McHenry City Council
Regular Meeting Minutes
August 17, 2026

Call to Order

The City Council of the City of McHenry, Illinois, met on Monday, August 17, 2026, at 7:00 p.m. at McHenry City Hall, 333 S. Green Street, McHenry, IL.

Roll Call

Deputy Clerk Johnson called the roll. Roll call: Members present: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch, Mayor Jett. Absent: Alderwoman Miller.

Public Hearing: Richmond Road and McCullom Lake Road Redevelopment Project Area

Mayor Jett opened public comment for the public hearing at 7:02 p.m. No members of the public wished to comment. Alderwoman Glab stated that he would like to see the TIF money being used for redoing the commercial strips and office areas. He does not want to see money being spent on apartments and condos. He also understands that some landlords have let their properties get into disarray but does not want this money being spent to help those landlords. He stated that this will impact everybody's property taxes, but it is so small nobody should notice it compared to the big picture. You have to look at the county as a whole, and realize we are affected by TIF districts in other areas like Huntley, Algonquin, and other towns. By not moving forward we aer putting ourselves at a disadvantage. We help support the TIF districts in other areas, and they should help support ours. A motion was made by Alderman Doherty and seconded by Alderwoman Baehne to close the public hearing at 7:06 p.m. Roll Call Vote: 6-ays: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch. 1-Absent: Alderwoman Miller. Motion Carried.

Consent Agenda

Alderwoman Bassi pulled item C and Alderman Koch pulled item A.

B. Purchasing Agreement Between the City of McHenry, and Midwest Salt, LLC for 650 Tons of Rock Salt for a Total of $78,279.50 for FY25/27

D. Block Party Request on Wiltshire Drive on September 26, 2026, from 9:00 a.m. to 3:00 p.m.

E. Resolution Establishing the 2027 Regular City Council Meeting Schedule

F. Parks and Recreation Special User Permits

G. August 3, 2026 City Council Meeting Minutes

H. Issuance of Checks in the Amount of $184,698.34

I. As Needed Checks in the Amount of $3,221728.22

A motion was made by Alderwoman Baehne and seconded by Alderman Doherty to approve agenda items B and D-I as submitted. Roll Call Vote: 6-ays: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch. Absent: Alderwoman Miller. Motion Carried.

A. Authorize the Purchase of Two (2) RAM 2500 ¾-Ton Pickup Trucks with Plows for a Total of $118,558.00 ($59,279.00 each) from Sunnyside Company in McHenry, Illinois

Alderman Koch asked if he vehicles were crew cabs or extended cabs. Director Adams stated that they were regular cab, ¾ ton pickups. A motion was made by Alderman Glab and seconded by Alderwoman Baehne to Authorize the Purchase of Two (2) RAM 2500 ¾-Ton Pickup Trucks with Plows for a Total of $118,558.00 ($59,279.00 each) from Sunnyside Company in McHenry, Illinois. Roll Call Vote: 6-ays: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch. Absent: Alderwoman Miller. Motion Carried.

C. Resolution for the City of McHenry to Redraw its Ward Map After the 2030 US Census Bureau Population Count is Finalized

Alderwoman Bassi stated that the current ward map is in gross violation of the Equal Protection Clause of the 14th Amendment. Signing this resolution would be a violation of our Oath of Office and requirement to uphold the Constitution. There is no valid reason why the map cannot be redrawn based on the 2020 census and best estimate of additional growth prior to the 2027 election. I am voting “no.”

Alderman Glab believes the maps need updated, but if we were to do them now, it would not be possible to do them properly. Since 2020 there has been a lot of development. Cunat, Authentix, Ryan Homes, and the upcoming Lennar development would affect the populations, and it would not be possible to have it done correctly. We would end up having to turn around and redraw the maps in 2030. He believes the best way to do it is to do it once and do it right.

