Act (50 ILCS 510) when hiring an architect, engineer or land surveyor; and

WHEREAS, the Local Government Professional Services Selection Act (“LGPSA”) allows the waiver of the requirements for an RFP whenever there is a satisfactory relationship for services with one or more firms; and

WHEREAS, while Section 102-8 follows, in most respects, the provisions of the LGPSA, it does not incorporate the provisions that allow for the waiver of the requirements for an RFP whenever there is a satisfactory relationship for services with one or more firms. Further Section 102-8 requires that cost of services must will always be considered as a cost factor; and

WHEREAS, allowing the City to select a qualified professional with which it has a satisfactory relationship at a fair and reasonable compensation, over cost as a selection factor would greatly benefit the City in selecting appropriate professionals to be engaged by the City; and

WHEREAS, the position of City Accountant has been replaced by the position of Accounting Manager and the designation of the Finance Director has been replaced by the Director of Finance.

NOW THEREFORE BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRYSTAL LAKE, MCHENRY COUNTY AND STATE OF ILLINOIS, THAT:

Section 1. The foregoing recitals are hereby incorporated into and made a part of this Ordinance as if fully set forth.

Section 2. Section 102-3(C), *Authorization and Methods for Procurements*, of the City Code is hereby amended as follows:

[Deletions are shown as strikethroughs, additions are underlined in bold font]

C. Small purchases. A “small purchase” is defined as a single, complete purchase, the price of which is less than \$25,000. Any purchase or contract for purchase for which the total price is \$25,000 or more is not a small purchase and may not be classified as a small purchase merely by making the purchase in installments or by otherwise dividing the purchase. A small purchase may be made in accordance with the small purchase procedures authorized in this subsection.

(1) Purchases ~~greater than \$15,000~~ **of \$10,000 or more** but less than \$25,000. Insofar as it is practical, the City shall allow three business days for the submission of written quotations by vendors for purchases ~~greater than \$15,000~~ **of \$10,000 or more** but less than \$25,000. The City Manager and Director of Finance shall approve the purchase from the vendor with the lowest responsive, responsible quotation that is in the best interest of the City. Quotations shall be in writing ~~and authenticated by an appropriate officer of the vendor~~. A quotation shall include, at a minimum, the name of the vendor, the date, the description of the items offered,

and the total amount of the quotation. The quotation shall be made part of the purchase record.

- (2) Purchases ~~greater than~~ of \$5,000 or more but ~~not more~~ less than ~~\$15,000~~ \$10,000. Insofar as it is practical, the City shall allow three business days for the submission of written quotations by vendors for purchases ~~greater than~~ of \$5,000 or more but ~~not more~~ less than ~~\$15,000~~ \$10,000. The ~~City Manager and~~ Director of Finance shall approve the purchase from the vendor with the lowest responsive, responsible quotation that is in the best interest of the City. Quotations shall be in writing. A quotation shall include, at a minimum, the name of the vendor, the date, the description of the items offered, and the total amount of the quotation. The quotation shall be made part of the purchase record.
- (3) Purchases not more than \$5,000. The City Manager, with the advice of the Procurement Officer, shall adopt operational procedures for making purchases of \$5,000 or less. Those operational procedures shall provide for obtaining adequate and reasonable competition for the supply, service or construction being purchased.

Section 3. Section 102-4, *Types of Contracts and Contract Administration*, of the City Code is hereby amended as follows:

[Deletions are shown as strikethroughs, additions are underlined in bold font]

The City may use any form or type of contract that is, in the City's judgment, appropriate for the procurement and that will promote the best interests of the City. Contracts are subject to the following conditions and limitations:

A. Multi-term contracts.

- (1) Specified term. Unless otherwise provided by law, a contract for supplies or services may be for any stated term determined by the City. The term, and any renewal or extension options and the conditions of those options, must be included in the bid or solicitation documents. Funds for the term or any renewal or extension must be available prior to the commencement of the term, renewal, or extension.
- (2) Cancellation due to unavailability of funds. When funds have not been appropriated or otherwise made available to pay the costs of performance for any term, renewal, or extension, then the contract must be allowed to expire or be cancelled.

B. Multiple-source contracting. Multiple-source contract awards shall not be made when a single award will meet the City's needs without sacrifice of economy or service. Multiple-source contracts shall not be made for the purpose of dividing the work or business, or for creating the opportunity for contract awards based on criteria not directly related to utility, economy, or the City's best interests, or to avoid the resolution of tie bids. Any multiple-source contract awards that are made shall be limited to the least number of contractors necessary to meet the valid requirements.

- C. Right to inspect premises. The City, at reasonable time, may inspect that part of the vendor's place of business or a contractor's or subcontractor's workplace that is pertinent to the supply of goods or performance of services or work for the City under any contract, subcontract, or supply agreement.
- D. Reporting of anticompetitive practices. When for any reason the City suspects the existence of collusion or other anticompetitive practice among any bidders or proposers, the City shall notify the Office of the Illinois Attorney General and any other appropriate legal officer that would have jurisdiction over the matter.
- E. City procurement records.
- (1) Contract file. All determinations and other written records pertaining to the solicitation, award, or performance of a contract shall be maintained in a contract file.
 - (2) Retention of procurement records. All procurement records shall be retained ~~and disposed of by the City in accordance with records retention guidelines and schedules approved by the State of Illinois~~ **the Illinois Local Records Act (50 ILCS 205), federal regulations, grant agreement or bond covenant, where applicable and most restrictive.**

Section 4. Section 102-8, *Procurement of Architect, Engineer and Land Surveying Services*, of the City Code is hereby amended as follows:

