Final Agenda
Issued 3/2/2018 at 2:01 PM

Rantoul Village Board of Trustees
Regular Study Session
Louis B. Schelling Memorial Board Room
Rantoul Municipal Building

March 6, 2018
6:00 pm

Order of Business	*Board Packet Page(s)*

1. Call to Order – Mayor Smith
   Roll Call

2. Approval of Agenda

3. Public Participation
   Citizens wishing to address the Village Board with respect to any item of business listed on the agenda or any matter not appearing on the agenda are asked to complete a public participation form and submit it to the Village Clerk prior to the meeting. Comments will be limited to three minutes for each item.

4. Items from the Mayor
   A) Appointment of Christopher King to Citizens Advisory Committee for a term to expire in 2021
   B) Increase in Liquor License Fees — 1
   C) Creating an Establishment Gaming License – annual fee of $250.00 — 2

5. Items from Trustees

6. Items from the Clerk

7. Items from the Administrator
   A) Adoption of Individual Membership in the Intergovernmental Personnel Benefit Cooperative – Ordinance No. 2563 — 3-49
   B) Resolution to Withdraw from Intergovernmental Personnel Benefit Cooperative

8. Items for the Consent Agenda
   A) Approval of Minutes, Regular Study Session, February 6, 2018
   B) Approval of Minutes, Regular Board Meeting, February 13, 2018
   C) Approval of Bills and Monthly Financial Reports

9. Items from Public Works
   A) Engineering Agreement with Fehr Graham for Murray/Chandler Road Box Culvert - $19,000.00 — 50-58
   B) Sale of Hangars I, II and III-735 Pacesetter Drive, 801 Pacesetter Drive, and 909 Pacesetter Drive — 59-70

Order of Business	*Board Packet Page(s)*
10. Items from Economic Development	
A) Approval of EDA Revolving Loan – Duane and Jennifer Smith - $55,000.00	71-76
11. Items from Police Department	
A) Purchase of replacement In-Squad computers (MDC) from CDS Office Technologies - $34,967.00	77-78
12. Amending Chapter 40 by adding a new Section 40-90.5 establishing a procedure to challenge a utility bill – Ordinance No. 2564	79-81
13. Adjournment	

Statement Regarding Compliance with the Americans with Disabilities Act (ADA)

The Village of Rantoul wishes to ensure that its programs, services, and activities are accessible to individuals with disabilities. All Village Board meetings are wheelchair accessible. Persons who require an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of the Village of Rantoul should contact the ADA Coordinator at (217) 892-6821. TTY users should dial 7-1-1 or call the Illinois Relay Center at 1-800-526-0844 (TTY) or 1-800-526-0857 (V). TTY users requiring Spanish language assistance should call 1-800-501-0864 (TTY).

We would appreciate advance notice of at least 48 hours for any requests to receive an agenda in an alternate format or other types of auxiliary aids and services.

BOARD OF TRUSTEES
VILLAGE OF RANTOUL

AGENDA ITEM	PAGE	OF

ITEM: Increase in Liquor License	**DEPARTMENT:** Mayor
AGENDA SECTION:	**AMOUNT:**
ATTACHMENTS: ( ) ORDINANCE ( ) RESOLUTION ( ) OTHER (See Summary) ( ) SUPPORTING DOCUMENTS	**DATE:** February 28, 2018

SUMMARY HIGHLIGHTS:

The Liquor Advisory Committee met to discuss the current liquor license fees to determine if the fees covered the cost of staff time in processing these licenses. The fees were last reviewed in 2009 and staff and operating costs have increased in that time.

The Committee recommended a 5% increase in all classifications.

Classifications	Current Fees	Increase	Proposed Fees
A - Bar	$2,000.00	$100.00	$2,100.00
R - Restaurant	$1,500.00	$75.00	$1,575.00
P1- Package - full	$2,000.00	$100.00	$2,100.00
P2 - Pkg - Beer/Wine	$1,500.00	$75.00	$1,575.00
C - Club	$1,000.00	$50.00	$1,050.00
GC - Golf Course	$2,000.00	$100.00	$2,100.00
H - Hotels	$1,000.00	$50.00	$1,050.00
T1 - Education, NFP	$50.00	$2.50	$52.50
T2 - Adjacent Prop.	$50.00	$2.50	$52.50
T3 - Village Property	$150.00	$7.50	$157.50
T4 - Airport Property	$150.00	$7.50	$157.50

RECOMMENDED ACTION: Approve proposed fees for FY 18-19

DEPARTMENT HEAD APPROVAL	VILLAGE ADMINISTRATOR
Charles Smith	Richard L. Guide

AGENDA PAGE NUMBER:

BOARD OF TRUSTEES
VILLAGE OF RANTOUL

AGENDA ITEM	PAGE	OF

ITEM: Gaming Establishment License	**DEPARTMENT:** Mayor
AGENDA SECTION:	**AMOUNT:**
ATTACHMENTS: ( ) ORDINANCE ( ) RESOLUTION ( ) OTHER (See Summary) ( ) SUPPORTING DOCUMENTS	**DATE:** February 28, 2018

SUMMARY HIGHLIGHTS:

The Village of Rantoul currently has 29 liquor licenses issued in the various classifications. Thirteen of those license holders have gaming machines in their establishments. Most of these establishments have the maximum number of video gaming machines.

The Liquor Advisory Committee discussed creating a license to set a fee per machine. The recommendation is to charge a flat annual $250.00 license fee per establishment. This fee would be in place for the coming year and must be paid prior to to renewing their liquor license.

RECOMMENDED ACTION: Approve a Gaming Establishment license of $250.00 annually.

DEPARTMENT HEAD APPROVAL	VILLAGE ADMINISTRATOR
Kalen Smith	Richard L. Snider

AGENDA PAGE NUMBER:

BOARD OF TRUSTEES
VILLAGE OF RANTOUL

AGENDA ITEM PAGE _____ OF _____

ITEM: Approval of Bylaws for Intergovernmental Personnel Benefit Cooperative	**DEPARTMENT:** Village of Rantoul
AGENDA SECTION: Administrator	**AMOUNT:**
ATTACHMENTS: **(X) Ordinance** **( ) Resolution** **( ) Supporting Documents**	**DATE: 3/1/2018**

SUMMARY HIGHLIGHTS:

The attached ordinance, if approved, would change the Village's status within the Intergovernmental Personnel Benefit Cooperative (IPBC) from a member of the Eastern Will Benefit Council (EWBC) sub pool to that of an individual member.

The Village opted to join the in February 2016 as part of a solution to contain its health insurance costs. Since early December, I have been working with staff regarding a number of issues related to our membership in IPBC and the self-funded health insurance program. There have been a number of service lapses impacting our employees, including repeated unexplained terminations of coverage, failures to reimburse employees for covered expenses in a timely manner, and inadequate provider network coverage.

In addition to service issues, our deteriorating financial position within the sub pool is also a concern. The accrued liability due to IPBC is approximately $230,000. In the twelve-month period ending 30 November 2017, total claims before allowances were $2,563,000. After discounts, the claims totaled $1,547,625, far in excess of our monthly assessments. As the largest sub pool member, our claims are draining the reserves of the sub pool and if not addressed, will cause the sub pool to collapse.

Adoption of this ordinance would position Rantoul to leverage the stability of the statewide pool and to setup a potential exit plan from the IPBC if determined to be in the best interests of the Village.

RECOMMENDED ACTION: Approval of Ordinance to Transition the Village to an Individual Membership within the Intergovernmental Public Benefits Cooperative (IPBC).

DEPARTMENT HEAD APPROVAL	**VILLAGE ADMINISTRATOR**

FIFTH CONSOLIDATED AMENDMENT TO THE CONTRACT AND BY-LAWS INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE

ARTICLE I. Definitions and Purpose.

DEFINITIONS:

As used in this agreement, the following terms shall have the meaning hereinafter set out:

ADMINISTRATIVE FUND - A fund of monies established by the MEMBERS of the Intergovernmental Personnel Benefit Cooperative to pay for the joint administration of the personnel non-salary benefit programs offered by each MEMBER to its employees and officers and turned over for administration to the COOPERATIVE.

ADMINISTRATOR - An independent contractor of the COOPERATIVE employed by the Board of Directors to administer the personnel benefit programs of the various MEMBERS of the COOPERATIVE.

BENEFIT FUND - A fund of monies established by the MEMBERS of the Intergovernmental Personnel Benefit Cooperative to fund certain benefits granted by the individual MEMBERS to their respective officers and employees and to purchase excess, aggregate, or other insurance.

BENEFITS - Non-salary payments made to employees or officers, including but not limited to payments or reimbursements of expenses arising out of an illness or an accident and life insurance proceeds. The units of local government which participate in the COOPERATIVE have determined not to purchase insurance coverage for benefit payments below certain high limits but rather to rely upon their pooled financial capabilities

to pay benefits within the financial obligations of the COOPERATIVE and to purchase some insurance to protect against catastrophic and certain other benefit claims.

CASH FLOW ACCOUNT - A fund of monies established by the MEMBERS of the Intergovernmental Personnel Benefit Cooperative to fund needed cash flow in the Benefit Pool. The Board of Directors shall establish, from time-to-time, the funding requirements from the MEMBERS to generally provide at least an estimated funding for the Benefit Pool, based upon IBNR calculated by or for the Administrator.

COOPERATIVE - The Intergovernmental Personnel Benefit Cooperative established pursuant to the Constitution and the statutes of this State by this intergovernmental agreement.

EXECUTIVE BOARD – A Board, composed of nine (9) members, which is responsible for implementing the policy decisions of the Board of Directors and carrying out duties specified in this Contract and By-Laws or assigned by the Board of Directors.

EXECUTIVE DIRECTOR – A part or full-time employee or independent contractor, who shall be selected and have his or her compensation chosen by the Board of Directors who shall administer and supervise the operations of the COOPERATIVE and make recommendations to the Board of Directors and the Executive Board in all areas where they have decision-making authority. All references to the Executive Director shall only be applicable if there is an Executive Director in place.

HMO FUND - A fund of monies established by the MEMBERS of the Intergovernmental Personnel Benefit Cooperative to fund certain benefits granted by the individual MEMBERS to their respective officers and employees relating to health maintenance organizations.

LISTED ENTITIES - Governmental bodies, quasi governmental bodies and non-profit public service entities listed by a MEMBER as having their employees and officers under a benefit program which will be administered along with that of a MEMBER by the COOPERATIVE.

MEMBERS - The units of local government or intergovernmental agencies established pursuant to an intergovernmental agreement composed of units of local government (sub-pool) which initially or later enter into this intergovernmental contract for the benefit of their employees and officers along with the employees and officers of other listed entities. Whenever in this agreement the phrase "units of local government," "municipality" or similar phrase is used, it shall also refer to any intergovernmental agency established pursuant to an intergovernmental agreement composed of units of local government.

TERMINAL RESERVE FUND OR TERMINAL RESERVES - A fund of monies retained by the Intergovernmental Personnel Benefit Cooperative on behalf of MEMBERS whose fund balances may be in excess of all financial requirements for that MEMBER.

PURPOSE:

The Intergovernmental Personnel Benefit Cooperative is a cooperative entity voluntarily established by contracting units of local government as are permitted by Article VII, Section 10 of the 1970 Constitution of the State of Illinois, and the Intergovernmental Cooperation Act and other provisions of law to jointly administer some or all of the personnel benefit programs offered by its MEMBERS to their officers and employees and the officers and employees of other governmental, quasi-governmental and non-profit public service entities with which some or all MEMBERS have separately arranged to list as if such officers and employees were employed by the MEMBER.

To the extent provided for in this Contract and By-Laws, and as approved by the Board of Directors, the Intergovernmental Personnel Benefit Cooperative shall provide benefit coverage to the officers or employees of its MEMBERS. The Intergovernmental Personnel Benefit Cooperative shall also carry out such claim reduction and educational programs as shall be authorized by its Board of Directors. The creation of the various funds established in this Contract and By-Laws are not intended by the parties to constitute the transaction of an insurance business within the State of Illinois. The intent of the parties is to separately establish benefit programs and to utilize the Intergovernmental Personnel Benefit Cooperative to achieve reduced costs of administration and insurance purchases by providing similar services to all MEMBERS and to require MEMBERS to pay for the costs of such benefits or to share such costs in the manner from time-to-time established by the Board of Directors.

ARTICLE II. Powers and Duties.

The powers of the COOPERATIVE to perform and accomplish the purposes set forth above, within the budgetary limits and procedures set forth in these By-Laws, shall be the following:

(a) To employ agents, employees and independent contractors,

(b) To lease real property and to purchase or lease equipment, machinery, or personal property necessary for the carrying out of the purpose of the COOPERATIVE,

(c) To carry out educational and other programs relating to health, accident and other claims reductions,

(d) To cause the creation of, see to the collection of funds necessary for the administration and operation of the COOPERATIVE,

(e) To purchase such types of insurance as are approved by the Board of Directors,

(f) Solely within the budgetary limits established by the MEMBERS to carry out such other activities as are necessarily implied or required to carry out the purposes of the COOPERATIVE specified in Article I or the specific powers enumerated in Article II, and in conjunction with the obligation of MEMBERS specified in Article XI.

ARTICLE III. Participation

The membership of the COOPERATIVE shall consist of those MEMBERS and previously approved listed entities which were MEMBERS of the COOPERATIVE on July 1, 2012, and those subsequently admitted to membership and continuing as MEMBERS. Listed entities are other governmental, quasi-governmental and non-profit public service entities which MEMBERS have chosen to include within their membership in the COOPERATIVE. Such listing fulfills a public purpose in that such listed entities have so few employees and officers that they could not bear the risk inherent in offering such benefit programs on their own. In other cases, the MEMBER itself has so few employees that it requires the participation of such other listed entities for the same reason. The MEMBER which lists entities shall, however, be the sole MEMBER of the COOPERATIVE and shall be responsible for all costs and duties of membership provided herein. The MEMBER may make such arrangement as is desired with members of a sub-pool or the listed entities regarding the manner of payment, sharing of risks and duration of such arrangement. Such arrangement is not a part of this Contract and By-Laws. New MEMBERS and their listed entities and the listing of additional entities by existing MEMBERS shall be added to the COOPERATIVE only after at least the concurrence of at least two-thirds (2/3) of the entire membership of the Board of Directors and subject to the payment of such sums and under such conditions as the Board of Directors shall in each case or from time-to-time establish. The Board of Directors may establish standards for admission and assign the power to admit MEMBERS and listed entities to the Executive Board.

ARTICLE IV. Term of the COOPERATIVE.

The Intergovernmental Personnel Benefit Cooperative shall operate with fiscal years beginning on July 1st, of each calendar year, and the COOPERATIVE shall continue in existence with a term ending on June 30, 2025. At the end of this multi-year period, the term of the COOPERATIVE may be extended for a multi-year period of time, or if not acted upon by the MEMBERS, it shall continue in existence from year-to-year as an intergovernmental agreement with the membership of those governmental bodies which do not provide a notice of withdrawal. The ability of an individual MEMBER of the COOPERATIVE to withdraw shall be as provided in Article XVII.