Alderwoman Baehne supported Alderman Glab’s comments and wanted the public to understand that this has been reviewed by our attorney. She also noted that another option on the table could be to eliminate wards entirely and putting it off is a good idea.

A motion was made by Alderwoman Baehne and seconded by Alderman Koch to pass a Resolution for the City of McHenry to Redraw its Ward Map After the 2030 US Census Bureau Population Count is Finalized. Roll Call Vote: 5-ays: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderman Davis, Alderman Koch. 1-nay: Alderwoman Bassi. Absent: Alderwoman Miller. Motion Carried.

Public Comment

Unaware that comments or questions for the Richmond Road area TIF were to be made during that public hearing time, some residents used the regular public comment time to revisit that proposed TIF district. Lisa Rawn mentioned that the City has done many great changes and development has come fast. She is concerned about her property on McCullom Lake Road and wants to understand what is happening on the land near her property next to the Cedarhurst living facility. She notes that many activities in that area already make it noisy. Derrick Gurshke also asked if there would be future opportunities to discuss potential developments in the area. Mayor Jett explained that there are no current plans for property in that area, and a developer would need to come forward with a plan. The Council would always have the opportunity to approve or deny a TIF development. He offered residents the chance to call and set up an appointment to meet with him and staff members.

Sheryl Lindenbaum stated that she does not see where the funding is coming from. Developers come in and residents pay the highest taxes. Taxing bodies still get the money, and the taxpayers have to fill it in. She would like to se some figures in writing before moving forward. Mayor Jett offered for her to set up a meeting with staff to review the plan. He also noted that without a TIF district, the downtown Green Street redevelopments would not have happened and the Riverwalk would not exist.

Mariah Koleno stated her concern for the redevelopment on Richmond Road and asked what would happen to the people living in houses that could be relocated. Director Martin explained that there are no plans to take away the houses or relocate residents. The study showing relocation of residents had to be done per State law when forming a TIF district, but the City has no plans to force that. Mayor Jett stated that the TIF on Richmond Road is intended to be used for commercial development.

Celeste Mann stated that she was at a previous hearing when all of the TIF district formation was explained. She thanked Director Martin for his reassurances and wished that all of the rumors about TIF had to stop. The beautification and reclamation of the old Sears building is in desperate need. The TIF will do nothing but benefit the City. She did not worry about the EAV and taxes, and thanked the City for coming up with the TIF plan.

Public Hearing: West Illinois Route 120 Redevelopment Project Area

Mayor Jett opened the public hearing at 7:30 p.m. He asked for public comments.

Jean Muscat explained she owns a business at Orleans and Oak. She got the report from Teska Associates and does not believe the business center meets those TIF requirements. She stated she already pays $100,000 in real estate taxes a year and the business center is in good shape and not blighted. She requests to be removed from the TIF district and does not want to be included in the TIF program.

Pete Iosue from Teska spoke regarding the TIF plans and projects. He explained that the majority of the residential properties in the TIF areas were to keep the areas contiguous. There are no plans to make anybody relocate or have developments or demolitions in residential areas where people currently live. He also explained that not all properties in a TIF area have to qualify. The entire area is looked at as a whole. This is the final public hearing for the TIF process, and after this public hearing the City Council has 90 days to act if they want to approve the TIF district.

Alderman Glab stated that the properties in the TIF district don't have their taxes affected differently. He reiterated that the TIF is a funding mechanism and economic development tool. The properties are still assessed by the assessor, and they should not take into account the property being in a TIF to assess the home. He also agreed that until we have the TIF district set up, we won't have people wanting to develop in certain areas.

Kathleen Biggerstaff explained she has been a long time resident on Elm Street, and has seen many improvements. She is questioning the plans for the homes on Elm Street, as there are not many left along there. She does not want to go anywhere in the next twenty years and hopes nothing major happens. She is checking to see when she can find out the proposed changes for the area. Mayor Jett offered any residents with concerns about developments to set up meetings with staff members at City Hall. He said that no developers are lined up for any work on West Elm Street.

