

# Village of Gilberts

Village Hall  
87 Galligan Road, Gilberts, IL 60136  
Ph. 847-428-2861 Fax: 847-428-2955  
www.villageofgilberts.com

## Village Administrator Memorandum 49-11

**TO:** President Rick Zirk  
Board of Trustees

**FROM:** Ray Keller, Village Administrator *RK*

**DATE:** August 12, 2011

**RE:** Village Board Meeting – August 16, 2011

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The following summary discusses the agenda items for the Village Board meeting scheduled for August 16, 2011:

### 1. CALL TO ORDER

### 2. ROLL CALL / ESTABLISH QUORUM

### 3. RECOGNITION

#### A. Shop With A Cop Award

Gilberts Mobil Mart, Schock's Towing and the Village of Gilberts will be recognized for their participation in the Shop With a Cop program, which supports the Special Olympics. Officer Hector Pulgar will present the awards on the behalf of the program.

### 4. PUBLIC COMMENT AND DISCUSSION

### 5. CONSENT AGENDA

*Any item may be removed from the consent agenda by request.*

#### A. Motion to approve Minutes from the August 2, 2011 Village Board Meeting

Staff recommend approval of the minutes from the August 2 meeting, which were reviewed at the August 9 Committee of the Whole meeting. Please contact Staff prior to the meeting if there are any changes or corrections.

#### B. Motion to approve Minutes from the August 9, 2011 Committee of the Whole Meeting

Please review the enclosed minutes from the August 9 Committee of the Whole meeting. Please contact Staff prior to the meeting with any corrections or questions. Staff recommend approval.

Public Works Facility  
Finance & Building Departments  
73 Industrial Drive, Gilberts, IL 60136  
Ph. 847-428-4167 Fax: 847-551-3382

Police Department  
86 Railroad St., Gilberts, IL 60136  
847-428-2954 Fax 847-428-4232

**C. Motion to approve Bills and Salaries dated August 16, 2011**

Please refer to the enclosed spreadsheet, which lists the bills to be approved. If you need additional information about any of these bills, please contact me or Finance Director Marlene Blocker prior to the meeting. Staff recommend approval.

**D. Motion to approve the July 2011 Treasurer's Report**

Staff recommend approval of the July 2011 Treasurer's Report, which was reviewed at the August 9 Committee of the Whole meeting. Please contact me or Finance Director Marlene Blocker prior to the meeting if you have any detailed questions or need supplemental materials.

**E. Motion to approve Ordinance 24-2011, an Ordinance amending the Village Code Chapter 3, Sections 8 and 9 "Authority of the Chief of Police" and Section 10 "Regulatory Signage"**

Approval of this ordinance would clarify the Police Chief's authority to enact and enforce temporary traffic and parking regulations. In emergency situations or with special events, such as Community Days, the Police Chief may enact temporary "no parking" zones or may direct traffic in a manner that is contrary to the normally posted directions. The ordinance would explicitly allow the Chief to enforce violations of those directions should the need arise. Staff recommend approval. This ordinance was reviewed and added to the consent agenda at the August 9 Committee of the Whole meeting.

**F. Motion to approve Resolution 34-2011, a Resolution approving the proposal by Blue Dot Sign Company for two park signs for an amount not to exceed \$16,635**

Staff recommend approval of a proposal by Blue Dot Sign Company for an amount not to exceed \$16,635. The two signs would be installed at Memorial and Waitcus Parks. The signs would be eight feet tall and six feet wide, including the faux-brick base, a changeable four-line copy board, and a fabricated aluminum topper. The project is partially funded by a \$10,000 Kane County Riverboat grant that was awarded to the Village last year. The proposal was reviewed and added to the consent agenda at the August 9 Committee of the Whole meeting.

**G. Motion to approve the job description for Public Works Crew Leader**

Staff recommend approval of the job description for the new Public Works Crew Leader position, which incorporates selected duties from both the Public Works Supervisor and Mechanic job descriptions. The position will be supervised by the Public Works Coordinator/Chief Building Inspector and will be added to the organization chart. The job description was emailed to the Board to expedite its review; Staff hope to fill the position as quickly as possible.

**7. ITEMS FOR APPROVAL**

**A. Motion to approve Ordinance 25-11, an Ordinance authorizing the sale of the General Obligation Bonds (Alternative Revenue Source) of the Village of Gilberts, Kane County, Illinois, in an aggregate principal amount not to exceed \$2,545,000 for the purpose of financing road improvement projects within the Village**

Approval of this ordinance would authorize the sale of a ten-year bond to finance the Village's road improvement program. Attorneys from Chapman and Cutler, the bond

counsel for this process, have prepared the provided draft ordinance, which was also reviewed by Village Attorney Julie Tappendorf.

Based on the Board's direction at the August 9 Committee of the Whole meeting, Bernardi Securities is in the process of pre-selling a bond for an amount of approximately \$2,040,000. At the conclusion of that process, the final interest rates and par (face) value of the bond will be determined. The final bond amount will be reflected in the final ordinance, which will be provided at the Board meeting.

Assuming a total project budget of \$2.54 million and the use of \$500,000 in reserved Motor Fuel Tax (MFT) funds, a bond for approximately \$2,040,000 will sufficiently fund the construction, engineering, legal and underwriting costs of the bond. As discussed previously, the Village will pledge the use of its annual MFT allocations, its referendum-approved non-home rule sales tax receipts, and its telecommunications utility taxes to cover the debt service. The first Village payment would occur in December 2012, by which time the Village will have referendum sales tax receipts to contribute to the payment.

Approval of the bond ordinance is the final step in this process; prior to approval of the ordinance, the Village retains the option of deferring or declining the bond issue. Staff will report on any new information that may become available prior to the meeting. Please contact me prior to the meeting if you need any supplemental information about the bond ordinance or process.

**B. Motion to approve Resolution 33-2011, a Resolution awarding the bid for the 2011 Road Program Project to Peter Baker & Son Company in the amount of \$2,123,633.50**

Staff recommend approval of the resolution awarding the road construction project to Peter Baker & Son Company of Lake Bluff, which submitted the lowest qualified bid of \$2,123,633.50. Village Engineers from Baxter & Woodman reviewed the bid and confirmed that the bid was complete and accurate and the contractor is qualified to complete the project.

Residents of the Indian Trails and Dunhill Estates neighborhoods have submitted sufficient evidence of their support for dirt and grass shoulders instead of gravel, as was originally shown on the plans. The Village has not yet received enough responses from Windmill Meadows or Gilberts Glen to meet the Board's threshold of 51% of the property owners supporting dirt and grass shoulders. Staff will report at the meeting on the final number of responses submitted. With the Board's direction, Staff will work with the engineers and the contractor to adjust the plans to change the shoulders to dirt in the neighborhoods where adequate support has been expressed.

**C. Motion to approve Resolution 35-2011, Waiving competitive bidding requirements and authorizing an agreement between the Village of Gilberts and Baxter & Woodman to provide professional services for designing, permitting and constructing Storm Sewers and Drainage Improvements**

Approval of this resolution would authorize Baxter & Woodman to restore and correct elements of the Village's storm water management system in the Gilberts Glen, Indian Trails and the Windmill Meadows neighborhoods. Baxter & Woodman and Phoenix &

Associates have worked together to improve the drainage systems in the vicinity of Binnie Road and in the Gilberts Glen neighborhood. They have identified additional corrections and improvements need to address flooding concerns in these neighborhoods, which Staff support completing prior to the resurfacing of the adjacent roads this fall.

The Binnie Road and Gilberts Glen drainage improvements were funded through a Recovery Zone Bond (RZB) financing project through Kane County. The project budget of \$345,000 included \$85,000 for repaving a segment of Binnie Road in the vicinity of the drainage improvements. Because Binnie Road was included in the road resurfacing bid and will be funded by the bond, those previously-reserved RZB funds are now available to complete additional drainage improvements. The work order sets the project budget not to exceed \$84,500 to cover the costs of the additional work.

The provided resolution includes a waiver of the competitive bidding process should it ever be determined that the scheduled work is not covered by the professional services agreement with Baxter & Woodman. As a result, the resolution to authorize this project will require approval by two-thirds majority of the Board (5 of 7 Board members). Staff recommend approval.

**D. Motion to approve Ordinance 22-2011, an Ordinance granting a Special Use Permit for the operation of a recycling center within the I-1 General Industrial Zoning District located at 161 Center Street**

Tink's Ink LLC / Elgin Recycling Inc. has petitioned for a special use permit to allow the expansion of his operations to property at 161 Center Street, for which they have a contract to purchase. Approval of the request would allow the petitioner to recycle electronics, batteries, paper, cardboard, plastics, and ferrous and nonferrous metal scrap, including metal appliances and "white goods" (with the "white goods" components removed). Elgin Recycling would relocate some of its scrapping and recycling functions from their facility at 46 East End Drive, which is also regulated by a special use permit. By relocating its louder recycling functions to the Center Street property, Elgin Recycling will reduce the amount of noise affecting the neighbors of the East End property.

Representatives from Elgin Recycling have indicated their willingness to abide by the terms of the special use permit for the East End property at the Center Street location. However, they have asked for relief from some of the screening requirements, as wetlands adjoin the property on three sides. The subject property is visible from Interstate 90, which is elevated above the subject property and is over 850 feet away at the closest point. Attempting to screen the property from I-90 using fences and landscaping would be impractical, giving credence to the petitioner's request for relief from that condition of approval.

They also request the ability to pull apart or saw cut items to be recycled outside the principal structure; store scrap iron in concrete block enclosures to be located on the south side of the property, and allow them to maintain (and not pave) the current yard surface, which consists of asphalt grindings. They have also asked for relief from the requirement that all bins be covered at night, which the petitioner argues is not necessary since the scrapped materials are heavy and not susceptible to wind

dispersion. The petitioner also requests permission to recycle batteries and electronics, which would be done in accordance with EPA guidelines. At the Plan Commission meeting, the petitioner provided documentation for the EPA's procedures for properly storing and shipping batteries.

The Plan Commission conducted a public hearing on the request on July 13, at which they recommended approval by a vote of 5-1. The Plan Commission outlined 20 conditions of approval, many of which grant the requested relief from the screening requirements for the east, south and west sides; uncovered overnight storage; permission to build the new building without a new public hearing; and battery and electronics recycling, in accordance with EPA procedures. Similar to the special use permit for the East End Drive facility, the Center Street facility would be subjected to at least two inspections each year and any potential code violations would have to be addressed within ten (10) days. The petitioner would also be required to abide by the dust control and hazardous materials discovery/removal plans required at the East End Drive facility. The conditions of approval included in the Plan Commission's recommendation were incorporated into the draft ordinance for the Board's consideration.

At the August 2 meeting, the Village Board identified a list of concerns for further consideration. The petitioner's responses to the list of issues is provided for the Board's consideration. If the Board is satisfied with the petitioner's answers, then the Board may take action on the drafted ordinance as it desires. The Board retains the option of further amending the conditions prior to approval or not approving the ordinance. The Board may also defer action to a future meeting date to additional time for the petitioner to respond to the Board's concerns.

#### **8. ITEMS FOR DISCUSSION**

Please contact me if there is a topic that can be addressed prior to or at the meeting.

#### **9. STAFF REPORTS**

Staff will provide new updates at the meeting. Please contact me if there is a topic or question that can be addressed prior to the meeting.

#### **10. BOARD OF TRUSTEES REPORTS**

#### **11. PRESIDENT'S REPORT**

#### **12. EXECUTIVE SESSION**

Staff request an executive session to discuss collective bargaining. Please contact me if you any questions about other executive session topics.

#### **13. ADJOURNMENT**

Ray

**Village Board of Trustees  
Meeting Agenda  
Village of Gilberts  
87 Galligan Road  
Gilberts, Illinois 60136**

**August 16, 2011**

**7:00 p.m.**

**AGENDA**

**ORDER OF BUSINESS**

**1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**

**2. ROLL CALL/ESTABLISH QUORUM**

**3. RECOGNITION**

Shop with the Cop Award

**4. PUBLIC COMMENT AND DISCUSSION**

**5. CONSENT AGENDA**

- A. A motion to approve minutes from the August 2, 2011 Village Board Meeting
- B. A motion to approve minutes from the August 9, 2011 Committee of the Whole Meeting
- C. A motion to approve Bills and Salaries dated August 16, 2011
- D. A motion to approve July 2011 Treasurer's Report
- E. A motion to approve Ordinance 24-2011, an Ordinance amending the Village Code Chapter 3, Sections 8 and 9 "Authority of the Chief of Police" and Section 10 "Regulatory Signage"
- F. A motion to approve Resolution 34-2011, a Resolution approving the proposal by Blue Dot Sign Company for two park signs for an amount not to exceed \$16,635
- G. A motion to approve the job description for Public Works Crew Leader

**6. ITEMS FOR APPROVAL**

- A. A motion to approve Ordinance 25-2011, an Ordinance authorizing the sale of the General Obligation Bonds (Alternate Revenue Source) of the Village of Gilberts, Kane County, Illinois, in an aggregate principal amount not to exceed \$2,545 million for the purpose of financing road improvement projects within the Village
- B. A motion to approve Resolution 33-2011, a Resolution awarding the bid for the 2011 Road Program Project to Peter Baker & Son Company in the amount of \$2,123,633.50

- C. A motion to approve Resolution 35-2011, a Resolution waiving competitive bidding requirements and authorizing an agreement between the Village of Gilberts and Baxter & Woodman to provide professional services for designing, permitting and constructing Storm Sewers and Drainage Improvements
- D. A motion to approve Ordinance 22-2011, an Ordinance granting a Special Use Permit for the operation of a recycling center within the I-1 General Industrial Zoning District located at 161 Center Street

**7. ITEMS FOR DISCUSSION**

**8. STAFF REPORTS**

**9. BOARD OF TRUSTEES REPORTS**

**10. PRESIDENT'S REPORTS**

**11. EXECUTIVE SESSION**

A portion of the meeting will be closed to the Public, effective immediately as Permitted by 5 ILCS 120/2 (c) (1) to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the Village, and as permitted by 5 ILCS 102/2 ( c ) (11) to discuss litigation against, affecting, or on behalf of the Village which has been filed and is pending in a court or administrative tribunal of which is imminent and as permitted by 5 ILCS 120/2 ( c ) (21) to review and approve closed session minutes and as permitted by 5 ILCS 120/2 ( c ) 2 Collective negotiating matters.

**12. ADJOURNMENT**

**5A**



**Village of Gilberts  
87 Galligan Road  
Gilberts, Illinois 60136  
Village Board  
Meeting Minutes  
August 2, 2011**

**Call to Order**

President Zirk called the meeting to order at 7:00 p.m. He proceeded to lead those present in the Pledge of Allegiance.

**Roll call/Establish Quorum**

Clerk Meadows called the roll. Members present: Trustees Corbett, Clark, Mierisch, Zambetti, Farrell, Hacker and President Zirk. Others present: Assistant to the Village Administrator Beith, Chief Building Inspector Swedberg, Utility Superintendant Castillo, Water Supply Operator Foley. For members of the audience please see the attached list.

**Recognition**

The Board Members recognized employee Aaron Foley for his achievement in obtaining his class D Public Water Supply Operator's license.

**Public Hearing**

President Zirk opened the Public Hearing at 7:02 p.m. pursuant to the Bond Issue Notification Act to consider the sale of General Obligation Bonds (Alternate Revenue Source) in an amount not to exceed \$3,500,000 to finance road improvement projects in the Village.

President Zirk asked those in attendance if they had any questions or comments with respect to the sale of the General Obligation Bonds. There was no comment from the audience. **A motion was made by Trustee Zambetti and seconded by Trustee Farrell to close the Public Hearing.** Roll call: Vote: 6-ayes: Trustees Clark, Mierisch, Zambetti, Farrell, Hacker and Corbett. 0-nays, 0-abstained. Motion carried.

Mr. Daniel Simpson, Assistant Vice President of Bernardi Securities, Inc. congratulated the Village on receiving an A+ bond rating. He proceeded to provide the Board Members with a brief overview of the bond sale process.

Trustee Hacker inquired if interest rates would be higher due to the last ninety days of economic instability. Mr. Simpson responded no. The Municipal Bond Market has not experienced any recent fluctuation.

#### **Public Comment and Discussion**

President Zirk asked if anyone in attendance had any questions or comments they would like to discuss with the Board Members.

Mr. Tom Dougherty who resides at 536 Kathleen approached the Board. He stated that some of Dunhill Subdivision residents had signed a petition requesting turf shoulders instead of the gravel shoulders, which is currently specified in the 2011 road improvement project. President Zirk commented on the fact that the residents who attended the recent open house were in favor of gravel shoulders. A lengthy discussion ensued with respect to the shoulder preference of the majority of the residents.

Trustee Clark stated that the road improvement bids would contain both the cost for the gravel and turf shoulders. Trustee Clark stated that he had no partiality on either the turf or the gravel shoulders. Trustee Hacker agreed. Trustee Zambetti expressed concerns with the information the Board Members provided those who attended the open house. At the open house the Board informed the residents that the shoulders would be reconstructed with gravel.

Trustee Clark suggested allowing residents to circulate a petition. If 51% of the residents prefer either grass or gravel shoulders then the majorities' preference would be the construction material of choice.

The Board Members expressed their frustration with the shoulder reconstruction being discussed at this phase of the process. They commented on the fact that the Village had held an open house. In addition, all the information was made available on the website, placed in the newsletter and posted on face book.

A lengthy discussion ensued on ways to treat all the neighborhoods fairly and provide them with the choice on the shoulder reconstruction material.

Trustee Mierisch recommends residents circulate a petition. If they can get 51% of their subdivision to choose either gravel or turf then that is what would be installed. However, she wants very little staff time spent on this matter. In addition, Trustee Mierisch recommends having a due date for the petition. The date is relative to the road construction timeline.

The Board recommended staff draft the petitions so they are consistent

The Board Members discussed the construction scheduled. The project is scheduled to begin in August and be completed by November prior to the batch plants closing for the season.

Trustee Mierisch commented on the fact if the petitions are not received by a date soon to be determined all bets on shoulder choices are off. The Dunhill residents acknowledged the timeline and thanked the Board for considering their request.

#### **Consent Agenda**

- A. A motion to approve minutes from the July 19, 2011 Village Board Meeting**
- B. A motion to approve Bills and Salaries dated August 2, 2011 as follows: General Fund \$77,781.17, Performance Bonds and Escrows \$3,222.06, Water Fund \$6,336.89, Payroll \$50,531.88**
- C. A motion to approve Ordinance 23-2011, an Ordinance amending the Village Code Chapter 4-5 "Plants and Weeds"**

**A motion was made by Trustee Clark and seconded by Trustee Farrell to approve the consent agenda as presented.** Roll call: Vote: 6-ayes: Trustees Mierisch, Zambetti, Farrell, Hacker, Corbett and Clark. 0-nays, 0-abstained. Motion carried.

#### **Staff Reports**

Assistant to the Village Administrator Beith posed some questions with respect to drafting the shoulder reconstruction petitions. The Board directed staff to keep the petitions consistent and inform the residents that gravel is the standard unless there is 51% support for turf.

Chief Building Inspector Swedberg reported that staff was in the process of painting the outside of the Village Hall. Trustee Mierisch asked if it would be more cost effective to contract out this type of work. Chief Building Inspector Swedberg replied no. Due to the fact the Village is required to pay Prevailing Wage.

Chief Building Inspector Swedberg reported that Pubic Works will be crack sealing the week of August 23<sup>rd</sup>.

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August 2, 2011  
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### **Trustee Reports**

Trustee Mierisch inquired about the status of the Ryland and Plote agreement. Administrator Keller will update the Board upon his return.

### **Executive Session**

A motion was made by Trustee Clark and seconded by Trustee Zambetti to close a portion of the meeting to the public, effective immediately with no business to follow as permitted by 5 ILCS 120/2 ( c ) (2) collective negotiating Roll call: Vote: 6-ayes: Trustees Zambetti, Farrell, Hacker, Corbett, Clark, and Mierisch. 0-nays, 0-abstained. Motion carried.

The Board Members along with the Assistant to the Village Administrator Beith and Village Clerk Meadows went into executive session at 8:01 p.m. and returned to the public meeting at 8:15 p.m.

The Board Members reconvened the public meeting at 8:16 p.m. Roll call: Trustees Corbett, Clark, Mierisch, Zambetti, Farrell, and Hacker.

### **Adjournment**

There being no further business to discuss, a motion was made by Trustee Clark and seconded by Trustee Corbett to adjourn from the public meeting at 8:17 p.m. Roll call: 6-ayes by unanimous voice vote.

Respectfully submitted,

Debra Meadows

**5B**

Village of Gilberts  
87 Galligan Road  
Gilberts, Illinois 60136  
Committee of the Whole  
Meeting Minutes  
August 9, 2011

**Call to Order/ Pledge of Allegiance**

President Zirk called the meeting to order at 7:02 p.m. President Zirk proceeded to lead those present in the Pledge of Allegiance.

**Roll call/Establish Quorum**

Village Clerk Meadows called the roll. Roll call: Members present: Trustees Corbett, Clark, Mierisch, Hacker and President Zirk. Others present: Administrator Keller, Assistant to the Village Administrator Beith and Village Clerk Meadows. For members of the audience please see the attached list.

**Items for Discussion**

**Minutes for the August 2, 2011 Village Board Meeting**

President Zirk asked if there were any questions on the August 2<sup>nd</sup> Village Board Meeting Minutes. The Board Members had no comments. The minutes will be placed on the next consent agenda.