ARTICLE V. Board of Directors.

(a) There is hereby established a Board of Directors of the COOPERATIVE. Each MEMBER unit of local government shall choose in the manner applicable to that governmental body one (1) person to represent that body on the Board of Directors and shall promptly notify the COOPERATIVE of such selection. The MEMBER may also select an alternate representative to serve when the initial representative is unable to carry out his duties. The person and alternate selected need not be an elected official of the MEMBER. The Board of Directors may from time-to-time establish other officers of the Board, in addition to those established in this Agreement, and choose the manner of selection of such officers.

(b) The Board of Directors shall determine the general policy of the COOPERATIVE which policy shall be followed by all officers, agents, employees and independent contractors working for the COOPERATIVE. It shall have the responsibility for (1) Hiring of COOPERATIVE officers, agents, non-clerical employees and independent contractors, (2) Setting of compensation for all persons, firms and corporations employed by the COOPERATIVE, (3) Program approval, (4) Vendor approval, (5) Setting of fidelity bonding requirements for employees or other persons, (6) Approval of amendments to the By-Laws, (7) The acceptance of new MEMBERS and listed entities, provided, however, that the Board of Directors may assign, in whole or in part, this authority to the Executive Board and it may choose to do so under stated criteria and process mandated by the Board of Directors, (8) Approval of educational and other programs relating to claim reduction, (9) Approval of monthly and supplementary payments to the

Administrative Fund and the Benefit Fund, including that portion of the cost of insurance attributable to each MEMBER, (10) Any other matters not assigned to another committee, officer, independent contractor, or agent, (11) Expulsion of MEMBERS.

(c) Each MEMBER shall be entitled to one (1) vote on the Board of Directors. Such vote may be cast only by the designated representative of the MEMBER, who shall be called a Director, or in the Director's absence by an alternate selected by the MEMBER in the same manner as specified for the selection of the principal representative. No proxy votes or absentee votes shall be permitted, but, Directors or Alternates may participate in a meeting by electronic means in accordance with law. Voting shall be conducted by voice vote unless one (1) or more MEMBERS of the Board of Directors shall request a roll call vote; provided, however, that any vote to authorize the payment of bills or which requires a greater than a majority vote for passage, shall be by roll call.

(d) The representative selected by the MEMBER shall serve for a one fiscal year term commencing at the beginning of each fiscal year and until a successor has been selected. The representative chosen by the MEMBER may be removed by the MEMBER during the period of his or her term. In the event that a vacancy occurs in the representative or alternate representative, that MEMBER shall appoint a successor. The failure of a MEMBER to select a representative or his or her failure to participate shall not affect the responsibilities or duties of a MEMBER under this contract.

(e) The Board of Directors, the Executive Board and any authorized committees may establish rules governing their own conduct and procedure consistent with the By-Laws. All notices required in this Contract and By-Laws document shall be in writing.

(f) A quorum shall consist of a majority of the MEMBERS of the Board of Directors. Except as provided in Subsection (g) herein, or elsewhere in these By-Laws, a simple majority of a quorum shall be sufficient to pass upon all matters.

(g) A greater vote than a majority of a quorum shall be required to approve the following matters:

(i) Such matters as the Board of Directors shall establish within its rules as requiring for passage a vote greater than a majority of a quorum; provided, however, that such a rule can only be established by a greater than majority vote at least equal to the greater than majority percentage within the proposed rule,

(ii) The expulsion of a MEMBER shall require at least the concurrence of two-thirds (2/3) of the entire membership of the Board of Directors,

(iii) Any amendment of these By-Laws except as provided in Subsection (iv) below, shall require the concurrence of at least two-thirds (2/3) of the entire membership of the Board of Directors,

(iv) The payment of a contested employee benefit to a MEMBER by the COOPERATIVE in a manner contrary to that reported by the Administrator or the Executive Director, which is brought to the Board of Directors,

shall require the concurrence of at least two-thirds (2/3) of a quorum at a Board of Directors meeting.

(v) The approval of the benefit programs being offered, annual payments of all kinds, and the allocation of those payments among MEMBERS, shall require the concurrence of at least two-thirds (2/3) of a quorum at a Board of Directors meeting.

(h) Except as provided herein, no one serving on the Board of Directors shall receive any salary or other payment from the COOPERATIVE and any salary, compensation, payment or expenses for such representative, shall be paid by each MEMBER separate from this Contract. Provided, however, that in the event the person chosen or acting as Treasurer is a member of the Board of Directors, that person may receive such compensation as is established from time-to-time by the Board of Directors. In addition, the Chair of the Board, Treasurer and such other officers as may be selected from time-to-time may submit to the Executive Board for its approval, reimbursement of expenses incurred in the pursuit of their position as officers of the COOPERATIVE. The reimbursement for such expenses, which shall be reported to the Board of Directors in the same manner as other approved payments, may include amounts advanced on behalf of the COOPERATIVE either by the officer or by a MEMBER of the COOPERATIVE.

ARTICLE VI. Board of Directors Meetings.

(a) Regular meetings of the Board of Directors shall be held at least four (4) times a year. The dates of regular meetings of the Board of Directors shall be established at the beginning of each fiscal year. Any item of business may be considered at a regular meeting. At least two (2) meetings must be held during the first half of the fiscal year and at least two (2) meetings must be held during the second half of the fiscal year. A failure to hold these meetings, as required, shall not invalidate acts otherwise taken. Special meetings of the Board of Directors may be called by its Chair, or by any two (2) Directors. Five (5) days written notice of regular or special meetings of the Board of Directors shall be given to the official representatives of each MEMBER and an agenda specifying the subject of any special meeting shall accompany such notice. Business conducted at special meetings shall be limited to those items specified in the agenda.

(b) The time, date and location of regular and special meetings of the Board of Directors shall be determined by the Chair of the Board of Directors or by the convening authority.

(c) To the extent consistent with these By-Laws, and except as modified by procedural rules established, Roberts Rules of Order, latest edition, shall govern all meetings of the COOPERATIVE. Minutes of all regular and special meetings of the Board of Directors and the Executive Board shall be sent to all MEMBERS.

ARTICLE VII. Cooperative Officers.

(a) In addition to such other officers as may be established from time-to-time by the Board of Directors, the officers of the COOPERATIVE, who shall constitute the Executive Board, shall be the following: Chair, Vice-Chair, Past Chair, Treasurer, (as Chairman of the Finance Committee), Operations Committee Chair, Sub-Pool Representative, Large Member Representative, (Representing non-sub-pool MEMBERS with the top 50% number of lives), Medium MEMBER Representative, (Representing non-sub-pool MEMBERS with the bottom 50% number of lives), At-Large Representative. The computation of 50% shall be rounded downward to deal with the appropriate placement when there is an odd number of Members. The Chair, Vice-Chair, Treasurer, Operations Committee Chair and At-Large Representative shall be chosen by the Board of Directors. The Past Chair shall be that person who served as the immediate Past Chair, or if that person is not prepared to serve, a Past Chair chosen by the Chair, and in the absence of such a person, an additional At-large Representative chosen by the Chair based upon that person's experience in the operations of the COOPERATIVE. The MEMBERS of the Board of Directors, who constitute Sub-Pools, Large MEMBERS and Medium MEMBERS, shall vote respectively to choose the Executive Board Members who shall represent the appropriate groups.

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(b) The Executive Board shall be responsible for implementing the policy directions of the Board of Directors and shall be responsible for the regular activities of the COOPERATIVE, including but not limited to: the approval of warrants and bills; compliance with growth policy; review audit; recommend investment policy to

Board of Directors; recommend programs and vendors to Board of Directors; service level assessment; recommend goals and policy changes to Board of Directors; coordinate selection process and recommend and oversee the performance of the Executive Director. The Executive Board may enter into contracts and expenditures in amounts up to $10,000 and may authorize the Executive Director to enter into contract and expenditures in amounts up to $5,000. The Board of Directors, by motion, may increase the dollar amounts of the contracts and expenditures, which may be from time-to-time authorized to the Executive Board or the Executive Director.

(c) Except for the election for a term beginning July 1, 2012, the Chair and Vice-Chair shall be limited to one (1) two (2) year term. The term for the remaining Executive Board positions shall be limited to no more than two (2) two-year consecutive terms, but persons may be selected to a different position. For the fiscal year of the COOPERATIVE, commencing on July 1, 2012, and thereafter, the Chair, Vice-Chair, Treasurer, and Operations committee Chair shall be elected to an initial term of one (1) year and thereafter for two (2) years to achieve staggered terms. Other Members of the Executive Board shall be elected for two (2) year terms commencing on July 1, 2012. The election of officers can take place one hundred and twenty (120) days prior to or after the start of a new fiscal year. Officers shall serve until their successors have been chosen and begin their terms. All Members of the Executive Board are expected to conscientiously prepare for, attend, and actively participate in all Board of Directors and Executive Board meetings.

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(d) The Chair is the chief elected officer of the COOPERATIVE and directs the overall affairs and operations of the Executive Board; presides over all meetings of the Executive Board and the Board of Directors; and performs all other duties as are authorized in the By-Laws, or as the Executive Board or Board of Directors may authorize and as may be defined in the policies of the COOPERATIVE. The Chair, when authorized, shall execute documents on behalf of the COOPERATIVE and shall perform those duties normally associated with the Chair of an intergovernmental agency. In the absence or inability of the Chair to perform these duties, the Vice-Chair shall temporarily provide those services. If the Chair shall resign or permanently be unable to perform such duties, the Vice-Chair shall succeed to the position of Chair. In the case of vacancies, in all other offices of the Cooperative other than the Executive Director or the Treasurer, the Chair shall appoint individuals with the required qualifications to fill any vacancies until the end of the term of the person leaving the office. The Vice-Chair assists the Chair in directing the affairs and operations of the Executive Board and Board of Directors; acts as presiding officer at meetings in the absence of the Chair.

(e) The Treasurer shall have charge and custody of and be responsible for all funds and securities of the COOPERATIVE; receive and give all receipts for monies due and payable to the COOPERATIVE from any source whatsoever; deposit all such monies in the name of the COOPERATIVE in such banks, savings and loan associations or other depositories as shall be selected by the Board of Directors; keep the financial records of the COOPERATIVE and invest the funds of the

COOPERATIVE as are not immediately required in such securities as the Board of Directors shall specifically or generally select from time-to-time. Provided, however, that all investments of COOPERATIVE funds shall be made only in those securities which may be purchased by Illinois non-home rule communities under the statutory provisions of Illinois law. The Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time-to-time may be assigned to the Treasurer by the Board of Directors.

In the absence of the Treasurer, or in the event of the inability or refusal of such officers to act, the Chair of the Board of Directors may temporarily perform the duties of the Treasurer and, when so acting, shall have all of the powers of and be subject to all of the restrictions upon the Treasurer. A new Treasurer shall be selected at the next regular or special meeting of the Board of Directors, but the Chair may act, in any case, until the selection is made. The Treasurer shall also serve as Chair of the Finance Committee.

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(f) The Board of Directors may, by at least a two-thirds (2/3) vote of the MEMBERS remove the Chair, Vice-Chair, Treasurer or the Chair or any member of any Committee. Such removal shall be within the total discretion of the Board of Directors. The Executive Board may also, by at least a two-thirds (2/3) vote, and within its total discretion, remove an Executive Board member, except for the Chair, Vice Chair, Treasurer or Chairman of the Operations Committee. After removal, the Executive Board shall notify in writing the individual removed and give that person an opportunity to request an appearance before the Executive Board with at least seven (7) days' prior written notice to contest the removal.

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The Executive Board shall permit the person removed to explain why that person would wish to be reinstated to the Executive Board, but the decision of the Executive Board on removal or reinstatement shall not be required to meet any due cause or due process standard. The Executive Board shall notify in writing all of the MEMBERS of the COOPERATIVE of its decision to remove or reinstate the MEMBER of the Executive Board. The decision of the Executive Board shall be final. These officers serve in "at will" positions. In the event that the Chair is removed by the Board of Directors, the Vice-Chair shall take over that position and the new Chair will select the Vice-chair to fill out the remainder of that term.

(g) Ten (10) or more MEMBERS of the COOPERATIVE may request a special meeting of the Board of Directors held for the purpose of removal of a member or members of the Executive Board. The person proposed to be removed from such a position may address the meeting of the Board of Directors, which, by a majority vote, may remove the member or members. A decision to remove the "at will" members of the Executive Board shall be totally within the discretion of the Board of Directors, which shall not be required to make its decision based upon due cause or due process standards but, rather, simply as a determination of its absolute discretion.

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(h) A Finance Committee is established. The Committee shall have nine (9) members, one of whom, the Treasurer shall serve as Chair. The members of the Committee except for its Chair shall be selected by the Chair of the COOPERATIVE and approved by the Executive Board. The Committee members shall be appointed for a term of two (2) years which shall be staggered. The

Finance Committee shall serve as a recommending body to the Executive Board. It shall review and recommend the annual budget, programs and vendor performance and other projects and tasks as assigned by the Chair or the Executive Board. The Chairman of the COOPERATIVE shall fill vacancies on the Finance Committee, which appointments shall be until the end of the term of the person replaced.

A-3 (i) An Operations Committee is established. The Committee shall have nine (9) members. The members of the Committee except for its Chair shall be selected by the Chair of the COOPERATIVE and approved by the Executive Board. The Committee members shall be appointed for a term of two (2) years which shall be staggered. The Operations Committee shall serve as a recommending body to the Executive Board. It shall review the day-to-day operations of the COOPERATIVE and make recommendations for changes needed or actions to create greater efficiencies. The Chairman of the COOPERATIVE shall fill vacancies on the Operations Committee, which appointments shall be until the end of the term of the person replaced.

A-3 (j) A Membership Development committee is established. The Committee shall have at least five (5) members. The members of the Committee and its Chair shall be selected by the Chair of the COOPERATIVE and approved by the Executive Board. The Committee members shall be appointed for a term of two (2) years which shall be staggered. The Membership Development Committee shall provide onboarding, mentoring, education, training, networking, and leadership

development to the IPBC membership. The Chairman of the COOPERATIVE shall fill vacancies on the Membership Development Committee which appointments shall be until the end of the term of the person replaced.

(k) The Board of Directors or the Executive Board may establish on a permanent or ad hoc basis other committees or Boards to serve the COOPERATIVE.

(l) When officers of the COOPERATIVE need to be selected by the Board of Directors, the Executive Board shall name a Nominations Committee, which will consider candidates and make a recommendation for the filling of the positions. The Executive Board may, but shall not be required to, select a past Chair who shall serve as Chair of the Nominations Committee. The past Chair may be authorized to select Delegates or Alternates to serve as Members of the Nominations Committee. The Nominations Committee shall present to the Board of Directors a recommended slate of candidates for review by the membership. This report shall be submitted no later than thirty (30) days before the date of the meeting of the Board of Directors at which the elections shall take place. Other persons seeking to be named to positions on the Executive Board may have their names offered in nomination for such positions.