Mary Mahady explained that she is a resident and the McHenry Township Assessor. She said values of homes are going up next year by 7.24% regardless if anything is developed or not. Some properties will increase more and some less. She explained that they have been in a cycle of 5-6 years with increasing township factors. Every property is increasing because values are rising. Once the TIF is in place, the base value is set and the increase in property values will go to the TIF. The current TIF took in $1 million in tax dollars that weren't going to the taxing bodies and went to TIF instead. She also noted that more and more exemptions come forward each year.

A motion was made by Alderman Glab and seconded by Alderwoman Baehne to close the public hearing at 7:52 p.m.

Individual Action Items

Venice Avenue Street Closure

Alderwoman Baehne stated that this is cool that a movie wants to use our beautiful redevelopment of the streets and the Riverwalk. Gustavo Martin explained that he is the location manager for this film. He is in charge of scouting and vetting the locations for the movie, and this was a passion project for the two writers. The director found the cute Riverwalk area and asked personally to go see if this could be used for their film. He thanked the City for being able to work with them and complimented the City on their renovations for the beautiful streets and town for their filming. A motion was made by Alderman Doherty and seconded by Alderwoman Baehne to approve the temporary closure of Venice Avenue from Park Street to Riverside Drive to allow for the filming of a scene from "After the Summer" as presented. Roll Call Vote: 6-ays: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch. 1-Absent: Alderwoman Miller. Motion Carried.

CPI U and Development Fees & Cash Contributions

Mayor Jett explained that this is to fix an oversight by not freezing the CUP adjustments. He also noted that this does not affect the developers like Lennar who bring an entire development forward, but is for the people who are doing their own homes. Alderman Glab would like to see the base go up after we see solid facts. He noted that our ordinance has a smaller fee than Crystal Lake by almost one and a half times. Until a study is done to see exactly where we need to be, he would like to increase the numbers now.

Alderwoman Bassi is quoted as saying " City ordinance requires the fair market value of one acre of improved land, the developer impact fees for the library, and the developer impact fees for the fire district be adjusted annually based on the annual percentage change in the CPI-U. The fair market value is input into a standard formula to establish the developer impact fees for the schools and the parks.

"Director Lynch, can you confirm the last CPI-U adjustment was performed on May 1st, 2019?" Director Lynch did confirm this. "Because the last CPI-U adjustment was performed in 2019, that means seven adjustments have been skipped. Director Lynch, can you confirm you emailed me the CPI-U source used by the City?" This was confirmed by Directory Lynch as well. "Per the City's source, the CPI-U has increased 24.3% since the last adjustment. During this period of artificially low developer impact fees following the first missed CPI-U adjustment in 2020, there has been significant housing development, including Authentix apartments and Fox Meadows apartments. Because the CPI-U was not adjusted, the City has shorted the schools, parks, library, and fire district funding that should have, by ordinance, been collected from the developers.

"Chief Birk, can you confirm you performed an extensive search of internal City communications and emails and did not locate any communication discussing discontinuing the required CPI-U

annual adjustment?" Chief Birk stated that there was nothing written. "In addition to a City records search, there appears to be no directive from City Council to discontinue the required CPI-U annual adjustment.

"Mayor Jett, did you direct staff or have knowledge that the required CPI-U adjustment was no longer being performed after May 1st, 2019?" Mayor Jett stated that he recalled meeting with the taxing bodies, discussed the 50% reduction in fees, and that's when that all took place. "Ordinances can only be removed or amended by City Council. Intent to remove the ordinance requiring the CPI-U annual adjustment does not remove the ordinance. It is also making a huge assumption that Council would have approved removing the ordinance.

"The largest developer impact fees are collected for the City's parks. Director Hobson has stated on many occasions that there is not enough funding for the parks and that is why many are in need of improvements. Because the CPI-U has increased 24.3% since the last adjustment in 2019, the City has been underfunding our parks by allowing developers to not pay their fair share by setting artificially low fees that are in violation of City ordinance.