**July 2011 Treasurer's Report**

President Zirk asked if there were any questions on the July 2011 Treasurer's Report. The Board Members expressed no concerns with Treasurer's Report. The report will be placed on the next consent agenda.

Trustee Zambetti arrived at 7:04 p.m.

**Road Resurfacing Project-Construction Update**

Administrator Keller reported that of the six bids received, Peter Baker & Son Company submitted the lowest bid of \$2,123,633.50 to resurface the roads in Windmill Meadows, Indian Trails, Dunhill Estates and Gilberts Glen. He went on to report that Baxter and Woodman had reviewed the proposal, confirming Peter Baker & Son as the lowest, responsible and responsive bidder, which was \$461,176.25 (17.8%) lower than the engineer's estimate.

President Zirk asked the Board Members if they were comfortable placing this matter on the next consent agenda.

Trustee Mierisch inquired if the bid comparisons were apples to apples. Not chosen just based on price. Administrator Keller replied yes. The comparisons are apples to apples. All bids need to fulfill the spec requirements. The only variables would be in the unit pricing.

Trustee Clark asked if there was a construction timeline. Administrator Keller replied no. The Village would first hold a pre-con meeting to work through the details. Administrator Keller reported that the school district and the fire department will be invited to participate in the construction schedule discussions.

Administrator Keller discussed the recent turf or gravel shoulders survey. He reported that they had been mailed to the residents on Tuesday and the Village had already received some responses.

Administrator Keller commented on the Dunhill petition submitted today. He reported that Assistant to the Village Administrator Beith had reviewed the petition and confirmed that there is 53% of the Dunhill Residents in favor of turf shoulders. The Dunhill residents in attendance asked if their subdivision would still have to complete the Village survey. The Board replied no. They would accept their petition and approve the turf shoulders. Trustee Zambetti commented on the fact if the Dunhill Estates' surveys were returned to the Village and had a different outcome the Board's position would need to be re-examined. Administrator Keller stated if that happened to be the case he would contact the residents in attendance.

#### **Road Resurfacing Project-Financing Update**

Administrator Keller reported that Bernardi Securities provided two financing scenarios that cover the project budget. Both scenarios assume the Village would issue a bond with a ten year term and a net interest rate of approximately 3.23% based on the Village's A+ rating.

Administrator Keller provided the Board Members with an overview of both bond options. He informed the Board that staff recommends option #2. Although both options have pros and cons. Option #1 leaves the Village's MFT balance intact, but assumes the larger debt burden. Staff projected that the three revenue sources will be sufficient to cover the debt payments for this amount without affecting the General Fund or other Village sources. This scenario would have a slightly greater cost over the long-term, but would leave an additional \$50,000 for a future MFT-eligible road project.

Option #2 reduces the Village's MFT reserve in the short term, though the Village would still have a MFT reserve of \$324,394.45, which is more than one year's debt payment.

The interest paid over ten years would be reduced by \$95,132.56 and the underwriter's cost by approximately \$5,150 because of the smaller bond issue.

The Board Member discussed at length the two bond options. The Board Members concurred with staff's recommendation to execute bond option #2.

Administrator Keller reported that the bond ordinance would be placed on the next Board agenda.

#### **Gilberts Glen / Binnie Road Drainage Projects Update**

George Kannigan and Casey Hutson of Phoenix & Associates provided the Board Members with an update on the Binnie Road and Gilberts Glen drainage projects. Mr. Kannigan reported that the majority of the Binnie Road work had been completed and no flooding has since been experienced.

Mr. Kannigan reported that most of the Gilberts Glen easements had been obtained and the drainage work should begin the week of August 15<sup>th</sup>. There was some discussion about the acquisition of the easements.

Mr. Kannigan discussed three additional drainage projects. His proposal included drainage improvements for Gilberts Glen East, Indian Trails, and Windmill Meadows. The Board Members approved of Mr. Kannigan's drainage improvement proposal. This matter will be placed on the next agenda for consideration.

#### **Ordinance 24-2011, an Ordinance amending the Village Code Title 6, Chapter 3, adding new Sections 8 and 9 "Authority of the Chief of Police" and Section 10 "Regulatory Signage"**

Administrator Keller discussed if approved, this Ordinance would clarify the Police Chief's authority to enact and enforce temporary traffic and parking regulations. The Board concurred with staff's recommendation. This matter will be placed on the next consent agenda.

#### **TIF Commercial Signage Project**

Administrator Keller commented on the fact that the FY 2012 budget set aside \$33,400 to install two monument ground signs along Higgins Road to support commercial activity along the corridor. After receiving proposals from two firms, Staff recommends the Board's approval of a proposal submitted by Blue Dot Sign Company for an amount not to exceed \$31,320.



Committee of the Whole

Meeting Minutes

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Trustee Mierisch inquired about the color of the masonry depicted in the exhibits. She reported that on May 17<sup>th</sup> the Board passed an Ordinance amending the Sign Code to require monument signs be constructed of masonry in a color that matched the building. Administrator Keller was looking for direction. He was unclear if the Board wanted all of the signage along Higgins Road to look the same. President Zirk commented on his desire to have all of the monument signage the same style but in a color or type of brick that matched the building. The Board Members concurred.

Staff will work with the property owners and Blue Dot Sign to find a color of masonry that will match and compliment the buildings. This matter will be placed on the first September agenda.

**Small Cities Grant Park Signage Project**

Administrator Keller reported that last year the Village received a \$10,000 Small Cities Grant from Kane County to install community signage with changeable message boards. Staff has received two proposals and recommends approval of a proposal by Blue Dot Sign Company for an amount not to exceed \$16,635. The Board Members concurred with Staff's recommendation. This matter will be placed on the next consent agenda.

**Staff Reports**

Administrator Keller requested prior to adjourning the public meeting the Board consider entering into an executive session to discuss collective bargaining and personnel.

**Board of Trustee Reports**

Trustee Hacker commented on the fact that some of the Village properties are over grown with weeds. Administrator Keller was aware of that fact. He reported the Public Works Department is currently severely under staffed.

Trustee Hacker discussed the unsightly appearance of an industrial property located on Arrowhead. He informed that Board that there are many trailers with no cabs parked on the street. The street has an appearance of a warehouse or storage yard. Staff will investigate this matter.

**President's Report**

President Zirk expressed his disapproval with the way in which Baxter & Woodman recently abruptly changed their opinion on the cost and effectiveness of gravel shoulders. He recalled at the open house the engineers stated irrefutably gravel shoulders are better and less expensive.

Committee of the Whole

Meeting Minutes

August 9, 2011

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Then at the following board meeting they completely changed their opinion and reported that there was very little cost difference or a longevity factor.

Trustee Clark stated that in his past experience dealing with types of matters it is the engineer's preference.

Trustee Mierisch expressed concern with the fact that the Board is making decisions based on the recommendations provided by the consultants. She wants to ensure they are providing them with the facts not information they believe is what the Board wants to hear.

#### **Executive Session**

A motion was made by Trustee Clark and seconded by Trustee Zambetti to close a portion of the meeting to the public, effective immediately with no business to follow as permitted by 5 ILCS 120/2 (c) (2) collective negotiating and as permitted by 5 ILCS 120/2 © (1) to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the Village.

The Board Members along with Administrator Keller, Assistant to the Village Administrator Beith and Village Clerk Meadows went into executive session at 8:43 p.m. and returned to the public meeting at 9:40 p.m.

The Board Members reconvened the public meeting at 9:41 p.m. Roll call: Members present: Trustees Corbett, Clark, Mierisch, Hacker and President Zirk.

#### **Adjournment**

There being no further business to discuss, a motion was made by Trustee Clark and seconded by Trustee Zambetti to adjourn from the public meeting at 9:42 p.m. Roll call: 4-ayes by unanimous voice vote.

Respectfully submitted,

Debra Meadows

**5C**

	VENDOR	TOTAL	GENERAL FUND	DEVELOPER DONATIONS	PERMIT PASS THRU	PERFORMANCE BONDS AND ESCROWS	WATER FUND	PAYROLL
	GRAND TOTAL	142,664.50	58,347.96	-	1,897.50	2,176.00	80,243.04	-
ACE002	ACE COFFEE BAR INC.	26.50	26.50					
ANCL	ANCL. GLINK, DIAMOND, BUSH.	3,583.75	3,583.75					
ASP002	ASPEN VALLEY LANDSCAPE INC.	21.00	21.00					
AZAVAR01	AZAVAR AUDIT SOLUTIONS. INC.	275.69	275.69					
B&F001	B&F TECHNICAL CODE SVC. INC.	3,217.50	495.00		1,897.50	825.00		
BANKCARD	UMB CARD SERVICES	1,332.49	1,332.49					
BARTLETT	BARTLETT TREE EXPERTS	450.00	450.00					
BENCHMAR	BENCHMARK SALES & SERVICE	2,650.00					2,650.00	
CARUS01	CARUS CHEMICAL COMPANY	929.60					929.60	
EPC001	ELGIN PAPER COMPANY	394.40	240.72				153.68	
EXELON	EXELON ENERGY INC.	26,187.24	1,289.64				24,897.60	
GORD001	GORDON FLESCH COMPANY, INC.	152.00	152.00					
GRAINGER	GRAINGER	30.34					30.34	
HILLNEW	HILL-NEWBY	50,000.00					50,000.00	
INIM001	INITIAL IMPRESSIONS	81.48	81.48					
KANENATU	KANE-DUPAGE SOIL & WATER	702.50	702.50					
MANALY01	MCHENRY ANALYTICAL WATER	1,395.00					1,395.00	
MDCENV01	MDC ENVIRONMENTAL SERVICES	40,413.69	40,413.69					
MEN002	MENARDS - CARPENTERSVILLE	166.06	114.81				51.25	
MUNI001	MUNICIPAL CLERKS OF ILLINOIS	80.00	80.00					
NIG001	NICOR	135.57					135.57	
NPA001	NOTARY PUBLIC ASSOCIATION	54.00	54.00					
SAUBER01	SAUBER MANUFACTURING CO.	226.50	226.50					
SOURCE01	SOURCE ONE OFFICE PRODUCTS	35.92	35.92					
STDPOOR	STANDARD AND POOR'S	8,200.00	8,200.00					
STMSUB01	SUN-TIMES MEDIA	56.61	56.61					
T0000066	ALICIA WENZON	193.00				193.00		
T0000585	JEFF POWELL	193.00				193.00		
T0001228	DAVID ALICE	249.88	249.88					
T0001388	STEVE MEURET	193.00				193.00		
T0001412	MICHAEL DIBBLE	193.00				193.00		
T0001446	S & A HOME IMPROVEMENT	193.00				193.00		
T0001447	EXPERIENCE INSTALLATIONS	193.00				193.00		
T0001448	GREGORY PASTERZ	193.00				193.00		
TOUS001	STEPHEN D. TOUSEY LAW OFFICE	250.00	250.00					
WRONA01	WRONA BROS., INC.	15.78	15.78					

# 5D

**Copies were provided in the August 9<sup>th</sup> packet. If you wish to have an additional copy please contact staff.**

**5E**

**VILLAGE OF GILBERTS**

**KANE COUNTY**

**STATE OF ILLINOIS**

**ORDINANCE NUMBER ~~21~~<sup>24</sup>-2011**

**An Ordinance amending the Village Code Title 6, Chapter 3, adding New Sections 8 and 9 "Authority of the Chief of Police" and Section 10 "Regulatory Signage"**

**ADOPTED BY THE  
PRESIDENT AND BOARD OF TRUSTEES  
OF THE  
VILLAGE OF GILBERTS  
KANE COUNTY  
STATE OF ILLINOIS**

**August \_\_, 2011**

**Published in pamphlet form by authority of the President and Board of Trustees of the Village of Gilberts, Kane County, Illinois this \_\_\_\_ day of \_\_\_\_\_, 2011.**

---

**AN ORDINANCE AMENDING THE VILLAGE CODE TITLE 6, CHAPTER 3, ADDING NEW SECTIONS 8 and 9 "AUTHORITY OF THE CHIEF OF POLICE" AND SECTION 10 "REGULATORY SIGNAGE"**

**WHEREAS**, the Village of Gilberts is an Illinois municipal corporation organized and operating under the Illinois Municipal Code; and

**WHEREAS**, the Village has determined that it is in the best interest of the Village and its citizens to empower the Chief of Police to make temporary or experimental regulations consistent with the protection of the public health, safety and welfare of the citizens of the Village of Gilberts in emergencies or special conditions; and

**WHEREAS**, any sign or device posted per order of the Chief of Police shall be deemed and official sign and shall be valid for no longer than 90 days.

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

**Section 1.**     **Recitals.**   The recitals set forth above are hereby incorporated into and made a part of the Ordinance as though set forth in this Section 1.

**Section 2.**     **Amendments.**   Chapter 3 of the Gilberts Village Code is hereby amended to add the following new Sections 6-3-8 and 6-3-9 "Authority of the Chief of Police":

**6-3-8:** The Chief of Police duly authorized by the Village President and Board of Trustees and by passage of this Ordinance is hereby empowered to employ temporary or experimental regulations consistent with the protection of the public health, safety and welfare of the citizens of the Village of Gilberts in emergencies or special conditions. No such temporary or experimental regulations shall remain in effect for more than 90 days.

**6-3-9:** The Chief of Police may test traffic control devices under actual conditions of traffic.

**Section 3.**     **Amendments.**   Chapter 3 of the Gilberts Village Code is hereby amended to add the following new Section 6-3-10 "Regulatory Signage"

**6-3-10:** Any sign or device posted per order of the Chief of Police shall be deemed an official sign and shall be valid for no longer than 90 days.



**Section 4. Severability.** In the event a court of competent jurisdiction finds this ordinance or any provision hereof to be invalid or unenforceable as applied, such finding shall not affect the validity of the remaining provisions of this ordinance and the application thereof to the greatest extent permitted by law.

**Section 5. Repeal and Savings Clause.** All ordinances or parts of ordinances in conflict herewith are hereby repealed; provided, however, that nothing herein contained shall affect any rights, actions, or causes of action which shall have accrued to the Village of Gilberts prior to the effective date of this ordinance.

**Section 6. Effective Date.** This Ordinance shall be in full force and effect after its approval in the manner provided by law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2011 by roll call vote as follows:

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2011.

\_\_\_\_\_  
Village President Rick Zirk

(SEAL)

ATTEST: \_\_\_\_\_  
Village Clerk Debra Meadows

Published: \_\_\_\_\_

**5F**

RESOLUTION

VILLAGE OF GILBERTS

(Approving the Proposal by Blue Dot Sign Company and Authorizing the Purchase for Two Park Signs for an amount not to exceed \$16,635. 00 )

Be it Resolved by the President and Board of Trustees of the Village of Gilberts, Kane County, Illinois that:

Section 1:

The Village of Gilberts hereby authorizes the Village President and Village Clerk to execute a purchase agreement between the Village of Gilberts and Blue Dot Sign Company and such documents as are necessary and convenient to effectuate the purchase of two Park Signs in the amount not to exceed \$16,635.00 attached hereto and made a part hereof as Exhibit A as approved.

Section 2:

This resolution shall be in full force and in effect from and after its passage and approval pursuant to law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2011 by a roll call vote as follows:

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2011

\_\_\_\_\_  
Village President, Rick Zirk

(SEAL)

ATTEST:

\_\_\_\_\_  
Village Clerk, Debra Meadows

Published: \_\_\_\_\_

Blue Dot Sign Company  
 PO Box 163  
 Gilberts, IL 60136



<b>Name / Address</b>
Village of Gilberts 73 Industrial Drive Village of Gilberts, IL 60136 Attn: John Swedberg

## Estimate

Date	Estimate #
1/18/2011	201106

			Project
Description	Qty	Rate	Total
Custom fabricated aluminum sign <b>DETAILS:</b> Illuminated Cabinet - Double faced, lockable cover, gas shock hold ups, white acrylic interior panel with letter track system, clear lexan outer panel. Cabinet dimensions 72" wide x 36" tall. UL approved and tagged. Changeable Letter System - set of 300 6" letters and 30 individual punctuation pieces. Base - BRICK IT 1/2" veneer brick system, limited choice of color/style, applied over aluminum fabricated base inner structure. Header - Fabricated aluminum, routed, acrylic backed and illuminated copy for "VILLAGE OF GILBERTS" only, painted stucco finish per customer specifications. Installation - Typical two post installation in soft ground. 4" schedule 40 steel pipe encased in concrete.		8,317.50	8,317.50
		<b>Subtotal</b>	\$8,317.50
		<b>Sales Tax (0.0%)</b>	\$0.00
		<b>Total</b>	\$8,317.50

side view

18 1/2"

14 1/2"

76"

72"



VILLAGE OF GILBERTS

WELCOME TO WAITCUS PARK

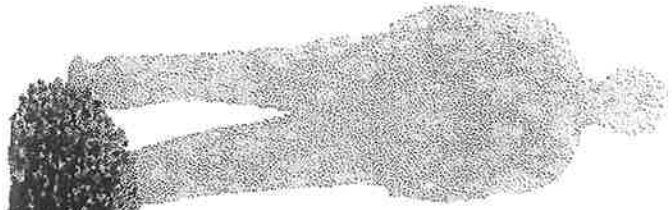
4 LINES  
OF 6"

CHANGEABLE  
COPY

96"

36"

30"



OBJECTS ARE TO SCALE EACH OTHER

Design & artwork is copyrighted

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For the sole purpose of customer review,

may not be reproduced, copied or otherwise

disseminated. Fees, penalties and a \$500

fine may apply for unauthorized use.

BLUE DOT



COMPANY  
Gilberts, IL 60136

Job:

Add:

C/S:

PH:

Contact:

**5G**

**Village of Gilberts  
Classification Description**

<b>Classification Title:</b>	Public Works Crew Leader	<b>Department:</b>	Public Works
<b>Classification Grade:</b>	4	<b>FLSA:</b>	Non-exempt
<b>Reports To:</b>	Public Works Coordinator/ Public Works Director	<b>Emergency Response:</b>	Yes

---

**Purpose of Classification**

The purpose of this position is to lead and participate in Public Works construction, repair and maintenance staff and activities. Work involves providing technical skills and leading field operations in the streets, parkways, and facilities of the Village. The work is performed under the supervision of the Public Works Coordinator/Director.

**Essential Duties and Responsibilities**

**The following duties are normal for this classification. These are not to be construed as exclusive or all-inclusive. Other duties may be required and assigned.**

1. Lead Public Works construction, maintenance and repair activities including, but not limited to the following: maintains, repairs and resurfaces streets, ditches, culverts and other roadbed features; plows snow and salts streets; repairs sidewalks and curbs; repairs and installs storm and sanitary sewers, inlets, drains and structures; maintains parkways, light fixtures, fabricates and installs signs; paints crosswalks and stripes streets; cleans storm and sanitary sewer systems; mosquito control; playground performance maintenance, and minor repairs of service equipment.
2. Leads, directs and instructs Public Works Laborers on the completion of daily and special tasks as assigned.
3. Operates vehicles and equipment, including but not limited to snow plows; mowers; backhoe; loader, aerial lift and similar construction/maintenance equipment.
4. Oversees vehicle and equipment maintenance. Maintains vehicle and equipment maintenance and replacement schedules and parts inventory. Assesses and tests vehicles and equipment to determine appropriate repairs and maintenance.
5. Responds to emergencies involving streets, ROW, infrastructure or public facility repair and maintenance.
6. Responds and resolves citizen calls regarding problems and requests for service; respond to and handle complaints.
7. Prepares various departmental reports.

8. Checks streets, curbs, ditches, culverts and storm water sewer systems for damage, erosion or other deficiencies.
9. Manages the maintenance of Village parks and public grounds including Village Hall, Public Works Building, and Police Building.

#### **Additional Tasks and Responsibilities**

**The following duties are normal for this classification. These are not to be construed as exclusive or all-inclusive. Other duties may be required and assigned.**

1. Perform vehicle and equipment repair and maintenance tasks. Checks and replenishes fluid levels, changes belts and filters, lubricates moving parts, changes oil, rotates tires, and replaces electrical and other consumable/worn components.
2. Assists water and wastewater system personnel as assigned.
3. Perform tasks associated with set up and take down of community events.
4. Repairs equipment when necessary.
5. Performs inspections when needed.
6. Assists maintaining public facilities, equipment and properties.
7. Assists with concrete removal and replacement.
8. May order supplies, with approval by Supervisor.
9. Assists other departments as needed.
10. Performs other duties as assigned.

#### **Minimum Education, Training and Experience Required to Perform Essential Job Functions**

1. High school diploma with computer experience with five years public works, building and grounds experience or any combination of education and experience that provides equivalent knowledge, skills, and abilities will be considered.
2. Valid Commercial Driver's License required.
3. Knowledge of principles, practices and techniques of Public Works maintenance and construction work.
4. Knowledge of the materials, supplies, and equipment used in public works maintenance, repair and construction projects.



5. Considerable knowledge of the occupational hazards and safety precautions associated with public works maintenance and repair projects, and the precautions necessary to work safely with employees and equipment.
6. Ability to maintain and upgrade professional knowledge, skills and development by attending seminars and training programs.
7. Ability to use basic office computer programs including Microsoft Word, Excel, and Outlook.

