

**REGULAR CITY COUNCIL MEETING
FARMER CITY, ILLINOIS
MONDAY, NOVEMBER 04, 2019
6:00 P.M.
AGENDA**

PRELIMINARY MATTERS

1. Call to order
2. Roll call
3. Pledge of allegiance to the flag
4. Proclamations/presentations/recognitions
5. Public Comment –

SECTION I CONSENT AGENDA

The following items will be adopted on a single motion without discussion unless a council member requests separate consideration:

- A. Approval of the minutes of the October 21, 2019 council minutes
- B. Fund Warrant List

SECTION II: UNFINISHED BUSINESS--Ordinances or resolutions previously tabled.

SECTION III: NEW BUSINESS--Ordinances and resolutions for initial consideration

- A. **Ordinance 1039** Ordinance Authorizing the Execution of the RMA Minimum/Maximum Contribution Agreement
- B. Approval of the Final payment to Cross Construction for Water St. improvements in the amount of \$67,601.12
- C. Approval of Payout #3 to Cross Construction for Maple/Western St improvements in the amount of \$214,732.58
- D. **Ordinance 1040** Declaring certain property surplus
- E. Discussion regarding recreational marijuana

SECTION IV: OTHER ITEMS

1. City manager report - Audit review
2. Non-agenda items and other business

SECTION V: EXECUTIVE SESSION

5 ILCS 120/2(c) 5: The purchase or lease of real property for the use of the publicbody, including meetings held for the purpose of discussing whether a particular parcel should be acquired

ADJOURNMENT

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the city clerk's office at (309) 928-2842, 48 hours before the meeting. Staff will be pleased to make the necessary arrangements.

**MINUTES OF THE FARMER CITY, ILLINOIS
CITY COUNCIL
REGULAR MEETING OF
OCTOBER 07, 2019 6 p.m.**

Roll call

Present: Councilmembers Benjamin Burden, Shelley Friedrich and Mayor Scott Testory. Absent: Councilmembers Willard McKinley and Scott Kelley

Also in attendance: City Clerk Angie Wanserski. Absent: City Manager Sue McLaughlin and City Attorney Joe Chamley

Pledge of allegiance to the flag

Proclamations/presentations

Public Comment

SECTION I: CONSENT AGENDA

A. Approval of the minutes of the October 07, 2019 council meeting

B. Fund Warrant List

MOTION by Friedrich to approve consent agenda. Seconded by Burden.

Voting yes: Burden, Friedrich and Testory. Absent: McKinley and Kelley. Motion carried.

SECTION II: UNFINISHED BUSINESS Ordinances or resolutions previously tabled

SECTION III: NEW BUSINESS – Ordinances and resolutions for initial consideration

1. **Resolution 2019-39 A Resolution Establishing the Date and Hours for Halloween Trick or Treat in the City of Farmer City.**

MOTION by Burden to approve Resolution 2019-39 A Resolution Establishing the Date and Hours for Halloween Trick or Treat in the City of Farmer City. Seconded by Friedrich. Voting yes: Burden, Friedrich and Testory. Absent: McKinley and Kelley. Motion carried.

SECTION IV: EXECUTIVE SESSION –

SECTION IV: OTHER ITEMS

1. **City manager report**

2. **Non-agenda items and other business.**

ADJOURNMENT

MOTION by Friedrich to adjourn meeting. Seconded by Burden. Voting yes: Burden, Friedrich and Testory. Absent: McKinley and Kelley. Motion carried.

Angie Wanserski, City Clerk

| Vendor Name | Net Invoice Amount | |
|-----------------------------|--------------------|------------------------------------|
| 100 | | |
| WATTS COPY SYSTEMS INC | 209.60 | ADM COPIER |
| U.S. BANK | 7.35 | POSTAGE |
| AT & T | 40.53 | ADM - TELEPHONE |
| SPRINT | 23.62 | ADM - TELEPHONE |
| INTERNATIONAL INSTITUTE OF | 170.00 | MEMBERSHIP FEES |
| WANSERSKI, ANGIE | 87.36 | REIMBURSE TRAVEL |
| McLAUGHLIN, SUE | 485.95 | REIMBURSE |
| U.S. BANK | 75.00 | TRAVEL |
| City of Farmer City | 244.07 | ADM |
| PRIME TIME CLEANING & JANIT | 50.46 | CLEANING SUPPLIES |
| U.S. BANK | 193.51 | OFFICE SUPPLIES |
| Absopure Water Co | 16.50 | DRINKING WATER |
| EVANS FROEHLICH BETH AND | 840.00 | LEGAL -LEGIS |
| U.S. BANK | 2,344.21 | TRAVEL |
| U.S. BANK | 96.02 | MISC |
| SPRINT | 176.54 | POL TELEPHONE |
| City of Farmer City | 48.17 | POLICE |
| U.S. BANK | 23.29 | OFFICE SUPPLIES |
| U.S. BANK | 93.85 | MISC |
| MIDWEST TRUCKERS ASSOCIAT | 203.40 | ANNUAL RANDOM |
| SPRINT | 134.18 | ST - TELEPHONE |
| City of Farmer City | 230.23 | STREET |
| Key Equipment | 36,500.00 | ELGIN SWEEPER |
| McMaster-Carr | 62.86 | STREET SUPPLIES |
| LAWSON PRODUCTS | 63.20 | 12/3 SOFT EXTENSION CORD |
| City of Farmer City | 324.31 | PARK |
| City of Farmer City | 74.35 | POOL |
| Total 100: | 42,668.56 | |
| 270 | | |
| U.S. BANK | 30.37 | TIF 2 |
| BRYAN WELL & PUMP SERVICE | 1,075.00 | SERVICE LINE EXTENSION WESTERN AVE |
| EVANS FROEHLICH BETH AND | 577.50 | TIF 2 JOHN ST |
| Total 270: | 1,682.87 | |
| 280 | | |
| EVANS FROEHLICH BETH AND | 122.50 | LEGAL BUSS DIS |
| COULOMBE, CHARLENE | 937.50 | CONSULT DEVELOPE I-74 |
| U.S. BANK | 69.00 | BUS I PROF SERVICE |
| U.S. BANK | 249.57 | MISC |
| Total 280: | 1,378.57 | |
| 510 | | |
| Midwest Service Corporation | 133.00 | WATER - DRUG TESTING |
| MIDWEST TRUCKERS ASSOCIAT | 67.80 | ANNUAL RANDOM |
| FRONTIER | 32.59 | WATER PHONE |
| City of Farmer City | 1,429.65 | WATER |
| Progressive Chemical | 469.13 | WATER SUPPLIES |
| Water Products Co. | 355.50 | 6" REPAIR CLAMP |
| U.S. BANK | 55.27 | OFFICE SUPPLIES |
| Total 510: | 2,542.94 | |

| Vendor Name | Net Invoice Amount | |
|-----------------------------|--------------------------|---|
| 520 | | |
| PDC Laboratories Inc. | 92.38 | SEW-OTHER PROFESSIONAL SERVICES-TESTING |
| PDC Laboratories Inc. | 54.80 | SEW-OTHER PROFESSIONAL SERVICES-TESTING |
| PDC Laboratories Inc. | 92.23 | SEW-OTHER PROFESSIONAL SERVICES-TESTING |
| EVOQUA WATER TECHNOLOGI | 7,484.25 | ODOPHUS |
| City of Farmer City | 7,156.29 | SEWER |
| Yeagle Electric | 569.58 | INSTALL PUMP LIFT STATION |
| AQUA-AEROBIC SYSTEMS INC | 38,165.74 | PARTS FOR TERTIARY FILTER |
| Total 520: | <u>53,615.27</u> | |
| 530 | | |
| U.S. BANK | 160.00 | EQUIP MAINT |
| Midwest Service Corporation | 133.00 | ELE - DRUG TESTING |
| U.S. BANK | 44.95 | ELEC INTERNET |
| MIDWEST TRUCKERS ASSOCIAT | 203.40 | ANNUAL RANDOM |
| AT & T | 24.99 | ELE - TELEPHONE |
| SPRINT | 97.93 | ELE - TELEPHONE |
| NICOR Gas | 89.26 | ELE - UTILITIES WAREHOUSE |
| ONI RISK PARTNERS | 24,700.00 | BOILER AND MACHINERY INS |
| USA BLUEBOOK | 52.95 | COAT FOR JOEY |
| AMACHER, TERRY | 100.00 | BOOT ALLOWANCE |
| U.S. BANK | 3,582.94 | OFFICE SUPPLIES |
| DEPKE | 320.38 | WELDING SUPPLIES |
| BHMG ENGINEERS | 1,835.07 | PROJECT 1923 EXT 1-74 |
| Total 530: | <u>31,344.87</u> | |
| Grand Totals: | <u><u>133,233.08</u></u> | |

October 1, 2019

Scott Testory
Mayor
City of Farmer City
PO Box 49
105 South Main Street
Farmer City, IL 61842-0049

Dear Mayor Testory:

The Illinois Municipal League Risk Management Association (RMA) thanks you for your continued participation in the RMA program. We are very proud of our long history of providing an excellent risk management program and superior customer service to our members.

Enclosed you will find your municipality's contribution invoice for the 2020 coverage year starting on January 1, 2020. **We are very pleased that for the second year in a row, and due to solid financial decisions, your annual renewal contribution has not increased.** In addition, we are pleased to continue to offer a **1% early payment discount if your payment is received no later than November 22, 2019.**

Your continued participation in RMA provides you and your municipality with these valuable benefits:

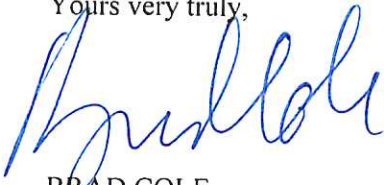
- **Protection:** RMA is a package program designed exclusively to meet the coverage needs of Illinois municipalities including high limits of \$8 million per occurrence/\$16 million aggregate for your general and public officials liability; liquor liability; auto liability; property coverage including flood and earthquake; crime coverage including employee dishonesty and computer and funds transfer fraud; cyber liability coverage; public official bonds; and cyber liability coverage.
- **Budget stability:** RMA does not issue mid-year bills for payroll audits or for normal changes and additions to coverage. This allows you to know what you will be paying for the entire year at the beginning of the coverage period.
- **Convenience:** In addition to the comprehensive coverages provided, membership in the RMA program allows you access to premium risk management and loss control services including contract reviews, coverage overviews, building evaluations, safety inspections, and claims services.
- **Superior customer service:** Our seasoned insurance professionals are available to answer your questions, assist with coverage changes, prevent claims through loss control and safety training, and manage and defend your claims.

Page 2
Mayor Testory
October 1, 2019

We thank you for making RMA your choice for professional risk management services and coverage. If you have questions about your contribution amount or coverages, please contact Julia Reynolds at (800) 252-5051 ext. 1199 or Becky Hayes at (800) 252-5051 ext. 1337.

If you would like one of our staff members to visit your municipality to review the RMA program and its benefits, or have any other questions or comments, please feel welcome to contact our main office at (217) 525-1220 to schedule an appointment. Thank you for your continued membership.

Yours very truly,



BRAD COLE
Managing Director

c: Ruth Harmison, Risk Management Coordinator

Enclosures

Minimum/Maximum Contribution Agreement

This agreement is between the Illinois Municipal League Risk Management Association (RMA), an intergovernmental association formed pursuant to Article VII, Section 10 of the Illinois Constitution of 1970 and the **CITY OF FARMER CITY**, a member of RMA. This agreement amends and supplements the declarations pages dated January 01, 2020 to January 01, 2021 and all endorsements thereto.