(m) The COOPERATIVE shall purchase a blanket fidelity bond in an amount to be established by the Board of Directors to assure the fidelity of all officers, directors, and employees of the COOPERATIVE who shall have the authority to receive or authorize by their signature or order the payment of COOPERATIVE

funds. Additional fidelity and similar coverages may be procured by the COOPERATIVE from time-to-time.

(n) The Board of Directors may select a financial institution to carry out some or all of the functions which would otherwise be assigned to a Treasurer and may select a management company or agent to carry out some or all of the functions which would otherwise be assigned to an Administrator.

ARTICLE VIII. Finances.

A. Administrative Fund.

The cost of the administration of the COOPERATIVE shall be borne by each of its MEMBERS in direct proportion to the number of employees and officers of the MEMBER and listed entities whose benefit programs are to be administered by the COOPERATIVE as compared to the total number of such persons served by the COOPERATIVE.

Whenever payments to the Administrative Fund shall be based upon an estimate, the MEMBER shall promptly receive a refund or pay a deficiency when final figures become available. The Administrative Fund shall pay all of the administrative costs of the COOPERATIVE and payment shall be made to cause the administration of all actions approved by the Board of Directors and the Executive Board.

B. The Benefit Fund.

Payments into the Benefit Fund will be developed and administered in the following manner:

1. Before the start of each fiscal year, the Administrator and the Executive Director, will determine on the basis of financial data the amount of total payments from all MEMBERS necessary to fund anticipated benefit payments and the cost of insurance.

2. The Administrator and the Executive Director, will also recommend how this total amount of anticipated expenses should be divided among the MEMBERS. The charges to be made to the MEMBERS shall be determined by a vote of the Board of Directors which shall, in establishing such sums due, treat all similarly situated MEMBERS in an equal manner.

Such a vote must receive at least the concurrence of two-thirds (2/3) of a quorum at a Board of Directors meeting.

3. The Board of Directors may, each fiscal year, choose an allocation of the payments into the Benefit Fund whereby some or all of the costs are divided among the MEMBERS based upon general increases or decreases in the total costs of the COOPERATIVE without regard to the claims made against individual MEMBERS or it may elect to grant debits or credits based upon the individual plans offered by the MEMBERS or the level of claims. Debits or credits may be expressed through the use of a banding formula. (Also see Article IX.)

4. In the event that the Board of Directors shall fail to approve the charges or allocations by the requisite vote, the charges and allocations for the next year shall, until and unless modified, be based upon the prior year's allocations with charges increased by ten percent (10%) and additionally subject to the obligation to make Supplementary Payments.

5. The COOPERATIVE will purchase such other insurance coverage as may be approved by the Board of Directors.

6. Without regard to any other provision contained within this Article VIII, the Board of Directors may establish charges to be paid by the MEMBERS for life insurance benefits to be based upon total pooling of the experience of all MEMBERS with each MEMBER paying the same cost per employee for such life insurance coverage. The time at which a determination regarding the amounts due for such life insurance coverage

and the manner in which such amounts shall be paid shall be the same as that established for other payments into the Benefit Fund. The Board of Directors may also establish a program to provide dental or other benefits to MEMBERS which wish such coverage.

C. Cash Flow Account.

The Cooperative shall maintain a Cash Flow Account. Each MEMBER shall make payments into that account equal to some percentage set by the Board of Directors of the payments that MEMBER has made into the Benefit Fund. The Board of Directors shall determine the manner in which each MEMBER'S obligation to make payments into the Cash Flow Account is established to assure that an adequate balance for the payment of claims remains in that account at all times. Automatic withdrawals from the Terminal Reserves of a MEMBER may be made by the MEMBER or the Executive Board to fund deficits in the Cash Flow Account. The Board of Directors shall determine whether the Cash Flow Account shall be treated as a single fund which can be utilized for the payment of the claims of any MEMBER or whether each MEMBER shall be obligated to maintain its own individual account. If separate accounts are maintained, MEMBERS may be individually required to make up deficiencies in their accounts. The establishment of payments into the Cash Flow Account from a single fund must receive at least the concurrence of at least the vote of two-thirds (2/3) of a quorum at a Board of Directors meeting.

D. General Fiscal Matters.

The Board of Directors shall provide to the MEMBERS an annual audit of the financial affairs of the COOPERATIVE to be made by a certified public accountant at the end of each fiscal year in accordance with generally accepted auditing principals.

E. Supplementary Payments.

If, during any year, the funds on hand are not sufficient to pay benefits or administrative expenses which are the responsibility of the COOPERATIVE and not through a failure of insurance coverage or other causes, the Board of Directors shall require Supplementary Payments. The increased payments shall be computed utilizing the same method under which payments were made for the year in question and except for payments into the Administrative Fund where payments shall be made by all MEMBERS, they shall only be due from MEMBERS which were entitled to receive benefits from the account which requires Supplementary Payments. If a MEMBER transfers employees and officers from a fund where Supplementary Payments are due to another fund, a determination shall be made by the Board of Directors as to the amount of Supplementary Payments due from that MEMBER arising from its prior participation in that fund.

F. Terminal Reserves

During any fiscal year, and with the approval of the Treasurer, a MEMBER may withdraw from the COOPERATIVE any amount of Terminal Reserves provided that there shall be deducted from that payment any amounts owed by the MEMBER or reasonably anticipated to be owed by the MEMBER to the COOPERATIVE either being then due and payable or estimated to be due based upon tentative figures or preliminary audits, or any other amounts due from the MEMBER to the COOPERATIVE. The Treasurer may always deduct from a MEMBER's Ter-

minal Reserves any amounts necessary to pay for that MEMBER's obligations to the COOPERATIVE. Within thirty (30) days after a final audit, approved by the Board of Directors, the amounts then determined to be owed to the COOPERATIVE shall be deducted from the Terminal Reserves. Thereafter, the MEMBER shall receive a determination of the Treasurer within sixty (60) days of a written request. The Treasurer shall provide a written report to the Executive Board of any approved requests for withdrawals from Terminal Reserves within sixty (60) days after the withdrawal. If the COOPERATIVE shall have advanced funds on behalf of a MEMBER such that the MEMBER is expected to have a deficit balance in its Terminal Reserves, then, within sixty (60) days after written notice, the MEMBER shall be required to pay to the COOPERATIVE at least sufficient funds so as to remove the deficit in its Terminal Reserves.

G. Suspension or Termination of Claim or Other Payments.

In any situation, where the Executive Board should determine that a Members has not promptly paid to the COOPERATIVE any financial obligation then due, which is in excess of the amount of $50,000.00, or is more than one-half of one month's contribution, whichever is less, it may direct that the payment of the Member's claims or other sums sought shall be suspended or terminated for a specified period of time or until certain specified actions have taken place. If the decision is made by the Executive Board, the suspension may be for a period of time up to and including the date at which the Board of Directors considers and takes action relating to a proposed termination of membership or other action. The Executive Board shall notify the Members of the Board of Directors of its decision. The Board of Directors may also vote to suspend or terminate the payment of claims in the situations provided for above.

As is provided in the PURPOSE section, the IPBC is to "jointly administer some or all of

the personnel benefit programs offered by its MEMBERS to their officers and employees...." The COOPERATIVE has determined that the funding of those administrative acts is dependent upon the prompt and full payment by MEMBERS of their obligations. A defaulting MEMBER, rather than the COOPERATIVE, shall be fully responsible for any claims, demands or suits, or any increased costs allegedly caused by a suspension or termination of claim payment on behalf of a MEMBER in financial default. In case such a claim, demand, suit or increased cost is made or incurred by the COOPERATIVE, the defaulting MEMBER shall hold harmless, defend and indemnify the COOPERATIVE, its other MEMBERS and their officers and employees against such claim, demand, suit or cost.

H. Payments in Error.

If the COOPERATIVE should in error pay any benefit claims, administrative fees or other charges on behalf of a Member, which it was not obligated to pay, the Member shall, upon thirty (30) days' written notice, reimburse the COOPERATIVE for the amounts improperly paid.

ARTICLE IX. Plan of Benefits, HMOs and Reductions In Coverage.

MEMBERS may change the Plan of Benefits provided at any time, but shall notify the Administrator and the Executive Director at least sixty (60) days prior to the intended effective date of such change; and such change shall be subject to a redetermination on the underwriting basis of the payments due the COOPERATIVE. The Administrator shall make a determination as to the amount of the increased or reduced payment required in light of the change. If the MEMBER should dispute the amount of the redetermination, an initial decision regarding such amount shall be made by the Executive Board with an appeal to the Board of Directors. In the event that the Administrator should determine that the proposed change provides a level or type of coverage, the cost of which cannot be determined on an underwriting basis or which would provide an excessive risk to the COOPERATIVE, or is inconsistent with the insurance purchased by the COOPERATIVE or would otherwise not be in the best interest of the COOPERATIVE, the Administrator shall present that opinion and the reasons supporting that opinion in writing to the MEMBER requesting the change and to the Chair and the Executive Director. The change shall not come into effect within the COOPERATIVE's plan of benefits except in the manner recommended by the Administrator unless the decision of the Administrator is overturned or modified by the Executive Board or the Board of Directors. The MEMBER may institute the change, but shall be individually financially responsible for the administration and payment of such benefits as are not eventually authorized to be provided within the COOPERATIVE. The Administrator shall as promptly as possible re-price covered benefits. No claim may be made against the COOPERATIVE for the unauthorized change.

The COOPERATIVE may offer to its MEMBERS participation in an HMO Fund separate from the Benefit Fund to pay the costs of providing HMO services to the officers and em-

ployees of the participating MEMBERS. Accounting for this Fund, including surplus or deficit amounts, shall be separate from the Benefit Fund. For any fiscal year if the Board of Directors of the COOPERATIVE votes to provide an HMO Fund for the fiscal year, all MEMBERS offering HMO benefits to their officers and employees shall only offer the Plan of Benefits of the COOPERATIVE'S HMO Fund or those in union-sponsored programs.

An HMO Plan of Benefits shall mean any plan which provides benefits to participants through a restriction on the doctors who provide services, an absence of substantial deductible or co-payments and an absence of or simplified claim forms. An HMO Plan of Benefits may be offered by the COOPERATIVE either through joint purchase or pooling.

The rates for the HMO Plan or Plans of Benefits offered by the COOPERATIVE for the specific plans of its MEMBERS shall be established by the Board of Directors. The Board may establish an average annual rate percentage change for the HMO Fund as a whole, and may then, through the use of a banding formula, establish bands of no more than 10 percentage points more or less than the average annual price adjustment for those MEMBERS whose claims experience has been above or below the average. It may also approve other allocation formulas.

Where the COOPERATIVE establishes set rates, under two (2) circumstances and upon a report of the Administrator or the Executive Director, the Board of Directors may individually rate a MEMBER or MEMBERS. Where the actual paid claims, incurred by a MEMBER during any two (2) or more years of a three (3) year period, were both in the highest or both in the lowest bands, or where it is discovered that claim history material submitted by a MEMBER was improperly stated, that MEMBER or MEMBERS may be individually rated and may be required to contribute to the appropriate Fund a sum no more than 100% greater or lesser than the amount which would be payable had that MEMBER or MEMBERS been rated with the group as a

whole. Such individual rating shall carry into another cycle until such time as the paid claims of the MEMBER have declined for a year so that the MEMBER would be entitled to be rated with the group as a whole.

If, for any year or years, the Board of Directors should determine that there are surplus funds within the HMO Fund which can be distributed to the MEMBERS without harming the fiscal integrity of the HMO Fund, those surplus funds shall be distributed to all existing and prior MEMBERS of the COOPERATIVE (who validly withdrew) who made contributions into the HMO Fund in the proportion in which those contributions were made. A determination as to whether surplus funds shall be distributed to the remaining MEMBERS of the COOPERATIVE shall be made from time-to-time by the Board of Directors.

If a MEMBER, in accordance with the By-Laws, elects to withdraw from the COOPERATIVE, or if it has no officers or employees who will receive the HMO Plan of Benefits for the next fiscal year, it shall be the obligation of that MEMBER to pay all the claims of its officers and employees for HMO services under the COOPERATIVE which were performed prior to the commencement of that next fiscal year, but not submitted and processed before the end of that fiscal year, but within the time period allowed for submissions. The Executive Board, on the recommendation of the Administrator, may require a MEMBER to pre-fund an amount estimated to be sufficient to pay for such HMO runoff claims and administration.

Within sixty (60) days after the approval of the audit of the COOPERATIVE's HMO Fund for the prior fiscal year, a final accounting of funds owed or owing shall take place. If a MEMBER which has offered an HMO Plan of Benefits shall have no officers or employees receiving such benefits in a subsequent fiscal year, or if that MEMBER has validly withdrawn from the COOPERATIVE, then that MEMBER, subject to a pre-funding of HMO run-off claims

and administration, shall be entitled to its percentage of any surplus funds within the HMO Fund. The payment of surplus funds or the receipt of amounts otherwise due from the MEMBER shall be carried out in accordance with the provisions of Article XVII.

In the event that HMO coverage is no longer offered by the COOPERATIVE, any surplus funds remaining shall, after audit and the setting aside of run-off amounts, be distributed to the MEMBERS (except for expelled MEMBERS) in the proportion in which they contributed funds to the HMO Fund.

If the number of employees or officers of the MEMBERS eligible to receive some portion of any of the COOPERATIVE's benefits should decline or where for some other reason the Administrator is concerned about the ability of a specific fund to cover potential claims, the matter shall be brought to the attention of the Executive Board and the Board of Directors. The Board of Directors may determine that the coverage shall no longer be offered or its scope or amount of coverage shall be prospectively reduced. A decision to make such a reduction shall not become effective for at least sixty (60) days after the vote of the Board of Directors.

ARTICLE X. Insurance and Other Coverages.

The COOPERATIVE may purchase insurance from a company permitted to write such coverage in Illinois. The COOPERATIVE may also join with other intergovernmental entities to provide collective self-insurance. The obligation of any MEMBER to the COOPERATIVE shall be limited to funding those benefits collectively self-insured by the COOPERATIVE. No MEMBER shall be responsible for the benefit claims of another MEMBER which were to be paid by insurance but were not paid or at levels above the insurance purchased for MEMBERS.

ARTICLE XI. Obligations of Members.

The obligations of MEMBERS of the COOPERATIVE shall be as follows:

(a) To appropriate or budget for, where necessary to levy for and to promptly pay all monthly and supplementary or other payments to the COOPERATIVE at such times and in such amounts as shall be established by the Board of Directors within the scope of this Contract and By-Laws. Any delinquent payments shall be paid with a penalty which shall, for the period of non-payment, be equivalent to the prime rate of interest on the date of delinquency charged by the bank in Illinois with the largest assets or the highest interest rate allowed by statute to be paid by an Illinois non-home rule municipality whichever is greater. In the event that the COOPERATIVE shall be required to expend funds for administrative, legal or other costs brought about by the failure of a MEMBER to pay sums owed the COOPERATIVE or to otherwise comply with its obligations, such amounts expended shall be added to the sums due the COOPERATIVE and shall be payable by the MEMBER. In the event that a MEMBER of the COOPERATIVE should sue the COOPERATIVE or any of its MEMBERS or officers regarding an interpretation of this Contract and By-Laws, an action taken by the Board of Directors or officers or any other matter arising out of its membership in the COOPERATIVE, and should not be the prevailing party in that suit, it shall, as part of its contractual obligation to this COOPERATIVE, pay the reasonable attorneys' fees and other costs and expenses expended by the COOPERATIVE in defending against that suit.

