



**AGENDA FOR
CITY COUNCIL MEETING**
Council Chambers
401 E Third Street
Kewanee, Illinois 61443
Closed Session starting at 6:30 p.m.
Open Meeting starting at 7:00 p.m.
Monday, November 28, 2016

Posted by 6:00 p.m., November 23, 2016

1. Call to Order
2. Closed Session pursuant to Section 2(c)(6) of the Open Meetings Act to discuss sale or lease of real estate, 2(c)(1) to discuss personnel and 2(c)(2) to discuss collective bargaining.
3. Pledge of Allegiance
4. Consent Agenda
 - a. Approval of Minutes
 - b. Payroll
 - c. Staff Reports
5. Presentation of Bills and Claims
6. Citizen Participation
7. Business:
 - a. **Consideration of an Ordinance** providing for the issuance of not to exceed \$298,000 General Obligation Bonds, Series 2016 of the City of Kewanee, Henry County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.
 - b. **Consideration of a Resolution** authorizing the Mayor to execute a Tax Increment Financing Redevelopment agreement with Dan Carrington for "Carrington Building" TIF Project.
 - c. **Consideration of an Ordinance** declaring 4.4 acres of land at 850 E Division Street as excess and directing the sale of the same.
 - d. **Consideration of a Resolution** awarding the demolition of 219 Payson St., 700 W. Fourth St., 629 O'Dea St., and 510 N. Grace Ave. to Martin Bros. of Kewanee.
 - e. **Discussion of** a Capital Improvement Plan for the City of Kewanee.
 - f. **Consideration of a Resolution** authorizing the City Manager to execute an agreement with Insituform Technologies, LLC for the 2016 CIPP Project.
 - g. **Consideration of a Resolution** authorizing the City Manager to enter into an agreement with ADP for payroll processing.
8. Council Communications:
9. Announcements:
10. Adjournment



MEMORANDUM

Date: November 23, 2016
From: Gary Bradley, City Manager
To: Mayor & Council
RE: Council Meeting of **Monday, November 28, 2016**

CLOSED MEETING AT 6:30 P.M.
REGULAR MEETING AT 7:00 P.M.

1. **Enterprise Zone** – The process for reapplication is well underway and should be completed within the next two to three weeks. Everyone but Cambridge has passed the ordinance establishing the Enterprise Zone, and they are expected to on November 28th. It has been a challenging process and several staff members have put in quite a bit of work to complete our portion of the application. We also received help from both KEDC and the Chamber of Commerce with portions of the application.
2. **Christmas Tree** – The Chamber of Commerce, Prairie Chicken Festival Committee, and City have been working together on the relocation of the Christmas Tree from the intersection of Tremont and 2nd Street to Berrien Park. The idea behind the move is that the tree in the park could serve as a gathering point for people and make it more of an event. It also adds visibility from the train, improves traffic flow, and does not pose the same risk to public safety. Please join Mayor Looney on Sunday, November 27th at 5 PM as he turns on the lights to the tree. Festivities are planned to run from 4 PM to 6 PM.
3. **Newsletter** – We're already starting to work on the next newsletter. If you have anything in particular that you would like us to consider covering in the next edition, please let me know.
4. **Fire Truck** – Chief Shook has indicated that the new fire truck is scheduled for completion in late January. Because of his support for the low interest loan program and our department, I think we should have some sort of dedication event and make Representative Moffitt the guest of honor. Please let me know your thoughts on this idea.
5. **Fire and Police Commission** – Met last week to conduct promotional testing to Relief Engineer.
6. **SGT Clapper** – You may recall that I contacted you to let you know about a fire in the 700 Block of North Madison. I didn't relay at that time information that is and was of critical importance. I noted that there was no loss of human life. I later found out that the loss of life, or at the very least the avoidance of serious injury, was only averted due to the actions of Sgt Pat Clapper.

7. **Southwind** – The group acquiring the property is still reviewing the proposed agreement. They were comfortable with the concept of a requirement that they add a specified number of trailers to the site before reimbursement is made for the street improvements. I expect the matter to be ready for the next City Council meeting.

**COUNCIL MEETING 16-22
NOVEMBER 14, 2016**

The City Council met in Council Chambers at 6:00 PM with the Mayor calling the meeting to order and the following answering to roll call:

Andy Koehler	Council Member
Mike Yaklich	Council Member
Kellie Wallace-McKenna	Council Member
Deann Schweitzer	Council Member
Steve Looney	Mayor

Council Member Wallace-McKenna moved to adjourn to executive session at 6:01 PM pursuant to Section 2 (C) (6) of the Open Meetings Act for the purpose of discussing sale or lease of real estate. Council Member Schweitzer seconded the motion. Roll call showed 5 ayes, no nays. The motion passed.

The executive session was adjourned at 6:26 PM on a motion made by Council Member Schweitzer and seconded by Council Member Wallace-McKenna. Roll call showed 5 ayes, no nays. The motion passed.

Council Meeting #16-22 reconvened at 7:00 PM with Mayor Looney stating the Council is reconvening following an executive session discussion concerning sale or lease of real estate.

News media present were as follows:

Mike Berry	Star Courier
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The Pledge of Allegiance was said.

Mayor Looney asked for a moment of silence for our troops still fighting overseas.

Mayor Looney explained that the next items were placed on the consent agenda and were considered to be routine in nature to be passed as a whole with one vote of the Council. Mayor Looney requested that any member of the Council or the audience wishing to have an item removed from the consent agenda for individual consideration to make the request and the item would be removed and considered following the approval of the remaining consent items. The consent agenda included minutes from the October 24, 2016 Council Meeting, payroll for the pay period ending October 29, 2016 of \$193,096.10, and department head reports from Police Department, Code Enforcement, ESDA, Building & Zoning, Bock, Inc., and Public Works, and a request from the Kewanee YMCA to use the Council Chambers to conduct their charity auction on Friday and Saturday, December 2 and 3, 2016. The consent agenda items were approved on a motion made by Council Member Koehler and seconded by Council Member Wallace-McKenna. Roll call showed 5 ayes, no nays. The motion passed.

Bills submitted for approval totaling \$2,163,678.02 were approved on a motion made by Council Member Wallace-McKenna and seconded by Council Member Yaklich. Council Member Koehler

questioned the payment to Collection Professionals. City Manager Bradley reported that the payment was for ambulance collection fees. City Manger Bradley also explained, at the request of Council Member Yaklich, that the amount was larger than normal due to several bond payments and road improvements. Roll call showed 5 ayes, no nays. The motion passed.

CITIZEN PARTICIPATION

Mayor Looney asked if anyone wished to speak. There being no such requests Mayor Looney moved on to new business.

NEW BUSINESS

A Public Hearing pursuant to the requirements of Sections 10 and 20 of the Bond Issuance Notification Act of the State of Illinois, as amended on the plans to issue General Obligation Bonds, Series 2016 in the amount not to exceed \$298,000 was opened on a motion made by Council Member Wallace-McKenna and seconded by Council Member Schweitzer. Roll call showed 5 ayes, no nays. The motion passed.

Mayor Looney called the public hearing to order, and read the following notice: *Let the record reflect that this is a public hearing being held pursuant to the requirements of Sections 10 and 20 of the Bond Issue Notification Act of the State of Illinois, as amended. Notice of this hearing was published on October 28, 2016, in the Star Courier, a newspaper of general circulation in the City. This is a hearing regarding a plan to issue not to exceed \$298,000 in aggregate principal amount of the Issuer's General Obligation Bonds, Series 2016 (the "Bonds"). The proceeds of the Bonds will be used to (i) pay debt service on the City's outstanding alternate revenue source bonds payable from non-referendum bond proceeds and (ii) pay certain costs of issuance of the Bonds.*

The Bonds will be issued by the Issuer in accordance with the provisions of Section 15 of the Local Government Debt Reform Act of the State of Illinois, as amended, and shall constitute a general obligation of the City, payable from (i) ad valorem taxes of the City for which its full faith and credit have been irrevocably pledged, unlimited as to rate or amount., and (ii) such other funds of the City lawfully available and annually appropriated for such purpose.

This public hearing is required by Sections 10 and 20 of the Bond Issue Notification Act of the State of Illinois, as amended. At the time and place set for the public hearing, residents, taxpayers and other interested persons will be given the opportunity to express their views for or against the proposed plan of financing, the issuance of the Bonds and the purpose of the issuance of the Bonds.

Mayor Looney asked anyone who wished to submit written comments to take them to City Hall. Mayor Looney then asked anyone desiring an opportunity to express their views for or against the proposed Bonds, to please stand so that they may have an opportunity to make those comments or statements. There being no such requests, Mayor Looney requested a motion to adjourn the public hearing. The public hearing was adjourned on a motion made by Council Member Schweitzer and seconded by Council Member Koehler. Roll call showed 5 ayes, no nays. The motion passed. The public hearing was closed at 7:06 PM.

Resolution #5015 committing funds from the Revolving Loan Fund to Broken Chimney was approved on a motion made by Council Member Yaklich and seconded by Council Member Schweitzer. Council Member Koehler expressed his reservations with the loan. City Manager Bradley explained that the applicants have created 50 jobs, with the requirement to create 4-5 jobs for the level of requested funding. The KEDC Loan Committee and the KEDC Board voted unanimously to recommend the loan. Andrew Speck, from the Broken Chimney, addressed the Council, explaining that the request was for operating capital during the training and startup period. The proposed security for the loan was a third position on a building owned by Mr. Speck in Peoria. City Manager Bradley explained that although it was a third position, that there was sufficient equity in the building to make the collateral secure. Roll call showed 3 ayes, 2 nays, with Council Members Koehler and Wallace-McKenna casting the dissenting votes. The motion passed.

The Plan Commission minutes from its meeting held on Thursday, October 27, 2016 were accepted on a motion made by Council Member Wallace-McKenna and seconded by Council Member Schweitzer. Roll call showed 5 ayes, no nays. The motion passed.

Ordinance #3853 approving a special use permit to Glenna Scott at Cookies 222 North Burr Blvd. for a beer garden was approved on a motion made by Council Member Yaklich and seconded by Council Member Wallace-McKenna. Roll call showed 5 ayes, no nays. The motion passed.

Ordinance #3854 approving the rezoning of 315 West Second Street from B-3 Business and Wholesale to B-4 Business District was approved on a motion made by Council Member Yaklich and seconded by Council Member Koehler. Council Member Yaklich explained the change being made to the business. Roll call showed 5 ayes, no nays. The motion passed.

A brief discussion of TIF Incentives for the Carrington Building TIF Project was held with City Manager Bradley explaining the nature of the project, including that the project was necessary to avoid a hole in the downtown area and to protect the adjoining buildings. Council Member Schweitzer questioned the clause where the developer agrees to commercial operations located on the property, noting that the developer should not lose their incentive if a tenant closes a business and leaves the building. Council Members agreed by consensus, with the matter to be considered at the next meeting.

A brief discussion of redevelopment incentives with Haven Park Capital Partners in regards to Southwind Mobile Estates was held with City Manager Bradley explaining the request. Haven Park Capital Partners has expressed interest in purchasing Southwind Mobile Estates and removing the dilapidated structures replacing them with new homes. The Developer has requested assistance from the City with improving the private streets located within the mobile home park. The agreement would provide for the City to be an equal partner in the improvement of the streets located within the park. Council Member Schweitzer questioned the City contributing to the repair of private roads and Advel Court. City Manager Bradley noted that he is not sure he shares the same view as was previously held regarding Advel Court and other private drives. The Council agreed by consensus that a minimum number of homes should be installed prior to receiving any incentives, and to consider the request for approval at the next meeting.

Resolution #5012 awarding the demolition of 118 S. Burr Blvd to Kirk Dana was approved on a motion made by Council Member Wallace-McKenna and seconded by Council Member Yaklich. Council Members concurred that this demolition would be beneficial to the area and the school children that attend the area schools. Roll call showed 5 ayes, no nays. The motion passed.

Resolution #5013 awarding the demolition of 924 North East Street to Hayes Excavating was approved on a motion made by Council Member Wallace-McKenna and seconded by Council Member Yaklich. Council Member Koehler noted that it was nice to see a new company involved in the demolitions. Roll call showed 5 ayes, no nays. The motion passed.

Resolution #5014 awarding the demolition of 715 Willow Street to Novak's Custom Resources was approved on a motion made by Council Member Schweitzer and seconded by Council Member Yaklich. Council Member Koehler again noted the new company involved in the demolition process. Roll call showed 5 ayes, no nays. The motion passed.

An Ordinance declaring 4.4 acres of land at 850 East Division Street was tabled on a motion made by Council Member Wallace-McKenna and seconded by Council Member Schweitzer. Mayor Looney stated that the Council was seeking further information and the item would hopefully be considered at the next meeting. Roll call showed 5 ayes, no nays. The motion passed.

Resolution #5016 authorizing the City Manager to execute an agreement with Payment Services Network Inc for processing payments with credit/debit cards was approved on a motion made by Council Member Wallace-McKenna and seconded by Council Member Schweitzer. Roll call showed 5 ayes, no nays. The motion passed.

Resolution #5017 authorizing the City Manager to enter into agreements with the State Bank of Toulon and IH Mississippi Valley Credit Union was approved on a motion made by Council Member Wallace-McKenna and seconded by Council Member Schweitzer. City Manager Bradley explained the process undertaken to come to a staff recommendation. Council Member Yaklich received confirmation from City Manager Bradley that the same process should be repeated every three years. Roll call showed 5 ayes, no nays. The motion passed.

Resolution #5018 authorizing the City Manager to enter into a public services agreement with Kewanee Economic Development Corporation was approved on a motion made by Council Member Schweitzer and seconded by Council Member Wallace-McKenna. Council Member Koehler expressed his disappointment with the results from KEDC in the past. Council Member Schweitzer stated the many benefits of the KEDC, with City Manager Gary Bradley explaining the Kathy Albert of the KEDC had been an integral part of gathering information from businesses for the upcoming Enterprise Zone application. Roll call showed 5 ayes, no nays. The motion passed.

Ordinance #3856 establishing no turn on red restrictions at Prospect and Main Streets was approved on a motion made by Council Member Wallace-McKenna and seconded by Council Member Schweitzer. Council Member Yaklich asked if the property owner with the hedge was requested to trim or remove the hedge. City Engineer Nobel noted that even without the hedge the line of sight would still be obstructed due to the curvature of the road. Operations Manager

Johnson reported that he had been advised that the hedges had been planted when the road was widened to dampen the traffic noise. Roll call showed 5 ayes, no nays. The motion passed.

Ordinance #3857 establishing an Enterprise Zone in the City of Kewanee, Illinois, the City of Galva, Illinois, the City of Geneseo, Illinois, the Village of Atkinson, Illinois, the Village of Annawan, Illinois the Village of Cambridge, Illinois, the Village of Orion, Illinois, the Village of Woodhull, Illinois, and Henry County, Illinois was approved on a motion made by Council Member Koehler and seconded by Council Member Yaklich. City Manager Bradley explained that the ordinance mirrors the ordinances adopted by each of the other communities, with the same incentives that are currently offered, while extending the enterprise zone to the other communities. The Enterprise Zone has resulted in nearly \$1 billion in improvements, with another \$780 million projected should the Zone be awarded by the states. The proposed improvements would include the creation of approximately 2000 jobs in the area. Mr. Bradley continued to say that the Enterprise Zone was a huge piece of the Economic Development puzzle, with no opportunity to apply for a zone in 2017. Mayor Looney noted the many hours that had Mr. Bradley had invested in the preparation of the Enterprise Zone documents, including the assistance offered to the other communities. Roll call showed 5 ayes, no nays. The motion passed.

OTHER BUSINESS

Council Member Schweitzer noted the great attendance of the Veteran's Day events held in Kewanee. She congratulated the A/W Titans on their journey to the semifinal football game. She thanked the many volunteers throughout the community. She also thanked City Manager Bradley and staff for their work on the Enterprise Zone application.

Council Member Koehler thanked the Police Department and volunteers for their work on Halloween night. He also wished the Titans good luck in the upcoming playoff game.

Council Member Yaklich wished the Titans good luck in their playoff game. He wished everyone a Happy Thanksgiving and urged everyone to give to the Goodfellow's Basket Club if they were able.

Council Member Wallace-McKenna reported that she and Council Member Schweitzer attended a Girl Scout Career day event. She also noted that it was nice to see the election polls busy. She noted the closure of Prospect Street for Halloween trick-or-treating, which assisted with the safety of the children. City Manager Bradley reported that Mark Mikenas of the Kewanee Chamber of Commerce suggested the idea. He then met with Chief Dison and Operations Manager Johnson who were able to execute the idea rather quickly. Council Member Wallace-McKenna also wished everyone a Happy Thanksgiving.

Mayor Looney wished everyone a Happy Thanksgiving. He noted the great turn out for Veteran's Day, thanking all the Veteran's for their service. He thanked City Manager Bradley for his work on the Enterprise Zone application, and thanked staff for their assistance.

ANNOUNCEMENTS

Mayor Looney announced that City Hall offices would be closed on Thursday & Friday, November 24 & 25, in observance of Thanksgiving. Trash collection would be moved up one day with Tuesday to Wednesday, Wednesday to Thursday, Thursday to Wednesday. There would be no landscape waste collection. Saturday, November 19 would not be a burn day due to the football playoff game scheduled at Wethersfield High School. Any loads being taken to the transfer station should be tarped to prevent debris from falling out along the roadways. Any loads not tarped can be assessed an additional \$50 fee, as described in the Kewanee City code section 50.10(B)(2). He also announced that Senator Weaver would be hosting a town hall meeting at Kewanee School District Administration Bldg., 1001 North Main Street on Thursday, November 17 from 7-8 PM.

There being no further business, Council Member Wallace-McKenna moved to adjourn the meeting and Council Member Koehler seconded the motion. Roll call showed 5 ayes, no nays. The meeting adjourned at 8:10 PM.

MELINDA EDWARDS, CITY CLERK

DATE APPROVED



I l l i n o i s

FINANCE & ADMINISTRATIVE SERVICES

OCTOBER 2016

Water Bill Payments Processed

At counter	1101
By mail	458
By dropbox	713
At bank	<u>235</u>
Total Water Bill Payments	2507

Other Payments 212

Total Payments Processed **2719**

Customer Contacts (non-payment)

By phone	1203
At counter	555
Work orders written	<u>262</u>
Total Customer Contacts	2020

Misc Requests/Employee Contacts

By phone or in-person	495
Early voting	298

City of Kewanee Health Care
Revenue and Expense History

2016	Providers	Rx	Life	Stop Loss	SL Aggregate	Admin Fees	Broker Fees	Wellness	Total Exps	Revenues	Gain/Loss
Jan-16	\$123,045.51	\$14,901.86	\$327.60	-\$8,531.84	\$0.00	\$7,512.83	\$6,300.00	\$189.18	\$143,745.14	\$108,902.54	-\$34,842.60
Feb-16	\$89,735.36	\$12,556.01	\$331.80	\$16,628.04	\$15,401.00	\$8,245.71	\$0.00	\$39.18	\$142,937.10	\$154,254.12	\$11,317.02
Mar-16	\$74,217.13	\$3,837.11	\$331.80	\$16,838.36	\$0.00	\$7,769.66	\$0.00	\$39.18	\$103,033.24	\$110,189.04	\$7,155.80
Apr-16	\$144,078.81	\$15,145.87	\$327.60	\$14,538.42	\$0.00	\$9,165.00	\$6,300.00	\$39.18	\$189,594.88	\$111,837.55	-\$77,757.33
May-16	\$153,422.42	\$17,415.39	\$323.40	\$1,484.69	\$0.00	\$9,349.79	\$0.00	\$146.31	\$182,142.00	\$115,496.64	-\$66,645.36
June-16	\$68,587.99	\$12,376.92	\$323.40	\$13,243.56	\$0.00	\$7,564.49	\$0.00	\$78.44	\$102,174.80	\$120,611.21	\$18,436.41
July-16	\$67,087.32	\$12,870.36	\$0.00	\$9,879.29	\$0.00	\$10,895.75	\$6,300.00	\$46.31	\$107,079.03	\$114,777.66	\$7,698.63
Aug-16	\$259,000.50	\$12,676.22	\$663.60	-\$20,007.51	\$0.00	\$12,217.00	\$0.00	\$46.31	\$264,596.12	\$116,476.70	-\$148,119.42
Sept-16	\$98,189.69	\$12,280.93	\$331.80	-\$7,415.87	\$0.00	\$8,312.50	\$0.00	\$47.36	\$111,746.41	\$117,633.79	\$5,887.38
Oct-16	\$51,393.91	\$12,639.94	\$331.80	-\$1,382.99	\$0.00	\$7,799.39	\$6,300.00	\$172.36	\$77,254.41	\$117,938.49	\$40,684.08
Nov-16											
Dec-16											
Total:	\$1,128,758.64	\$126,700.61	\$3,292.80	\$35,274.15	\$15,401.00	\$88,832.12	\$25,200.00	\$843.81	\$1,424,303.13	\$1,188,117.74	-\$236,185.39
Average:	\$112,875.86	\$12,670.06	\$329.28	\$3,527.42	\$1,540.10	\$8,883.21	\$2,520.00	\$84.38	\$142,430.31	\$118,811.77	-\$23,618.54

**CITY OF KEWANEE
PAID CLAIMS ANALYSIS**

Paid Date Range:

10/1/16 - 10/31/16

DENTAL

Active	\$3,282.65
Retired	<u>\$414.87</u>
	\$3,697.52

VISION

Active	\$221.00
Retired	<u>\$118.00</u>
	\$339.00

MEDICAL

Hospital/Facility

Active	\$19,972.15
Retired	<u>\$2,280.25</u>
	\$22,252.40

Doctor

Active	\$23,444.68
Retired	<u>\$1,660.31</u>
	\$25,104.99

DRUG

Active	\$11,010.67
Retired	\$2,459.59
RX Credit	<u>(\$830.32)</u>
	\$12,639.94

RUN-OUT CLAIMS

Medical

Dental Vision

	<u>\$0.00</u>
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TOTAL CLAIMS

\$64,033.85

ADMIN FEES	\$7,799.39
STOP LOSS FEES	(\$1,382.99)
BROKER FEES	\$6,300.00
WELLNESS PROGRAM	\$172.36
LIFE INSURANCE	\$331.80

TOTAL EXPENSES

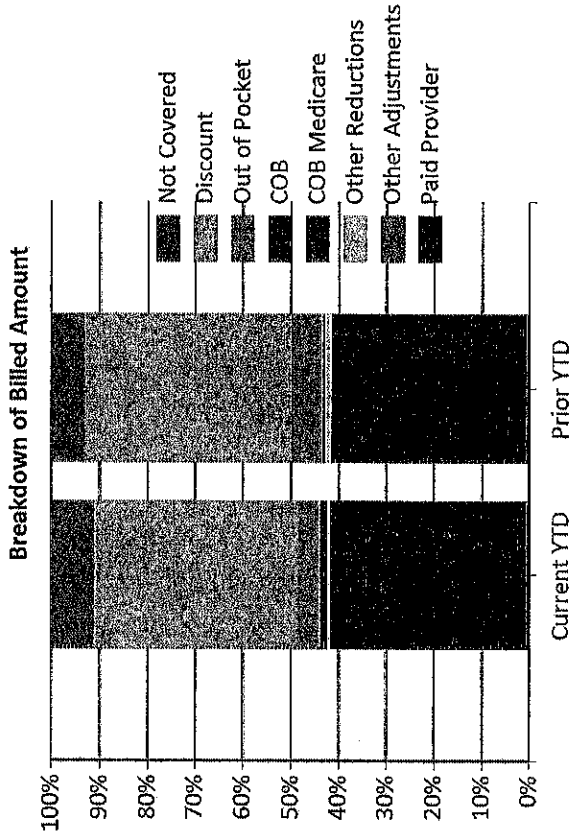
\$77,254.41

Financial Overview: Financial Summary

Report Description: Provides a breakdown of the medical order of reduction from billed to paid for the current month, current account year to date period, prior account year to date period and a percent change. This report may highlight key measures and their potential impact on paid expenses.