1. DEFINITIONS

The following definitions shall apply for purposes of this agreement:

- Loss Fund – Those dollars set aside for the payment of claims excluding reinsurance and excess premiums and administrative costs.
- Minimum Loss Fund – 85% of those dollars set aside for the payment of claims excluding reinsurance and excess premiums and administrative costs.
- Maximum Loss Fund – 130% of those dollars set aside for the payment of claims excluding reinsurance and excess premiums and administrative costs.
- Paid Claim Dollars – Those payments made by RMA on claims including defense costs against the **CITY OF FARMER CITY** minus recovery from subrogation, deductible or salvage credited against those claim payments.
- Minimum Contribution – Minimum Loss Fund including reinsurance and excess premiums and administrative costs.
- Maximum Contribution – Maximum Loss Fund including reinsurance and excess premiums and administrative costs.

2. MINIMUM/MAXIMUM CONTRIBUTION BREAKDOWN

The **CITY OF FARMER CITY** hereby agrees to the following schedule of contributions:

| | <u>Minimum Contribution</u> | | <u>Maximum Contribution</u> |
|--|-----------------------------|--------|-----------------------------|
| Reinsurance and Excess Premiums and Administrative Costs | \$ 39,353 | | \$ 39,353 |
| Loss Fund Contribution | @ 85% \$ 83,920 | @ 130% | \$ 128,348 |
| | \$ 123,273 | | \$ 167,701 |

3. Based upon a comparison of paid claim dollars against the loss fund, RMA will determine whether additional contributions beyond the minimum contribution will be required up to the maximum contribution.

4. For purposes of determining paid claims, RMA will complete a semi-annual review of paid claim dollars.

5. **NOTICE**

RMA hereby agrees to send, through its agents, written notice when paid claim dollars are equal to or greater than 60% of the Minimum Loss Fund.

RMA agrees, through its agents, to send a second written notice when paid claim dollars equal or exceed 85% of the Minimum Loss Fund.

6. **BILLING/PAYMENT** – The parties to this Agreement hereby agree to the following terms:

When paid claim dollars reach or exceed 100 percent of the Minimum Loss Fund, billing will be instituted on a yearly basis for those paid claim dollars in excess of the Minimum Loss Fund and billing will continue on a yearly basis until the Maximum Loss Fund limit is attained or all claims initiated during the coverage period are closed. Billings will be completed in July of each year for paid claim dollars through June 30.

The **CITY OF FARMER CITY** hereby agrees to make payment within 30 days of its receipt of billing.

7. All other definitions, conditions and coverages of RMA remain the same under this agreement, including the handling of all claims.

8. This agreement is to be interpreted and construed in accordance with the laws of the State of Illinois.

9. If any one portion or portions of this agreement is found to be invalid or unenforceable, the remainder shall remain valid and binding on the parties.

The undersigned hereby affirm that they are duly authorized as agents to bind the parties to this agreement.

Mayor/Village President

Date

Treasurer/Comptroller/Risk Management Coordinator

Date

Managing Director

Date



INVOICE

2020 Min/Max Contribution

The signed Min/Max Agreement must be returned with your payment.

PO Box 5180, Springfield, IL 62705-5180 | Ph: (217) 525-1220 | Fax: (217) 525-7438

Please return this form with payment after completing the information on the reverse side.

Date: October 1, 2019
 Member: City of Farmer City
 Account #: 0189
 Indicate Payment Option (from list below): _____
 Amount Enclosed: \$ _____

BILLING DETAIL

MAKE CHECK PAYABLE TO RMA

2020 IML RISK MANAGEMENT ASSOCIATION ANNUAL CONTRIBUTION

| | |
|--|-----------|
| Work Comp | \$38,949 |
| Auto Liability & Comprehensive General Liability | \$37,788 |
| Portable Equipment | \$ 989 |
| Auto Physical Damage | \$2,321 |
| Property | \$43,226 |
| | \$123,273 |

2020 ILLINOIS MUNICIPAL LEAGUE MEMBERSHIP DUES*

\$ 350

INVOICE TOTAL

\$123,623

| | |
|---|------------------------|
| PLEASE CHOOSE ONE OF THE FOLLOWING PAYMENT OPTIONS and enter it in the space provided above: | |
| OPTION #1 - Early Pay 1% Discount | |
| Contribution Amount | \$123,273.00 |
| Minus 1% savings | \$1,232.73 |
| | \$122,040.27 |
| Illinois Municipal League Dues | \$ 350.00 |
| Total due by 11/22/19 | \$122,390.27 |
| OPTION #2 - Pay Full Amount | |
| Contribution Amount | \$123,273.00 |
| Illinois Municipal League Dues | \$ 350.00 |
| Total due by 12/20/19 | \$123,623.00 |
| OPTION #3 - Pay in two installments | |
| Includes 1% installment fee | |
| Contribution Amount | \$123,273.00 |
| Plus 1% fee | \$1,232.73 |
| | \$124,505.73 |
| Illinois Municipal League Dues | \$ 350.00 |
| | \$124,855.73 |
| \$62,427.87 | Due by 12/20/19 |
| \$62,427.86 | Due by 5/15/20 |

**Membership with the Illinois Municipal League (IML) is a requirement to remain a member of the IML Risk Management Association.*

On behalf of the municipality named above ("Member"), I hereby warrant that I have the authority to sign this agreement on the Member's behalf. (If choosing the installment option, I acknowledge and understand that it is afforded only as a benefit for budgeting purposes and is not meant to allow for mid-term withdrawal.) I acknowledge and understand that Article 5 of the Intergovernmental Cooperation Contract ("Contract") prohibits termination of the Intergovernmental Cooperation Contract no less than 120 days prior to the first day of January of any given year. Per Article 5, I warrant that the Member will adhere to the Contract and pay all contributions when due.

Municipal Official (please sign):

Title: _____

Date: _____

ORDINANCE 1039

**ORDINANCE AUTHORIZING THE EXECUTION OF THE RMA
MINIMUM/MAXIMUM CONTRIBUTION AGREEMENT**

WHEREAS, the City Council of the City of Farmer City a member in good standing of the Illinois Municipal League Risk Management Association and party to the RMA Intergovernmental Cooperation Contract, has been fully apprised of the RMA Minimum/Maximum Contribution Agreement which amends and supplements the RMA Declarations pages dated 01/01/2020 to 01/01/2021 and all endorsements thereto.

WHEREAS, the City Council of the City of Farmer City finds it to be in the best interest of the municipality to make its RMA contribution in accordance with the RMA Minimum/Maximum Contribution Agreement

Be it ordained by the City Council of the City of Farmer City:

1. That the execution of the RMA Minimum/Maximum Contribution Agreement for a one (1) year period beginning 01/01/2020 and ending 01/01/2021 is hereby authorized.
2. That the City of Farmer City Mayor and the City Clerk are hereby granted authority to execute the RMA Minimum/Maximum Agreement which amends and supplements the RMA Declarations pages dated 01/01/2020 to 01/01/2021 and all endorsements thereto.
3. That this ordinance shall take effect immediately upon its passage and approval.

Scott Testory, Mayor

ATTEST:

Angie Wanserski, City Clerk

Passed this 4th day of November 2019.
Approved this 4th day of November 2019.

I, Angie Wanserski, Clerk of the City of Farmer City, Illinois, do hereby certify that the foregoing is a true and correct copy of the Ordinance Number 1039 as adopted the 4th day of November 2019

Angie Wanserski, City Clerk



CITY OF FARMER CITY, ILLINOIS

105 South Main Street
Farmer City, Illinois 61842-0049

Telephone: (309) 928-2842

Facsimile: (309) 928-2228

MEMO

Date: November 4, 2019

To: City Council

From: Sue McLaughlin, ICMA-CM
City Manager

RE: Final payment – Water St.

Attached is the final payout for the Water/Washington St reconstruction. This represents the completion of the contract and includes zero retainage. This project came in about \$15,000 under budget, thanks to reductions in pay items such as field office costs, tree removals and aggregate base needs. It also included pay items for the Brookview improvements (\$35-40k), additional water related items and quantities for a tie-in at Maple St. So, the project ended less than 4% over at \$20,935 with those additions.

The only outstanding item is a cracked driveway at 204 Thomas, which Cross will fix during the final concrete work on Maple St. Staff and the engineers recommend approval of this final payout.

APPLICATION FOR PAYMENT NO. FOUR & FINAL

To: City of Farmer City (OWNER)
 From: Cross Construction, Inc. (CONTRACTOR)
 Contract: Farmer City- Water Street Improvements
 Project: Farmer City - Water Street Improvements
 OWNER's Contract No. ----- ENGINEER's Project No. 23717012.01
 For Work accomplished through the date of: September 30, 2019.

| | | |
|----|--|----------------------|
| 1. | Original Contract Price: | \$ <u>650,560.95</u> |
| 2. | Net change by Change Orders and Written Amendments (+ or -): | \$ <u>20,935.40</u> |
| 3. | Current Contract Price (1 plus 2): | \$ <u>671,496.35</u> |
| 4. | Total completed and stored to date: | \$ <u>671,496.35</u> |
| 5. | Retainage (per Agreement): | |
| | <u>0</u> % of completed Work: | \$ <u>0.00</u> |
| | <u> </u> % of stored material: | \$ <u> </u> |
| | Total Retainage: | \$ <u>0.00</u> |
| 6. | Total completed and stored to date less retainage (4 minus 5): | \$ <u>671,496.35</u> |
| 7. | Less previous Applications for Payment: | \$ <u>603,895.23</u> |
| 8. | DUE THIS APPLICATION (6 MINUS 7): | \$ <u>67,601.12</u> |

Accompanying Documentation:

CONTRACTOR'S Certification:

The undersigned CONTRACTOR certifies that (1) all previous progress payments received from OWNER on account of Work done under the Contract referred to above have been applied on account to discharge CONTRACTOR's legitimate obligations incurred in connection with Work covered by prior Applications for Payment numbered 1 through 3 inclusive; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to OWNER at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to OWNER indemnifying OWNER against any such Lien, security interest or encumbrance); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and not defective.

Dated October 22, 2019 Cross Construction, Inc. CONTRACTOR

By: 

State of Illinois
 County of Champaign

Subscribed and sworn to before me this 29th day of October, 2019


 Notary Public
 My Commission expires: 05/09/22



Payment of the above AMOUNT DUE THIS APPLICATION is recommended.