(b) During its entire membership in the IPBC, a MEMBER shall only exclusively provide to its employees and officers, except independent contractors, or those in union-sponsored programs, the health and accident benefits and associated life insurance coverage of the COOPERATIVE.

In entering into this intergovernmental agreement, each MEMBER, sub-pool and sub-pool member acknowledges, recognizes and accepts that intergovernmental agreements are voluntary associations where the MEMBERS can determine, by contract and, by authorized actions of the Board of Directors and the Executive Board, the identity of the MEMBERS, how MEMBERS and those otherwise bound can be admitted, dealt with during membership and expelled.

(c) To select a person to serve on the Board of Directors and to select an alternate representative.

(d) To allow the COOPERATIVE reasonable access to all facilities of the MEMBER and all records including but not limited to financial records which relate to the purpose and powers of the COOPERATIVE.

A-3 (e) To furnish full cooperation with the COOPERATIVE's Executive Director, Committees, attorneys, claims adjusters, the Administrator and any Board or committee, agent, employee, officer or independent contractor of the COOPERATIVE relating to the purpose and powers of the COOPERATIVE.

(f) To furnish the COOPERATIVE with a copy of revisions to its written benefit program at least sixty (60) days prior to the effective date of such change.

(g) To report to the COOPERATIVE as promptly as possible all claims made to it within its benefit program as administered by the COOPERATIVE.

(h) To follow those procedures regarding the administration of and application for benefits adopted by the Board of Directors which do not reduce the level of benefits contained within any MEMBER's individual benefit program, which are to be paid for by funds of or through the COOPERATIVE. For example, large case management, frequency and amount of claim submissions and wellness programs. The adoption of such procedures shall require at least the concurrence of at least the votes of two-thirds (2/3) of the entire membership of the Board of Directors.

(i) This Contract and By-Laws document is not intended to create or provide any rights in third-parties, including, but not limited to the individuals to whom the MEMBERS provide benefits.

ARTICLE XII. Liability of Board of Directors or Officers.

The MEMBERS of the Board of Directors or officers of the COOPERATIVE should use ordinary care and reasonable diligence in the exercise of their power and in the performance of their duties hereunder; they shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith; nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care; nor for loss incurred through investment of COOPERATIVE funds, or failure to invest. No Director shall be liable for any action taken or omitted by any other Director. No Director shall be required to give a bond or other security to guarantee the faithful performance of their duties hereunder. The Administrative Fund shall be used to defend and hold harmless any Director or officer for actions taken by the
A-3 Board of Directors, the Executive Board, Committee members, or performed by the Director within the scope of his of her authority. The COOPERATIVE may purchase insurance providing similar coverage for such Directors or officers.

ARTICLE XIII. Additional Insurance.

The Administrator and the Executive Director, through the distribution of the minutes of the Board of Directors or through other means, shall inform all MEMBERS of the scope and amount of insurance in force from time-to-time. Membership in the COOPERATIVE shall not preclude any MEMBER from purchasing any insurance coverage above those amounts or in addition to that purchased by the COOPERATIVE. The COOPERATIVE may also create and administer programs to pay dental or other claims. All funds for the operation of such programs shall be accounted for separately and the financial obligations arising from such programs shall only be the responsibility of MEMBERS which participate.

ARTICLE XIV. Disputes Over Coverage.

In the event that a MEMBER should question whether its employee or officer or that of a listed entity is entitled to payments, that MEMBER shall, in writing, direct the COOPERATIVE not to pay any further amounts arising from such claim after the date of the receipt of the written direction. When so directed, the COOPERATIVE shall not pay such claim unless the MEMBER's order is withdrawn. Provided, however, that the MEMBER shall defend and hold harmless the COOPERATIVE against all costs, including defense costs, or damages which the COOPERATIVE shall incur in acting on the direction of the MEMBER. The COOPERATIVE may require the MEMBER to advance funds to support this obligation and on a failure of the MEMBER to do so, it may choose to make the payment.

In the event that an officer or employee or other person claiming benefits from a MEMBER or the MEMBER itself should contest the decision of the Executive Board or the Board of Directors, which declines to pay a benefit in whole or in part, the decision of the Executive Board or the Board of Directors shall be final in the absence of fraud. The COOPERATIVE shall have no financial responsibility if a company which provides insurance for benefit claims refuses or is unable to pay such claims. In the absence of action by the Board of Directors to recover such funds from the Company the MEMBER affected may pursue the matter at its expense.

ARTICLE XV. Contractual Obligation.

This document shall constitute a contract among the MEMBERS of the COOPERATIVE. The obligations and responsibilities of the MEMBERS set forth herein including the obligation to take no action inconsistent with this Contract and By-Laws as originally written or validly amended shall remain a continuing obligation and responsibility of the MEMBER. The terms of this contract may be enforced in a court of law either by the COOPERATIVE itself or by any of its MEMBERS. The consideration for the duties herewith imposed upon the MEMBERS to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the MEMBERS set forth herein and the advantage gained by MEMBERS in anticipated reduction of administrative costs for the processing of personnel benefits. Provided, however, that the financial obligations of a MEMBER are limited to that agreed to herein or such additional obligations as may come about through amendments to these By-Laws. The Scope of Coverage of the COOPERATIVE shall extend only to the MEMBERS. This intergovernmental agreement is not intended to, nor does it grant, any rights, including but not limited to, the right to an interpretation of its provisions or benefits to any third-parties.

ARTICLE XVI. Expulsion of Members.

By at least the concurrence of the vote of at least two-thirds (2/3) of the entire remaining membership of the Board of Directors, any MEMBER may be expelled. Such expulsion, which shall take effect in the manner set out below, may be carried out for one or more of the following reasons:

(a) Failure to make any payments due to the COOPERATIVE,

(b) Failure to exclusively provide to its employees and officers, except independent contractors, or those in union-sponsored programs, the health and accident benefits and associated life insurance coverage of the COOPERATIVE,

(c) Failure to furnish full cooperation with the COOPERATIVE's attorneys, Executive Director, Administrator and any agent, employee, officer or independent contractor of the COOPERATIVE relating to the purpose and powers of the COOPERATIVE,

(d) Failure to carry out any obligation of a MEMBER which impairs the ability of the COOPERATIVE to carry out its purpose and powers.

No MEMBER may be expelled, except after notice from the COOPERATIVE, of the alleged failure along with a reasonable opportunity of not less than fifteen (15) days to cure the alleged failure. The MEMBER, within that 15 day period, may request a hearing before the Board of Directors before any decision is made as to whether the expulsion shall take place. The Board of Directors shall set the date for a hearing which shall not be less than fifteen (15) days after the expiration of the time to cure has passed. The Board of Directors may appoint a hearing officer to conduct such hearing and make a recommendation to the Board of Directors based upon findings of fact. If the Board conducts the hearing itself, it may make a decision at the close

of the hearing. A decision by the Board of Directors to expel a MEMBER after notice and hearing and a failure to cure the alleged defect shall be final unless the Board of Directors shall be found by a court to have committed a gross abuse of discretion. After expulsion, the former MEMBER shall continue to be fully obligated for any payments due to the COOPERATIVE which were created during the term of its membership along with any other unfulfilled obligation as if it were still a MEMBER of the COOPERATIVE.

The obligation of the COOPERATIVE to administer the claims filed under the benefit program of the expelled MEMBER shall cease thirty (30) days after the date of expulsion, provided that the MEMBER is not in financial arrears to the COOPERATIVE. If the expelled MEMBER is in financial arrears to the COOPERATIVE, including estimated deficits, the administration of claims shall cease immediately upon expulsion. After expulsion, the COOPERATIVE or its Administrator may agree by contract to administer and pay the claims of the expelled MEMBER using funds furnished by the expelled MEMBER. The expelled MEMBER shall be required to pay the cost of the transfer of such document if it should choose to pay claims by itself or through others.

ARTICLE XVII. Withdrawal of a Member and Continuation or Termination of the COOPERATIVE.

MEMBERS shall have the right to withdraw from membership at the end of any fiscal year if proper notice of withdrawal is given in the manner provided in this Article. The obligation of a MEMBER shall include continuing participation with regard to all classes of officers and employees of the MEMBER, not including its listed entities, established as being entitled to benefits at the commencement of each fiscal year. Provided, however, that if a MEMBER should choose to end continuing participation with regard to officers and employees of the MEMBER, other than at the end of a one-year term, who are to be provided health and life insurance coverage in a union-sponsored program, the COOPERATIVE shall permit such withdrawal, but it may re-price the costs of benefits to the continuing employees or officers based upon the same underwriting criteria used by that COOPERATIVE in the normal course of its business. If officers or employees are withdrawn from the COOPERATIVE into a union-sponsored program, they may subsequently be returned to coverage, but only on an underwriting basis. In addition, when the withdrawal is into a union-sponsored program, no MEMBER shall be expelled from the COOPERATIVE if the continuing employees or officers meet the general criteria required from time-to-time for other MEMBERS of the COOPERATIVE. If a MEMBER, which no longer meets the underwriting criteria as a MEMBER should be voluntarily admitted to an intergovernmental agency (sub-pool), which itself is a MEMBER of the COOPERATIVE, it may continue receiving benefits from the COOPERATIVE under the Contract and By-Laws of the Intergovernmental Agency. Provided, however, that upon at least a two-thirds (2/3) affirmative vote of the entire membership of the Board of Directors, any MEMBER may be relieved of continuing participation with regard to a particular class or classes of officers and employees of the

MEMBER. In addition, a MEMBER shall only be required to provide continuing participation for those persons within such classes of officers and employees as are actually employed or working for the MEMBER.

Any MEMBER of the COOPERATIVE may withdraw from the COOPERATIVE at the end of a fiscal year of the COOPERATIVE upon the giving of at least ninety (90) days prior written notice of withdrawal. Such notice shall be addressed to the Chairman of the COOPERATIVE and the Executive Director, and shall be accompanied by a resolution of the Corporate Authorities of the MEMBER electing to withdraw from the COOPERATIVE.

If a MEMBER should withdraw from the COOPERATIVE, no benefit claims of the MEMBER shall be processed or paid by the COOPERATIVE after the close of the fiscal year in which withdrawal takes place, unless the withdrawing MEMBER shall enter into a contract with the COOPERATIVE or the Administrator to provide such services using funds furnished by the withdrawing MEMBER. Pending claims and other records relating to the withdrawing MEMBER shall, in the absence of such a contract, be turned over to that MEMBER in a prompt manner and at that MEMBER's cost.

With regards to benefit claims and administrative fees after a MEMBER withdraws in any way from the COOPERATIVE, the contract between the COOPERATIVE and the entity offering HMO benefits may provide that the COOPERATIVE is responsible for certain payments to the HMO for benefit claims and administrative costs for a continuing period. If a contract contains such a provision, the withdrawing MEMBER is responsible for the payment to the COOPERATIVE for all of such payments for the period contained within that agreement.

Within one-hundred twenty (120) days after the approval of the audit of the COOPERATIVE for the prior fiscal year, a final accounting of funds owed or owing shall take

place. Such accounting shall include all funds of the COOPERATIVE. If the amount owed to or owing from the withdrawing MEMBER shall be $25,000 or less, the party owing such funds shall make payment within ninety (90) days after the final accounting. If the amount owed to or owing from the withdrawing MEMBER shall be over $25,000, the party owing such funds may pay such funds owed in no more than 13 equal monthly payments with interest at the highest amount lawfully payable by a non-home rule Illinois municipality with the first payment to commence within ninety (90) days after the final accounting is established.

If the withdrawal of MEMBERS prior to the start of the next fiscal year shall reduce the number of covered employees and officers of the remaining MEMBERS, and any new MEMBERS legally committed to membership for the next fiscal year, to less than 2,000 covered lives, the COOPERATIVE shall, except for winding up its affairs, cease its operations at the end of the then-concluding fiscal year. In that case, the Board of Directors shall continue to meet on such a schedule as shall be necessary to carry out the winding up of the affairs of the COOPERATIVE. If, during any fiscal year, the number of covered employees and officers should, through the withdrawal or expulsion of listed entities or attrition, be reduced to below 2,000 covered lives persons, any MEMBER may call a special meeting to discuss the feasibility of continuing the COOPERATIVE in operation until the close of that fiscal year.

All withdrawing MEMBERS shall remain fully obligated for their portion of all expenses of and claims against the COOPERATIVE incurred during the period of their membership.

If any MEMBER should file a suit against the COOPERATIVE questioning the validity of the Contract and By-Laws document, or should raise the validity of this document in a suit by the COOPERATIVE and the validity of the Contract and By-Laws document is sustained, that MEMBER shall pay for the full legal and defense costs of the COOPERATIVE in that suit.

By execution of this Contract and By-Laws document, we do hereby certify that its approval and our membership in the IPBC has been authorized by our governing Board.

DATED: _____

_____
Name: _____
Title: _____

ORDINANCE NO. 2563

AN ORDINANCE AUTHORIZING THE ACCEPTANCE OF THE CONTRACT AND BY-LAWS DOCUMENT OF THE INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE AND AUTHORIZING MEMBERSHIP IN THE IPBC BY A MUNICIPALITY

WHEREAS, a number of Illinois municipalities and Sub-Pools have entered into an intergovernmental agreement and created the Intergovernmental Personnel Benefit Cooperative ("IPBC"); and

WHEREAS, the IPBC has existed for several decades, and has provided benefit coverages for the officers and employees of many Illinois municipalities; and

WHEREAS, the Village of Rantoul "municipality" wishes to become a Member of the IPBC; and

WHEREAS, the obligation of membership requires the acceptance by the Corporate Authorities of the municipality of the Contract and By-Laws document of the IPBC as an intergovernmental contractual obligation to which the municipality will become bound;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS, as follows:

Section 1: This municipality, as of the starting date at which admission to membership was or is granted by the IPBC Board of Directors, shall become a Member of that intergovernmental cooperative.

Section 2: The terms and conditions of that membership shall be such terms and conditions as were imposed by the Board of Directors of the IPBC in the acceptance motion, and the contractual obligations under the terms of the Contract and By-Laws of the IPBC as such document currently exists and as it may be amended in accordance with its terms. This municipality assumes such terms and conditions.

Section 3: The Mayor of this municipality, or such other officer, as shall be authorized, is directed to execute any documents necessary to indicate the membership of the municipality in the IPBC.

Section 4: This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form, if required by law.

PASSED this 13 day of March, 2018.