### **Physical and Mental Abilities Required to Perform Essential Job Functions**

#### **Language Ability and Interpersonal Communication**

1. Ability to classify, compute and tabulate data and information, following a prescribed plan requiring the exercise of some judgment. Ability to compare, count, differentiate, measure and sort information. Ability to assemble, copy, record and transcribe data and information.
2. Ability to advise and provide interpretation to others how to apply policies, procedures and standards to specific situations.
3. Ability to utilize a variety of advisory data and information such as work orders, purchase orders, parts manuals, vehicle/equipment maintenance records, technical operating and repair manuals, procedures and guidelines.
4. Ability to communicate effectively with department personnel and vendor representatives.
5. Ability to communicate effectively orally and in writing, in person and by telephone, email, fax or other means, with Village personnel, elected officials, vendors, consultants, public agencies, and the public.
6. Ability to operate equipment and machinery requiring continuous adjustments, such as computer keyboards, vehicle, telephones, copiers, adding machines, and other general office equipment as necessary.

#### **Mathematical Ability**

1. Ability to calculate percentages, fractions, decimals, volumes, ratios, present value and spatial relationships. Ability to understand basic descriptive statistical reports.

#### **Judgment and Situational Reasoning Ability**

1. Ability to use functional reasoning and apply rational judgment in performing diversified work activities.

2. Ability to exercise the judgment, decisiveness and creativity required in situations involving the evaluation of information against sensory and/or judgmental criteria, as opposed to criteria which are clearly measurable.

### **Physical Requirements**

1. Ability to operate equipment and machinery requiring monitoring multiple conditions and making multiple, complex and rapid adjustments, such as mechanic's shop and hand tools, welder, cutting torch, all city vehicles and equipment, test equipment, saws, sandblaster, painting equipment and air tools.
2. Ability to repair complex equipment and machinery.
3. Ability to coordinate eyes, hands, feet and limbs in performing skilled movements such as repair tool use.
4. Ability to exert heavy physical effort in moderate to heavy work, typically involving some combination of climbing and balancing, stooping, kneeling, crouching, crawling, lifting, carrying, pushing, and pulling.
5. Ability to recognize and identify degrees of similarities or differences between characteristics of colors, shapes, sounds, odors and textures associated with job-related objects, materials and tasks.

### **Environmental Adaptability**

1. Ability to work under often unsafe and uncomfortable conditions where exposure to environmental factors such as temperature variations, odors, toxic agents, noise, vibrations, wetness, machinery, electrical currents, traffic hazards, and/or dust can cause discomfort and where this is a risk of injury.

### **Village Policies**

1. This position is subject to all provisions of the Village of Gilberts Personnel Manual, including any and all supplemental policies adopted by the Village President and Trustees and/or the Village Administrator.
2. The Village of Gilberts endeavors to be in compliance with the Drug Free Work Place Act. To this end, this position is required to submit to drug and alcohol testing pursuant to the Village of Gilberts Personnel Manual.
3. The Village of Gilberts is an Equal Opportunity Employer. In compliance with the Americans with Disabilities Act, the Village will provide reasonable accommodations to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with the employer.

Approved:

\_\_\_\_\_  
Village Administrator

\_\_\_\_\_  
Date

Board Approval:

**6A**

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**ORDINANCE NUMBER 252011**

AN ORDINANCE authorizing and providing for the issuance of \$3,500,000 General Obligation Bonds (Alternate Revenue Source), Series 2011, of the Village of Gilberts, Kane County, Illinois.

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Adopted by the President and  
Board of Trustees on the  
16th day of August, 2011

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ORDINANCE NUMBER 25-2011

AN ORDINANCE authorizing and providing for the issuance of \$3,500,000 General Obligation Bonds (Alternate Revenue Source), Series 2011, of the Village of Gilberts, Kane County, Illinois.

WHEREAS, the Village of Gilberts, Kane County, Illinois (the "*Village*"), is a duly organized and existing municipality incorporated and existing under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, as amended; and

WHEREAS, the President and Board of Trustees of the Village (the "*Corporate Authorities*") has heretofore determined that it is advisable, necessary and in the best interests of the Village and its residents to finance certain costs to be incurred in connection with road projects and related improvements and expenses incident thereto (the "*Project*") at an estimated cost, including expenses and contingencies, of not less than \$3,500,000 plus investment earnings thereon, for which there are no funds of the Village on hand and lawfully available for the purpose, and the entire \$3,500,000 will need to be obtained through the borrowing of money and the issuance of bonds; and

WHEREAS, the expenses and contingencies related to the Project include legal, financial, accounting services related to the accomplishment of the Project and the issuance of bonds therefor, bond discount, bond registrar, paying agent, and other and similar banking fees, printing and publication costs, and other miscellaneous costs; and

WHEREAS, pursuant to the provisions of Section 15 of the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Reform Act*"), whenever there exists a revenue source, the Village is authorized to issue "alternate bonds," being general obligation bonds payable from such revenue source; and



WHEREAS, the Corporate Authorities, on the 21st day of June, 2011, adopted Ordinance Number 19-2011 (the "*Authorizing Ordinance*"), authorizing the issuance of certain Alternate Bonds, being General Obligation Bonds (Alternate Revenue Source) payable from revenue sources as provided by the Reform Act (the "*2011 Alternate Bonds*"), in an amount not to exceed \$3,500,000 for the Project; and

WHEREAS, on the 27th day of June, 2011, the Authorizing Ordinance, which included therein a notice in the statutory form, was published in the *Courier News*, a paper having a general circulation in the Village, and an affidavit evidencing the publication of the Authorizing Ordinance and said notice has heretofore been presented to the Corporate Authorities and made a part of the permanent records of the Village; and

WHEREAS, no petition has ever been filed with the Village Clerk requesting that the question of the issuance of the 2011 Alternate Bonds for the Project be submitted to referendum; and

WHEREAS, the Corporate Authorities have been authorized to issue the 2011 Alternate Bonds to the amount of \$3,500,000 in accordance with the provisions of the Reform Act and the Authorizing Ordinance; \$-0- of such bonds have heretofore been issued by the Village; and the Corporate Authorities hereby determine that it is necessary and advisable that there be issued at this time \$3,500,000 of the authorized amount; and

WHEREAS, the 2011 Alternate Bonds to be issued will be payable from the Pledged Revenues and the Pledged Taxes, both as hereinafter defined; and

WHEREAS, the Corporate Authorities hereby determine that the Pledged Revenues will provide in each year to final maturity of the proposed 2011 Alternate Bonds an amount not less than 1.25 times debt service of the proposed 2011 Alternate Bonds, said series of bonds being the only series of alternate bonds payable from the Pledged Revenues; and

WHEREAS, such determination of the sufficiency of the Pledged Revenues is supported by the most recent audit of the Village for the fiscal year ending April 30, 2010 (the "*Audit*"), which Audit has been presented to and accepted by the Corporate Authorities, is now on file with the Village Clerk and is for a fiscal year ending not earlier than 18 months previous to the time of the proposed issuance of the Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the President of the Village (the "*President*"), on the 18th day of July, 2011, executed an Order calling a public hearing (the "*Hearing*") for the 2nd day of August, 2011, concerning the intent of the Corporate Authorities to sell not to exceed \$3,500,000 General Obligation Bonds (Alternate Revenue Source) for the Project; and

WHEREAS, notice of the Hearing was given by (i) publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Courier News*, the same being a newspaper of general circulation in the Village and (ii) posting at least 48 hours before the Hearing a copy of said notice at the principal office of the Corporate Authorities; and

WHEREAS, the Hearing was held on the 2nd day of August, 2011, and at the Hearing, the Corporate Authorities explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 2nd day of August, 2011, and not less than seven (7) days have passed since the final adjournment of the Hearing; and

WHEREAS, the Corporate Authorities are now authorized to issue the 2011 Alternate Bonds to the amount of \$3,500,000 in accordance with the provisions of the Reform Act, and the Corporate Authorities hereby determine that it is necessary and desirable that there be issued at

this time 2011 Alternate Bonds as necessary for the Project, and that the amount of bonds so required to be issued at this time is \$3,500,000; and

WHEREAS, the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*Tax Limitation Law*"), imposes certain limitations on the "aggregate extension" of certain property taxes levied by the Village, but provides that the definition of "aggregate extension" contained in Section 18-185 of the Tax Limitation Law does not include "extensions . . . payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act"; and

WHEREAS, the County Clerk of The County of Kane, Illinois (the "*County Clerk*"), is therefore authorized to extend and collect said direct annual ad valorem tax so levied for the payment of the 2011 Alternate Bonds for the Project without limitation as to rate or amount:

NOW, THEREFORE, Be It Ordained by the President and Board of Trustees of the Village of Gilberts, Kane County, Illinois, as follows:

*Section 1. Definitions.* The words and terms used in this Ordinance shall have the meanings set forth and defined for them herein unless the context or use clearly indicates another or different meaning is intended, including the words and terms as follows:

"*Additional Bonds*" means any alternate bonds issued in the future in accordance with the provisions of the Reform Act on a parity with and sharing equally in the Pledged Revenues with the Bonds.

"*Alternate Bonds*" means the Bonds and any Additional Bonds.

"*Bond*" or "*Bonds*" or "*2011 Alternate Bonds*" means one or more, as applicable, of the \$3,500,000 General Obligation Bonds (Alternate Revenue Source), Series 2011, authorized to be issued by this Ordinance.

*“Bond Fund”* means the 2011 Alternate Bond Fund established hereunder and further described herein.

*“Bond Register”* means the books of the Village kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

*“Bond Registrar”* or *“Paying Agent”* means Amalgamated Bank of Chicago, Chicago, Illinois, a banking association having trust powers, or a successor bank with trust powers or a trust company, duly authorized to do business as a bond registrar and as paying agent as herein required.

*“Code”* means the Internal Revenue Code of 1986, as amended.

*“Corporate Authorities”* means the President and Board of Trustees of the Village.

*“County Clerk”* means the County Clerk of The County of Kane, Illinois.

*“Designated Officers”* means the President, Village Clerk, or Treasurer, or assigns, or any of them acting together.

*“Expense Fund”* means the fund established hereunder and further described herein.

*“Fiscal Year”* means that twelve-calendar month period selected by the Corporate Authorities as the Fiscal Year for the Village.

*“Ordinance”* means this Ordinance as supplemented or amended from time to time.

*“Outstanding”* or *“outstanding”* when used with reference to the Bonds and Additional Bonds means such of those bonds which are outstanding and unpaid; *provided, however*, such term shall not include Bonds or Additional Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise

sufficiently available to pay all principal thereof and interest thereon or (ii) the provision for payment of which has been made by the Village by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal of, redemption premium, if any, and interest on such Bonds or Additional Bonds.

*"Pledged Moneys"* means, collectively, Pledged Revenues and Pledged Taxes as both are defined herein.

*"Pledged Revenues"* means collections distributed to the Village from those taxes imposed by the Village pursuant to the (a) Simplified Municipal Telecommunications Tax Act, (b) Motor Fuel Tax Law, and (c) Non-Home Rule Municipal Retailers' Occupation Tax and the Non-Home Rule Municipal Service Occupation Tax, each as supplemented and amended from time to time, or substitute taxes thereto as provided for by the State of Illinois in the future.

*"Pledged Taxes"* means the *ad valorem* taxes levied against all of the taxable property in the Village without limitation as to rate or amount, pledged hereunder by the Village as security for the Bonds.

*"Project"* is defined in the preambles hereto.

*"Purchase Price"* means the price paid for the Bonds, to-wit: \$ \_\_\_\_\_, plus accrued interest.

*"Purchaser"* means Bernardi Securities, Inc., Chicago, Illinois.

*"Record Date"* means the 15th day of the month next preceding any regularly scheduled interest payment date.

*“Reform Act”* means the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended.

*“Tax-exempt”* means, with respect to the Bonds, the status of interest paid and received thereon as not includible in the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations.

*“Treasurer”* means the Treasurer of the Village.

*“Village Clerk”* means the Village Clerk of the Village.

*Section 2. Incorporation of Preambles.* The Corporate Authorities hereby find that the recitals contained in the preambles to this Ordinance are true and correct and do incorporate them into this Ordinance by this reference, and such finding shall be incontestable under the Reform Act as therein provided.

*Section 3. Authorization.* It is hereby found and determined that the Corporate Authorities have been authorized by law to borrow the sum of \$3,500,000 upon the credit of the Village and as evidence of such indebtedness to issue bonds of the Village in said amount, the proceeds of said bonds to be used for the Project, and that it is necessary to borrow \$3,500,000 of said authorized sum and issue the Bonds in evidence thereof for purposes of paying costs of the Project, and that it is necessary and for the best interests of the Village that there be issued at this time \$3,500,000 of the bonds so authorized for the Project.

*Section 4. Determination to Issue Bonds.* It is necessary and in the best interests of the Village for the Village to undertake the Project for the public health, safety and welfare, and to issue the Bonds to enable the Village to pay the costs thereof.

*Section 5. Bond Details.* For the purpose of providing for the payment of the costs of the Project, there shall be issued and sold the Bonds in the principal amount of \$3,500,000. The Bonds shall each be designated “General Obligation Bond (Alternate Revenue Source), Series 2011,” and be dated August 15, 2011 (the “*Dated Date*”), and shall also bear the date of authentication thereof. The Bonds shall be in fully registered form, shall be in denominations of \$5,000 or authorized integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), as shall be numbered in such reasonable fashion as may be selected by the Bond Registrar, and shall mature serially (subject to prior redemption as hereinafter provided) on December 1 of the years and in the amounts and shall bear interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
2012		
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		

Each Bond shall bear interest from the later of its Dated Date as herein above provided or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semiannually on each June 1 and December 1, commencing on June 1, 2012. Interest on each Bond shall be paid by check or draft of the Paying Agent, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of

business on the Record Date. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal corporate trust office of the Paying Agent.

*Section 6. Redemption. (a) Optional Redemption.* The Bonds due on or after December 1, 20\_\_, are subject to redemption prior to maturity at the option of the Village as a whole, or in part in any order of maturity determined by the Village (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 20\_\_, or on any date thereafter, at the redemption price of par plus accrued interest to the date of redemption.

(b) *Mandatory Redemption.* Those of the Bonds due December 1 of the year 20\_\_ are Term Bonds and are subject to mandatory redemption on December 1 of the years and in the amounts as follows:

TERM BONDS OF 20\_\_

YEAR	AMOUNT (\$)
------	-------------

20__	
------	--

with \$\_\_\_\_\_ due at final maturity in 20\_\_.

(c) *Redemption Procedure.* The Bond Registrar shall proceed with mandatory redemption without further notice or direction from the Village. For redemptions at the option of the Village, the Village shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount and maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than 60 days prior to the redemption date by the Bond Registrar for the Bonds of such series and maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the



selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the Village may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Corporate Authorities shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

The Bond Registrar shall promptly notify the Village and the Paying Agent in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by first-class mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall include the name of the Bonds and at least the information as follows:

- (1) the redemption date;

(2) the redemption price;

(3) if less than all of the Bonds of a single maturity are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;

(4) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust business office of the Paying Agent.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption shall be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Village shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the Village shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. The procedure for the payment of interest due as part of the

redemption price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

If any Bond or portion of a Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

*Section 7. Execution; Authentication.* The Bonds shall be executed on behalf of the Village with the manual or facsimile signature of the President and attested with the manual or facsimile signature of the Village Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if

signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

*Section 8. Registration of Bonds; Persons Treated as Owners; Global Book-Entry System.* (a) *General.* The Village shall cause books for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the Village for this issue. The Village is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or his or her attorney duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on the Bonds and ending at the opening of business on such interest

payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 5 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Designated Officers and the Bond Registrar are each authorized to execute and deliver, on behalf of the Village, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"), which

Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the Village and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Village and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The Village and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Village’s obligations with respect to payment of the principal of and interest on the

Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the Village to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 5 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the Village determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the Village, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the Village determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Village shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the Village may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the Village, or such depository's agent or designee, and if the Village does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 8(a) hereof.

Notwithstanding any other provisions of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to

principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

*Section 9. Form of Bond.* The Bonds shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, then the second paragraph on the front side and the legend “See Reverse Side for Additional Provisions” shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.



[Form of Bond - Front Side]

REGISTERED  
No.

REGISTERED  
\$

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF KANE

VILLAGE OF GILBERTS

**GENERAL OBLIGATION BOND (ALTERNATE REVENUE SOURCE)  
SERIES 2011**

See Reverse Side for  
Additional Provisions

Interest                      Maturity                      Dated  
Rate: \_\_\_\_%              Date: December 1, 20\_\_              Date: August 15, 2011              CUSIP: \_\_\_\_\_

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the Village of Gilberts, Kane County, Illinois, a municipality and unit of local government and political subdivision of the State of Illinois (the "*Village*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for at the Interest Rate per annum identified above, such interest to be payable semiannually on June 1 and December 1 of each year, commencing on June 1, 2012, until the Principal Amount is paid or duly provided for, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be and become applicable hereto. The Principal Amount of this Bond is payable in lawful money of

the United States of America upon presentation at the principal corporate trust office of Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent and bond registrar (the "*Bond Registrar*"). Payment of the installments of interest shall be made to the Registered Owner hereof, as shown on the registration books of the Village maintained by Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date. Interest shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been done and have happened and have been performed in regular and due form of law; that the indebtedness of the Village, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law, unless the Pledged Taxes shall have been extended pursuant to the general obligation full faith and credit promise supporting the Bonds, in which case the amount of the Bonds then outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shall show that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year; that provision has been made for the collection of the Pledged Revenues, the levy and collection of the Pledged Taxes, and the segregation of the Pledged Moneys to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the Village hereby covenants and agrees that

it will properly account for said Pledged Moneys and will comply with all the covenants of and maintain the funds and accounts as provided by the Ordinance. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the Village are hereby irrevocably pledged.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, the Village of Gilberts, Kane County, Illinois, by its President and Board of Trustees, has caused this Bond to be executed with the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Village Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

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President, Village of Gilberts,  
Kane County, Illinois

ATTEST:

---

Village Clerk, Village of Gilberts,  
Kane County, Illinois

[SEAL]

**CERTIFICATE OF AUTHENTICATION**

Date of Authentication: \_\_\_\_\_, 20\_\_

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Bonds (Alternate Revenue Source), Series 2011, of the Village of Gilberts, Kane County, Illinois.

AMALGAMATED BANK OF CHICAGO  
Chicago, Illinois, as Bond Registrar

By: \_\_\_\_\_  
Authorized Officer

[Form of Bond - Reverse Side]

**VILLAGE OF GILBERTS, KANE COUNTY, ILLINOIS**

**GENERAL OBLIGATION BOND (ALTERNATE REVENUE SOURCE)**

**SERIES 2011**

This bond and the bonds of the series of which it forms a part ("*Bond*" and "*Bonds*" respectively) are of an authorized issue of Three Million Five Hundred Thousand Dollars (\$3,500,000) of like dated date and tenor except as to maturity and rate of interest, and are issued pursuant to the Illinois Municipal Code, as amended, the Local Government Debt Reform Act, as amended, and all acts of the General Assembly of the State of Illinois, and as supplemented and amended (collectively, the "*Applicable Law*"), for the purpose of financing certain costs to be incurred in connection with road projects and related improvements and expenses incident thereto, as more fully described in the Ordinance as herein below defined. The Bonds are issued pursuant to an authorizing ordinance passed by the President and Board of Trustees of the Village (the "*Corporate Authorities*") on the 21st day of June, 2011, and a more complete bond ordinance passed by the Corporate Authorities on the 16th day of August, 2011 (the "*Ordinance*"), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the Registered Owner by the acceptance of this Bond assents.

The Bonds are payable from all collections distributed to the Village from those taxes imposed by the Village pursuant to the (a) Simplified Municipal Telecommunications Tax Act, (b) Motor Fuel Tax Law, and (c) Non-Home Rule Municipal Retailers' Occupation Tax and the Non-Home Rule Municipal Service Occupation Tax, each as supplemented and amended from time to time, or substitute taxes thereto as provided for by the State of Illinois in the future (the "*Pledged Revenues*"). Additional Bonds, secured ratably and equally by the Pledged Revenues, or by any portion thereof, may be issued in the future as provided in the Ordinance and the Applicable Law. The Bonds are also payable from ad valorem taxes levied against all of the

taxable property in the Village without limitation as to rate or amount (the "*Pledged Taxes*") (the Pledged Revenues and the Pledged Taxes being collectively called the "*Pledged Moneys*"), all in accordance with the provisions of the Applicable Law.

Under the Applicable Law and the Ordinance, available Pledged Revenues shall be deposited into and segregated in the Pledged Revenues Account of the 2011 Alternate Bond Fund, and the Pledged Taxes shall be deposited into and segregated in the Pledged Taxes Account of the 2011 Alternate Bond Fund, each as created by the Ordinance. Moneys on deposit in said Accounts shall be used and are pledged for paying the principal of and interest on the Bonds and for any further purposes in the priority of lien and as provided by the terms of the Ordinance.

The Bonds are subject to optional [and mandatory] redemption as set forth in the Ordinance. Notice of any such redemption shall be given by the Bond Registrar on behalf of the Village as set forth in the Ordinance.

This Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Ordinance.

The Village, the Paying Agent and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the Village, the Paying Agent nor the Bond Registrar shall be affected by any notice to the contrary.