Dated 10/30/2019 Maurer-Stutz, Inc. ENGINEER

By: 

8775

City of Farmer City
 Water St Roadway Improvements
 N/A
 Farmer City
 DeWitt

Pay Est No. 4/Final
 thru 9/30/19

| Item | Description | Unit | | Plan | | Agreed Final Qties | |
|------|--|------------|----------|------|------------|--------------------|-------------|
| | | of Measure | Price | Qty | Plan Value | Qty | Final Value |
| 001 | 20100110 TREE REMOVAL (6 TO 15 UNITS DIAMETER) | UNIT | 71.50 | 36 | 2,574.00 | 0 | - |
| 002 | 20100210 TREE REMOVAL (OVER 15 UNITS DIAMETER) | UNIT | 93.50 | 136 | 12,716.00 | 40 | 3,740.00 |
| 003 | 20800150 TRENCH BACKFILL | C.Y. | 56.03 | 124 | 6,947.72 | 105.59 | 5,916.21 |
| 004 | 25000210 SEEDING CLASS 2A | ACRE | 6,380.00 | 0.5 | 3,190.00 | 0.5 | 3,190.00 |
| 005 | 25000400 NITROGEN FERTILIZER NUTRIENT | LBS | 3.30 | 37 | 122.10 | 37 | 122.10 |
| 006 | 25000500 PHOSPHORUS FERTILIZER NUTRIENT | LBS | 3.30 | 37 | 122.10 | 37 | 122.10 |
| 007 | 25000600 POTASSIUM FERTILIZER NUTRIENT | LBS | 3.30 | 37 | 122.10 | 37 | 122.10 |
| 008 | 25100115 MULCH, METHOD 2 | ACRE | 1,760.00 | 0.5 | 880.00 | 0.5 | 880.00 |
| 009 | 28000400 PERIMETER EROSION BARRIER | L.F. | 19.01 | 215 | 4,087.15 | 0 | - |
| 010 | 28000500 INLET AND PIPE PROTECTION | EACH | 533.53 | 8 | 4,268.24 | 0 | - |
| 011 | 28000510 INLET FILTERS | EACH | 161.47 | 8 | 1,291.76 | 0 | - |
| 012 | 35101400 AGGREGATE BASE COURSE, TYPE B | TON | 35.26 | 1831 | 64,561.06 | 1248.83 | 44,033.75 |
| 013 | 40600275 BIT MATLS PR CT | LBS | 0.53 | 3523 | 1,867.19 | 1960 | 1,038.80 |
| 014 | 40600290 BIT MATLS (TACK COAT) | LBS | 1.18 | 745 | 879.10 | 0 | - |
| 015 | 40600982 HOT-MIX ASPHALT SURFACE REMOVAL - BUTT JOINT | S.Y. | 26.02 | 261 | 6,791.22 | 243 | 6,322.86 |
| 016 | 40602978 HMA BC IL-9.5 N50 | TON | 132.09 | 217 | 28,663.53 | 243.66 | 32,185.05 |
| 017 | 40603310 HOT-MIX ASPHALT SURFACE COURSE MIX "C" N50 | TON | 168.71 | 152 | 25,643.92 | 199.56 | 33,667.77 |
| 018 | 42400100 PORTLAND CEMENT CONCRETE SIDEWALK 4 INCH | S.F. | 8.78 | 3051 | 26,787.78 | 4024.14 | 35,331.95 |
| 019 | 42400800 DETECTABLE WARNINGS | S.F. | 28.22 | 80 | 2,257.60 | 110 | 3,104.20 |
| 020 | 44000100 PAVEMENT REMOVAL | S.Y. | 17.22 | 1567 | 26,983.74 | 1652.56 | 28,457.08 |
| 021 | 44000200 DRIVEWAY PAVEMENT REMOVAL | S.Y. | 26.60 | 98 | 2,602.80 | 115.35 | 3,299.01 |
| 022 | 44000500 COMBINATION CURB AND GUTTER REMOVAL | L.F. | 10.88 | 274 | 2,981.12 | 254 | 2,763.52 |
| 023 | 44000600 SIDEWALK REMOVAL | S.F. | 6.45 | 1642 | 10,690.90 | 1982.8 | 12,789.06 |
| 024 | 50105220 PIPE CULVERT REMOVAL | L.F. | 10.32 | 55 | 567.60 | 46 | 474.72 |
| 025 | 550B0050 STORM SEWERS, CLASS B, TYPE 1 12" | L.F. | 59.81 | 454 | 27,153.74 | 508 | 30,383.48 |
| 026 | 60218400 MANHOLES, TYPE A, 4'-DIAMETER, TYPE 1 FRAME, CLOSED LID | EACH | 2,456.38 | 2 | 4,912.76 | 2 | 4,912.76 |
| 027 | 60219100 MANHOLES, TYPE A, 4'-DIAMETER, TYPE 9 FRAME AND GRATE | EACH | 2,559.79 | 1 | 2,559.79 | 1 | 2,559.79 |
| 028 | 60500040 REMOVING MANHOLES | EACH | 302.56 | 4 | 1,210.24 | 4 | 1,210.24 |
| 029 | 60500060 REMOVING INLETS | EACH | 283.86 | 4 | 1,135.44 | 4 | 1,135.44 |
| 030 | 60604400 COMBINATION CONCRETE CURB AND GUTTER, TYPE B-6.18 | L.F. | 39.32 | 289 | 11,363.48 | 325 | 12,779.00 |
| 031 | 67000500 ENGINEER'S FIELD OFFICE, TYPE B | MONTH | 2,200.00 | 10 | 22,000.00 | 0 | - |
| 032 | 67100100 MOBILIZATION | L.S. | 8,652.43 | 1 | 8,652.43 | 1 | 8,652.43 |
| 033 | R2008014 T-SYRING PEK TF 1-3/4 | EACH | 693.00 | 9 | 6,237.00 | 0 | - |
| 034 | X0322881 TREE TRIMMING | EACH | 220.00 | 8 | 1,760.00 | 0 | - |
| 035 | X0322917 PROPOSED STORM SEWER CONNECTION TO EXISTING MANHOLE | EACH | 1,623.00 | 1 | 1,623.00 | 1 | 1,623.00 |
| 036 | X0326884 BRICK SIDEWALK REM | S.F. | 2.80 | 1212 | 3,393.60 | 1480 | 4,144.00 |
| 037 | X4240420 PC CONC SIDEWALK 4 SP | S.F. | 34.91 | 220 | 7,680.20 | 231 | 8,064.21 |
| 038 | X5510100 STORM SEWER REMOVAL | L.F. | 15.67 | 144 | 2,255.48 | 56 | 877.52 |
| 039 | X6020076 INLETS, SPECIAL, WITH SPECIAL FRAME AND GRATE | EACH | 1,772.67 | 6 | 10,636.02 | 6 | 10,636.02 |
| 040 | X6022230 MAN TA 4 DIA SPL F&G | EACH | 2,402.79 | 1 | 2,402.79 | 1 | 2,402.79 |
| 041 | X6062400 CONC GUTTER SPL | L.F. | 39.01 | 815 | 31,793.15 | 1244 | 48,528.44 |
| 042 | X6640300 CH LK FENCE REMOV | L.F. | 4.40 | 134 | 589.60 | 134 | 589.60 |
| 043 | X7010216 TRAF CONT & PROT SPL | L.S. | 5,321.58 | 1 | 5,321.58 | 1 | 5,321.58 |
| 044 | Z0013798 CONSTRUCTION LAYOUT | L.S. | 7,504.50 | 1 | 7,504.50 | 1 | 7,504.50 |
| 045 | Z0056648 SS 1 WAT MN 12 | L.F. | 63.97 | 520 | 33,264.40 | 454 | 29,042.38 |
| 046 | 046 CL SI CONC (INLET) | C.Y. | 1,770.30 | 0.51 | 902.85 | 4 | 7,081.20 |
| 047 | 047 DRIVE PAVEMENT REPLACE | S.Y. | 94.07 | 56 | 5,267.92 | 154.74 | 14,556.39 |
| 048 | 048 CHAIN LINK FENCE REERECT | L.F. | 30.25 | 134 | 4,053.50 | 0 | - |
| 049 | 049 REMOVE EXISTING MANHOLE AND 15 SANITARY SEWER | L.S. | 2,405.78 | 1 | 2,405.78 | 1 | 2,405.78 |
| 050 | 050 8" SDR 26 PVC SS INCL B H & IB | L.F. | 105.65 | 475 | 50,183.75 | 461.5 | 48,757.48 |
| 051 | 051 4' DIAMETER MANHOLE INCL FRAME & LID | EACH | 3,711.94 | 3 | 11,135.82 | 3 | 11,135.82 |
| 052 | 052 6" SDR 26 PVC SS INCL B H & IB | L.F. | 63.54 | 285 | 18,108.90 | 193.5 | 12,294.99 |
| 053 | 053 SELECT GRANULAR BACKFILL | C.Y. | 40.16 | 825 | 33,132.00 | 1171.15 | 47,033.38 |
| 054 | 054 SEWER DEFLECT TESTING | L.F. | 2.00 | 475 | 950.00 | 0 | - |
| 055 | 055 SEWER PRESSURE TESTING | L.F. | 5.99 | 475 | 2,845.25 | 0 | - |
| 056 | 056 MANHOLE TESTING | EACH | 519.30 | 3 | 1,557.90 | 0 | - |
| 057 | 057 6" SDR 26 PVC WM IF B H IB | L.F. | 47.34 | 685 | 32,427.90 | 187 | 8,852.58 |
| 058 | 058 4 X 4 TAP S W 4 TAP V & VB | EACH | 2,631.42 | 5 | 13,157.10 | 4 | 10,525.68 |
| 059 | 059 4 LINE STOP & CAP 4 MAIN | EACH | 4,048.22 | 5 | 20,241.10 | 4 | 16,192.88 |
| 060 | 060 FIRE HYDRANTS REMOVAL | EACH | 235.27 | 1 | 235.27 | 1 | 235.27 |
| 061 | 061 FIRE HYDRANTS | EACH | 3,168.98 | 2 | 6,337.96 | 2 | 6,337.96 |
| 062 | 062 6 GATE VALVE WITH VALVE BOX | EACH | 997.02 | 2 | 1,994.04 | 3 | 2,991.06 |
| 063 | 063 SELECT GRANULAR BACKFILL | C.Y. | 43.34 | 65 | 2,817.10 | 124.13 | 5,379.79 |
| 064 | 064 1 SDR 9 PE WATER SERVICE LINE | L.F. | 25.79 | 90 | 2,321.10 | 231 | 5,957.49 |
| 065 | 065 1 CORPORATION STOP | EACH | 596.31 | 4 | 2,385.24 | 14 | 8,348.34 |
| 066 | 066 1 CURB STOP WITH BOX | EACH | 659.01 | 4 | 2,636.04 | 14 | 9,226.14 |
| 067 | 067 PRESSURE TESTING 6 WATER MAIN | L.F. | 4.15 | 685 | 2,842.75 | 687 | 2,851.05 |
| 068 | 068 DISINFECTING 6 WATER MAIN | L.F. | 2.15 | 685 | 1,472.75 | 687 | 1,477.05 |
| 069 | 069 DRILLING YELOMINE PIPE | L.F. | 54.34 | 500 | 27,170.00 | 500 | 27,170.00 |
| 070 | 070 6"x6" TAP SLEEVE W 6" TAP V AND VB | EACH | 3,136.51 | 1 | 3,136.51 | 1 | 3,136.51 |
| 071 | 071 6" LINE STOP and CAP 6" MAIN | EACH | 4,489.51 | 1 | 4,489.51 | 1 | 4,489.51 |
| 072 | FRC - Additional Layout on Brookview | \$ | 1.00 | 0 | - | 2078.53 | 2,078.53 |
| 073 | METAL FES 15x13=15EQRS | EACH | 460.28 | 0 | - | 2 | 920.56 |
| 074 | PIPE CLVERTS CL C TY 1 17x13=15" EQRS | L.F. | 76.18 | 0 | - | 50 | 3,809.00 |
| 075 | GRADING AND SHAPING DITCHES | L.F. | 31.75 | 0 | - | 175 | 5,556.25 |
| 076 | PAVEMENT PATCHING Tyl 4" | S.Y. | 185.09 | 0 | - | 18.9 | 3,498.20 |
| 077 | PIPE CULVERT REMOVAL | L.F. | 31.75 | 0 | - | 40 | 1,270.00 |

685,356.97 100% 671,496.35

603,895.23
 67,601.12

APPLICATION FOR PAYMENT NO. THREE

To: City of Farmer City (OWNER)
From: Cross Construction, Inc. (CONTRACTOR)
Contract: Farmer City- Maple/Western Street Improvements
Project: Farmer City - Maple/ Street Improvements
OWNER's Contract No. ----- ENGINEER's Project No. 23718013.01
For Work accomplished through the date of: Sept. 30, 2019

| | | |
|----|--|----------------------|
| 1. | Original Contract Price: | \$ <u>884,679.95</u> |
| 2. | Net change by Change Orders and Written Amendments (+ or -): | \$ <u>142.60</u> |
| 3. | Current Contract Price (1 plus 2): | \$ <u>884,822.55</u> |
| 4. | Total completed and stored to date: | \$ <u>507,729.46</u> |
| 5. | Retainage (per Agreement): | |
| | <u>10</u> % of completed Work: | \$ <u>50,772.95</u> |
| | <u> </u> % of stored material: | \$ <u> </u> |
| | Total Retainage: | \$ <u>50,772.95</u> |
| 6. | Total completed and stored to date less retainage (4 minus 5): | \$ <u>456,956.51</u> |
| 7. | Less previous Application for Payments: | \$ <u>242,223.93</u> |
| 8. | DUE THIS APPLICATION (6 MINUS 7): | \$ <u>214,732.58</u> |

Accompanying Documentation:

CONTRACTOR'S Certification:

The undersigned CONTRACTOR certifies that (1) all previous progress payments received from OWNER on account of Work done under the Contract referred to above have been applied on account to discharge CONTRACTOR's legitimate obligations incurred in connection with Work covered by prior Applications for Payment numbered 1 through 2 inclusive; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to OWNER at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to OWNER indemnifying OWNER against any such Lien, security interest or encumbrance); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and not defective.