AYES:_____

NAYS:_____

ABSENT:_____

_____
Village Clerk

APPROVED this 13th day of March, 2018.

_____
Village President

BOARD OF TRUSTEES
VILLAGE OF RANTOUL

AGENDA ITEM PAGE____OF____

ITEM: Engineering Services to Design the Murray Road/Chandler Road Box Culvert Project	**DEPARTMENT: Public Works**
AGENDA SECTION:	**AMOUNT: $19,000.00**
ATTACHMENTS: **( ) ORDINANCE** **( ) RESOLUTION** **(X) OTHER (See Summary Highlights)** **(X) SUPPORTING DOCUMENTS**	**DATE: February 23, 2018**

SUMMARY HIGHLIGHTS:
This agenda item provides for an engineering service agreement with Fehr Graham to update the plans and specifications for the box culvert reconstruction on S Murray Road (at Chandler Road) along with specifications to oil and chip the Village's perimeter roadways. The original box culvert replacement plans were developed in 1999 by Sodemann and Associates, Inc. (who has since evolved into Fehr Graham), however the project did not move forward to construction. The objective at this time is to update the drawings and specifications to current standards as well as modify the bid documents for complete construction. The existing box culvert is undersized and needs to be extended to provide adequate room for proper turning movements at the intersection. The intersection has become a major safety concern and of the utmost importance to repair.

The Village's jurisdiction includes approximately 4.5 miles of oil and chip roads, many of which have exceeded their service life and are in need of repair or extensive maintenance. In addition to the culvert replacement, it is proposed to include an oil and chip maintenance component to the plans.

This project will be funded by the Village's storm water and local motor fuel tax funds, with funds allocated in FY18 for the design and FY19 for the construction.

RECOMMENDED ACTION: Authorize an engineering service agreement with Fehr Graham in a not-to-exceed amount of $19,000.00 for the development of plans and specifications for the reconstruction of the Murray Road/Chandler Road Box Culvert Project and for the maintenance of the Village's oil and chip roadways.

DEPARTMENT HEAD APPROVAL: G. Gregory Hazel, P.E.	**VILLAGE ADMINISTRATOR:**

AGENDA PAGE NUMBER:

FEHR GRAHAM
ENGINEERING & ENVIRONMENTAL

February 20, 2018

Mr. Greg Hazel
Director of Public Works
Village of Rantoul
200 W. Grove Avenue
Rantoul, IL 61866

RE: Murray Road/Chandler Road Box Culvert
Proposal for Engineering Services

Dear Mr. Hazel,

Per your request, we are providing this proposal to define scope and professional service fees for the aforementioned project. Drawings for the box culvert were completed by Sodemann and Associates in 1999, however the project did not move forward to construction. The original intent of the project at that time was to provide information for a material letting only.

The objective at this time is to update the drawings and specifications to current standards as well as modify the bid documents for complete construction rather than material only. We have assumed 100% local funds will be used and Illinois Department of Transportation (IDOT) District 5 will not be involved in the review process. In addition, the Village has identified several local roads to have a bituminous surface treatment applied. A detailed scope of services is as follows:

Topographic Survey

- Fehr Graham has the original topographic survey in CAD archived and this will be used as a background.
- Fehr Graham will field check the survey to assure accuracy and locate any changes that may have taken place since 1999.
- Fehr Graham will make approximate width measurements on the roads designated for bituminous surface treatment. Lengths and plan views will be provided using aerial photos.

Preliminary Engineering

- Project Meetings: meet with Village representatives to outline objectives, schedule, and budget. Progress meetings are also anticipated.
- We have assumed a U.S. Army Corps of Engineers 404 permit will be required.
- Original drainage calculations will be reviewed and checked for current conditions.
- Since only local funds are being used, we have assumed a PESA will not be required.

Construction Documents

- Fehr Graham will update drawings and specifications.
- Quantities will be provided and a cost estimate prepared.
- BLR forms will be utilized for bid proposals and contract documents.

Bidding Phase

- Fehr Graham will submit for advertising in media outlets of the Village's choosing.
- Fehr Graham will provide response to RFI's during bidding.
- A Fehr Graham representative will attend the bid opening and provide a tabulation of bids.

Easement Plat

- Fehr Graham will provide an easement plat for permanent and temporary easements as shown to be required in the 1999 drawings.
- Legal descriptions for the easements will be included.

Total Estimated Fees.....$19,000.00

Please see the attached breakdown of manhours and fees for the basic services. If you have any questions regarding this proposal please call me at 217-352-7688 or costerbur@fehr-graham.com. We at Fehr Graham appreciate the opportunity to provide you with this proposal.

Sincerely,

Chad M. Osterbur, P.E., PLS
Project Engineer

CMO:lmb

Enclosures

N:\Proposals\2018\Chad Osterbur\Village of Rantoul\Assuming Local ONLY\2018-02-20 Rantoul Box Culvert Replacement Proposal Agreement.docx

FEHR GRAHAM
ENGINEERING & ENVIRONMENTAL

AGREEMENT
FOR PROFESSIONAL SERVICES

Client Mr. Greg Hazel
Village of Rantoul
333 South Tanner
P.O. Box 38
Rantoul, IL 61866

217.892.6828

Description of Services:

Rantoul - Murray/Chandler Roads Box Culvert

Fehr Graham will provide the following professional services included in the proposal dated February 20, 2018.

COST: You will be billed on a time and material basis as per the annually established fee schedule. The fee for performing the above services is estimated to be $19,000.

ESTIMATED PROJECT COMPLETION DATE: June 1, 2018.

The attached General Conditions are incorporated into and made a part of this Agreement.

ACCEPTED AND AGREED TO:
I/we, the undersigned, authorize Fehr Graham to provide services as outlined above, and also agree that I/we are familiar with and **ACCEPT THE TERMS OF THE ATTACHED GENERAL CONDITIONS.**

CLIENT:		CONSULTANT:	
Signature		By	
Name		Name	Matthew A. Johnson
Title		Title	Branch Manager
Date Accepted		Date Proposed	February 20, 2018

GENERAL CONDITIONS TO AGREEMENT FOR PROFESSIONAL SERVICES

1. The Client requests the professional services of Fehr Graham hereinafter called "The Consultant" as described herein.

2. The Consultant agrees to furnish and perform the professional service described in this Agreement in accordance with accepted professional standards. Consultant agrees to provide said services in a timely manner, provided, however, that Consultant shall not be responsible for delays in completing said services that cannot reasonably be foreseen on date hereof or for delays which are caused by factors beyond his control or delays resulting from the actions or inaction of any governmental agency. Consultant makes no warranty, expressed or implied, as to his findings, recommendations, plans and specifications or professional advice except that they were made or prepared in accordance with the generally accepted engineering practices.

3. It is agreed that the professional services described in the Agreement shall be performed for Client's account and that Client will be billed monthly for said services. A 1½% per month service charge will be incurred by Client for any payment due herein and not paid within 30 days of such billing which is equal to an ANNUAL PERCENTAGE RATE OF 18%. Partial payments will be first credited to the accrued service charges and then to the principal.

4. The Client and the Consultant each binds himself, his partners, successors, executors, and assigns to the other party to this agreement and to the partners, successor, executors, and assigns of such other party in respect to this agreement.

5. The Client shall be responsible for payment of all costs and expenses incurred by the Consultant for his account, including any such monies that the Consultant may advance for Client's account for purposes consistent with this Agreement.

6. The Consultant reserves the right to withdraw this Agreement if not accepted within 30 days.

7. A claim for lien will be filed within 75 days of the date of an invoice for services (last day of services rendered) unless the account is paid in full or other prior arrangements have been made. All attorney fees incurred by the Consultant due to the filing of said lien or the foreclosure thereof shall be borne by the Client.

   In the event suit must be filed by Consultant for the collection of fees for services rendered, Client will pay all reasonable attorney's fees and court costs.

   If Client defaults in payment of fees or costs due under the terms of this Agreement and Consultant incurs legal expenses as a result of such failure, Client shall be responsible for payment for Consultant's reasonable attorney fees and costs so incurred.

8. The Consultant shall present, for the consideration of the Client, engineering and technical alternatives, based upon its knowledge and experience in accordance with accepted professional standards, with selection of alternatives and final decisions as requested by the client to be the sole responsibility of the Client.

9. Construction Phase Activities (When applicable) - In connection with observations of the work of the Contractor(s) while it is in progress the Consultant shall make visits to the site at intervals appropriate to the various stages of construction as the Consultant deems necessary in Agreement to observe as an experienced and qualified design professional the progress and quality of the various aspects of the Contractor(s)'s work. Based on information obtained during such visits and on such observation, the Consultant shall endeavor to determine in general if such work is proceeding in accordance with the Contract Documents and the Consultant shall keep the Client informed of the progress of the work.

   The purpose of the Consultant's visits to the site will be to enable the Consultant to better carry out the duties and responsibilities assigned to and undertaken by the Consultant during the Construction Phase, and, in addition, by exercise of the Consultant's efforts as an experienced and qualified design professional, to provide for the Client a greater degree of confidence that the completed work of the Contractor(s) will conform generally to the Contract Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by the Contractor(s). The Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor(s), for safety precautions and programs incident to the work of Contractor(s) or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractors(s) furnishing and performing their work. Accordingly, the Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' failure to furnish and perform their work in accordance with the Contract Documents.

10. Estimates of Fees - When fees are on a time and material basis the estimated costs required to complete the services to be performed are made on the basis of the Consultant's experience, qualifications, and professional judgment, but are not guaranteed. If the costs appear likely to exceed the estimate in excess of 20%, the Consultant will notify the Client before proceeding. If the Client does not object to the additional costs within seven (7) days of notification, the increased costs shall be deemed approved by the Client.

11. The Consultant is responsible for the safety on site of his own employees. This provision shall not be construed to relieve the Client or the Contractor(s) from their responsibility for maintaining a safe work site. Neither the professional services of the Consultant, nor the presence of his employees or subcontractors shall be construed to imply that the Consultant has any responsibility for any activities on site performed by personnel other than the Consultant's employees or subcontractors.

12. Original survey data, field notes, maps, computations, studies, reports, drawings, specifications and other documents generated by the Consultant are instruments of service and shall remain the property of the Consultant. The Consultant shall provide copies to the Client of all documents specified in the Description of Services.

Any documents generated by the Consultant are for the exclusive use of the Client and any use by third parties or use beyond the intended purpose of the document shall be at the sole risk of the Client. To the fullest extent permitted by law, the Client shall indemnify, defend and hold harmless the Consultant for any loss or damage arising out of the unauthorized use of such documents.

13. No claim may be asserted by either party against the other party unless an action on the claim is commenced within two (2) years after the date of the Consultant's final invoice to the Client.

14. If a Client's Purchase Order form or acknowledgment or similar form is issued to identify the agreement, authorize work, open accounts for invoicing, provide notices, or document change orders, the preprinted terms and condition of said Purchase Order shall be superseded by the terms hereof.

15. Standard of Care - Services performed by Consultant under this agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. No other representation expressed or implied, and no warranty or guarantee is included or intended in any report, opinion or document under this agreement.

16. Liability Insurance - Consultant will maintain such liability insurance as is appropriate for the professional services rendered as described in this Agreement. Consultant shall provide Certificates of Insurance to Client, upon Client's request, in writing.

17. Indemnification and Limitation of Liability - Client and Consultant each agree to indemnify and hold the other harmless, including their respective officers, employees, agents, members, and representatives, from and against liability for all claims, costs, losses, damages and expense, including reasonable attorney's fees, to the extent such claims, losses, damages or expenses are caused by the indemnifying party's acts, errors or omissions.

    The Client understands that for the compensation herein provided Consultant cannot expose itself to liabilities disproportionate to the nature and scope hereunder. Therefore, the Client agrees to limit Consultant's liability to the Client arising from Consultant's professional acts, errors or omissions, such that the total aggregate liability of Consultant shall not exceed $50,000 or Consultant's total fee for services rendered on this Project, whichever is less.

18. Allocation of Risk - Consultant and Client acknowledge that, prior to the start of this Agreement, Consultant has not generated, handled, stored, treated, transported, disposed of, or in any way whatsoever taken responsibility for any toxic substance or other material found, identified, or as yet unknown at the Project premises. Consultant and Client further acknowledge and understand that the evaluation, management, and other actions involving toxic or hazardous substances that may be undertaken as part of the Services to be performed by Consultant, including subsurface excavation or sampling, entails uncertainty and risk of injury or damage. Consultant and Client further acknowledge and understand that Consultant has not been retained to serve as an insurer of the safety of the Project to the Client, third parties, or the public.

    Client acknowledges that the discovery of certain conditions and/or taking of preventative measures relative to these conditions may result in a reduction of the property's value. Accordingly, Client waives any claim against Consultant and agrees to indemnify, defend, and hold harmless Consultant and its subcontractors, consultants, agents, officers, directors, and employees from any claim or liability for injury or loss allegedly arising from procedures associated with environmental site assessment (ESA) activities or the discovery of actual or suspected hazardous materials or conditions. Client releases Consultant from any claim for damages resulting from or arising out of any pre-existing environmental conditions at the site where the work is being performed which was not directly or indirectly caused by and did not result from, in whole or in part, any act or omission of Consultant or subcontractor, their representatives, agents, employees, and invitees.

    If, while performing the Services set forth in any Scope of Services, pollutants are discovered that pose unanticipated or extraordinary risks, it is hereby agreed that the Scope of Services, schedule, and costs will be reconsidered and that this Agreement shall immediately become subject to renegotiation or termination. Client further agrees that such discovery of unanticipated hazardous risks may require Consultant to take immediate measures to protect health and safety or report such discovery as may be required by law or regulation. Consultant shall promptly notify Client upon discovery of such risks. Client, however, hereby authorizes Consultant to take all measures Consultant believes necessary to protect Consultant and Client personnel and the public. Furthermore, Client agrees to compensate Consultant for any additional costs associated with such measures.

19. In the event of legal action to construe or enforce the provisions of this agreement, the prevailing party shall be entitled to collect reasonable attorney fees, court costs and related expenses from the losing party and the court having jurisdiction of the dispute shall be authorized to determine the amount of such fees, costs and expenses and enter judgment thereof.

20. Termination - The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, Consultant will be paid for all services rendered to the date of receipt of written notice of termination, at Consultant's established chargeout rates, plus for all Reimbursable Expenses including a 15% markup.

21. Provision Severable - The unenforceability or invalidity of any provisions hereof shall not render any other provisions herein contained unenforceable or invalid.

22. Governing Law and Choice of Venue - Client and Consultant agree that this Agreement will be governed by, construed, and enforced in accordance with the laws of the State of Illinois. If there is a lawsuit, Client and Consultant agree that the dispute shall be submitted to the jurisdiction of the Illinois District Court in and for Stephenson County, Illinois.