**ASSIGNMENT**

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
\_\_\_\_\_  
(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_

\_\_\_\_\_  
as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

*Section 10. Treatment of Bonds as Debt.* The Bonds shall be payable from the Pledged Moneys and shall not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth herein, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shall show that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year, in accordance with the Reform Act.

*Section 11. Alternate Bond Fund.* There is hereby created a special fund of the Village, which fund shall be held by the Treasurer separate and apart from all other funds and accounts of the Village and be known as the "2011 Alternate Bond Fund" (the "*Bond Fund*"). The purpose of the Bond Fund is to provide a fund to receive and disburse the Pledged Revenues and to

receive and disburse Pledged Taxes for any (or all) of the Bonds. There are hereby created two accounts of the Bond Fund, designated the Pledged Revenues Account and the Pledged Taxes Account. All Pledged Revenues shall be deposited to the Pledged Revenues Account, and all Pledged Taxes shall be deposited to the credit of the Pledged Taxes Account. The Bond Fund and its respective accounts constitute a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the Village by this Ordinance.

Any Pledged Taxes received by the Village shall promptly be deposited into the Pledged Taxes Account of the Bond Fund. Pledged Taxes on deposit to the credit of the Pledged Taxes Account of the Bond Fund shall be fully spent to pay the principal of and interest on the Bonds for which such taxes were levied and collected prior to use of any moneys on deposit in the Pledged Revenues Account of the Bond Fund.

There shall be credited to the Pledged Revenues Account of the Bond Fund and held, in cash and investments, on or before the first day of each month by the financial officer of the Village, without any further official action or direction, the Pledged Revenues. Each monthly deposit shall be a fractional amount of the interest becoming due on the next succeeding interest payment date on all Bonds and also a fractional amount of the principal becoming due on the next succeeding maturity date of all of the Bonds until there shall have been accumulated and held, in cash and investments, in the Pledged Revenues Account on or before the month preceding such maturity date of interest or maturity date of principal, an amount sufficient to pay such principal or interest, or both.

In computing the fractional amount to be set aside each month in the Pledged Revenues Account, the fraction shall be so computed that a sufficient amount will be set aside in said Account and will be available for the prompt payment of such principal of and interest on all Bonds and shall be not less than one-sixth of the interest becoming due on the succeeding



interest payment date and not less than one-twelfth of the principal becoming due on the next succeeding principal payment date on all Bonds outstanding until there is sufficient money in said Account to pay such principal or interest, or both.

Credits to the Pledged Revenues Account need not be made at such time as there shall be a sufficient sum, held in cash and investments, in said Account to meet principal and interest requirements in said Account on the next two (2) succeeding debt service payment dates on the Bonds outstanding.

*Section 12. Pledged Taxes; Tax Levy.* The Bonds are Alternate Bonds. For the purpose of providing funds to pay the principal of and interest on the Bonds at maturity, and as provided in Section 15 of the Reform Act, there is hereby levied upon all of the taxable property within the Village, in the years for which any of the Bonds are Outstanding, a direct annual tax for each of the years while the Bonds or any of them are Outstanding, in amounts sufficient for that purpose, and there be and there hereby is levied upon all of the taxable property in the Village the direct annual taxes in the amounts as follows (the "*Pledged Taxes*");

YEAR	A TAX SUFFICIENT TO PRODUCE THE DOLLAR SUM OF:	
2011	\$	for principal and interest up to and including June 1, 2013 (net of capitalized interest)
2012	\$	for principal and interest
2013	\$	for principal and interest
2014	\$	for principal and interest
2015	\$	for principal and interest
2016	\$	for principal and interest
2017	\$	for principal and interest
2018	\$	for principal and interest
2019	\$	for principal and interest
2020	\$	for principal and interest

Principal or interest maturing at any time when there are insufficient funds on hand from the Pledged Moneys to pay the same shall be paid promptly when due from current funds on

hand in advance of the collection of the Pledged Moneys herein pledged and levied; and when the Pledged Moneys shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The Village covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to levy and collect the foregoing tax levy. The Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

*Section 13. Filing with County Clerk.* After this Ordinance becomes effective, a copy hereof, certified by the Village Clerk, shall be filed with the County Clerk. The County Clerk shall in and for each of the years required ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore levied in each of said years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the Village for general corporate purposes of the Village; and the County Clerk, or other appropriate officers or designees, shall remit the Pledged Taxes for deposit to the credit of the Bond Fund, and in said years the Pledged Taxes shall be levied and collected by and for and on behalf of the Village in like manner as taxes for general corporate purposes of the Village for said years are levied and collected, and in addition to and in excess of all other taxes. The Pledged Taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying principal of and interest on the Bonds.

*Section 14. Abatement of Pledged Taxes.* As provided in the Reform Act, whenever funds are or will be available to pay any principal of or interest on the Bonds when due, so as to enable the abatement of the Pledged Taxes levied for the same, the Corporate Authorities or the officers of the Village acting with proper authority, will direct the abatement of the Pledged

Taxes, and proper notification of such abatement will be filed with the County Clerk, in a timely manner to effect such abatement. The Village covenants and agrees that it will not direct the County Clerk to abate any other taxes levied for general corporate purposes in a calendar year until sufficient Pledged Revenues have been deposited in the Bond Fund and the abatement of the Pledged Taxes for such calendar year has been filed with the County Clerk.

*Section 15. Pledged Revenues; General Covenants.* The Village covenants and agrees with the holders of the Alternate Bonds that, so long as any Alternate Bonds remain Outstanding:

A. The Pledged Revenues are hereby pledged to the payment of the Alternate Bonds, and the Corporate Authorities covenant and agree to provide for, collect and apply the Pledged Revenues to the payment of all such bonds as are from time to time Outstanding Bonds and the provision of not less than an additional .25 times debt service thereon. The determination of the sufficiency of the Pledged Revenues pursuant to this subsection (A) shall be supported by reference to the Report, and the reference to and acceptance of the Report by the Corporate Authorities shall be conclusive evidence that the conditions of Section 15 of the Reform Act have been met.

B. The Village will punctually pay or cause to be paid from the Bond Fund the principal of and interest on to become due in respect to the Alternate Bonds in strict conformity with the terms of the Alternate Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

C. The Village will pay and discharge, or cause to be paid and discharged, from the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Revenues, or any part thereof, or upon any such funds in the hands of the Paying Agent, or which might impair the security of the Alternate Bonds.

Nothing herein contained shall require the Village to make any such payment so long as the Village in good faith shall contest the validity of said claims.

D. The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries shall be made of all transactions relating to the Project, to the Pledged Revenues and to the Bond Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the holders of not less than ten per cent (10%) of the principal amount of the Outstanding Alternate Bonds or their representatives authorized in writing.

E. The Village will preserve and protect the security of the Alternate Bonds and the rights of the registered owners of the Alternate Bonds, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Alternate Bonds by the Village, the Alternate Bonds shall be incontestable by the Village.

F. The Village will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the holders of the Alternate Bonds of the rights and benefits provided in this Ordinance.

G. As long as any Alternate Bonds are Outstanding, the Village will continue to deposit and apply the Pledged Revenues and, if applicable, the Pledged Taxes as provided herein. The Village covenants and agrees with the purchasers of the Alternate Bonds and with the registered owners thereof that so long as any Alternate Bonds remain Outstanding, the Village will take no action or fail to take any action which in any way

would adversely affect the ability of the Village to collect the Pledged Revenues. The Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues and the Pledged Taxes may be collected as provided herein and deposited into the Bond Fund.

H. Once issued, the Alternate Bonds shall be and forever remain until paid or defeased the general obligation of the Village, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to the Pledged Revenues, from the levy of the Pledged Taxes as provided in the Reform Act.

*Section 16. Additional Bonds.* The Village reserves the right to issue Additional Bonds without limit from time to time payable from the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds; *provided, however,* that no Additional Bonds shall be issued except in accordance with the provisions of the Reform Act.

*Section 17. Defeasance.* Bonds which are no longer Outstanding Bonds as defined in this Ordinance shall cease to have any lien on or right to receive or be paid from the Pledged Revenues or the Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security for the Bonds in the Pledged Revenues or the Pledged Taxes.

*Section 18. Sale of the Bonds.* The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the passage hereof as may be, and thereupon be deposited with the Treasurer, and be by said Treasurer delivered to the Purchaser, upon receipt of the Purchase Price. The contract for the sale of the Bonds heretofore entered into (the "*Purchase Contract*") is in all respects ratified, approved and confirmed, it being hereby found and determined that the Bonds have been sold at such price and bear interest at such rates that neither the true interest

cost (yield) nor the net interest rate received upon such sale exceed the maximum rate otherwise authorized by Illinois law and that the Purchase Contract is in the best interests of the Village and that no person holding any office of the Village, either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "*Official Statement*") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the Corporate Authorities are hereby authorized to take any action as may be required on the part of the Village to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the final Official Statement and the Bonds.

*Section 19. Use of Proceeds.* The proceeds derived from the sale of the Bonds shall be used as follows:

A. Accrued interest, if any, received by the Village upon the sale of the Bonds and \$\_\_\_\_\_ capitalized interest up to and including June 1, 2012, shall be remitted by the Treasurer for deposit into the Bond Fund and be used to pay first interest coming due on the Bonds.

B. The Village shall then allocate from the Bond proceeds, along with any premium received by the Village upon the sale of the Bonds the sum necessary for expenses incurred in the issuance of the Bonds which shall be deposited into an "Expense Fund" to be maintained by the Treasurer and disbursed for such issuance expenses from time to time in accordance with usual Village procedures for the disbursement of funds, which disbursements are hereby expressly authorized. Moneys not disbursed from the

Expense Fund within six months shall be transferred by the Village for deposit in the hereinafter described Project Fund, and any deficiencies in the Expense Fund shall be paid by disbursement from the Project Fund.

C. The remaining funds shall be set aside in a separate fund hereby created and designated as the "Project Fund (2011)" (the "*Project Fund*"), which the Village shall maintain as a separate and segregated account. Monies in said fund shall be withdrawn from time to time as needed for the payment of costs of the Project, and paying the fees and expenses incidental thereto not paid out of the Expense Fund; and said monies shall be disbursed by the Village from time to time only upon submission to the Treasurer of the following:

(1) If such disbursement is for payment to a supplier, materialman, or contractor for work done in connection with the Project, a certificate executed by the engineer or architect or Village officer in charge of the construction or acquisition of the pertinent project stating the amount of materials supplied or the nature of the work completed, that such materials have been properly accepted or such work approved by him, the amount due and payable thereon, and the amount remaining to be paid in connection with the project as applicable; and

(2) A duplicate copy of the order signed by an officer of the Village, stating specifically the purpose for which the order is issued and indicating that the payment for which the order is issued has been approved by the Village.

Funds on deposit in the Project Fund may be invested by the Treasurer in any lawful manner. All investment earnings in the Project Fund shall first be reserved and transferred to such other account as and to the extent necessary to pay any "excess arbitrage profits" or "penalty in lieu of rebate" under Section 148 of the Code to maintain the Tax-Exempt status of

the Bonds, and the remainder shall be retained in the Project Fund and appropriate account for costs of the Project.

Within sixty (60) days after full depletion of any account of the Project Fund, or if the Project has been completed and accepted, the Treasurer shall certify to the Corporate Authorities the fact of such depletion or the engineer or architect or Village officer in responsible charge of the pertinent project shall certify to the Corporate Authorities the fact that the work has been completed and accepted, and upon approval of such certification by the Corporate Authorities, funds (if any) remaining in the Project Fund shall be credited by the Treasurer to the appropriate account for payment of the Bonds; and the Project Fund shall be closed.

*Section 20. Non-Arbitrage and Tax-Exemption.* One purpose of this Section is to set forth various facts regarding the Bonds and to establish the expectations of the Corporate Authorities and the Village as to future events regarding the Bonds and the use of Bond proceeds. The certifications, covenants and representations contained herein and at the time of the Closing are made on behalf of the Village for the benefit of the owners from time to time of the Bonds. In addition to providing the certifications, covenants and representations contained herein, the Village hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the hereinafter defined Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The Village acknowledges that, in the event of an examination by the Internal Revenue Service (the “IRS”) of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the Village may be treated as a “taxpayer” in such examination



and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination. The Corporate Authorities and the Village certify, covenant and represent as follows:

*1.1. Definitions.* In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Section shall have the following meanings unless, in either case, the context or use clearly indicates another or different meaning is intended:

*"Affiliated Person"* means any Person that (a) at any time during the six months prior to the execution and delivery of the Bonds, (i) has more than five percent of the voting power of the governing body of the Village in the aggregate vested in its directors, officers, owners, and employees or, (ii) has more than five percent of the voting power of its governing body in the aggregate vested in directors, officers, board members or employees of the Village or (b) during the one-year period beginning six months prior to the execution and delivery of the Bonds, (i) the composition of the governing body of which is modified or established to reflect (directly or indirectly) representation of the interests of the Village (or there is an agreement, understanding, or arrangement relating to such a modification or establishment during that one-year period) or (ii) the composition of the governing body of the Village is modified or established to reflect (directly or indirectly) representation of the interests of such Person (or there is an agreement, understanding, or arrangement relating to such a modification or establishment during that one-year period).

*"Bond Counsel"* means Chapman and Cutler LLP or any other nationally recognized firm of attorneys experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

*"Capital Expenditures"* means costs of a type that would be properly chargeable to a capital account under the Code (or would be so chargeable with a proper election) under federal income tax principles if the Village were treated as a corporation subject to federal income taxation, taking into account the definition of Placed-in-Service set forth herein.

*"Closing"* means the first date on which the Village is receiving the purchase price for the Bonds.

*"Code"* means the Internal Revenue Code of 1986, as amended.

*"Commingled Fund"* means any fund or account containing both Gross Proceeds and an amount in excess of \$25,000 that are not Gross Proceeds if the amounts in the fund or account are invested and accounted for, collectively, without regard to the source

of funds deposited in the fund or account. An open-ended regulated investment company under Section 851 of the Code is not a Commingled Fund.

“*Control*” means the possession, directly or indirectly through others, of either of the following discretionary and non-ministerial rights or powers over another entity:

(a) to approve and to remove without cause a controlling portion of the governing body of a Controlled Entity; or

(b) to require the use of funds or assets of a Controlled Entity for any purpose.

“*Controlled Entity*” means any entity or one of a group of entities that is subject to Control by a Controlling Entity or group of Controlling Entities.

“*Controlled Group*” means a group of entities directly or indirectly subject to Control by the same entity or group of entities, including the entity that has Control of the other entities.

“*Controlling Entity*” means any entity or one of a group of entities directly or indirectly having Control of any entities or group of entities.

“*Costs of Issuance*” means the costs of issuing the Bonds, including underwriters’ discount and legal fees.

“*De minimis Amount of Original Issue Discount or Premium*” means with respect to an obligation (a) any original issue discount or premium that does not exceed two percent of the stated redemption price at maturity of the Bonds plus (b) any original issue premium that is attributable exclusively to reasonable underwriter’s compensation.

“*External Commingled Fund*” means a Commingled Fund in which the Village and all members of the same Controlled Group as the Village own, in the aggregate, not more than ten percent of the beneficial interests.

“*GIC*” means (a) any investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate and (b) any agreement to supply investments on two or more future dates (*e.g.*, a forward supply contract).

“*Gross Proceeds*” means amounts in the Bond Fund and the Project Fund.

“*Net Sale Proceeds*” means amounts actually or constructively received from the sale of the Bonds reduced by any such amounts that are deposited in a reasonably required reserve or replacement fund for the Bonds.

*"Person"* means any entity with standing to be sued or to sue, including any natural person, corporation, body politic, governmental unit, agency, authority, partnership, trust, estate, association, company, or group of any of the above.

*"Placed-in-Service"* means the date on which, based on all facts and circumstances (a) a facility has reached a degree of completion that would permit its operation at substantially its design level and (b) the facility is, in fact, in operation at such level.

*"Private Business Use"* means any use of the Project by any Person other than a state or local government unit, including as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract or (iii) any other similar arrangement, agreement or understanding, whether written or oral, except for use of the Project on the same basis as the general public. Private Business Use includes any formal or informal arrangement with any person other than a state or local governmental unit that conveys special legal entitlements to any portion of the Project that is available for use by the general public or that conveys to any person other than a state or local governmental unit any special economic benefit with respect to any portion of the Project that is not available for use by the general public.

*"Qualified Administrative Costs of Investments"* means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions but not legal and accounting fees, recordkeeping, custody and similar costs; or (b) all reasonable administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund.

*"Qualified Tax Exempt Obligations"* means (a) any obligation described in Section 103(a) of the Code, the interest on which is excludable from gross income of the owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; (b) an interest in a regulated investment company to the extent that at least ninety-five percent of the income to the holder of the interest is interest which is excludable from gross income under Section 103 of the Code of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; and (c) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. pt. 344.

*"Rebate Fund"* means the fund, if any, identified and defined in paragraph 4.2 herein.

*"Rebate Provisions"* means the rebate requirements contained in Section 148(f) of the Code and in the Regulations.

*“Regulations”* means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

*“Reimbursed Expenditures”* means expenditures of the Village paid prior to Closing to which Sale Proceeds or investment earnings thereon are or will be allocated.

*“Sale Proceeds”* means amounts actually or constructively received from the sale of the Bonds, including (a) amounts used to pay underwriters’ discount or compensation and accrued interest, other than accrued interest for a period not greater than one year before Closing but only if it is to be paid within one year after Closing and (b) amounts derived from the sale of any right that is part of the terms of a Bond or is otherwise associated with a Bond (*e.g.*, a redemption right).

*“Yield”* means that discount rate which when used in computing the present value of all payments of principal and interest paid and to be paid on an obligation (using semiannual compounding on the basis of a 360-day year) produces an amount equal to the obligation’s purchase price (or in the case of the Bonds, the issue price as established in paragraph 5.1 hereof), including accrued interest.

*“Yield Reduction Payment”* means a rebate payment or any other amount paid to the United States in the same manner as rebate amounts are required to be paid or at such other time or in such manner as the Internal Revenue Service may prescribe that will be treated as a reduction in Yield of an investment under the Regulations.

*2.1. Purpose of the Bonds.* The Bonds are being issued to finance the Project in a prudent manner consistent with the revenue needs of the Village. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Ordinance. At least 75% of the sum of (i) Sale Proceeds plus (ii) all investment earnings thereon during the period ending on the date of completion of the Project, less (iii) Costs of Issuance paid from Sale Proceeds or investment earnings thereon, less (iv) Sale Proceeds or investment earnings thereon deposited in a reasonably required reserve or replacement fund, are expected to be used for construction purposes with respect to property owned by a governmental unit or a Section 501(c)(3) organization. Except for any accrued interest on the Bonds used to pay first interest due on the Bonds, no proceeds of the Bonds will be used more than 30 days after the date of issue of the Bonds for the purpose of paying any principal or interest on any issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the Village or for the purpose of replacing any funds of the Village used for such purpose.

*2.2. The Project—Binding Commitment and Timing.* The Village has incurred or will, within six months of the Closing, incur a substantial binding obligation (not subject to contingencies within the control of the Village or any member of the same Controlled Group as the Village) to a third party to expend at least five percent of the Net Sale Proceeds on the Project. It is expected that the work of acquiring and constructing the Project and the expenditure of amounts deposited into the Project Fund will continue to

proceed with due diligence through August 15, 2014, at which time it is anticipated that all Sale Proceeds and investment earnings thereon will have been spent.

2.3. *Reimbursement.* None of the Sale Proceeds or investment earnings thereon will be used for Reimbursed Expenditures.

2.4. *Working Capital.* All Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to finance Capital Expenditures other than the following:

(a) an amount not to exceed five percent of the Sale Proceeds for working capital expenditures directly related to Capital Expenditures financed by the Bonds;

(b) payments of interest on the Bonds for a period commencing at Closing and ending on the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service;

(c) Costs of Issuance and Qualified Administrative Costs of Investments;

(d) payments of rebate or Yield Reduction Payments made to the United States under the Regulations;

(e) principal of or interest on the Bonds paid from unexpected excess Sale Proceeds and investment earnings thereon; and

(f) investment earnings that are commingled with substantial other revenues and are expected to be allocated to expenditures within six months.

2.5. *Consequences of Contrary Expenditure.* The Village acknowledges that if Sale Proceeds and investment earnings thereon are spent for non-Capital Expenditures other than as permitted by paragraph 2.4 hereof, a like amount of then available funds of the Village will be treated as unspent Sale Proceeds.

2.6. *Payments to Village or Related Persons.* The Village acknowledges that if Sale Proceeds or investment earnings thereon are transferred to or paid to the Village or any member of the same Controlled Group as the Village, those amounts will not be treated as having been spent for federal income tax purposes. However, Sale Proceeds or investment earnings thereon will be allocated to expenditures for federal income tax purposes if the Village uses such amounts to reimburse itself for amounts paid to persons other than the Village or any member of the same Controlled Group as the Village, *provided* that the original expenditures were paid on or after Closing, and provided that the original expenditures were not otherwise paid out of Sale Proceeds or investment earnings thereon or the proceeds of any other borrowing. In addition, investment earnings may be allocated to expenditures to the extent provided in paragraph 2.4(g) of this Section. Any Sale Proceeds or investment earnings thereon that are transferred to or paid to the Village or any member of the same Controlled Group as the Village will

remain Sale Proceeds or investment earnings thereon, and thus Gross Proceeds, until such amounts are allocated to expenditures for federal income tax purposes. If the Village does not allocate any such amounts to expenditures for the Project or other expenditures permitted under this Ordinance, any such amounts will be allocated for federal income tax purposes to the next expenditures, not otherwise paid out of Sale Proceeds or investment earnings thereon or the proceeds of any other borrowing, for interest on the Bonds prior to the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service. The Village will consistently follow this accounting method for federal income tax purposes.