Dated 10-23-19 Cross Construction, Inc. CONTRACTOR

By: [Signature]

State of Illinois
County of Champaign

Subscribed and sworn to before me this 23rd day of October, 2019.

[Signature]
Notary Public
My Commission expires: 05/09/22



Payment of the above AMOUNT DUE THIS APPLICATION is recommended.

Dated 10/27/2019 Maurer-Stutz, Inc. ENGINEER

By: [Signature]

ECJCDC No. 1910-8E (1996 Edition)
Prepared by the Engineers Joint Contract Documents Committee and endorsed by The Associated General Contractors of American and the Construction Specification Institute.

ORDINANCE 1040

**ORDINANCE DECLARING SURPLUS SPECIFIED PERSONAL
PROPERTY OWNED BY THE CITY OF FARMER CITY**

WHEREAS, the city of Farmer City has ownership of many pieces of personal property; and

WHEREAS, in the opinion of the corporate authorities of the city of Farmer City, it is no longer necessary or useful, or for the best interests of the city of Farmer City to retain ownership of the personal property hereinafter described; and

NOW, THEREFORE, BE IT ORDAINED by the city council of Farmer City as follows:

SECTION ONE: That the personal property described as follows:

**1995 Ditchwitch model 820 Jet trac boring machine
1995 Ditchwitch model T14A1 Jet trac trailer
1982 Miller MR 100 1.5 ton articulated roller
1983 Elgin Pelican street sweeper
Henke Model 41R11 11' reversible snowplow
1989 Teco Digger
Used ½" and ¾" brass water meters
Latham time clock
1 four drawer metal file cabinet**

now owned by the city of Farmer City is no longer useful and should be declared surplus property.

SECTION TWO: That the city manager will market the surplus equipment for sale. If the City receives no offers, the city manager will affect their disposal or scrap.

SECTION THREE: This ordinance shall take effect after its passage, approval and publication in pamphlet form

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMER CITY,
COUNTY OF DEWITT, ILLINOIS THIS 4th DAY OF NOVEMBER 2019

AYES: _____ NAYS: _____ ABSTAIN: _____ ABSENT: _____

Scott Testory, Mayor

Angie Wanserski, City Clerk



CITY OF FARMER CITY, ILLINOIS

105 South Main Street
Farmer City, Illinois 61842-0049

Telephone: (309) 928-2842

Facsimile: (309) 928-2228

MEMO

Date: November 4, 2019

To: City Council

From: Sue McLaughlin, ICMA-CM
City Manager

RE: Recreational Marijuana

The Illinois State Legislature adopted the Cannabis Regulation and Tax Act, which legalizes recreational marijuana beginning January 1, 2020.

I've attached some good information from the IML on how the new Act affects municipalities and what, if anything, the Council needs to do:

- Municipalities may either amend zoning ordinances and/or adopt a retail tax on the sale of cannabis
- OR
- Municipalities may outright prohibit Cannabis businesses within city limits

We do not regulate zoning in Farmer City. Zoning is under the jurisdiction of DeWitt County. However, we can prohibit cannabis businesses altogether or choose to adopt a retail tax, which would generate revenue on the sale of cannabis within city limits, if the zoning is approved by the DeWitt County Board.

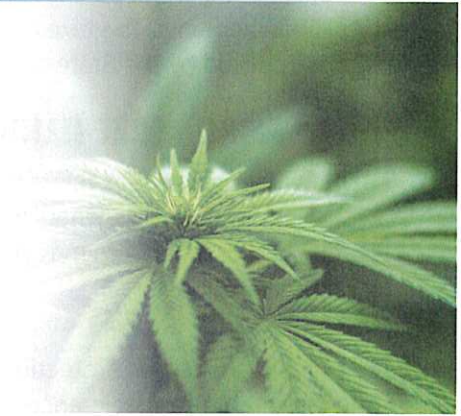
An IML generated template prohibition ordinance is attached to this memo, if the Council chooses to go in that direction. An IML generated template for a retail tax on sales is also attached for your review.

If the Council chooses to adopt a retail tax, the maximum tax rate is 3% of the gross receipts, but can be imposed in .25% increments.

Staff is also working on proposed amendments to our personnel policy as well as expungement efforts for law enforcement required under the new Act. We will bring those amendments to you at a later date.

Adult-Use Cannabis

Public Act 101-0027 creates the Cannabis Regulation and Tax Act and was signed into law by Governor JB Pritzker on June 25, 2019. Effective January 1, 2020, the Act legalizes the possession and private use of cannabis for Illinois residents over 21 years of age.



7/15/19

LOCAL REGULATION OF CONSUMPTION

Municipalities may not restrict the private consumption of cannabis that is authorized by the Act. However, the Act prohibits the use of cannabis in public places, schools and child care facilities among other locations. Municipalities may adopt and enforce local ordinances to regulate possession and public consumption of cannabis so long as the regulations and penalties are consistent with the Act.

HOME GROW LIMITED TO MEDICAL PROGRAM PARTICIPANTS

Home grow cannabis will be authorized only for medical cannabis program participants, and is limited to five plants in their residence and subject to specified restrictions. Home grow of recreational cannabis by non-medical participants is prohibited. [More information about the medical cannabis program is available via this link.](#)



ZONING

The Act preserves local zoning authority and directly authorizes municipalities to prohibit (opt out) or significantly limit the location of cannabis businesses by ordinance. Municipalities will have the authority to enact reasonable zoning regulations that are not in conflict with the act. This would include the authority to opt out of either commercial production or distribution (dispensaries) of adult-use cannabis within their jurisdiction. Municipalities also may enact zoning ordinances and regulations designating the time, place, manner and number of cannabis business operations, including minimum distances between locations through conditional use permits.

BUSINESS REGULATION

In addition to zoning authority, municipalities will have the authority to allow for on-premise use of cannabis at locations to be determined locally. The Act anticipates that local authorities will engage in inspections of cannabis-related businesses. Municipalities may establish and impose civil penalties for violations of the local ordinances and regulations.



LOCAL REVENUE

Municipalities, by ordinance, may impose a Municipal Cannabis Retailers' Occupation Tax on adult-use cannabis products of up to 3% of the purchase price, in .25% increments. Counties may impose up to 3.75% in unincorporated areas, in .25% increments. The taxes imposed under this Act shall be in addition to all other occupation, privilege or excise taxes imposed by the State of Illinois or by any unit of local government, such as sales tax.



SMOKE FREE ILLINOIS ACT

The Act applies the restrictions of the Smoke Free Illinois Act on smoking cannabis, and provides that property owners may prohibit the use of cannabis by any guest, lessee, customer or visitor. In addition, lessors may prohibit cultivation of cannabis by their lessees.

EMPLOYER PROVISIONS

The Act provides employer protections including that nothing in the enactment prohibits employers from adopting reasonable zero-tolerance or drug-free workplace employment policies concerning drug testing, smoking, consumption, storage or use of cannabis in the workplace or while on-call. These policies must be applied in a nondiscriminatory manner. Employers may prohibit the use of cannabis by employees in the workplace, and engage in discipline, including termination, for violations of those policies and workplace rules.

STATE LICENSING

The Act authorizes the production and distribution of cannabis and cannabis products through state-licensed cultivators, craft growers, infusers, transporters and dispensaries. Cannabis transporters will be separately licensed by the Act, as well. A market study due in March 2021 will inform future licensing. The state will issue licenses according to a graduated scale. By the end of the first year, there will be up to 295 dispensing organizations. The Act will allow up to 500 dispensing organizations by January 1, 2022. Cultivators will be capped at 50, and 100 craft growers will be allowed. By that same date, 100 infusers will also be authorized to be licensed.

GRANTS AND INVESTMENT

The Act establishes the Restore, Reinvest and Renew (R3) Program to invest in communities historically impacted by economic disinvestment and violence. The Illinois Criminal Justice Information Authority (ICJIA) will identify R3 areas that qualify for funding, and grants will be awarded by the R3 Board. A 22-member R3 Board will award grants throughout the state, subject to an application process and the Government Accountability and Transparency Act (GATA); the R3 Board shall be chaired by the Lt. Governor.

SOCIAL EQUITY

The Act provides for a social equity program to establish a legal cannabis industry that is accessible to those most adversely impacted by the enforcement of drug-related laws in this state, including cannabis-related laws. Qualifying social equity applicants may be awarded financial assistance and incentives if they are interested in establishing cannabis related businesses.

DECRIMINALIZATION AND EXPUNGEMENTS

A significant portion of the Act addresses the decriminalization of cannabis through mandatory and discretionary expungements of criminal convictions relating to non-violent cannabis offenses.

STATE REVENUE

State revenues derived from the Cannabis Regulation and Tax Act will be deposited into the Cannabis Regulation Fund. The funds will be distributed to multiple state agencies for implementation of the Act. The legalization of adult cannabis also includes a new source of Local Government Distributive Fund (LGDF) dollars. A portion of the Cannabis Regulation Fund revenues (8% of deposits) will go to local governments, through LGDF, which will be used to fund crime prevention programs, training and interdiction efforts. The Cannabis Regulation Fund is derived from moneys collected from state taxes, license fees and other amounts required to be transferred into the Fund.

**MODEL ORDINANCE
MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING THE MUNICIPAL CODE
OF THE CITY/VILLAGE OF _____
BY THE ADDITION OF [ARTICLE/CHAPTER] _____
IMPOSING A MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX**

WHEREAS, the City/Village has the authority to adopt ordinances and to promulgate rules and regulations [that pertain to its government and affairs and] that protect the public health, safety and welfare of its citizens; and

WHEREAS, this Ordinance is adopted pursuant to the provisions of the Illinois Municipal Cannabis Retailers' Occupation Tax Law, 65 ILCS 5/11-8-22 *et seq.* (Act); and

WHEREAS, this Ordinance is intended to impose the tax authorized by the Act providing for a municipal cannabis retailers' occupation tax which will be collected by the Illinois Department of Revenue;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City/ Board of Trustees of the Village of _____ as follows:

SECTION 1. Recitals. The facts and statements contained in the preamble to this Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance.

SECTION 2. Adoption of Tax. Chapter ___ of the Municipal Code of the City/Village of _____ shall be amended by the addition of [Article/Chapter] _____ that will read as follows:

ARTICLE [CHAPTER] _____ Municipal Cannabis Retailers' Occupation Tax.

1. Tax imposed; Rate.

(a) A tax is hereby imposed upon all persons engaged in the business of selling cannabis, other than cannabis purchased under the Compassionate Use of Medical Cannabis Pilot Program Act, at retail in the City/Village at the rate of 3% of the gross receipts from these sales made in the course of that business.

(b) The imposition of this tax is in accordance with the provisions of Sections 8-11-22, of the Illinois Municipal Code (65 ILCS 5/8-11-22).