Village of Rantoul

Oil & Chip

Road Repair

Oil & Chip Roads

Village of Rantoul
Public Works Dept.
200 W. Grove Avenue
Rantoul, IL 61866
(217) 892-6526

02/22/2018

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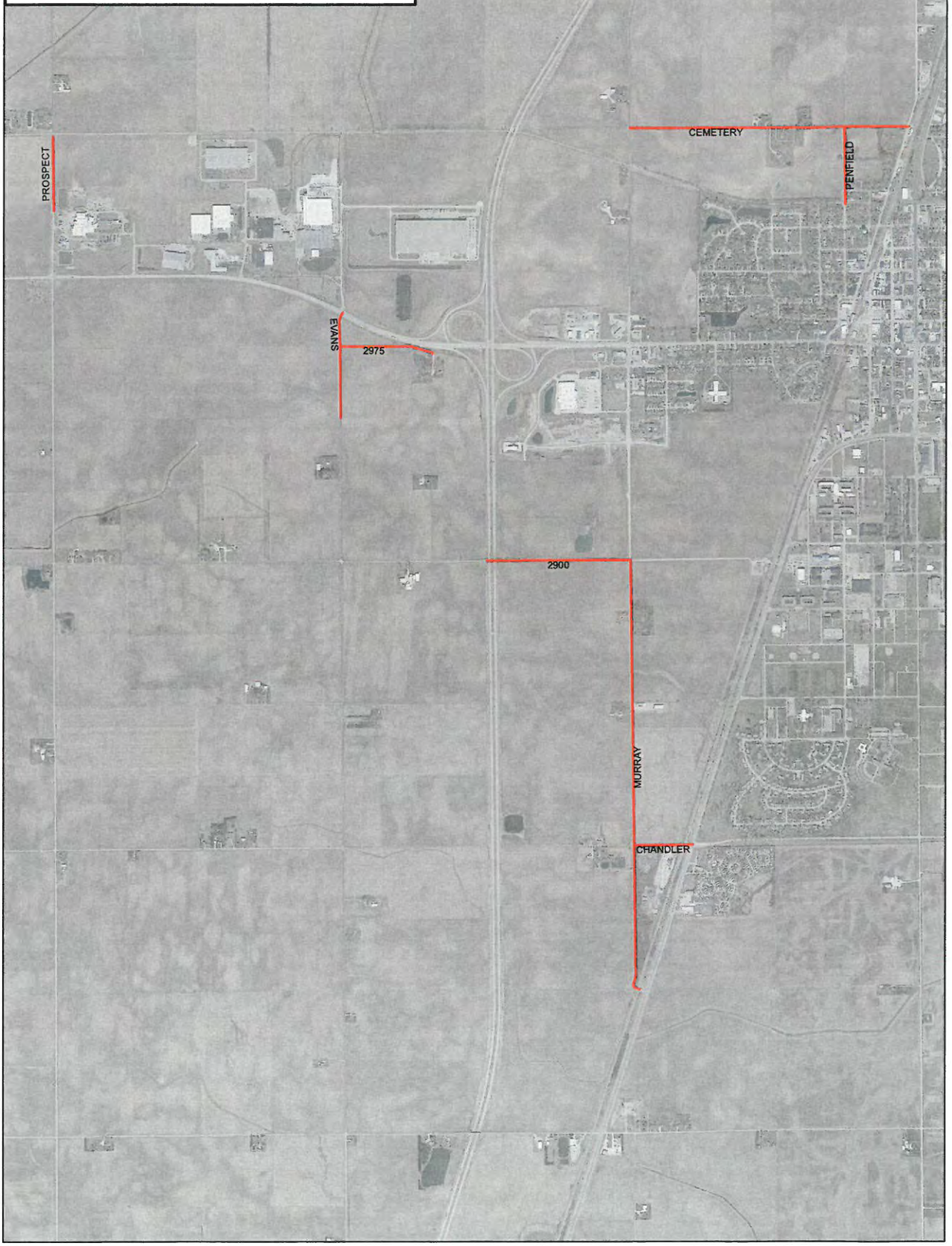
0 900 1,800 3,600 5,400 Feet



BOARD OF TRUSTEES
VILLAGE OF RANTOUL

AGENDA ITEM PAGE_____OF_____

ITEM: Sale of properties at 735, 801 & 909 Pacesetter Dive (Hangars 1, 2 & 3)	**DEPARTMENT: Public Works - Airport**
AGENDA SECTION:	**AMOUNT: $3,400,000.00**
ATTACHMENTS: **( ) ORDINANCE** **( ) RESOLUTION** **( ) OTHER (See Summary Highlights)** **(X) SUPPORTING DOCUMENTS**	**DATE: February 27, 2018**

SUMMARY HIGHLIGHTS:

This Agenda Item provides for the sale of the properties at 735 Pacesetter Drive (Hangar 1), 801 Pacesetter Drive (Hangar 2), and 909 Pacesetter Drive (Hangar 3) in the amount of $3,400,000.00. These properties have been utilized by numerous entities over the years including Rantoul Products, Bell Sports & Donco in Hangar 1; I & I in Hangar 2; and Bell Sports and others in Hangar 3. While the leasing options have become more limited in recent years, since early 2016 Coldwell Banker Devonshire Realty has been marketing (for sale or lease) these properties on behalf of the village.

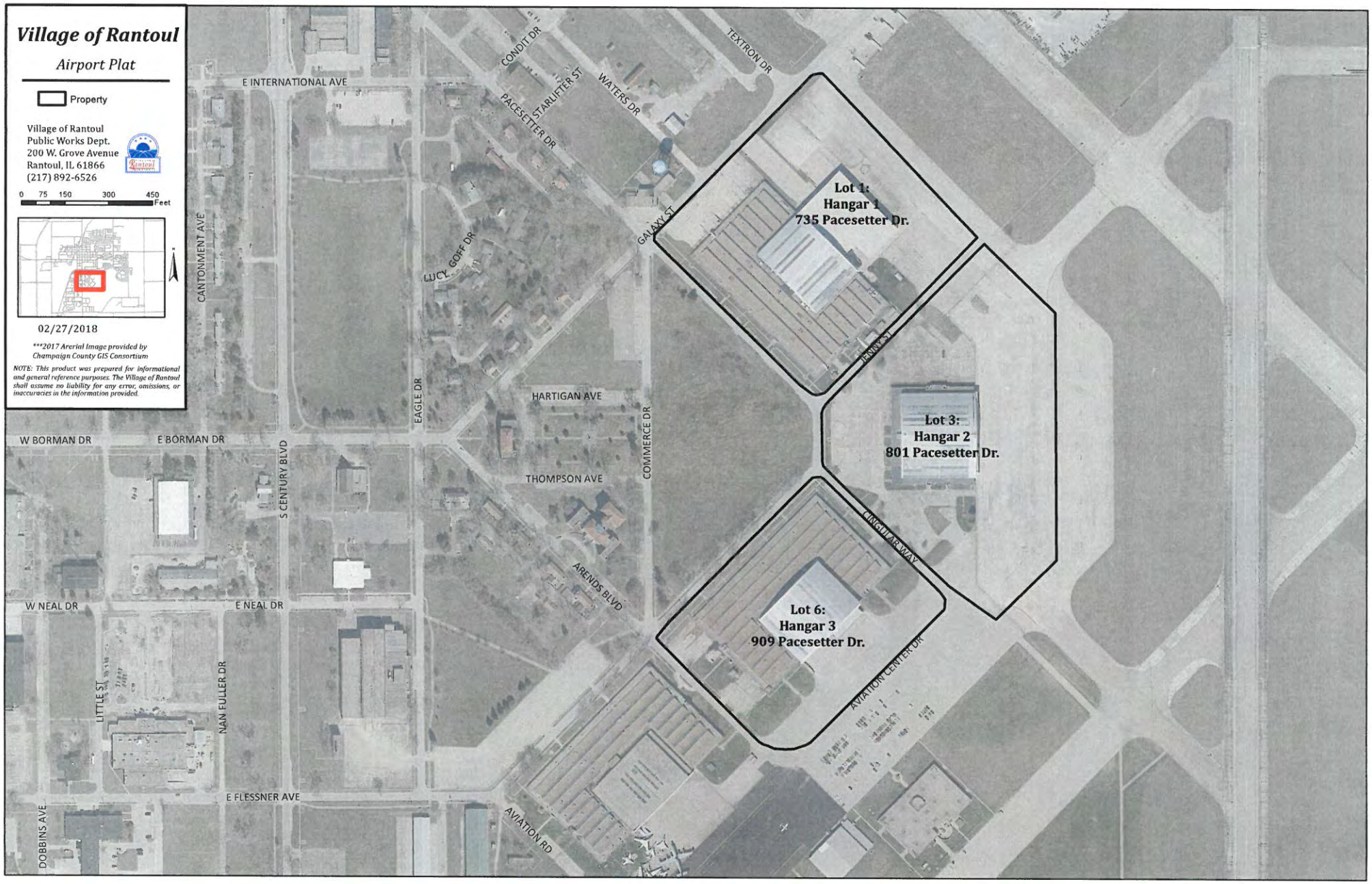
The party seeking to buy these properties is Mr. John Van Der Velde, who has tenants in mind for these facilities, which includes a Bio Engineering Technology company. The buyer will undertake the necessary renovations and improvements for these buildings.

These properties are currently within the Airport's footprint and once the final deeds for Hangars 2 and 3 are received from the Air Force, a release by the Federal Aviation Authority (FAA) will be required to fully complete the sale process. The proceeds from this sale will be earmarked for future Airport capital improvement projects as outlined in the five (5) year Transportation Improvement Plan (TIP).

RECOMMENDED ACTION: Authorize the approval of the sale of 735 Pacesetter Drive (Hangar 1), 801 Pacesetter Drive (Hangar 2), and 909 Pacesetter Drive (Hangar 3) in the amount of $3,400,000.00.

DEPARTMENT HEAD APPROVAL: G. Gregory Hazel, P.E. Eric Vences	**VILLAGE ADMINISTRATOR:** Rick Snider

AGENDA PAGE NUMBER:


Village of Rantoul
Airport Plat
Property
Village of Rantoul
Public Works Dept.
200 W. Grove Avenue
Rantoul, IL 61866
(217) 892-6526
0 75 150 300 450 Feet
02/27/2018
***2017 Aerial Image provided by Champaign County GIS Consortium
NOTE: This product was prepared for informational and general reference purposes. The Village of Rantoul shall assume no liability for any error, omissions, or inaccuracies in the information provided.
Lot 1:
Hangar 1
735 Pacesetter Dr.
Lot 3:
Hangar 2
801 Pacesetter Dr.
Lot 6:
Hangar 3
909 Pacesetter Dr.
E INTERNATIONAL AVE
CONDIT DR
PACESETTER DR
STARLIFTER ST
WATERS DR
TEXTRON DR
GALAXY ST
LUCY GOFF DR
CANTONMENT AVE
EAGLE DR
HARTIGAN AVE
COMMERCE DR
THOMPSON AVE
W BORMAN DR
E BORMAN DR
S CENTURY BLVD
ARENDS BLVD
CINGULAR WAY
W NEAL DR
E NEAL DR
AVIATION CENTER DR
LITTLE ST
NAN FULLER DR
E FLESSNER AVE
AVIATION RD
DOBBINS AVE

AGREEMENT FOR SALE OF REAL ESTATE

BY AND BETWEEN THE

VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS,
AS SELLER

AND

JOHN VAN DER VELDE,
AS BUYER

DATED AS OF MARCH 1, 2018

AGREEMENT FOR SALE OF REAL ESTATE

THIS AGREEMENT FOR SALE OF REAL ESTATE, including Exhibit A, which is attached hereto and made a part hereof (collectively, this **"Agreement"**), is dated for reference purposes only as of March 1, 2018, by and between the Village of Rantoul, Champaign County, Illinois, an Illinois municipal corporation, as Seller (**"Seller"**) and John Van Der Velde, an individual of Los Angeles, California, as Buyer (**"Buyer"**). For the purposes of this Agreement, the term **"Parties"** is sometimes used to refer to and identify both Seller and Buyer collectively. This Agreement shall become effective upon the date of its actual execution by the last of the Parties hereto as set forth on the signature page hereof (the **"Effective Date"**).

RECITALS

NOW, THEREFORE, for and in consideration of the mutual covenants and agreement contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

ARTICLE I
SALE AND PURCHASE

Section 1.1. Real Estate Description. Seller agrees to sell and Buyer agrees to purchase the real estate commonly known as 735 Pacesetter Drive (**"Hangar 1"**) and 801 and 809 Pacesetter Drive (**"Hangars 2 and 3"**), Rantoul, Illinois, which are more particularly described on Exhibit A attached hereto and made a part hereof (the **"Real Estate"**), together with all improvements and appurtenances thereon, (the Real Estate and any such improvements being, collectively, the **"Premises"**), upon the terms and conditions set forth in this Agreement.

Section 1.2. Purchase Price. Buyer agrees to pay to Seller $3,400,000.00 as the total purchase price for the Premises. Such total purchase price, adjusted by prorations and credits allowed the Parties by this Agreement, shall be paid to Seller at closing in cash, by cashier's check, by check issued by a lending institution, or other form of payment acceptable to Seller.

Section 1.3. Due Diligence.

(a) For a period of 180 days after the Effective Date of this Agreement (the **"Due Diligence Period"**), Buyer and his agents and representatives shall be entitled to conduct an inspection of the Premises, which may include, but shall not be limited to, the rights to (1) enter on the Premises to perform inspections and tests, including, but not limited to, inspection, evaluation and testing of the heating, ventilation and air-conditioning systems and all components thereof, the roof of the buildings, the parking lots, all structural and mechanical systems within the buildings, including, but not limited to, sprinkler systems, power lines and panels and plumbing; (2) inspect leases and all other contracts, agreements, documents and environmental reports in the possession or control of Seller relating to the Premises, copies of which shall be provided to Buyer by Seller to the extent in Seller's possession or control; and (3) make investigations with regard to zoning, environmental, building code and other legal requirements, including, but not limited to, an environmental assessment. If Buyer, in its sole and absolute discretion, determines that the results of any inspection, test or examination do not meet Buyer's criteria for purchase or operation of the Premises in the manner contemplated by Buyer, or if Buyer, in his sole discretion, otherwise determines that the Premises are unsatisfactory to him, then Buyer may terminate this Agreement by

written notice to Seller, given not later than the last day of the Due Diligence Period. Upon such termination, and, except as otherwise provided in this Section, neither of the Parties shall have any further liability to the other hereunder. In the event Buyer fails to notify Seller of his intent to terminate this Agreement prior to the expiration of the Due Diligence Period, Buyer's right to terminate this Agreement shall be waived and become null and void.

(b) All inspections, investigations, tests, examinations and appraisals required by Buyer under this Section shall be at Buyer's expense unless otherwise expressly provided in this Agreement.

(c) Neither Buyer, nor any of his agents or representatives, shall damage the Premises or any portion thereof, except for any immaterial damage caused by environmental and other tests, all of which shall promptly be repaired by Buyer at Buyer's sole cost and expense. Buyer agrees to indemnify and defend Seller and hold Seller harmless from any and all claims, demands, actions, lawsuits, damages and costs, including reasonable attorneys' fees, arising out of any act or omission of Buyer, or its agents and/or representatives, in connection with Buyer's due diligence review. The foregoing obligation shall survive the closing of this transaction and any termination of this Agreement.