Medical Order of Reduction

Paid Month	Oct 2016	Jan 2015 - Oct 2015	Jan 2016 - Oct 2016	% Change
Billed	\$299,130	\$1,751,160	\$2,454,517	40.2%
Not Covered	\$48,272	\$120,988	\$219,455	81.4%
Covered	\$180,857	\$1,630,192	\$2,235,157	37.1%
Discount	\$94,459	\$758,497	\$1,045,511	37.8%
Allowed	\$86,392	\$871,695	\$1,189,945	36.5%
Out of Pocket	\$10,104	\$114,064	\$114,823	0.7%
COB	\$788	\$12,741	\$37,597	270.3%
COB Medicare	\$0	\$0	\$0	
Other Reductions	\$4,247	\$20,274	\$14,012	30.0%
Other Adjustments	\$0	\$0	(\$300)	
Paid Provider	\$717,59	\$725,616	\$1,023,816	41.1%
Other Payments	\$2,051	\$2,919	\$2,999	2.7%
Medical Paid	\$79,810	\$728,535	\$1,046,815	40.9%



Group Liability Breakdown

Paid Month	Oct 2016	Jan 2015 - Oct 2015	Jan 2016 - Oct 2016	% Change
Medical Paid	\$79,810	\$728,535	\$1,026,815	40.9%
Pharmacy Paid	\$13,822	\$121,820	\$133,162	9.3%
Total Paid Claims	\$87,632	\$850,355	\$1,159,976	36.4%
Recoveries	\$87,632	\$850,355	\$1,159,976	36.4%
Total Paid Claims Recoveries	\$0	\$0	\$0	
Fees & Credits	\$6,928	\$214,045	\$135,186	-36.8%
Group Liability	\$94,560	\$1,064,400	\$1,295,162	21.7%

Fees and Credits Breakdown

	Oct 2016	Jan 2015 - Oct 2015	Jan 2016 - Oct 2016	% Change
Access Fee	\$840	\$11,206	\$15,074	34.5%
Admin Fee	\$6,373	\$60,575	\$64,255	6.1%
ASO Adjustments	(\$16,120)	(\$7,944)	(\$119,212)	-1,400.7%
Rx Credit Fees	(\$830)	(\$5,698)	(\$8,372)	-46.9%
Aggregate Stop Loss		\$16,172	\$15,401	-4.5%
Specific Stop Loss	\$16,667	\$139,784	\$168,040	20.2%
Extra Fees				
Summary	\$6,928	\$214,045	\$135,186	-36.8%

Other reductions includes penalties, workers compensation savings, and subrogation savings. Other payments includes Blue Card access fees and surcharges. Also displayed are other adjustments.

Group - 1825
Coverage - DIV
ELOB - ALL

CITY OF KEWANEE
- DIVISION SUMMARY -

Check dates 10/01/2016 - 10/31/2016

Claim Category	Charges	Ineligible	PPO discount	Deductible Amounts	Coinsurance Out of Pocket	COB Savings	Cost Share OOP	COB Cost	Total Paid	Claim Count	Lines
0001 DEN	4,759.00	435.74	14.00	350.00	361.97	103.55	0.00	0.00	3,523.74	19	54
0001 VES	288.00	20.00	0.00	0.00	0.00	0.00	0.00	0.00	268.00	2	2
0002 DEN	78.00	0.00	0.00	50.00	0.00	0.00	0.00	0.00	28.00	1	2
0002 VES	118.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	118.00	1	1
FEES DEN	23.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23.76	2	2
- GROUP TOTAL -	5,256.76	455.74	14.00	400.00	361.97	103.55	0.00	0.00	3,961.50	25	61

Group - 1825
Division - ALL
Coverage - ALL
RLOS - ALL

Check dates 10/01/2016 - 10/31/2016

Claim Category	Charges	Ineligible	PFO Discount	Deductible Amounts	Coinurance Out of Pocket	COB Savings	Cost Share OOP	COB Cost Share OOP	Total Paid	Claim Count	Lines
DEN DENTAL	4,890.76	433.74	14.00	400.00	361.97	103.55	0.00	0.00	3,575.50	22	58
VIS VISION	406.00	20.00	0.00	0.00	0.00	0.00	0.00	0.00	386.00	3	3
- GROUP TOTAL -	5,296.76	453.74	14.00	400.00	361.97	103.55	0.00	0.00	3,961.50	25	61

Dependent Breakdown

Participant	Spouse	Dependent	Total Paid	Claim Count	Lines
PARTICIPANT	1,309.76	167.08	1,476.84	9	19
SPOUSE	2,477.00	266.47	2,743.47	9	19
DEPENDENT	1,510.00	20.19	1,530.19	7	23
- GROUP TOTAL -	5,296.76	453.74	3,961.50	25	61

BOCK INC.
MONTHLY REPORT FOR
OCTOBER, 2016

SUBMITTED BY: *Jan Bockert*

IEPA SUMMARY

No communications with the IEPA for the month of October.

MAINTENANCE SUMMARY

BOCK INC. generated 33 preventive work orders for the month. All 33 work orders were completed. In addition to the preventive work orders, there was 6 corrective maintenance work orders performed.

SAFETY SUMMARY

Because safety is an important part of our daily practice, we have been without a loss time injury at the plant for 21 months.

OPERATIONS SUMMARY

Flow for the month averaged 1.936 MGD with the rainfall totaling 2.53 inches.

Total KWH used for the month was 136,800.

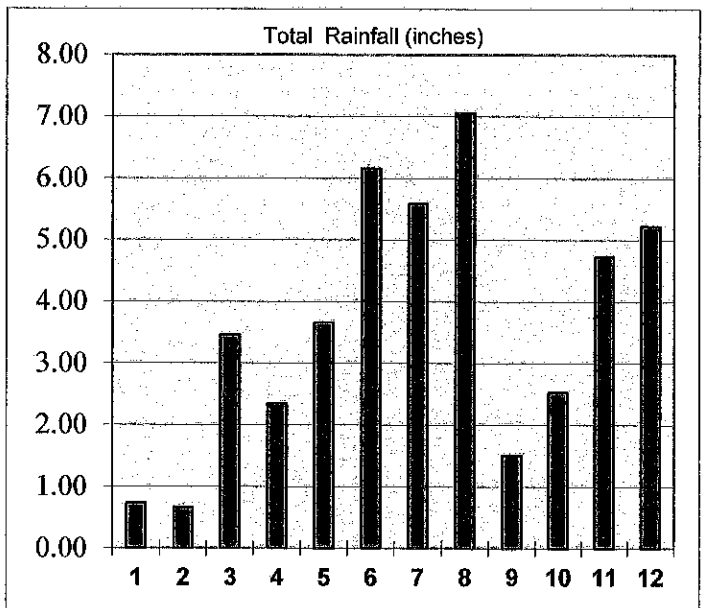
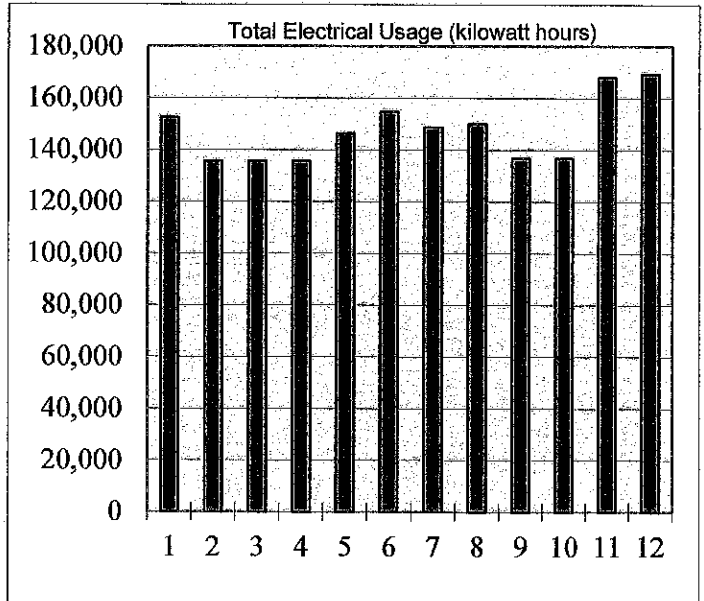
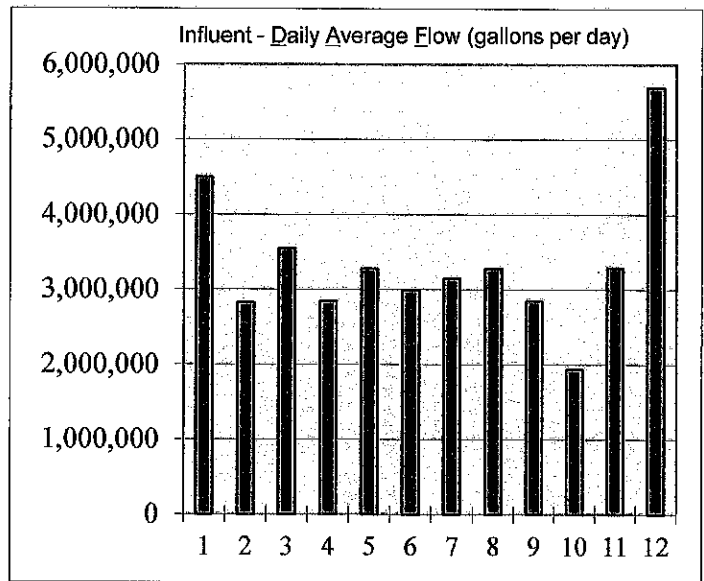
All permit limits on the effluent were meet for the month. Sludge applied to the field totaled 0 gallons for the month.

Kewanee, Illinois
Wastewater Treatment Plant
Twelve Month Moving Average Report
Submitted by
Bock Inc.

Date		Influent - Daily Average Flow (gallons per day)	Total Electrical Usage (kilowatt hours)	Total Rainfall (inches)
1	January 2016	4,496,298	152,400	0.73
2	February 2016	2,821,806	135,600	0.66
3	March 2016	3,546,714	135,600	3.46
4	April 2016	2,843,939	135,600	2.35
5	May 2016	3,274,294	146,400	3.66
6	June 2016	2,991,209	154,800	6.15
7	July 2016	3,147,261	148,800	5.59
8	August 2016	3,277,934	150,000	7.06
9	September 2016	2,847,171	136,800	1.51
10	October 2016	1,936,286	136,800	2.53
11	November 2015	3,285,228	168,000	4.73
12	December 2015	5,694,994	169,200	5.22
Total		40,163,134	1,770,000	43.65
Average		3,346,928	147,500	3.64

The Plant Design Average Flow is 2,000,000 Gallons per Day.

The Plant Design Maximum Flow is 5,000,000 Gallons per Day.



DMR Copy of Record

Permit #: IL0029343
 Major: Yes

Permittee: KEWANEE CITY OF
 Permittee Address: 401 EAST THIRD STREET
 KEWANEE, IL 61443

Facility: KEWANEE STP
 Facility Location: 194 FISHER AVENUE
 KEWANEE, IL 61443

Permitted Feature: INF Internal Outfall

Discharge: INF-L INF-LU
 INFUEWENT MONITORING

Monitoring Period: From 10/01/16 to 10/31/16

DMR Due Date: 11/28/16

Status: NetDMR Validated

Considerations for Form Completion

Principal Executive Officer: Stanley Bookwitz

Title: Operator-in-Charge

Telephone: 308-852-2789

Last Name: Bookwitz

No Data Indicator (NODI)

Code	Parameter Name	Monitoring Location	Season at Param. NODI	Quantity or Location			Quality or Concentration			# of Occ.	Frequency of Analysis	Sample Type
				Value 1	Container	Value 2	Units	Qualifier 1	Qualifier 2			
00310	BOD, 5-day, 20 deg. C	G - Raw Sewage Influent 0	-	45.9	Req Mon MO AVG	18 - mg/L	0/107 - Weekly	CP - COM/POS	90/89 - Continuous			
00530	Sulfide, total suspended	G - Raw Sewage Influent 0	-	210	Req Mon MO AVG	18 - mg/L	0/107 - Weekly	CP - COM/POS	90/89 - Continuous			
90050	Flow, in conduit or thru treatment plant	G - Raw Sewage Influent 0	-	139238	Req Mon MO AVG	418046	03 - MGD	CP - COM/POS	90/89 - Continuous			

Submission Note
 If a parameter row does not contain any values for the Sample nor Effluent Trading, then none of the following fields will be submitted for that row: Units, Number of Excursions, Frequency of Analysis, and Sample Type.

Edit Check Errors
 No errors.

Comments
 No attachments.

Attachments
 No attachments.

Report Last Saved By
 KEWANEE CITY OF

User: sstanb@dockinc.net

Name: Stan Bookwitz

E-Mail: sstanb@dockinc.net

Date/Time: 2016-11-14 14:24 (Time Zone: -05:00)

Sample	Value	Unit	Req. Period	Frequency	Analysis	Sample Type	Location	Method
5680 Chlorine, total residual	0	-	05 DAILY MX	9 - Conventional Monitoring - Not Required This Period	19 - mg/L	0107 - Weekly	SR - SRAB	
7455 Coliform, fecal general	0	-	400	Req Non DAILY MX	13 - #/10mL 13 - #/10mL	0107 - Monthly 0107 - Monthly	SR - SRAB SR - SRAB	
8082 SOD, carbonaceous [5 day, 20 C]	0	-	417 MO AVG	10 MO AVG	19 - mg/L	0107 - Weekly	SR - SRAB SR - SRAB	

Submission Note
 If a parameter row does not contain any values for the Sample nor Effluent Trading, then none of the following fields will be submitted for that row: Unit, Number of Excursions, Frequency of Analysis, and Sample Type.

Edit Check Errors
 No errors.

Comments
 Chlorination did not occur this monitoring period.

Attachments
 No attachments.

Report Last Saved By
 KEIMANE, CITY OF

User: stanb@bockline.net
Name: Stan Bockewitz
E-Mail: stanb@bockline.net

Date/Time: 2016-11-11 14:22 (Time Zone: -05:00)

DMR Copy of Record

Permit #: IL0029343
Permittee: KEWANEE, CITY OF
Facility: KEWANEE STP
Address: 401 EAST THIRD STREET
Facility Location: 194 FISHER AVENUE
 KEWANEE, IL 61443
Discharge: 003A0
 EMERGENCY HIGH LEVEL OVERFLOW
Report Dates & Status: 003 External Outlet
Monitoring Period: From 10/01/16 to 10/31/16
Status: NetDMR Validated
Considerations For Form Completion: DMR Due Date: 11/23/16

Principal Executive Officer: Stanley Bockewitz
Title: Operator-in-Charge
Telephone: 309-862-2739
Last Name: Bockewitz
No Data Indicator (NODI):

Code	Parameter Name	Monitoring Location Season # Param. NODI	Quantity or Loading	Quality or Concentration	# of Ex.	Frequency of Analysis	Sample Type
			Qualifier 1 Value 1 Qualifier 2 Value 2	Qualifier 1 Value 1 Qualifier 2 Value 2 Qualifier 3 Value 3 Qualifier 4 Value 4	Units		
00310	BOD, 5-day, 20 deg C	1 - Effluent Gross	0				
			Sample Permit Rec. Value NODI				
			Sample Permit Rec. Value NODI				
00530	Solids, total suspended	1 - Effluent Gross	0				
			Sample Permit Rec. Value NODI				
			Sample Permit Rec. Value NODI				
74055	Coliform, fecal general	1 - Effluent Gross	0				
			Sample Permit Rec. Value NODI				
			Sample Permit Rec. Value NODI				
74071	Flow	1 - Effluent Gross	0				
			Sample Permit Rec. Value NODI				
			Sample Permit Rec. Value NODI				

Submission Note: If a parameter row does not contain any values for the Sample nor Effluent Trading, then none of the following fields will be submitted for that row: Units, Number of Excursions, Frequency of Analysis, and Sample Type.

Edit Check Errors: No errors.
Comments:
Attachments: No attachments.
Report Last Saved By: KEWANEE, CITY OF
User: stanb@cockinc.net
Name: Stan Bockewitz
E-Mail: stanb@cockinc.net

Date/Time: 2016-11-11 14:25 (Time Zone: -06:00)

DMR Copy of Record

Permit: IL0029343
Permit #: Yes
Major: Yes
Permitted Features: 005 External Outfall
Report Dates & Status: From 10/01/16 to 10/31/16
Monitoring Period: From 10/01/16 to 10/31/16
Considerations for Form Completion:
NUMBER OF DAYS OF DISCHARGE:
Principal Executive Officer:
First Name: Stanley
Last Name: Bockwitz
No Data Indicator (NOD):
Form NOD:

Permittee: Kewanee City of
Permittee Address: 401 East Third Street
 Kewanee, IL 61443
Discharge: 005-D
 EXCESS FLOW LAGOON OUTFALL-WEST LAGOON
DMR Due Date: 11/29/16
Status: MCDMR Validated
Facility: Kewanee STP
 154 Fisher Avenue
 Kewanee, IL 61443
Operator/Change:
Title:
Telephone: 309-562-2789

Code	Parameter Name	Monitoring Location/Season #/Point/ NOD	Quantity or Loading		Units	Qualifier 1	Value 1	Qualifier 2	Value 2	Quantity/Concentration			Units	# of Ex.	Frequency of Analysis	Sample Type
			Qualifier 1	Value 1						Qualifier 2	Value 2	Qualifier 3				
00900	Oxygen, dissolved [DO]		1 - Effluent Gross	0						Req Mon Min WK AV C - No Discharge	30 MC AVG	45 WQLY AVG	19 - mg/L		D/D/S - Daily When Discharging	GR - GRAB
00310	BOD, 5-day, 20 deg. C		1 - Effluent Gross	0						Req Mon MC AVG C - No Discharge	30 MC AVG	45 WQLY AVG	19 - mg/L		D/D/S - Daily When Discharging	GR - GRAB
00400	pH		1 - Effluent Gross	0						8 MINIMUM C - No Discharge	30 MC AVG	45 WQLY AVG	12 - SU		D/D/S - Daily When Discharging	GR - GRAB
00650	Solids, total suspended		1 - Effluent Gross	0						30 MC AVG C - No Discharge	30 MC AVG	45 WQLY AVG	19 - mg/L		D/D/S - Daily When Discharging	GR - GRAB
00510	Nitrogen, ammonia total [as N]		1 - Effluent Gross	0						Req Mon MC AVG C - No Discharge	30 MC AVG	45 WQLY AVG	19 - mg/L		D/D/S - Daily When Discharging	GR - GRAB
00695	Phosphorus, total [as P]		1 - Effluent Gross	0						Req Mon MC AVG C - No Discharge	30 MC AVG	45 WQLY AVG	19 - mg/L		D/D/S - Daily When Discharging	GR - GRAB
50050	Chlorine, total residual		1 - Effluent Gross	0						Req Mon MC AVG C - No Discharge	30 MC AVG	45 WQLY AVG	19 - mg/L		D/D/S - Daily When Discharging	GR - GRAB
74055	Calcium, total general		1 - Effluent Gross	0						Req Mon MC AVG C - No Discharge	30 MC AVG	45 WQLY AVG	19 - mg/L		D/D/S - Daily When Discharging	GR - GRAB
82220	Flow, total		1 - Effluent Gross	0						Req Mon MC TOTAL GS - MGD C - No Discharge	30 MC AVG	45 WQLY AVG	19 - mg/L		D/D/S - Daily When Discharging	CN - CONTIN

Submission Note:
 If a parameter row does not contain any values for the sample nor Effluent Trading, then none of the following fields will be submitted for that row: Units, Number of Excursions, Frequency of Analysis, and Sample Type.
Edit Check Errors:
 No errors.
Comments:

Attachments:
 No Attachments.
Report Last Saved By: Kewanee City of
User: stanb@bockwitz.net
Name: Stan Bockwitz
E-Mail: stanb@bockwitz.net
Date/Time: 2016-11-11 14:27 (Time Zone: -06:00)