2. Collection of tax by retailers.

(a) The tax imposed by this Ordinance shall be remitted by such retailer to the Illinois Department of Revenue (Department). Any tax required to be collected pursuant to or as authorized by this Ordinance and any such tax collected by such retailer and required to be remitted to the Department shall constitute a debt owed by the retailer to the State. Retailers may reimburse themselves for their seller's tax liability hereunder by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with any State tax that sellers are required to collect.

(b) The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department. The Department shall have full power to administer and enforce the provisions of this article.

3. Severability. If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance.

4. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law, provided, however, that the tax provided for herein shall take effect for all sales on or after the first day of January, 2020. Copies of this Ordinance shall be certified and sent to the Illinois Department of Revenue prior to September 30, 2019.

[NOTE: Any new ordinance or amendment to an existing ordinance can take effect only on September 1. To be effective September 1, an ordinance must be adopted and filed with the Department of Revenue by June 1.]

ADOPTED THIS _____ day of _____, 20__.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

APPROVED THIS _____ day of _____, 20__.

Mayor/Village President

ATTEST:

City/Village Clerk

**MODEL ORDINANCE
MUNICIPAL CANNABIS BUSINESS PROHIBITION**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING THE MUNICIPAL CODE
OF THE CITY/VILLAGE OF _____
BY THE ADDITION OF [ARTICLE/CHAPTER] _____
PROHIBITING CANNABIS BUSINESS ESTABLISHMENTS**

WHEREAS, the City/Village has the authority to adopt ordinances and to promulgate rules and regulations [that pertain to its government and affairs and] that protect the public health, safety and welfare of its citizens; and

WHEREAS, this Ordinance is adopted pursuant to the provisions of the Illinois Cannabis Regulation and Tax Act, Public Act 101-0027, which provides that the City/Village has the authority to prohibit adult-use cannabis business establishments; and

WHEREAS, the City/Village has determined that the operation of cannabis business establishments would present adverse impacts upon the health, safety and welfare of the residents, and additional costs, burdens and impacts upon law enforcement and regulatory operations of the City/Village; and

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City/Board of Trustees of the Village of _____ as follows:

SECTION 1. Recitals. The facts and statements contained in the preamble to this Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance.

SECTION 2. Cannabis Business Establishments Prohibited. Chapter ___ of the Municipal Code of the City/Village of _____ shall be amended by the addition of [Article/Chapter] _____ that will read as follows:

ARTICLE [CHAPTER] _____ Cannabis Business Establishments Prohibited.

1. Definitions. The following words and phrases shall, for the purposes of this Article [Chapter], have the meanings respectively ascribed to them by this section, as follows:

ADULT-USE CANNABIS BUSINESS ESTABLISHMENT: A cultivation center, craft grower, processing organization, infuser organization, dispensing organization or transporting organization.

ADULT-USE CANNABIS CRAFT GROWER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure

and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

ADULT-USE CANNABIS CULTIVATION CENTER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, process, transport and perform necessary activities to provide cannabis and cannabis-infused products to licensed cannabis business establishments, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

ADULT-USE CANNABIS DISPENSING ORGANIZATION: A facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from licensed cannabis business establishments for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies to purchasers or to qualified registered medical cannabis patients and caregivers, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

ADULT-USE CANNABIS INFUSER ORGANIZATION OR INFUSER: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

ADULT-USE CANNABIS PROCESSING ORGANIZATION OR PROCESSOR: A facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to either extract constituent chemicals or compounds to produce cannabis concentrate or incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis product, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

ADULT-USE CANNABIS TRANSPORTING ORGANIZATION OR TRANSPORTER: An organization or business that is licensed by the Illinois Department of Agriculture to transport cannabis on behalf of a cannabis business establishment or a community college licensed under the Community College Cannabis Vocational Training Pilot Program, per the Cannabis Regulation and Tax Act, (P.A.101-0027), as it may be amended from time-to-time, and regulations promulgated thereunder.

PERSON: Any person, firm, corporation, association, club, society or other organization, including any owner, manager, proprietor, employee, volunteer or agent.

2. Cannabis Business Establishments Prohibited. The following Adult-Use Cannabis Business Establishments are prohibited in the City/Village of _____. No person shall locate, operate, own, suffer, allow to be operated or aide, abet or assist in the operation within the City/Village of _____ of any of the following:

- Adult-Use Cannabis Craft Grower
- Adult-Use Cannabis Cultivation Center
- Adult-Use Cannabis Dispensing Organization
- Adult-Use Cannabis Infuser Organization or Infuser
- Adult-Use Cannabis Processing Organization or Processor
- Adult-Use Cannabis Transporting Organization or Transporter

3. Public Nuisance Declared. Operation of any prohibited Cannabis Business Establishment within the City/Village in violation of the provisions of this Article [Chapter] is hereby declared a public nuisance and shall be abated pursuant to all available remedies.

4. Violations. Violations of this Article [Chapter] may be enforced in accordance with the provisions of Article [Chapter] ___ of this Code.

5. Severability. If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance.

6. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law.

ADOPTED THIS _____ day of _____, 20__.

AYES:

NAYS:

ABSTENTIONS:

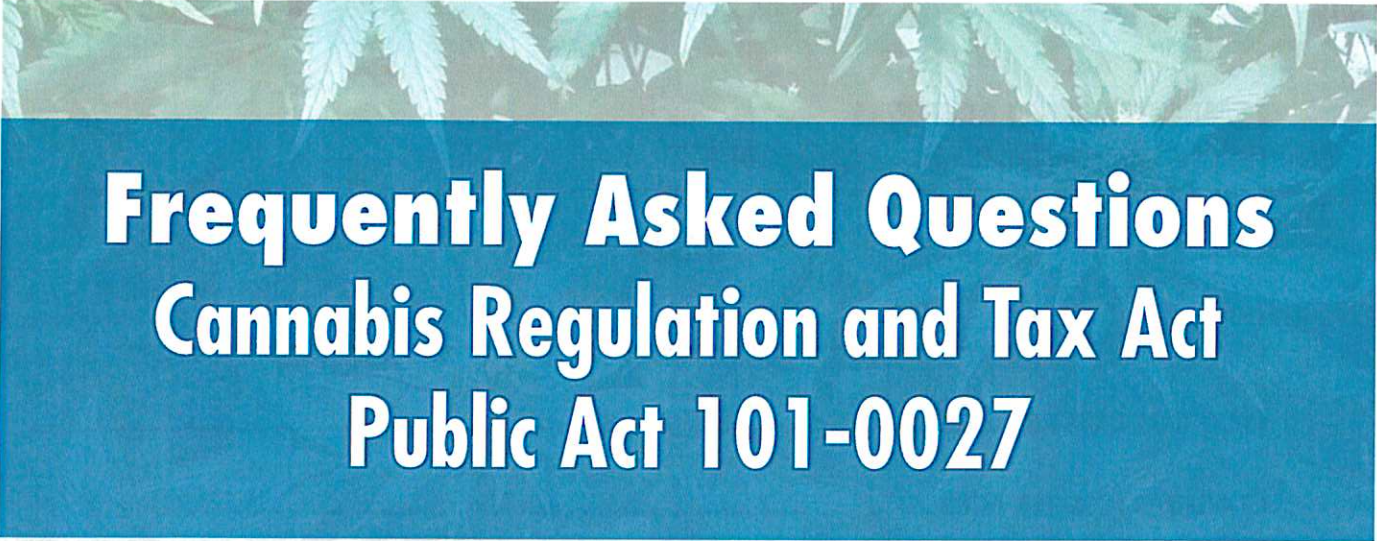
ABSENT:

APPROVED THIS _____ day of _____, 20__.

Mayor/Village President

ATTEST:

City/Village Clerk



Frequently Asked Questions Cannabis Regulation and Tax Act Public Act 101-0027

Updated September 9, 2019

Provided by

KTJ

KLEIN, THORPE & JENKINS, LTD.
Attorneys at Law

In Partnership with



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ILLINOIS MUNICIPAL LEAGUE

500 East Capitol Avenue | P.O. Box 5180
Springfield, Illinois 62705-5180
(217) 525-1220

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

INDEX

ADVERTISING..... 1

CRAFT GROWERS..... 2

CULTIVATION CENTERS 3

DISPENSING ORGANIZATIONS 4

DRIVING UNDER THE INFLUENCE (DUI)..... 7

EMPLOYMENT CONCERNS 9

EXPUNGEMENTS 10

FREEDOM OF INFORMATION ACT 11

HOME CULTIVATION 12

INFUSER ORGANIZATIONS OR INFUSERS..... 13

LICENSING 14

LOCAL GOVERNMENT 17

SOCIAL JUSTICE 22

TAXATION, REVENUES AND APPROPRIATIONS..... 23

USE AND POSSESSION 26

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

ADVERTISING

What are the restrictions on advertising for a cannabis business establishment?

- “Advertise” means to engage in promotional activities including, but not limited to: newspaper, radio, Internet and electronic media, and television advertising; the distribution of fliers and circulars; and the display of window and interior signs.

- No cannabis business establishment nor any entity or person shall engage in advertising that contains any statement or illustration that is:
 - False or misleading;
 - Promotes the overconsumption of cannabis;
 - Displays cannabis;
 - Shows someone under 21 consuming cannabis;
 - Makes health or medicinal claims about cannabis;
 - Includes the image of the cannabis leaf or bud; or
 - Includes any image that is likely to appeal to minors.

- No cannabis business establishment nor any person or entity shall place or maintain or cause to be placed or maintained an advertisement in any form:
 - Within 1,000 feet of school grounds, playgrounds, hospitals, health care facilities, recreation centers, child care centers; public parks, public libraries; or game arcades that admit persons under the age of 21;
 - On or in a public transportation vehicle or on a public transportation shelter; or
 - On or in publicly-owned or publicly-operated property.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

CRAFT GROWERS

What is the definition of “craft grower?”

- "Craft grower" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization. A craft grower may contain up to 5,000 square feet of canopy space on its premises for plants in the flowering stage. The Department of Agriculture may authorize an increase or decrease of flowering stage cultivation space in increments of 3,000 square feet by rule based on market need, craft grower capacity and the licensee's history of compliance or noncompliance, with a maximum space of 14,000 square feet for cultivating plants in the flowering stage, which must be cultivated in all stages of growth in an enclosed and secure area. A craft grower may share premises with a processing organization or a dispensing organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

Are craft growers inspected? How, and by whom?

- Craft growers are subject to random inspections by the Illinois Department of Agriculture, the Illinois Department of Public Health, local safety or health inspectors and the Illinois State Police.

To whom may craft growers sell cannabis?

- Craft growers may sell or distribute cannabis to a cultivation center, a craft grower, an infuser organization, a dispensing organization or as otherwise authorized by rule.

What are the limitations on the location of craft growers?

- A craft grower may not be located in an area zoned for residential use.
- A craft grower shall not be located within 1,500 feet of another craft grower or a cultivation center.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

CULTIVATION CENTERS

What is the definition of “cultivation center?”

- "Cultivation center" means a facility operated by an organization or business that is licensed by the Department of Agriculture to cultivate, process, transport (unless otherwise limited by the Act) and perform other necessary activities to provide cannabis and cannabis-infused products to cannabis business establishments.

Are cultivation centers inspected? How, and by whom?

- Cultivation centers are subject to random inspections by the Illinois Department of Agriculture, the Illinois Department of Public Health, local safety or health inspectors and the Illinois State Police.

To whom may cultivation centers sell cannabis?

- Cultivation centers may sell or distribute cannabis or cannabis-infused products to dispensing organizations, craft growers, infusing organizations, transporters or as otherwise authorized by rule.

