

## AGENDA

### RULES MEETING OF THE BOARD OF TRUSTEES VILLAGE OF PARK FOREST, COOK AND WILL COUNTIES, ILLINOIS

Village Hall

7:00 p.m.

December 5, 2011

Roll Call

#### **Public Hearing-Tax Levy**

1. An Ordinance Levying Taxes for all Corporate Purposes for the Village of Park Forest, Cook and Will Counties, Illinois, for the Fiscal Year Beginning on the First Day of July, 2011 and Ending on the Thirtieth of June, 2012 (Tax Levy Ordinance)
2. An Ordinance to Abate a Portion of the 2011 Tax Levy for the Village of Park Forest, Cook and Will Counties, Illinois (Tax Levy Abatement Ordinance)
3. An Ordinance Authorizing Acceptance of a Deed in Lieu of Foreclosure for the Property at 211 Mantua
4. A Resolution Authorizing the Execution of a Service Provider Agreement to Engage in Public Transportation Services with PACE
5. A Resolution Adopting the Holiday and Meeting Schedule for the Calendar Year 2012
6. Approval of a Resolution to Appropriate and Expend \$28,650 dollars from the Village's Allotment of Motor Fuel Tax Funds for the Costs Associated with Right of Way Acquisitions Needed for the Reconstruction of Orchard Drive

Mayor's Comments

Manager's Comments

Trustee's Comments

Attorney's Comments

Audience to Visitors

Adjournment

**Agenda Items are Available in the Lobby of Village Hall**

# AGENDA BRIEFING

**DATE:** December 1, 2011

**TO:** Mayor John Ostenburg  
Board of Trustees

**FROM:** Mary G. Dankowski, Deputy Village Manager/Finance Director

**RE:** An Ordinance Levying Taxes for all Corporate Purposes for the Village of Park Forest, Cook and Will Counties, Illinois, for the Fiscal Year Beginning on the First Day of July, 2011 and Ending on the Thirtieth of June, 2012

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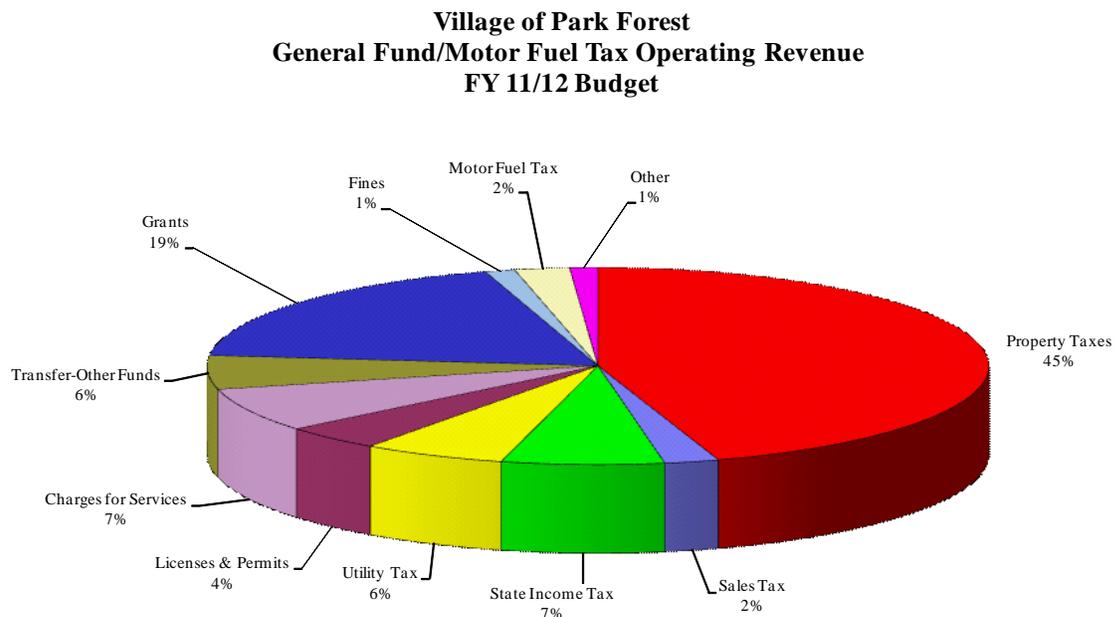
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**BACKGROUND/DISCUSSION:** First reading of the 2011 Tax Levy is scheduled for November 21. A public hearing is required for the first Monday in December with the final levy adopted at the first regular meeting on December 12. The Board has historically chosen to begin discussion of the tax levy at the time of strategic planning in order to have a full picture of the financial position of the Village. This happened October 15.

The 2012/2013 Budget will be funded by the 2011 levy. The tax levy consists of six separate categories. Each category is evaluated separately to determine levy needs. The categories are as follows:

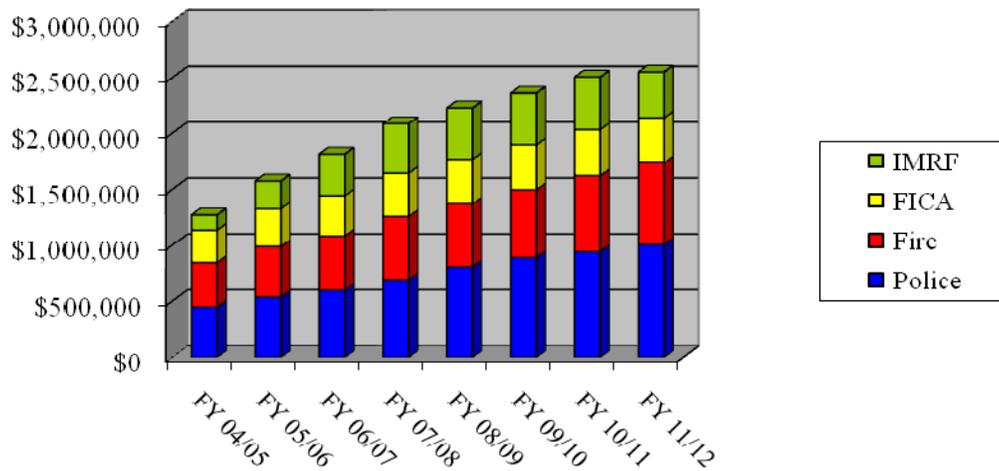
## GENERAL CORPORATE

The property tax levy for general corporate purposes funds the general operations of the Village – Police, Fire, Administration, Public Works, Recreation and Parks, Health, Community Development and Economic Development – which are not funded by other sources. As can be seen in the pie chart below, the 2010 levy supported 45% of the total operating budget, down from 50% as a result of grant funding.



In recent years, a higher share of the levy funds Police and Fire pensions, as well as IMRF and Social Security.

**Property Tax Levy History - Pensions**



As was indicated in the memo in the agenda package entitled “Preliminary Year-end Results for 2010/2011 and in the memo on “Current Year Trends,” revenues have not always kept pace with expenditures. Expenditure increases are factored in the property tax levy needs. When developing the levy, other revenue sources are also evaluated. Use of fund balance has previously allowed the Village to maintain a 3.3% or lower property tax increase for nine of the last twelve years.

The levy increases in 2004 and 2005 allowed the Village to undertake several new initiatives including:

- Participation in SouthCom
- Establishment of an Economic Development Department
- Addition of two new police officers
- Added funding for storm sewer maintenance (annual allocation \$50,000)
- Added funding for roadway maintenance (annual allocation \$150,000)
- Added marketing dollars – \$50,000

In evaluating levy needs, increases in operating costs are assessed. Salaries are the largest expense for the Village. In the General Fund salaries represent \$10,108,875 or 51% of the total \$19,965,148 operating budget. Police and Fire personnel represent 64% of total salaries. For Fiscal 2012 personnel received a 2% salary increase, excluding police, whose contract is still under negotiations. The dollar increase presented assumes a 2% annual salary increase for all Village personnel, consistent with the Fire contract, and a 2% increase in other operating expenditures. After three years of no operating expense increase for departments a 2% increase was allowed for Fiscal 2012 to accommodate increasing cost of operations.

The net result of levy needs and the use of General Fund balance on the general corporate property tax base is as follows:

## 2011 Tax Levy

### GENERAL CORPORATE

#### Ongoing Operating Costs

Salaries 2%		\$ 200,000
Other Expenditures		
Health Insurance 12%	195,000	
Roadway Supplement*	100,000	
Other Expenditures 2%**	100,000	
		395,000
<b>Proposed Tax Levy Increase for General Operations:</b>		<b>\$ 595,000</b>

\* In an effort to build a Motor Fuel Tax Fund balance for roadway projects, vehicle costs will be transferred to the General Fund.

\*\* Other expenditures include capital outlays, utilities, postage, legal, etc.

### BONDS & INTEREST

The proposed levy for bonds and interest reflects a **decrease of \$118,672**. **The Village is able to abate \$750,000 in TIF Debt.**

The recommended bond abatement and levy are as follows:

	<u>Actual Debt</u> <u>Debt Service</u>	<u>Funded From</u> <u>Other Sources</u> <u>(Abated)</u>	<u>Bond</u> <u>Levy</u>
General Fund (includes golf)	\$ 290,615	\$ 3,186	\$ 287,429
Aqua Center	40,679	-	40,679
TIF	1,068,010	750,000	318,010
Water Fund	88,871	88,871	-
Sewer Fund	22,734	22,734	-
	\$1,510,909	\$ 864,791	\$ 646,118

The Village is able to abate a total of \$864,791 in the bond and interest levy.

This debt service does not include the \$1,043,223 annual payment required for the IEPA loan for the water plant or upcoming debt service for additional work. This payment will be covered by the water rates.

## **IMRF**

The Village pays a designated percentage of salary for retirement benefits. The Illinois Municipal Retirement Fund determines this percentage. Because of prior favorable investment results, the Village contribution decreased from a high of 8.99% of affected salaries in 1999 to 3.22% of salaries in 2003. In 2004, rates began to increase. Rates jumped from 3.22% of eligible salaries to 6.79%. This doubled costs. In 2005 rates increased to 8.06%. In 2006 rates increased to 9.21%. For 2007 rates began to decrease slightly to 8.79% followed by 8.54% in 2008 and 8.69% in 2009. Because of serious market losses, rates increased to 9.56% in 2010 10.52% in 2011 and are projected to increase to 11.57% in 2012. The Village currently maintains an IMRF fund balance. Utilizing a portion of the fund balance allows the Village to maintain the same levy as 2010.

2010 IMRF levy	\$423,506
2011 IMRF levy	<u>\$423,506</u>
Increase in Levy	-

## **FICA**

The Village also maintains a fund balance for FICA. Utilizing a portion of the fund balance allows the Village to maintain the same levy as 2010.

2010 FICA levy	\$412,007
2011 FICA levy	<u>412,007</u>
Increase in Levy	-

Both IMRF and FICA fund balances were favorably impacted by hiring delays.

## **POLICE PENSION**

The levy amount for the Police and Fire pensions are actuarially determined. (See attached correspondence.) Police and Fire pension benefit legislation adopted by the State legislature adds to municipal pension costs. Police and Fire disability pensions also add to pension costs. Recent legislation has positively impacted pension costs by increasing the amortization period from 22 to 30 years. The Village is able to reduce the pension levy and interest rate assumptions. The Police Pension Fund earned 8.26% investment return for Fiscal 2011. This positive return also assists funding.

2010 Police Pension levy	\$1,033,223
Decrease	<u>(7,232)</u>
2011 Police Pension levy	\$1,025,991

**FIRE PENSION**

The Fire pension levy is also affected by legislative changes and market factors. The Fire Pension Fund also had gains last year of 7.8%. The actuarial funding recommendation is as follows:

2010 Fire Pension levy	\$752,677
Decrease	<u>(59,763)</u>
2011 Fire Pension levy	\$692,914

Below is summary information for the pension funds as follows:

	<u>Police</u>	<u>Fire</u>
Total Assets	\$18,237,495	\$ 9,880,607
Levy Requirement	1,025,991	692,914
Percent Funded	57.4%	52.4%
Annual Rate of Return	8.26%	7.87%

The Village has historically fully funded the actuarial recommendations.

**LEVY SUMMARY**

	<b>Original 2010 <u>Levy</u></b>	<b>Extended 2010 <u>Levy</u></b>	<b>Proposed 2011 <u>Levy</u></b>
<b>General Corporate</b>	<b>\$ 8,447,507</b>	<b>\$ 8,684,470</b>	<b>\$ 9,279,470</b>
<b>Bonds &amp; Interest</b>	<b>731,748</b>	<b>764,790</b>	<b>646,118</b>
<b>IMRF</b>	<b>411,736</b>	<b>423,506</b>	<b>423,506</b>
<b>FICA</b>	<b>400,667</b>	<b>412,007</b>	<b>412,007</b>
<b>Police Pension</b>	<b>1,004,951</b>	<b>1,033,223</b>	<b>1,025,991</b>
<b>Fire Pension</b>	<b><u>732,073</u></b>	<b><u>752,677</u></b>	<b><u>692,914</u></b>
<b>Village Levy</b>	<b>\$ 11,728,682</b>	<b>\$12,070,673</b>	<b>\$ 12,480,006</b>
<b>Library</b>	<b>1,815,384</b>	<b>1,866,660</b>	<b>1,903,993</b>
<b>Total</b>	<b>\$ 13,544,066</b>	<b>\$13,937,333</b>	<b>\$ 14,383,999</b>
<b>Increase over Extended Levy:</b>		<b>3.2%</b>	

Presented in the levy increase is the original and extended levy. An example of this presentation was found in Oak Park (see attached). The increase represents the increase to the extended levy. This is the “Truth in Taxation” Statutory requirement.

This levy increase assumes the adoption of the proposed vehicle sticker rate increase. Without this increase property taxes would need an additional .8% for a total Village levy increase of 4.2%.

**Future Additional Firefighter**

The Village received an award for a grant to fund two years salary and pension costs for a new firefighter. This firefighter was hired July 2011. The tax levy for 2010 and 2011 would not be impacted by this added personnel. The property tax levy for 2012 will need to include funding for this position going forward.

Salary	\$ 67,451
Pension (35.096%)	24,096
Health Insurance	15,223
Dental & Life	1,290
Medicare (1.45%)	<u>978</u>
	\$ 109,038

**2012 Levy Impact .9%**

**The increases in the Village property tax levy over the last eighteen years have been as follows:**

	<b><u>Tax Levy Increases</u></b>
<b>1993</b>	<b>15.1%</b>
<b>1994</b>	<b>11.4%</b>
<b>1995</b>	<b>11.7%</b>
<b>1996</b>	<b>9.8%</b>
<b>1997</b>	<b>6.7%</b>
<b>1998</b>	<b>4.8%</b>
<b>1999</b>	<b>2.9%</b>
<b>2000*</b>	<b>2.9%</b>
<b>2001</b>	<b>2.9%</b>
<b>2002</b>	<b>2.9%</b>
<b>2003**</b>	<b>2.9%</b>
<b>2004</b>	<b>8.1%</b>
<b>2005</b>	<b>9.3%</b>
<b>2006*</b>	<b>2.6%</b>
<b>2007</b>	<b>3.3%</b>

	<b>2008</b>	<b>3.0%</b>
	<b>2009</b>	<b>6.0%</b>
	<b>2010</b>	<b>3.1%</b>
<b>Proposed</b>	<b>2011</b>	<b>3.4%</b>

\* Included a 0% increase in the General Corporate portion of the levy.

\* \* An additional 3% loss factor was added to the 2003 levy.