(d) The physical condition of the Premises shall be substantially the same on the date of possession, as it exists as of the Effective Date of this Agreement, reasonable wear and tear excepted.

Section 1.4. Contingency of Agreement. This Agreement is contingent upon Seller being expressly authorized by the Federal Aviation Administration (the **"FAA"**) to sell and convey the Premises to a third party purchaser. In the event that Seller has been unable to obtain such authorization from the FAA within 180 days of the Effective Date, this Agreement shall be deemed null and void and of no force and effect and neither Seller nor Buyer shall have any obligation or liability with respect thereto.

Section 1.5. Possession and Closing. Seller shall deliver possession of the Premises to Buyer at the time of the closing of this transaction (the **"Closing"**) which shall occur fifteen (15) days after the last day of the Due Diligence Period described in Section 1.3 of this Agreement above, or after satisfaction of the contingency described in Section 1.4 of this Agreement above, whichever occurs last (the **"Closing Date"**), at the office of Allied Capital Title, 201 W. Springfield Avenue, Champaign, Illinois (the **"Title Company"**). Provided, however, that in the event that the Closing Date does not occur within 180 days of the Effective Date, this Agreement shall be deemed null and void in accordance with Section 1.4 above. All keys, combinations and other similar items required to properly deliver possession and control of the Premises to Buyer shall be delivered to Buyer at closing.

ARTICLE II
TITLE MATTERS

Section 2.1. Evidence of Title. Within a reasonable time after the Effective Date, Seller shall deliver to Buyer a Commitment for Title Insurance issued by the Title Company committing the Title Company to issue a title policy in the usual form insuring title to the Premises in the name of Buyer for the amount of the purchase price. Seller shall be responsible for payment of the

Owner's premium and Seller's search charges. The balance of the cost of providing title insurance shall be borne by Buyer.

Section 2.2. Exceptions to Title.

(a) Permissible exceptions to title shall include the following (the **"Permitted Exceptions"**): the lien of general taxes and special assessments, if any; zoning laws and building codes and ordinances; easements (apparent or of record) which do not underlie any buildings; and covenants and restrictions of record which are not violated by the existing improvements or the present uses of the Premises and which do not restrict reasonable use of the Premises; all existing leases for all or any part of the Premises (the **"Existing Leases"**); and all applicable covenants and restrictions contained in the following: **(i)** that certain Airport Phase I Quit Claim Deed dated July 12, 2007 from the United States of America, acting by and through the Secretary of the Air Force (the **"Government"**), to the Village of Rantoul for Hangar 1 (the **"Hangar 1 Quit Claim Deed"**); and **(ii)** that certain Quit claim Deed to be delivered to Seller from the Government for Hangars 2 and 3 (the **"Hangars 2 and 3 Quit Claim Deed"**), copies of which Existing Leases and Hangar 1 Quit Claim Deed have been provided to or otherwise been made available to the Buyer and a copy of which Hangars 2 and 3 Quit Claim Deed shall be provided to Buyer within ten (10) business days after delivery thereof from the Government to Seller.

(b) Except for the Permitted Exceptions, Seller agrees that it will not further encumber the Real Estate in any manner that will affect title to the Real Estate.

(c) If title evidence discloses exceptions other than the Permitted Exceptions, Buyer shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to have such title exceptions removed, or, any such exception which may be removed by the payment of money may be cured by paying the amount due at or prior to the Closing. If Seller is unable to cure any such exception, then this Agreement may be terminated in the sole discretion of Buyer.

Section 2.3. Special Warranty Deed; Other Deliveries.

(a) Prior to the Closing, Seller or Seller's attorney shall prepare and Seller shall execute a recordable Special Warranty Deed sufficient to convey the Real Estate to Buyer or its nominee, in fee simple absolute, subject only to the Permitted Exceptions. Such executed Special Warranty Deed shall be delivered to Buyer at the Closing of this transaction upon compliance with the terms of this Agreement.

(b) Upon Buyer's request at any time during the Due Diligence Period, Seller shall deliver to Buyer the following:

(i) the form of the Special Warranty Deed and copies of all originals of the Existing Leases and any other contracts, licenses, permits and agreements pertaining to the Premises to the extent not previously delivered to Buyer under Section 1.3(a)(2) above; and

(ii) the form of Seller's assignment to Buyer of all of Seller's interest in the Existing Leases and all rent payable thereunder.

Buyer shall have the right during the Due Diligence Period to approve each of the items described in parts (i) and (ii) above.

ARTICLE III
PRORATIONS, REPRESENTATIONS AND OTHER OBLIGATIONS

Section 3.1. Taxes and Assessments. Real estate taxes apportioned through the date of possession shall be Seller's expense. The proration thereof shall be calculated upon the basis of the most current tax information, including confirmed multipliers. Transfer tax and all special assessments which are a lien upon the Real Estate as of the Effective Date of this Agreement shall be Seller's expense. All such taxes and special assessments shall constitute a credit to Buyer against the purchase price and shall release Seller from any further liability to Buyer in connection therewith.

Section 3.2. Proration of Rents. The proration of rents derived from the Existing Leases, if any, shall be prorated as of the day prior to the Closing Date, with Seller being entitled to all such rent accruing prior to the Closing Date and Buyer being entitled to all rent accruing on and after the Closing Date.

Section 3.3. Authority. Each of the Parties represents and warrants, as of the date of execution of this Agreement and as of the Closing (i) that it or they have legal right, power and authority to execute and fully perform its or their obligations under this Agreement and (ii) that the persons executing this Agreement and other related documents required hereunder are authorized to do so. The representations and warranties given by each of the Parties in this Section 3.3 shall survive the Closing.

Section 3.4. Casualty and Condemnation. If, prior to the Closing, all or any portion of the Premises is damaged by fire or other natural casualty (collectively **"Damage"**), or is taken or made subject to condemnation, eminent domain or other governmental acquisition proceedings (collectively **"Condemnation"**), then the following procedures shall apply:

(a) If the aggregate cost of repair or replacement of the Damage (collectively, **"Repair and/or Replacement"**) is $340,000 or less, Buyer shall close and take the Property as diminished by such events, subject to a reduction in the Purchase Price applied against the balance of the purchase price otherwise due at the Closing in the full amount of the Repair and/or Replacement. Any casualty insurance shall be the sole property of Seller.

(b) If the aggregate cost of Repair and/or Replacement is greater than $340,000 or in the event of a Condemnation, then Buyer, at its sole option, may elect either to (1) terminate this Agreement by written notice to Seller, in which event Buyer shall be entitled to a return of the Earnest Money; or (2) proceed to close subject to (i) a reduction on the Purchase Price of $340,000, applied against the balance of the purchase price otherwise due at the Closing; together with (ii) an assignment of the proceeds of Seller's casualty insurance for all Damage (or condemnation awards for any Condemnation) in excess of $340,000. In such event, Seller shall fully cooperate with Buyer in the adjustment and settlement of the insurance claim.

(c) In the event of a dispute between Seller and Buyer with respect to the cost of Repair and/or Replacement in connection with the matters set forth in this Section, Seller and Buyer shall select an independent engineer licensed to practice in Champaign County, Illinois, who shall resolve such dispute. All fees, costs and expenses of such licensed engineer so selected shall be shared equally by Seller and Buyer.

ARTICLE IV
DEFAULT

Section 4.1. Default. The failure of either of the Parties to timely perform any obligation or condition contained in this Agreement shall constitute a **"Default"** under this Agreement.

Section 4.2. Remedies. Upon the occurrence of a Default, the party claiming the Default (the **"Non-Defaulting Party"**) may serve written notice of the Default upon the other party (the **"Defaulting Party"**), and if such Default is not corrected within ten (10) calendar days of the date of such notice, the Non-Defaulting Party may take one or more of the following actions: elect to treat this Agreement as cancelled and of no further force and effect; maintain a claim for monetary damages for breach of contract; maintain an action for specific performance; or maintain any other or different action or combination thereof as allowed by law.

Section 4.3. Non-Exclusive Remedies. The remedies set forth in Section 4.2 above in the event of a Default are not intended to be exclusive and the Parties shall have the right to all other lawful remedies, including specific performance.

Section 4.4. Costs or Expenses and Fees. If the Non-Defaulting Party prevails in any litigation to enforce any provision of this Agreement, the Defaulting Party shall pay all of the Non-Defaulting Party's charges, costs and expenses, including the reasonable fees of attorneys, agents and others, as may be paid or incurred by such Non-Defaulting Party in enforcing any of the Defaulting Party's obligations under this Agreement.

ARTICLE V
MISCELLANEOUS PROVISIONS

Section 5.1. Entire Agreement and Amendments. This Agreement (together with Exhibit A, which is attached hereto and made a part hereof) is the entire agreement between Seller and Buyer relating to the subject matter hereof. This Agreement supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, and may not be modified or amended except by a written instrument executed by both of the Parties.

Section 5.2. Construction. The captions and headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the construction or interpretation of any term or provision hereof.

Section 5.3. Third Parties. Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other persons other than the Parties and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation or liability of any third persons to either of the Parties, nor shall any provision give any third parties any rights of subrogation or action over or

against either of the Parties. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

Section 5.4. Counterparts. Any number of counterparts of this Agreement may be executed and delivered and each shall be considered an original and together they shall constitute one agreement.

Section 5.5. Time of the Essence. Time is of the essence of this Agreement; including, without limitation, all time deadlines for satisfying conditions and the Closing on or before the Closing Date.

Section 5.6. Waiver. Each of the Parties to this Agreement may elect to waive any right or remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless such waiver is in writing. No such waiver shall obligate the waiver of any other right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided pursuant to this Agreement.

Section 5.7. Notices and Communications. All notices, demands, requests or other communications under or in respect of this Agreement shall be in writing and shall be deemed to have been given when the same are (a) deposited in the United States mail and sent by registered or certified mail, postage prepaid, return receipt requested, (b) personally delivered, or (c) sent by a nationally recognized overnight courier, delivery charge prepaid, in each case, to Seller and Buyer at their respective addresses (or at such other address as each may designate by notice to the other), as follows:

(i) In the case of Seller, to:
Village of Rantoul, Illinois
333 South Tanner Street
Rantoul, IL 61866
Attn: Airport Manager
Tel: (217) 892-6896

With a copy to:
Kenneth N. Beth
Evans, Froehlich, Beth & Chamley
44 Main Street, Third Floor
Champaign, IL 61820
Tel: (217) 359-6494

(ii) In the case of Buyer, to:
John Van Der Velde
3230 Overland Avenue, #217
Los Angeles, CA 90034
Tel: (310) 202-1035

Whenever any party hereto is required to deliver notices, certificates, opinions, statements or other information hereunder, such party shall do so in such number of copies as shall be reasonably specified.

Section 5.8. Assignment. Buyer agrees that he shall not sell, assign or otherwise transfer any of his rights and obligations under this Agreement to any party other than to an entity having common ownership with the Buyer without the prior written consent of the Seller, which shall not be unreasonably denied. Except as authorized in this Section above, any assignment in whole or in part shall be void and shall, at the option of the Seller, terminate this Agreement. No such sale, assignment or transfer as authorized in this Section, including any with or without the Seller's prior written consent, shall be effective or binding on the Seller, however, unless and until the Buyer delivers to the Seller a duly authorized, executed and delivered instrument which contains any such sale, assignment or transfer and the assumption of all the applicable covenants, agreements, terms and provisions of this Agreement by the assignee.

Section 5.9. Successors in Interest. Subject to Section 5.8 above, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respectively authorized successors, assigns and legal representatives.

Section 5.10. No Joint Venture, Agency, or Partnership Created. Nothing in this Agreement nor any actions of either Seller or Buyer shall be construed by either Seller or Buyer or any third party to create the relationship of a partnership, agency, or joint venture between or among Seller and Buyer.

Section 5.11. Illinois Law; Venue. This Agreement shall be construed and interpreted under the laws of the State of Illinois. If any action or proceeding is commenced by either of the Parties to enforce any of the provisions of this Agreement, the venue for any such action or proceeding shall be in Champaign County, Illinois.

Section 5.12. Construction of Agreement. This Agreement has been jointly negotiated by the Parties and shall not be construed against either one of them because that party may have primarily assumed responsibility for preparation of this Agreement.

IN WITNESS WHEREOF, Buyer has caused this Agreement to be executed by him individually and the Seller has caused this Agreement to be executed by its duly authorized Mayor and Village Clerk, as of each of the dates set forth below.

VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS, AS SELLER

By:_____
Village President

ATTEST:

By:_____
Village Clerk

Date:_____

JOHN VAN DER VELDE, AS BUYER

Date: February 22, 2015

[Exhibit A follows this page and is an integral part of this Agreement in the context of use.]

EXHIBIT A

Legal Description

BOARD OF TRUSTEES
VILLAGE OF RANTOUL

AGENDA ITEM	PAGE	OF

ITEM: EDA Revolving Loan Request	**DEPARTMENT:** Economic Development
AGENDA SECTION:	**AMOUNT:**
ATTACHMENTS: ( ) ORDINANCE ( ) RESOLUTION ( ) OTHER (See Summary) (X) SUPPORTING DOCUMENTS	**DATE:** February 27, 2018

SUMMARY HIGHLIGHTS:

Duane and Jennifer Smith are requesting a loan to purchase the Family Table Restaurant at 1724 E. Grove Ave. The purchase price is $40,000.00 and the Smiths are requesting $15,000 for working capital and to purchase additional equipment. They will have $14,000 to put into this purchase. See attached documents.

The Revolving Loan Committee is recommending approval of this loan with the follow stipulations.

Loan Amount: $55,000.00
Term: 7 years
Interest: 4%
Collateral: Lien on contract for 1500 Eater Drive - funds to be applied to the loan
$6,000 to be Escrowed before Village loan is advanced
Security Agreement and 1st lien position on equipment
Personal Guaranty from the Smiths

RECOMMENDED ACTION: Approve the loan to Mr. and Mrs. Smith

DEPARTMENT HEAD APPROVAL	**VILLAGE ADMINISTRATOR**
AGENDA PAGE NUMBER:	

DATE: 2.22.18

Borrower: Duane & Jennifer Smith

Loan Amount: $55,000

Term: 7 years

Rate: 4%

Collateral: furniture, fixtures, equipment

The Smiths propose to purchase the Family Table Restaurant, located in the [redacted] Mall at 1724 E. Grove Avenue, which opened in early 2013. The purchase price of the restaurant and its equipment, furniture, fixtures is $40,000 and the borrowers are requesting an additional $15,000 for working capital and some additional equipment. They plan to have $14,000 from a tax refund, bonus and family gift as additional cash on hand.