2.7. *Investment of Bond Proceeds.* Not more than 50% of the Sale Proceeds and investment earnings thereon are or will be invested in investments (other than Qualified Tax Exempt Obligations) having a Yield that is substantially guaranteed for four years or more. No portion of the Bonds is being issued solely for the purpose of investing a portion of Sale Proceeds or investment earnings thereon at a Yield higher than the Yield on the Bonds.

It is expected that the Sale Proceeds deposited into the Project Fund, including investment earnings on the Project Fund, will be spent to pay costs of the Project and interest on the Bonds not later than the date set forth in paragraph 2.2 hereof, the investment earnings on the Bond Fund will be spent to pay interest on the Bonds, or to the extent permitted by law, investment earnings on amounts in the Project Fund and the Bond Fund will be commingled with substantial revenues from the governmental operations of the Village, and the earnings are reasonably expected to be spent for governmental purposes within six months of the date earned. Interest earnings on the Project Fund and the Bond Fund have not been earmarked or restricted by the Corporate Authorities for a designated purpose.

2.8. *No Grants.* None of the Sale Proceeds or investment earnings thereon will be used to make grants to any person.

2.9. *Hedges.* Neither the Village nor any member of the same Controlled Group as the Village has entered into or expects to enter into any hedge (*e.g.*, an interest rate swap, interest rate cap, futures contract, forward contract or an option) with respect to the Bonds. The Village acknowledges that any such hedge could affect, among other things, the calculation of Bond Yield under the Regulations. The Internal Revenue Service could recalculate Bond Yield if the failure to account for the hedge fails to clearly reflect the economic substance of the transaction.

The Village also acknowledges that if it acquires a hedging contract with an investment element (including *e.g.*, an off-market swap agreement, or any cap agreement for which all or a portion of the premium is paid at, or before the effective date of the cap agreement), then a portion of such hedging contract may be treated as an investment of Gross Proceeds of the Bonds, and be subject to the fair market purchase price rules, rebate and yield restriction. The Village agrees not to use proceeds of the Bonds to pay for any such hedging contract in whole or in part. The Village also agrees that it will not

give any assurances to any Bond holder or any credit or liquidity enhancer with respect to the Bonds that any such hedging contract will be entered into or maintained. The Village recognizes that if a portion of a hedging contract is determined to be an investment of gross proceeds, such portion may not be fairly priced even if the hedging contract as a whole is fairly priced.

*2.10. Internal Revenue Service Audits.* The Village represents that the Internal Revenue Service has not contacted the Village regarding any obligations issued by or on behalf of the Village. To the best of the knowledge of the Village, no such obligations of the Village are currently under examination by the Internal Revenue Service.

*3.1. Use of Proceeds.* (a) The use of the Sale Proceeds and investment earnings thereon and the funds held under this Ordinance at the time of Closing are described in the preceding Section of this Ordinance. No Sale Proceeds will be used to pre-pay for goods or services to be received over a period of years prior to the date such goods or services are to be received. No Sale Proceeds or any investment earnings thereon will be used to pay for or otherwise acquire goods or services from an Affiliated Person.

(b) Only the funds and accounts described in said Section will be funded at Closing. There are no other funds or accounts created under this Ordinance, other than the Rebate Fund if it is created as provided in paragraph 4.2 hereof.

(c) Principal of and interest on the Bonds will be paid from the Bond Fund.

(d) Any Costs of Issuance incurred in connection with the issuance of the Bonds to be paid by the Village will be paid at the time of Closing.

(e) The costs of the Project will be paid from the Project Fund and no other moneys (except for investment earnings on amounts in the Project Fund) are expected to be deposited therein.

*3.2. Purpose of Bond Fund.* The Bond Fund will be used primarily to achieve a proper matching of revenues and earnings with principal and interest payments on the Bonds in each bond year. It is expected that the Bond Fund will be depleted at least once a year, except for a reasonable carry over amount not to exceed the greater of (a) the earnings on the investment of moneys in the Bond Fund for the immediately preceding bond year or (b) 1/12th of the principal and interest payments on the Bonds for the immediately preceding bond year.

*3.3. No Other Gross Proceeds.* (a) Except for the Bond Fund and the Project Fund, and except for investment earnings that have been commingled as described in paragraph 2.6 and any credit enhancement or liquidity device related to the Bonds, after the issuance of the Bonds, neither the Village nor any member of the same Controlled Group as the Village has or will have any property, including cash, securities or will have any property, including cash, securities or any other property held as a passive vehicle for the production of income or for investment purposes, that constitutes:

(i) Sale Proceeds;

(ii) amounts in any fund or account with respect to the Bonds (other than the Rebate Fund);

(iii) amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the Bonds were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus);

(iv) amounts in a debt service fund, redemption fund, reserve fund, replacement fund or any similar fund to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Bonds or any amounts for which there is provided, directly or indirectly, a reasonable assurance that the amount will be available to pay principal of or interest on the Bonds or any obligations under any credit enhancement or liquidity device with respect to the Bonds, even if the Village encounters financial difficulties;

(v) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the Bondholders or any credit enhancement provider, including any liquidity device or negative pledge (e.g., any amount pledged to pay principal of or interest on an issue held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of holders of the Bonds or a guarantor of the Bonds); or

(vi) amounts actually or constructively received from the investment and reinvestment of the amounts described in (i) or (ii) above.

(b) No compensating balance, liquidity account, negative pledge of property held for investment purposes required to be maintained at least at a particular level or similar arrangement exists with respect to, in any way, the Bonds or any credit enhancement or liquidity device related to the Bonds.

(c) The term of the Bonds is not longer than is reasonably necessary for the governmental purposes of the Bonds. The average reasonably expected economic life of the Project is at least 20 years. The weighted average maturity of the Bonds does not exceed 20 years and does not exceed 120 percent of the average reasonably expected economic life of the Project. The maturity schedule of the Bonds (the "*Principal Payment Schedule*") is based on an analysis of revenues expected to be available to pay debt service on the Bonds. The Principal Payment Schedule is not more rapid (*i.e.*, having a lower average maturity) because a more rapid schedule would place an undue burden on tax rates and cause such rates to be increased beyond prudent levels, and would be inconsistent with the governmental purpose of the Bonds as set forth in paragraph 2.1 hereof.



4.1. *Compliance with Rebate Provisions.* The Village covenants to take such actions and make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the Rebate Provisions applicable to the Bonds. The Village will make, or cause to be made, rebate payments with respect to the Bonds in accordance with law.

4.2. *Rebate Fund.* The Village is hereby authorized to create and establish a special fund to be known as the Rebate Fund (the "*Rebate Fund*"), which, if created, shall be continuously held, invested, expended and accounted for in accordance with this Ordinance. Moneys in the Rebate Fund shall not be considered moneys held for the benefit of the owners of the Bonds. Except as provided in the Regulations, moneys in the Rebate Fund (including earnings and deposits therein) shall be held in trust for payment to the United States as required by the Rebate Provisions and by the Regulations and as contemplated under the provisions of this Ordinance.

4.3. *Records.* The Village agrees to keep and retain or cause to be kept and retained for the period described in paragraph 7.9 adequate records with respect to the investment of all Gross Proceeds and amounts in the Rebate Fund. Such records shall include: (a) purchase price; (b) purchase date; (c) type of investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation.

If any investment becomes Gross Proceeds on a date other than the date such investment is purchased, the records required to be kept shall include the fair market value of such investment on the date it becomes Gross Proceeds. If any investment is retained after the date the last Bond is retired, the records required to be kept shall include the fair market value of such investment on the date the last Bond is retired. Amounts or investments will be segregated whenever necessary to maintain these records.

4.4. *Fair Market Value; Certificates of Deposit and Investment Agreements.* The Village will continuously invest all amounts on deposit in the Rebate Fund, together with the amounts, if any, to be transferred to the Rebate Fund, in any investment permitted under this Ordinance. In making investments of Gross Proceeds or of amounts in the Rebate Fund the Village shall take into account prudent investment standards and the date on which such moneys may be needed. Except as provided in the next sentence, all amounts that constitute Gross Proceeds and all amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable, and no amounts may be held as cash or be invested in zero yield investments other than obligations of the United States purchased directly from the United States. In the event moneys cannot be invested, other than as provided in this sentence due to the denomination, price or availability of investments, the amounts shall be invested in an interest bearing deposit of a bank with a yield not less than that paid to the general public or held uninvested to the minimum extent necessary.

Gross Proceeds and any amounts in the Rebate Fund that are invested in certificates of deposit or in GICs shall be invested only in accordance with the following provisions:

(a) Investments in certificates of deposit of banks or savings and loan associations that have a fixed interest rate, fixed payment schedules and substantial penalties for early withdrawal shall be made only if either (i) the Yield on the certificate of deposit (A) is not less than the Yield on reasonably comparable direct obligations of the United States and (B) is not less than the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public or (ii) the investment is an investment in a GIC and qualifies under paragraph (b) below.

(b) Investments in GICs shall be made only if

(i) the bid specifications are in writing, include all material terms of the bid and are timely forwarded to potential providers (a term is material if it may directly or indirectly affect the yield on the GIC);

(ii) the terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to reduce the yield on the GIC);

(iii) all bidders for the GIC have equal opportunity to bid so that, for example, no bidder is given the opportunity to review other bids (a last look) before bidding;

(iv) any agent used to conduct the bidding for the GIC does not bid to provide the GIC;

(v) at least three of the providers solicited for bids for the GIC are reasonably competitive providers of investments of the type purchased (*i.e.*, providers that have established industry reputations as competitive providers of the type of investments being purchased);

(vi) at least three of the entities that submit a bid do not have a financial interest in the Bonds;

(vii) at least one of the entities that provided a bid is a reasonably competitive provider that does not have a financial interest in the Bonds;

(viii) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other provider about its bid, that the bid was determined without regard to any other formal or informal agreement

that the potential provider has with the Village or any other person (whether or not in connection with the Bonds) and that the bid is not being submitted solely as a courtesy to the Village or any other person for purposes of satisfying the federal income tax requirements relating to the bidding for the GIC;

(ix) the determination of the terms of the GIC takes into account the reasonably expected deposit and drawdown schedule for the amounts to be invested;

(x) the highest-yielding GIC for which a qualifying bid is made (determined net of broker's fees) is in fact purchased; and

(xi) the obligor on the GIC certifies the administrative costs that it is paying or expects to pay to third parties in connection with the GIC.

(c) If a GIC is purchased, the Village will retain the following records with its bond documents until three years after the Bonds are redeemed in their entirety:

(i) a copy of the GIC;

(ii) the receipt or other record of the amount actually paid for the GIC, including a record of any administrative costs paid, and the certification under subparagraph (b)(xi) of this paragraph;

(iii) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and

(iv) the bid solicitation form and, if the terms of the GIC deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

Moneys to be rebated to the United States shall be invested to mature on or prior to the anticipated rebate payment date. All investments made with Gross Proceeds or amounts in the Rebate Fund shall be bought and sold at fair market value. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction. Except for investments specifically described in this Section and United States Treasury obligations that are purchased directly from the United States Treasury, only investments that are traded on an established securities market, within the meaning of regulations promulgated under Section 1273 of the Code, will be purchased with Gross Proceeds. In general, an "established securities market" includes: (i) property that is listed on a national securities exchange, an interdealer quotation system or certain foreign exchanges; (ii) property that is traded on a Commodities Futures Trading Commission designated board of trade or an

interbank market; (iii) property that appears on a quotation medium; and (iv) property for which price quotations are readily available from dealers and brokers. A debt instrument is not treated as traded on an established market solely because it is convertible into property which is so traded.

An investment of Gross Proceeds in an External Commingled Fund shall be made only to the extent that such investment is made without an intent to reduce the amount to be rebated to the United States Government or to create a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the rebate or Yield restriction requirements not been relevant to the Village. An investment of Gross Proceeds shall be made in a Commingled Fund other than an External Commingled Fund only if the investments made by such Commingled Fund satisfy the provisions of this paragraph.

A single investment, or multiple investments awarded to a provider based on a single bid may not be used for funds subject to different rules relating to rebate or yield restriction.

The foregoing provisions of this paragraph satisfy various safe harbors set forth in the Regulations relating to the valuation of certain types of investments. The safe harbor provisions of this paragraph are contained herein for the protection of the Village, who has covenanted not to take any action to adversely affect the tax-exempt status of the interest on the Bonds. The Village will contact Bond Counsel if it does not wish to comply with the provisions of this paragraph and forego the protection provided by the safe harbors provided herein.

*4.5. Arbitrage Elections.* The President, Village Clerk and Treasurer of the Village are hereby authorized to execute one or more elections regarding certain matters with respect to arbitrage.

*4.6. Small Issuer Exception.* The Village is a governmental unit that has the power to impose a tax or to cause another entity to impose a tax of general applicability that, when collected, may be used for the governmental purposes of the Village. The power to impose such tax is not contingent on approval by another governmental unit; a tax of general applicability is one that is not limited to a small number of persons. The Village is not subject to Control by any other governmental unit or political subdivision. None of the Bonds is or will be a "private activity bond" (as defined in Section 141 of the Code). Ninety-five percent or more of the Sale Proceeds and investment earnings thereon will be used for local governmental activities of the Village. None of the Village, any entity that issues tax-exempt bonds, qualified tax credit bonds or direct pay bonds on behalf of the Village or any entity subject to Control by the Village will issue, during the calendar year 2011, any tax-exempt bonds (other than current refunding bonds to the extent of the aggregate face amount of the tax-exempt bonds currently refunded thereby), qualified tax credit bonds or direct pay bonds in an aggregate face amount in excess of the *maximum aggregate face amount* (as hereinafter defined). As used herein, (a) "*tax-exempt bonds*" means obligations of any kind, the interest on which is

excludable from gross income of the holders or owners thereof for federal income tax purposes pursuant to Section 103 of the Code but not including (i) "private activity bonds" (as defined in Section 141 of the Code) or (ii) obligations issued to refund another obligation if it is issued not more than 90 days before the redemption of the refunded obligation to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation, (b) "*aggregate face amount*" means, if an issue has more than a De minimis Amount of Original Issue Discount or Premium, the issue price of the issue and otherwise means the principal amount of the issue, (c) "*maximum aggregate face amount*" means \$5,000,000, (d) "*qualified tax credit bonds*" means any qualified tax credit bond (as defined in Section 54A(d) of the Code) or any "build America bond" that is not a qualified bond under Section 6431 of the Code and (e) "*direct pay bonds*" means any bond treated as a qualified bond as defined in Section 6431 of the Code. As of the date hereof, no tax-exempt bonds, qualified tax credit bonds, direct pay bonds or other obligations subject to arbitrage restrictions (other than the Bonds) have been issued by the Village, any entity that issues bonds on behalf of the Village or any entity subject to Control by the Village during the calendar year 2011. The Village does not reasonably expect that it, any entity that issues bonds on behalf of the Village or any entity subject to Control by the Village (including but not limited to the Village) will issue any tax-exempt bonds, qualified tax credit bonds, direct pay bonds or other obligations subject to arbitrage restrictions within calendar year 2011. Therefore, subject to compliance with all the terms and provisions hereof, the Village is excepted from the required rebate of arbitrage profits on the Bonds under Section 148(f)(4)(D) of the Code and from the terms and provisions of this Ordinance that need only be complied with if the Village is subject to the arbitrage rebate requirement.

5.1. *Issue Price.* For purposes of determining the Yield on the Bonds, the purchase price of the Bonds is equal to the first offering price (including accrued interest) at which the Purchaser reasonably expected to sell at least ten percent of the principal amount of each maturity of the Bonds to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). All of the Bonds have been the subject of a bona fide initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at prices equal to those set forth in the Official Statement. Based upon prevailing market conditions, such prices are not less than the fair market value of each Bond as of the sale date for the Bonds.

5.2. *Yield Limits.* Except as provided in paragraph (a) or (b), all Gross Proceeds shall be invested at market prices and at a Yield (after taking into account any Yield Reduction Payments) not in excess of the Yield on the Bonds plus, if only amounts in the Project Fund are subject to this yield limitation, 1/8th of one percent.

The following may be invested without Yield restriction:

(a)(i) amounts on deposit in the Bond Fund (except for capitalized interest) that have not been on deposit under the Ordinance for more than 13 months, so

long as the Bond Fund continues to qualify as a bona fide debt service fund as described in paragraph 3.2 hereof;

(ii) amounts on deposit in the Project Fund that are reasonably expected to pay for the costs of the Project, costs of issuance of the Bonds, or interest on the Bonds during the three year period beginning on the date of issue of the Bonds prior to three years after Closing;

(iii) amounts in the Bond Fund to be used to pay capitalized interest on the Bonds prior to the earlier of three years after Closing or the payment of all capitalized interest;

(b)(i) An amount not to exceed the lesser of \$100,000 or five percent of the Sale Proceeds;

(ii) amounts invested in Qualified Tax Exempt Obligations (to the extent permitted by law and this Ordinance);

(iii) amounts in the Rebate Fund;

(iv) all amounts other than Sale Proceeds for the first 30 days after they become Gross Proceeds; and

(v) all amounts derived from the investment of Sale Proceeds or investment earnings thereon for a period of one year from the date received.

5.3. *Continuing Nature of Yield Limits.* Except as provided in paragraph 7.10 hereof, once moneys are subject to the Yield limits of paragraph 5.2 hereof, such moneys remain Yield restricted until they cease to be Gross Proceeds.

5.4. *Federal Guarantees.* Except for investments meeting the requirements of paragraph 5.2(a) hereof, investments of Gross Proceeds shall not be made in (a) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury, or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank, as amended (*e.g.*, Refcorp Strips)); or (b) federally insured deposits or accounts (as defined in Section 149(b)(4)(B) of the Code). Except as otherwise permitted in the immediately prior sentence and in the Regulations, no portion of the payment of principal or interest on the Bonds or any credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof), including a lease, incentive payment, research or output contract or any similar arrangement, agreement or understanding with the United States or any agency or instrumentality thereof. No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof). Neither this paragraph nor paragraph 5.5 hereof applies to any

guarantee by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association or the Bonneville Power Administration pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984.

*5.5. Investments After the Expiration of Temporary Periods, Etc.* After the expiration of the temporary period set forth in paragraph 5.2(a)(ii) hereof, amounts in the Project Fund may not be invested in (i) federally insured deposits or accounts (as defined in Section 149(b)(4)(B) of the Code) or (ii) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended (e.g., Refcorp Strips). Any other amounts that are subject to the yield limitation in paragraph 5.2 hereof because paragraph 5.2(a) hereof is not applicable and amounts not subject to yield restriction only because they are described in paragraph 5.2(b) hereof, are also subject to the limitation set forth in the preceding sentence.

*6.1. Payment and Use Tests.* (a) No more than five percent of the Sale Proceeds plus investment earnings thereon will be used, directly or indirectly, in whole or in part, in any Private Business Use. The Village acknowledges that, for purposes of the preceding sentence, Gross Proceeds used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) or invested in a reserve or replacement fund must be ratably allocated among all the purposes for which Gross Proceeds are being used.

(b) The payment of more than five percent of the principal of or the interest on the Bonds will not be, directly or indirectly (i) secured by any interest in (A) property used or to be used in any Private Business Use or (B) payments in respect of such property or (ii) on a present value basis, derived from payments (whether or not to the Village or a member of the same Controlled Group as the Village) in respect of property, or borrowed money, used or to be used in any Private Business Use.

(c) No more than the lesser of five percent of the sum of the Sale Proceeds and investment earnings thereon or \$5,000,000 will be used, directly or indirectly, to make or finance loans to any persons. The Village acknowledges that, for purposes of the preceding sentence, Gross Proceeds used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) or invested in a reserve or replacement fund must be ratably allocated among all the purposes for which Gross Proceeds are being used.

(d) No user of the Project other than a state or local governmental unit will use more than five percent of the Project, in the aggregate, on any basis other than the same basis as the general public.

6.2. *I.R.S. Form 8038-G.* The information contained in the Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, is true and complete. The Village will file Form 8038-G (and all other required information reporting forms) in a timely manner.

6.3. *Bank Qualification.* (a) The Village hereby designates each of the Bonds as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the Village hereby certifies that (i) none of the Bonds will be at anytime a “private activity bond” (as defined in Section 141 of the Code), (ii) as of the date hereof in calendar year 2011, other than the Bonds, no tax-exempt obligations of any kind have been issued (x) by or on behalf of the Village, (y) by other issuers any of the proceeds of which have been or will be used to make any loans to the Village or (z) any portion of which has been allocated to the Village for purposes of Section 265(b) of the Code and (iii) not more than \$10,000,000 of obligations of any kind (including the Bonds) issued (x) by or on behalf of the Village, (y) by other issuers any of the proceeds of which have been or will be used to make any loans to the Village or (z) any portion of which has been allocated to the Village for purposes of Section 265(b) of the Code during calendar year 2011 will be designated for purposes of Section 265(b)(3) of the Code.

(b) The Village is not subject to Control by any entity, and there are no entities subject to Control by the Village.