Attached is the collection rate of taxes for the last 10 years which averages 94%. The actual increases experienced by taxpayers are a function of assessed value and new construction. Also attached is a ten-year history of equalized assessed value for the Village. On the average property tax bill the Village share of taxes range from \$1,300 to \$2,400. Therefore, a 3.4% increase in taxes will produce a \$44 to \$82 increase in a tax bill related to Village services.

In general, a 1% tax levy increase in the Village levy equates to \$124,800.

### **OTHER ISSUES**

As was indicated in the Current Year Trends discussion at Strategic Planning, revenues have stabilized albeit at a lower level. Delaying replacement hiring has saved salary and pension costs for the current year. The revenue reduction related to population decline has been factored into the vehicle sticker rate increase.

**SCHEDULE FOR CONSIDERATION:** This matter will appear on the Agenda of the Rules meeting of Monday, December 5, 2011 for discussion.

**ORDINANCE NO. 1952**

**AN ORDINANCE LEVYING TAXES FOR ALL CORPORATE PURPOSES FOR THE VILLAGE OF PARK FOREST, COOK AND WILL COUNTIES, ILLINOIS, FOR THE FISCAL YEAR BEGINNING ON THE FIRST DAY OF JULY, 2011 AND ENDING ON THE THIRTIETH DAY OF JUNE, 2012 (TAX LEVY ORDINANCE)**

**BE IT ORDAINED** by the President and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois:

**Section I.** That the sum **thirteen million seven hundred thirty-seven thousand eight hundred eighty-one dollars and no cents (\$13,737,881)**, being the total of budgeted amounts heretofore legally adopted and appropriated by Ordinance No. 1945, which are to be collected from the tax levy for the Fiscal Year of the Village of Park Forest, Cook and Will Counties, Illinois beginning July 1, 2011 and ending June 30, 2012, for all corporate purposes of said Village, including General Purposes, Illinois Municipal Retirement Fund Purposes, Police Pension Fund Purposes, Firefighters Pension Fund Purposes, FICA Fund Purposes, Public Library Fund Purposes, Library IMRF Purposes, Library FICA Fund Purposes, Library Audit Fund Purposes, Library IRMA Liability/Workers Compensation Fund Purposes and Library Building and Maintenance Fund Purposes as appropriated and budgeted for said Fiscal Year beginning July 1, 2011 and ending June 30, 2012, passed by the Mayor and Board of Trustees of said Village at its Regular Meeting held on the 27<sup>th</sup> day of June, 2011, be and the same is hereby levied on all taxable property within the said Village of Park Forest, subject to taxation for said current fiscal year. The specific amounts as levied for the various objects heretofore named appear in the column designated "Raised by Taxation," the said tax so levied for budgets and appropriations heretofore adopted and made for said current fiscal year which are to be collected from said tax levy the total amount of which has been ascertained as aforesaid for the objects and purposes as follows:

	<u>Amount Budgeted</u>	<u>Amount to be Received from Other Sources</u>	<u>Raised by Taxation</u>
<b><u>I. GENERAL CORPORATE</u></b>			
Administrative	3,894,261		
Police Department	7,075,213		
Fire Department	3,797,128		
Health Department	894,942		
Parks and Recreation	2,221,627		
Public Works Department	1,014,967		
Economic Development & Planning	546,386		
Community Development	520,624		
<b>FICA (Levied Separately)</b>	<b>(412,007)</b>		
<b>IMRF (Levied Separately)</b>	<b>(423,506)</b>		
<b>Police Pension (Levied Sep.)</b>	<b>(1,025,991)</b>		
<b>Fire Pension (Levied Separately)</b>	<b>(692,914)</b>		
<b>Total General Corporate</b>	<b>\$17,410,730</b>	<b>\$8,131,260</b>	<b>\$9,279,470</b>

	<u>Amount Budgeted</u>	<u>Amount to be Received from Other Sources</u>	<u>Raised by Taxation</u>
<b>II. IMRF</b>			
<b><u>(Illinois Municipal Retirement Fund)</u></b>			
Administrative	101,732		
Public Works	41,509		
Recreation and Parks	97,131		
Police Department	60,426		
Fire Department	5,901		
Health Department	52,554		
Community Development	34,494		
Economic Development & Planning	29,759		
Total IMRF	\$423,506		\$423,506
<b>III. POLICE PENSION</b>	\$1,025,991		\$1,025,991
<b>IV. FIREFIGHTERS PENSION</b>	\$692,914		\$692,914
<b>V. FICA (Social Security)</b>			
Administrative	89,775		
Public Works	30,183		
Recreation and Parks	77,254		
Police (Medicare)	96,764		
Fire (Medicare)	33,091		
Health Department	38,216		
Community Development	25,083		
Economic Development & Planning	21,641		
Total FICA	\$412,007		\$412,007
<b>VI. LIBRARY</b>			
Operating Fund	1,609,171		1,609,171
IMRF Fund	63,240		63,240
FICA Fund	64,260		64,260
Audit Fund	5,249		5,249
Liability/Workers Comp.	92,073		92,073
Building and Maintenance	70,000		70,000
Total Library	\$1,903,993		\$1,903,993

**VII. SUMMARY OF AMOUNTS TO BE RAISED BY TAX LEVY:**

General Corporate Fund	9,279,470
IMRF Fund	423,506
Police Pension Fund	1,025,991
Fire Pension Fund	692,914
FICA Fund	412,007
Library Operations Fund	1,609,171
Library IMRF Fund	63,240
Library FICA Fund	64,260
Library Audit Fund	5,249
Library Liability/Workers Comp.	92,073
Library Building and Maintenance Fund	<u>70,000</u>
<b>TOTAL</b>	<b>\$13,737,881</b>

**Section II.** That there is certified to the County Clerks of Cook and Will Counties, Illinois that several sums aforesaid, constituting the total amount of **thirteen million seven hundred thirty-seven thousand eight hundred eighty-one dollars and no cents (\$13,737,881)**, which said total amount the Village of Park Forest requires to be raised by taxation for the current fiscal year of said Village, and the Clerk of said Village is hereby ordered and directed to file with the County Clerks of said counties on or before the time required by law, a certified copy of this Ordinance.

**Section III.** This Ordinance shall be in full force and effect from and after its passage and approval, according to law.

Adopted this 12<sup>th</sup> day of December, 2011.

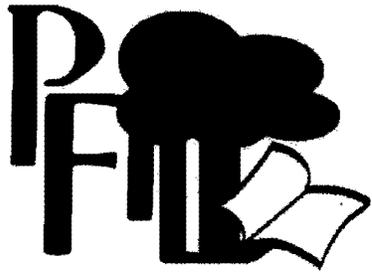
Ayes \_\_\_\_  
 Nays \_\_\_\_  
 Absent \_\_\_\_

APPROVED:

ATTESTS:

\_\_\_\_\_  
 Mayor

\_\_\_\_\_  
 Village Clerk



Park Forest Public Library  
400 Lakewood Blvd  
Park Forest Il 60466  
708-748-3731

October 14, 2011

TO: Tom Mick  
Village Manager

FROM: Barbara Byrne Osuch *Barbara*  
Library Director

SUBJECT: 2011 Tax Levy

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The Park Forest Public Library Board of Trustees approved the proposed 2011 tax levy on October 13, 2010.

The requested levies are:

GENERAL PROPERTY	\$1,609,171
IMRF	63,240
FICA	64,260
Audit	5,249
IRMA Liability/Workman's Compensation	92,073
Unemployment Benefits	
Building/Maintenance	70,000
TOTAL LEVY	<b>\$1,903,993 *</b>

\* This number reflects a 2% increase from the 2010 Gross Tax Levy Extension.

If you require any further information, please contact me.

cc: Mary Dankowski  
Village Finance Director

**NOTICE OF PROPOSED PROPERTY TAX LEVY FOR  
THE VILLAGE OF PARK FOREST**

- I. A public hearing to approve a proposed property tax levy for the Village of Park Forest shall be held on Monday, December 5, 2011 at 7:00 p.m. at the Village Hall, Board Room, 350 Victory Drive, Park Forest, Illinois.**

**Any person desiring to appear at the public hearing and present testimony to the taxing Village may contact Mary Dankowski, Finance Director, (telephone 708/283-5607).**

- II. The corporate and special purpose property taxes extended or abated for the year 2010 were \$13,172,543.**

**The proposed corporate and special purpose property taxes to be levied for 2011 are \$13,737,881. This represents a 4.3% increase over the previous year.**

- III. The property taxes extended for debt service and public building commission leases for 2010 were \$764,790.**

**The estimated property taxes to be levied for debt service for 2011 are \$646,118. This represents a 15.5% decrease over the previous year.**

- IV. The total property taxes extended or unabated for 2010 were \$13,937,333.**

**The estimated total property taxes to be levied for 2011 are \$14,383,999. This represents a 3.2% increase over the previous year.**



Actuary

FACSIMILE #: ( ) \_\_\_\_\_

Number of pages (including this page): \_\_\_\_\_

To: Ms. Stephanie Rodas

Comments:

Re: Police & Firefighter Pension Funds

Stephanie:

Attached are the 07/01/11 preliminary actuarial results, the investment performance summary and the salary history for the Police and Firefighter Pension Funds. In trying to address all of the changes this year, the results highlight the impact of the new provisions of PA 096-1495 "Pension Reform" and quantify the impact of the "90% Target." This year, the investment returns were about as assumed and salaries increased as assumed for Police and less than assumed for Fire. Both Funds have the same number of active members as last year. Thus, in absence of the new Act, the Tax Levy would increase over last year and the Percent Funded would increase for Fire and remain the same for Police. As a result of the new Act, the Tax Levy decreases for both and the Percent Funded increases for both. The final results reflect a change in the interest rate assumption to 7.00% from 7.50% and a change in the salary increase assumption to 5.50% from 6.00%.

Highlights:

1. Investment returns: Police 8.26%, Fire 7.87%.
2. Annual payroll increases: Police 1.4%, Fire 2.4%  
Average increase: Police 5.9%, Fire 3.8%.
3. New members: Police 3, Fire 1; Terminations: Police 1, Fire 0;  
Retirements: Police 2, Fire 0; Incidents of Disability: Police 0, Fire 1.
4. Percent Funded: Police decreased from 60.1% to 57.4%;  
Fire decreased slightly from 53.2% to 52.4%.
5. Tax Levy: Police increased slightly from \$1,004,951 to \$1,025,991 (2.1%).  
Fire decreased from \$732,073 to \$692,914 (5.3%).

As Always,

T. Sharpe

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

September 7, 2011

**VILLAGE OF PARK FOREST  
Actuarial Valuation Results**

POLICE	7/1/10		7/1/11		
	Int: 7.50%	Int: 7.00%	Int: 7.00%	Int: 7.00%	Int: 7.00%
	<u>Sal: 6.00%</u>	<u>Sal: 5.50%</u>	<u>Sal: 5.50%</u>	<u>Sal: 5.50%</u>	<u>Sal: 5.50%</u>
1. Village Normal Cost	364,305	409,372	409,372	449,684	449,684
2. Accrued Liability	28,287,355	31,771,323	31,771,323	30,727,553	30,727,553
3. Assets	16,995,516	18,237,495	18,237,495	18,237,495	18,237,495
4. Unfunded Liability/(Surplus)	11,291,839	13,533,828	13,533,828	12,490,058	12,490,058
5. Amortization of UL	570,533	710,618	549,498	382,359	507,119
6. Interest for One Year	70,113	78,399	67,121	58,243	66,976
7. Tax Levy Requirement (1+5+6)	<u>1,004,951</u>	<u>1,198,389</u>	<u>1,025,991</u>	<u>890,286</u>	<u>1,023,779</u>
8. Payroll	2,960,662	3,003,244	3,003,244	3,003,244	3,003,244
9. Percent Funded (3/2)	60.1%	57.4%	57.4%	59.4%	59.4%

2) Reflects pre-PA 096-1495 provisions (22-year amortization)

3) Reflects (2) plus 30-year amortization

4) Reflects PA 096-1495 (90% Target amortization)

5) Reflects (4) plus 100% Target amortization

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

September 6, 2011

**VILLAGE OF PARK FOREST  
Police Pension Fund**

**Investment Performance 2002-2011**

	FYE 02	FYE 03	FYE 04	FYE 05	FYE 06	FYE 07	FYE 08	FYE 09	FYE 10	FYE 11
BOY Assets	13,371,061	13,517,593	14,375,984	14,391,171	15,298,086	15,361,167	16,498,790	16,676,827	16,071,968	17,001,496
Village Contribution	403,906	401,896	422,037	462,024	551,737	593,482	663,828	739,740	873,889	1,000,943
Officer Contribution	176,553	259,719	226,194	308,527	249,621	262,014	274,924	381,224	332,971	307,714
Pension Payments	813,825	860,731	846,127	827,910	886,202	999,775	1,162,500	1,331,082	1,324,312	1,439,026
Expenses	14,123	22,257	19,037	27,637	30,320	41,597	59,420	33,484	35,139	31,599
Income	481,061	1,079,771	230,224	995,224	180,315	1,305,983	426,390	(406,715)	1,076,140	1,397,967
EOY Assets	13,604,632	14,375,991	14,389,274	15,301,399	15,363,237	16,481,273	16,642,011	16,026,510	16,995,516	18,237,495
Annual Yield	3.63%	8.05%	1.61%	6.94%	1.18%	8.55%	2.61%	-2.46%	6.73%	8.26%
5-Year Yield (2007-11)	4.74%									
10-Year Yield (2002-11)	4.51%									

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

September 7, 2011

**VILLAGE OF PARK FOREST  
Actuarial Valuation Results**

FIRE	<u>7/1/10</u>	<u>7/1/11</u>			
	Int: 7.50%	Int: 7.00%	Int: 7.00%	Int: 7.00%	Int: 7.00%
	<u>Sal: 6.00%</u>	<u>Sal: 5.50%</u>	<u>Sal: 5.50%</u>	<u>Sal: 5.50%</u>	<u>Sal: 5.50%</u>
1. Village Normal Cost	277,654	282,888	282,888	321,445	321,445
2. Accrued Liability	17,054,728	18,862,833	18,862,833	18,335,279	18,335,279
3. Assets	9,071,844	9,880,601	9,880,601	9,880,601	9,880,601
4. Unfunded Liability/(Surplus)	7,982,884	8,982,232	8,982,232	8,454,678	8,454,678
5. Amortization of UL	403,344	471,628	364,695	268,831	343,275
6. Interest for One Year	51,075	52,816	45,331	41,319	46,530
7. Tax Levy Requirement (1+5+6)	<u>732,073</u>	<u>807,332</u>	<u>692,914</u>	<u>631,595</u>	<u>711,250</u>
8. Payroll	1,811,004	1,854,945	1,854,945	1,854,945	1,854,945
9. Percent Funded (3/2)	53.2%	52.4%	52.4%	53.9%	53.9%

2) Reflects pre-PA 096-1495 provisions (22-year amortization)

3) Reflects (2) plus 30-year amortization

4) Reflects PA 096-1495 (90% Target amortization)