Loan Repayment: Loan payments total $9,180/year. The current business had a net income of $30,686 in 2015 and $29,680 in 2016. Mr. Smith earns a salary of $71,459 in 2017 at Aramark Uniform Services and will continue his job. Mrs. Smith will be a full-time employee of the restaurant.

The Smiths will be adding both liquor sales and gaming machines, projected to add an additional $2500-6000/month in net sales. They project that adding a salad bar and other menu changes will increase sales as well.

Collateral: The restaurant leases its space. Collateral will consist of restaurant equipment and furniture/fixtures, with an original purchase price of $49,000. Discounting this 50% leaves the loan mostly unsecured, so the Village will be relying on restaurant income and other employment income from the Smiths for repayment.

Job creation/retention: The business currently employs 10 people and the Smiths plan to add more staff as sales increase. The EDA loan fund requires a minimum of 1 job created or retained for each $30,000 loaned.

Summary:

We have always dreamed of owning a family restaurant and the opportunity has arisen to fulfill that dream. We both have restaurant and food management/handling experience. We would employ initially 10-20 people that we personally know to be highly regarded in their fields to help run and maintain the success of the restaurant.

Opportunity:

We, Duane and Jennifer Smith, are seeking financial assistance with opening an already existing restaurant under new management. The purchase would be of restaurant equipment and all other items being currently used and known as "Family Table" in Rantoul, Illinois located at 1724 E. Grove Avenue.

Sellers would like to have completed by 2/25/2018.

Rantoul has a population of approximately 12,000 people and it is currently underserved in the sit down restaurant area. It has a need for an affordable yet tasty place to sit down and eat comparable to the Champaign restaurants without the higher costs. We would be targeting not only the Rantoul population but also the other feeder towns in the area along with the local rural customers. Currently Rantoul has only one other comparable restaurant in town the Red Wheel located on Broadmeadow Rd at the other end of town.

Our plans to take over the restaurant also include the following:

Menu changes, addition of salad bar and consistent dessert options

Requesting of a liquor license with the city and county

Requesting of a gaming license with the city and state

Major changes in management and staff

Advertising and specific marketing in the area

Atmosphere/décor changes (nothing major at this time)

We initially will have 10-20 employees (mostly family as it is currently run to maximize profits) and add additional employees as business grows.

Financial Plan and Projections:

Requesting loan of $55,000 to purchase business inclusions and have $15,000 towards licenses, salad bar purchase and business operation.

The purchase includes approximately $49,000 in equipment.

Average monthly expenses are currently at the following rates

Rental of the storefront $2000.00

Electricity and water $1300.00

Gas $450.00

Trash $180.00

Insurance $500.00 (includes work comp and liability)

Phone, tv and wifi $105.00

2015 Gross Receipts were $271, 994.00 and Net Profit was $30,686.00

2016 Gross Receipts were $255, 550.00 and Net Profit was $29,680.00

2017 Tax year is not available at this time.

As the business stands now without modifications we anticipate sales to be at minimum over $21,000 a month. Adding the gaming machines will add an additional average of $2,500-$6,000 a month based on the state and local averages. Making the menu changes and adding the salad bar will also increase profits by an estimated $1,500-$3,000 a month. This is an expectation of an increased total sales of $48,000-$108,000 a year. The menu changes and dessert options along with fresher consistent ingredients will increase total sales as well. Obviously with these additions and changes utilities and food costs will also increase however will be covered multiple times over by the increased profits.

Duane & Jennifer Smith Financials and other information

Duane's 2017 earnings were $71,459. As his territorial district continues to grow he is expected to make even higher earnings in 2018 with additional bonuses. He will continue to work with Aramark as the business is created and beyond. At this time Duane is expected to receive a bonus over $7000 in April 2018 which after taxes can be used towards payment.

Jennifer's 2017 earnings were $5394 at the preschool, $3420 at the restaurant and approx $2800 substitute teaching, crafting and doing other side jobs helping others in the community. Jennifer will become full time employed with the new business venture increasing her total income as well in 2018. As stated before Jennifer's father is providing $3000 cash towards a down payment.

For 25 years Duane and Jennifer have banked with Vermilion Valley Bank in Piper City, Illinois. During this time they have had ongoing personal, vehicle and mortgage loans. Everything has been paid on time and directly debited from the account however the bank does not provide updates to the credit bureaus otherwise credit scores would be drastically higher.

Duane is an RTHS graduate and has been a resident of Rantoul for over 35 years and is a United States Army veteran. Jennifer is a lifelong resident of Rantoul. Both of their children Devin and Jordan Smith graduated from RTHS and were recognized for their academic and athletic successes. Jordan continues to live and work in Rantoul. She too will become a full time employee of the new business.

Duane and Jennifer have residential properties in Rantoul as well.

528 E Grove Avenue- primary residence

1500 Eater Drive- currently under a rent to own land contract sale expected close date July 1, 2018 and any monies made at the time will go towards loan repayment.

Both properties do have equity in them.

Duane and Jennifer are fully vested and well respected in the community and would be honored to bring another positive change to the townsmen, community and it's reputation.

Item	Age	# inventory	cost	total asset	replacement cost
tables		48	250	12000	
chairs		83	60	4980	
booths		16	400	6400	
stools		9	37	333	
misc utensils/knives			800	800	
stoves	5	2	800	1600	
double fryer	5	1	1200	1200	
grill	5	1	2200	2200	
backup grill		1	600	600	
steam table	5	1	600	600	
soup warmer	4	1	110	110	
microwave	3	2	285	570	
prep table	4	3	600	1800	
salad cooler		1	2200	2200	
prep cooler		1	1800	1800	
standard cooler		1	1300	1300	
dessert display		1	1200	1200	
ice cream freezer		1	300	300	
stainless steel shelving		13	100	1300	
upright freezer		1	800	800	
dishes			1500	1500	
silverware			200	200	
glasses/cups			100	100	
pots/pans			1500	1500	
table top containers			660	660	
high chairs		5	30	150	
boosters		4	40	120	
tv		1	300	300	
lighting sconses			500	500	
floor buffer		1	250	250	
dish carts		4	100	400	
décor			380	380	
cash register					
timeclock					
food inventory					
total assets				48153	

BOARD OF TRUSTEES
VILLAGE OF RANTOUL

AGENDA ITEM PAGE _____ OF _____

ITEM:	**DEPARTMENT:**
Replacement of In-Squad Computers (MDC's)	**Police**
AGENDA SECTION:	**AMOUNT:** **$34,967.00**
ATTACHMENTS: **( ) Ordinance** **( ) Resolution** **(X) Supporting Documents**	**DATE:** **February 28, 2018**

SUMMARY HIGHLIGHTS:

The police department is requesting approval to purchase eight (8) Panasonic CF-31 Toughbooks for in-squad use. The current State of Illinois bid for these computers is through CDS Office Technologies. The bid price includes the cost of the computers, an extended two year "no-fault" warranty, and new antennas. The total bid for eight computers is $34,967.00.

The eight new computers will replace existing Panasonic CF-31 computers that were purchased in 2013. The five year extended warranty has expired on these computers and any repairs will be costly. Recently, one computer screen failed and the repair cost was $2000.00. Purchasing CF-31 computers will also allow the police department to use existing docks and not require purchase of new docks (saving approximately $850.00 each).

During FY18, money was budgeted for the purchase of five new computers. With the savings on the mounts, the police department is requesting to purchase three additional computers. With the replacement of eight computers during this fiscal year, it will reduce the number of computers needed for full replacement in FY19 to two computers.

RECOMMENDED ACTION:

DEPARTMENT HEAD APPROVAL	**VILLAGE ADMINISTRATOR**

CDS Office Technologies
612 South Dirksen Parkway
Springfield, Illinois 62703
United States
(P) 217-541-3410

Quotation (Open)

Date
Feb 28, 2018 02:45 PM CST

Modified Date
Feb 28, 2018 02:46 PM CST

Doc #
476749 - rev 1 of 1

Description
(8) TB 31 Public Sector Premium Solution, (8) Antennas

SalesRep
Boyd, Crystal
(P) 217-541-3410

Customer Contact
Bouse, Justin
(P) 217-893-5647
jbouse@villlage.rantoul.il.us

Customer
RANTOUL POLICE DEPARTMENT (7758)
Bouse, Justin
109 E GROVE STREET
RANTOUL, IL 61866
United States
(P) 217-893-0988

Bill To
RANTOUL POLICE DEPARTMENT
Brown, Tony
109 E GROVE STREET
RANTOUL, IL 61866
United States
(P) 217-893-5602
tbrown@village.rantoul.il.us

Ship To
RANTOUL POLICE DEPARTMENT
Brown, Tony
109 E GROVE STREET
RANTOUL, IL 61866
United States
(P) 217-893-5602
tbrown@village.rantoul.il.us

Customer PO:

Terms:
Undefined

Ship Via:
UPS Ground

Carrier Account #:

Special Instructions:
DROP SHIP

#	Description	Part #	Qty	Unit Price	Total
	State of Illinois Master Contract CMS5848520				
1	Public Sector Toughbook 31 Premium Public Sector Specific - Premium, Win10 Pro COA, Intel Core i5-5300U 2.30GHz, vPro, 13.1" XGA Touch, 8GB(4+4), 256GB SSD, Intel WiFi a/b/g/n/ac, TPM, Bluetooth, Dual Pass (Upper:WWAN/Lower:Selectable), 4G LTE Multi Carrier (EM7355), GPS, Webcam,	CF-3113-00VM	8	$3,674.00	$29,392.00
	Note: Emissive Backlit Keyboard, No DVD Drive, Toughbook Preferred, 3 Year Public Sector Service and Support Package				
2	Panasonic Public Sector Service Package Extended service agreement - parts and labor - 2 years (4th/5th year) - must be purchased in conjunction with PS bundle base unit	CF-SVCPSY5	8	$586.00	$4,688.00
3	Antenna Plus / Airgain - 4G LTE, GPS Black Antenna with TNC Connectors and Coax Cable	AP-CG-Q-S11-BL	8	$105.00	$840.00

Subtotal:	$34,920.00
Tax (0.000%):	$0.00
Shipping:	$47.00
Total:	**$34,967.00**

CDS Office Technologies disclaims any responsibility for product information and products described on this site. Some product information may be confusing without additional explanation. All product information, including prices, features, and availability, is subject to change without notice. Applicable taxes & shipping may be added to the final order. All returns must be accompanied by original invoice and authorized RMA number within 30 days of invoice date and are subject to a 15% restocking fee. Due to manufacturer's restrictions, Panasonic items are not eligible for return. Late fees may apply to payments past 30 days from invoice date. Please contact your sales representative if you have any questions.

ORDINANCE NO. 2564

AN ORDINANCE
AMENDING CHAPTER 40 OF THE RANTOUL CODE BY REVISING SECTION 40-90 AND BY ADDING A NEW SECTION 40-90.5 IN CONNECTION WITH ESTABLISHING A PROCEDURE TO CHALLENGE A UTILITY BILL

VILLAGE OF RANTOUL

CHAMPAIGN COUNTY, ILLINOIS

CERTIFICATE OF PUBLICATION

Published in pamphlet form this 13th day of March, 2018, by authority of the President and Board of Trustees of the Village of Rantoul, Champaign County, Illinois.

_____
Village Clerk

ORDINANCE NO. 2564

AN ORDINANCE
AMENDING CHAPTER 40 OF THE RANTOUL CODE BY REVISING SECTION 40-90 AND BY ADDING A NEW SECTION 40-90.5 IN CONNECTION WITH ESTABLISHING A PROCEDURE TO CHALLENGE A UTILITY BILL

WHEREAS, in connection with the participation of the Village of Rantoul, Champaign County, Illinois (the **"Village"**) in the Local Debt Recovery Program with the Illinois Office of the Comptroller, the Village now finds it necessary, desirable and in the best interests of the Village to establish a notice and appeal procedure for a customer to challenge a utility bill.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND THE BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, ILLINOIS, as follows:

Section 1. Adoption. Article II, entitled "UTILITY SERVICE RULES AND REGULATIONS", of Chapter 40, entitled "UTILITY SERVICES", of the Rantoul Code, as supplemented and amended, be and the same is hereby further supplemented and amended by revising Section 40-90, entitled "Nonpayment of bills" and adding a new Section 40-90.5, to be entitled "Right of customer to challenge bill" to provide as set forth in the title, headings and text thereof as attached hereto and hereby incorporated herein by this reference thereto.

Section 2. Effective Date. The provisions of this Ordinance shall become effective immediately following its passage, approval and publication as required by law.

Section 3. Conflict. All other ordinances or parts of ordinances which are in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby superseded.

Section 4. Publication. The Village Clerk is hereby authorized and directed to cause this Ordinance to be published in pamphlet form.

This ordinance is hereby passed, the "ayes" and "nays" being called, by the concurrence of a majority of the members of the Corporate Authorities then holding office at a special meeting on the date set forth below.

PASSED this 13th day of March, 2018.

_____
Village Clerk

APPROVED this 13th day of March, 2018.

_____
Village President

Sec. 40-90. - Nonpayment of bills.

(a) A late charge of ten percent will be added to each customer's bill not paid within 20 days from date of issuance. Such late payment charge shall be applied only to the current month's bill after all current payments, credits and refunds have been applied and shall not be applied to any other unpaid late payment charge. Where joint billing of all provided utility service is used, the late payment charge shall be applied to the combined total current bill.

(b) If payment of the full amount of any such bill is not made within such 20-day period, the bill shall become delinquent and a customer shall be advised by notice that:

(1) If there is a discrepancy with the bill, the customer may request a meeting with the village comptroller to challenge the existence, amount or current collectability of a bill in accordance with Section 40-90.5 below;

(2) If payment is not received in full by the village, the utility service may be disconnected ten days following the date of such notice; and

(3) If payment for any water service or wastewater service is not paid in full, a lien may be created on the premises in accordance with the laws of the state.

(c) The notice under this section shall be sent either by regular mail, by personal delivery or by posting it at the front door of the customer's premises that received the utility service.

Sec. 40-90.5. – Right of customer to challenge bill.

(a) If a customer believes a discrepancy exists in connection with a bill, any such customer shall have the right to challenge the existence, amount or current collectability of a bill by filing with the office of the village comptroller within 20 days of the date of the issuance of such bill a written request to meet with the village comptroller to consider such challenge. At such meeting or as soon as practical after the facts become known, the village comptroller shall make an administrative decision on the merits of the challenge based upon the facts determined upon investigation or otherwise presented, and shall provide the result of such administrative decision in writing to the customer by certified mail, return receipt requested. If the decision is adverse to the customer, the customer shall have the right to institute an action under and in accordance with the Administrative Review Law (735 ILCS 5/3-101 et seq.) for judicial review of the resulting administrative decision of the village comptroller.

(b) During any period while any such challenge or judicial review is pending, no delinquency, late payment charge, disconnection or lien shall be imposed. Once the administrative decision of the village comptroller or any subsequent judicial review, if applicable, becomes final, the customer shall be given written notice in accordance with Sec. 40-90(c) that such customer has 10 days following the date of such notice to pay the bill in full before such bill becomes delinquent.