PAYABLE TO INV NO	G/L NUMBER	DESCRIPTION	AMOUNT	DISTR
01 ACTION FLAG CO 26882	38-71-611	FLAGS	176.41	176.41
01 ADVANCED BUSINESS SYSTEMS INC INV38515	01-11-512	MAINT CONTRACT	210.98	210.98
01 AG VIEW FS INC 47001218	52-93-586	LIME SPREADING	250.00	250.00
01 AIRGAS MID AMERICA 9056976534 9940199731	52-93-512 51-93-512	WELDING ROD PROPANE TANK RENTAL	45.62	15.86 29.76
01 ALEXIS FIRE EQUIP CO 0057622-IN	01-22-830	TURN OUT GEAR	1613.00	1613.00
01 AMEREN ILLINOIS D110816 D110816 D110816 D110816 D110816 D110816 D110816 D110816	01-11-571 01-52-571 51-93-571 52-93-571 54-54-571 58-36-571 62-45-571 01-21-539	ST LIGHTS & SIGNALS PARKS/POWER WTPS POWER WWTP POWER FR PK POWER CEM POWER MUN BLDGS POWER POUND POWER	19852.30	8929.73 38.02 5388.81 3853.43 81.44 137.87 1371.61 51.39
01 AUCA CHICAGO MC LOCKBOX 1590670770 1590679778 1590688639 1590697427	62-45-471 62-45-471 62-45-471 62-45-471	UNIFORM RENTAL UNIFORM RENTAL UNIFORM RENTAL UNIFORM RENTAL	122.89	27.02 41.83 27.02 27.02
01 AUTO ZONE 2644878566 2644878567	62-45-613 62-45-613	WINDSHIELD WASHER FLUID BRAKE PARTS CLEANER	223.68	94.80 128.88
01 BEA OF ILLINOIS 2167133	51-93-512	REPROGRAM OPS	537.05	537.05
01 BLUST, DONALD D111716	01-41-617	SIDEWALK REPLACEMENT	113.40	113.40
01 BOSS MANUFACTURING CO 1093375 RI 1101361 RI	51-42-473 51-42-473	GLOVES GLOVES	306.48	204.48 102.00
01 CALIFORNIA CONTRACTORS SUPPLIE T45047	62-45-652	SAFETY GLASSES, RESPIRATORS	155.80	155.80
01 COLWELL, BRENT 991291 991292 991293 991294 991295 991296 991297	01-65-549 01-65-549 01-65-549 01-65-549 01-65-549 01-65-549 01-65-549	ELECTRICAL INSPECTION ELECTRICAL INSPECTION ELECTRICAL INSPECTION ELECTRICAL INSPECTION ELECTRICAL INSPECTION ELECTRICAL INSPECTION ELECTRICAL INSPECTION	275.00	50.00 50.00 25.00 50.00 25.00 25.00 50.00
01 COMCAST CABLE			361.77	

PAYABLE TO INV NO	G/L NUMBER	DESCRIPTION	AMOUNT	DISTR
D111416	38-71-549	INTERNET/DEPOT		162.52
D111516N	51-93-552	INTERNET VPN/NWTP		114.35
D111516S	51-93-552	INTERNET VPN/SWTP		84.90
01 COMPLETE INTEGRATION AND SERVI 331971	51-93-512	PROGRAM FLOWMETER	625.00	625.00
01 D&D OF KEWANEE INC			1223.62	
111266	62-45-613	COMPRESSOR, SEALS		331.87
111280	62-45-613	RETAINER & RIVETS		13.94
111288	62-45-613	HEATER		881.21
111302	62-45-613	RETURN PARTS		3.40-
01 EASTERN IOWA TIRE, INC 100019144	62-45-613	TIRES & RECON WHEELS	1729.18	1729.18
01 ECONOMIC DEVELOPMENT RESOURCES D111016	01-00-159.7	PAY 2 EZ APPLICATION	30945.13	30945.13
01 FERNO-WASHINGTON 799144	01-22-830	AED MOUNT BRACKETS	1693.86	1693.86
01 GETZ FIRE EQUIPMENT CO			522.50	
I1-711928	01-21-512	ANNL SERVICE		29.00
I1-711929	01-22-652	ANNL SERVICE		94.50
I1-711938	51-93-512	ANNL SERVICE		68.00
I1-711939	51-93-512	ANNL SERVICE		331.00
01 GUSTAFSON FORD 3562 3563	62-45-613 62-45-613	BED LINER REP KITS, HOSE ASSY	519.91	151.95 367.96
01 THOMPSON TRUCK & TRAILER, INC X203015832:01	62-45-613	BATTERY TRAY/TERMINAL	378.55	378.55
01 HD SUPPLY WATERWORKS LTD			14576.29	
G093465	51-42-830	HANDHELD READER		949.50
G093465	52-43-830	HANDHELD READER		949.50
G284565	51-42-615	REPR HANDHELD READR		257.60
G284565	52-43-615	REPR HANDHELD READR		257.59
G309568	51-42-615	WATER PARTS STOCK		5786.06
G364510	52-43-615	SEWER CHECK VALVES		610.00
G393924	52-43-615	SEWER CHECK VALVES		1430.00
G410671	31-71-814	OAK & ELLIOTT PIPE		3799.60
G436309	51-42-615	COUPLINGS & WASHERS		268.22
G436309	52-43-615	COUPLINGS & WASHERS		268.22
01 HENRY SCHEIN, INC 36250374	01-22-612	MEDICAL SUPPLIES	966.24	966.24
01 HODGE'S PHILLIPS 66 INC			75.66	
43660	62-45-513	SAFETY TESTS		25.22
43677	62-45-513	SAFETY TESTS		25.22
43698	62-45-513	SAFETY TESTS		25.22
01 ILLINOIS MUNICIPAL LEAGUE 2017	01-11-561	ANNL MEMBERSHIP	1250.00	1250.00
01 KEWANEE FIRE PENSION FUND 2016-3	71-14-462	3RD & INT DIST PROP TAX	30439.14	30439.14

PAYABLE TO INV NO	G/L NUMBER	DESCRIPTION	AMOUNT	DISTR
01 KEWANEE POLICE PENSION FUND 2016-3	72-14-462	3RD & INT DIST PROP TAX	32635.91	32635.91
01 KOEHLER, ANDREW W D110116	01-11-472	ANNL CAR ALLOWANCE	200.00	200.00
01 LOONEY, STEVE D110116	01-11-472	ANNL CAR ALLOW	200.00	200.00
01 METTLER-TOLEDO INC 641393312	52-93-512	WWTP SCALE PREVNT MAINT	258.00	258.00
01 MITSUBISHI ELECTRIC POWER PROD UPSD-27631	38-71-511	UPS MAINT CONTRACT	2100.00	2100.00
01 MUNICIPAL CLERKS OF ILLINOIS 2017CC	01-11-561	ANNL MEMBERSHIP CC	130.00	65.00
2017DC	01-11-561	ANNL MEMBERSHIP DC		65.00
01 MUTUAL WHEEL CO INC 0260678	01-52-512	LIGHT BARS, SWITCHES	510.34	510.34
01 NORTHWEST MECHANICAL INC D111716	51-42-929	REF PLUMBING PERMIT	22.60	22.60
01 O'REILLY AUTOMOTIVE STORES, IN 1143168354	62-45-652	CAR DETAIL SUPPLIES	723.55	73.33
1143169353	62-45-613	HEATER HOSE		.66
1143169494	62-45-613	OIL FILTERS		5.35
1143169529	62-45-613	HEATER FITTING		6.99
1143169550	62-45-613	HEATER HOSE & FITTING		13.98
1143169603	51-42-652	PAPER TOWELS		53.94
1143169603	52-43-652	PAPER TOWELS		53.94
1143169603	57-44-652	PAPER TOWELS		53.94
1143169749	62-45-613	ANTIFREEZE		71.94
1143169810	52-93-619	BRAKE CLEANER		55.98
1143170713	62-45-613	HEATER HOSE, CONNECTRS		54.85
1143170799	62-45-613	HEATER HOSE		40.00
1143170849	62-45-613	HOSE CONNECTORS		6.54
1143171126	52-93-512	RADIATOR CAP		5.30
1143172038	62-45-613	INT DR HANDLE		17.18
1143172444	62-45-613	FUEL TANK/CODE CAR		194.00
1143173122	58-36-830	CAP WRENCH		5.99
1143173274	62-45-613	FUEL FILTER		9.64
01 OFFICE SPECIALISTS INC 956610-0	01-11-651	OFFICE SUPPLIES	1429.43	314.80
956610-0	51-42-651	OFFICE SUPPLIES		314.79
956795-0	01-11-537	SETUP LAPTOPS		799.84
01 PANTHER UNIFORMS INC 18682	01-22-471	DOUBEK/UNIFORM ALLOW	177.80	177.80
01 PDC LABORATORIES INC 847761S	52-93-542	CHLORIDE/NITROGEN TESTING	513.50	513.50
01 PEST DOCTOR 23615	38-71-549	MUN BLDG PEST CONTRL	80.00	60.00

PAYABLE TO INV NO	G/L NUMBER	DESCRIPTION	AMOUNT	DISTR
23616	01-22-580	ST 2 PEST CONTRL		20.00
01 PIONEER PRODUCTS INC SI-88867	01-22-654	TURN OUT GEAR CLEANER	268.82	268.82
01 POLICE PETTY CASH D111016	01-21-657	BINOCULARS/SURVEILLANCE	59.78	32.00
D111016	01-21-562	TRAINING MEALS		27.78
01 THOMAS E PICKERING 5010	01-11-537	EMAIL HOSTING	50.00	50.00
01 RATLIFF BROS & CO 14163	52-43-515	SEWER REPAIRS	34435.63	5240.00
14175	52-43-850.4	LAKE ST LIFT UPGRADE		5345.63
14209	31-71-890	HC RAMPS/CENTRAL		23850.00
01 S. DANA CONSTRUCTION D101016	52-43-515	SEWER REPR S ELM ST	1682.50	1682.50
01 SCHWEITZER, DEANN D110116	01-11-472	ANNL CAR ALLOW	200.00	200.00
01 ILLINOIS SECRETARY OF STATE 2016-131989	01-21-513	RENEW LICENSE PLATE	101.00	101.00
01 SPRINGFIELD ELECTRIC S5205300.001	38-71-511	LIGHT BULBS	575.34	575.34
01 STAR-COURIER 00031987	01-11-541	PLAN COMM AD	1135.60	62.60
00032012	01-11-541	PLAN COMM AD		63.50
D111016	01-11-553	TREASURERS REPORT		1009.50
01 SULLIVAN DOOR COMPANY 54193	01-22-511	REPR BRACKETS & ROLLERS	170.00	85.00
54212	01-22-511	REPR DOOR/STATION 1		85.00
01 SUPREME RADIO COMMUNICATIONS I 7179	01-21-556	QTRLY MAINT AGREEMENT	5237.25	5237.25
01 TRI-TECH FORENSICS INC 138550	01-21-652	DRUG TESTS	705.00	705.00
01 UNITED ROTARY BRUSH CORPORATIO CI194245	62-45-613	SWEEPER BRUSHES	3256.40	3256.40
01 USA BLUEBOOK 107543	52-93-512	6" PLUGS	119.52	119.52
01 VERIZON WIRELESS 9774717992	01-22-552	FD CELLULAR SVC	769.27	5.49
9775303262	01-21-552	PD CELLULAR SVC		763.78
01 VISA D110116	01-21-562	TRAINING TRAVEL EXPENSES	3549.88	120.54
D110116JD	01-21-471	DISON UNIFORM ALLOW		127.48
D110116JD	01-21-551	AMAZON PRIME MMBRSH		99.00
D110116JD	01-21-563	CHIEF RECERTIFICATION		100.00
D110116KES	01-22-830	BATTERIES/STREAMLIGHT		96.36
D110116KES	01-22-611	LP TANK REFILL		13.99
D110116KES	01-22-561	IL FC/NFPA MEMBERSHIPS		375.00
D110116KN	58-36-655	FUEL/CEM TOOLS		47.06

PAYABLE TO INV NO	G/L NUMBER	DESCRIPTION	AMOUNT	DISTR
D110116KN	62-45-613	PARTS/FLEET		252.48
D110116KN	38-71-611	URINAL PARTS/PRIMER		204.32
D110116KN	62-45-652	IMPACT FITTING CLEANER		45.95
D110116KN	62-45-612	COOLANT TEMP SENSOR		79.98
D110116KS	01-11-537	ADOBE SUBSCRIPTION		15.93
D110116RJ	01-41-562	TRAINING TRAVEL EXPENSES		618.54
D110116WR	01-21-562	TRAINING TRAVEL EXPENSES		445.97
D110116WR	01-21-657	K9 HANDLER CERT		60.00
D110816GB	02-61-564	ICSC REGISTRATION		395.00
D110816GB	02-61-562	TRAVEL EXPENSES		452.28
01 WALLACE-MCKENNA, KELLIE J D110116	01-11-472	ANNL CAR ALLOWANCE	200.00	200.00
01 WALMART COMMUNITY 3278	01-21-651	COFFEE & FILTERS	222.60	28.14
4016	62-45-651	INK CARTRIDGES		62.94
4016	38-71-830	VACCUUM/DEPOT		43.84
6192	01-22-612	GLUCOSE		75.84
8510	01-22-612	ORAL GLUCOSE		11.84
01 WC MEDIA 38883G9	02-61-913	BILLBOARD RENTAL	450.00	450.00
01 YAKLICH, MIKE D110116	01-11-472	ANNL CAR ALLOWANCE	200.00	200.00
** TOTAL CHECKS TO BE ISSUED			201559.18	

FUND INV NO	G/L NUMBER	DESCRIPTION	AMOUNT	DISTR
GENERAL FUND			59848.38	
ECONOMIC DEVELOPMENT			1297.28	
NHR SALES TAX INFRASTRUCTURE IMP			27649.60	
CAPITAL MAINTENANCE/MUN. BLDG.			3322.43	
WATER FUND			15138.06	
SEWER FUND			20908.97	
FRANCIS PARK			81.44	
SANITATION			53.94	
CEMETERY FUND			190.92	
CENTRAL MAINTENANCE			9993.11	
FIRE PENSION FUND			30439.14	
POLICE PENSION FUND			32635.91	
*** GRAND TOTAL ***			201559.18	
TOTAL FOR REGULAR CHECKS:			201,559.18	

=====
A/P MANUAL CHECK POSTING LIST
POSTINGS FROM ALL CHECK REGISTRATION RUNS(NR) SINCE LAST CHECK VOUCHER RUN(NCR)
=====

PAYABLE TO REG#	INV NO	CHECK DATE G/L NUMBER	CHECK NO DESCRIPTION	AMOUNT	DISTR
01	PAYROLL ACCOUNT	11/14/16	51183	183521.47	
230	PR111616	01-00-243	PAYROLL/F&A		140811.93
230	PR111616	51-00-243	PAYROLL/WATER		18970.10
230	PR111616	52-00-243	PAYROLL/SEWER		4942.22
230	PR111616	57-00-243	PAYROLL/SANIT		11865.38
230	PR111616	58-00-243	PAYROLL/CEMET		4738.64
230	PR111616	62-00-243	PAYROLL/FLEET		2193.20
01	PAYROLL ACCOUNT	11/14/16	51184	15746.13	
230	PRD111616	01-11-929	PAYROLL/ACH FEES		10.00
230	PRD111616	16-00-243	PAYROLL/IMRF		8394.80
230	PRD111616	19-00-243	PAYROLL/SOC SEC		7341.33
44	PEOPLES NATIONAL BANK	11/15/16	113	9366.24	
231	D111516T	44-84C-710	TAX MILL CREEK PRINCIPAL		8500.00
231	D111516T	44-84C-720	TAX MILL CREEK INTEREST		866.24
44	PEOPLES NATIONAL BANK	11/15/16	114	47361.89	
231	D111516NT	44-84C-710	MC TIF PRINCIPAL		43000.00
231	D111516NT	44-84C-720	MC TIF INTEREST		4361.89
47	STATE BANK OF TOULON	11/23/16	BC112316	292989.55	
231	D111516	47-84-710	2015A PRINCIPAL PAYMENT		287600.00
231	D111516	47-84-720	2015A INTEREST PAYMENT		5389.55
74	SISCO	11/14/16	1077	501.06	
231	D111416	74-14-451	DENTAL/VISION CLAIMS		501.06
**	TOTAL MANUAL CHECKS REGISTERED			549486.34	


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A/P MANUAL CHECK POSTING LIST
POSTINGS FROM ALL CHECK REGISTRATION RUNS(NR) SINCE LAST CHECK VOUCHER RUN(NCR)
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PAYABLE TO REG#	INV NO	CHECK DATE G/L NUMBER	CHECK NO DESCRIPTION	AMOUNT	DISTR
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REPORT SUMMARY
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CASH FUND	CHECKS TO BE ISSUED	REGISTERED MANUAL	TOTAL
01	201559.18	199267.60	400826.78
44	.00	56728.13	56728.13
47	.00	292989.55	292989.55
74	.00	501.06	501.06
TOTAL CASH	201559.18	549486.34	751045.52

DISTR FUND	CHECKS TO BE ISSUED	REGISTERED MANUAL	TOTAL
01	59848.38	140821.93	200670.31
02	1297.28	.00	1297.28
16	.00	8394.80	8394.80
19	.00	7341.33	7341.33
31	27649.60	.00	27649.60
38	3322.43	.00	3322.43
44	.00	56728.13	56728.13
47	.00	292989.55	292989.55
51	15138.06	18970.10	34108.16
52	20908.97	4942.22	25851.19
54	81.44	.00	81.44
57	53.94	11865.38	11919.32
58	190.92	4738.64	4929.56
62	9993.11	2193.20	12186.31
71	30439.14	.00	30439.14
72	32635.91	.00	32635.91
74	.00	501.06	501.06
TOTAL DISTR	201559.18	549486.34	751045.52

 CITY OF KEWANEE CITY COUNCIL AGENDA ITEM	
MEETING DATE	November 28, 2016
RESOLUTION OR ORDINANCE NUMBER	Ordinance #3858
AGENDA TITLE	An Ordinance providing for the issuance of not to exceed \$298,000 General Obligation Limited Tax Bonds, Series 2016 and for the levy of a direct annual tax to pay the principal and interest on said bonds
REQUESTING DEPARTMENT	Administration
PRESENTER	Gary Bradley, City Manager
FISCAL INFORMATION	Cost as recommended: N/A
	Budget Line Item: N/A
	Balance Available N/A
	New Appropriation Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PURPOSE	Allows for the property tax levy for the 2015 Bonds without a reportable event that would have to be reported in Continuing Disclosure documents to the Municipal Securities Rulemaking Board.
BACKGROUND	This is a continuation of the intent of the previously issued "KEDC Bonds". The practice to have KEDC used as a conduit was not in compliance with our bond covenants that pledge the "proceeds" from non-referendum bonds, as there were no "proceeds" obtained from the KEDC bonds. Thus, the need to move forward with a bond sale with "proceeds". The bond is proposed to be sold to the State Bank of Toulon at an interest rate of 1.9 %.
SPECIAL NOTES	N/A

Item A

ANALYSIS	The first and primary source for payment of 2015 Series bonds is “proceeds of the annual issuance of non-referendum bonds in accordance with the provisions of Section 8-5-16 of the municipal code, which will not exceed one-half of one percent of the assessed value of all of the taxable property located with the City (the “Non-referendum Bond Proceeds).”
PUBLIC INFORMATION PROCESS	BINA Notice of the Public Hearing published in the Star Courier on November 4, 2016, Public Hearing held on Monday, November 14, 2016 at 7:00 pm.
BOARD OR COMMISSION RECOMMENDATION	N/A
STAFF RECOMMENDATION	Staff recommends adoption
REFERENCE DOCUMENTS ATTACHED	N/A

MINUTES of a regular public meeting of the City Council of the City of Kewanee, Henry County, Illinois, held at the Kewanee Council Chambers, 401 East Third Street, Kewanee, Illinois, at 7:00 P.M., on the 28th day of November, 2016.

* * *

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the following Council Members answered present:

The following Council Members were absent:

Council Member _____ presented and the City Clerk read in full an ordinance as follows:

ORDINANCE NO. 3858

**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$298,000
GENERAL OBLIGATION BONDS, SERIES 2016 OF THE CITY OF KEWANEE,
HENRY COUNTY, ILLINOIS, AND FOR THE LEVY OF A DIRECT ANNUAL TAX
SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS.**

* * *

WHEREAS, the City of Kewanee, Henry County, Illinois (the “City”), is a duly organized and existing municipality and unit of local government of the State of Illinois, and is now operating under and pursuant to the provisions of the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto (the “Code”), including the Local Government Debt Reform Act of the State of Illinois, as amended (the “*Debt Reform Act*”); and

WHEREAS, the City has issued, and now has outstanding and unpaid, its General Obligation Bonds (Alternate Revenue Source), Series 2015 (the “*Outstanding Obligations*”); and

WHEREAS, it is necessary and desirable to refund a portion of the principal and interest due on December 1, 2017, with respect to the Outstanding Obligations (the “*Refunding*”); and

WHEREAS, the Outstanding Obligations are presently outstanding and unpaid and are binding and subsisting legal obligations of the City; and

WHEREAS, the City Council of the City (the “*Corporate Authorities*”) finds that it does not have sufficient funds on hand for the refunding purposes aforesaid, and that the cost thereof, including legal, financial and other expenses, will be not less than \$298,000, and that it is necessary and for the best interests of the City that it borrow the sum of \$298,000 and issue bonds of the City to evidence the borrowing; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Mayor of the Corporate Authorities, on

the 14th day of November, 2016, held a public hearing (the "*Hearing*"), concerning the intent of the Corporate Authorities to sell said bonds; and

WHEREAS, notice of the Hearing was given (i) by publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Star Courier*, the same being a newspaper of general circulation in the City, and (ii) by 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 14th day of November, 2016, 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 14th day of November, 2016; and

WHEREAS, the Corporate Authorities does hereby find and determine that (a) said bonds shall be issued as limited bonds under the provisions of the Debt Reform Act, and (b) upon the issuance of the not to exceed \$298,000 General Obligation Bonds, Series 2016 (the "*Bonds*"), now proposed to be issued, the aggregate outstanding unpaid bonded indebtedness of the City, including said bonds, is not more than one-half of one percent of the total assessed valuation of all taxable property in the City as last equalized and determined, and pursuant to the provisions of the Debt Reform Act and Section 8-5-16 of the Code, it is not necessary to submit the proposition of issuing said bonds to the voters of the City for approval:

Now, THEREFORE, Be It Ordained by the Corporate Authorities of the City of Kewanee, Henry County, Illinois, as follows:

Section 1. Incorporation of Preambles. The Corporate Authorities hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 2. Authorization. It is hereby found and determined that the City has been authorized by law to borrow the sum of not to exceed \$298,000 upon the credit of the City and as evidence of such indebtedness to issue bonds of the City in said amount, the proceeds of said bonds to be used for the refunding purposes aforesaid, and it is necessary and for the best interests of the City that there be issued at this time not to exceed \$298,000 of the bonds so authorized.