5) Reflects (4) plus 100% Target amortization

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

September 6, 2011

**VILLAGE OF PARK FOREST  
Firefighters Pension Fund**

**Investment Performance 2002-2011**

	FYE 02	FYE 03	FYE 04	FYE 05	FYE 06	FYE 07	FYE 08	FYE 09	FYE 10	FYE 11
BOY Assets	6,969,380	6,999,801	7,329,435	7,650,062	7,911,561	8,107,811	8,809,592	8,864,108	8,433,290	9,056,896
Village Contribution	337,287	337,861	368,731	408,536	465,832	470,489	567,059	585,453	646,941	732,976
Firefighter Contribution	95,790	111,154	104,729	118,277	129,706	186,461	163,434	166,783	170,846	176,476
Pension Payments	520,623	500,896	508,048	630,889	660,723	697,272	679,231	686,471	730,467	743,226
Expenses	33,686	33,077	37,451	54,956	40,071	64,212	51,859	79,829	57,339	59,609
Income	24,655	414,597	391,079	423,529	304,640	778,899	67,456	(414,270)	608,573	717,087
EOY Assets	6,872,803	7,329,441	7,648,475	7,914,560	8,110,944	8,782,175	8,876,451	8,435,776	9,071,844	9,880,601
Annual Yield	0.36%	5.96%	5.36%	5.59%	3.88%	9.67%	0.77%	-4.68%	7.20%	7.87%
5-Year Yield (2007-11)	4.17%									
10-Year Yield (2002-11)	4.20%									

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

Village of Oak Park

# Property Tax Levy

Fund	2009 Levy	2009 Extended Levy	2010 Levy	Dollar Difference	% Increase '10 over '09 Ext. Levy
General	\$ 11,341,070	\$ 11,681,302	\$ 11,681,302	\$ -	0.00%
Debt Service	2,502,600	2,627,730	2,572,569	(55,161)	-2.10%
<b>Sub-total, Village of Oak Park</b>	<b>\$ 13,843,670</b>	<b>\$ 14,309,032</b>	<b>\$ 14,253,871</b>	<b>\$ (55,161)</b>	<b>-0.39%</b>
Police Pension	3,034,409	3,125,441	3,928,927 <sup>A</sup>	803,486	25.71%
Fire Pension	2,987,265	3,076,883	3,134,176 <sup>A</sup>	57,293	1.86%
<b>Sub-total, Pension</b>	<b>\$ 6,021,674</b>	<b>\$ 6,202,324</b>	<b>\$ 7,063,103</b>	<b>\$ 860,779</b>	<b>13.88%</b>
Library Operating	\$ 5,611,111	\$ 5,779,444	\$ 5,779,444 <sup>B</sup>	\$ -	0.00%
Library Operating for Debt	2,324,950	2,394,699	2,320,802	(73,896)	-3.09%
<b>Sub-total, Library</b>	<b>\$ 7,936,061</b>	<b>\$ 8,174,143</b>	<b>\$ 8,100,247</b>	<b>\$ (73,896)</b>	<b>-0.90%</b>
<b>TOTAL Recommended Levy</b>	<b>\$ 27,801,405</b>	<b>\$ 28,685,499</b>	<b>\$ 29,417,221</b>	<b>\$ 731,722</b>	<b>2.55%</b>

<sup>A</sup> Pension levies results of third party actuarial analysis

<sup>B</sup> Final number pending Library Board approval

**VILLAGE OF PARK FOREST**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN YEARS**  
**JUNE 30, 2010**

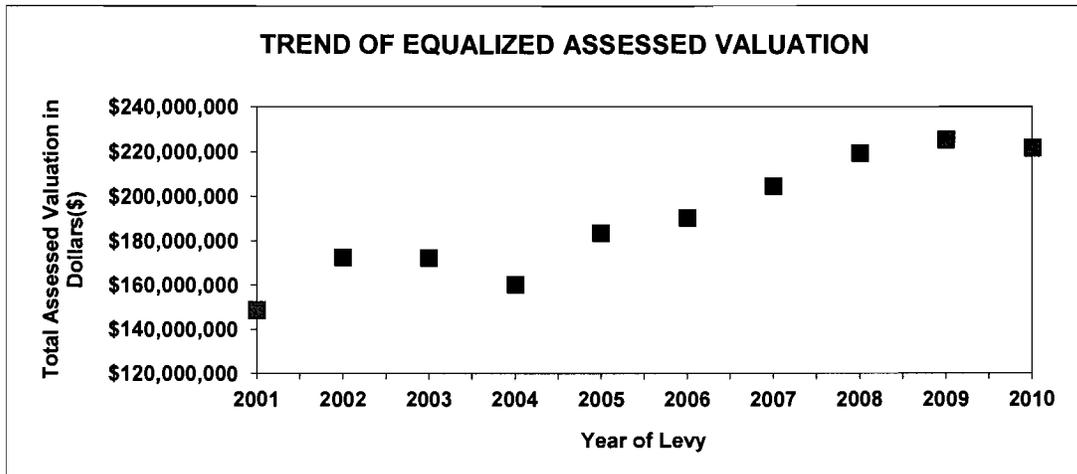
Tax Levy Year	Taxes Levied for the Fiscal Year*	Collected within the Fiscal Year		Collections in Subsequent Years	Total Collected to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	\$ 6,508,574	\$ 2,698,239	41.46%	\$ 3,450,922	\$ 6,149,161	94.48%
2000	6,909,486	2,830,522	40.97%	3,680,342	6,510,864	94.23%
2001	7,363,861	3,050,976	41.43%	3,838,110	6,889,086	93.55%
2002	8,039,810	3,059,010	38.05%	3,880,540	6,939,550	86.31%
2003	8,451,811	3,414,397	40.40%	4,678,278	8,092,675	95.75%
2004	9,267,508	3,339,232	36.03%	5,490,584	8,829,816	95.28%
2005	10,194,911	4,274,410	41.93%	5,344,518	9,618,929	94.35%
2006	10,736,969	4,584,244	42.70%	5,790,549	10,374,792	96.63%
2007	11,511,844	4,885,132	42.44%	6,011,124	10,896,256	94.65%
2008	12,288,123	5,038,413	41.00%	6,472,730	11,511,144	93.68%
2009	13,153,576	5,702,248	43.35%	-	5,702,248	43.35%

Source: Cook and Will Counties Clerks' and Assessors' Offices

\*Note: This schedule includes the Total Tax Levy Extension -- Village and Library. Taxes levied represent the prior calendar year's tax levy. (i.e. data presented for the Fiscal Year ended June 30, 2010 is based on the 2009 tax levy.)

**VILLAGE OF PARK FOREST  
EQUALIZED ASSESSED VALUE  
10-YEAR INFORMATION**

<u>Levy Year</u>	<u>Equalized Assessed Value</u>	<u>Percentage Increase(Decrease)</u>	<u>Estimated Actual Value</u>	<u>Ratio of Equalized Assessed Value to Estimated Actual Value</u>
2001	148,598,080	3.78%	445,794,240	33.33%
2002	172,636,509	16.18%	517,909,527	33.33%
2003	172,466,140	-0.10%	517,398,420	33.33%
2004	160,167,360	-7.13%	480,502,080	33.33%
2005	183,464,965	14.55%	550,394,895	33.33%
2006	190,262,287	3.70%	570,786,861	33.33%
2007	204,687,009	7.58%	614,061,027	33.33%
2008	219,491,270	7.23%	658,473,810	33.33%
2009	225,587,683	2.78%	676,763,049	33.33%
2010	221,881,935	-1.64%	665,645,805	33.33%



## AGENDA BRIEFING

**DATE:** December 1, 2011

**TO:** Mayor John Ostenburg  
Board of Trustees

**FROM:** Mary G. Dankowski, Deputy Village Manager/Finance Director

**RE:** An Ordinance to Abate a Portion of the 2011 Tax Levy for the Village of Park Forest, Cook and Will Counties, Illinois (Tax Levy Abatement Ordinance)

**BACKGROUND/DISCUSSION:** The Village has certain General Obligation Debt of which a portion can be paid through the operations of the fund which generated the debt. During 2008 the Village refinanced two debt issuances to realize cost savings and accelerate debt service payments. For 2011, Debt Service for the following funds is:

	<u>Total Debt Service</u>	<u>Principal</u>	<u>Interest</u>
General Fund *	\$ 290,615		
Aqua Center Fund	40,679		
TIF Fund	1,068,010		
Water Fund	88,871		
Sewer Fund	<u>22,734</u>		
	\$1,510,909	\$ 976,299	\$ 534,610

\* Now includes remaining Golf related debt.

Of this debt service amount, the following amounts can be abated:

<u>Proposed Abatement</u>	
General Fund	\$ 3,186
Aqua Center Fund	--
TIF Fund	750,000
Water Fund	88,871
Sewer Fund	<u>22,734</u>
	\$ 864,791

Total Debt Service minus the proposed abatement equals a levy amount of \$646,118. This amount does not include the \$1,043,223 in debt service associated with the IEPA 2.5% loan funded through water rates.

By receiving tax increment the Village is able to abate a portion of the TIF debt. This abatement increased from \$650,000 to \$750,000. **(By abating these total taxes, the Village Board saves residents a 7.2% additional levy.)**

**SCHEDULE FOR CONSIDERATION:** This matter will appear on the Agenda of the Rules meeting of Monday, December 5, 2011, for First Reading.

**ORDINANCE NO. 1953**

**“AN ORDINANCE TO ABATE A PORTION OF THE 2011 TAX LEVY FOR THE  
VILLAGE OF PARK FOREST, COOK AND WILL COUNTIES, ILLINOIS”  
(TAX LEVY ABATEMENT ORDINANCE)**

WHEREAS, on the 12/12/11, being a Tax Levy Ordinance for the calendar year 2011 for the Village of Park Forest, Cook and Will Counties, Illinois, was passed and approved; and

WHEREAS, the corporate authorities of the Village of Park Forest find that they have received during the Fiscal Year 2011 sufficient funds and revenues in the amount of **\$864,791**; and

WHEREAS, this Ordinance is adopted pursuant to the authority vested in the Village of Park Forest under law and pursuant to the home rule powers conferred on the Village of Park Forest by the Constitution of the State of Illinois:

WHEREAS, among other things, the Ordinance provided for the levying of the following amounts for the purposes specified as follows:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Village Board of Trustees of the Village of Park Forest, Cook and Will Counties, that Ordinance Number 1952 be adopted as attached, for submission to Cook and Will Counties.

SECTION 1: That the County Clerk of Cook and Will Counties are hereby authorized and directed to abate the 2011 Tax Levy as follows:

<b><u>PURPOSE</u></b>	<b><u>AMOUNT LEVIED</u></b>	<b><u>AMOUNT ABATED</u></b>	<b><u>BALANCE UNABATED</u></b>
<b>General Corporate</b>	<b>9,279,470</b>	<b>-</b>	<b>9,279,470</b>
<b>Ill. Munic. Retirement Fund</b>	<b>423,506</b>	<b>-</b>	<b>423,506</b>
<b>Police Pension</b>	<b>1,025,991</b>	<b>-</b>	<b>1,025,991</b>
<b>Firefighters Pension</b>	<b>692,914</b>	<b>-</b>	<b>692,914</b>
<b>FICA (Social Security)</b>	<b>412,007</b>	<b>-</b>	<b>412,007</b>
<b>1993 GO Bonds</b>	<b>64,365</b>	<b>25,920</b>	<b>38,445</b>
<b>1999 GO Bonds</b>	<b>167,200</b>	<b>167,200</b>	<b>-</b>
<b>2001 GO Bonds</b>	<b>461,025</b>	<b>212,041</b>	<b>248,984</b>
<b>2008A GO Bonds</b>	<b>688,769</b>	<b>370,759</b>	<b>318,010</b>
<b>2008B GO Bonds</b>	<b>129,550</b>	<b>88,871</b>	<b>40,679</b>
<b>Library Operations Fund</b>	<b>1,609,171</b>	<b>-</b>	<b>1,609,171</b>
<b>Library IMRF Fund</b>	<b>63,240</b>	<b>-</b>	<b>63,240</b>

<u>PURPOSE</u>	<u>AMOUNT LEVIED</u>	<u>AMOUNT ABATED</u>	<u>BALANCE UNABATED</u>
Library FICA Fund	64,260	-	64,260
Library Audit Fund	5,249	-	5,249
Library Liability/Workers Comp	92,073	-	92,073
Library Bldg and Maint. Fund	70,000	-	70,000
<b>TOTAL</b>	<b>15,248,790</b>	<b>864,791</b>	<b>14,383,999</b>

SECTION 2: That the Village Clerk is hereby directed to file with the County Clerks of Cook and Will Counties, Illinois a certified copy of this Ordinance on or before the time required by law.

SECTION 3: This Ordinance shall be in force from and after its passage, approval, signing and recording as provided by law.

Adopted this 12th day of December, 2011.

APPROVED:

ATTEST:

\_\_\_\_\_  
Village Mayor

\_\_\_\_\_  
Village Clerk

Ayes \_\_\_\_\_

Nays \_\_\_\_\_

Absent \_\_\_\_\_

## **AGENDA BRIEFING**

**DATE:** November 22, 2011

**TO:** Mayor John A. Ostenburg  
Board of Trustees

**FROM:** Lawrence G. Kerestes, Director of Community Development

**RE:** Deed in Lieu of Foreclosure – 211 Mantua

### **BACKGROUND/DISCUSSION:**

As was the case in September 2009 when the Village had the opportunity to acquire the properties at 258 Arcadia and 309 Minocqua and in November 2010 with 201 Miami where the Village had demolished the houses with the consent of the property owners and in turn transferred the properties to the Village of Park Forest in lieu of foreclosure, once again another property, 211 Mantua is in the same position.

For the property at 211 Mantua, the Village incurred costs and expenses related to grass/weed cutting and demolition, respectively. As it is authorized to do pursuant to the Illinois Municipal Code, the Village recorded liens on both properties for the costs incurred by the Village. In order to recoup its costs, the Village filed complaints for foreclosure against each property in April 2010 to foreclose on the recorded liens.

Illinois law contains a procedure that allows a property owner to convey title to his or her property to a plaintiff in a foreclosure proceeding in exchange for the plaintiff agreeing not to seek a personal judgment against the property owner. This process is known as “deed in lieu of foreclosure” and it provides a way for the parties to avoid the time consuming and expensive process of going through the courts to obtain foreclosure in the traditional manner.

By entering into a settlement agreement and accepting a deed in lieu of foreclosure from the owners of 211 Mantua, the Village will be able to obtain title to the property and dismiss the foreclosure complaints against those property owners. In doing so, the Village must agree that it will not seek any other relief against the property owner. If the Village does not utilize the deed in lieu of foreclosure process, it will be required to follow through with the traditional foreclosure process which will add 12 - 18 months of time to obtaining title to 211 Mantua.

The ordinance to follow authorizes the Village to enter into the deed in lieu of foreclosure transaction. Because the Village is acquiring title to property, passage of an ordinance for each property is required pursuant to Chapter 2, Article I, Sec. 2-2(b) of the Code of Ordinances of the Village of Park Forest, which provides: (Please note that the ordinance reads president and not mayor.)

**Sec. 2-2. Acquisition of real estate for public purposes.**

- (a) The president and board of trustees are given the power, pursuant to a resolution adopted by the board members then holding office, to:
  - (1) Acquire an interest in real estate whether by purchase, lease, gift, condemnation, dedication or otherwise, so long as such acquisition is for public purposes and necessary for the operation of the water system, sanitary sewer system, and as a part of the functions of the department of public works or the department of recreation and parks.
  - (2) Authorize any debt or borrowing necessary to accomplish such acquisition.
- (b) The president and board of trustees are given the power to acquire an interest in real estate for any other public purpose, pursuant to an ordinance adopted by an affirmative vote of the board members then holding office, or as otherwise provided by this Code.