What is the maximum space a cultivation center may provide for plants in the flowering stage?

- A cultivation center may not contain more than 210,000 square feet of canopy space for plants in the flowering stage for cultivation of adult-use cannabis as provided in this Act.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

DISPENSING ORGANIZATIONS

What is the definition of “dispensing organization?”

- "Dispensing organization" means a facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from a cultivation center, craft grower, processing organization or another dispensary for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies under the Act to purchasers or to qualified registered medical cannabis patients and caregivers. As used in the Act, a “dispensing organization” shall include a registered medical cannabis organization as defined in the Compassionate Use of Medical Cannabis Program Act or its successor Act that has obtained an Early Approval Adult Use Dispensing Organization License.

What methods of sale by dispensing organizations are prohibited?

- Drive-through windows
- Vending machines
- Transport of cannabis to residences or other locations where purchasers may be for delivery

When are dispensing organizations allowed to operate?

- Operation is allowed between 6:00 a.m. and 10:00 p.m. local time.
- Operation is prohibited when video surveillance equipment is inoperative.
- Operation is prohibited when point-of-sale equipment is inoperative.
- Operation is prohibited when the state’s cannabis electronic verification system is inoperative.
- Operation is prohibited when there are fewer than two people working at any time within a dispensing organization.

What products are dispensing organizations prohibited from selling?

- Dispensing organizations may not sell any product containing alcohol except tinctures, which are limited to containers no larger than 100 milliliters.
- Selling clones or other live plant material is prohibited.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

- Selling cannabis, cannabis concentrate or cannabis-infused products in combination or bundled with each other for one price is prohibited.

Can dispensing organizations sell cannabis outside of Illinois or obtain cannabis from outside of Illinois?

- No. Dispensing organizations may not transport cannabis or cannabis products across state lines.
- No. Dispensing organizations may not obtain cannabis or cannabis-infused products from outside the State of Illinois.

What type of packaging is required for cannabis sold at dispensing organizations?

- All cannabis sold by a dispensing organization to purchasers must be in a container or package with a label identifying, at a minimum, the name of the dispensing organization, the contents and the weight of the raw cannabis in grams or, for cannabis products, the amount of Tetrahydrocannabinol (THC) in milligrams.

Are there restrictions in the Act on the location of dispensing organizations?

- Yes. A dispensing organization may not be located within 1,500 feet of the property line of a pre-existing dispensing organization.

What is the process for a dispensing organization to dispense cannabis to a purchaser?

- Before cannabis is dispensed:
 - The age of the purchaser shall be verified by checking a government-issued identification card by use of an electronic reader or electronic scanning device to scan the identification;
 - The validity of the government-issued identification card must be verified;
 - Any appropriate purchaser education or support materials shall be offered; and
 - Information must be entered into the state's cannabis electronic verification system, including the dispensing organization's agent's identification number, the dispensing organization's identification number, the amount, type (including strain, if applicable) of cannabis or cannabis-infused product dispensed, and the date and time the cannabis is dispensed.
- A dispensing organization shall refuse to sell cannabis to anyone unless the person produces valid identification showing that the person is 21 years of age or older. However, a medical cannabis dispensing organization may sell cannabis-infused products to a person who is under

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

21 years of age if the sale complies with the provisions of the Medical Cannabis Program Act and rules.

- Public Act 101-0363, effective August 8, 2019, revised the Medical Cannabis Program Act to provide that registered qualifying patients under 21 years of age shall be prohibited from consuming forms of cannabis other than medical cannabis-infused products, and purchasing any usable cannabis or paraphernalia used for smoking or vaping medical cannabis.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

DRIVING UNDER THE INFLUENCE (DUI)

How will DUI's be addressed under the new law?

- Driving under the influence of cannabis will continue to be illegal.
- The Act allows for use of validated roadside chemical tests or standardized field sobriety tests approved by the National Highway Traffic Safety Administration when conducting investigations of a violation of Section 11-501 of the Illinois Motor Vehicle Code (625 ILCS 5/11-501) or a similar local ordinance by drivers suspected of driving under the influence of cannabis.
- The results of validated roadside chemical tests and standardized field sobriety tests are, under the Act, admissible at a civil or criminal trial or proceeding for an arrest for a cannabis-related offense as defined in Section 11-501 of the Illinois Motor Vehicle Code or a similar local ordinance.
- The Act creates a DUI Cannabis Task Force to examine best practices for enforcement of driving under the influence of cannabis laws and emerging technology in roadside testing for impairment.
- The Act creates various statutory presumptions applicable to cannabis DUIs:
 - Tetrahydrocannabinol (THC) concentration of 5 nanograms or more in whole blood or 10 nanograms or more in an other bodily substance creates a presumption that a person was under the influence of cannabis; and
 - Tetrahydrocannabinol (THC) concentration of less than 5 nanograms in whole blood or less than 10 nanograms in an other bodily substance does not give rise to a presumption that the person was or was not under the influence of cannabis, but may be considered with other competent evidence in determining whether the person was under the influence of cannabis.
- The refusal to submit to a chemical test will result in the imposition of driver's license sanctions under Section 11-501.1 of the Illinois Motor Vehicle Code.
- The refusal to take validated roadside chemical tests or standardized field sobriety tests is admissible in any civil or criminal action or proceeding regarding impairment by use of cannabis.
- An authorized medical cannabis patient who drives is deemed to have given consent to (i) validated roadside chemical tests or (ii) standardized field sobriety tests.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

- Law enforcement officers must have an independent, cannabis-related factual basis giving reasonable suspicion that a person is driving or in actual physical control of a motor vehicle while impaired by the use of cannabis to conduct validated roadside chemical tests or standardized field sobriety tests.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

EMPLOYMENT CONCERNS

May an employer maintain a drug-free workplace?

- Yes. The Act specifies that nothing shall prohibit an employer from adopting:
 - reasonable zero-tolerance or drug-free workplace policies;
 - employment policies concerning drug testing; or
 - regulations concerning smoking, consumption, storage or use of cannabis at the workplace or while on call.

- These policies must be applied in a nondiscriminatory manner.

- Employers' policies may cover use of cannabis in the employer's workplace, while performing the employee's job duties or while "on call." An employee is deemed "on call" when he or she is scheduled with at least 24 hours' notice by employer to be on standby or otherwise responsible for performing tasks related to his or her employment.

- An employer may discipline an employee for violating a workplace drug policy. If the employer elects to discipline the employee, the employer must give the employee reasonable opportunity to contest the determination.

- Nothing in the Act shall be construed to interfere with any federal, state or local restrictions on employment including, but not limited to, the United States Department of Transportation regulation 49 CFR 40.151(e), or impact an employer's ability to comply with federal or state law or cause it to lose a federal or state contract or funding.

- The Illinois Right to Privacy in the Workplace Act prohibits discrimination for the use of a lawful product while off duty or not on call. (820 ILCS 55/5.)

How can an employer determine whether an employee is impaired by the use of cannabis?

- An employer may consider an employee to be impaired by the use of cannabis if the employer has a good faith belief that the employee manifests specific, articulable symptoms while working that decrease or lessen the employee's performance of the duties or tasks.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

EXPUNGEMENTS

What records will be automatically expunged?

- The Act mandates that arrest records relating to offenses under the Illinois Cannabis Control Act for possession of under 30 grams of any substance containing cannabis that are not associated with an arrest, conviction or other disposition of a violent crime as defined in subsection (c) of Section 3 of the Illinois Rights of Crime Victims and Witnesses Act. “Minor Cannabis Offenses” will be automatically expunged by all law enforcement agencies, including records of an arrest, charges not initiated by arrest, orders of supervision or orders of qualified probation for all offenses committed prior to the Act if:
 - One year or more has elapsed since the date of the arrest or law enforcement interaction documented in the records; and
 - No criminal charges were filed or if filed they were dismissed and/or arrestee was acquitted.

What is the schedule for automatic expungement?

- The Act provides that all law enforcement agencies must expunge qualifying records according to the following schedule:
 - Records created prior to the effective date of the Act, but on or after January 1, 2013, shall be automatically expunged prior to January 1, 2021;
 - Records created prior to January 1, 2013, but on or after January 1, 2000, shall be automatically expunged prior to January 1, 2023; and
 - Records created prior to January 1, 2000, shall be automatically expunged prior to January 1, 2025.

What is the process for expungement for offenders actually convicted of Minor Cannabis Offenses or of more serious violations under the Cannabis Control Act?

- Within 180 days of the effective date of the Act, the Illinois State Police must notify the Prisoner Review Board of those convictions for Minor Cannabis Offenses that are eligible for expungement under the Act.
- The Act provides a process for the Prisoner Review Board to make recommendations to the Governor for pardons for certain convictions for Minor Cannabis Offenses.
- Those convicted for more serious violations of the Cannabis Control Act and not qualifying for a pardon have the option of petitioning for expungement through the circuit court.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

FREEDOM OF INFORMATION ACT

Are all records and documents created or obtained by a public body pursuant to the provisions of the Act subject to the Illinois Freedom of Information Act (FOIA)?

- The Act adds an exemption to FOIA for confidential information described in Section 55-30 of the Illinois Cannabis Regulations and Tax Act (information received by state agencies from cannabis establishment licensees or applicants).
- The name and address of a dispensing organization licensed under the Act shall be subject to disclosure under FOIA. The name and cannabis business establishment address of the person or entity holding each cannabis business establishment license shall be subject to disclosure.
- Complaints from consumers or members of the general public received regarding a specific, named licensee or complaints regarding conduct by unlicensed entities shall be subject to disclosure.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

HOME CULTIVATION

What are the limitations and requirements to grow cannabis at home?

- Only registered medical cannabis patients over 21 years of age may participate in home cultivation.
- Additionally, cultivation in private residences by medical cannabis patients is subject to the following limitations:
 - There is a limit of five plants that are five inches or more per household without a cultivation center or craft grower license;
 - Cannabis plants may not be cultivated in an area subject to public view;
 - Reasonable precautions must ensure that the plants are secure from unauthorized access or access by a person under 21 years of age;
 - Cannabis cultivation must occur in an enclosed locked space;
 - Cannabis cultivation may only occur on residential property lawfully in possession of the medical cannabis patient or with the consent of the person in lawful possession of the property;
 - A medical cannabis patient may allow their authorized agent to tend to the plants for brief periods of time if the patient is temporarily away;
 - A medical cannabis patient may only purchase cannabis seed from a dispensary;
 - Purchase of live plant material is prohibited; and
 - If the home grown plants yield more than the allowable possession limit of 30 grams of raw cannabis, then the excess cannabis must remain secured within the residence of residential property in which it was grown.

May a landlord prohibit growth of cannabis on their property?

- Yes. An owner or lessor of residential property may prohibit the cultivation of cannabis by a lessee.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

INFUSER ORGANIZATIONS OR INFUSERS

What is the definition of “infuser organization” or “infuser?”

- "Infuser organization" or "infuser" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product.

Are infusers inspected? How, and by whom?

- Infusers are subject to random inspections by the Illinois Department of Agriculture, the Illinois Department of Public Health, local safety or health inspectors and the Illinois State Police.

To whom may infusers sell cannabis?

- Infusers may only sell or distribute cannabis to a dispensing organization, or as otherwise authorized by rule.

What are the limitations on the location of infusers?

- An infuser may not be located in an area zoned for residential use.
- An infuser may share premises with a craft grower or a dispensing organization, or both, provided each licensee stores currency and cannabis or cannabis-infused products in a separate secured vault to which the other licensee does not have access or all licensees sharing a vault share more than 50% of the same ownership.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

LICENSING

Is a license required to operate a cannabis establishment in Illinois?