Section 3. Bond Details. There be borrowed on the credit of and for and on behalf of the City the not to exceed sum of \$298,000 for the purpose aforesaid; and that bonds of the City (the “*Bonds*”). The Bonds shall be dated as set forth in the bond order supplementing this Ordinance (the “*Bond Order*”), and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$1,000 each and authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), shall be numbered 1 and upward, and the Bonds shall become due and payable (without option of prior redemption) on the date, and shall bear interest at the rate as set forth in the Bond Order.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on the date set forth in the Bond Order. Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent (the “*Bond Registrar*”) as set forth and named in the

Bond Order, payable upon presentation 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 15th day prior to the maturity of the Bonds. The principal of the Bonds shall be payable in lawful money of the United States of America at the office of the Bond Registrar.

The Bonds shall be signed by the manual or facsimile signature of the Mayor and be attested by the manual or facsimile signature of the City Clerk of the Corporate Authorities and the seal of the City shall be affixed thereto or printed thereon, and 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 City 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 4. Registration of Bonds; Persons Treated as Owners. The City shall cause books for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office of the Bond Registrar, which is hereby constituted and appointed the registrar

of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the 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 attorney duly authorized in writing, the City 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 City 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 fifteen days prior to the maturity date and ending at the opening of business on the maturity date as set forth in the Bond Order.

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 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 City 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.

Section 5. Form of Bond. The Bonds shall be in substantially the following form:

REGISTERED
No. R-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF HENRY

CITY OF KEWANEE

GENERAL OBLIGATION BOND, SERIES 2016

Interest
Rate
_____ %

Maturity
Date
December 1, 2017

Dated
Date
December 2, 2016

Registered Owner: STATE BANK OF TOULON

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS, that the City of Kewanee, Henry County, Illinois (the “City”), 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 date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on December 1, 2017, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the office of the State Bank of Toulon, Toulon, Illinois, as bond registrar and paying agent (the “*Bond Registrar*”). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar at the close of business on November 15, 2017 and 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.

[2] This Bond is issued by the City for refunding certain outstanding obligations of the City and for the payment of the expenses incident thereto, pursuant to and in all respects in full compliance with the provisions of the Section 8-5-16 of the Municipal Code of the State of Illinois, Bond Issue Notification Act of the State of Illinois, the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and is authorized by the Corporate Authorities of the City by an ordinance duly and properly adopted for that purpose, in all respects as provided by law.

[3] This Bond is not subject to optional redemption prior to maturity.

[4] This Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the office of the Bond Registrar in Toulon, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[5] The City hereby designates this Bond as qualified tax-exempt obligations to qualify this Bond for the \$10,000,000 exception from the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

[6] The Bonds are issued in fully registered form in the denomination of \$1,000 each or authorized integral multiples thereof. This Bond may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized

denominations, upon the terms set forth in the authorizing ordinance. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on November 15, 2017 and ending at the opening of business on December 1, 2017.

[7] The City 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 City nor the Bond Registrar shall be affected by any notice to the contrary.

[8] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the City, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

[9] 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, said City of Kewanee, Henry County, Illinois, by its City Council, has caused its corporate seal to be hereunto affixed or printed hereon, and this Bond to be signed by the manual or duly authorized facsimile signature of the Mayor and be attested by the manual or duly authorized facsimile signature of the City Clerk, all as of the Dated Date identified above.

**CITY OF KEWANEE, HENRY COUNTY,
ILLINOIS**

By: _____
Its: Mayor

(SEAL)

ATTEST:

By: _____
Its: City Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Ordinance.

**STATE BANK OF TOULON, Registrar and
Paying Agent**

By: _____
Its: _____

Date of Authentication: December 2, 2016

(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 _____

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 6. Sale of 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 of the Corporate Authorities, and be by said Treasurer delivered to State Bank of Toulon, Toulon, Illinois, the purchaser thereof (the “*Purchaser*”) or other entity as set forth in the Bond Order, upon receipt of the purchase price therefor, the same being an amount not to exceed \$298,000 for the General Obligation Bonds, Series 2016; 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 City and that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

If applicable, the use by the Purchaser of any Preliminary Offering Memorandum and any final Offering Memorandum relating to the Bonds (the “*Offering Memorandum*”) is hereby ratified, approved and authorized; the execution and delivery of the Offering Memorandum 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 City to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Offering Memorandum, the Offering Memorandum and the Bonds.

Section 7. Tax Levy. In order to provide for the collection of a direct annual tax sufficient to pay the interest on the Bonds as it falls due, and also to pay and discharge the

principal thereof at maturity, there be and there is hereby levied upon all the taxable property within the City a direct annual tax for each of the years while the Bonds or any of them are outstanding, in amounts sufficient for such purpose, and that there be and there is hereby levied upon all of the taxable property in the City, the direct annual tax as provided in the Bond Order in an annual amount not to exceed \$305,000.

Principal or interest maturing at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the City, and the fund from which such payment was made shall be reimbursed out of the taxes hereby levied when the same shall be collected.

The City covenants and agrees with the purchasers and the holders of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy and the City and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the fund established to pay the principal of and interest on the Bonds.

Section 8. Filing of Ordinance. Forthwith upon the passage and effective date of this Ordinance, the City Clerk is hereby directed to file a certified copy of this Ordinance with the County Clerk of The County of Henry, Illinois (the "*County Clerk*"), and it shall be the duty of the County Clerk to, annually in and for each of the levy years as provided in the Bond Order, inclusive, ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the City in connection with other taxes levied in said year for City purposes, in order to raise the amount aforesaid and in said year such annual tax shall be computed, extended and collected in the same manner as now

or hereafter provided by law for the computation, extension and collection of taxes for general purposes of the City, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated “Corporate Purpose Bond and Interest Fund of 2016” (the “*Bond Fund*”), which taxes are hereby irrevocably, pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds.

Section 9. [Reserved].

Section 10. Use of Bond Proceeds. Any accrued interest received on the delivery of the Bonds is hereby appropriated for the purpose of paying first interest due on the Bonds and is hereby ordered deposited into the Bond Fund. Principal proceeds (including premium) of the Bonds are hereby appropriated for the purpose of paying the principal of and interest on the Outstanding Obligations on December 1, 2016 and the costs of issuance of the Bonds.

Section 11. 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 City 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 City 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 City 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 City

acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the City 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 Internal Revenue Service in connection with such an examination. The Corporate Authorities and the City certify, covenant and represent as follows:

11.1. *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 City 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 City 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 City (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 City 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 Ice Miller 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 City 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 City 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 City and all members of the same Controlled Group as the City 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 amounts used to pay the Prior Bonds.

“*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.

“*Prior Bond Fund*” means the fund or funds established in connection with the issuance of the Prior Bonds to pay the debt service on the Prior Bonds.

“*Prior Bond Proceeds*” means amounts actually or constructively received from the sale of the Refunded 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 the Refunded Bonds were issued but only if it is to be paid within one year after the Refunded Bonds were issued and (b) amounts derived from the sale of any right that is part of the terms of a Refunded Bond or is otherwise associated with a Refunded Bond (e.g., a redemption right).

“*Prior Bonds*” means the City’s outstanding issues being refunded by the Bonds, as more particularly described in the preambles hereof.

“*Prior Project*” means the facilities financed, directly or indirectly with the proceeds of the Prior Bonds.

“*Private Business Use*” means any use of the Prior 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 Prior 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 Prior 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 Prior 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.

“*Refunded Bonds*” means those certain Prior Bonds being refunded by the Bonds.

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

“*Reimbursed Expenditures*” means expenditures of the City 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).

“*Transferred Proceeds*” means amounts actually or constructively received from the sale of the Prior Bonds, plus investment earnings thereon, which have not been spent prior to the date principal on the Refunded Bonds is discharged by the Bonds.

“*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.

11.2. *Purpose of the Bonds.* The Bonds are being issued solely and exclusively to refund in advance of maturity the Refunded Bonds in a prudent manner consistent with the revenue needs of the City. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Ordinance. 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 90 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 City or for the purpose of replacing any funds of the City used for such purpose.

11.3. *Bond Fund investment.* 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 Bond Fund will be commingled with substantial revenues from the governmental operations of the City, and the earnings are reasonably expected to be spent for governmental purposes within six months of the date earned. Interest earnings on the Bond Fund have not been earmarked or restricted by the Corporate Authorities for a designated purpose.

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

11.5. *Working Capital.* All Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to pay principal of, interest on and redemption premium (if any) on the Refunded Bonds, other than the following:

- (a) payments of interest on the Bonds for the period commencing at Closing and ending on the date one year after the date on which the Prior Project is Placed-in-Service;
- (b) Costs of Issuance and Qualified Administrative Cost of Investments;
- (c) payments of rebate or Yield Reduction Payments made to the United States under the Regulations;
- (d) principal of or interest on the Bonds paid from unexpected excess Sale Proceeds and investment earnings thereon; and
- (e) investment earnings that are commingled with substantial other revenues and are expected to be allocated to expenditures within six months.

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

11.7. *Investment of Bond Proceeds.* 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.

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

11.9. *Hedges.* Neither the City nor any member of the same Controlled Group as the City 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 or the Prior Bonds. The City 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 City 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 City agrees not to use proceeds of the Bonds to pay for any such hedging contract in whole or in part. The City 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 City 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.

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

11.11. *Abusive Transactions.* Neither the City nor any member of the same Controlled Group as the City will receive a rebate or credit resulting from any payments having been made in connection with the issuance of the Bonds or the current refunding of the Refunded Bonds.

11.12. *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 City will be paid at the time of Closing.

11.13. *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.

11.14. *The Prior Bonds.* (a) As of the earlier of (i) the time of the Closing or (ii) the date three years after the Prior Bonds were issued, all Prior Bond Proceeds, including investment earnings thereon, were completely spent to pay the costs of Capital Expenditures.

(b) As of the date hereof, no Prior Bond Proceeds or money or property of any kind (including cash) is on deposit in any fund or account, regardless of where held or the source thereof, with respect to the Prior Bonds or any credit enhancement or liquidity device relating to the foregoing, or is otherwise restricted to pay the City's obligations.

(c) The Prior Bond Fund was used primarily to achieve a proper matching of revenues and earnings with principal and interest payments on the Prior Bonds in each bond year. The Prior Bond Fund was depleted at least once a year, except for a reasonable carry over amount not to exceed the greater of (i) the earnings on the investment of moneys in such account for the immediately preceding bond year or (ii) one-twelfth (1/12th) of the principal and interest payments on the Prior Bonds.

(d) At the time the Prior Bonds were issued, the City reasonably expected to spend at least 85% of the proceeds (including investment earnings) of the Prior Bonds to be used for non-refunding purposes for such purposes within three years of the date the Prior Bonds were issued and such proceeds were so spent. Not more than 50% of the proceeds of the Prior Bonds to be used for non-refunding purposes was invested in investments having a substantially guaranteed Yield for four years or more.

(e) The Refunded Bonds do not include, directly or indirectly in a series, any advance refunding obligations.

(f) The City has not been notified that the Prior Bonds or any obligation refunded by the Prior Bonds are under examination by the Internal Revenue Service, and to the best of the City's knowledge the Prior Bonds nor any obligation refunded by the Prior Bonds are under examination by the Internal Revenue Service.

(g) The City acknowledges that (i) the final rebate payment with respect to the Prior Bonds may be required to be made sooner than if the refunding had not occurred and (ii) the final rebate is due 60 days after the Prior Bonds are paid in full.

11.15. *No Other Gross Proceeds.* (a) Except for the Bond Fund and except for investment earnings that have been commingled as described in paragraph 2.2 and any credit enhancement or liquidity device related to the Bonds, after the issuance of the Bonds, neither the City nor any member of the same Controlled Group as the City has 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) Transferred Proceeds;

(iv) 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);

(v) 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 City encounters financial difficulties;

(vi) 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

(vii) 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 remaining economic life of the Prior Project is at least 10 years. The weighted average maturity of the Bonds does not exceed one year and does not exceed 120 percent of the average reasonably expected economic life of the Prior 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.

11.16. *Compliance with Rebate Provisions.* The City 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 City will make, or cause to be made, rebate payments with respect to the Bonds in accordance with law.

11.17. *Rebate Fund.* The City 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.

11.18. *Records.* The City agrees to keep and retain or cause to be kept and retained for the period described in Section 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.

11.19. *Fair Market Value; Certificates of Deposit and Investment Agreements.* The City 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 City 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 others 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 City 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 City 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 City 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 City. 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 City, who has covenanted not to take any action to adversely affect the tax-exempt status of the interest on the Bonds. The City 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.

11.20. *Arbitrage Elections.* The Mayor, City Clerk and Treasurer of the Corporate Authorities are hereby authorized to execute one or more elections regarding certain matters with respect to arbitrage.

11.21. *Six Month Exception.* If all Gross Proceeds of the Bonds (including earnings thereon) are spent within six months of the date the Bonds are issued, other than amounts deposited in a reasonably required reserve fund or a bona fide debt service fund, no rebate is required except in the case of unexpected gross proceeds arising after the date of Closing. If all proceeds (including earnings thereon) required to be spent are so

spent within this six-month period, except for 5% of the Bond proceeds, and the City spends the 5% (plus earnings thereon), within one year from the Closing, no rebate is required. To qualify for the six-month exception, there must be no other amounts that are treated as Gross Proceeds of the Bonds, other than a reasonably required reserve or replacement fund or a bona fide debt service fund. Even if the City qualifies for this exception, the City may have to rebate with respect to any amounts that arise or are pledged to the payment of the Bonds at a later date.

11.22. *Issue Price.* For purposes of determining the Yield on the Bonds, the purchase price of the Bonds is equal to the price being paid to the City by the Purchaser. The Purchaser is buying the Bonds as an investment for its own account with no intention to resell the Bonds. The purchase price of each of the Bonds is not less than the fair market value of the Bond as of the date the Purchaser agreed to buy the Bonds.

11.23. *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.

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 to be used for a Current Refunding until the earlier to occur of 90 days after Closing or the date of final payment of debt service to be made from Bond Proceeds on the Refunded Bonds allocable to such Current Refunding;
- (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.

11.24. *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.

11.25. *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.

11.26. *Investments After the Expiration of Temporary Periods, Etc.* Any amounts that are subject to the yield limitation in Section 5.2 because Section 5.2(a) is not applicable and amounts not subject to yield restriction only because they are described in Section 5.2(b) cannot 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).

11.27. *Payment and Use Tests.* (a) No more than five percent of the proceeds of each issue of the Prior Bonds and investment earnings thereon were used, directly or indirectly, in whole or in part, in any Private Business Use. The City 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 or on each issue of the Prior Bonds considered separately 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 City or a member of the same Controlled Group as the City) in respect of property, or borrowed money, used or to be used in any Private Business Use.

(c) No more than the lesser of \$5,000,000 or five percent of the sum of the proceeds of each issue of the Prior Bonds and investment earnings thereon were used, and no more than the lesser of \$5,000,000 or five percent of the sum of the Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to make or finance loans to any persons. The City 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 Prior Project other than a state or local governmental unit will use more than five percent of such facilities, considered separately, on any basis other than the same basis as the general public.

11.28. *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 City will file Form 8038-G (and all other required information reporting forms) in a timely manner.

11.29. *Bank Qualification.* (a) The City 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 City hereby certifies that (i) none of the Bonds will be at any time a “private activity bond” (as defined in Section 141 of the Code) other than a “qualified 501(c)(3) bond” (as defined in Section 145 of the Code), (ii) as of the date hereof in calendar year 2016, the City has not issued any tax-exempt obligations of any kind other than the Bonds nor have any tax-exempt obligations of any kind been issued on behalf of the City and (iii) not more than \$10,000,000 of obligations of any kind (including the Bonds) issued by or on behalf of the City during calendar year 2016 will be designated for purposes of Section 265(b)(3) of the Code.

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

(c) On the date hereof, the City does not reasonably anticipate that for calendar year 2016 it will issue any Section 265 Tax-Exempt Obligations (other than the Bonds), or that any Section 265 Tax-Exempt Obligations will be issued on behalf of it. “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 City will not issue or permit the issuance on behalf of it or by any entity subject to Control by the City (which may hereafter come into existence) of Section 265 Tax-Exempt Obligations (including the Bonds) that exceed the aggregate amount of \$10,000,000 during calendar year 2016 unless it first obtains an opinion of Bond Counsel to the effect that such issuance will not adversely affect the treatment of

the Bonds as “qualified tax-exempt obligations” for the purposes and within the meaning of Section 265(b)(3) of the Code.

11.30. *Termination; Interest of City 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.

11.31. *Separate Issue.* Since a date that is 15 days prior to the date of sale of the Bonds by the City to the Purchaser, neither the City nor any member of the same Controlled Group as the City 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 City nor any member, of the same Controlled Group as the City 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.

11.32. *No Sale of the Prior Project.* (a) Other than as provided in the next sentence, neither the Prior 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 City of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity date of the Bonds. The City 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 City 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 City 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 City deposits amounts received from the disposition in a commingled fund with substantial tax or other governmental revenues and the City reasonably expects to spend the amounts on governmental programs within six months from the date of the commingling.

(b) The City acknowledges that if property financed with the Prior Bonds 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 City shall promptly contact Bond Counsel if a sale or other disposition of Bond-financed property is considered by the City.

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

11.34. *Final Maturity.* The period between the date of Closing and the final maturity of the Bonds is not more than 10-1/2 years.

11.35. *Registered Form.* The City 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 City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

11.36. *First Amendment.* The City acknowledges and agrees that it will not use, or allow the Prior 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.

11.37. *Future Events.* The City 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 City shall promptly contact Bond Counsel if such changes do occur.

11.38. *Records Retention.* The City 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.

11.39. *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 City receives an opinion of Bond Counsel to such effect. Unless the City 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.

11.40. *Excess Proceeds.* Gross Proceeds of the Bonds and investment earnings thereon and all unspent Prior Bond Proceeds as of the date of Closing and investment earnings thereon do not exceed by more than one percent of the Sale Proceeds of the Bonds the amount that will be used for:

- (i) payment of principal of or interest or call premium on the Refunded Bonds;
- (ii) payment of pre-issuance accrued interest on the Bonds and interest on the Bonds that accrues for a period up to the completion date of any capital project for which the prior issue was issued, plus one year;
- (iii) payment of cost of issuance of the Bonds;
- (iv) payment of administrative costs allocable to repaying the Refunded Bonds, carrying and repaying the Bonds or investments of the Bonds;
- (v) Prior Bond Proceeds that will be used or maintained for the governmental purpose of the Refunded Bonds; and
- (vi) interest on purpose investments.

11.41. *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 City.

11.42. *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 City 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 City 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 City 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 City responsible for issuing the Bonds, the same being the Mayor, City Clerk and Treasurer of the Corporate Authorities, 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 City 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 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 City in such compliance.

Section 12. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 13. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Clerk of the Corporate Authorities are authorized to execute the Bond Registrar's

standard form of agreement between the City 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 City upon request, but otherwise to keep such list confidential;
- (c) to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;
- (d) to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (e) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 14. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provisions shall not affect any of the remaining provisions of this Ordinance.

Section 15. Repeal. All ordinances, resolutions or parts thereof in conflict herewith be and the same are hereby repealed and this Ordinance shall be in full force and effect forthwith upon its adoption.

Adopted November 28, 2016.

Mayor

Attest:

City Clerk

(SEAL)

Council Member _____ moved and Council Member _____ seconded the motion that said ordinance as presented be adopted.

After a full discussion thereof, the Mayor directed that the roll be called for a vote upon the motion to adopt said ordinance.

Upon the roll being called, the following Council Members voted AYE: _____

The following Council Members voted NAY: _____

Whereupon the Mayor declared the motion carried and said ordinance adopted, approved and signed the same in open meeting and directed the City Clerk to record the same in full in the records of the City Council of the City of Kewanee, Henry County, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at said meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned

City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF HENRY)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City Council of the City of Kewanee, Henry County, Illinois (the “*Council*”), and as such official am the keeper of the records and files of the Corporate Authorities.

I further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 28th day of November, 2016, insofar as the same relates to the adoption of Ordinance No. _____ entitled:

AN ORDINANCE providing for the issuance of not to exceed \$298,000 General Obligation Bonds, Series 2016 of the City of Kewanee, Henry County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said Meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Corporate Authorities at least 48 hours in advance of the holding of said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as Exhibit A, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the City Code of the State of Illinois, as amended, and that the Corporate Authorities has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Corporate Authorities.

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of said City, this 28th day of November, 2016.

City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF HENRY)

FILING CERTIFICATE


I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Henry, Illinois, and as such official I do further certify that on the _____ day of _____, 2016, there was filed in my office a duly certified copy of Ordinance No. _____ entitled:

AN ORDINANCE providing for the issuance of not to exceed \$298,000 General Obligation Bonds, Series 2016 of the City of Kewanee, Henry County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

duly adopted by the City Council of the City of Kewanee, Henry County, Illinois, on the 28th day of November, 2016, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this _____ day of _____, 2016.

County Clerk of The County of Henry, Illinois

 CITY OF KEWANEE CITY COUNCIL AGENDA ITEM		
MEETING DATE	November 28, 2016	
RESOLUTION OR ORDINANCE NUMBER	Resolution #5019	
AGENDA TITLE	Consideration of a Resolution authorizing the Mayor to execute a Tax Increment Financing Redevelopment agreement with Dan Carrington for the "Carrington Building" TIF Project.	
REQUESTING DEPARTMENT	Administration	
PRESENTER	Gary Bradley, City Manager	
FISCAL INFORMATION	Cost as recommended:	Council Discretion - \$10,000 placeholder at this time
	Budget Line Item:	44-84E-919
	Balance Available	\$50,000
	New Appropriation Required:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PURPOSE	Provides economic incentives for improvement to the building at 118 West Second Street.	