Once the Village has acquired title by deed in lieu of foreclosure, the Village can apply to Cook County to have the outstanding property taxes on each property declared null and void. The above ordinances make clear that the Village is taking title by deed in lieu of foreclosure. This step is important because obtaining the property by mere quitclaim deed does not allow the taxes on the properties to be voided by the County. It must be clear to Cook County that the Village took title to the property by deed in lieu of foreclosure in order to have the outstanding property taxes voided.

If you have any questions concerning these documents, please do not hesitate to contact us.

**SCHEDULE FOR CONSIDERATION:** This item will appear on the Board Rules Meeting Agenda for December 5 2011 for discussion.

**ORDINANCE \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING ACCEPTANCE OF A DEED IN  
LIEU OF FORECLOSURE FOR THE PROPERTY  
COMMONLY KNOWN AS 211 MANTUA, PARK FOREST, ILLINOIS**

**WHEREAS**, the Village of Park Forest (hereinafter "Village") is an Illinois home rule municipality pursuant to Article VII, Section 6, of the Constitution of the State of Illinois; and

**WHEREAS**, Jane R. Marzano (hereinafter "Owner") is the owner of the property commonly known as 211 Mantua, Park Forest, Illinois, PIN No. 31-36-312-008-0000 (hereinafter "Property") and legally described as follows:

LOT EIGHT (8) IN BLOCK FIFTY-FOUR (54) IN VILLAGE OF PARK FOREST AREA NO. FIVE (5), BEING A SUBDIVISION OF PART OF THE EAST ½ OF SECTION 35 AND THE WEST ½ OF SECTION 36, TOWNSHIP 35 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY ILLINOIS, AUGUST 3, 1951 AS DOCUMENT 15139014, SITUATED IN THE VILLAGE OF PARK FOREST, COUNTY OF COOK, AND STATE OF ILLINOIS.

**WHEREAS**, the Village placed a lien on the Property in the amount of \$26,270.02 for demolition of the structure on the Property pursuant to Section 11-31-1 of the Illinois Municipal Code, 65 ILCS 5/11-31-1, which lien was recorded with the Cook County Recorder of Deeds as Document No. 1018847017 (hereinafter "Lien"); and

**WHEREAS**, on March 16, 2011, the Village filed a Verified Complaint for Foreclosure in the Circuit Court of Cook County, Case No. 11 CH 10062, to foreclose on the Lien, and named Owner and others as defendants in the matter; and

**WHEREAS**, Owner was served with Summons and a copy of the Verified Complaint and through legal counsel thereafter contacted one of the attorneys for the Village to indicate that she was willing to terminate her interest in the Property by tendering to the Village a deed in lieu of foreclosure in exchange for the Village relieving her from any and all personal liability for payment or performance or other obligations related to the Lien; and

**WHEREAS**, the Village desires to accept a deed in lieu of foreclosure from the Owner by Warranty Deed, subject to any other claims or liens affecting the Property, in substantially the form attached hereto as Exhibit A, and pursuant to the terms of a Settlement Agreement, in substantially the form attached hereto as Exhibit B; and

**WHEREAS**, general taxes and assessments for the years 2007, 2008, 2009, 2010, and 2011 and subsequent years which are not yet due and payable are liens on the Property pursuant to the Illinois Property Tax Code, but pursuant to Section 21-95 of the Property Tax Code, 35 ILCS 200/21-95, when a municipality acquires property by a deed in lieu of foreclosure of a lien, all due or unpaid property taxes and existing liens for unpaid property taxes imposed or pending under any law or ordinance of the State of Illinois or any of its political subdivisions become null and void; and

**WHEREAS**, the Mayor and the Board of Trustees of the Village have determined that it is advisable to acquire the Property by deed in lieu of foreclosure, and that the Property is being acquired for a public purpose pursuant to Section 2-2(b) of the Village Code, and pursuant to the Village's home rule authority.

**NOW, THEREFORE, BE IT ORDAINED**, by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, in the exercise of the Village's home rule powers, as follows:

**Section 1.**      **Recitals Incorporated.** The foregoing recitals are incorporated into this Section 1 by reference as though fully set forth herein.

**Section 2.**      **Acquisition of Property.** The Mayor and the Board of Trustees of the Village hereby determine that it is in the best interests of the Village to acquire the Property by deed in lieu of foreclosure for public purposes as may hereinafter be determined.

**Section 3.**      **Execution of Documents.** The Village Manager or his designee is hereby authorized and directed to execute the Settlement Agreement in substantially the form attached hereto, subject to the review of the Village Attorney, and to accept the deed in lieu of foreclosure in accordance with the terms of the final Settlement Agreement, and to further execute any and all documents necessary to effectuate acquisition of the Property.

**Section 4.**      **Effective Date.** This Ordinance shall be in full force and effect upon its passage, approval and publication as provided by law.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
VILLAGE CLERK

**WARRANTY DEED  
(In Lieu of Foreclosure)**

**Property Address:**

211 Mantua  
Park Forest, IL

**PIN:** 31-36-312-008-0000

**Return To:** Village of Park  
Forest

350 Victory Drive  
Park Forest, IL 60466

**Send Subsequent Tax Bills  
To:**

Village of Park Forest  
350 Victory Drive  
Park Forest, IL 60466

THE ABOVE SPACE FOR RECORDER'S USE ONLY

This Warranty Deed, made this \_\_\_\_\_ day of \_\_\_\_\_ between Jane R. Marzano, married to Michael Marzano ("Grantor") whose address is 24539 Bay Creek Lane, Plainfield, Illinois, in consideration of the payment of Ten and no/100ths Dollars (\$10.00), the execution of a Settlement Agreement between Grantor and the Village of Park Forest, an Illinois Municipal Corporation, whose address is 350 Victory Drive, Park Forest, Illinois ("Grantee"), and the release of Grantor, to the extent and as provided in the Settlement Agreement, from personal liability for a money judgment or deficiency judgment from the lien recorded with the Cook County Recorder in the amount of \$26,270.02 as document no. 1018847017, and for other good and valuable consideration in hand paid, the adequacy and sufficiency of which are hereby acknowledged, does hereby sell, grant, and convey to Grantee the real property commonly known as 211 Mantua, Park Forest, Illinois, and located in the Village of Park Forest, County of Cook, State of Illinois, and legally described as follows:

LOT EIGHT (8) IN BLOCK FIFTY-FOUR (54) IN VILLAGE OF PARK FOREST AREA NO. FIVE (5), BEING A SUBDIVISION OF PART OF THE EAST ½ OF SECTION 35 AND THE WEST ½ OF SECTION 36, TOWNSHIP 35 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY ILLINOIS, AUGUST 3, 1951 AS DOCUMENT 15139014, SITUATED IN THE VILLAGE OF PARK FOREST, COUNTY OF COOK, AND STATE OF ILLINOIS.

PIN: 31-36-312-008-0000 Address: 211 Mantua, Park Forest, Illinois

This Warranty Deed is an absolute conveyance and grant of all of Grantor's right, title, and interest in the above-described real property and is not intended as a mortgage, trust conveyance, or security of any kind.

Grantor further declares that (a) this conveyance is freely and fairly made, executed, and delivered pursuant to the terms of the Settlement Agreement and with the advice, or opportunity for advice, of legal counsel of Grantor's selection; (b) that there are no agreements, oral or written, other than this Warranty Deed and the Settlement Agreement (and all documents referred to therein and executed in connection therewith) with respect to the above-described real property and all improvements thereon and easements and appurtenances thereto described above; and (c) that fair and adequate consideration has been given for

Grantor's waiver of all redemption and cure rights permitted by laws more fully set forth in the Settlement Agreement.

By accepting this Warranty Deed as a deed in lieu of foreclosure, the Village is entitled to make null and void all real estate tax liens under Section 21-95 of the Property Tax Code. (35 ILCS 200/21-95).

**IN WITNESS WHEREOF**, Grantors have executed this Warranty Deed as of the \_\_\_\_ day of \_\_\_\_\_, 2011.

**GRANTOR:**

\_\_\_\_\_  
Jane R. Marzano

\_\_\_\_\_  
Michael Marzano

State of Illinois            )  
  ) SS  
County of \_\_\_\_\_        )

I, the undersigned, a Notary Public in and for said County and State aforesaid, **DO HEREBY CERTIFY** that Jane R. Marzano and Michael Marzano, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed, and delivered the said instrument as her free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and official seal,  
this \_\_\_\_ day of \_\_\_\_\_, 2011.

Impress seal here

\_\_\_\_\_  
NOTARY PUBLIC

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**AFFIX TRANSFER STAMPS ABOVE**

Or

I hereby declare that this transaction is exempt from the provisions of the Real Estate Transfer Tax Law under 35 ILCS 200/31-45(b) of said Act.

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

M. Neal Smith, attorney for Grantee

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

This instrument was prepared by: M. Neal Smith

Robbins, Schwartz, Nicholas, Lifton & Taylor, Ltd.  
24 West Cass Street, 5<sup>th</sup> Floor  
Joliet, IL 60432

## SETTLEMENT AGREEMENT

Property Address: 211 Mantua, Park Forest, Illinois

PIN: 31-36-312-008-0000

**THIS SETTLEMENT AGREEMENT** is entered into as of the date the signature of the Village of Park Forest is affixed hereto, by and between Jane R. Marzano (“Owner”), whose address is 24539 Bay Creek Lane, Plainfield, Illinois, and the Village of Park Forest, an Illinois Municipal Corporation (“Village”), having its principal office at 350 Victory Drive, Park Forest, Illinois.

### RECITALS:

This Agreement is based upon the following recitals:

A. Owner is the fee simple title owner in and to certain real property located within the County of Cook and State of Illinois, which real property is more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with all improvements situated thereon (collectively the “Subject Property”).

B. Owner acquired title to the Subject Property as the sole heir to Myrtle Beeson, as more fully set forth in the Affidavit of Heirship, attached hereto as Exhibit B; and

C. To evidence certain liens and indebtedness in favor of the Village and against the Owner, the Village recorded a Lien with the Cook County Recorder of Deeds as Document No. 1018847017 in the amount of \$26,270.02 (the “Lien”).

D. Owner acknowledges and represents to Village, upon which representations Village has relied in entering into and performing this Agreement, that:

- (1) The Owner is the fee simple owner of the Subject Property;
- (2) the Lien amount is justly due, owing, and delinquent and there is no offset, defense, or counterclaim that Owner has or could sustain in connection therewith;
- (3) the Village has demanded that Owners pay the Lien amount but Owner has failed and refused to do so; and
- (4) the Village has the immediate right to pursue all of its rights and remedies pursuant to law.

E. Owner has requested that, in view of the lack of equity in the Subject Property and to avoid further time-consuming, expensive and needless litigation, the Village accept a settlement, pursuant to which the Subject Property would be transferred to the Village by Owner by deed in lieu of foreclosure and Owner would be released from any personal liability for a money judgment, and

the Village is willing to accept such a settlement, but only upon the terms and conditions hereinafter set forth.

F. Owner acknowledges that transfer of the Subject Property and a release from further obligations to pay the indebtedness represented by the Lien is of direct and substantial benefit to Owner, and constitutes fair and adequate consideration for the entry of Owner into this transaction. The Village acknowledges that transfer of the Subject Property to it, without the necessity of litigation, is of direct and substantial benefit to it, and is fair and adequate consideration for the Village's entry into this transaction. Owner and the Village acknowledge and agree that the transfer of the Subject Property is for reasonably equivalent value.

**NOW THEREFORE**, in consideration of the foregoing recitals, and for other good and valuable consideration, including the release by the Village of Owner from personal liability for the Lien as described in the above recitals, the receipt and adequacy of which are hereby mutually acknowledged, Owner and the Village do hereby covenant and agree as follows:

**1. CONVEYANCE AND PAYMENT**

Concurrently with the execution of this Agreement and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), in hand paid, together with the respective promises, covenants, and undertakings hereunder;

A. Owner has executed and delivered or will execute and deliver to the Village, in form and content satisfactory to the Village:

- (1) Owner's warranty deed conveying the Subject Property (Deed) in recordable form subject to certain liens and encumbrances as set forth below in Section 1 E;
- (2) Affidavit of Heirship;

B. Owner and the Village:

- (1) have executed a State of Illinois Transfer Tax Declaration which indicates that the transfer of the Property by the Deed is exempt from transfer taxes;
- (2) have executed a County Transfer Tax Declaration which indicates that the transfer of the Property by the Deed is exempt from transfer taxes; and
- (3) shall execute all such further conveyances, assignments, confirmations, releases, powers of attorney, instruments of further assurance, approvals, consents, environmental disclosure documents (if required by applicable law), and other instruments and documents that may be reasonably necessary, expedient, or proper in the opinion of the Village in order to complete any and all conveyances, transfers, and assignments herein provided (collectively, Other Documents).

For convenience, the Deed and Other Documents listed in subsections A and B above are herein collectively referred to as the "Transfer Documents."

C. This Agreement and the Transfer Documents are intended to be and are acknowledged by Owner to effect an absolute conveyance and unconditional transfer of their interests in the Subject Property and all rights, titles, interests, income, rents, rent equivalents, issues, revenue, royalties, and profits in connection therewith as of the date hereon, and are not given as security, PROVIDED THAT title to the Subject Property shall remain subject to the Lien to the full extent of the Lien amount. In the event that, contrary to the foregoing, it is, at any time hereafter, determined that Owner has any equitable and/or statutory rights of redemption in the Subject Property, then, for the considerations herein set forth, Owner hereby sell, transfer, and convey to the Village and waive for themselves any and all equitable and statutory rights of redemption with respect to the Subject Property.

D. The delivery, acceptance, and/or recording of the Transfer Documents shall not in any way or manner whatsoever:

- (1) be deemed a waiver by the Village of any claim of priority pursuant to the Lien over any other liens, mortgages, security interests, or encumbrances of any kind or nature, now existing or hereafter placed upon the Subject Property, or any party thereof;
- (2) affect or prejudice in any way the right of the Village to foreclose the Lien by judicial proceedings or otherwise or to proceed as provided in the Liens and as otherwise provided at law or in equity in the event that other liens, mortgages, security interests, or encumbrances, resulting from the act or deed of Owner, shall be asserted against the Property;

The Lien shall, in all respects, survive the recording of the Transfer Documents, and Owner hereby ratifies and confirms the Lien in all respects.

E. Owner warrants and represents to the Village, upon which warranties and representation the Village has relied and will continue to rely, that:

- (1) Owner is the owner of fee simple title to the Subject Property;
- (2) Owner has the power, capacity, and authority to execute and deliver this Agreement and the Transfer Documents to the Village and have done so freely and voluntarily, with full knowledge and without duress;
- (3) Owner has not transferred, by sale, assignment, or otherwise, to any person, partnership, corporation, or other entity, all or any part of any right, title, or interest which they may have in and to the Property prior to the date hereof;
- (4) the Transfer Documents convey to the Village good and marketable title (i) to the Subject Property, free and clear of all liens, security interests, encumbrances, agreements, encroachments, overlaps, special assessments, claims, leases, tenancies, adverse interests, federal or state taxes or defects except: (a) the liens and security interests established pursuant to the Lien; (b) any unpaid real estate taxes; (c) claim for Public Aid Lien, recorded July 15, 2008 as document 0819741043 by State of Illinois

Department of Healthcare and Family Services; and (c) those liens and encumbrances as shown on the ALTA Commitment for title insurance dated March 15, 2011 and attached hereto and incorporated herein as Exhibit C.