(c) On the date hereof, the Village does not reasonably anticipate that for calendar year 2011 it will issue, have another entity issue on behalf of the Village, borrow the proceeds of or have allocated to the Village for purposes of Section 265(b) of the Code more than \$10,000,000 Section 265 Tax-Exempt Obligations (including the Bonds). “Section 265 Tax-Exempt Obligations” are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code. The Village will not, in calendar year 2011 issue, permit the issuance on behalf of it or by any entity subject to Control by the Village (which may hereafter come into existence), borrow the proceeds of or have allocated to it for purposes of Section 265(b) of the Code Section 265 Tax-Exempt Obligations (including the Bonds) that exceed the aggregate amount of \$10,000,000 during calendar year 2011 unless it first obtains an opinion of Bond Counsel to the effect that such issuance, borrowing or allocation will not adversely affect the treatment of the Bonds as “qualified tax-exempt obligations” for the purpose and within the meaning of Section 265(b)(3) of the Code.

(d) The Bonds have not been sold in conjunction with any other obligation.

7.1. *Termination; Interest of Village in Rebate Fund.* The terms and provisions set forth in this Section shall terminate at the later of (a) 75 days after the Bonds have been fully paid and retired or (b) the date on which all amounts remaining on deposit in the Rebate Fund, if any, shall have been paid to or upon the order of the United States



and any other payments required to satisfy the Rebate Provisions of the Code have been made to the United States. Notwithstanding the foregoing, the provisions of paragraphs 4.3, 4.4(c) and 7.9 hereof shall not terminate until the third anniversary of the date the Bonds are fully paid and retired.

*7.2. Separate Issue.* Since a date that is 15 days prior to the date of sale of the Bonds by the Village to the Purchaser, neither the Village nor any member of the same Controlled Group as the Village has sold or delivered any tax-exempt obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds. Neither the Village nor any member of the same Controlled Group as the Village will sell or deliver within 15 days after the date of sale of the Bonds any tax-exempt obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds.

*7.3. No Sale of the Project.* (a) Other than as provided in the next sentence, neither the Project nor any portion thereof has been, is expected to be, or will be sold or otherwise disposed of, in whole or in part, prior to the earlier of (i) the last date of the reasonably expected economic life to the Village of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity date of the Bonds. The Village may dispose of personal property in the ordinary course of an established government program prior to the earlier of (i) the last date of the reasonably expected economic life to the Village of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity of the Bonds, provided: (A) the weighted average maturity of the Bonds financing the personal property is not greater than 120 percent of the reasonably expected actual use of that property for governmental purposes; (B) the Village reasonably expects on the issue date that the fair market value of that property on the date of disposition will be not greater than 25 percent of its cost; (C) the property is no longer suitable for its governmental purposes on the date of disposition; and (D) the Village deposits amounts received from the disposition in a commingled fund with substantial tax or other governmental revenues and the Village reasonably expects to spend the amounts on governmental programs within six months from the date of the commingling.

(b) The Village acknowledges that if Bond-financed property is sold or otherwise disposed of in a manner contrary to (a) above, such sale or disposition may constitute a "deliberate action" within the meaning of the Regulations that may require remedial actions to prevent the Bonds from becoming private activity bonds. The Village shall promptly contact Bond Counsel if a sale or other disposition of bond-financed property is considered by the Village.

*7.4. Purchase of Bonds by Village.* The Village will not purchase any of the Bonds except to cancel such Bonds.

*7.5. First Call Date Limitation.* The period between the date of Closing and the first call date of the Bonds is not more than 10-1/2 years.

7.6. *Registered Form.* The Village recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon be exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the Village agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

7.7. *First Amendment.* The Village acknowledges and agrees that it will not use, or allow the Project to be used, in a manner which is prohibited by the Establishment of Religion Clause of the First Amendment to the Constitution of the United States of America or by any comparable provisions of the Constitution of the State of Illinois.

7.8. *Future Events.* The Village acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein. The Village shall promptly contact Bond Counsel if such changes do occur.

7.9. *Records Retention.* The Village agrees to keep and retain or cause to be kept and retained sufficient records to support the continued exclusion of the interest paid on the Bonds from federal income taxation, to demonstrate compliance with the covenants in this Ordinance and to show that all tax returns related to the Bonds submitted or required to be submitted to the Internal Revenue Service are correct and timely filed. Such records shall include, but are not limited to, basic records relating to the Bond transaction (including this Ordinance and the Bond Counsel opinion); documentation evidencing the expenditure of Bond proceeds; documentation evidencing the use of Bond-financed property by public and private entities (*i.e.*, copies of leases, management contracts and research agreements); documentation evidencing all sources of payment or security for the Bonds; and documentation pertaining to any investment of Bond proceeds (including the information required under paragraphs 4.3 and 4.4 hereof and in particular information related to the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts and documentation of any bidding procedure related thereto and any fees paid for the acquisition or management of investments and any rebate calculations). Such records shall be kept for as long as the Bonds are outstanding, plus three (3) years after the later of the final payment date of the Bonds or the final payment date of any obligations or series of obligations issued to refund directly or indirectly all or any portion of the Bonds.

7.10. *Permitted Changes; Opinion of Bond Counsel.* The Yield restrictions contained in paragraph 5.2 hereof or any other restriction or covenant contained herein need not be observed or may be changed if such nonobservance or change will not result in the loss of any exemption for the purpose of federal income taxation to which interest on the Bonds is otherwise entitled and the Village receives an opinion of Bond Counsel to such effect. Unless the Village otherwise directs, such opinion shall be in such form and contain such disclosures and disclaimers as may be required so that such opinion will not be treated as a covered opinion or a state or local bond opinion for purposes of

Treasury Department regulations governing practice before the Internal Revenue Service (Circular 230) 31 C.F.R. pt. 10.

7.11. *Successors and Assigns.* The terms, provisions, covenants and conditions of this Section shall bind and inure to the benefit of the respective successors and assigns of the Corporate Authorities and the Village.

7.12. *Expectations.* The Corporate Authorities have reviewed the facts, estimates and circumstances in existence on the date of issuance of the Bonds. Such facts, estimates and circumstances, together with the expectations of the Village as to future events, are set forth in summary form in this Section. Such facts and estimates are true and are not incomplete in any material respect. On the basis of the facts and estimates contained herein, the Village has adopted the expectations contained herein. On the basis of such facts, estimates, circumstances and expectations, it is not expected that Sale Proceeds, investment earnings thereon or any other moneys or property will be used in a manner that will cause the Bonds to be arbitrage bonds within the meaning of the Rebate Provisions and the Regulations. Such expectations are reasonable and there are no other facts, estimates and circumstances that would materially change such expectations.

The Village also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.

The Corporate Authorities hereby authorize the officials of the Village responsible for issuing the Bonds, the same being the Designated Officers, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be exempt from federal income taxation. In connection therewith, the Village and the Corporate Authorities further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required

and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

*Section 21. This Ordinance a Contract.* The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Bonds, in accordance with the terms hereof; and no changes, additions or alterations of any kind shall be made hereto.

*Section 22. Continuing Disclosure Undertaking.* The Designated Officers are each hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking (the "*Continuing Disclosure Undertaking*") in substantially the same form as now before the Corporate Authorities, or with such changes therein as the individual executing the Continuing Disclosure Undertaking on behalf of the Village shall approve, the official's execution thereof to constitute conclusive evidence of the approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Village as herein provided, the Continuing Disclosure Undertaking will be binding on the Village and the officers, employees and agents of the Village, and the officers, employees and agents of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under the Continuing Disclosure Undertaking.

*Section 23. Duties of Bond Registrar.* If requested by the Bond Registrar, the President and Village Clerk are authorized to execute the Bond Registrar's standard form of agreement

between the Village and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the Village at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

*Section 24. Record-Keeping Policy and Post-Issuance Compliance Matters.* It is necessary and in the best interest of the Village to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the Bonds or other bonds or debt obligations of the Village (each a “*Tax-Exempt Obligation*” and, collectively, the “*Tax-Exempt Obligations*”), certain of which the interest on which is excludable from “gross income” for federal income tax purposes. Further, it is necessary and in the best interest of the Village that (i) the Corporate Authorities adopt policies with respect to record-keeping and (ii) the Compliance Officer (as hereinafter defined) shall at least annually review the Village’s Contracts (as hereinafter defined) to determine whether the Tax-Exempt Obligations comply with the federal tax requirements applicable to each issue of the Tax-Exempt Obligations.

(a) *Compliance Officer Is Responsible for Records.* The Treasurer (the “*Compliance Officer*”) is hereby designated as the keeper of all records of the Village with respect to each issue of the Tax-Exempt Obligations, and such officer shall report to

the Corporate Authorities at least annually that he/she has all of the required records in his/her possession, or is taking appropriate action to obtain or recover such records.

(b) *Closing Transcripts.* For each issue of Tax-Exempt Obligations, the Compliance Officer shall receive, and shall keep and maintain, a true, correct and complete counterpart of each and every document and agreement delivered in connection with the issuance of the Tax-Exempt Obligations, including without limitation (i) the proceedings of the Village authorizing the Tax-Exempt Obligations, (ii) any offering document with respect to the offer and sale of the Tax-Exempt Obligations, (iii) any legal opinions with respect to the Tax-Exempt Obligations delivered by any lawyers, and (iv) all written representations of any person delivered in connection with the issuance and initial sale of the Tax-Exempt Obligations.

(c) *Arbitrage Rebate Liability.* The Compliance Officer shall review the agreements of the Village with respect to each issue of Tax-Exempt Obligations and shall prepare a report for the Corporate Authorities stating whether or not the Village has any rebate liability to the U.S. Treasury, and setting forth any applicable exemptions that each issue of Tax-Exempt Obligations may have from rebate liability. Such report shall be updated annually and delivered to the Corporate Authorities.

(d) *Recommended Records.* The Compliance Officer shall review the records related to each issue of Tax-Exempt Obligations and shall determine what requirements the Village must meet in order to maintain the tax-exemption of interest paid on the Tax-Exempt Obligations. The Compliance Officer shall then prepare a list of the contracts, requisitions, invoices, receipts and other information that may be needed in order to establish that the interest paid on the Tax-Exempt Obligations is entitled to be excluded from "gross income" for federal income tax purposes. Notwithstanding any other policy of the Village, such retained records shall be kept for as long as the Tax-Exempt Obligations relating to such records (and any obligations issued to refund the Tax-Exempt Obligations) are outstanding, plus three years, and shall at least include:

(i) complete copies of the bond transcripts delivered when any issue of Tax-Exempt Obligations is initially issued and sold;

(ii) copies of account statements showing the disbursements of all bond proceeds for their intended purposes;

(iii) copies of account statements showing all investment activity of any and all accounts in which the proceeds of any issue of Tax-Exempt Obligations has been held;

(iv) copies of all bid requests and bid responses used in the acquisition of any special investments used for the proceeds of any issue of Tax-Exempt Obligations, including any swaps, swaptions, or other financial derivatives entered into in order to establish that such instruments were purchased at *fair market value*;

(v) copies of any subscriptions to the U.S. Treasury for the purchase of State and Local Government Series (SLGS) obligations;

(vi) any calculations of liability for *arbitrage rebate* that is or may become due with respect to any issue of Tax-Exempt Obligations, and any calculations prepared to show that no arbitrage rebate is due, together, if applicable, with account statements or cancelled checks showing the payment of any rebate amounts to the U.S. Treasury together with any applicable IRS Form 8038-T; and

(vii) copies of all contracts and agreements of the Village, including any leases (the "*Contracts*"), with respect to the use of any property owned by the Village and acquired or financed with the proceeds of the Tax-Exempt Obligations, any part of which property is used by a private person at any time when such Tax-Exempt Obligations are or have been outstanding.

(e) *IRS Examination.* In the event the IRS commences an examination of any issue of Tax-Exempt Obligations, the Compliance Officer shall inform the Corporate Authorities of such event, and is authorized to respond to inquiries of the IRS, and to hire outside, independent professional counsel to assist in the response to the examination.

(f) *Annual Review.* The Compliance Officer shall conduct an annual review of the Contracts and other records to determine for each issue of Tax-Exempt Obligations then outstanding whether each such issue complies with the federal tax requirements applicable to such issue, including restrictions on private business use, private payments and private loans. The Compliance Officer is expressly authorized, without further official action of the Corporate Authorities, to hire outside, independent professional counsel to assist in such review. To the extent that any violations or potential violations of federal tax requirements are discovered incidental to such review, the Compliance Officer may make recommendations or take such actions as the Compliance Officer shall reasonably deem necessary to assure the timely correction of such violations or potential violations through remedial actions described in the United States Treasury Regulations, or the Tax Exempt Bonds Voluntary Closing Agreement Program described in Treasury Notice 2009-31 or similar program instituted by the IRS.

(g) *Amendment and Waiver.* The Village may amend this Section and any provision of this Section may be waived, without the consent of the holders of any Tax-Exempt Obligations and as authorized by passage of an ordinance by the Corporate Authorities.

*Section 25. Severability.* If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

*Section 26. Repealer.* All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.



**6B**

RESOLUTION

VILLAGE OF GILBERTS

(Awarding the bid for the 2011 Road Program Project to Peter Baker & Son Company in the amount of \$2,123,633.50)

Be it Resolved by the President and Board of Trustees of the Village of Gilberts, Kane County, Illinois that:

Section 1:

The Village of Gilberts hereby authorizes the Village President and Village Clerk to execute an agreement awarding the 2011 Road Program Project to Peter Baker & Son Company in the amount of \$2,123,633.50 and such documents as are necessary and convenient to effectuate attached hereto and made a part hereof as Exhibit A as approved.

Section 2:

This resolution shall be in full force and in effect from and after its passage and approval pursuant to law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2011 by a roll call vote as follows:

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2011

\_\_\_\_\_  
Village President, Rick Zirk

(SEAL)

ATTEST:

\_\_\_\_\_  
Village Clerk, Debra Meadows

Published: \_\_\_\_\_



 COPY

August 3, 2011

President and Board of Trustees  
Village of Gilberts  
87 Galligan Road  
Gilberts, Illinois 60136

**RECOMMENDATION TO AWARD**

***Subject: Village of Gilberts – 2011 Road Repair Program  
Section No. 11-00005-00-RS***

Dear President and Trustees:

The following bids were received for the 2011 Road Repair Program on August 3, 2011 at 10:00 a.m.:

<b><u>Bidder</u></b>	<b><u>Amount of Bid</u></b>	
Peter Baker & Son Company Lake Bluff, Illinois	\$2,123,633.50	- as read
Arrow Road Construction Company Mount Prospect, Illinois	\$2,207,620.90	- as read
Plote Construction, Inc. Hoffman Estates, Illinois	\$2,315,855.10	- as read
Curran Contracting Company Crystal Lake, Illinois	\$2,371,158.34	- as read
J.A. Johnson Paving Company Arlington Heights, Illinois	\$2,422,710.00	- as read
Schroeder Asphalt Services, Inc. Huntley, Illinois	\$2,602,500.05	- as read

Our Engineer's Estimate of Probable Cost for this Project was \$2,584,809.75.

8678 Ridgefield Rd.  
Crystal Lake, IL 60012  
815.459.1260  
Fax 815.455.0450

info@baxterwoodman.com



**President and Board of Trustees  
Village of Gilberts**

**August 3, 2011  
110346 • Page 2**

We have analyzed each of the bids and find Peter Baker & Son Company to be the lowest, responsible and responsive Bidder. Their bid is \$461,176.25 (17.8%) below the Engineer's approved estimate of cost.

Based upon our familiarity and past working relationships with Peter Baker & Son, we believe that they are qualified to complete the Project.

We recommend the award of contract to Peter Baker & Son Company in the amount of **\$2,123,633.50**.

Upon award by the Village Board, we will prepare the Contract Documents for execution by the Contractor and the Village. Two copies of the Bid Tabulation and the all the original Contractor's bids are enclosed for the Village's records.

Very truly yours,

BAXTER & WOODMAN, INC.  
CONSULTING ENGINEERS

A handwritten signature in black ink, appearing to read "David S. Hemmerich".

David S. Hemmerich, P.E.

DSH:csw

Enc.

C: ✓ Ray Keller, Village Administrator  
Marilyn Solomon, P.E., IDOT Bureau of Local Roads  
Al Stefan, P.E., Baxter & Woodman  
Bill Blecke, P.E., Baxter & Woodman  
Craig Mitchell, P.E., Baxter & Woodman