<p>BACKGROUND</p>	<p>The building at 118 West Second Street has structural problems related to a bulging I-Beam that is designed to support the weight of the 2nd floor façade. Structural engineers with Bruner, Cooper and Zuck have indicated that without removal of the front of the building, it will collapse. The least costly course of action for Mr. Carrington is to have the building demolished. Such a course of action could have an impact on the adjacent buildings, would leave a gap in an otherwise intact block face, and would most likely lower the tax revenues by \$20,000 to \$25,000 over the life of the TIF (the value of the vacant lot would be considerably less than the value of a building).</p> <p>Mr. Carrington has indicated a desire to work with the City to preserve the building itself and certain architectural features, and has made application through the TIF to recover a portion of his incremental costs and help offset his expenses over and above what demolition would cost.</p> <p>Estimates for the project are approximately \$100,000 to have the building stabilized, the front removed, and a new front constructed on building. The project would most likely begin in late November or early December and would be completed in just a few months, weather permitting.</p> <p>Staff met with Mr. Carrington and the contractors last week and permits for the work were subsequently completed and submitted. The work is expected to begin the first week of December.</p>
<p>SPECIAL NOTES</p>	<p>The agreement was amended to include in the conditions that the Developer agrees to notify the city if his commercial tenant moves out; The Developer agrees to list the building for rent, should the building remain vacant; The Developer agrees to cooperate with the city in any efforts to market the building.</p> <p>The Promissory Note was amended to include: The Borrower shall be deemed in Default of this Promissory Note, if the Borrower: 1) Fails to maintain or market the building for commercial operations located on the Property for the Term of the Promissory Note. Etc.</p>

<p>ANALYSIS</p>	<p>The value of preserving both the building and the tax base far exceeds the revenue that would be provided through the TIF. .</p> <p>The proposed agreement would mimic the terms of the previous agreement with Johnson Theaters, with the City agreeing to loan Carrington \$10,000 from the Downtown TIF Fund. The loan would be forgiven over the period of five years provided the building continues to be occupied or available for commercial use. Similar to the Johnson Theaters, the improvements are not expected to add a significant amount of incremental revenue over the life of the TIF.</p> <p>The Downtown TIF fund has so far this fiscal year received \$86,519, which would represent approximately half of the TIF increment anticipated this year. The balance in the Downtown TIF fund today is just over \$100,000. The TIF Funds come from all of the properties located in the TIF District, including commercial and residential, that have seen an increase in assessed value.</p> <p>The City currently has commitments to reimburse Cerno's, Save-A-Lot, IH Mississippi Valley Credit Union, and Johnson Theaters for their improvement projects. Those commitments have been met for this fiscal year. Ongoing commitments will be met with TIF revenues in each fiscal year.</p>
<p>PUBLIC INFORMATION PROCESS</p>	<p>Discussion at the November 14 Council Meeting</p>
<p>BOARD OR COMMISSION RECOMMENDATION</p>	<p>N/A</p>
<p>STAFF RECOMMENDATION</p>	<p>Staff recommends adoption</p>
<p>REFERENCE DOCUMENTS ATTACHED</p>	<p>Proposed Redevelopment Agreements for forgivable loan from previously received TIF increment.</p>

CITY OF KEWANEE, ILLINOIS

ORDINANCE NO. 5019

KEWANEE DOWNTOWN TAX INCREMENT FINANCING DISTRICT

**AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A TAX INCREMENT FINANCING
(TIF) DISTRICT REDEVELOPMENT AGREEMENT**

by and between

THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS

and

DAN CARRINGTON

**ADOPTED BY THE MAYOR AND CITY COUNCIL
OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS
ON THE 28TH DAY OF NOVEMBER, 2016.**

CITY OF KEWANEE, ILLINOIS: ORDINANCE NO. 5019

KEWANEE DOWNTOWN TIF DISTRICT

**AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A TAX INCREMENT FINANCING
(TIF) DISTRICT REDEVELOPMENT AGREEMENT**

by and between

THE CITY OF KEWANEE

and

DAN CARRINGTON

The Mayor and City Council of the City of Kewanee, Henry County, Illinois (the “City”), have determined that this Redevelopment Agreement is in the best interest of the citizens of the City of Kewanee.

THEREFORE, be it ordained by the Mayor and City Council of Kewanee, Illinois, in the County of Henry, as follows:

1. The TIF Redevelopment Agreement with Dan Carrington (the “Developer”) attached hereto as ***Exhibit A*** is hereby approved.
2. The Mayor is hereby authorized and directed to enter into and execute on behalf of the City said Redevelopment Agreement and the City Clerk of the City of Kewanee is hereby authorized and directed to attest such execution.
3. The Redevelopment Agreement shall be effective the date of its approval on the 28th day of November, 2016.
4. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

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PASSED APPROVED AND ADOPTED by the Mayor and City Council of the City of Kewanee this 28th day of November, 2016.

MAYOR AND CITY COUNCIL	AYE VOTE	NAY VOTE	ABSTAIN	ABSENT
DeAnn Schweitzer				
Andy Koehler				
Mike Yaklich				
Kellie Wallace-McKenna				
Steve Looney, Mayor				

APPROVED: _____, Date ____/____/ 2016
Mayor, City of Kewanee

ATTEST: _____, Date: ____/____/ 2016
City Clerk, City of Kewanee

Attachment: **EXHIBIT A.** Redevelopment Agreement by and between the City of Kewanee and Dan Carrington.

EXHIBIT A

**TAX INCREMENT FINANCING
(TIF) DISTRICT REDEVELOPMENT AGREEMENT**

by and between

THE CITY OF KEWANEE

and

DAN CARRINGTON

**TAX INCREMENT FINANCING DISTRICT
REDEVELOPMENT AGREEMENT**

by and between

CITY OF KEWANEE, HENRY COUNTY, ILLINOIS

and

DAN CARRINGTON

KEWANEE DOWNTOWN TAX INCREMENT FINANCING DISTRICT

NOVEMBER 28, 2016

**TIF REDEVELOPMENT AGREEMENT
BY AND BETWEEN
CITY OF KEWANEE
AND
DAN CARRINGTON**

KEWANEE DOWNTOWN TIF DISTRICT

THIS TIF REDEVELOPMENT AGREEMENT (including Exhibits) (“Agreement”) is entered into this 28th day of November, 2016, by the **City of Kewanee** (the “City”), an Illinois Municipal Corporation, Henry County, Illinois, and **Dan Carrington** (the “Developer”).

PREAMBLE

WHEREAS, the City has the authority to promote the health, safety, and welfare of the City and its citizens and to prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of private property thereby increasing the tax base of the City and providing employment for its citizens; and

WHEREAS, pursuant to 65 ILCS 5/8-1-2.5, a municipality may appropriate and expend funds for economic development purposes, including without limitation for commercial enterprises that are deemed necessary or desirable for the promotions of economic development within the community; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.4 *et seq.*, as amended (the “Act”), the City has the authority to provide incentives to owners or prospective owners of real property to develop, redevelop, and rehabilitate such property by reimbursing the owners for certain costs from resulting increases in real estate tax revenues; and

WHEREAS, on January 12, 2015, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or undeveloped, the City adopted Tax Increment Financing under the Act, approved a Redevelopment Plan and designated a Redevelopment Area known as the **Kewanee Downtown Tax Increment Financing District** (the “TIF District”); and

WHEREAS, one such property is owned by the Developer and located at 118 W. 2nd Street, Kewanee, Illinois, currently PIN # 20-33-178-025 (the “Property”) and said Property is in need of development and integral to the development of the TIF District; and

WHEREAS, the Developer owns said Property and is proceeding with plans to undertake significant structural repairs to and renovate the facade of the existing building located thereon (the “Project”) based upon incentives made available by the City; and

WHEREAS, it is the intent of the City to encourage economic development which will increase the real estate tax, which increased taxes will be used, in part, to finance incentives to assist this Developer’s Project; and

WHEREAS, the City has the authority under the Act to incur Redevelopment Project Costs (“Eligible Project Costs”) and to reimburse Developer for such costs; and

WHEREAS, the Developer has requested that incentives for the development be provided by the City from incremental increases in real estate taxes of the City and its Project and that such incentives include the reimbursement of Eligible Project Costs; and

WHEREAS, the City has determined that this Project requires the incentives requested and that said Project will, as a part of the Plan, promote the health, safety and welfare of the City and its citizens by attracting private investment to prevent blight and deterioration, to develop underutilized property, and to provide employment for its citizens and generally to enhance the economy of the City; and

WHEREAS, the City and the Developer (the “Parties”) have agreed that the City shall provide a forgivable loan to the Developer for the reimbursement of the Developer’s TIF Eligible Project Costs (*Exhibit 2, “Promissory Note”*) of an amount not to exceed **Ten Thousand and No/100 Dollars (\$10,000.00)** to be paid from the Kewanee Downtown TIF District Special Tax Allocation Fund as specified below in *Section C, Incentives*; and

WHEREAS, in no event shall cumulative maximum reimbursements for the Developer’s TIF Eligible Project Costs under this Agreement exceed **Ten Thousand Dollars and No Cents (\$10,000.00)**; and

WHEREAS, the City is entering into this Agreement to induce the Developer to acquire the Property and complete the Project; and

WHEREAS, in consideration of the execution of this Agreement and in reliance thereon, the Developer has proceed with its plans to complete the Project as set forth herein.

AGREEMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, the Parties agree as follows:

A. PRELIMINARY STATEMENTS

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement, and are to be construed as binding statements of this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.
3. The Developer shall remain in compliance with all municipal ordinances relating to property development, property condition, zoning, subdivision and building codes. Failure to cure the violation of any such ordinance within thirty (30) days upon being provided written notice of the same by the City shall be cause for the City to declare the Developer in Default and unilaterally terminate this Agreement, except where such failure is not reasonably susceptible to cure within such 30-day period, in which case the Developer shall have such additional time to cure as is reasonably necessary, provided that the Developer has commenced such cure within such 30-day period and continues to diligently prosecute the same to completion.

4. The Developer shall complete the Project within sixteen (16) months from the date this Agreement is executed, subject to extension due to Force Majeure (defined below).
5. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

B. ADOPTION OF TAX INCREMENT FINANCING

The City has created a Tax Increment Financing District known as the “Kewanee Downtown TIF District” which includes the Developer’s Property. The City has approved certain Redevelopment Project Costs, including the types described in *Exhibit 1* for the Developer’s Project which shall be known as the “**Carrington Building Renovation Project**”.

C. INCENTIVES

In consideration for the Developer completing the Carrington Building Renovation Project, the City agrees to extend to Developer the following incentives to assist Developer’s Project:

1. The City agrees to loan to the Developer (also, the “Borrower”) by separate Promissory Note (attached hereto as *Exhibit “2”*) the sum of **Ten Thousand Dollars (\$10,000.00)** from the Kewanee Downtown TIF District Special Tax Allocation Fund for TIF Eligible Project Costs incurred as a result of the Developer’s Project. The terms and conditions for the Loan shall be as follows:
 - a. The full Loan amount of \$10,000.00 shall be paid to the Developer from the Kewanee Downtown TIF District Special Tax Allocation Fund within thirty (30) days following the execution of this Agreement, or upon verification of a minimum of \$10,000 of TIF Eligible Project Costs pursuant to *Section E* below, whichever occurs later.
 - b. A separate Promissory Note is attached as *Exhibit “2”*.
 - c. The interest rate for the Loan shall be Three Percent (3%) per annum, and shall begin to accrue on the date the Loan funds are dispersed to the Developer.
 - d. The term of the Loan shall expire on November 30, 2021.
 - e. One-fifth (1/5) of the principal of the Loan amount, plus any accrued interest thereon, shall be forgiven annually by the City commencing November 30, 2017 and continuing on November 30th of each year thereafter for the term of the Loan, provided the Developer has been at all times in full compliance with every term of this Agreement, including the following:
 - i. The Developer agrees to commercial operations located on the Property.
 - ii. The Developer agrees to notify the City if the commercial tenant moves out.
 - iii. The Developer agrees to list the property for rent, in the event the property becomes vacant.

- iv. The Developer agrees to cooperate with the City in any efforts to market the building, in the event the building remains vacant.
- v. The Developer shall annually provide verification of the payment of the real estate taxes for the property.
- vi. The Developer does not file for bankruptcy or otherwise become insolvent.
- vii. The Property is not the subject of foreclosure proceedings.
- viii. The Developer does not sell or otherwise convey the Property during the term of the Loan.
- ix. The Developer shall not file any challenge, appeal or similar action which seeks to reduce the equalized assessed value of the property.

D. LIMITATION OF INCENTIVES TO DEVELOPER

1. In no event, shall the maximum cumulative reimbursements for the Developer's TIF Eligible Project Costs pursuant to *Section C(1)* above exceed Ten Thousand Dollars and No Cents (\$10,000.00) as set forth herein.
2. It is not contemplated that, nor is the City obligated, to use any of its proportionate share of the monies generated by this Project for any of Developer's Eligible Project Costs, but rather the City shall use such sums for any purpose under the Act as it may in its sole discretion determine.

E. PAYMENT OF ELIGIBLE PROJECT COSTS

1. Payment to the Developer for Eligible Project Costs as set forth by the Act shall be made by a Requisition for Payment of Private Development Redevelopment Costs ("Requisition") submitted from time to time to Jacob & Klein, Ltd. and the Economic Development Group, Ltd. (collectively the "Administrator") and subject to their approval of the costs and availability of funds in the Special Account.
2. All Requisitions must be accompanied by verified bills or statements of suppliers, contractors, or professionals together with mechanic's lien waivers (whether partial or full) from each of the parties entitled to a payment that is the subject of the Requisition as required by the City.
3. In order for the Developer to receive reimbursement of TIF Eligible Project Costs for costs it has incurred in any year as set forth in *paragraphs 1 and 2* above, the Developer must submit such proposed Eligible Project Costs to the City by March 1 of the following year. If there are no accumulated outstanding Eligible Project Costs previously submitted and approved by the City and if the Developer does not submit such proposed Eligible Project Costs by this deadline, the Developer will forfeit reimbursement of such costs from the prior year's real estate tax increment to be paid in the current year. Any approved Eligible Project Costs submitted after

this deadline will be eligible for reimbursement from next year's real estate tax increment receipts.

4. Any real estate tax increment not required to be paid to the Developer under the terms of *paragraph 3* above shall be available to the City for any purpose set forth in the TIF Plan and allowed by the Act.
5. The Developer shall use such sums as reimbursement for TIF Eligible Project Costs only to the extent permitted by law and the Act and may allocate such funds for any purpose for the Term of this Agreement or the term of the TIF District whichever is longer.
6. The Administrator shall approve or disapprove a Requisition by written receipt to the Developer within thirty (30) business days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld. If a Requisition is disapproved by the Administrator, the reasons for disallowance will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be required and the same procedures set forth herein shall apply to such re-submittals.
7. All TIF Eligible Project Costs approved shall then be paid by the City from the TIF District Special Tax Allocation Fund to the Developer, or to others as directed by the Developer, pursuant to the Redevelopment Plan and as allowed by Illinois Law. The City shall pay such approved TIF Eligible Project Costs provided the Developer has satisfied the terms of this Agreement and costs which exceed the amount available in the TIF District Special Tax Allocation Fund to pay the Developer shall carry forward until paid without further action of the Developer. Payments shall be made within forty-five (45) days after approval of the TIF Eligible Project Costs subject to the terms of this Agreement and after receipt of the increment generated by the TIF District into the TIF District Special Tax Allocation Fund.
8. The Parties acknowledge that the determination of TIF Eligible Project Costs, and, therefore, qualification for reimbursement hereunder are subject to changes or interpretation made by amendments to the Act, administrative rules or judicial interpretation during the term of this Agreement. The City has no obligation to the Developer to attempt to modify those decisions, but will reasonably assist the Developer in every respect to obtain approval of Eligible Project Costs.
9. The Developer may submit for prior approval by the City as TIF Eligible Project Costs under the Act estimates of costs before they are incurred subject to later confirmation by actual bills.

F. VERIFICATION OF TAX INCREMENT

1. It shall be the sole responsibility of the Developer to provide to the City as requested the following:
 - A. Copies of all **PAID** annual real estate tax bills for the Property.
2. The failure of Developer to provide any information required herein after notice from the City, including verification of Eligible Project Costs, and the continued failure to provide such information within thirty (30) days after such notice, shall be considered a material breach of this Agreement and shall be cause for the City to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

G. LIMITED OBLIGATION

The City's obligation hereunder to pay the Developer for its TIF Eligible Project Costs is a limited obligation to be paid solely from the TIF District Special Tax Allocation Fund. Said obligation does not now and shall never constitute an indebtedness of the City within the meaning of any State of Illinois constitutional or statutory provision, and shall not constitute or give rise to a pecuniary liability of the City or a charge or lien against any City fund or give rise to the City's general credit or taxing power.

H. LIMITED LIABILITY OF CITY TO OTHERS FOR DEVELOPER'S EXPENSES

There shall be no obligation by the City to make any payments to any person other than the Developer, nor shall the City be obligated to make direct payments to any other contractor, subcontractor, mechanic or materialman providing services or materials to the Developer for the Project. This Agreement shall not create any third-party rights and the Developer shall indemnify and hold the City harmless on any claims arising out of the Developer's construction activities.

I. COOPERATION OF THE PARTIES

The City and the Developer agree to cooperate fully with each other when requested to do so concerning the development of the Developer's Project. This includes without limitation the City assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, or subsidy which may be available as the result of the Developer's or City's activities. This also includes without limitation the Developer assisting or sponsoring the City, or agreeing to jointly apply with the City, for any grant, award or subsidy which may be available as the result of the City's or Developer's activities.

J. DEFAULT; CURE; REMEDIES

In the event of a default under this Agreement by any party hereto (the "Defaulting Party"), which default is not cured within the cure period provided for below, then the other party (the "Non-defaulting Party") shall have an action for damages, or in the event damages would not fairly compensate the Non-defaulting Party's for the Defaulting Party's breach of this Agreement, the Non-defaulting Party shall have such other equity rights and remedies as are available to them at law or in equity. Any damages payable by the City hereunder shall be limited to the real estate tax increment payable to the Developer under the terms of this Agreement.

In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this Agreement, it shall not be deemed to be in default under this Agreement unless it shall have failed to perform such monetary covenant within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying that it has failed to perform such monetary covenant. In the event a Defaulting Party fails to perform any non-monetary covenant as and when it is required to under this Agreement, it shall not be deemed to be in default if it shall have cured such default within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying the nature of the default, provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, it shall not be deemed to be in default if it commences curing within such thirty (30) days period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

K. TIME; FORCE MAJEURE

For this Agreement, time is of the essence. The Developer agrees to complete the Project within sixteen (16) months following the execution of this Agreement. Failure to do so shall be cause for the City to declare the Developer in default and unilaterally terminate the Agreement. However, the Developer and the City shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if the Developer or City fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, weather conditions wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by the City (or the City's agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or the City.

L. ASSIGNMENT

The rights and obligations of the Developer under this Agreement shall not be assignable.

M. WAIVER

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right of remedy does so in writing.

No such waiver shall obligate such party to waive any right of remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

N. SEVERABILITY

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

O. NOTICES

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the Party or an officer, agent or attorney of the Party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

To Developer:
Dan Carrington
604 E. Mill
Kewanee, Illinois 61443

To City:
City of Kewanee
City Clerk
401 E. Third Street
Kewanee, Illinois 61443
Telephone: (309) 852-2611

With copy to:
Jacob & Klein, Ltd.

Economic Development Group, Ltd.
1701 Clearwater Avenue
Bloomington, Illinois 61704
Telephone: (309)664-7777

P. SUCCESSORS IN INTEREST

Subject to the Provisions of *Section L* above, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

Q. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED

Neither anything in this Agreement nor any acts of the Parties to this Agreement shall be construed by the Parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such Parties.

R. INDEMNIFICATION OF City

It is the understanding of the Parties that the position of the Illinois Department of Labor is that the Illinois Prevailing Wage Act does not apply to TIF increment received by developers as reimbursement for private TIF Eligible Project Costs. This position of the Department of Labor is stated as an answer to a FAQ on its website at: <https://www.illinois.gov/idol/FAQs/Pages/prevailing-wage-faq.aspx>. The Developer shall indemnify and hold harmless the City, and all City elected or appointed officials, officers, employees, agents, representatives, engineers, consultants and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Illinois Prevailing Wage Act (820 ILCS 130/0.01 et. seq.), the Illinois Procurement Code, and/or any similar State or Federal law or regulation. In addition, the Developer agrees to indemnify and hold harmless the City for any claim asserted against the City arising from the Developer's Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to the Developer hereunder. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of City, including but not limited to the reasonable attorney fees of City.

S. ENTIRE AGREEMENT

The terms and conditions set forth in this Agreement and exhibits attached hereto supersede all prior oral and written understandings and constitute the entire agreement between the City and the Developer with respect to the subject matter hereof.

T. WARRANTY OF SIGNATORIES

The signatories of Developer warrant full authority to both execute this Agreement and to bind the entity in which they are signing on behalf of.

U. TERM OF THE AGREEMENT

This Agreement shall expire on November 30, 2021. The Agreement shall expire sooner if the Developer files for bankruptcy or otherwise becomes insolvent, the Property becomes the subject of foreclosure proceedings or upon any other default by the Developer of this Agreement.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Kewanee, Illinois.

**CITY OF KEWANEE, ILLINOIS, an
Illinois Municipal Corporation.**

DAN CARRINGTON.

By: _____
Mayor

By: _____
Dan Carrington

ATTEST:

City Clerk

EXHIBIT 1

SUMMARY OF ESTIMATED TIF ELIGIBLE PROJECT COSTS

**DAN CARRINGTON
“Carrington Building Renovation Project”**

Kewanee Downtown TIF District, City of Kewanee, Henry County, Illinois

Project Description: Developer has acquired the Property and is proceeding with plans to undertake significant structural repairs to and renovate the facade of the existing building located thereon.

Location: 118 W. 2nd Street, Kewanee, Illinois

Parcel Number: 20-33-178-025

Estimated TIF Eligible Project Costs:

Rehabilitation and Renovation Costs	\$10,000
Total <i>Estimated</i> Eligible Project Costs	\$10,000

*The Developer’s total reimbursement of TIF Eligible Project Costs under *Section C* of the Agreement shall not exceed **\$10,000.00**.