- (5) there are no contracts for deed, land contracts, or other executor agreements whatsoever for the sale, conveyance, or transfer of any party or all of the Subject Property or any interest therein;
- (6) there are no management, service, maintenance, employment, or brokerage contracts or agreements or obligations, commitments, or arrangements, written or oral, with respect to the Subject Property;
- (7) Owner has not received any notice with respect to, and there are no violations of any past or present covenants, conditions, and restrictions of record or governmental regulations, zoning, or other ordinances, statutes, codes, or orders of any type, formal or informal, with respect to the Subject Property, other than those violations of Village Codes, covenants, restrictions or regulations, which may affect the use thereof, including, without limitation, all federal, state, and local statutes, regulations, codes, or orders regarding environmental, health, and safety matters;
- (8) Owners are not "foreign persons" as such term is defined in Section 1445(f) of the Code, as amended, or any successor thereto; and

**2. PROPERTY AND OBLIGATIONS** Owner further warrants and represents to the Village, upon which warranties and representations the Village has relied and will continue to rely, that:

A. There are no leases or any oral or written contracts or agreements in effect or in existence with respect the Subject Property; and

B. There is no actual or threatened litigation involving or affecting the Property other than any litigation commenced by the Village. Owner shall defend, indemnify, and hold the Village harmless from any and all liability, costs, and expenses, including reasonable attorneys' fees, arising from any litigation or threatened litigation as of the date hereof involving or affecting the Subject Property and Owner's ownership, use, and operation thereof.

**3. POSSESSION AND INDEMNITY**

A. Concurrently with the execution and delivery of the Transfer Documents, Owner shall deliver possession of the Subject Property to the Village and the Village shall have the right to manage, operate, use, and possess the Subject Property to the total exclusion of Owner and shall have the immediate right to sell and/or transfer the same or any part thereof for its own account to the total exclusion of Owner. Owner shall cooperate with the Village to ensure that all utility accounts in Owner's name are closed as of the date of closing of this transaction.

B. Owner hereby covenants and agrees to defend, indemnify and hold the Village harmless from and against any and all liabilities or obligations, of every kind and nature, with respect to the Subject Property, incurred or accrued prior to the date hereof whether arising from acts or omissions or Owners, their employees, or agents, or otherwise including, but not limited to, all

liabilities and obligations for which Owner would have been or will be liable for up to and including the date hereof had Owner not transferred title to the Property to the Village pursuant hereto.

#### **4. RELEASE OF PERSONAL LIABILITY**

Subject to the provisions of this Agreement, including all warranty and indemnity contained herein, which shall expressly survive the closing of the transaction contemplated herein, the Village hereby releases Owner from any and all personal liability with respect to the Lien obligations.

Anything contained in this Agreement to the contrary notwithstanding, including the foregoing release of liability by Village in favor of Owner, the Village shall retain all other rights and remedies against the Property as provided by law or in equity, including, without limitation, the right to foreclose or collect on the Lien by court action or as otherwise permitted by law or in equity. The provisions of this Section 4 shall survive the closing of this transaction.

#### **5. ADDITIONAL COVENANTS, WARRANTIES, AND REPRESENTATIONS**

A. Owner hereby covenants and agrees that they will not interfere with or oppose the Village in, and hereby consent to, any foreclosure proceedings by court action or otherwise, or any other proceedings instituted by Village in connection with the Subject Property.

Owner waives the right to a hearing in connection with any such foreclosure proceeding or other suit or proceedings and further waives the right to require sale of the Property in any such suit to be made in parcels. If Owner contests Village's right to proceed in any suit for the Subject Property, in addition to Owner being liable to Village for all damages which Village may suffer as a result thereof, Owner acknowledges and agrees that it shall be liable to Village for all reasonable attorneys' fees and court costs incurred by Village in such suit.

B. Owner will execute all documents and take all steps deemed necessary by Village to give effect to the terms and conditions of the Transfer Documents and this Settlement Agreement.

C. Owner warrants and represents that it has not conveyed and will not convey the Subject Property.

D. As of the date hereof, all covenants, representations, warranties, documents, acknowledgements, and agreements made by and between Owner and Village and as set forth herein are and shall be true and accurate and shall continue to be so, and shall survive the closing of this transaction.

#### **6. ABSOLUTE CONVEYANCE**

Owner acknowledges and agrees that the conveyance and transfer of the Subject Property to Village in accordance with the terms of this Agreement is an absolute conveyance and transfer of all of their right, title, and interest therein, in fact as well as form, and was not and is not now intended as a mortgage, trust conveyance, deed of trust, or security instrument of any kind; that the consideration for such conveyance and transfer is exactly as recited herein; and that Owner has no further interest (including rights of possession, repurchase, cure, or redemption) or claim in and to the Property or to the proceeds and profits, if any, which

may be derived therefrom, during the period of ownership of or upon subsequent resale or conveyance by Village, of any kind whatsoever.

## **7. NOTICE**

Any notice which is or may be given to Owner or the Village shall be in writing and shall be hand-delivered or sent by reputable courier service, or by postage pre-paid registered or certified mail, return receipt requested, and shall be deemed given (i) when received at the following addresses if hand delivered or sent by reputable courier service, and (ii) three (3) business days after being postmarked and addressed as follows if sent by registered or certified mail, return receipt requested:

**If to Owners:** Jane R. Marzano, 24539 Bay Creek Lane, Plainfield, Illinois 60586-4013

**If to Village:** 350 Victory Drive, Park Forest, Illinois 60466  
Attn: Director of Community Development,

## **8. MISCELLANEOUS**

A. The recitals set forth at the beginning of this Agreement are deemed incorporated herein, and Owner represents that the same are true and correct. The representations, warranties, covenants, acknowledgments, agreements, and indemnities contained in this Settlement Agreement and in the Transfer Documents shall survive the closing of this transaction and the delivery and recording (where applicable) of the Transfer Documents.

B. This Settlement Agreement is made in the State of Illinois and shall be construed in accordance with the laws thereof. If any provision hereof is in conflict with any statute or rule of law of the State of Illinois or is otherwise unenforceable, such provision shall be deemed null and void only to the extent of such conflict or unenforceability and shall be deemed separate from and shall not invalidate any other provision of this Settlement Agreement.

C. It is understood and agreed that this Settlement Agreement may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts, taken together, shall constitute one and the same agreement, even though Owner and Village may not have executed the same counterpart of this Agreement.

D. This Settlement Agreement may not be amended or modified except in writing executed by Owner and Village.

E. Owner and Village acknowledge that they have thoroughly read and reviewed the terms and provisions of this Settlement and the Exhibits attached hereto and are familiar with the terms hereof; that the terms and provisions contained herein have been thoroughly read by Owner and Village and are clearly understood and fully and unconditionally consented to by them; that they have had full benefit and advice of counsel of their own selection or the opportunity to obtain the benefit and advice of counsel of their own selection in regard to understanding the terms, meaning, and effect of this Settlement Agreement; that their execution of this Settlement Agreement and the Transfer Documents are done freely, voluntarily, with full knowledge, and without duress, and that in executing this Settlement Agreement and the Transfer Documents, Owner has relied on no other representations, either written or oral, express or implied, made to them by Village or any other party; and that the consideration received by them hereunder has been actual and adequate.

F. Village and Owner each acknowledge that there are no other agreements or representations, either oral or written express or implied, that are not embodied in this Settlement Agreement, and this Settlement Agreement and the Transfer Documents and all Exhibits attached hereto and thereto represent a complete integration of all prior and contemporaneous agreements and understandings of Village and Owner, and that all such agreements, understandings, and documents, except for the Note, the debt evidence thereby, and the Security Documents executed in connection therewith, are hereby superseded by this Settlement Agreement.

G. This Settlement Agreement shall be binding upon and inure to the benefit of Owner and Village, their respective heirs, executors, personal representatives, successors, assigns, grantees, and legal representatives, and no other party shall be a beneficiary hereunder.

**IN WITNESS WHEREOF**, Owner and Village have caused this Agreement to be executed as of the day and year first above written.

JANE R. MARZANO (OWNER):

\_\_\_\_\_

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

VILLAGE:

\_\_\_\_\_

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

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

Its: \_\_\_\_\_

**EXHIBIT A**

**LEGAL DESCRIPTION**

LOT EIGHT (8) IN BLOCK FIFTY-FOUR (54) IN VILLAGE OF PARK FOREST AREA NO. FIVE (5), BEING A SUBDIVISION OF PART OF THE EAST ½ OF SECTION 35 AND THE WEST ½ OF SECTION 36, TOWNSHIP 35 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY ILLINOIS, AUGUST 3, 1951 AS DOCUMENT 15139014, SITUATED IN THE VILLAGE OF PARK FOREST, COUNTY OF COOK, AND STATE OF ILLINOIS.

**EXHIBIT B**

**Affidavit of Heirship**

**EXHIBIT C**

**ALTA TITLE COMMITMENT**



## **AGENDA BRIEFING**

TO: President Ostenburg  
Board of Trustees

FROM: Ken Eyer, Director of Public Works

RE: A Resolution Authorizing the Execution of a Service Provider Agreement  
to Engage in Public Transportation Services with Pace

DATE: November 22, 2011

### **BACKGROUND/DISCUSSION:**

The attached resolution authorizes the approval of the Paratransit Service Provider Agreement between the Village of Park Forest and PACE for calendar year 2012. This is the agreement under which the Village leases vehicles at no cost and receives an operating subsidy for the Jolly Trolley bus service.

The agreement is attached. Exhibit A (in the agreement) shows financial projections for the operation of the service for calendar year 2012. These projections are based on projected ridership, vehicle hours of operation and per hour operating costs.

The Village Attorney will provide a written legal opinion on the agreement as required by PACE.

**SCHEDULE FOR CONSIDERATION:** This item will appear on the consent agenda of the Rules meeting of December 5, 2011, for your consideration and approval.

**RESOLUTION**

**A RESOLUTION AUTHORIZING THE EXECUTION OF A SERVICE PROVIDER AGREEMENT TO ENGAGE IN PUBLIC TRANSPORTATION SERVICES WITH PACE**

**WHEREAS**, the Regional Transportation Authority was created as a single authority to be responsible for providing, aiding and assisting public transportation in the northeastern area of the State of Illinois, including financial review and facilitation of public transportation and its providers, (Ill.Rev.Stat.ch.111-2/3,701.02); and

**WHEREAS**, PACE was created as the Suburban Bus Division of the Regional Transportation Authority to be responsible for providing public transportation by bus, (Ill.Rev.Stat.ch.111-2/3,703A.01); and

**WHEREAS**, PACE may enter into service provider agreements with governmental and private sector entities to obtain public bus service and to provide for payment of operating and other expenses upon such terms and condition as PACE shall provide in any such agreements; and

**WHEREAS**, PACE desires to have the Service Provider provide the Transportation Services as described in the Agreement and Service Provider desires to provide such services; and

**WHEREAS**, the Village of Park Forest is duly organized, validly existing and in good standing under the laws of the State of Illinois, and has the legal authority to engage in and carry on the public transportation services; and

**NOW, THEREFORE, LET IT BE RESOLVED** by the Mayor and Board of Trustees of the Village, Cook and Will Counties, Illinois, to authorize the Village Manager to execute the Paratransit Service Provider Agreement between PACE and the Village in substantially the form as attached..

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2011.

APPROVED:

ATTEST:

\_\_\_\_\_  
Village Mayor

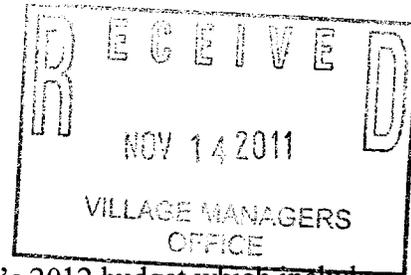
\_\_\_\_\_  
Village Clerk



Thomas J. Ross  
Executive Director

November 10, 2011

Honorable John A. Ostenburg  
Mayor  
Village of Park Forest  
350 Victory Drive  
Park Forest, IL 60466



Dear Mayor Ostenburg:

On November 9, 2011, the Board of Directors approved Pace's 2012 budget which includes funding for dial-a-ride programs. Despite ongoing financial uncertainty in 2012, we have again been able to maintain our current funding to you.

Enclosed are two copies of the Paratransit Service Provider Agreement between Pace and the Village of Park Forest. Also included is the Cost Estimate Worksheet which shows projected costs, ridership, and Pace's 2012 budgeted subsidy for your program.

Your current Paratransit Service Provider Agreement expires on December 31, 2011. To ensure that your dial-a-ride project can continue, uninterrupted, beginning January 1, 2012, please return the two fully executed original agreements, together with a Legal Opinion and Board Resolution, to Pace in the enclosed return envelope no later than Wednesday, December 21, 2011. Once both agreements are signed by Pace's Executive Director, we will return a fully executed agreement to you.

Please feel free to contact Randy Comstock, Division Manager, Suburban Services, at 847-228-4223 if you have any questions regarding this matter. We are looking forward to another year of working with your community to provide dial-a-ride service in your area. Thank you in advance for your cooperation.

Sincerely,

Melinda J. Metzger  
Deputy Executive Director  
Revenue Services

MJM/mol-2012 service provider agreement ltr

Enclosures

2012

**PARATRANSIT SERVICE PROVIDER AGREEMENT**

**BY AND BETWEEN**

**SUBURBAN BUS DIVISION**

**OF THE**

**REGIONAL TRANSPORTATION AUTHORITY (PACE)**

**AND**

***Village of Park Forest***

**SERVICE PROVIDER**

**PROVIDER**

**Village of Park Forest**

350 Victory Drive

Park Forest, IL 60466

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<b>EXHIBIT F</b>	Service Provider's Certification
<b>EXHIBIT G</b>	Form Of Opinion Of Service Provider's Counsel

## 2012 PARATRANSIT SERVICE PROVIDER AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2011, to be effective as of January 1, 2012, by and between the SUBURBAN BUS DIVISION OF THE REGIONAL TRANSPORTATION AUTHORITY, operating under the name and hereinafter referred to as "Pace" and "Service Provider" as shown on the cover page to this Agreement.

### W I T N E S S E T H:

WHEREAS, the Regional Transportation Authority was created as a single authority to be responsible for providing, aiding and assisting public transportation in the northeastern area of the State of Illinois, including financial review and facilitation of public transportation and its providers, (70 ILCS 3615/1.02); and

WHEREAS, Pace was created as the Suburban Bus Division of the Regional Transportation Authority to be responsible for providing public transportation by bus, (70 ILCS 3615/3A.01); and

WHEREAS, Pace may enter into service provider agreements with governmental and private sector entities to obtain public bus service and to provide for payment of operating, capital and other expenses upon such terms and conditions as Pace shall provide in any such agreements; and

WHEREAS, Pace desires to have Service Provider provide the Transportation Services as described in this Agreement and Service Provider desires to provide such services;

NOW, THEREFORE, in consideration of the promises and agreements herein set forth, Pace and the Service Provider HEREBY AGREE as follows:

### ARTICLE I

#### DEFINITIONS

Agreement Term. The term specified in Section 11.1 of this Agreement, as such term may be reduced or extended pursuant to the provisions of this Agreement.

Approved Budget. The budget of approved expenses attached to this Agreement as Exhibit A, as the same may be revised from time-to-time pursuant to this Agreement.

Approved Maximum Service Reimbursement Amount. The amount shown on the Approved Budget for the line designated "Approved Maximum Service Reimbursement Amount," as such amount may be increased or decreased during the Agreement Term pursuant to the provisions of this Agreement.