"This vote is nothing more than a massive giveaway to the developers at the expense of the City and our residents. Crystal Lake's fair market value of one acre of improved land that sets the developer impact fees for schools and parks is $163,276. In contrast, McHenry's fair market value of one acre of improved land is $80,000. Crystal Lake's fair market value should be higher, but it should not be more than double.

"McHenry is home rule so we could be collecting, among other fees, developer impact fees for our roads, for our police, and for our city buildings. For some reason, we are not and residents deserve to know why those additional impact fees have never been brought to Council to discuss.

"The solution to an ordinance not being followed for seven years is not to give less oversight, which is what this vote would do. Updating the current developer impact fees to include the ordinance-required compounded CPI-U increase is the bare minimum. Development is not stagnant and there is no valid reason why we are not requiring developers to pay their fair share. I am voting no." This marked the end of Alderwoman Bassi's quote.

Director Polerecky explained that they can review other fees. Six years ago when they were reviewed, the City hired Baxter & Woodman to tell us our future needs. That helped determine the capital development fees, which removed the CPI U to impact fees. Not having them removed from the ordinance was an oversight and was not done maliciously. The City hired an appraiser for 1-acre of land, and at the time it was valued at $80,000. Right now an acre of land is not selling for that. If we continually raised impact fees but the value of land did not increase, it would not match like it should. He also noted that if we use the current impact fee schedule, Lennar would have to write a check for $10 million before they even put a shovel in the ground.

Mayor Jett offered to bring this back before Council if they wanted more discussion on raising fees. Alderwoman Baehne stated that when this took place in 2019, there was an undeveloped community in Legend Lakes, and because of the change in fees we were able to have a developer come in and finish that neighborhood, which has been a benefit to everybody. Alderman Glab would like to hold off on passing any ordinances until we have a study done and have a good discussion. Alderman Davis noted that this ordinance before us simply cleans up a mistake and has nothing to do with moving forward and looking at raising fees in the future. We are able to do both.

During the public comment, Sheryl Lindenbaum stated that she appreciates the Council fixing the mistake from 2019. She was one of the people who moved here following that development, but she believes land values have increased as was explained by Mary Mahady. Mayor Jett directed staff members to bring some research back to a Council meeting in the near future to continue the discussion.

A motion was made by Alderman Doherty and seconded by Alderwoman Baehne to pass an Ordinance Amending Sections 9-6-2, 10-1-5 and 12-8-11 of the McHenry Municipal Code to Eliminate Automatic CPI-U Adjustments to Cash Contributions and Capital Development Fees and Clarifying Review of Contributions and Fees. Roll Call Vote: 4-ays: Alderwoman Baehne, Alderman Doherty, Alderman Davis, Alderman Koch. 2-nays: Alderwoman Bassi, Alderman Glab. 1-Absent: Alderwoman Miller. Motion Carried.

Discussion Items

Lead Service Line Replacement

Director Adams explained that the City is required to complete lead service line replacements. We have 10 years to complete the replacement of all lead service lines, and we must do at least ten percent each year until they have all been replaced. Staff is recommending a base fee increase of $6.50 on a bi-monthly water bill. This would generate about $470,000 annually to help fund those replacements. That would be partially offset by a proposed reduction of debt service fees. There are 280 lead services to replace, with an average replacement cost of $15,000 to $18,000 each.

Alderwoman Bassi asked if there are any grants that the City could apply for to help offset the costs. Director Adams stated that we have applied for grants, but we are not anticipated to score well and there is no guarantee we get any grant money. Even if we were to get some grant money, there would be a local match required that also needs to be funded. Alderwoman Bassi stated "I know this is required by the State but I think it is important resident household costs are not increased. TIF funds can be used for public utility improvements so I would like to see all lead service line replacements in TIF areas be paid for with TIF funds." Director Adams noted that very few of these lines are located in the TIF area and most are servicing residential dwellings.