DATE/TIME: 08-03-2011 @ 10:00 A.M.  
ENGINEERS JOB NO: 110246-40

NO.	ITEM	UNIT	QTY	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	TREE ROOT PRUNING	EACH	16	\$75.00	\$1,200.00	\$150.00	\$2,400.00	\$127.50	\$2,040.00	\$150.00	\$2,400.00	\$75.00	\$1,200.00	\$120.00	\$1,920.00	\$230.00	\$3,680.00	\$150.00	\$2,400.00	\$188.00	\$3,008.00	\$150.00	\$2,400.00
2	GRADING AND SHAPING DITCHES	FOOT	12,988	\$7.00	\$89,916.00	\$8.75	\$112,222.50	\$5.30	\$66,789.40	\$2.40	\$31,494.00	\$5.60	\$70,548.80	\$7.00	\$89,916.00	\$18.00	\$231,844.80	\$18.00	\$231,844.80	\$18.00	\$231,844.80	\$18.00	\$231,844.80
3	TRENCH BACKFILL	CU YD	181	\$35.00	\$6,335.00	\$34.00	\$6,154.00	\$27.15	\$4,904.35	\$34.00	\$6,154.00	\$52.20	\$9,448.20	\$34.00	\$6,154.00	\$34.00	\$6,154.00	\$34.00	\$6,154.00	\$34.00	\$6,154.00	\$34.00	\$6,154.00
4	PARKWAY RESTORATION (SEEDING)	SO YD	37,424	\$4.00	\$149,696.00	\$2.85	\$106,658.40	\$5.35	\$200,218.40	\$3.50	\$130,984.00	\$5.00	\$187,120.00	\$3.50	\$130,984.00	\$5.00	\$187,120.00	\$3.50	\$130,984.00	\$5.00	\$187,120.00	\$3.50	\$130,984.00
5	TEMPORARY DITCH CHECKS	FOOT	600	\$3.00	\$1,800.00	\$14.00	\$8,400.00	\$15.30	\$9,180.00	\$15.00	\$9,000.00	\$15.00	\$9,000.00	\$15.00	\$9,000.00	\$15.00	\$9,000.00	\$15.00	\$9,000.00	\$15.00	\$9,000.00	\$15.00	\$9,000.00
6	PERMANENT EROSION BARRIER	FOOT	1,450	\$2.50	\$3,625.00	\$2.60	\$3,770.00	\$2.90	\$4,205.00	\$2.85	\$4,132.50	\$2.85	\$4,132.50	\$2.85	\$4,132.50	\$2.85	\$4,132.50	\$2.85	\$4,132.50	\$2.85	\$4,132.50	\$2.85	\$4,132.50
7	INLET FILTERS	EACH	13	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00	\$1,989.00	\$25,857.00
8	INLET AND PIPE PROTECTION	EACH	174	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00	\$1,125.00	\$195,750.00
9	TEMPORARY EROSION CONTROL SEEDING	POUND	790	\$3.00	\$2,370.00	\$3.30	\$2,607.00	\$6.15	\$4,858.50	\$6.00	\$4,740.00	\$6.00	\$4,740.00	\$6.00	\$4,740.00	\$6.00	\$4,740.00	\$6.00	\$4,740.00	\$6.00	\$4,740.00	\$6.00	\$4,740.00
10	TUFF REINFORCEMENT MAT	SO YD	250	\$10.00	\$2,500.00	\$11.10	\$2,775.00	\$6.65	\$1,662.50	\$6.50	\$1,625.00	\$6.50	\$1,625.00	\$6.50	\$1,625.00	\$6.50	\$1,625.00	\$6.50	\$1,625.00	\$6.50	\$1,625.00	\$6.50	\$1,625.00
11	AGGREGATE BASE COURSE TYPE B	TON	3,194	\$15.00	\$47,910.00	\$8.00	\$25,552.00	\$15.00	\$47,910.00	\$15.00	\$47,910.00	\$15.00	\$47,910.00	\$15.00	\$47,910.00	\$15.00	\$47,910.00	\$15.00	\$47,910.00	\$15.00	\$47,910.00	\$15.00	\$47,910.00
12	AGGREGATE BASE COURSE TYPE B-4	SO YD	455	\$4.00	\$1,820.00	\$7.15	\$3,252.25	\$2.34	\$1,069.23	\$2.00	\$910.00	\$2.00	\$910.00	\$2.00	\$910.00	\$2.00	\$910.00	\$2.00	\$910.00	\$2.00	\$910.00	\$2.00	\$910.00
13	AGGREGATE BASE COURSE REMOVAL	SO YD	5,385	\$17.00	\$91,545.00	\$4.00	\$21,540.00	\$6.15	\$33,117.75	\$15.00	\$80,775.00	\$15.00	\$80,775.00	\$15.00	\$80,775.00	\$15.00	\$80,775.00	\$15.00	\$80,775.00	\$15.00	\$80,775.00	\$15.00	\$80,775.00
14	REPLACEMENT - 12"	SO YD	2,020	\$2.00	\$4,040.00	\$1.60	\$3,232.00	\$1.50	\$3,030.00	\$2.50	\$5,050.00	\$2.50	\$5,050.00	\$2.50	\$5,050.00	\$2.50	\$5,050.00	\$2.50	\$5,050.00	\$2.50	\$5,050.00	\$2.50	\$5,050.00
15	BITUMINOUS MATERIALS (PRIME COAT)	TON	129	\$380.00	\$49,020.00	\$5.00	\$645.00	\$1.00	\$129.00	\$1.00	\$129.00	\$1.00	\$129.00	\$1.00	\$129.00	\$1.00	\$129.00	\$1.00	\$129.00	\$1.00	\$129.00	\$1.00	\$129.00
16	AGGREGATE (PRIME COAT)	TON	369	\$5.00	\$1,845.00	\$1.00	\$369.00	\$1.00	\$369.00	\$1.00	\$369.00	\$1.00	\$369.00	\$1.00	\$369.00	\$1.00	\$369.00	\$1.00	\$369.00	\$1.00	\$369.00	\$1.00	\$369.00
17	MIXTURE FOR CRACKS, JOINTS AND FLANWAYS	TON	16	\$300.00	\$4,800.00	\$50.00	\$800.00	\$100.00	\$1,600.00	\$50.00	\$800.00	\$50.00	\$800.00	\$50.00	\$800.00	\$50.00	\$800.00	\$50.00	\$800.00	\$50.00	\$800.00	\$50.00	\$800.00
18	POLYMERED LEVELING BINDER (MACHINE METHOD, IL 4-25, NSD)	TON	1,476	\$105.00	\$154,980.00	\$93.00	\$137,268.00	\$93.15	\$137,489.40	\$92.00	\$135,792.00	\$90.00	\$132,840.00	\$104.00	\$153,904.00	\$105.00	\$154,980.00	\$105.00	\$154,980.00	\$105.00	\$154,980.00	\$105.00	\$154,980.00
19	HOT MIX ASPHALT BINDER COURSE, IL 19.0 NSD	TON	8,145	\$55.00	\$447,975.00	\$51.80	\$421,911.00	\$50.60	\$412,137.00	\$64.00	\$521,280.00	\$64.75	\$526,213.75	\$66.00	\$536,804.00	\$66.00	\$536,804.00	\$66.00	\$536,804.00	\$66.00	\$536,804.00	\$66.00	\$536,804.00
20	HOT MIX ASPHALT SURFACE COURSE, MIX "C", NSD	TON	9,738	\$69.00	\$671,992.00	\$68.60	\$667,294.40	\$69.60	\$674,332.40	\$69.00	\$667,920.00	\$69.00	\$667,920.00	\$69.00	\$667,920.00	\$69.00	\$667,920.00	\$69.00	\$667,920.00	\$69.00	\$667,920.00	\$69.00	\$667,920.00
21	HOT MIX ASPHALT DRIVEWAY SURFACE PAVEMENT	SO YD	641	\$11.00	\$7,051.00	\$25.10	\$16,089.10	\$30.35	\$19,454.35	\$17.00	\$10,897.00	\$5.00	\$3,205.00	\$15.00	\$9,315.00	\$15.00	\$9,315.00	\$15.00	\$9,315.00	\$15.00	\$9,315.00	\$15.00	\$9,315.00
22	HOT MIX ASPHALT DRIVEWAY PAVEMENT	SO YD	603	\$27.00	\$16,281.00	\$50.00	\$30,150.00	\$42.55	\$25,657.65	\$45.00	\$27,225.00	\$43.00	\$25,929.00	\$58.00	\$34,974.00	\$58.00	\$34,974.00	\$58.00	\$34,974.00	\$58.00	\$34,974.00	\$58.00	\$34,974.00
23	HOT MIX ASPHALT DRIVEWAY PAVEMENT WITH DECORATIVE BORDER	SO YD	94	\$100.00	\$9,400.00	\$110.00	\$10,340.00	\$83.00	\$7,802.00	\$52.00	\$4,888.00	\$79.00	\$7,426.00	\$61.00	\$5,734.00	\$61.00	\$5,734.00	\$61.00	\$5,734.00	\$61.00	\$5,734.00	\$61.00	\$5,734.00
24	PORTLAND CEMENT CONCRETE DRIVEWAY PAVEMENT, 6 INCH 2-12"	SO YD	455	\$52.00	\$23,660.00	\$46.00	\$20,930.00	\$51.00	\$23,205.00	\$27.00	\$12,285.00	\$48.25	\$21,953.75	\$60.00	\$27,300.00	\$60.00	\$27,300.00	\$60.00	\$27,300.00	\$60.00	\$27,300.00	\$60.00	\$27,300.00
25	HOT MIX ASPHALT SURFACE REMOVAL, 2-12"	SO YD	28,315	\$2.25	\$63,708.75	\$2.57	\$72,695.55	\$2.00	\$56,630.00	\$2.50	\$70,787.50	\$2.30	\$65,124.50	\$2.00	\$56,630.00	\$2.00	\$56,630.00	\$2.00	\$56,630.00	\$2.00	\$56,630.00	\$2.00	\$56,630.00
26	HOT MIX ASPHALT SURFACE REMOVAL - BUTT JOINT	SO YD	155	\$15.00	\$2,325.00	\$15.00	\$2,325.00	\$8.15	\$1,263.25	\$30.00	\$4,650.00	\$10.00	\$1,500.00	\$20.00	\$3,000.00	\$20.00	\$3,000.00	\$20.00	\$3,000.00	\$20.00	\$3,000.00	\$20.00	\$3,000.00
27	HOT MIX ASPHALT SURFACE REMOVAL - DRIVEWAY BUTT JOINT	SO YD	1,456	\$10.00	\$14,560.00	\$14.00	\$20,384.00	\$7.80	\$11,372.40	\$14.00	\$20,384.00	\$5.00	\$7,280.00	\$20.00	\$28,000.00	\$20.00	\$28,000.00	\$20.00	\$28,000.00	\$20.00	\$28,000.00	\$20.00	\$28,000.00
28	POLYMERED LEVELING BINDER (MACHINE METHOD, IL 4-25, NSD)	TON	56,415	\$2.00	\$112,830.00	\$1.93	\$108,890.55	\$1.80	\$101,547.00	\$2.25	\$126,933.75	\$2.25	\$126,933.75	\$1.20	\$67,698.00	\$1.85	\$104,367.75	\$1.85	\$104,367.75	\$1.85	\$104,367.75	\$1.85	\$104,367.75
29	DRIVEWAY PAVEMENT REMOVAL	SO YD	1,152	\$8.00	\$9,216.00	\$15.00	\$17,280.00	\$10.50	\$12,096.00	\$18.00	\$32,400.00	\$18.25	\$21,180.00	\$1.00	\$1,152.00	\$1.85	\$2,121.60	\$1.85	\$2,121.60	\$1.85	\$2,121.60	\$1.85	\$2,121.60
30	BRICK DRIVEWAY PAVEMENT REMOVAL AND REPLACEMENT	SO YD	33	\$100.00	\$3,300.00	\$160.00	\$5,280.00	\$193.00	\$6,369.00	\$75.00	\$2,475.00	\$50.00	\$1,650.00	\$100.00	\$3,300.00	\$100.00	\$3,300.00	\$100.00	\$3,300.00	\$100.00	\$3,300.00	\$100.00	\$3,300.00
31	HOT MIX ASPHALT SURFACE REMOVAL AND REPLACEMENT - 3"	SO YD	2,642	\$28.00	\$73,976.00	\$12.00	\$31,704.00	\$23.10	\$61,030.20	\$12.00	\$31,704.00	\$24.00	\$63,408.00	\$8.00	\$21,136.00	\$8.00	\$21,136.00	\$8.00	\$21,136.00	\$8.00	\$21,136.00	\$8.00	\$21,136.00
32	CLASS D PATCHES, TYPE II, 6 INCH	SO YD	325	\$55.00	\$17,875.00	\$30.00	\$9,750.00	\$15.00	\$4,875.00	\$20.00	\$6,500.00	\$55.00	\$17,875.00	\$30.00	\$9,750.00	\$30.00	\$9,750.00	\$30.00	\$9,750.00	\$30.00	\$9,750.00	\$30.00	\$9,750.00
33	CLASS D PATCHES, TYPE III, 6 INCH	SO YD	644	\$50.00	\$32,200.00	\$50.00	\$32,200.00	\$15.00	\$9,660.00	\$20.00	\$12,800.00	\$55.00	\$35,300.00	\$30.00	\$16,500.00	\$30.00	\$16,500.00	\$30.00	\$16,500.00	\$30.00	\$16,500.00	\$30.00	\$16,500.00
34	CLASS D PATCHES, TYPE IV, 6 INCH	SO YD	672	\$35.00	\$23,760.00	\$30.00	\$20,160.00	\$15.00	\$10,080.00	\$15.00	\$10,080.00	\$35.00	\$23,760.00	\$30.00	\$20,160.00	\$30.00	\$20,160.00	\$30.00	\$20,160.00	\$30.00	\$20,160.00	\$30.00	\$20,160.00
35	AGGREGATE WEDGE SHOULDER, TYPE B	TON	1,751	\$27.00	\$47,277.00	\$27.50	\$48,162.50	\$26.10	\$45,701.10	\$30.00	\$52,530.00	\$32.00	\$56,016.00	\$35.00	\$61,275.00	\$35.00	\$61,275.00	\$35.00	\$61,275.00	\$35.00	\$61,275.00	\$35.00	\$61,275.00
36	PIPE CULVERT REMOVAL	FOOT	1,151	\$11.00	\$12,661.00	\$4.00	\$4,604.00	\$4.10	\$4,719.10	\$4.00	\$4,604.00	\$10.00	\$11,510.00	\$2.00									

DATE/TIME: 08-03-2011 @ 10:00 A.M.  
ENGINEER'S JOB NO: 110346.40

DATE/TIME: 08-03-2011 @ 10:00 A.M.				ENGINEER'S ESTIMATE				Peter Baker & Son Co. Lake Bluff, Illinois				Arrow Road Construction Co. Mount Prospect, Illinois				Pile Construction, Inc. Hoffman Estates, Illinois				Curran Contracting Co. Crystal Lake, Illinois				J.A. Johnson Paving Co. Arlington Heights, Illinois				Schnodder Asphalt Services Huntley, Illinois			
ENGINEER'S JOB NO. 110346.40																															
NO.	ITEM	UNIT	QTY	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL						
52	STORM SEWERS, CLASS A, TYPE 115"	FOOT	97	\$50.00	\$4,950.00	\$43.25	\$4,195.25	\$44.15	\$4,282.55	\$43.25	\$4,195.25	\$38.35	\$3,719.95	\$42.00	\$4,074.00	\$44.50	\$4,316.50														
53	STORM SEWERS, CLASS A, TYPE 118"	FOOT	436	\$60.00	\$26,160.00	\$44.00	\$19,184.00	\$44.90	\$19,576.40	\$44.00	\$19,184.00	\$42.35	\$18,464.60	\$45.00	\$19,620.00	\$47.70	\$20,797.20														
54	STORM SEWERS, CLASS A, TYPE 121"	FOOT	6	\$100.00	\$600.00	\$80.00	\$480.00	\$81.60	\$489.60	\$80.00	\$480.00	\$95.40	\$572.40	\$95.00	\$570.00	\$98.00	\$588.00														
55	STORM SEWERS, CLASS B, TYPE 112"	FOOT	47	\$37.00	\$1,739.00	\$41.50	\$1,950.50	\$42.35	\$1,990.45	\$41.50	\$1,950.50	\$36.15	\$1,699.05	\$35.00	\$1,645.00	\$37.00	\$1,739.00														
56	STORM SEWERS, CLASS B, TYPE 115"	FOOT	397	\$40.00	\$15,880.00	\$42.00	\$16,674.00	\$42.85	\$17,011.45	\$42.00	\$16,674.00	\$44.25	\$17,567.25	\$42.00	\$16,674.00	\$44.50	\$17,665.50														
57	STORM SEWERS, CLASS B, TYPE 121"	FOOT	20	\$60.00	\$1,200.00	\$87.00	\$1,740.00	\$88.75	\$1,775.00	\$87.00	\$1,740.00	\$87.30	\$1,746.00	\$85.00	\$1,700.00	\$88.00	\$1,760.00														
59	WATER VALVE BOXES TO BE ADJUSTED	EACH	4	\$250.00	\$1,000.00	\$245.00	\$980.00	\$249.90	\$999.60	\$245.00	\$980.00	\$230.00	\$920.00	\$250.00	\$1,000.00	\$250.00	\$1,000.00														
59	FIRE HYDRANTS TO BE ADJUSTED	EACH	1	\$1,000.00	\$1,000.00	\$990.00	\$990.00	\$918.00	\$918.00	\$900.00	\$900.00	\$1,255.00	\$1,255.00	\$2,950.00	\$2,950.00	\$2,950.00	\$2,950.00														
60	DRAINAGE AND UTILITY STRUCTURES TO BE ADJUSTED	EACH	2	\$450.00	\$900.00	\$720.00	\$720.00	\$734.40	\$734.40	\$360.00	\$720.00	\$550.00	\$710.00	\$500.00	\$500.00	\$500.00	\$500.00														
61	CONCRETE CURB REMOVAL AND REPLACEMENT	FOOT	14	\$70.00	\$980.00	\$40.00	\$560.00	\$35.70	\$499.80	\$24.00	\$336.00	\$44.00	\$616.00	\$40.00	\$560.00	\$40.00	\$560.00														
62	INLETS, TYPE A, TYPE 1 FRAME, OPEN UD	EACH	4	\$960.00	\$3,840.00	\$1,250.00	\$5,000.00	\$1,275.00	\$5,100.00	\$1,250.00	\$5,000.00	\$1,260.00	\$5,040.00	\$1,000.00	\$4,000.00	\$1,050.00	\$4,200.00														
63	INLETS, TYPE A, TYPE & GRATE	EACH	4	\$950.00	\$3,800.00	\$1,160.00	\$4,640.00	\$1,193.00	\$4,772.00	\$1,180.00	\$4,640.00	\$1,025.00	\$4,100.00	\$975.00	\$3,900.00	\$990.00	\$3,960.00														
64	MOBILIZATION	LSUM	1	\$74,000.00	\$74,000.00	\$76,087.00	\$76,087.00	\$112,000.00	\$112,000.00	\$112,000.00	\$112,000.00	\$114,000.00	\$114,000.00	\$145,000.00	\$145,000.00	\$145,000.00	\$145,000.00														
65	TRAFFIC CONTROL AND PROTECTION, STANDARD 701501	LSUM	1	\$50,000.00	\$50,000.00	\$6,000.00	\$6,000.00	\$6,598.00	\$6,598.00	\$20,500.00	\$20,500.00	\$6,500.00	\$6,500.00	\$7,742.00	\$7,742.00	\$9,000.00	\$9,000.00														
66	METAL POST, TYPE A	FOOT	9	\$25.00	\$225.00	\$25.00	\$225.00	\$25.50	\$229.50	\$15.50	\$139.50	\$25.10	\$225.90	\$25.00	\$225.00	\$25.50	\$258.50														
67	THERMOPLASTIC PAVEMENT MARKING, LINE 4"	FOOT	10,460	\$1.00	\$10,460.00	\$0.55	\$5,753.00	\$0.61	\$6,380.60	\$0.55	\$5,753.00	\$0.60	\$6,276.00	\$0.60	\$6,276.00	\$0.58	\$6,066.80														
68	THERMOPLASTIC PAVEMENT MARKING, LINE 24"	FOOT	65	\$12.00	\$780.00	\$4.00	\$260.00	\$3.57	\$232.05	\$4.00	\$260.00	\$3.51	\$228.15	\$3.50	\$227.50	\$4.30	\$279.50														
69	TEMPORARY ACCESS (PRIVATE ENTRANCE)	EACH	51	\$200.00	\$10,200.00	\$1.00	\$51.00	\$1.00	\$51.00	\$50.00	\$2,550.00	\$10.00	\$510.00	\$25.00	\$1,275.00	\$65.00	\$3,315.00														
70	TEMPORARY ACCESS (ROAD)	EACH	22	\$300.00	\$6,600.00	\$2.00	\$44.00	\$1.00	\$22.00	\$50.00	\$1,100.00	\$10.00	\$220.00	\$85.00	\$1,760.00	\$125.00	\$2,750.00														
71	DUST CONTROL, WATERING	UNIT	234	\$50.00	\$11,700.00	\$5.00	\$1,170.00	\$15.00	\$3,510.00	\$30.00	\$7,020.00	\$10.00	\$2,340.00	\$10.00	\$2,340.00	\$1.00	\$234.00														
72	TEMPORARY INFORMATION SIGNING	SQ FT	52	\$20.00	\$1,040.00	\$16.00	\$832.00	\$16.35	\$850.20	\$15.00	\$780.00	\$16.10	\$837.20	\$16.00	\$832.00																
ENGINEER'S APPROVED ESTIMATE OF COST					\$2,594,809.75																										
BIDDERS PROPOSAL FOR MAKING ENTIRE IMPROVEMENTS (AS READ)																															
BIDDERS PROPOSAL FOR MAKING ENTIRE IMPROVEMENTS (AS CORRECTED)																															

**6C**

**RESOLUTION**

**VILLAGE OF GILBERTS**

**Waiving competitive bidding requirements and authorizing an agreement between the Village of Gilberts and Baxter & Woodman to provide professional services for designing, permitting and constructing Storm Sewers and Drainage Improvements**

WHEREAS, the Village of Gilberts desires to engineer and repair storm water drainage infrastructure in the Gilberts Glen, Indian Trials and Windmill Meadows subdivisions; and

WHEREAS, Baxter & Woodman have served as the Village Engineers for the Village of Gilberts since 2003, and an agreement between the Village and their Village Engineers is not subject to the Local Government Professional Services Selection Act; and

WHEREAS, projects defined as “public works” with a value greater than \$30,000.00 require a competitive bidding process set forth in state statute 65 ILCS 5/8-9, or a waiver of the competitive bidding process if approved by two-thirds of the Village Board; and

WHEREAS, the proposed agreement capitalizes on Baxter & Woodman’s knowledge and history of Gilberts, their qualifications in designing and overseeing storm water management projects, and their relationships with qualified subcontractors who may assist with the completion of the repairs;

Now, Be it Resolved by the President and Board of Trustees of the Village of Gilberts, Kane County, Illinois that:

**Section 1:**

The Village of Gilberts hereby waives the competitive bidding requirements for this project should any element of this agreement be found to be a “public works project” subject to the requirements set forth by state statute 65 ILCS 5/8-9.

**Section 2:**

The Village of Gilberts hereby authorizes the Village President and Village Clerk to execute a professional service agreement between the Village of Gilberts and Baxter & Woodman not to exceed \$84,500.00 and such documents as are necessary and convenient to effectuate the professional service agreement to provide services for designing, permitting and constructing storm sewer and drainage improvements in the Gilberts Glen, Indian Trails and Windmill Meadows subdivisions as here by attached hereto and made a part hereof as Exhibit A as approved.



**Section 3:**

This resolution shall be in full force and in effect from and after its passage and approval pursuant to law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2011 by a roll call vote as follows:

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED THIS \_\_\_\_\_ DAY OF August, 2011

\_\_\_\_\_  
Village President, Rick Zirk

(SEAL)

ATTEST:

\_\_\_\_\_  
Village Clerk, Debra Meadows

Published: \_\_\_\_\_

# Exhibit "A"

**VILLAGE OF GILBERTS, ILLINOIS**  
**Gilberts Glen East; Indian Trails; Windmill Meadows Storm Sewer and Swale**  
**Modifications Restoration**  
**ENGINEERING SERVICES**  
**WORK ORDER**

**ENGINEERING SERVICES PROJECT # 100532.44**

**Description of Services to be Provided:**

In general, the scope of work for this project includes designing of drainage maintenance improvements to minimize localized flooding in portions of Gilberts Glen east; Indian Trails and Windmill Meadows subdivisions and restore the drainage system an original design condition. The design will consist of the replacement of approximately 1,000 linear feet of 12 inch high density polyethylene (HDPE) pipe, +/- 150 linear feet of culvert piping, and +/- 1,000 LF of swale grading. A detailed scope of services is found in Attachment A.

**Schedule:**

The above-described engineering services will begin upon receipt of this Work Order approved by the Village of Gilberts. The design tasks in Attachment A are to be completed and drawings and specifications ready for bidding within 120 days of receiving the signed Work Order.

**Compensation:**

Compensation for the services to be provided under this Work Order will be in accordance with the Engineering Services Agreement dated January 1, 2003. The ENGINEERS' fee for the services described in Attachment A shall be computed on the basis of their hourly billing rates for actual work time performed plus reimbursement of out-of-pocket expenses including travel costs, which total amount will not exceed \$84,500.