Equipment. Pace Equipment and Service Provider Equipment.

Service Provider Application. The submission of a proposed budget and related material in accordance with Section 10.9 shall be the Service Provider's reimbursement application to Pace.

Service Reimbursement Amount. The total amount payable pursuant to Section 10.1 of this Agreement.

Line Item. A specific, separately identified category of expense listed on the Approved Budget.

Line Item Budget. The amount of the Approved Budget allocated to a specific Line Item.

Line Item Budget Maximum. The amount shown on the Approved Budget for each Line Item, as such amount may be increased or decreased during the Agreement Term pursuant to the provisions of this Agreement.

Monthly Report. The monthly report of revenue and expenses and other reports and information as described in the Pace Paratransit Manual.

Pace Equipment. All assets of every kind, including Pace Vehicles provided by Pace to the Service Provider, at any time, whether before or after the execution of this Agreement.

Pace Paratransit Manual. The manual of Pace policies, practices and procedures prepared and regularly amended, revised and supplemented by Pace, as it may be from time to time amended, revised or supplemented by Pace during the Agreement Term. All references to the Pace Paratransit Manual shall be deemed to be references to the most current provisions of the Pace Paratransit Manual. All references to any specific section, exhibit or provision of the Pace Paratransit Manual are for convenience only and shall be deemed to be references to any and all relevant provisions of the Pace Paratransit Manual.

Pace Vehicle. All Vehicles of every kind provided by Pace to the Service Provider at any time, whether before or after the execution of this Agreement and whether in connection with this Agreement or in connection with any prior agreement or relation between Pace and Service Provider or in connection with the provision of services pursuant to this Agreement or any prior agreement or relation, including, without limitation, all Vehicles listed in Exhibit B hereto, and all other Vehicles provided by Pace to Service Provider, whether or not listed on Exhibit B hereto.

Operating Expenditure. This term shall mean all expenses properly classified as operating expenses incurred by the Service Provider but in no event shall include:

- (a) any amount required to be paid by Service Provider to Pace pursuant to this Agreement or pursuant to any other agreement between Pace and Service Provider;
- (b) any expense not incidental to, or necessary for, the provision of the Transportation Services;
- (c) any excessive or unreasonable expense;
- (d) any expense for local government taxes, fees, licenses or other charges unless specifically included in the Approved Budget or its supporting documents or unless approved in writing by Pace;

- (e) any expense not made in conformance with the Approved Budget or at the direction or with the approval of Pace or pursuant to a requirement of federal or state law determined by Pace to be applicable;
- (f) any expense for insurance policies which are duplicative of coverage provided under Pace's Risk Management Program (as provided in Article XIII of this Agreement);
- (g) any expense resulting from the amortization or payment of any debt incurred prior to the Agreement Term or incurred without the approval of Pace;
- (h) any interest expense unless approved in writing by Pace;
- (i) any sinking fund expense;
- (j) any expense resulting from the amortization of any intangible cost to the extent it does not meet the evaluative criteria for allowable amortization established by Pace from time to time;
- (k) any depreciation expense;
- (l) any non-cash expense incurred or accrued without Pace's prior written approval; and
- (m) any expenses related to service identified in Exhibit D as not being reimbursed by Pace.

**Risk Financing Program.** The risk management program established by Pace to consolidate into a single comprehensive system the administration of all bodily injury and property damage claims asserted against Pace and Service Providers arising from Transportation Services provided with Pace vehicles, as the same may be from time to time amended or revised, as further described in Section 8.2 of this Agreement.

**Transportation Revenue.** All amounts properly classified as revenue or income generated by, derived from, attributable to or related to the Transportation Services during the Agreement Term, regardless of the date of collection. This term shall not include any funds agreed to by Pace to be designated as local share in an Approved Budget.

**Transportation Services.** The services specified in Subsection 2.1A of this Agreement and Exhibit D as the same may be modified from time to time pursuant to the provisions of Subsection 2.1B of this Agreement.

**Vehicle.** Any means of transportation or conveyance such as, but not limited to, a bus, a truck, a van, or an automobile.

## ARTICLE II

### SCOPE AND DESCRIPTION OF SERVICES

#### Section 2.1. Transportation Services.

A. Transportation Services. Throughout the Agreement Term, Service Provider, acting as an independent contractor for the benefit of Pace and not as an agent for Pace, agrees to provide the service as described in Exhibit D. As an integral part of providing such service, Service Provider shall at all times:

- (1) comply with all Pace service standards as set forth in the Pace Paratransit Manual;
- (2) comply with all of the other provisions of this Agreement;
- (3) take reasonable steps to assure the safety and reasonable comfort and convenience of the public utilizing such service;
- (4) comply with all policies, practices, procedures, terms and conditions as may be directed by Pace with regard to collection, security for and disposition of fares and other Transportation Revenue;
- (5) comply with all policies, practices, procedures, terms and conditions as may be directed by Pace with regard to matters such as passes, tickets, coupons, tokens, transfers, transfer systems, interconnections between different modes of transportation and interconnections between different transportation services;
- (6) comply with all of the policies, practices, procedures, terms and conditions required by use of federal, State of Illinois and RTA funds, including, without limitation, conditions pertaining to rates charged to students, elderly and handicapped persons, the prohibition of charter bus operations, the prohibition of school bus operations, employment, and reporting;
- (7) comply with all policies, practices, procedures, terms and conditions as may be directed by Pace with regard to the availability and distribution of schedules and other printed material related to such service and related transportation services;
- (8) conduct such services, and its business and operations as they relate to such services, in a safe, sound, economical and efficient manner;
- (9) comply with all Pace efforts to improve service efficiency; and
- (10) comply with all applicable provisions of federal, state and local law.

B. Changes in Transportation Services.

- (1) Service Provider Initiated Changes. Service Provider shall not, without the prior written approval of Pace, initiate or permit any change to the Transportation Services specified in Subsection 2.1A above or Exhibit D. Service Provider may propose changes in the Transportation Services by presenting a proposal therefore in writing to Pace at least 45 days in advance of the date on which the change is proposed to take effect. Such change shall not be implemented unless expressly approved in writing by Pace. Notwithstanding the foregoing, Service Provider may implement minor operational

changes that will neither (a) affect any fare or system for passes, transfers, interconnections or similar programs nor (b) substantially change the service area or service hours provided Service Provider first gives Pace at least 30 days notice of its intent to make such minor change and if Pace has not disapproved such proposed minor change in writing within 15 days following receipt of such notice. Service Provider may, in addition, make minor operational changes of an emergency nature without Pace approval; provided, however, that no such change shall be made that would increase reimbursement by Pace and provided, further, that Service Provider shall give Pace notice of each such minor change as soon as possible, and in no event later than 12 hours after it is made.

- (2) Pace Initiated Changes. Pace may modify the Transportation Services upon written notice to the Service Provider, to reflect decisions made by Pace with regard to the service design and operation of the service. Pace further reserves the right to modify the Transportation Services described in Exhibit D and to adjust the Approved Budget.
- (3) Pace Discretion. Nothing in this Subsection 2.1B shall be construed to require Pace to approve any change to the Transportation Services specified in Subsection 2.1A, and Pace may withhold its approval of any such change in its sole discretion.

Section 2.2. Force Majeure. Service Provider shall not be in default in its obligation to provide Transportation Services as herein required to the extent that it is unable to provide such services as a result of abnormally severe weather or road conditions, strikes or other labor stoppages, unavailability of sufficient vehicles through no fault of the Service Provider and other events and conditions that are beyond the reasonable ability of Service Provider to control or remedy and that render provision of such service impossible or not reasonably feasible. In any such case, Service Provider shall provide such modified or reduced services as are practicable under the circumstances and shall use all reasonable efforts to restore full services in accordance with this Agreement at the earliest possible time. Immediately upon the occurrence of, or the imminent threat of the occurrence of, any such event or condition, and prior to implementing any reduced or modified service, Service Provider shall notify Pace by telephone, with written confirmation as soon as possible thereafter, of:

- (1) The nature of the event or condition;
- (2) The actual or expected time of the occurrence of the event or condition and its expected duration;
- (3) The impact of the event or condition on Transportation Services;
- (4) The modified or reduced service that Service Provider proposes to provide during the continuation of the event or condition; and

(5) The steps Service Provider proposes to take to restore full service.

## ARTICLE III

### EQUIPMENT

#### Section 3.1. Provision of Equipment By Pace.

A. Pace Rights With Respect to Pace Vehicles and Other Pace Equipment. This Agreement applies to all Pace Equipment provided by Pace to Service Provider at any time. If Paragraph A of Exhibit B contains the word "NONE," and no Pace Equipment is provided to the Service Provider during the Agreement term, Section 3.1, Section 3.2, and Section 3.3 shall be of no force or effect; otherwise, it shall apply to any Vehicles listed in Exhibit B. Pace reserves the absolute right, in its sole discretion, (1) to determine the number and type of Pace Vehicles provided to Service Provider, (2) to substitute or replace any Pace Vehicles provided to Service Provider and (3) to direct the return to Pace or its designee of any or all Pace Vehicles at any time; provided, however, that in the absence of fault by Service Provider or other good cause, Pace shall not take action under this Paragraph 3.1A that would have the effect of preventing or materially and adversely affecting the ability of Service Provider to provide the Transportation Services as that service may be modified in accordance with Subsection 2.1(B)(2).

B. Pace Equipment Provided; Inventory and Documentation. Service Provider agrees to comply with all Pace procedures for handling Pace Equipment in accordance with the Pace Paratransit Manual. Service Provider agrees to cooperate fully with Pace in developing and maintaining an accurate inventory of all Pace Equipment from time to time in the possession of Service Provider. Service Provider shall complete and process all documentation necessary to evidence and record the receipt, possession, return or transfer of any Pace Equipment coming into, being in or leaving its possession, all as required by the Pace Paratransit Manual. Copies of all such documentation with respect to Pace Vehicles shall be attached to and become part of Exhibit B.

C. No Consideration. Service Provider shall not be required to pay any separate consideration for the use of the Pace Equipment during the Agreement Term.

D. Service Provider Acceptance of Pace Equipment. Service Provider shall accept delivery of Pace Equipment at such times and places within the six county region as Pace shall designate upon notice to Service Provider that such Equipment is available for delivery. In case of any unreasonable delay, neglect, refusal, or failure to accept any Pace Equipment

at the time and place designated, all costs and expenses incurred by Pace arising from such delay, neglect, refusal or failure shall be reimbursed by Service Provider immediately upon written demand by Pace. Such costs and expenses shall not be an Operating Expenditure for purposes of this Agreement.

E. Pace Equipment Returns and Substitutions. Any Pace Equipment that Pace designates to be returned or transferred shall, upon reasonable notice, be delivered by Service Provider at the time and to the place designated by Pace within the six county region. Service Provider also shall accept delivery of any substitute Pace Equipment at the time and place designated by Pace within the six county region. All terms and conditions of this Agreement shall apply to such substitute Pace Equipment.

F. Surplus Pace Equipment. Any Pace Vehicle not scheduled for use in providing or supporting the Transportation Services and not required as a spare, as determined by Pace, for a period of ten days or more shall be considered surplus Pace Equipment. Any other Pace Equipment not required, as determined by Pace, for providing Transportation Services or other services pursuant to this Agreement shall be considered surplus Pace Equipment. Pace may require Service Provider either to return such surplus Pace Equipment to Pace, to transfer it to Pace's designee or to store it at such locations as Pace may direct.

G. Pace Right to Repossess Pace Equipment. Upon the failure of Service Provider to return or deliver any Pace Equipment as directed by Pace, or if Service Provider fails to use, repair or maintain any Pace Equipment as required by this Agreement, Service Provider shall permit Pace, without demand, legal process, or a breach of the peace, to enter any premises where the Pace Equipment is or may be located and to take possession of and remove the Pace Equipment. Service Provider shall not prosecute or assist in the prosecution of any claim, suit, action, or other proceeding arising out of any such repossession by Pace. Service Provider shall reimburse Pace for any and all costs incurred by Pace in connection with actions taken by Pace pursuant to this Subsection. Such costs shall not be Operating Expenditures under this Agreement.

H. Pace Equipment Inspection. Pace shall have the right to inspect any and all Pace Equipment or cause any or all Pace Equipment to be inspected at any time, with or without prior notice to Service Provider. Pace shall also have the right to demand from time to time a written statement from Service Provider setting forth the condition of the Pace Equipment or any part of it. Service Provider shall furnish such a statement to Pace within ten days after receipt of Pace's demand therefore. Should Pace or its designee determine, in its sole discretion, that any Pace Equipment has not been maintained in accordance with this Agreement or the Pace Paratransit Manual, Pace or its designee shall report all deficiencies

to Service Provider in writing. Except for safety related deficiencies, which shall be corrected as soon as reasonably possible and prior to placing the vehicle in service, Service Provider shall have 30 days to correct the reported deficiencies.

I. **Return of Pace Equipment and Related Records Upon Termination.** Immediately following termination of this Agreement, whether by completion of the Agreement Term or any reason, Service Provider shall surrender and deliver to Pace all Pace Equipment and related records as required by Section 11.4 of this Agreement.

J. **Title to Pace Equipment; Licensing and Registration.** Service Provider acknowledges and agrees that Pace owns all the Pace Equipment. All Pace Vehicles shall be licensed and registered by Pace in the name of Pace and at the expense of Pace. Nothing contained herein shall affect Pace's absolute ownership of and title to the Pace Equipment, such ownership and title being hereby expressly reserved to and retained by Pace. Service Provider shall not obtain, acquire or otherwise be construed to own any property or other interest in the Pace Equipment except the right to use it for the purposes and on the conditions stated in this Agreement during the Agreement Term. Service Provider further agrees that it will not, in any manner, allow or permit the Pace Equipment, or any part of it, to be pledged, seized, or held for any tax, debt, lien or other obligation. Should the Pace Equipment, or any part of it, become subject to or encumbered by any tax, debt, lien or other obligation during the Agreement Term, or before the actual delivery of the Pace Equipment to Pace after the Agreement Term, Service Provider shall, subject to its right to in good faith protest any such tax, debt, lien or other obligation, promptly pay or discharge such tax, debt, lien or other obligation and relieve such Pace Equipment from the encumbrance thereof.

K. **Warranty.** NEITHER PACE NOR SERVICE PROVIDER IS THE MANUFACTURER OF THE PACE EQUIPMENT NOR THE MANUFACTURERS= AGENT, AND NEITHER MAKES ANY EXPRESS OR IMPLIED WARRANTY OF ANY NATURE REGARDING THE PACE EQUIPMENT, INCLUDING BUT NOT LIMITED TO: ITS MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE; ITS DESIGN OR CONDITION; ITS WORKMANSHIP; ITS FREEDOM FROM LATENT DEFECTS; ITS COMPLIANCE WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT; OR ITS NONINFRINGEMENT OF ANY PATENT, TRADEMARK OR LICENSE. Provided that Pace or the manufacturer has supplied required warranty documents to Service Provider, Service Provider shall take all actions it is authorized to take under this Agreement to preserve any and all manufacturers' warranties regarding the Pace Equipment. This Agreement shall not operate to release or waive any rights of Pace or Service Provider against any person not a party hereto, including the manufacturer of the Pace Equipment.