EXHIBIT 2

PROMISSORY NOTE

PROMISSORY NOTE

FOR VALUE RECEIVED, Dan Carrington (the "Borrower"), promises to pay the City of Kewanee, Henry County, Illinois, an Illinois Municipal Corporation ("Lender") the principal sum of Ten Thousand Dollars (\$10,000.00) with interest accruing on the unpaid principal at the rate of three percent (3%) per annum. The aforementioned principal sum represents monies loaned by the Lender to the Borrower for the reimbursement of Borrower's TIF Eligible Project Costs, specifically redevelopment project costs, incurred as a result of a Redevelopment Project located at 118 W. 2nd Street, Kewanee, Illinois (PIN # 20-33-178-025) (the "Property"), within the Redevelopment Project Area and that is the subject of a Tax Increment Financing District Redevelopment Agreement between the City of Kewanee and Dan Carrington (the "Redevelopment Agreement") entered into the 28th day of November, 2016.

The term of this Promissory Note shall commence on the date the Redevelopment Agreement is executed between the Borrower and the Lender and end on November 30, 2021.

Provided that the Borrower is at all times in compliance with the Redevelopment Agreement and this Promissory Note, One-Fifth (1/5) of the principal balance of \$10,000.00, plus any accrued interest thereon, shall be forgiven by the Lender each year during the term of this Promissory Note, with the first date of forgiveness being November 30, 2017 and continuing on November 30th each year thereafter for the term of this Promissory Note. Provided that the Borrower does not Default or otherwise breach this Promissory Note or the Redevelopment Agreement, the full principal amount of this Promissory Note, plus any accrued interest thereon, shall be forgiven on the expiration of this Promissory Note.

The Borrower shall be deemed in Default of this Promissory Note, if the Borrower:

- 1) The Borrower fails to maintain or market the building for commercial operations located on the Property for the Term of the Promissory Note;
- 2) Sells or otherwise conveys the subject Property during the term of this Promissory Note;
- 3) Files for bankruptcy or otherwise becomes insolvent during the term of this Promissory Note;
- 4) Fails to provide annual verification that the ad valorem real estate taxes for the subject Property have been paid;
- 5) If the Property becomes the subject of foreclosure proceedings;
- 6) If the Developer files any challenge, appeal or similar action which seeks to reduce the equalized assessed value of the Property.

In the event the Borrower is in Default under the terms of this Promissory Note or the Redevelopment Agreement and does not cure said default or breach on or before the thirtieth (30th) day after Lender gives Borrower written notice of Default thereof by personal delivery or certified mailing, the outstanding principal amount, plus any accrued interest thereon, is immediately due to the Lender and the Lender shall be entitled to all remedies permitted by law. Notice shall be deemed given on the date of personal delivery or date of mailing, whichever applies. No delay or failure in giving notice of said Default or breach shall constitute a waiver of the right of the Lender to exercise said right in the event of a subsequent or continuing Default or breach. Furthermore, in the event of such Default or breach, Borrower promises to reimburse Lender for all collection and/or litigation costs incurred by the City, including reasonable attorney fees and court costs, whether judgment is rendered or not.

This Promissory Note has been entered into and shall be performed in the City of Kewanee, Henry County, Illinois, and shall be construed in accordance with the laws of Illinois and any applicable federal statutes or regulations of the United States. Any claims or disputes concerning this Note shall, at the sole election of the Lender, be adjudicated in Henry County, Illinois.

BORROWER:

DAN CARRINGTON

BY: _____

LENDER:

CITY OF KEWANEE

BY: _____

Mayor, City of Kewanee

ATTEST: _____

City Clerk, City of Kewanee

DATE: _____

EXHIBIT 3

**CITY OF KEWANEE, ILLINOIS
KEWANEE DOWNTOWN TIF DISTRICT**

**PRIVATE PROJECT
REQUEST FOR REIMBURSEMENT
BY
DAN CARRINGTON**

Date _____

Attention: City TIF Administrator, City of Kewanee, Illinois

Re: TIF Redevelopment Agreement, dated November 28, 2016
by and between the City of Kewanee, Illinois, and Dan Carrington (the "Developer")

The City of Kewanee is hereby requested to disburse funds from the Special Tax Allocation Fund pursuant to the Redevelopment Agreement described above in the following amount(s), to the Developer and for the purpose(s) set forth in this Request for Reimbursement. The terms used in this Request for Reimbursement shall have the meanings given to those terms in the Redevelopment Agreement.

1. REQUEST FOR REIMBURSEMENT NO. _____
2. PAYMENT DUE TO: Dan Carrington
3. AMOUNTS REQUESTED TO BE DISBURSED:

Description of TIF Eligible Project Cost	Amount
Total	

4. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Developer for Redevelopment Project Costs for the Project detailed in ***Exhibit "1"*** of the Redevelopment Agreement.
5. The undersigned certifies and swears under oath that the following statements are true and correct:

- (i) the amounts included in (3) above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the construction contracts, plans and specifications heretofore in effect; and
- (ii) the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for TIF Eligible Redevelopment Project Costs; and
- (iii) the expenditures for which amounts are requested represent proper Redevelopment Project Costs as identified in the "Limitation of Incentives to Developer" described in *Section "D"* of the Redevelopment Agreement: have not been included in any previous Request for Reimbursement; have been properly recorded on the Developer's books; are set forth with invoices attached for all sums for which reimbursement is requested; and proof of payment of the invoices; and
- (iv) the amounts requested are not greater than those necessary to meet obligations due and payable or to reimburse the Developer for its funds actually advanced for Redevelopment Project Costs; and
- (v) the Developer is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.

Any violation of this oath shall constitute a default of the Redevelopment Agreement and shall be cause for the City to unilaterally terminate the Redevelopment Agreement.

6. Attached to this Request for Reimbursement is ***Exhibit "1"*** of the Redevelopment Agreement, together with copies of invoices, proof of payment of the invoices, and Mechanic's Lien Waivers relating to all items for which reimbursement is being requested.

BY: _____ (Developer)

TITLE: _____

CITY OF KEWANEE, ILLINOIS

BY: _____

TITLE: _____ DATE: _____

JACOB & KLEIN, LTD. & THE ECONOMIC DEVELOPMENT GROUP, LTD.

BY: _____

TITLE: _____ DATE: _____

 CITY OF KEWANEE CITY COUNCIL AGENDA ITEM	
MEETING DATE	November 28, 2016
RESOLUTION OR ORDINANCE NUMBER	Ordinance #3855
AGENDA TITLE	ORDINANCE DIRECTING THE SALE OF EXCESS REAL ESTATE LOCATED AT 850 E DIVISION STREET
REQUESTING DEPARTMENT	Administration
PRESENTER	Gary Bradley, City Manager
FISCAL INFORMATION	Cost as recommended: \$100
	Budget Line Item: 52-93-929
	Balance Available N/A
	New Appropriation Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PURPOSE	Directs the sale of vacant lot at 850 E Division Street
BACKGROUND	The City owns the vacant lot at 850 E Division Street, which has been used as farmland and for applying sludge. The land has reached its maximum use for the application of sludge. There is an individual interested in purchasing the land in order to erect a house.
SPECIAL NOTES	Due to the size of the land, and the farm land application, it is recommended to establish a minimum bid for the lot, which can be determined in closed session.

<p>ANALYSIS</p>	<p>The City could continue to rent the land as farm land. However, the city cannot legally continue to apply sludge, as the land has reached the maximum level of barium. If the lot is sold, and a house erected, there will be property taxes generated at this location. The Ordinance in its current form requires the awarded bidder to cover the cost of the survey required to split the parcel, as requested.</p>
<p>PUBLIC INFORMATION PROCESS</p>	<p>Will be as described in the attached ordinance –the notice of the proposal to sell said real estate will be published once each week for three successive weeks, in the Kewanee “Star Courier” with the first publication to be later this week and the bid opening taking place at the Council Meeting on January 9</p>
<p>BOARD OR COMMISSION RECOMMENDATION</p>	<p>N/A</p>
<p>STAFF RECOMMENDATION</p>	<p>N/A</p>
<p>REFERENCE DOCUMENTS ATTACHED</p>	<p>GIS Map of the lot showing dimensions and location. CMA has been requested and will be available prior to the Executive Session on Monday.</p>

ORDINANCE NO. 3855

ORDINANCE DIRECTING THE SALE OF EXCESS REAL ESTATE LOCATED AT 850 E DIVISION STREET, AND DECLARING THAT THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT UPON ITS PASSAGE AND APPROVAL BY LAW

WHEREAS, The City of Kewanee is the owner of a certain vacant lot hereinafter described; and

WHEREAS, The vacant lot is no longer necessary, appropriate, required for the use of, profitable to, or for the best interests of said City; and

WHEREAS, 65 ILCS 5/11-76-2 of the State of Illinois Statutes authorizes the said City to sell such real estate as hereinafter provided,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KEWANEE, ILLINOIS, IN COUNCIL ASSEMBLED, AS FOLLOWS:

SECTION 1: That it is the opinion of the corporate authorities of said City that the real estate generally described as follows:

The western 4.4 acres of the SE SW & E560.8 of S630 SW SEC 34 T15N R5E LANDS INCORP 99-37-20, as depicted in the attached map.

The parcel will be commonly known as 850 E Division Street, a section, of Parcel No. 20-34-376-002, Kewanee, Illinois, to be legally identified through the survey of the land, is a vacant lot that is no longer necessary, appropriate, required for the use of, profitable to, or for the best interests of said City.

SECTION 2: The notice of the proposal of said City to sell said real estate, shall be published once each week for three successive weeks, in the Kewanee "Star Courier", with the first publication to be no less than thirty (30) days before the day provided in the notice for the opening of bids for said real estate.

SECTION 3: All such bids for such real estate shall be submitted to the City Clerk no later than 5:00 p.m., on January 9, 2017, and all such bids shall be opened at the City Council meeting to be held in the Council Chambers of City Hall in Kewanee on Monday, January 9, 2016 at 7:00 p.m.

SECTION 4: The corporate authorities may accept the high bid for the real estate described in Section 1, or any other bids determined to be in the best interests of said City by a vote of three-fourths (3/4) of the corporate

authorities then holding office, but by a majority vote of those holding office they may reject any and all bids.

SECTION 5: After the adoption of this ordinance, and upon payment in full of the consideration provided for in the successful bid, the Mayor and City Clerk shall convey the said real estate and transfer it to the successful bidder by proper conveyance, stating therein the consideration therefore, with the seal of the City of Kewanee affixed thereto. Closing on the sale shall be handled by the City Attorney and shall be within 30 days of accepting the bid. Conveyance shall be by Quit Claim Deed with no title insurance or title evidence provided. Property taxes for 2016 payable in 2017 shall be pro rata to date of closing.

SECTION 6: All ordinances or parts of ordinances in conflict herewith are hereby repealed insofar as such ordinance or parts of ordinances are in conflict herewith.

SECTION 7: This Ordinance shall be in full force and effect immediately upon its passage and approval as provided by law.

PASSED by the Kewanee, Illinois City Council, this 28th day of November 2016.

ATTEST:

Melinda K. Edwards, City Clerk

Steve Looney, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Steve Looney				
Council Member Kellie Wallace-McKenna				
Council Member Andrew Koehler				
Council Member Deann Schweitzer				
Council Member Michael Yaklich				


CITY OF KEWANEE
SALE OF EXCESS LAND

The City of Kewanee is accepting sealed bids for the sale of a vacant lot the City owns.

That parcel is: 850 East Division Street, generally described as follows:

Western most 4.4 acres of the SE SW & E560.8 of S630 SW SEC 34 T15N R5E LANDS INCORP 99-37-20 to the City of Kewanee, Henry County, Illinois.

Parcel will be divided after a land survey, the cost of which will be the responsibility of the awarded bidder. Title will be conveyed by Quit Claim Deed. No title evidence or insurance will be provided. Property taxes shall be pro rata to closing date. All bids for this parcel shall be submitted to Kewanee City Clerk, at 401 E. Third Street, Kewanee, IL, 61443-2365, in sealed envelopes clearly marked on the outside with "850 East Division Street Bid". No bid bond is required. Bids will be accepted until 5:00 pm on January 9, 2017. Bids will be opened at the City Council meeting at 7:00 pm, January 9, 2017.

 CITY OF KEWANEE CITY COUNCIL AGENDA ITEM	
MEETING DATE	November 28, 2016
RESOLUTION OR ORDINANCE NUMBER	Resolution #5020
AGENDA TITLE	Resolution awarding the demolition contract for the demolition of the buildings located at 219 Payson St., 700 W. Fourth St., 629 O'Dea St. and 510 N. Grace Ave.
REQUESTING DEPARTMENT	Community Development
PRESENTER	Keith Edwards, Director of Community Development
FISCAL INFORMATION	Cost as recommended: \$20,500.00
	Budget Line Item: 01-65-595
	Balance Available \$65,359.00
	New Appropriation Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PURPOSE	To award a contract to Martin Bros. Co. Inc. to demolish all buildings on the lots located at 219 Payson St., 700 W. Fourth St., 629 O'Dea St. and 510 N. Grace Ave.

BACKGROUND	Inspections of the property and buildings located at 219 Payson St., 700 W. Fourth St., 629 O’Dea St. and 510 N. Grace Ave. have provided enough evidence to execute the Fast-Track (NON-JUDICIAL) Demolition pursuant to 65 ILCS 5/11-31-1(e). As result of this Non-Judicial Demolition Process, the Director of Community Development has acquired the right to demolish the buildings located at 219 Payson St., 700 W. Fourth St., 629 O’Dea St. and 510 N. Grace Ave. A Request For Proposal was drafted and published with a bid due date of November 18, 2016. Bidders were requested to present their bids on each property individually and also one bid of all four properties bundled together as one all inclusive bid for consideration.
SPECIAL NOTES	N/A
ANALYSIS	Five firms presented bids with two firms submitting bundled bids as requested. The bids were received and opened by the City Clerk on November 18, 2016.
PUBLIC INFORMATION PROCESS	All legal processes required pursuant to 65 ILCS 5/11-31-1(e) to obtain the right for demolition were followed. Notice for the Request For Proposal was published in the Star Courier.
BOARD OR COMMISSION RECOMMENDATION	N/A
STAFF RECOMMENDATION	Staff recommends granting the contract for this demolition to Martin Bros. Co. Inc.
REFERENCE DOCUMENTS ATTACHED	Scope of Work for 219 Payson St., 700 W. Fourth St., 629 O’Dea St. and 510 N. Grace Ave., Copies of the submitted bids are available in the City Clerk’s office for review.

RESOLUTION NO. 5020

A RESOLUTION TO AWARD DEMOLITION WORK AT 219 PAYSON ST., 700 W FOURTH ST., 629 O’DEA ST. AND 510 N GRACE AVE. TO MARTIN BROS. CO. INC., AND DECLARING THAT THIS RESOLUTION SHALL BE IN FULL FORCE IMMEDIATELY.

WHEREAS, The City of Kewanee acquired the right to demolish the buildings located at 219 Payson St., 700 W Fourth St., 629 O’Dea St. and 510 N Grace Ave. pursuant to 65 ILCS 5/11-31-1(e) Fast-Track (NON-JUDICIAL) Demolition; and,

WHEREAS, The Kewanee City Council finds it in the best interest of the City to remove the dilapidated buildings located on the land at 219 Payson St., 700 W Fourth St., 629 O’Dea St. and 510 N Grace Ave.; and,

WHEREAS, City of Kewanee staff advertised for, and solicited, sealed lump sum bids for demolition of the buildings, and related work at 219 Payson St., 700 W Fourth St., 629 O’Dea St. and 510 N Grace Ave. in Kewanee; and,

WHEREAS, City of Kewanee staff requested that bidders present their bids on each property individually and also one bid of all four properties bundled together as one all inclusive bid for consideration; and,

WHEREAS, Five firms submitted bids, and they were opened by the City Clerk at 10:00 a.m., on November 18, 2016; and,

WHEREAS, The bids received were:

510 N Grace Ave.

Firm	Bid
Cernovich’s (Disqualified – Bid Bond not submitted with bid)	\$2800.00
Martin Bros. Co. Inc.	\$4150.00
Kirk Dana Construction	\$4450.00
Ratliff Bros. & Co. Inc.	\$6500.00

700 W Fourth St.

Firm	Bid
Martin Bros. Co. Inc.	\$4250.00
Kirk Dana Construction	\$5500.00
Ratliff Bros. & Co. Inc.	\$7620.00
Hayes Excavation	\$14900.00

219 Payson St.

Firm	Bid
Martin Bros. Co. Inc.	\$7650.00
Kirk Dana Construction	\$8850.00
Ratliff Bros. & Co. Inc.	\$12300.00

629 O’Dea St.

Firm	Bid
Kirk Dana Construction	\$4450.00
Martin Bros. Co. Inc.	\$5300.00
Ratliff Bros. & Co. Inc.	\$6500.00
Hayes Excavation	\$12800.00

WHEREAS, Two firms submitted bundled bids for all four properties, and they were opened by the City Clerk at 10:00 a.m., on November 18, 2016; and,

WHEREAS, The bundled bids received were:

Firm	Bid
Martin Bros. Co. Inc.	\$20,500.00
Kirk Dana Construction	\$23,250.00

WHEREAS, City staff has recommended that the demolition work at 219 Payson St., 700 W Fourth St., 629 O’Dea St. and 510 N Grace Ave. be awarded to Martin Bros. Co. Inc.

NOW THEREFORE BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF KEWANEE THAT:

Section 1 The bundled bid of Martin Bros. Co. Inc. of Kewanee as shown above, is hereby accepted, and the City Manager is authorized to sign the necessary documents in order to have Martin Bros. Co. Inc. complete the demolition and related work at 219 Payson St., 700 W Fourth St., 629 O’Dea St. and 510 N Grace Ave., in full compliance with the project documents prepared by City of Kewanee staff, and all applicable rules and regulations.

Section 2 This Resolution shall be in full force and effect immediately upon its passage and approval as provided by law.

Adopted by the Council of the City of Kewanee, Illinois this 28th day of November 2016.

ATTEST:

Melinda Edwards, City Clerk

Steve Looney, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Steve Looney				
Council Member Andrew Koehler				
Council Member Deann Schweitzer				
Council Member Kellie Wallace-McKenna				
Council Member Michael Yaklich				



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Bid Cost Analysis

Individual Bid Cost Analysis

Contractor	Cernovich's	Martin Bros.	Hayes	Dana	Ratliff
Address					
510 N Grace Ave.	\$2,800	\$4,150		\$4,450	\$6,500
700 W. Fourth St.		\$4,250	\$14,900	\$5,500	\$7,620
219 Payson St.		\$7,650		\$8,850	\$12,300
629 Odea St.		\$5,300	\$12,800	\$4,450	\$6,500
Individual Total	\$2,800	\$21,350	\$27,700	\$23,250	\$32,920

Cernovich's bid is disqualified due to no bid bond being submitted with their bid.

Bundled Bid Cost Analysis

Contractor	Martin Bros.	Dana
Bundled Bid For All Four	\$20,500	\$23,250
Bundled \$ Discount compared to Individual Total	\$850	\$0
Bundled % Discount compared to Individual Total	3.98%	0.00%

Low Bid Cost Analysis

Address	Contractor	Bid
510 N Grace Ave.	Martin Bros.	\$4,150
700 W. Fourth St.	Martin Bros.	\$4,250
219 Payson St.	Martin Bros.	\$7,650
629 Odea St.	Dana	\$4,450
Total		\$20,500

This bid cost analysis shows all bid information received for the demolitions being considered. The first table shows all the individual bids. Please note that the Cernovich bid is disqualified due to no bid bond being submitted with their bid.

The second table shows all of the bundled bids that were submitted. Martin Bros. was the only contractor that offered a bundled discount as shown.

The third table shows the lowest bid for each individual property. Martin Bros. had the lowest bid on three of the properties with Dana having the lowest bid on one of the properties. This being compared to the Bundled bids, the City would incur the same cost by contracting with Martin Bros. by accepting their Bundled bid.



Community Development Department
401 E Third St
Kewanee, IL. 61443

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November 2, 2016

Enclosed please find demolition requests for proposal for the following four properties all located within the City of Kewanee:

629 O'Dea St
219 Payson St
510 N Grace Ave
700 W 4th St

The City is requesting that bidders present their bids on each property individually and also one bid of all four properties bundled together as one all inclusive bid for consideration.

These four demolitions are being executed under the Fast-Track (NON-JUDICIAL) Demolition outlined in 65-ILCS 5/11-31-1(e). This process is new to the City of Kewanee and offers the City a faster method of having an abandoned and dangerous structure demolished. The Fast-Track method is very specific to time frames and because of that these four properties will need to be demolished by January 28th. Bidders are encouraged to consider this deadline when submitting their bids.

Keith Edwards
Director of Community Development
City of Kewanee
401 E Third St.
Kewanee, IL. 61443
309-852-2611 ext 267
kedwards@cityofkewanee.net

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November 2, 2016

**Scope of Work
Demolition of Building and related work at 629 Odea St.**

Bids will be accepted by the City of Kewanee prior to 10:00 a.m., November 18, 2016 for the demolition of the building and related work located at the following address:

629 Odea St, Kewanee, IL, legally described as:

The South One Hundred Four (104) feet of Lots Twelve (12) and Thirteen (13) in Block One (1) of Tenney's Second Addition to the City of Kewanee, situated in the County of Henry and State of Illinois.

P.I.N.: 20-33-109-033

Bidders must comply with the City of Kewanee Code of Ordinances Sections §150.075 - 150.081, Demolition of Buildings, which is available at City Hall. This includes providing proof of public liability insurance in the sum of \$50000.00 as required by §150.076.

Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The property **MUST** be inspected by the Director of Community Development after waste material has been removed and **BEFORE** filling of the basement or any other voids in the ground resulting from demolition. **FAILURE** to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City. The City may require an inspection of the fill material prior to it being placed in the ground as the City's discretion. All work is to be completed in accordance with 65 ILCS 5/11-31-1(e) Fast-Track (Non-Judicial) Demolition and must be completed no later than January 28, 2017 after receiving notice to proceed from the City. The work consists of:

Demolish the existing house on the site.