- Yes. The Illinois Office of Cannabis Control shall issue licenses for all dispensing organizations. Dispensing organizations are defined by the Act as a facility operated by an organization or business that is licensed by the Illinois Department of Financial and Professional Regulation to acquire cannabis from a cultivation center, craft grower, processing organization or another dispensary for the purpose of selling or dispensing cannabis, cannabis-infused products, cannabis seeds, paraphernalia or related supplies under the Act to purchasers or to qualified registered medical cannabis patients and caregivers.

May municipalities require licenses to operate a cannabis establishment within their boundaries?

- Since licensing is a function of the state under the Act, local governments may only enforce generally applicable business registration requirements for cannabis establishments and conduct inspections of the premises to ensure compliance with local ordinances.

What are the different types of licenses?

- The Act creates the following adult-use cannabis licenses, subject to various fees and subject to administration by the Illinois Department of Agriculture and the Illinois Department of Financial and Professional Regulation:
- Early Approval Adult-Use Dispensing Organization - A license that permits a medical cannabis dispensing organization licensed under the Illinois Medical Cannabis Program Act as of the effective date of the Act to begin selling cannabis to purchasers as permitted by the Act as of January 1, 2020.
- Early Approval Adult-Use Cultivation Center - A license that permits a medical cannabis cultivation center licensed under the Illinois Medical Cannabis Program Act as of the effective date of the Act to begin cultivating, infusing, packaging, transporting (unless otherwise provided in the Act) and selling cannabis to cannabis business establishments for resale to purchasers as permitted by the Act as of January 1, 2020. A cultivation center may begin producing cannabis and cannabis-infused products once the Early Approval Adult Use Cultivation Center License is approved. A cultivation center that obtains an Early Approval Adult Use Cultivation Center License may begin selling cannabis and cannabis-infused products to approved dispensing organizations on December 1, 2019.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

- **Conditional Adult-Use Dispensing Organization License** - A license awarded to top-scoring applicants for an Adult-Use Dispensing Organization License that reserves to the applicant the right to an adult-use dispensing organization license if the applicant meets certain conditions described in the Act. A dispensing organization that is awarded a Conditional Adult-Use Dispensing Organization License is not entitled to purchase, possess, sell or dispense cannabis or cannabis-infused products until the applicant has received an Adult-Use Dispensing Organization License.
- **Conditional Adult-Use Cultivation Center License** - A license awarded to top-scoring applicants for an Adult-Use Cultivation Center License that reserves to the applicant the right to an Adult-Use Cultivation Center License if the applicant meets certain conditions as determined by the Illinois Department of Agriculture by rule. A cultivation center applicant that is awarded a Conditional Adult-Use Cultivation Center License is not entitled to grow, purchase, possess or sell cannabis or cannabis-infused products until the applicant has received an Adult-Use Cultivation Center License.
- **Adult-Use Dispensing Organization** - A license issued by the Illinois Department of Financial and Professional Regulation that permits a person to act as a dispensing organization under the Act and any administrative rule made in furtherance of the Act.
- **Adult-Use Cultivation Center** - A license issued by the Illinois Department of Agriculture that permits a person to act as a cultivation center under the Act and any administrative rule made in furtherance of the Act.
- **Craft Grower** - The Illinois Department of Agriculture shall issue up to 40 craft grower licenses by July 1, 2020. A "craft grower" is a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to cultivate, dry, cure and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization.
- **Infuser** - The Illinois Department of Agriculture shall issue up to 40 infuser licenses through a process provided for in the Act no later than July 1, 2020. "Infuser organization" or "infuser" means a facility operated by an organization or business that is licensed by the Illinois Department of Agriculture to directly incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis-infused product. An infuser is prohibited from extracting cannabis concentrate from raw cannabis material. Only cultivation centers and craft growers will be allowed to extract cannabis concentrate.
- **Transporter** - Transporting organization" or "transporter" means an organization or business that is licensed by the Illinois Department of Agriculture to transport cannabis on

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

behalf of a cannabis business establishment or a community college licensed under the Illinois Community College Cannabis Vocational Training Pilot Program.

Do state licenses need to be renewed?

- Yes. All licenses expire and are subject to the renewal provisions set forth in the Act.
- Adult-Use Dispensing Organization Licenses shall expire on March 31 of even-numbered years. Licensees must submit a renewal application as provided by the Illinois Department of Financial and Professional Regulation and pay the required renewal fee.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

LOCAL GOVERNMENT

May municipalities prohibit cannabis establishments within their boundaries?

- Yes. A municipality may enact ordinances to prohibit or significantly limit an adult-use cannabis business establishment's location.
- While adult-use cannabis business establishments may be prohibited, the Illinois Medical Cannabis Program Act specifically provides that medical cannabis dispensing organizations may not be prohibited within municipal boundaries. For medical cannabis establishments, then, municipalities may only regulate location via reasonable zoning regulations (special use permits, etc.).

May municipalities and other units of local government regulate cannabis establishments within their boundaries?

- A unit of local government may enact reasonable zoning ordinances or resolutions not in conflict with the Act or with Illinois Office of Cannabis Control, Illinois Department of Public Health, Illinois Department of Financial and Professional Regulation and Illinois Department of Agriculture rules regulating cannabis establishments.
- A unit of local government may enact ordinances or rules governing the time, place, manner and number of cannabis establishment operations, including a minimum distance limitation between cannabis establishments and locations it deems sensitive through the use of special use permits.

May municipalities prohibit or regulate cannabis establishments outside of their boundaries?

- A municipality may exert extra territorial zoning authority in the unincorporated area within one and one half miles of its corporate limits through the adoption of a comprehensive plan and zoning for that area pursuant to 65 ILCS 5/11-13-1. The municipal ordinances would control that area absent a county zoning ordinance, or another municipality with zoning already in place.

May municipalities regulate the on-premises consumption of cannabis and/or allow cannabis cafes and lounges?

- Yes. A municipality may regulate and/or allow the on-premises consumption of cannabis at or in a cannabis business establishment within its jurisdiction in a manner consistent with the Act. The Act allows the creation of “cannabis cafes/lounges” in the discretion of the municipality. Cannabis business establishments or other entities authorized or permitted by a municipality to

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

allow on-site consumption shall not be deemed a public place within the meaning of the Smoke Free Illinois Act.

May municipalities and other units of local government prohibit the use of cannabis within their boundaries?

- No unit of local government, including a home rule unit, may unreasonably prohibit the use of cannabis authorized by the Act.

Does the Act contain any location restrictions on dispensaries?

- A dispensing organization may not be located within 1,500 feet of the property line of a preexisting dispensing organization.
- These distance restrictions are different than those originally imposed by the Illinois Medical Cannabis Program Act. Under the Medical Cannabis Program Act, registered cultivation centers could not locate within 2,500 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility or an area zoned for residential use (410 ILCS 130/105(c)) and registered dispensing organizations could not locate within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, or part day child care facility or be located in a house, apartment, condominium, or an area zoned for residential use (410 ILCS 130/130(d)). P.A. 101-0363, which made various amendments to the Medical Cannabis Program Act and became effect on August 8, 2019, eliminated the distance restrictions for medical cannabis dispensaries registered after July 1, 2019.

Does failure to be in compliance with local zoning regulations have any impact on a cannabis establishment's ability to operate in Illinois?

- Yes. A state-issued cannabis establishment license will be denied if the applicant is not in compliance with local zoning rules.

May municipalities and other units of local government fine or penalize cannabis establishments for violation of local zoning regulations?

- A unit of local government may establish civil penalties for violation of an ordinance or rules governing the time, place and manner of operation of a cannabis establishment within the jurisdiction of the unit of local government.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

May municipalities regulate personal possession and consumption of cannabis?

- The Act provides municipalities with the authority to locally regulate possession and consumption of cannabis by private citizens in a manner consistent with the Act. Therefore, municipalities may adopt the prohibitions and penalties of the Act into their codes which will give the local governments the ability to enforce and prosecute personal possession and consumption violations through local adjudication or the circuit court.

Does the Act apply to home rule units of government?

- Yes. A unit of local government may not regulate cannabis-related activities in a manner more restrictive than their regulation by the state under the Act. Home rule preemption applies here.
 - “This subsection is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State.” Section 55-25(4).
- Home rule preemption is specifically set forth in Section 55-90 of the Act. *“Except as otherwise provided in this Act, a unit of local government, including a home rule unit, may not regulate or license the activities described in this Act.” [emphasis added]*

May voters choose to limit or prohibit cannabis establishments within a municipality?

- Only within the City of Chicago. The Act allows the legal voters of any precinct within a municipality with a population of over 500,000 to petition their local alderman, using a petition form made available online by the city clerk, to introduce an ordinance establishing the precinct as a restricted cannabis zone. “Restricted cannabis zone” means a precinct within which home cultivation, one or more types of cannabis business establishments, or both has been prohibited pursuant to an ordinance initiated by a petition under the Act.

Does the Act contain any operational rules for adult-use cannabis dispensing organizations?

- The Act, in Section 15-70, contains a list of specific business operational rules for adult-use cannabis dispensing organizations that provide a clear baseline of regulatory guidelines for these establishments. Municipalities may include these in any statement on approvals or conditions that are part of any conditional use permit. These rules include:
 - A dispensing organization must include the legal name of the dispensary on the packaging of any cannabis product it sells.
 - Dispensing organizations are prohibited from selling any product containing alcohol except tinctures, which are limited to containers that must be no larger than 100 milliliters.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

- A dispensing organization may only accept cannabis deliveries into a restricted access area. Deliveries may not be accepted through the public or limited access areas unless otherwise approved under the Act.
- A dispensing organization shall maintain compliance with state and local building, fire and zoning requirements or regulations.
- A dispensing organization shall submit a list to the state of the names of all service professionals that will work at the dispensary.
- A dispensing organization's license allows for a dispensary to be operated only at a single location.
- A dispensing organization may operate between 6:00 a.m. and 10:00 p.m. local time.
- A dispensing organization must keep all lighting outside and inside the dispensary in good working order and wattage sufficient for security cameras.
- A dispensing organization shall not:
 - Produce or manufacture cannabis;
 - Accept a cannabis product from an adult-use cultivation center, craft grower, infuser, dispensing organization or transporting organization unless it is pre-packaged and labeled in accordance with the Act and any rules that may be adopted pursuant to the Act;
 - Obtain cannabis or cannabis-infused products from outside the State of Illinois;
 - Sell cannabis or cannabis-infused products to a purchaser unless the dispensary organization is licensed under the Illinois Medical Cannabis Program Act, and the individual is registered under the Medical Cannabis Program Act or the purchaser has been verified to be over the age of 21;
 - Enter into an exclusive agreement with any adult-use cannabis cultivation center, craft grower or infuser;
 - Refuse to conduct business with an adult-use cannabis cultivation center, craft grower, transporting organization or infuser that has the ability to properly deliver the product and is permitted by the Illinois Department of Agriculture, on the same terms as other adult-use cannabis cultivation centers, craft growers, infusers or transporters with whom it is dealing;
 - Operate drive-through windows;
 - Allow for the dispensing of cannabis or cannabis-infused products in vending machines;
 - Transport cannabis to residences or other locations where purchasers may be for delivery;
 - Enter into agreements to allow persons who are not dispensing organization agents to deliver cannabis or to transport cannabis to purchasers;
 - Operate a dispensing organization if its video surveillance equipment is inoperative;
 - Operate a dispensing organization if the point-of-sale equipment is inoperative;

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

- Operate a dispensing organization if the state's cannabis electronic verification system is inoperative;
- Operate a dispensing organization when there are fewer than two people working at any time;
- Be located within 1,500 feet of the property line of a pre-existing dispensing organization;
- Sell clones or any other live plant material;
- Sell cannabis, cannabis concentrate or cannabis-infused products in combination or bundled with each other or any other items for one price, and each item of cannabis, concentrate or cannabis-infused product must be separately identified by quantity and price on the receipt;
- Violate any other requirements or prohibitions set by the Act or administrative rules.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

SOCIAL JUSTICE

What other agency oversight does the state have for social issues related to cannabis production, sale and use?