**Section 3.2. Maintenance of Pace Equipment by Service Provider.**

A. **Maintenance Requirements.** Service Provider shall at all times maintain all Pace Equipment in good mechanical condition in conformity with all applicable safety practices, laws and regulations. In addition, Service Provider shall at all times maintain all Pace Equipment in accordance with the terms and provisions of this Agreement, all maintenance policies, practices, procedures, conditions and requirements contained in the Pace Paratransit Manual and all manufacturers= maintenance schedules and warranty requirements. Service Provider shall perform all preventive maintenance required pursuant to the Pace Paratransit Manual. Service Provider shall keep both the exterior and interior of all Pace Vehicles neat, clean and in first class condition at all times. Service Provider shall be responsible to assure that all Pace Vehicles are maintained at all times so as to meet the requirements of the Illinois Department of Transportation and to assure that all Pace Vehicles have valid Illinois Department of Transportation stickers affixed to them at all times.

B. **Maintenance Records.** Service Provider shall prepare and maintain accurate records relating to all maintenance work performed by or for Service Provider on all Pace Equipment and in that regard shall comply with the provisions of Article VII of this Agreement and with all applicable Pace policies, practices, procedures, conditions and requirements as set forth in the Pace Paratransit Manual. Service Provider shall maintain a separate maintenance file for each Pace Vehicle containing all maintenance records pertaining thereto. Service Provider shall also complete, maintain and transmit to Pace all maintenance forms required in the Pace Paratransit Manual, and any other records requested by Pace including, without limitation, Vehicle maintenance records, fuel consumption records and all records required under Pace=s preventive maintenance program.

**Section 3.3. Operation of Pace Equipment By Service Provider.**

A. **General Operating Standard.** Service Provider shall use and operate all Pace Equipment in accordance with the terms and provisions of this Agreement, the operating procedures set forth in the Pace Paratransit Manual and all applicable federal, state and local laws and regulations and solely for the purpose of providing the Transportation Services or as otherwise approved in writing by Pace.

B. **Pace Vehicle Identification.** Service Provider shall not change or obstruct in any way, and shall maintain, all identification markings and decals on all Pace Vehicles as supplied and affixed by Pace. Unless otherwise approved in writing by Pace, Service Provider shall

not affix to or display on any Pace Vehicle any identification marking or decal other than those supplied and affixed by Pace.

C. Storage of Pace Equipment. Service Provider shall store all Pace Equipment at suitable locations where such Equipment is protected from vandalism and theft. Indoor storage shall have adequate fire protection, which complies with all applicable federal, state and local laws and regulations and shall have the approval of the Fire Underwriters' Laboratory.

D. Fareboxes. Except as expressly approved in writing by Pace, Service Provider shall utilize only fareboxes and related equipment provided by Pace. Service Provider shall install and maintain such fareboxes in good condition.

#### Section 3.4. Service Provider Vehicles.

A. Applicability of Section. Vehicles, if any, to be supplied by Service Provider for use in connection with providing the Transportation Services must comply with the requirements of this section.

B. Duty to Maintain Service Provider Vehicles. Service Provider shall at all times maintain all Service Provider Equipment in good mechanical condition in conformity with all applicable safety practices, laws and regulations and in accordance with standards set forth in the Pace Paratransit Manual. Service Provider shall keep both the exterior and interior of all Service Provider Vehicles neat, clean and in first class condition at all times. Service Provider shall be responsible to assure that all Service Provider Vehicles are maintained at all times so as to meet the requirements of the Illinois Department of Transportation and the Pace Paratransit Manual and to assure that all applicable Service Provider Vehicles have valid Illinois Department of Transportation stickers affixed to them at all times.

## ARTICLE IV

### EMPLOYEES

Section 4.1. Compliance with Federal, State and Local Laws. Service Provider agrees that with respect to persons employed by it to provide the Transportation Services and Other Services, it will comply with all applicable federal, state, and local labor laws including, but not limited to, any and all laws relating to the minimum wages to be paid to its employees, limitations upon the employment of minors, minimum fair wage standards for minors, the payment of wages due employees, and all applicable regulations established to protect the health and safety of employees, passengers, and the public-at-large. Service Provider also agrees to provide the employee protection, if required, under Section 13(c) of the Urban Mass Transportation Act of 1964, as amended, 49 U.S.C. ' 1609(c), and Section 2.16 of

the Regional Transportation Authority Act, (70 ILCS 3615/2.16), for persons employed by it to provide the Transportation Services.

**Section 4.2 Employees.** Service Provider shall employ only such persons as are competent and qualified to provide the Transportation Services in accordance with the requirements of this Agreement and Pace policies, practices, procedures and standards. All employees shall meet all applicable qualifications established by federal, state and local laws and regulations. Drivers shall display proper courtesy toward passengers and maintain a neat and clean appearance. Service Provider shall comply with all federal and Pace requirements relating to drug and alcohol testing. Service Provider shall participate in driver training programs, if any, established by Pace during the Agreement Term and shall comply with driver and safety standards set forth in the Pace Paratransit Manual. Failure by Service Provider or any Third Party Provider of Service Provider to comply with said requirements shall constitute grounds for nonpayment of the Service Reimbursement Amount for the duration of such noncompliance.

**Section 4.3. Employment Contracts and Labor Agreements.** Service Provider shall notify Pace of any labor negotiations being conducted with its employees and shall keep Pace fully informed of the status and progress of such negotiations.

## ARTICLE V

### **NON-DISCRIMINATION, EQUAL EMPLOYMENT AND BUSINESS OPPORTUNITY**

**Section 5.1. Compliance With Federal, State and Local Laws.** Service Provider shall comply with all applicable federal, state and local anti-discrimination and equal employment and business opportunity laws and regulations, including, but not limited to, the Age Discrimination in Employment Act, as amended, 29 U.S.C. ' ' 621 et seq., Title VII of the Civil Rights Acts of 1964, as amended, 42 U.S.C. ' ' 2000e et seq., the Civil Rights Acts of 1866 and 1871, 42 U.S.C. ' ' 1981 and 1983; and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq.

**Section 5.2. Equal Employment Opportunity.** Service Provider shall comply with all of the affirmative action, equal employment opportunity and disadvantaged business enterprise requirements in Exhibit E.

**Section 5.3. Failure to Comply.** In the event Service Provider's noncompliance with any provision set forth in Exhibit E or with any federal, state, or local anti-discrimination or equal employment or business opportunity law, including but not limited to those identified in Section 5.1 hereof, results in Service Provider being declared non-responsible and, therefore, ineligible for future contracts or subcontracts with the State of Illinois or any of its political

subdivisions or municipal corporations, this Agreement may be canceled or voided by Pace in whole or in part, and such other sanctions, penalties or remedies as may be provided by law or regulation may be imposed or invoked.

## ARTICLE VI

### REPORTS AND RECORDS

**Section 6.1. Reports, Forms and Statements Required.** Service Provider shall furnish Pace with all reports required by the Pace Paratransit Manual in accordance with the due dates specified therein. In addition, Service Provider shall furnish Pace, on a timely basis, with the following documents:

- (1) A monthly listing of any reports and documents in any way related to the Transportation Services filed by Service Provider with any government or government agency. Upon request, Service Provider shall provide Pace with a copy of any such reports and documents.
- (2) All written forms and documentation required for the administration of Pace's programs concerning students, the elderly and the handicapped. Said forms and documentation shall be furnished by Service Provider to the United States and Illinois Departments of Transportation upon Pace's request.
- (3) All correspondence, papers, notices, accident reports or documents of any nature received by Service Provider in connection with any claim or demand involving or related to Transportation Services or the Equipment.
- (4) All records required pursuant to Section 11.4 of this Agreement.
- (5) Such other reports, forms and statements as may be required by this Agreement or by federal, state or local laws or regulations or by order of any duly constituted authority.

**Section 6.2. Records.** Service Provider shall create and maintain accurate and complete records of all Transportation Services performed, all time spent, all materials, equipment and supplies purchased, and costs incurred in the performance of the Transportation Services pursuant to this Agreement, including all records required by this Agreement, the Pace Paratransit Manual or any applicable law or regulation. Unless Pace shall consent in writing to the destruction of any such records, and except for records required to be delivered to Pace at the end of the Agreement Term, Service Provider shall make said records available for review, inspection and audit in accordance with Section 6.3 below during the entire Agreement Term and for three years thereafter, or such longer period as may be required by law or any applicable grant; provided, however, that prior to the disposal or destruction of any such record by Service Provider following said period, Service Provider shall give notice to

Pace of any record or records to be disposed of or destroyed and the intended date, which shall be at least 90 days after the effective date of such notice, of disposal or destruction. Pace shall have 90 days after receipt of any such notice to give notice to Service Provider not to dispose of or destroy said record or records and to require Service Provider to deliver such record or records to Pace or its designee, at Pace's expense, on a confidential basis if appropriate.

**Section 6.3. Inspections and Audits.** Pace shall have the right, with or without prior notice to Service Provider, to review, inspect and audit all Transportation Services performed pursuant to this Agreement, and all information and records related thereto, at all reasonable times during and following the performance of the Transportation Services. The phrase "all information and records related thereto" as used in this Section shall mean all information and records under the control or supervision of, or reasonably available to, Service Provider relating to this Agreement or the Transportation Services that are reasonably necessary for Pace to verify or audit Service Provider's performance under this Agreement, or the accuracy or appropriateness of any Operating Expenditure or portion thereof, ridership information, or Service Provider's compliance with this Agreement or any portion thereof, including but not limited to all data, samples, records, reports, documents, memoranda, maps, estimates, specifications, notes, studies, tapes, photographs, film, computer programs or drawings, whether in preliminary, draft, final or other form. Pace shall perform such review, inspection or audit in a manner that will not unduly delay or interfere with Service Provider's performance under this Agreement. Service Provider shall cooperate with Pace, and provide reasonable facilities to Pace to assist Pace in any such review, inspection or audit. Pace may perform any such review, inspection or audit through an officer, employee, or other designated agent. Service Provider shall promptly remit to Pace any overpayments identified as a result of inspection and audit.

## ARTICLE VII

### THIRD PARTY PROVIDERS

**Section 7.1. Requirements.** "Third Party Providers" as used in this Agreement are any other parties who, pursuant to contract or agreement with the Service Provider, directly provide a significant part of the Transportation Services. Service Providers using Third Party Providers to provide the service shall follow the procedures in the Pace Paratransit Manual for obtaining and utilizing such providers. All service provided by a Third Party Provider to a Service Provider shall be competitively solicited at least once every four years and as frequently as once a year if required by Pace. Contracts with Third Party Providers shall be

made in accordance with applicable laws. All such agreements shall be in writing with a copy provided to Pace. Submission of the third party agreement to Pace does not release the Service Provider from any obligation under this Agreement, nor operate as a waiver of any rights of Pace under this Agreement. The Service Provider shall cause each of its Third Party Providers to comply with all applicable provisions of this Agreement and the Pace Paratransit Manual as if the name of the Third Party Provider has been substituted for the name of the Service Provider therein. In the event that Pace Equipment is to be used by a Third Party Provider, such Third Party Provider shall execute a written sublease in a form approved by Pace prior to the use of Pace Equipment.

## ARTICLE VIII

### RISK FINANCING PROGRAM AND INSURANCE REQUIREMENTS

**Section 8.1. General Requirements.** The Service Provider shall be required to comply with the Pace Paratransit Manual for all Vehicles used to provide the Transportation Services whether those Vehicles are owned by Pace, the Service Provider, or a Third Party Provider. Service Provider shall immediately notify Pace of any accidents or incidents.

**Section 8.2. Risk Financing Program.** All Pace Vehicles used in the provision of Transportation Services pursuant to this Agreement shall be included in Pace's Risk Financing Program. The Pace Risk Financing Program shall provide commercial auto liability coverage to Service Provider and any Third Party provider for any claims of bodily injury, death, or property damage arising directly out of the provision of Transportation Services provided with vehicles owned by Pace as described in this Agreement, within the scope of Pace's Self-Insured Retention and up to the liability limits of such excess insurance that Pace may purchase, *subject to the following terms, conditions, and exclusions:*

- (a) Pace specifically excludes from insurance coverage afforded to Service Provider and Third Party Provider herein any claims, actions, damages arising as the result of willful and wanton, reckless, or intentional conduct of Service Provider and/or Third Party Provider, its officers, agents, employees, contractors, sub-contractors, agents or volunteers.
- (b) Pace specifically excludes from insurance coverage afforded to Service Provider and Third Party Provider herein claims of injury or death brought directly or indirectly

against Pace, the Service Provider, or the Third Party Provider by any employee of the Service Provider, the Third-Party Provider, or any contractors or sub-contractors of the Service Provider or Third Party Provider arising out of or in connection with the Transportation Services described in this Agreement.

- (c) The policies of excess insurance purchased by Pace and Pace's Self-Insured Retention shall be primary over insurance carried by the Service Provider or its Third Party Provider for claims within the scope of Pace's Risk Financing Program. Any insurance or self insurance maintained by Service Provider and Third Party Provider shall be in excess of Pace's Self Insured Retention and the policies of excess insurance purchased by Pace, without right of contribution, for claims within the scope of Pace's Risk Financing Program.
- (d) The Service Provider and its third party provider shall be named as additional insureds in all policies of excess insurance for auto liability coverage purchased by Pace above its self-insured retention.
- (e) Service Provider and/or Third Party Provider shall provide immediate *written* notice of any and all accidents, incidents, claims, and lawsuits to Pace, in the form provided in accordance with the provisions of the Pace Paratransit Manual, including promptly updating Pace in writing when a previously reported incident or accident results in a claim or lawsuit, or a previously reported claim results in a lawsuit.
- (f) With respect to any lawsuit that is within the scope of coverage afforded by this Section 8.2, Pace shall have the right and duty to defend the Service Provider and/or Third-Party Provider, including the right to select defense counsel and control the defense of such lawsuit. In the event of any conflict of interest that would prevent Pace from controlling such defense or that would require Pace to allow the Service Provider or Third Party Provider to select independent defense counsel, Pace will reimburse the reasonable attorneys fees and expenses incurred in such defense by the Service Provider or Third Party Provider, provided however that the hourly rates of such counsel shall not exceed the hourly rates ordinarily paid by Pace to its outside counsel for defense of similar types of lawsuits. Pace shall not have any duty to defend the Service Provider or Third-Party Provider for any claims that are excluded from the coverage of this section, including any claims within the scope of

subparagraphs (a) or (b). If a lawsuit includes claims that are both covered and not covered by this Section 8.2, Pace's duty to defend only extends to those portions of the suit that are within the scope of coverage of Section 8.2, and not to any excluded claims. Pace's duty to defend under this paragraph shall cease if and when the limits of auto liability coverage are exhausted of any excess insurance policies purchased by Pace.

(g) Service Provider shall, and shall require its employees, subcontractors and any Third Party Provider, to cooperate with and assist Pace and any claims service agencies, investigators and attorneys employed by or on behalf of Pace in the administration, investigation and defense of any and all claims for bodily injury or property damage, or physical damage to any Pace vehicle asserted against Pace or Service Provider arising out of the provision of Transportation Services pursuant to this Agreement.

(h) The Service Provider's, its subcontractor's or its third party provider's failure to comply with the requirements of this Section shall relieve Pace of any and all obligations that Pace may have under this Article VIII.

**Section 8.3. Loss Prevention.** Service Provider shall, upon written notice from Pace specifying and documenting claims or other evidence of incompetence, inattention, carelessness or other fault on the part of Service Provider or any of Service Provider's employees, promptly take all lawful and reasonable steps to prevent claims or losses as a result of such incompetence, inattention, carelessness or other fault. This Section shall not, however, be construed to require Service Provider to take any action in violation of its obligations under any labor agreement or other employment contract.