Demolish the existing two car garage located at the East end of the lot.

Any vehicles on the lot will be removed by the City of Kewanee.

Remove and properly dispose of all rubbish, brush and debris located on the lot and in, and around, the buildings.

Remove pile of roofing debris on the ground near the Northwest corner of the garage.

Remove all trees and vegetation around perimeter of the foundations of house and garage.

Remove down tree trunk and branches located along the roadway near the East end of the lot.

Remove dead tree near the front door of the house.

Break apart all foundation parts for all buildings. Clean brick or concrete can be used to fill the basement of the house. All other must be removed.

Dispose of the demolition debris in a legal manner. All waste material shall be disposed of off-site.

Weigh tickets for dumping of the debris at a lawful site shall be provided. No demolition debris shall be deposited at the Kewanee Solid Waste Transfer Station.

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The property MUST be inspected by the Director of Community Development after waste material has been removed and BEFORE filling of the basement or any other voids in the ground resulting from demolition. FAILURE to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City.

Provide a uniformly sloped surface, matching existing ground contours, after removing the buildings. Final layer of fill material to be clean topsoil free from clumps, stones, sticks, asphalt, bricks, or debris. Topsoil shall be applied in a layer a minimum of 12 inches thick. Said topsoil shall be capable of supporting turf grass growth. City of Kewanee will perform any seeding.

Install mortar plug in the existing sanitary sewer service lateral at the property line. The inspection of the plugged sewer must be inspected by the City of Kewanee Director of Community Development or Public Works Coordinator. Failure to have this inspection will result in the contractor to excavate the site at the contractor's expense to allow for the inspection and approval of the City.

The City of Kewanee will obtain the required permits and cause the various utilities to be disconnected.

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CITY OF KEWANEE

Request for Demolition Bids

The City of Kewanee is seeking bids for the demolition of the building and related work located at **629 Odea St.** in Kewanee. Bidders must comply with the City of Kewanee Code of Ordinances Sections 150.075 - 150.081, Demolition of Buildings, which is available at City Hall. Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The work consists of demolishing the existing building on the site and disposing of the demolition debris in a legal manner. Provide a level surface upon completion. Perform other related work as indicated in the scope of work. All work is to be completed in accordance with 65 ILCS 5/11-31-1(e) Fast-Track (Non-Judicial) Demolition and must be completed no later than January 28, 2017 after receiving notice to proceed from the City. Complete copies of the specifications for this demolition work are available at the City Clerk's Office, 401 E. Third Street, Kewanee, IL 61443.

Bids must be submitted, on the Proposal Forms provided, to the City Clerk, City Hall, 401 E. Third Street, Kewanee, IL, 61443-2365 in sealed envelopes marked "DEMOLITION BID 629 Odea St.". A bid bond or certified check for an amount equal to 10% of the total value of the bid must accompany said bid. Bids must be received by 10:00 AM on November 18, 2016 and will be opened at that time. Once the City enters into an agreement with a bidder the bid bond of unsuccessful bidders will be returned. The City of Kewanee reserves the right to reject any or all bids and to waive irregularities.



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PROPOSAL

To the City Clerk, City of Kewanee, Illinois:

The undersigned, having become familiar with the local conditions affecting the cost of the work and with the scope of work including the advertisement for the RFP, and specifications on file in the office of the City Clerk of the City of Kewanee, hereby proposes to perform everything required to be performed and to provide and furnish all of the labor, materials, necessary tools, expendable equipment, and all transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Demolition and related work at 629 Odea St., for the sum set forth in the following bidding schedule. Said work shall be completed within 20 days after having received Notice to Proceed from the City of Kewanee.

Item	Unit	Description
1	Lump Sum	Demolition and related work at 629 Odea St.
<i>Total Price (in Writing)</i>		<i>Total Price (in numbers)</i>

It is understood and agreed that the award will be made to the lowest responsible Proposer who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.

In submitting this proposal, it is understood that the right is reserved by the City to reject any and all proposals. It is agreed that this proposal may not be withdrawn for a period of thirty (30) days from the opening thereof.

Firm Name

By

Title

Official Address

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November 2, 2016

**Scope of Work
Demolition of Building and related work at 700 W. 4th St.**

Bids will be accepted by the City of Kewanee prior to 10:00 a.m., November 18, 2016 for the demolition of the building and related work located at the following address:

700 W. 4th St., Kewanee, IL, legally described as:

Lot Six (6), Seven (7) and Eight (8) of Kirley, Fischer and Huckins Subdivision of the City of Kewanee, situated in the County of Henry and State of Illinois.

P.I.N.: 20-33-104-010

Bidders must comply with the City of Kewanee Code of Ordinances Sections §150.075 - 150.081, Demolition of Buildings, which is available at City Hall. This includes providing proof of public liability insurance in the sum of \$50000.00 as required by §150.076.

Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The property **MUST** be inspected by the Director of Community Development after waste material has been removed and **BEFORE** filling of the basement or any other voids in the ground resulting from demolition. **FAILURE** to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City. The City may require an inspection of the fill material prior to it being placed in the ground as the City's discretion. All work is to be completed in accordance with 65 ILCS 5/11-31-1(e) Fast-Track (Non-Judicial) Demolition and must be completed no later than January 28, 2017 after receiving notice to proceed from the City. The work consists of:

Demolish the existing house on the site.

Demolish small yard shed behind the house near the Northwest corner of the property.

All broken concrete along the North edge of the property is to be left alone and will remain on the property.

Remove and properly dispose of all rubbish, brush and debris located on the lot and in, and around, the buildings.

Remove all trees and vegetation around perimeter of the foundations of house, shed and garage.

Break apart all foundation parts for all buildings. Clean brick or concrete can be used to fill the basement of the house. All other must be removed.

Dispose of the demolition debris in a legal manner. All waste material shall be disposed of off-site.

Weigh tickets for dumping of the debris at a lawful site shall be provided. No demolition debris shall be deposited at the Kewanee Solid Waste Transfer Station.

The property **MUST** be inspected by the Director of Community Development after waste material has been removed and **BEFORE** filling of the basement or any other voids in the ground resulting from

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demolition. FAILURE to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City.

Provide a uniformly sloped surface, matching existing ground contours, after removing the buildings. Final layer of fill material to be clean topsoil free from clumps, stones, sticks, asphalt, bricks, or debris. Topsoil shall be applied in a layer a minimum of 12 inches thick. Said topsoil shall be capable of supporting turf grass growth. City of Kewanee will perform any seeding.

Install mortar plug in the existing sanitary sewer service lateral at the property line. The inspection of the plugged sewer must be inspected by the City of Kewanee Director of Community Development or Public Works Coordinator. Failure to have this inspection will result in the contractor to excavate the site at the contractor's expense to allow for the inspection and approval of the City.

The City of Kewanee will obtain the required permits and cause the various utilities to be disconnected.

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CITY OF KEWANEE

Request for Demolition Bids

The City of Kewanee is seeking bids for the demolition of the building and related work located at **700 W. 4th St.** in Kewanee. Bidders must comply with the City of Kewanee Code of Ordinances Sections 150.075 - 150.081, Demolition of Buildings, which is available at City Hall. Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The work consists of demolishing the existing building on the site and disposing of the demolition debris in a legal manner. Provide a level surface upon completion. Perform other related work as indicated in the scope of work. All work is to be completed in accordance with 65 ILCS 5/11-31-1(e) Fast-Track (Non-Judicial) Demolition and must be completed no later than January 28, 2017 after receiving notice to proceed from the City. Complete copies of the specifications for this demolition work are available at the City Clerk's Office, 401 E. Third Street, Kewanee, IL 61443.

Bids must be submitted, on the Proposal Forms provided, to the City Clerk, City Hall, 401 E. Third Street, Kewanee, IL, 61443-2365 in sealed envelopes marked "DEMOLITION BID 700 W. 4th St.". A bid bond or certified check for an amount equal to 10% of the total value of the bid must accompany said bid. Bids must be received by 10:00 AM on November 18, 2016 and will be opened at that time. Once the City enters into an agreement with a bidder the bid bond of unsuccessful bidders will be returned. The City of Kewanee reserves the right to reject any or all bids and to waive irregularities.



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PROPOSAL

To the City Clerk, City of Kewanee, Illinois:

The undersigned, having become familiar with the local conditions affecting the cost of the work and with the scope of work including the advertisement for the RFP, and specifications on file in the office of the City Clerk of the City of Kewanee, hereby proposes to perform everything required to be performed and to provide and furnish all of the labor, materials, necessary tools, expendable equipment, and all transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Demolition and related work at 700 W. 4th St., for the sum set forth in the following bidding schedule. Said work shall be completed within 20 days after having received Notice to Proceed from the City of Kewanee.

Item	Unit	Description
1	Lump Sum	Demolition and related work at 700 W. 4 th St.
<i>Total Price (in Writing)</i>		<i>Total Price (in numbers)</i>

It is understood and agreed that the award will be made to the lowest responsible Proposer who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.

In submitting this proposal, it is understood that the right is reserved by the City to reject any and all proposals. It is agreed that this proposal may not be withdrawn for a period of thirty (30) days from the opening thereof.

Firm Name

By

Title

Official Address

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November 2, 2016

**Scope of Work
Demolition of Building and related work at 510 N Grace Ave.**

Bids will be accepted by the City of Kewanee prior to 10:00 a.m., November 18, 2016 for the demolition of the building and related work located at the following address:

510 N Grace Ave, Kewanee, IL, legally described as:

S50 Lot 9 & W16 of S50 Lot 8 Catherine Bauers Sub of Blk 13 Blish Addition, City of Kewanee, situated in the County of Henry and State of Illinois.

P.I.N.: 20-33-227-029

Bidders must comply with the City of Kewanee Code of Ordinances Sections §150.075 - 150.081, Demolition of Buildings, which is available at City Hall. This includes providing proof of public liability insurance in the sum of \$50000.00 as required by §150.076.

Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The property **MUST** be inspected by the Director of Community Development after waste material has been removed and **BEFORE** filling of the basement or any other voids in the ground resulting from demolition. **FAILURE** to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City. The City may require an inspection of the fill material prior to it being placed in the ground as the City's discretion. All work is to be completed in accordance with 65 ILCS 5/11-31-1(e) Fast-Track (Non-Judicial) Demolition and must be completed no later than January 28, 2017 after receiving notice to proceed from the City. The work consists of:

Demolish the existing house on the site.

Demolish the existing garage on the site.

Remove and properly dispose of all rubbish, brush and debris located on the lot and in, and around, the buildings.

Remove all trees and vegetation around perimeter of the foundations of house and garage.

Break apart all foundation parts for all buildings. Clean brick or concrete can be used to fill the basement of the house. All other must be removed.

Break apart and remove private sidewalk leading from the front of the house at the frontage of the lot facing North Grace Ave. Clean concrete can be used to fill the basement of the house. All other must be removed.

Dispose of the demolition debris in a legal manner. All waste material shall be disposed of off-site.

Weigh tickets for dumping of the debris at a lawful site shall be provided. No demolition debris shall be deposited at the Kewanee Solid Waste Transfer Station.

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The property MUST be inspected by the Director of Community Development after waste material has been removed and BEFORE filling of the basement or any other voids in the ground resulting from demolition. FAILURE to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City.

Provide a uniformly sloped surface, matching existing ground contours, after removing the buildings. Final layer of fill material to be clean topsoil free from clumps, stones, sticks, asphalt, bricks, or debris. Topsoil shall be applied in a layer a minimum of 12 inches thick. Said topsoil shall be capable of supporting turf grass growth. City of Kewanee will perform any seeding.

Install mortar plug in the existing sanitary sewer service lateral at the property line. The inspection of the plugged sewer must be inspected by the City of Kewanee Director of Community Development or Public Works Coordinator. Failure to have this inspection will result in the contractor to excavate the site at the contractor's expense to allow for the inspection and approval of the City.

The City of Kewanee will obtain the required permits and cause the various utilities to be disconnected.

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CITY OF KEWANEE

Request for Demolition Bids

The City of Kewanee is seeking bids for the demolition of the building and related work located at **510 N Grace Ave.** in Kewanee. Bidders must comply with the City of Kewanee Code of Ordinances Sections 150.075 - 150.081, Demolition of Buildings, which is available at City Hall. Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The work consists of demolishing the existing building on the site and disposing of the demolition debris in a legal manner. Provide a level surface upon completion. Perform other related work as indicated in the scope of work. All work is to be completed in accordance with 65 ILCS 5/11-31-1(e) Fast-Track (Non-Judicial) Demolition and must be completed no later than January 28, 2017 after receiving notice to proceed from the City. Complete copies of the specifications for this demolition work are available at the City Clerk's Office, 401 E. Third Street, Kewanee, IL 61443.

Bids must be submitted, on the Proposal Forms provided, to the City Clerk, City Hall, 401 E. Third Street, Kewanee, IL, 61443-2365 in sealed envelopes marked "DEMOLITION BID 510 N Grace Ave.". A bid bond or certified check for an amount equal to 10% of the total value of the bid must accompany said bid. Bids must be received by 10:00 AM on November 18, 2016 and will be opened at that time. Once the City enters into an agreement with a bidder the bid bond of unsuccessful bidders will be returned. The City of Kewanee reserves the right to reject any or all bids and to waive irregularities.



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PROPOSAL

To the City Clerk, City of Kewanee, Illinois:

The undersigned, having become familiar with the local conditions affecting the cost of the work and with the scope of work including the advertisement for the RFP, and specifications on file in the office of the City Clerk of the City of Kewanee, hereby proposes to perform everything required to be performed and to provide and furnish all of the labor, materials, necessary tools, expendable equipment, and all transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Demolition and related work at 510 N Grace Ave., for the sum set forth in the following bidding schedule. Said work shall be completed within 20 days after having received Notice to Proceed from the City of Kewanee.

Item	Unit	Description
1	Lump Sum	Demolition and related work at 510 N Grace Ave.
<i>Total Price (in Writing)</i>		<i>Total Price (in numbers)</i>

It is understood and agreed that the award will be made to the lowest responsible Proposer who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.

In submitting this proposal, it is understood that the right is reserved by the City to reject any and all proposals. It is agreed that this proposal may not be withdrawn for a period of thirty (30) days from the opening thereof.

Firm Name

By

Title

Official Address

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November 2, 2016

**Scope of Work
Demolition of Building and related work at 219 Payson St.**

Bids will be accepted by the City of Kewanee prior to 10:00 a.m., November 18, 2016 for the demolition of the building and related work located at the following address:

219 Payson St, Kewanee, IL, legally described as:

Lot Eight (8) of Block One (1) of W. B. McClure's Subdivision of the Village of Wethersfield, now City of Kewanee, situated in the County of Henry and State of Illinois.

P.I.N.: 25-04-252-015

Bidders must comply with the City of Kewanee Code of Ordinances Sections §150.075 - 150.081, Demolition of Buildings, which is available at City Hall. This includes providing proof of public liability insurance in the sum of \$50000.00 as required by §150.076.

Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The property **MUST** be inspected by the Director of Community Development after waste material has been removed and **BEFORE** filling of the basement or any other voids in the ground resulting from demolition. **FAILURE** to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City. The City may require an inspection of the fill material prior to it being placed in the ground as the City's discretion. All work is to be completed in accordance with 65 ILCS 5/11-31-1(e) Fast-Track (Non-Judicial) Demolition and must be completed no later than January 28, 2017 after receiving notice to proceed from the City. The work consists of:

Demolish the existing house and attached garage on the site.

Demolish detached garage located at the Northwest corner of the lot.

Remove and properly dispose of all rubbish, brush and debris located on the lot and in, and around, the buildings.

Remove privacy fence along the North and South property lines.

Remove fence along West property line by the alley.

Remove all trees and vegetation around perimeter of the foundations of house and garages.

Any trees that do not impede the demolition process may remain.

Replacement of 66 feet of City sidewalk along frontage of lot facing Payson St. Bid must have the cost of City sidewalk replacement itemized and separate from all demolition costs.

Break apart all foundation parts for all buildings. Clean brick or concrete can be used to fill the basement of the house. All other must be removed.

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Break apart and remove private sidewalk leading from the City sidewalk to the house at the frontage of the lot facing Payson St. Clean concrete can be used to fill the basement of the house. All other must be removed.

Dispose of the demolition debris in a legal manner. All waste material shall be disposed of off-site.

Weigh tickets for dumping of the debris at a lawful site shall be provided. No demolition debris shall be deposited at the Kewanee Solid Waste Transfer Station.

The property MUST be inspected by the Director of Community Development after waste material has been removed and BEFORE filling of the basement or any other voids in the ground resulting from demolition. FAILURE to have the property inspected after removal of waste material will result in the contractor to excavate the property at the contractor's expense to allow for the inspection and approval of the City.

Provide a uniformly sloped surface, matching existing ground contours, after removing the buildings. Final layer of fill material to be clean topsoil free from clumps, stones, sticks, asphalt, bricks, or debris. Topsoil shall be applied in a layer a minimum of 12 inches thick. Said topsoil shall be capable of supporting turf grass growth. City of Kewanee will perform any seeding.

Install mortar plug in the existing sanitary sewer service lateral at the property line. The inspection of the plugged sewer must be inspected by the City of Kewanee Director of Community Development or Public Works Coordinator. Failure to have this inspection will result in the contractor to excavate the site at the contractor's expense to allow for the inspection and approval of the City.

The City of Kewanee will obtain the required permits and cause the various utilities to be disconnected.

Everything You Need!

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Fax 309-856-6001

CITY OF KEWANEE

Request for Demolition Bids

The City of Kewanee is seeking bids for the demolition of the building and related work located at **219 Payson St.** in Kewanee. Bidders must comply with the City of Kewanee Code of Ordinances Sections 150.075 - 150.081, Demolition of Buildings, which is available at City Hall. Only clean debris permitted by the Illinois Environmental Protection Act section 3.160.b may be used as fill material. This means only uncontaminated broken concrete without protruding metal bars, bricks, rock, stone or soil generated from construction or demolition activities. The work consists of demolishing the existing building on the site and disposing of the demolition debris in a legal manner. Provide a level surface upon completion. Perform other related work as indicated in the scope of work. All work is to be completed in accordance with 65 ILCS 5/11-31-1(e) Fast-Track (Non-Judicial) Demolition and must be completed no later than January 28, 2017 after receiving notice to proceed from the City. Complete copies of the specifications for this demolition work are available at the City Clerk's Office, 401 E. Third Street, Kewanee, IL 61443.

Bids must be submitted, on the Proposal Forms provided, to the City Clerk, City Hall, 401 E. Third Street, Kewanee, IL, 61443-2365 in sealed envelopes marked "DEMOLITION BID 219 Payson St.". A bid bond or certified check for an amount equal to 10% of the total value of the bid must accompany said bid. Bids must be received by 10:00 AM on November 18, 2016 and will be opened at that time. Once the City enters into an agreement with a bidder the bid bond of unsuccessful bidders will be returned. The City of Kewanee reserves the right to reject any or all bids and to waive irregularities.



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Phone 309-852-2611, Ext. 222
Fax 309-856-6001

PROPOSAL

To the City Clerk, City of Kewanee, Illinois:

The undersigned, having become familiar with the local conditions affecting the cost of the work and with the scope of work including the advertisement for the RFP, and specifications on file in the office of the City Clerk of the City of Kewanee, hereby proposes to perform everything required to be performed and to provide and furnish all of the labor, materials, necessary tools, expendable equipment, and all transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Demolition and related work at 219 Payson St., for the sum set forth in the following bidding schedule. Said work shall be completed within 20 days after having received Notice to Proceed from the City of Kewanee.

Item	Unit	Description
1	Lump Sum	Demolition and related work at 219 Payson St.
<i>Total Price (in Writing)</i>		<i>Total Price (in numbers)</i>

It is understood and agreed that the award will be made to the lowest responsible Proposer who submits the proposal that provides the City, in its opinion, the best value for the lump sum cost proposed.


In submitting this proposal, it is understood that the right is reserved by the City to reject any and all proposals. It is agreed that this proposal may not be withdrawn for a period of thirty (30) days from the opening thereof.

Firm Name

By


Title

Official Address

 CITY OF KEWANEE CITY COUNCIL AGENDA ITEM	
MEETING DATE	November 28, 2016
RESOLUTION OR ORDINANCE NUMBER	For Discussion only
AGENDA TITLE	Discussion of adopting a Capital Improvement Plan for the City of Kewanee
REQUESTING DEPARTMENT	Administration
PRESENTER	Gary Bradley, City Manager
FISCAL INFORMATION	Cost as recommended: N/A
	Budget Line Item: N/A
	Balance Available N/A
	New Appropriation Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PURPOSE	Adopts a five-year capital improvement plan for the City.