Alderman Glab questioned if all taxpayers are paying for repairs to switch out lead service lines in certain areas. Director Adams said that the plan is for all people paying water/sewer bills. Those not on the City water system would not have any cost. Alderman Glab asked if people should pay for their portion from the BBox to their meter, and for the City to only pay their side. Director Adams said that the City is required to replace the entire amount, and he does not see how the City could charge each customer and recuperate the money from people who can't afford the repairs.

Water and Wastewater Rates

Director Lynch explained that as we are looking for a $6.50 increase in base rates for lead service replacement, she has been looking at the debt service fees. With all of the development that has occurred, she believes we can lower the debt service fee to help offset the increase from lead service lines. To cover operational costs, it has been budgeted in this current fiscal year for a 4% water rate increase ($3.94 per 1,000 gallons to $4.06 per 1,000 gallons residential) and a 5% sewer rate increase ($4.59 per 1,000 gallons to $4.82 per 1,000 gallons residential). An ordinance will come before Council for passage that would have new water and sewer rates go in effect for October 2026.

Staff Reports

Director Adams reported that IDOT has begun work on Route 120 for the pavement patching. They are currently sawcutting the outside lanes and traffic can get very congested during the day. He suggests people find alternate routes if possible.

Mayor's Report

Mayor Jett stated that one Council member has been wasting the time of staff members. He wants to find out the amount of time and money and effort has been put in that one Council member has been causing the City and employees. He believes the amount of time and money that has been wasted is ridiculous, and wants to meet with Attorney McArdle to see what type of ordinance could be put into place for guidelines that Council members must abide by for dealing with staff members. Alderwoman Baehne said she wanted to know the amount of legal fees that have been spent as well.

City Council Comments

Alderwoman Bassi said that Woodstock recently passed a 5% tax on short-term rentals or Airbnbs, and Crystal Lake already has a tax in place. The former City Administrator planned to bring this forward for Council discussion. She asked Chief Birk if he would put this item on an agenda for the Council to discuss in an open meeting. Mayor Jett said he would agree to put it on an agenda.

Alderwoman Baehne announced that the Riverwalk Foundation is having its Riverwalk Chalkwalk Festival on August 30. She said it will be an awesome day an hopes that members of the Council

come and join those in attendance. Alderman Doherty thanked the City for participating in the 815 Days, and he said it was amazing to see the number of people participating.

Executive Session

A motion was made by Alderman Doherty and seconded by Alderwoman Baehne to adjourn to executive session at 8:39 p.m. to discuss the Appointment, Employment, Compensation, Discipline, Performance, or Dismissal of Specific Employees (5ILCS 120/2(c)(1)). Roll Call Vote: 6-ays: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch. 1-Absent: Alderwoman Miller. Motion Carried.

Mayor Jett reconvened from executive session back into open session at 9:06 p.m. Deputy Clerk Johnson called the roll. Roll call: Members present: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch, Mayor Jett. Absent: Alderwoman Miller.

A motion was made by Alderwoman Baehne and seconded by Alderman Doherty to extend Chief Birk's appointment as Interim City Administrator through the June 7, 2027, City Council meeting, at which time the City Council shall further review the position of City Administrator. In addition, she moved that the annual police department salaries of Chief Birk ($221,021.18) and Deputy Chief Walsh ($182,557.47) be ratified. Roll Call Vote: 6-ays: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch. 1-Absent: Alderwoman Miller. Motion Carried.

Adjournment

A motion was made by Alderman Koch and seconded by Alderwoman Glab to adjourn the meeting at 9:08 p.m. Roll Call Vote: 6-ays: Alderwoman Baehne, Alderman Glab, Alderman Doherty, Alderwoman Bassi, Alderman Davis, Alderman Koch. 1-Absent: Alderwoman Miller. Motion Carried.

Mayor Wayne Jett

Deputy Clerk Monte Johnson