- The Restoring Our Communities (ROC) program will be created. The ROC program will be a performance incentive funding program for high-need, underserved communities throughout the state.
- The purpose of the ROC program will be to directly address the impact of economic disinvestment and the historical use of criminal justice responses to community and individual needs by supporting local design and control of community-based responses to these impacts that can be accessed outside of the criminal justice system.
- The ROC program will provide planning and implementation grants as well as technical assistance to collaborative groups that include human service providers and community-based organizations, individuals who have experienced the criminal justice system or other systems of state intervention, individuals who have been consumers of social programs administered by the state or local jurisdictions, and local leaders from all sectors.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

TAXATION, REVENUES AND APPROPRIATIONS

How is cannabis cultivation going to be taxed at the state level?

- Beginning on January 1, 2020, a Cannabis Cultivation Privilege Tax is imposed by the State of Illinois upon the privilege of cultivating cannabis at the rate of 7% of the gross receipts from the sale of cannabis by a cultivator.
 - This tax rate already exists under current medical cannabis law.
 - As all funds collected under the Cannabis Regulation and Tax Act and under the Compassionate Use of Medical Cannabis Program Act will be deposited into the state's Cannabis Regulation Fund, the 7% cultivation tax that previously only applied to the cultivation of medical cannabis is repealed, effective July 1, 2020 (See 410 ILCS 130/200), and replaced by the same tax that applies to both adult-use and medical cannabis cultivation.
 - All funds received by the Illinois Department of Revenue under the privilege tax shall be paid into the Cannabis Regulation Fund in the state treasury.

- The Cannabis Cultivation Privilege Tax will be collected in addition to all other occupation or privilege taxes imposed by the State of Illinois or by any municipal corporation or political subdivision (whether the cultivation is for medical or adult-use purposes).

How is the sale of cannabis going to be taxed at the state level?

- Beginning on January 1, 2020, a Cannabis Purchaser Excise Tax is imposed by the State of Illinois upon purchasers for the privilege of using cannabis at the following rates:
 - Cannabis flower or products with less than 35% Tetrahydrocannabinol (THC): 10% tax.
 - Cannabis-infused products (i.e., edibles): 20% tax.
 - Cannabis flower or products with a THC concentration higher than 35%: 25% tax.

- The purchase price of any product that contains any amount of cannabis or any derivative is subject to the excise tax on the full purchase price of the product.

- The purchase of cannabis is also subject to state and local sales taxes. Sales tax is collected in addition to all other occupation, privilege or excise taxes imposed by the State of Illinois or by any municipal corporation or political subdivision of the state.

- All funds received by the Illinois Department of Revenue under the excise tax will be paid into the Cannabis Regulation Fund in the state treasury.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

What is the state going to do with the funds collected in the form of state taxes, license fees and any other monies collected with regard to cannabis production and sale?

- The Cannabis Regulation Fund is created in the state treasury. Unless otherwise provided, all funds collected under the Cannabis Regulation and Tax Act and under the Medical Cannabis Program Act shall be deposited into the Cannabis Regulation Fund, consisting of taxes, license fees, other fees and any other amounts required to be deposited or transferred into the Fund.
- Monthly, the transfers of revenues received into the Cannabis Regulation Fund shall be certified as follows:
 - First, to pay for the direct and indirect costs associated with the implementation, administration and enforcement of the Compassionate Use of Medical Cannabis Program Act and the Cannabis Regulation and Tax Act, the Illinois Department of Revenue shall certify the transfer of 1/12 of the fiscal year amount appropriated to the numerous agencies involved with the program;
 - Second, after the above-noted transfers have been made, the remainder shall be transferred by formula to the following funds:
 - 35% transferred to the state General Revenue Fund
 - 25% transferred to the Criminal Justice Information Projects Fund to support the Restore, Reinvest and Renew Program for community reinvestment
 - 20% transferred to the Illinois Department of Human Services Community Services Fund to fund mental health and substance abuse services at local health departments
 - 10% transferred to the Budget Stabilization Fund to pay the backlog of unpaid state bills
 - 8% transferred to the Local Government Distributive Fund (LGDF) to fund crime prevention programs, training, and interdiction efforts relating to the illegal cannabis market and cannabis-based DUIs
 - 2% transferred to the Drug Treatment Fund for public education and awareness

How may cannabis be taxed at the local level?

- On and after January 1, 2020, the corporate authorities of any county or municipality may, by ordinance, impose a County and Municipal Cannabis Retailers' Occupation Tax (MCROT).
- For municipalities, the MCROT is imposed upon purchasers for the privilege of using adult-use cannabis purchased in the municipality. The rate of tax shall not exceed 3% of the purchase price. If imposed, the tax shall only be imposed in 0.25% increments.
- Counties are authorized to impose a tax of up to 3% in incorporated areas and 3.75% on sales emanating from unincorporated areas.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

- The Illinois Department of Revenue will collect and administer the MCROT.
- The MCROT shall not be imposed on cannabis that is subject to tax under the Medical Cannabis Program Act. Sales of medical cannabis from registered medical cannabis dispensaries are taxed at the 1% rate imposed on prescription and nonprescription drugs in Illinois.
- Any ordinance imposing the tax must be certified by the municipal clerk of that unit of local government and filed with the Illinois Department of Revenue before June 1 of any year, to be effective and enforced by the Department of Revenue on September 1 of that year.
- The MCROT will be collected in addition to all other occupation, privilege or excise taxes imposed by the State of Illinois or by any municipal corporation or political subdivision of the state.

How are existing sales taxes affected?

- Retailers' Occupation Taxes (sales taxes), assessed at both a local and state level, will not be deposited into the Cannabis Regulation Fund. Nothing in the Medical Cannabis Program Act and the Cannabis Regulation and Tax Act affects the collection of these taxes or their deposit in the state's general fund and/or distribution to municipalities under local ordinance.
- Under the state Retailers' Occupation Tax, the sale of cannabis is classified as a "sale of tangible personal property at retail."

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

USE AND POSSESSION

How much cannabis may a resident of the State of Illinois legally possess under the Act?

- For an Illinois resident who is 21 years of age or older, the possession limit is any combination of the following:
 - 30 grams of raw cannabis;
 - Cannabis-infused product or products containing a total of no more than 500 mg of Tetrahydrocannabinol (THC);
 - 5 grams of cannabis product in concentrated form.

- For individuals who register as qualifying patients under the state’s existing medical cannabis program only:
 - Up to 5 cannabis plants and the cannabis produced from those 5 plants, secured within the residence or dwelling unit (no matter how many people reside in a residence, only 5 plants are allowed per residence).
 - Any combination of the amounts indicated above. Additionally, if they have plants that yield more than the 30 grams of raw cannabis, the excess must remain secured in the residence or residential property it is grown.

How much cannabis may a non-resident of the State of Illinois legally possess under the Act?

- For a person who is 21 years of age or older and who is not a resident of Illinois, the possession limit is any combination of the following:
 - 15 grams of raw cannabis;
 - Cannabis-infused products or products containing a total of no more than 250 mg of THC;
 - 2.5 grams of cannabis product in concentrated form.

- A non-resident may not possess cannabis plants.

Where is a person prohibited from possessing cannabis?

- The Act does not permit any person to engage in, and does not prevent the imposition of any civil, criminal or other penalties for engaging in, any of the following conduct:
 - Possessing cannabis on a school bus.
 - Possessing cannabis on the grounds of any preschool or primary or secondary school unless approved as a medical cannabis patient.
 - Possessing cannabis in any correctional facility.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

- Possessing cannabis in a vehicle not open to the public unless the cannabis is in a reasonably secured, sealed, tamper-evident container and reasonably inaccessible while the vehicle is moving.
- Possessing cannabis in a private residence that is used at any time to provide licensed child care or other similar social service care on the premises.

Where is the use of cannabis prohibited?

- The Act does not permit any person to engage in, and does not prevent the imposition of any civil, criminal or other penalties for engaging in, the following:
 - Consuming cannabis on a school bus.
 - Consuming cannabis on the grounds of any preschool or primary or secondary school unless authorized in the medical cannabis program.
 - Consuming cannabis in any correctional facility.
 - Consuming cannabis in any motor vehicle.
 - Consuming cannabis in a private residence that is used at any time to provide licensed child care or other similar social service care on the premises.
 - Consuming cannabis in any public place or knowingly in close physical proximity to anyone under 21 years of age.
 - Consuming cannabis in any public place where a person could reasonably be expected to be observed by others.
 - Consuming cannabis in any location where smoking is prohibited by the Smoke Free Illinois Act (410 ILCS 82/1 *et seq.*), including hospitals, restaurants, retail stores, offices, commercial establishments, etc.
 - Universities, colleges and other post-secondary educational institutions may restrict or prohibit cannabis use on their property.

How is a “public place” defined under the Act?

- A “public place” is defined as any place where a person could reasonably be expected to be observed by others.
- A “public place” includes all parts of buildings owned in whole or in part, or leased, by the state or a unit of local government.
- A “public place” does not include a private residence, unless the private residence is used to provide licensed child care, foster care or other similar social service care on the premises.

FREQUENTLY ASKED QUESTIONS

Cannabis Regulation And Tax Act – Public Act 101-0027

Are there certain specific activities that an individual may not perform while using cannabis?

- Operating, navigating or being in actual physical control of any motor vehicle, aircraft or motorboat while using or under the influence of cannabis.
- Use of cannabis by a law enforcement officer, corrections officer, probation officer or firefighter while on duty.
- Use of cannabis by a person who has a school bus driver's permit or a Commercial Driver's License (CDL) while on duty.
- Driving under the influence and reckless driving based on THC impairment may continue to be charged.



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Bulletin

David Harris, Director

Municipalities and Counties may impose a local Cannabis Retailers' Occupation Tax beginning September 1, 2020

This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

To: All Illinois Municipal and County Governments

For more information
Visit our website at:
tax.illinois.gov

Call us at:
217 785-6518

Email us at:
rev.localtax@illinois.gov

Public Acts 101-27 and 101-363 authorize municipalities (65 ILCS 5/8-11-22) and counties (55 ILCS 5/5-1006.8) to impose, by ordinance, a tax upon all persons engaged in the business of selling cannabis, other than medical cannabis, at retail in the municipality or county on the gross receipts from cannabis sales.

What is the tax rate that counties and municipalities can impose by ordinance on retail sales of cannabis?

Municipalities may impose a tax on retail sales of cannabis, other than medical cannabis, at a rate that may not exceed 3%, imposed in one-quarter percent (0.25%) increments. Counties may impose a tax (also in one-quarter percent increments) on retail sales of cannabis, other than medical cannabis, at the following rates:

- In unincorporated areas of the county, the rate may not exceed 3.75%.
- In a municipality located in the county, the rate may not exceed 3%.

As with any local government tax administered by the Illinois Department of Revenue (IDOR), municipalities and counties must submit their ordinances to IDOR by a statutory deadline in order to begin imposing the tax.

When must counties and municipalities submit cannabis ordinances to IDOR for those ordinances to take effect on September 1, 2020?

The law provides that if a proper ordinance is adopted and filed with IDOR on or before June 1, 2020, then IDOR will administer and enforce the tax beginning on September 1, 2020. Ordinances filed on or after June 2, 2020, will be implemented by IDOR on September 1st of the following year. Municipalities and counties should submit their ordinances to the following address:

LOCAL TAX ALLOCATION DIVISION (3-500)
ILLINOIS DEPARTMENT OF REVENUE
101 W JEFFERSON
SPRINGFIELD IL 62702