<p>BACKGROUND</p>	<p>In past years, City staff has created a list of capital improvement projects for consideration at the time the budget has been passed. The list was elementary in nature and provided little in the way of the benefits traditionally associated with more formalized Capital Improvement Planning processes.</p> <p>In 2015, the City Council adopted the following goals:</p> <ul style="list-style-type: none"> • Develop and implement plans, policies, and programs to improve organizational structure, align staffing with community needs, and develop a culture that establishes customer service as the City’s top priority, improves efficiency and effectiveness, and ensures the stewardship of public funds. • Develop and implement Economic Development and Community Development plans, policies, and programs to strengthen the local economic climate, diversify the tax base, and enhance the viability and sustainability of the community’s residential neighborhoods and commercial areas. • Improve the City’s infrastructure to enhance levels of service and provide for managed future growth. • Develop and implement plans, policies, and practices to ensure the stewardship of public funds. <p>The Community and Economic Development Plans developed in accordance with the above goals also provided recommendations on the development of CIP, and Capital Improvement Planning is among the recommended practices of the Government Finance Officers Association.</p> <p>While the original goal set for adoption of the plan was November, the project admittedly fell down the “to-do” list as daily operations and pressing issues made long-range planning less urgent (but no less important).</p> <p>However, with a CIP as an important factor in the evaluation of Enterprise Zone Applications and a new focus in Washington on infrastructure projects that will put people back to work, staff has worked diligently to put together a CIP for consideration.</p>
<p>SPECIAL NOTES</p>	<p>N/A</p>

<p>ANALYSIS</p>	<p>In order to improve the City’s infrastructure, while ensuring the stewardship of public funds, it is necessary to coordinate certain projects. For instance, it makes sense to complete underground improvements prior to surface improvements. In some cases, it’s important to assess the state of the current infrastructure, and it’s always important to prioritize projects to ensure that the most important and needed improvements are made, while less important and impactful projects are held in reserve. The capital improvement plan should also take into consideration revenue streams to ensure the plan is financially obtainable.</p> <p>The plan you have before you was a best first try, fitting things into a format that works. It is an attempt to provide something tangible as part of the enterprise zone application, but even in this regard it is lacking. Staff will work throughout the next two weeks to provide a higher level of specificity to the plan prior to its adoption, but fully expects that subsequent engineering will have to be conducted by engineering staff and consulting engineers to develop a truly functional CIP that provides the full benefits that come from real planning, including more accurate cost estimating, phasing of projects, etc.</p> <p>This preliminary Capital Improvement Plan is being presented for your review at this time because of its importance to the Enterprise Zone Application. Without such a pressing deadline, this item likely would come before you in January or February.</p> <p>The Plan will be updated annually in advance of the annual budget process. It will continue to evolve with each year showing a five-year plan. The plan will assist us in being transparent to our customers, which increases the level of customer service, and helps to ensure accountability to our customers.</p>
<p>PUBLIC INFORMATION PROCESS</p>	<p>This discussion.</p>
<p>STAFF RECOMMENDATION</p>	<p>N/A</p>
<p>REFERENCE DOCUMENTS ATTACHED</p>	<p>Preliminary Capital Improvement plan.</p>

 CITY OF KEWANEE CITY COUNCIL AGENDA ITEM	
MEETING DATE	November 28, 2016
RESOLUTION OR ORDINANCE NUMBER	Resolution #5021
AGENDA TITLE	Consideration of a Resolution authorizing the City Manager to execute an agreement with Insituform Technologies, LLC for the 2016 CIPP Project
REQUESTING DEPARTMENT	Public Works
PRESENTER	Rod Johnson Public Works Operations Manager
FISCAL INFORMATION	Cost as recommended: \$350,000 - \$400,000
	Budget Line Item: 33-49-850
	Balance Available \$400,000 with amendment in resolution
	Budget Amendment Required: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
PURPOSE	Authorizes the City Manager to enter into an agreement with Insituform Technologies, LLC to install 9,617 linear feet of cast-in-place pipe in the 15 highest priority areas needing sewer repairs.

BACKGROUND	<p>It has been more than 10 years since the last major CIPP project was done. Multiple emergency spot repairs have been made in the proposed areas. The City Engineer has recommended that projects such as a new well and raw water transmission line are not required at this time. Funds previously earmarked for those items would be transferred and used for the CIPP Project.</p> <p>The funds were originally assigned to the Water Improvement Fund, as a result of the planned water projects mentioned above, with no other requirements in the bond for a specific split of the bond proceeds.</p>
SPECIAL NOTES	<p>In conjunction with the CIPP project, 4 manhole structures will need to be installed.</p>
ANALYSIS	<p>As a trenchless technology, CIPP does not require excavation to rehabilitate a sewer pipe that is either leaking or structurally unsound. CIPP can effectively reduce infiltration and leaks in pipeline systems without digging. Replacing pipes and surface restoration can cost as much as 75% more than the relining process. The City has had great success in the past using this technology. Request for proposals were received from 5 different vendors ranging from \$350,525 to \$486,543 with the Engineer's estimate at \$398,970. Insituform Technologies, LLC was the low bidder and has worked for the City in the past with no problems. In keeping with the City's Mission and the City Council's adopted goal of ensuring the stewardship of public funds, staff recommends executing an agreement with Insituform Technologies, LLC.</p> <p>The budget amendment contained in the resolution would transfer the funds from the Water Improvement Fund to the Sewer Improvement Fund to allow for the expenditures to be recorded in the appropriate fund.</p>
PUBLIC INFORMATION PROCESS	<p>The proposal was mailed to eight different qualified vendors on October 27, 2016. Sealed proposals were opened and read aloud by the City Clerk on Wednesday, November 16th at 10:00 am.</p>
BOARD OR COMMISSION RECOMMENDATION	<p>N/A</p>

Item F

STAFF RECOMMENDATION	Staff recommends approval.
REFERENCE DOCUMENTS ATTACHED	Resolution #5021, Tabulation of Bids, Site maps, Request for Proposals are available for review in the City Clerk's office.

RESOLUTION NO. 5021

A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH INSITUFORM TECHNOLOGIES, LLC FOR THE 2016 CIPP PROJECT FOR THE CITY OF KEWANEE, AND DECLARING THAT THIS RESOLUTION SHALL BE IN FULL FORCE IMMEDIATELY.

- WHEREAS, On September 26, 2016, the City Council indicated a desire to utilize funds from the 2015 Bond for the 2016 CIPP Project; and
- WHEREAS, The funds have been previously earmarked for water projects, rather than sewer projects; and
- WHEREAS, The City of Kewanee solicited for sealed proposals for the 2016 CIPP Project, and five proposals were received, and opened by Kewanee’s City Clerk at 10:00 a.m. on November 16, 2016; and
- WHEREAS, The bids received were as shown in the table below:

Firm	Bid
Insituform Technologies, LLC	\$350,525
Hoerr Construction, Inc	\$362,080
SAK Construction, LLC	\$369,580
Visu-Sewer, Inc	\$375,034
Layne	\$486,543
Engineer’s Estimate	\$398,970

- WHEREAS, City staff has recommended acceptance of the bid from Insituform Technologies, LLC,
- WHEREAS, The City Council finds it to be in the best interest of the City of Kewanee to amend the budget to transfer the funds from the Water Improvement Fund to the Sewer Improvement Fund to allow the construction of and to accept the bid of Insituform Technologies, LLC for the 2016 CIPP Project.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KEWANEE THAT:

Section 1 The various budget line items and balances shown in Section 2 hereof shall be, and hereby are, amended by deleting the amount established by Resolution 4988, and replacing with the Amended Budget amount as shown in Section 2 hereof.

Section 2

Water Improvement Fund	32-43-	Current Amount	Amended Amount
850	Water Improvements	\$1,800,000	\$1,400,000

Expense Change + / (-) -\$400,000

Decreased \$400,000 due to transfer out to Fund 33 Sewer Improvements.

Water Improvement		32-42	Current Amount	Amended Amount
999	Interfund Transfer		\$0	\$400,000

Expense Change + / (-) +\$400,000

Increased \$400,000 due to need for funding for 2016 CIPP project.

Sewer Improvement		33-49-	Current Amount	Amended Amount
399	Interfund Transfer		\$0	\$400,000

Revenue Change + / (-) +\$400,000

Increased \$400,000 due to transfer out of Fund 32 to Fund 33 for 2016 CIPP project.

Sewer Improvement		33-49	Current Amount	Amended Amount
850	Sewer Improvements		\$987,000	\$1,387,000

Expense Change + / (-) +\$400,000

Increased \$400,000 due to transfer out of Fund 32 to Fund 33 for 2016 CIPP project.

Section 3 The bid of Insituform Technologies, LLC is accepted and the City Manager is authorized to execute an agreement with Insituform Technologies, LLC for the 2016 CIPP Project.

Section 4 This Resolution shall be in full force and effect immediately upon its passage and approval as provided by law.

Adopted by the Council of the City of Kewanee, Illinois this 28th day of November, 2016.

ATTEST:

 Melinda K. Edwards, City Clerk

 Steve Looney, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Steve Looney				
Council Member Deann Schweitzer				
Council Member Andrew Koehler				
Council Member Kellie Wallace-McKenna				
Council Member Michael Yaklich				

CITY OF KEWANEE
CITY HALL
401 EAST THIRD ST.
KEWANEE, IL. 61443

TABULATION OF BIDS

DATE: 11/16/16 PROJECT: 2016 CIPP PROJECT - BASE BID
TIME: 10:00 A.M. OWNER: City of Kewanee
WITNESS: Melinda Edwards PROJECT #:

		BIDDER NAME :		Hoerr Construction, Inc.		Insituform Technologies, LLC		Layne		Performance Pipelining, Inc.		SAK Construction, LLC		Visu-Sewer, Inc.	
		BIDDER ADDRESS :		1601 D W. Luthy Drive		11351 W. 183rd Street		1301 East Main Street		1551 W. Norris Drive		864 Hoff Road		W230 N4855 Betker Road	
		CITY/STATE/ZIP :		Peoria, Illinois 61615		Orlando Park, Illinois 60467		Louisville, KY. 40206		Ottawa, Illinois 61350		O'Fallon, MO. 63366		Pewaukee, WI.53072	
		BID GUARANTEE :		10% Bid Bond		10% Bid Bond		10% Bid Bond		10% Bid Bond		10% Bid Bond		10% Bid Bond	
		ENGINEER'S ESTIMATE		Prequalified		Prequalified		Prequalified		Prequalified		Prequalified		Prequalified	
ITEM NO	ITEM	UNIT	QUANTITY	APPROVED UNIT PRICE	ESTIMATE TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	Reline Sanitary Sewer, 6" CIPP	L.F.	231.0	30.00	6930.00	37.00	8547.00	26.00	6006.00	42.00	9702.00			30.00	6930.00
2	Reline Sanitary Sewer, 8" CIPP	L.F.	6628.0	30.00	198840.00	25.00	165700.00	23.50	155758.00	36.00	238608.00			24.25	160729.00
3	Reline Sanitary Sewer, 10" CIPP Method	L.F.	404.0	35.00	14140.00	30.00	12120.00	27.10	10948.40	42.00	16968.00			35.00	14140.00
4	Reline Sanitary Sewer, 12" CIPP Method	L.F.	967.0	40.00	38680.00	31.00	29977.00	30.90	29880.30	45.00	43515.00			36.00	34812.00
5	Laterals to be Reinstated	EA.	180	175.00	31500.00	50.00	9000.00	91.00	16380.00	30.00	5400.00			50.00	9000.00
6	Dye Test	EA.	18	200.00	3600.00	80.00	1440.00	264.50	4761.00	150.00	2700.00			200.00	3600.00
7	Lateral Lining (Shorty)	EA.	18	2500.00	45000.00	3250.00	58500.00	2962.00	53316.00	4000.00	72000.00			3475.00	62550.00

TOTAL ESTIMATE/ BID = 338690.00 285284.00 277049.70 388893.00 291761.00 301292.30
COMPARISON TO ESTIMATE -- -15.77% -18.20% 14.82% -13.85% -11.04%

CITY OF KEWANEE
CITY HALL
401 EAST THIRD ST.
KEWANEE, IL. 61443

TABULATION OF BIDS

DATE: 11/16/16 PROJECT: 2016 CIPP PROJECT - ALT. BID
TIME: 10:00 A.M. OWNER: City of Kewanee
WITNESS: Melinda Edwards PROJECT #:

		BIDDER NAME :		Hoerr Construction, Inc.		Insituform Technologies, LLC		Layne		Performance Pipelining, Inc.		SAK Construction, LLC		Visu-Sewer, Inc.	
		BIDDER ADDRESS :		1601 D W. Luthy Drive		11351 W. 183rd Street		1301 East Main Street		1551 W. Norris Drive		864 Hoff Road		W230 N4855 Betker Road	
		CITY/STATE/ZIP :		Peoria, Illinois 61615		Orlando Park, Illinois 60467		Louisville, KY. 40206		Ottawa, Illinois 61350		O'Fallon, MO. 63366		Pewaukee, WI.53072	
		BID GUARANTEE :		10% Bid Bond		10% Bid Bond		10% Bid Bond		10% Bid Bond		10% Bid Bond		10% Bid Bond	
		ENGINEER'S ESTIMATE		Prequalified		Prequalified		Prequalified		Prequalified		Prequalified		Prequalified	
ITEM NO	ITEM	UNIT	QUANTITY	APPROVED UNIT PRICE	ESTIMATE TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	Reline Sanitary Sewer, 6" CIPP	L.F.	404.0	30.00	12120.00	35.00	14140.00	22.20	8968.80	42.00	16968.00			30.00	12120.00
2	Reline Sanitary Sewer, 8" CIPP	L.F.	152.0	30.00	4560.00	41.00	6232.00	35.40	5380.80	36.00	5472.00			24.25	3686.00
3	Reline Sanitary Sewer, 12" CIPP Method	L.F.	598.0	35.00	20930.00	31.00	18538.00	31.90	19076.20	45.00	26910.00			36.00	21528.00
4	Reline Sanitary Sewer, 27" CIPP Method	L.F.	233.0	40.00	9320.00	112.00	26096.00	107.80	25117.40	150.00	34950.00			120.00	27960.00
5	Laterals to be Reinstated	EA.	30	175.00	5250.00	50.00	1500.00	175.10	5253.00	30.00	900.00			50.00	1500.00
6	Dye Test	EA.	3	200.00	600.00	80.00	240.00	264.50	793.50	150.00	450.00			200.00	600.00
7	Lateral Lining (Shorty)	EA.	3	2500.00	7500.00	3350.00	10050.00	2962.00	8886.00	4000.00	12000.00			3475.00	10425.00

TOTAL ESTIMATE/ BID = 60280.00 76796.00 73475.70 97650.00 77819.00 73742.00
COMPARISON TO ESTIMATE -- 27.40% 21.89% 61.99% 29.10% 22.33%



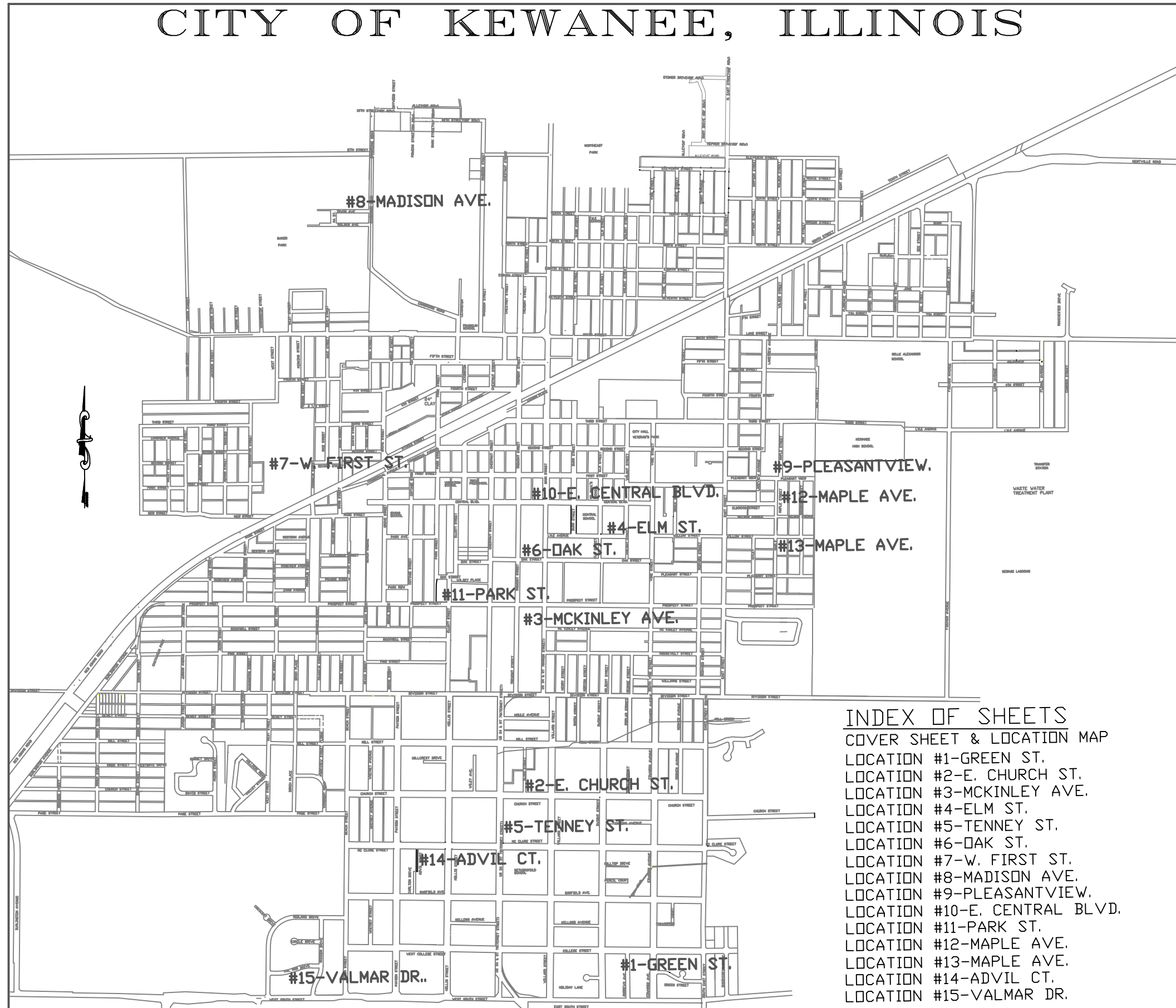
**401 E. Third Street
Kewanee, IL 61443-2365
Voice: 309/852-2611
Fax: 309/856-6001**

November, 2016

2016 CIPP PLAN HOLDER LIST


1. HOERR CONSTRUCTION, INC.
1601-D Luthy Drive
Peoria, Illinois 61615
2. INSITUFORM TECHNOLOGIES, USA, LLC
11351 W. 183rd Street
Orlando Park, Illinois 60467
3. PERFORMANCE PIPELINING, INC.
1551 W. Norris Drive
Ottawa, Illinois 61350
4. SAK CONSTRUCTION, LLC
864 Hoff Road
O'Fallon, MO. 63366
5. VISU-SEWER, INC.
W230 N4855 Betker Road
Pewaukee, WI. 53072
6. LAYNE
1301 East Main Street
Louisville, KY. 40206
7. PERMA-LINER INDUSTRIES, LLC
10220 Bode Street, Unit D3
Plainfield, Illinois 60585
8. ENVIRO-FOW
4830 Northpointe Drive
Zanesville, Ohio 43701

SANITARY SEWER RELINING 2016 CITY OF KEWANEE, ILLINOIS



- INDEX OF SHEETS**
COVER SHEET & LOCATION MAP
- LOCATION #1-GREEN ST.
 - LOCATION #2-E. CHURCH ST.
 - LOCATION #3-MCKINLEY AVE.
 - LOCATION #4-ELM ST.
 - LOCATION #5-TENNEY ST.
 - LOCATION #6-DAK ST.
 - LOCATION #7-W. FIRST ST.
 - LOCATION #8-MADISON AVE.
 - LOCATION #9-PLEASANTVIEW.
 - LOCATION #10-E. CENTRAL BLVD.
 - LOCATION #11-PARK ST.
 - LOCATION #12-MAPLE AVE.
 - LOCATION #13-MAPLE AVE.
 - LOCATION #14-ADVIL CT.
 - LOCATION #15-VALMAR DR.

PROJECT LOCATION MAP

 CITY OF KEWANEE CITY COUNCIL AGENDA ITEM	
MEETING DATE	November 28, 2016
RESOLUTION OR ORDINANCE NUMBER	Resolution #5022
AGENDA TITLE	Consideration of a Resolution authorizing the City Manager to execute an agreement with ADP for payroll, time and attendance processing services
REQUESTING DEPARTMENT	Administration
PRESENTER	Deborah Johnson Director of Finance & Administrative Services
FISCAL INFORMATION	Cost as recommended: \$493 monthly
	Budget Line Item: Split among various departments 537 Computer services line
	Balance Available varies
	New Appropriation Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PURPOSE	Authorizes the City Manager to enter into an agreement with ADP for payroll, time and attendance processing services that would enhance the efficiency and effectiveness of City staff, and enable the City to make better use of existing technology.
BACKGROUND	City employees currently fill out a paper timesheet biweekly. These timesheets, once approved by the Department Head, are entered manually into the payroll system. This is a very time consuming process.
SPECIAL NOTES	N/A

<p>ANALYSIS</p>	<p>One of the City Council’s adopted goals is “Develop and implement plans, policies, and programs to improve organizational structure, align staffing with community needs, and develop a culture that establishes customer service as the City’s top priority, and improves efficiency and effectiveness.</p> <p>Better use of technology for payroll, time and attendance processing services would improve the efficiency of staff and is in keeping with this goal. Utilizing ADP technology to process payroll would significantly reduce labor workload and liability by eliminating multiple systems and manual processes.</p> <p>The ADP technology would include employees electronically completing time worked records. The significant reduction in workload for this process would allow staff to fully focus on the priorities and deficiencies outlined in the recent fiscal yearend audit.</p>
<p>PUBLIC INFORMATION PROCESS</p>	<p>N/A</p>
<p>BOARD OR COMMISSION RECOMMENDATION</p>	<p>N/A</p>
<p>STAFF RECOMMENDATION</p>	<p>Staff recommends approval.</p>
<p>REFERENCE DOCUMENTS ATTACHED</p>	<p>Resolution #5022, Proposed Sales Agreement</p>

RESOLUTION NO. 5022

A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH ADP FOR PAYROLL, TIME AND ATTENDANCE PROCESSING SERVICES.

WHEREAS, on October 26, 2015 the City Council adopted Resolution 4947 establishing goals for the City of Kewanee; and

WHEREAS, one of the adopted goals is to develop and implement plans, policies, and programs to improve organizational structure, align staffing with community needs, and develop a culture that establishes customer service as the City's top priority, improves efficiency and effectiveness, and ensures the stewardship of public funds; and

WHEREAS, the ability to collect time and attendance information and process payroll electronically rather than a manual paper process will enhance municipal services, provide for greater efficiency of staff, and enable the city to make better use of technology; and

WHEREAS, ADP is a provider of time and attendance and payroll processing services that will serve the City's needs by improving efficiency and effectiveness at a reasonable cost.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF KEWANEE THAT:

Section 1 The City Manager is hereby authorized to execute an agreement with ADP for payroll, time and attendance processing services.

Section 2 This Resolution shall be in full force and effect immediately upon its passage and approval as provided by law.

Adopted by the Council of the City of Kewanee, Illinois this 28th day of November 2016.

ATTEST:

Melinda K. Edwards, City Clerk

Steve Looney, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Steve Looney				
Council Member Kellie Wallace-McKenna				
Council Member Andrew Koehler				
Council Member Michael Yaklich				
Council Member Deann Schweitzer				