Submitted: **Baxter & Woodman, Inc.**

By: \_\_\_\_\_

Title: Vice President

Date: \_\_\_\_\_

Approved: **Village of Gilberts, IL**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Scope of Services**

1. **ADMINISTRATION & MEETINGS** – Organize and attend a PROJECT kick-off meeting with VILLAGE staff to discuss goals and objectives of the PROJECT; and establish clear lines of communication. Meet with VILLAGE staff to review and approve the method of establishing priorities for accomplishing work.
2. **FIELD SURVEYS** - Complete a field survey to establish line and grade of the storm sewer replacement. Provide a metes and bounds description of all necessary permanent and temporary easements for construction and future maintenance of proposed improvements.
3. **DRAINAGE ANALYSIS** – Review the original design hydrology and hydraulic conditions for the tributary drainage areas (use of hydrologic and hydraulic computer models is not included in this scope). Analyze pipe sizing, and overland relief (swale sizing) to return conveyance to original design conditions.
4. **DESIGN** - Prepare design drawings sufficient in detail to allow installation of the replacement storm sewer to the established line and grade, regrade and restore the overland swales,
5. **CONSTRUCTION** - Gilberts Glen East - Replace +/- 500 LF of 12"/15" HDPE piping (inclusive of road cuts), provide structures as needed at key elevations, critical areas, and change of direction to allow proper drainage and of tributary areas as shown on the design drawing(s). Provide +/- 1,200 LF of earthwork to return overland swale system along the east, north south run of Gilberts Glen East, along with various roadway green belt sections to historic conditions inclusive of any drain tile repairs. Remove any debris that may be obstructing existing swale system along with soil overburden to an approved offsite location, including soil testing as required. Provide final grading, topsoil placement, and seeding of all disturbed areas.

Indian Trails – Install +/- 250 LF of 12" HDPE piping, provide structures as needed at key elevations, critical areas, and change of direction to allow proper drainage and of tributary areas as shown on the design drawing(s).

Provide +/- 200 LF of swale earthwork grading, final grading, topsoil placement, and seeding of all disturbed areas.

Windmill Meadows – Install +/- 300 LF of HDPE piping specific to the north west corner of Tyler creek street leading into Tyler Creek, provide modification to the existing outfall structures as needed at key elevations inclusive of flared end section, install additional structure at critical area and or turn to allow proper drainage and of tributary areas as shown on the design drawing(s). Provide +/- 300 LF earth work to return overland swale system to historic conditions. Provide final grading, topsoil placement, and seeding of all disturbed areas.

6. Project Closeout and Record Drawings – Provide documentation of any found, broken or repaired drain tiles throughout the course of the work. Provide final Record Drawings in electronic format; final waivers; product and work guarantees and warranty/maintenance bonds.

I:\Crystal Lake\GILBV\100532-Dunhill\GG\100532.44\Work Order\Work Order 08-10-11.docx



**6D**

**Ordinance 22-2011**

**AN ORDINANCE APPROVING A SPECIAL USE PERMIT FOR THE  
OPERATION OF A RECYCLING CENTER WITHIN THE I-1 GENERAL  
INDUSTRIAL ZONING DISTRICT LOCATED AT 161 CENTER STREET**

**WHEREAS**, Chicago Title Land Trust No. 8002350838 (George Kannigan, Trustee) and Tink's Ink LLC (Elgin Recycling Inc.) have filed a petition with the Village Clerk of the Village of Gilberts, Illinois, for a special use permit for the operation of a recycling facility within the I-1 General Industrial zoning district on property located at 161 Center Street, Gilberts, IL: and,

**WHEREAS**, Tink's Ink LLC / Elgin Recycling Inc. currently operate a recycling facility on property located at 46 East End Drive, subject to a special use permit, and wish to relocate aspects of the 46 East End property operations that generate considerable noise and vibration from the 46 East End Drive property to the 161 Center property; and,

**WHEREAS**, the relocation of recycling center operations to the 161 Center property would reduce the noise and vibration impacts on the properties adjoining the 46 East End Drive facility; and,

**WHEREAS**, the Gilberts Plan Commission held a public hearing and reviewed the request on July 13, 2011 and recommended approval of the special use permit, subject to conditions, by a vote of 5-1; now,

**THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES** of the Village of Gilberts, Kane County, Illinois as follows:

**Section 1.** The recitals set forth above are hereby incorporated into this Section 1.

**Section 2.** That a special use permit for the operation of a recycling facility be granted for the subject property within the I-1 General Industrial zoning district located at 161 Center Street, subject to the list of conditions established in Section 3.

**Section 3.** The approval granted pursuant to Section 2 of this Ordinance are conditioned upon and limited by the following conditions, the violation of any of which shall, in the discretion of the President and Board of Trustees, be grounds for the repeal and revocation of the approvals granted by this Ordinance in accordance with applicable law. In addition, any violation of this Ordinance will be deemed a violation of the Zoning Code and subject the Owner to enforcement proceedings accordingly.

1. This special use permit is specifically granted to Tink's Ink LLC / Elgin Recycling Inc. for use on the specified subject property, commonly known as 161 Center Street. The special use permit may not be transferred, sold, used by, or otherwise conveyed to any party other than the applicant without an amendment to the special use permit approved by the Village of Gilberts.

2. The Zoning Code, the Subdivision Code, the Building Code, and all other applicable Village ordinances and regulations shall continue to apply to the Property, and the development and use of the Property shall comply with all laws and regulations of all other federal, state, and local governments and agencies having jurisdiction.
3. Consistent with the operation of their facility at 46 East End Drive, Elgin Recycling/Tink's Ink LLC may recycle construction materials and debris, wood, paper, cardboard, plastics, and ferrous and nonferrous metal scrap.
4. Elgin Recycling/Tink's Ink LLC may recycle ferrous and non-ferrous metal scrap including metal appliances commonly known as "white goods," excluding any such materials that contain "white goods components" as defined by 415 ILCS 5/22.28(c)(2), Illinois Environmental Protection Act.
5. Elgin Recycling/Tink's Ink LLC shall store and recycle batteries, electronics or similar materials on the subject property only in compliance with the U.S. Environmental Protection Agency standards set forth for the R2 "Responsible Recycling" certification. All batteries, electronics and similar materials shall be stored only within the building.
6. Elgin Recycling/Tink's Ink LLC shall not chip nor store wood chips or dust outside the principal structure or a covered storage bin.
7. Elgin Recycling/Tink's Ink LLC shall demonstrate compliance with all applicable codes and requirements and pay the Village any fees for zoning, special use permit, building or property maintenance violations within ten (10) days of receipt of written notice.
8. Elgin Recycling/Tink's Ink LLC shall submit to at least two inspections annually demonstrating conformance with all special use conditions, locally adopted building & existing structure codes and ordinances.
9. There shall be no overnight outside storage of any materials on the subject property, except materials may be stored overnight in roll-off containers, box trucks or truck trailers stored away from view from Center Street.
10. Iron may be stored outside and uncovered within concrete cubicle walls to be erected on concrete or cement pads along the south portion of the subject property, with the open sides facing north. To prevent migration of such materials, the items so stored shall not exceed the height of the side walls nor extend beyond an imaginary line between the front of the sidewalls.
11. All storage of recycled materials shall be contained to prevent migration of the same and/or any run-off from same to adjoining properties or public ways.
12. All roll-off containers, dumpsters, vehicles and non-motorized storage (e.g. truck trailers) shall be parked or placed away from view from Center Street.
13. Prior to the commencement of operations, Elgin Recycling/Tink's Ink LLC shall submit to the Village of Gilberts a plan for debris and litter control. Elgin Recycling/Tink's Ink LLC shall be required to update and make available upon request their plan for debris and litter control at all times.

14. Operations of the recycling center shall at all times comply with sound and noise regulations set forth in the Village of Gilberts Municipal Code and Zoning Ordinance, as well as state statute.
15. Vehicles coming to, waiting to enter, or leaving the recycling center shall not block the entrance or driveway to any other property.
16. The existing granulated asphalt surface shall be maintained in its current condition. It shall be Elgin Recycling/Tink's Ink LLC's responsibility to control dust generated by the facility's operations or vehicles.
17. Prior to the commencement of operations, Elgin Recycling/Tink's Ink LLC shall establish and enact written procedures for the discovery and/or spilling of hazardous or white goods components, as described above. Elgin Recycling/Tink's Ink LLC shall be required to update and make available upon request their procedures for handling hazardous and/or white goods components.
18. No motorized vehicles or construction equipment, with or without motors, and no engines, transmissions, differentials or other motor vehicle or construction equipment parts which may contain petroleum products or hazardous substances shall be salvaged or recycled on the subject property.
19. If the subject property and/or use is found to be in violation by county, state, federal or other regulatory body, Elgin Recycling/Tink's Ink LLC is required to notify the Village of Gilberts of the violation within 72 hours of receipt of said violation(s).
20. The construction of a new building in accordance with all applicable Village Codes and requirements shall not constitute an expansion of the special use that would otherwise require an amendment to the special use permit."
21. The operation of this recycling facility shall exclude the collection and/or recycling of municipal or commercially-collected waste materials and shall not function as a transfer station for waste or recycled materials.

**Section 4. Severability.** In the event a court of competent jurisdiction finds this ordinance or any provision hereof to be invalid or unenforceable as applied, such finding shall not affect the validity of the remaining provisions of this ordinance and the application thereof to the greatest extent permitted by law.

**Section 5. Repeal and Savings Clause.** All ordinances or parts of ordinances in conflict herewith are hereby repealed; provided, however, that nothing herein contained shall affect any rights, actions, or causes of action which shall have accrued to the Village of Gilberts prior to the effective date of this ordinance.

**Section 6. Effective Date.** This Ordinance shall be in full force and effect from and after the passage, approval, and publication in pamphlet form.



**PASSED BY ROLL CALL VOTE OF THE BOARD OF TRUSTEES** of the Village of Gilberts,  
Kane County, Illinois, this \_\_\_\_ day of \_\_\_\_\_, 2011.

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2011

(SEAL)

\_\_\_\_\_  
Village President Rick Zirk

ATTEST:

\_\_\_\_\_  
Village Clerk, Debra Meadows

Published: \_\_\_\_\_

8/2/11 List of concerns regarding Elgin Recycling Special Use Permit:

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Batteries - there are reservations about allowing batteries to be stored for disposal onsite. Can the batteries be collected and stored at your Elgin location?

Buffering to the wetlands - there are concerns about containing/buffering any contaminated runoff (e.g. leaking battery acid or other inevitable accidental spill) from the wetlands.

Covered bins - there was discussion about distinguishing between covering the bins for aesthetic reasons vs. ensuring that any loose materials are contained. Would only iron be left uncovered? What about loose (e.g. paper) recycled materials?

Pavement - to better control for dust, why shouldn't the yard be paved? Alternately, would the drive aisles for the trucks be paved and the drop areas for bins be on gravel or crushed asphalt?

Storage - will this site be a storage yard for the East End Drive property? Will it look like a junk yard?

Truck traffic - concern about truck traffic impacts on Center Street and on the pavement that extends onto the Oliver property.

"Clean construction debris" - the board does not want this site to become a CCD site; they do not want the "recycling" of concrete or other pavement material.

Inspections - There is interest in requiring unscheduled inspections to be conducted by a third-party environmental inspection firm, selected by the Village and paid for by Elgin Recycling.

Noise and hours of operation - what noise, access, activity, etc. will be generated by the facility? There are concerns about activity, noise, etc. at night.

Fencing - for security purposes, shouldn't there be a fence around the perimeter of the usable area? It would keep materials in the yard and people out.

Graffiti - the block walls of the storage area will need to be kept clean of graffiti.

Condition #20 would be rephrased as "A new building does not constitute an expansion of the special use that would otherwise require an amendment to the special use permit."

There needs to be a stipulation that this use will exclude municipal or commercially-collected waste, drawing a line between a "recycling center" and a "transfer station."

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## Ray Keller

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**From:** Richard Heimberg [RHeimberg@bradylaw.com]  
**Sent:** Monday, August 08, 2011 4:06 PM  
**To:** Ray Keller  
**Cc:** bconroy@elginrecycling.com  
**Subject:** Fwd: RE: Ordinance 22-2011 - Tink's Ink LLC / Elgin Recycling Inc.

**RAY: BOB CONROY'S RESPONSES TO THE ISSUES RAISED ARE SET FORTH BELOW. WE WILL BE HAPPY TO DISCUSS THESE ISSUES WITH THE BOARD MEMBERS AT THE AUGUST 9 COMMITTEE OF THE WHOLE MEETING. UNDER SEPARATE COVER I WILL FORWARD A LETTER RECEIVED BY BOB CONROY FROM HIS ENGINEER WHO INSPECTED THE AREA AS PART OF HIS DUE DILIGENCE EFFORTS IN DETERMINING WHETHER TO PURCHASE THE PROPERTY.**

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Batteries - there are reservations about allowing batteries to be stored for disposal onsite. Can the batteries be collected and stored at your Elgin location?

We currently follow very strict policy on how to properly handle and store batteries at our facilities. We stack them appropriately according to USDOT regulations.

- We wear the appropriate PPE
- We keep batteries upright at all times
- We do not throw or drop batteries
- We place them carefully on the pallets.
- We follow the maximum size, weight and layers per pallet.
- The pallets we use must be constructed with a minimum of three bottom boards and durable enough to handle the battery load.
- We place a layer of cardboard on the pallet to prevent the batteries from sliding off the pallet.
- We make sure that the batteries first layer is level and close together as possible. If some of the batteries are shorter, they are placed in the center with taller batteries on the top layer.
- We place cardboard between the layers including the top layer of batteries.
- Side terminals are stacked so the posts are facing away from each other
- The batteries that have damage and not leaking must be put into the proper battery bags and placed in the center of the pallet.
- All pallets are to be shrink wrapped to be ready to ship.

Buffering to the wetlands - there are concerns about containing/buffering any contaminated runoff (e.g. leaking battery acid or other inevitable accidental spill) from the wetlands.

We keep all batteries indoors. No material will be kept outdoors besides iron and aluminum.

Covered bins - there was discussion about distinguishing between covering the bins for aesthetic reasons vs. ensuring that any loose materials are contained. Would only iron be left uncovered? What about loose (e.g. paper) recycled materials?

We would cover all garbage bins and any other bins that would have light weight material in it that could blow out each night.

Pavement - to better control for dust, why shouldn't the yard be paved? Alternately, would the drive aisles for the trucks be paved and the drop areas for bins be on gravel or crushed asphalt?

The village engineer Bill Blecke has determined that the usable part of the property is considered an impervious surface area, (hard surface). Therefore we plan on using the existing area.

Storage - will this site be a storage yard for the West End property? Will it look like a junk yard?

We do not own west end and we assume you are referring to East End. The look of our yard will resemble the current yard on East End Drive. It is a recycling facility and will look as such. We are in the recycling business and most the metal we get in gets turned around in a 1 - 2 week period. We are not a storage facility we are a recycling center.

Truck traffic - concern about truck traffic impacts on Center Street and on the pavement that extends onto the Oliver property.

Our property is large enough that we don't see truck traffic backing up onto Center Street. We feel that we can accommodate the truck traffic on our existing facility.

"Clean construction debris" - the board does not want this site to become a CCD site; they do not want the "recycling" of concrete or other pavement material.

Elgin Recycling is a primarily recycler of metals and will continue to be a recycler of metals on the new site.

Inspections - There is interest in requiring unscheduled inspections to be conducted by a third-party environmental inspection firm, selected by the Village and paid for by Elgin Recycling.

We do not feel this should be needed. Elgin Recycling has committed much time and funds into obtaining their R2, (responsible recycling), certification. We are getting audited by a 3rd party accrediting body annually and plan to adhere to all regulations set forth through R2 and the EPA. Less than 1/10th of a percent of recyclers will have this certification by the end of this year, (us included). We feel our commitment to the environment and our management does not warrant these inspections. In addition, the city presently comes in twice a year to our current location on East End Drive.

Noise and hours of operation - what noise, access, activity, etc. will be generated by the facility? There are concerns about activity, noise, etc. at night.

Elgin Recycling is basically a day time operation. The reason for the purchase of this site is for its isolation. There are only a few contractors near this site within earshot. The reason for moving to this site is for its isolation.

Fencing - for security purposes, shouldn't there be a fence around the perimeter of the usable area? It would keep materials in the yard and people out.

Currently, 40 - 50 % of the yard is fenced in by neighboring fences. Within 2 years we plan on fencing the entire facility.

Graffiti - the block walls of the storage area will need to be kept clean of graffiti.

No Problem. Has the village of Gilberts had graffiti problems? If there is an issue with this in our yard we will take care of it.

Condition #20 would be rephrased as "A new building does not constitute an expansion of the special use that would otherwise require an amendment to the special use permit."

There needs to be a stipulation that this use will exclude municipal or commercially-collected waste, drawing a line between a "recycling center" and a "transfer station."

We are in the recycling business and plan on staying in it.

\*\*\*\*\*

Richard Heimberg  
Brady & Jensen, LLP  
2425 Royal Boulevard  
Elgin, Illinois 60123  
847-695-2000 main line  
847-289-3370 direct line  
847-695-3243 fax  
rheimberg@bradylaw.com

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IRS Circular 230 Disclosure: To comply with requirements imposed by the IRS, we inform you that any U.S. federal tax advice contained herein (including any attachments), unless specifically stated otherwise, is not intended or written to be used, and cannot be used, for the purposes of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter herein.

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Richard Heimberg  
Brady & Jensen, LLP  
2425 Royal Boulevard  
Elgin, Illinois 60123  
847-695-2000 main line  
847-289-3370 direct line  
847-695-3243 fax  
rheimberg@bradylaw.com

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## Ray Keller

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**From:** Richard Heimberg [RHeimberg@bradylaw.com]  
**Sent:** Monday, August 08, 2011 4:12 PM  
**To:** Ray Keller  
**Cc:** bconroy@elginrecycling.com  
**Subject:** Fwd: 161 Center Drive, Gilberts

**RAY: THE FOLLOWING IS THE ENGINEER'S REPORT TO BOB CONROY REGARDING  
VARIOUS ASPECTS OF THE PROPERTY, WHICH INCLUDES REFERENCE TO CONTACTS  
WITH THE VILLAGE ATTORNEY AND CHIEF INSPECTOR.**

----- Forwarded message -----

**From:** Natalie Karney <nkarney@landtechnologyinc.com>  
**Date:** Wed, Jul 13, 2011 at 2:23 PM  
**Subject:** 161 Center Drive, Gilberts  
**To:** bconroy@elginrecycling.com

Dear Bob, Per your request we did some research for you to determine the site building requirements for this site. I talked with the Village Engineer, Bill Blecke, about requirements. He agreed that part of the site that has been disturbed by development is considered entirely covered by impervious area. The remainder of the site south of the disturbed area is either in wetlands or flood plain. A building set-back line has been established and approved by the Village near the rear of the property which encompasses the wetland and the flood plain. Mr. Blecke also indicated that storm water detention capacity has been provided for this site and any redevelopment outside the wetland and flood plain area will not require additional storm water detention. My conversations with him and the chief building inspector, Mr. John Swedberg, indicated that it should be no problem placing a large building on the site in the future. Mr. Swedberg also indicated that open stalls for storage are allowed and can be built up to the property line. Please contact me if you have any questions. Thank you.

Natalie P. Karney, P.E.  
President  
Land Technology, Inc.  
Phone: 815 363-9200  
Fax: 815 363-9223

**In Case of an Emergency:  
911**

**Elgin Recycling**

**Quality,  
Environmental and  
Health & Safety  
(QEH&S)  
Management System**

**QEH&S and Purchasing  
Requirements for  
Suppliers**

**Please recycle this when no  
longer needed**



## QEH&S Policy

The nature of Elgin Recycling's operations have a positive impact on the environment through the conservation of metals, plastic and other non-renewable resources. Consistent with these core operations, it is Elgin Recycling's overall goal to accomplish its business objectives while striving for an injury-free workplace, minimizing pollution, and providing quality products to our customers.

It is our intention to:

- Develop and maintain quality, environmental, and health & safety programs that conform to the best practices within the scrap recycling industry;
- Comply with all relevant environmental, health & safety laws and regulations, including federal, state and local and other requirements;
- Comply with customer and product requirements and industry guidelines
- Prevent workplace injuries by providing a safe environment for employees, contractors and visitors in our fixed yard and remote operations;
- Investigate any workplace accidents, illnesses and near-misses, and promptly correct any unsafe condition or practice,
- Promote prevention of pollution in all of our operations;
- Work with our suppliers, customers and contractors to fulfill our environmental, health & safety goals; and
- Continually improve our quality, environmental, and health & safety programs and resulting performance.

We recognize that the responsibilities for quality, environment, health & safety are shared, requiring cooperation, not only between employees and their supervisors, but among and between all those who assume the various roles within the company.

Elgin Recycling will continually improve its QEH&S system and performance. This will include the setting of QEH&S goals, taking into consideration our QEH&S footprint and our business, financial, operational and legal requirements as well as the views of interested parties.

## QEH&S Requirements How You Can Help

To ensure that our policy is implemented, we ask that you follow some of our essential procedures:

- Do not use our storm drains or sanitary sewers for disposal of waste.
- Dispose of all trash in the appropriate containers.
- Follow recycling instructions and use the appropriate containers.
- Do not leave hazardous waste, chemicals, or used oil at our facility without prior authorization of the Operations Manager.
- Follow all posted signs and instructions.
- Avoid unnecessary engine idling.

The following materials are prohibited from our yard:

- Non-metallics
- Corrosives
- CFC/Freon
- Flammable materials
- Radioactive materials
- Hazardous liquids
- Compressed gas cylinders
- PCBs
- Explosives
- Other hazardous materials

## Purchasing Requirements

To ensure that we continue to maintain a quality product for our customers, we ask that you abide by the following purchasing requirements:

- The policy **Purchasing & Subcontractor Due Diligence 4.2.1**

**Any Questions? Call Brittany Conroy  
At: 847-741-4100**

**Contractor/ Supplier Name**

***I have read and understand this policy  
and will abide to all the requirements  
stated:***

Date: \_\_\_\_\_

Print Name Here

Sign here