[Deletions are shown as strikethroughs, additions are underlined in bold font]

[Amended 9-18-2018 by Ord. No. 7496]

As a Home Rule unit, the City is not required to adhere to the requirements of the Illinois Local Government Professional Services Selection Act (50 ILCS 510) when hiring an architect, engineer, or land surveyor. Nevertheless, the City generally will apply the standards of that Act, except that the City ~~always~~ will consider cost as a selection factor, unless otherwise required by law, and the City may choose not to use a formal selection process for architectural, engineering, or land surveying services less than \$25,000. When the City does solicit such services, then the City must solicit proposals and adhere to the following requirements:

A. Exceptions.

- (1) **If there is a satisfactory relationship between the City and one or more firms from a previous phase(s) of a project then the City Council may waive requirements for an RFP and retain the firm(s) for additional phases of the same project.**

(2) When the City has received federal funds for architect, engineering, or land surveying services, the City shall use the consultant selection method described in §102-9.

B. Public notice. The City must place an advertisement in a daily newspaper of general circulation throughout the City, requesting a statement of interest in the specific project and further requesting statements of qualifications. Such advertisement shall state the day, hour and place the statement of interest and the statements of qualifications and performance data shall be due.

C. Selection procedure. The City then must evaluate the firms submitting letters of interest, taking into account qualifications, ability of professional personnel, past record and experience, performance data on file, willingness to meet time and budget requirements, location, workload of the firm, and such other factors as the City may determine in writing are applicable. The City may conduct discussions with and require presentations by firms deemed to be the most qualified regarding their qualifications, approach to the project and ability to furnish the required services.

D. Selection. On the basis of evaluations, discussions and presentations, the City shall select no fewer than three firms which it determines to be the most qualified to provide services for the project and rank them in order of qualifications to provide services regarding the specific project. The City shall then contact the firm ranked most preferred and attempt to negotiate a contract at a fair and reasonable compensation, taking into account the estimated value, scope, complexity, and professional nature of the services to be rendered. If fewer than three firms submit letters of interest and the City determines that one or both of those firms are so qualified, the City may proceed to negotiate the contract.

E. Contract negotiation.

(1) The City shall prepare a written description of the scope of the proposed services to be used as a basis for negotiations and shall negotiate a contract with the highest qualified firm at compensation the City determines in writing to be fair and reasonable. In making this decision, the City shall take into account the estimated value, scope, complexity, and professional nature of the services to be rendered.

(2) If the City is unable to negotiate a contract with the preferred firm, negotiations with that firm shall be terminated. The City shall then begin negotiations with the firm that is next preferred. If the City is unable to negotiate a contract with that firm, negotiations with that firm shall be terminated. The City shall then begin negotiations with the firm that is next preferred.

(3) If the City is unable to negotiate a satisfactory contract with any of the selected firms, it shall reevaluate the architectural, engineering, or land surveying services requested, including the estimated value, scope, and complexity and fee

requirements. The City shall then compile a second list of not less than three qualified firms and proceed in accordance with these procedures.

Section 5. Section 118-3(Q), *Authorized Signatures*, of the City Code is hereby amended as follows:

[Deletions are shown as strikethroughs, additions are underlined in bold font]

Q. Authorized City officials and employees regarding bills, banking, trust and investment accounts. This policy sets forth authorized City officials and employees to act on behalf of the City of Crystal Lake and authorized signatures with regard to bills, City banking, trust and investment accounts to establish accounts, withdraw, transfer or deposit funds for the purpose of investment and to cover financial commitments of the City.

(1) Operating accounts.

- (a) The operating account is used for reimbursements, transfers, employee compensation, benefits and payments to vendors, contractors, government agencies, financial institutions and others who provide supplies, services and/or equipment to the City. Any two of the following City officials or City staff members or their successors shall be authorized to sign checks, or other instruments for the withdrawal of moneys in the operating account: Mayor, City Clerk, City Manager, and Director of Finance.
- (b) Any one of the City officials or City staff members listed above may transfer funds from the operating account to another City account for the purpose of investing. When authorized by one of the City officials or City staff members listed above, a transfer may be processed by the following staff members: Assistant Director of Finance or ~~City Accountant~~ **Accounting Manager**.

(2) Investment/Trust Accounts.


- (a) Investment accounts cover all funds and investment activities under the direction of the City Council and are invested in accordance with the City of Crystal Lake Investment Policy. The investments of bond proceeds are further restricted by the provisions of the relevant bond documents. The Investment Policy delegates management responsibility for the investment program to the ~~Finance Director~~ **Director of Finance**. In the absence of the ~~Finance Director~~ **Director of Finance**, the City Manager shall be authorized to manage investments.
- (b) A transfer of funds from an investment/trust account to another City account for the purpose of investing or funding the operating account, when authorized by one of the City officials or employees listed above may be processed by the following: Assistant Director of Finance or ~~Aeeountant~~ **Accounting Manager**.

Section 6. That this Ordinance shall be in full force and effect from and after its passage and approval according to law.

Section 7. That all Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

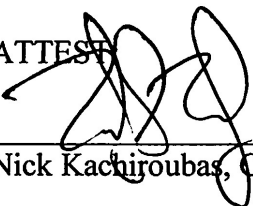
DATED at Crystal Lake, Illinois this 4th day of June, 2024.

CITY OF CRYSTAL LAKE, an
Illinois municipal corporation,

By:  _____
Haig Haleblian, MAYOR

SEAL

ATTEST



Nick Kachiroubas, CITY CLERK

PASSED: June 4, 2024
APPROVED: June 4, 2024