**Section 8.4. Requirements for non-Pace Vehicles.** Claims arising from non-Pace owned Vehicles are not within the scope of the Pace Risk Financing Program. The Service Provider shall provide the following liability insurance coverage for all claims arising out of non-Pace owned Vehicles used in providing the Transportation Services:

- (1) For all taxicabs; the minimum Automobile Liability coverage, including Uninsured and Underinsured Motorists coverage, required by law, and
- (2) for all other vehicles; commercial Automobile Liability Insurance Coverage with a minimum Combined Single Limit (CSL) of \$5,000,000 Each Occurrence and \$5,000,000 Aggregate and Commercial General Liability Coverage with at least the following limits:

\$5,000,000 General Aggregate  
\$5,000,000 Each Occurrence Limit  
\$5,000,000 Products/Completed Operations Hazard Aggregate  
Limit  
\$5,000,000 Personal & Advertising Injury Liability Limit  
\$10,000 Medical Expense Limit (Per Person)

Each Insurance Company providing all Pace required coverage must have a minimum A.M. Best rating of A- VII using the most current data available from A.M. Best Property/Casualty Rating Company.

Contractor, Third Party Provider or any subcontractor shall name Pace Suburban Bus Service as additional insured in its liability policies, as set forth below, and agrees to waive and will require its insurers to waive all rights against the other party, as relates to this Agreement on all of the insurance coverage required under this Agreement.

The insurance policies shall be endorsed to provide that the Suburban Bus Division of the Regional Transportation Authority d/b/a Pace, and the Regional Transportation Authority and their employees are named as additional insured for "liability for 'bodily injury', 'property damage', and 'personal injury' caused in whole or in part, by our acts or omissions or the acts or omissions of those acting on our behalf: (a) in the performance of our ongoing operations; or (b) for claims brought on behalf of our employees, agents, or subcontractors and their employees," in a form providing no less coverage than that provided by the Insurance Service Office's Owners, Lessees or Contractors - Form B [ISO 20 10], on a primary basis, without right of contribution from Pace, for any liability arising from the operation of non-Pace owned vehicles. The coverage shall contain no special limitations on the scope of its protection to the above listed insureds.

The Contractor's insurance must contain the standard Separation of Insureds provision or an endorsement providing that, except with respect to limits, the insurance applies separately to each insured.

The Contractor and any subcontractors shall provide that there will be no recourse against Pace Suburban Bus Service as additional insured for the payment of premiums, additional premiums or assessments, it being understood that these are obligations of the party providing such insurance pursuant to this Agreement.

The Contractor's insurance shall be primary over any other insurance carried by Pace, including self-insurance. In the event the policies should be changed or canceled, said change or cancellation shall not be effective until 30 days after Pace has received notice of such change or cancellation from the Insurance company.

The Service Provider shall comply with all accident and incident notification and reporting requirements provided for in the Pace Paratransit Manual including Chapter 5 on accident incident reporting and Chapter 6 on personnel standards and rules including drug/alcohol testing requirements.

## **ARTICLE IX**

### **INDEMNIFICATION**

**Section 9.1 General.** To the fullest extent permitted by law and within the limits of Pace's self insured retention and the excess/umbrella auto liability insurance policies purchased by Pace, Pace shall indemnify and hold harmless Service Provider and its third party provider, their officers, agents, and employees from and against any and all auto liability claims, suits, losses, damages and expenses, which may arise out of the operation of transportation services provided with Pace owned vehicles pursuant to the 2011 Paratransit Service Provider Agreement, provided that Service Provider and its third party provider comply with the notice and cooperation requirements stated in Section 8.2 above, regardless of whether or not it is caused in whole or in part by any negligent act or omission of Service Provider or its Third Party Provider, their officers, agents or employees. This indemnification does not extend to willful and wanton, reckless or intentional conduct of the Service Provider or Third Party

Provider and is specifically excluded from this indemnification and insurance coverage, including self-insurance.

Service Provider and its Third Party Provider shall indemnify, hold harmless, and defend Pace and the Regional Transportation Authority, their board members, officers, employees, agents and attorneys from and against (a) all auto liability claims, suits, losses, damages and expenses, which may arise out of the operation of transportation services provided with non owned Pace vehicles in providing services pursuant to the 2012 Paratransit Service Provider Agreement; (b) any claims, suits, actions, damages which arise out of the willful and wanton, reckless or intentional acts of the Service Provider or its Third Party Provider in the performance of this agreement; and (c) claims brought directly or indirectly against Pace by an employee of the Service Provider, or an employee of Service Provider's contractors or sub-contractors (Third Party Provider), or arising out of any injury or death of Service Provider's employee, or an employee of Service Provider's contractors or subcontractors (Third Party Provider), in connection with the Transportation Services described in this Agreement..

The indemnities contained in this Section shall survive termination of this Agreement.

**Section 9.2. Service Provider's Damages.** Except as expressly provided in Article VIII or Article IX of this Agreement, Pace shall not be responsible to Service Provider or to any of its officers, employees, agents or attorneys for any loss of business or other damage caused by an interruption of the Transportation Services, or for the time lost in repairing or replacing any Pace Equipment, or for any loss, injury, or damage arising out of or relating to Pace's failure to deliver Pace Equipment, or for any other losses or damages sustained by the Service Provider hereunder. Except as expressly provided in Article VIII or Article IX of this Agreement, Pace assumes no liability or responsibility for any acts or omissions of Service Provider, or of Service Provider's officers, employees, agents or attorneys, or for any property of Service Provider or any other person that is damaged, lost, or stolen in the performance, or as a result of the performance, of this Agreement.

## ARTICLE X

### PAYMENT, BUDGET AND ACCOUNTING

**Section 10.1. Maximum Service Reimbursement Amount.** Pace hereby agrees to pay the Service Provider a service reimbursement in an amount as limited by the Approved Budget

and further limited by (i) the Paratransit Service Reimbursement Guidelines shown in Exhibit C and (ii) the other provisions of this Article X. Pace may change the Paratransit Service Reimbursement Guidelines of the Paratransit Program and/or level of fares and such new guidelines and fare shall be used to determine Pace's maximum reimbursement obligation. If the Pace Board revises the Paratransit Reimbursement Guidelines during the term of this Agreement, then such new guidelines shall be effective for the remainder of the Agreement Term subject only to a sixty day notice period during which time the old guidelines would remain in effect.

**Section 10.2. Payment of Reimbursement.** Pace shall make monthly payment installments of the service reimbursement based on the receipt of a properly prepared Monthly Report and related required documentation. During January and February, the monthly installments shall be one-twelfth of the Service Reimbursement Amount in accordance with the Approved Budget. Each of the remaining monthly payment installments shall be based on the Monthly Report for the month that is two months prior to the month during which the report is submitted and payment is due. Such material must be received by Pace by the close of business on the day specified in the Pace Paratransit Manual in order to be processed and paid during the submitted month. Any late or improperly prepared submissions shall not be considered for payment until the next month. After all Monthly Reports have been received for the Agreement Term, a final calculation of the service reimbursement amount shall be made. If a credit is due to either party, such party shall pay the amount of such credit to the other party within 30 days following demand therefore.

**Section 10.3. Limitations on Payments.** In addition to any other remedy provided herein, if Service Provider materially fails to comply with any term of this Agreement, or fails to take corrective action as directed by Pace, Pace may withhold payments pending Service Provider's actions to achieve compliance or take corrective action.

Notwithstanding any other provision of this Article, no payment of the Service Reimbursement Amount, or any installment thereof, shall be due, owing or made in violation of any of the following limitations:

- (1) No monthly installment due in any month shall be paid unless the Reports required pursuant to the Pace Paratransit Manual have been filed with Pace in accordance with said Section.
- (2) No payment shall be made if Pace should find or has reason to believe that the Monthly Reports have not been prepared in accordance with sound financial and management practices. Pace shall withhold payment until such issues are resolved.
- (3) Payments shall not exceed the Approved Maximum Service Reimbursement Amount. Any payments made after January 1, 2012 pursuant to any prior reimbursement

agreement between the parties whose term extended into calendar year 2010 shall be deemed to be payments made under this Agreement with the exception of payments due for service provided prior to January 1, 2012.

- (4) No payment shall be made with respect to any Operating Expenditure incurred or accrued in violation of this Agreement or any provision of the Pace Paratransit Manual.

Section 10.4. Funding Availability. Notwithstanding anything to the contrary, including in particular (but not limited to the provisions of Section 10.1), it is expressly agreed that the obligation of Pace to pay the Service Reimbursement Amount shall be limited to the availability of funds from Pace's revenues and budget for Pace's fiscal year so that in the event Pace determines that funds are not available, Pace's obligations to pay any such unpaid part or parts of the Service Reimbursement Amount shall be terminated forthwith and Pace shall have no further obligations to make any payments to Service Provider under the Agreement. In the event that Pace determines that no funds will be available to pay the Service Reimbursement Amount, the Service Provider shall be given written notice thereof in accordance with Section 11.2.

Section 10.5. Transportation Revenue. All Transportation Revenue shall be the property of the Service Provider. Service Provider shall comply with Pace policies, practices and procedures relating to the collection, security, and accounting of all Transportation Revenue as set forth in the Pace Paratransit Manual. Should the Service Provider decide to allow any passengers to travel at less than the minimum fares for paratransit established by the Pace Board, then the difference between the minimum Pace fare and fares charged shall be funded by the Service Provider and such funds shall be considered Transportation Revenue.

Section 10.6. Accounting and Reporting Standards. Service Provider shall maintain its books and records, and shall prepare, maintain and file reports, relating to this Agreement and the Transportation Services in accordance with generally accepted governmental accounting principles, Section 15 of the United States Urban Mass Transit Act, the Pace Paratransit Manual, the Approved Budget and any documentation submitted by Service Provider, and approved by Pace, in support of the Approved Budget. In case of any conflict in the aforesaid standards, Service Provider shall seek specific direction from Pace and, pending receipt of such direction, shall comply with that standard that most fairly, accurately and completely records and reports the results of operations.

Section 10.7. Budget Amendments. Pace shall have no obligation to revise the Approved Budget or to increase the Approved Maximum Service Reimbursement Amount or any Line Item Budget Maximum.

Section 10.8. Capital Expenditures. Pace is not obligated to provide any grant funds to the Service Provider for capital purchases. Any Capital Asset paid for with the proceeds of any payment made by Pace shall be the property of Pace and shall be added to Exhibit B or to the inventory of Pace Equipment required pursuant to Subsection 3.1B and shall be returned to Pace at the end of the Agreement Term.

Section 10.9. Subsequent Service Reimbursement. In order to permit Pace to evaluate the merits of entering into a new service reimbursement agreement for Transportation Services with Service Provider following the end of the Agreement Term, Service Provider shall, during the Agreement Term and pursuant to this Section, cooperate with Pace to develop a proposed budget for the calendar year following the Agreement Term. On or before July 1 of the Agreement Term, or such other date as Pace may specify in a service reimbursement application solicitation request, Service Provider shall submit its formal Service Provider application to Pace in the format specified by Pace. Nothing in this Section shall, however, obligate either Pace or Service Provider to agree to any reimbursement estimate or to enter into any new agreement.

## ARTICLE XI

### TERM

Section 11.1. Term. The term of this Agreement shall be one year commencing on the 1st day of January, 2012, and terminating after the last scheduled service on the 31st day of December, 2012.

Section 11.2. Termination for Impossibility of Performance. This Agreement may be terminated, in whole or in part, upon seven days written notice given by Pace to Service Provider in the event that the Illinois General Assembly, the Regional Transportation Authority or any funding source fails in any fiscal year to appropriate or otherwise make available sufficient funds, as determined in the sole discretion of Pace, to cover payments to be made to Service Provider pursuant to Article X hereof, or if any Vehicle(s) necessary to perform the Transportation Services hereunder (are) is unavailable for any reason, as determined in the sole discretion of Pace.

The termination of this Agreement shall not be in any manner prevented or affected by the fact that Service Provider may have already partially or fully performed its obligations under this Agreement in respect to any unpaid part or parts of this Agreement by the time it is determined by Pace that it will be unable to pay the remaining unpaid part or parts of this Agreement.

Section 11.3 Termination for Service Provider Default

A. Immediate Termination. This Agreement shall be terminated, and the Agreement Term shall end, 24 hours after written notice of such termination given by Pace to Service Provider in the event that Service Provider shall, for any reason, other than as specified in Section 2.2 of this Agreement, cancel, eliminate or reduce or diminish service without prior written approval from Pace.

B. Termination Following Failure To Cure. This Agreement shall be terminated, and the Agreement Term shall end, if the Service Provider violates any other material obligation under this Agreement or fails to timely perform any other material obligation under this Agreement and such violation or failure shall continue for a period of 21 days after Service Provider receives written notice from Pace describing in reasonable detail the nature of the violation or failure; provided, however, that in the event such violation or failure cannot be cured within said 21 day period notwithstanding diligent and continuous effort by Service Provider and Service Provider shall have promptly commenced to cure the violation or failure and shall have thereafter prosecuted the curing of same with diligence and continuity, then the period for curing such violation or failure shall be extended for such period as Pace may determine to be necessary for curing such violation with diligence and continuity.

C. Obligations Following Termination. Pace's obligations upon termination of this Agreement in any manner and for any purpose authorized by this Article XI shall be limited to payment of reimbursement obligations for services rendered by Service Provider up to the date of said termination. Immediately upon termination of this Agreement in any manner and for any purpose, Service Provider shall comply with the provisions of Section 11.4 below. In addition, Service Provider shall be liable to Pace for all damages incurred as a result of any violation or failure that leads to termination of this Agreement. Said damages shall include, but shall not be limited to, all court costs, and attorneys' fees and disbursements incurred in connection with enforcing or defending Pace's rights hereunder.

Section 11.4. Return of Pace Equipment and Records Upon Termination. Immediately following the Agreement Term, Service Provider shall surrender and deliver to Pace at such time or times and at such location or locations within the six-county region as Pace may designate:

- (1) All Pace Vehicles and Other Pace Equipment in good operating order, repair and condition, reasonable wear and tear and normal depreciation excepted; and
- (2) All records pertaining to all Pace Vehicles and Other Pace Equipment, including, without limitation, all preventative maintenance reports and vehicle repair reports.

Pace shall have the right to inspect the premises of the Service Provider and to remove any Pace Equipment or any such records that remain in the possession of Service Provider. Pace, in its sole discretion, shall determine the condition of surrendered and returned Pace Equipment and the extent of any wear and tear, depreciation or damage. Service Provider shall make, or cause to be made, any and all repairs deemed necessary by Pace to place the surrendered and returned Pace Equipment in the condition required by Sections 3.1 and 3.2 of this Agreement. Such repairs shall be completed within 21 days following Pace's written demand that they be undertaken. If any such repairs are the result of Service Provider's failure to comply with the provisions of this Agreement, the cost thereof shall not be reimbursable by Pace under this Agreement. If Service Provider fails to make such repairs, then Pace shall have such repairs performed and Service Provider shall reimburse Pace for the cost of such repairs within 30 days after a receipt for such costs is provided to Service Provider.

## ARTICLE XII

### COVENANTS AND REPRESENTATIONS

**Section 12.1. General.** Service Provider hereby makes the covenants and representations with and to Pace as described in this Article and hereby agrees to abide by each and every one of them.

**Section 12.2. Corporate Existence and Power.** Service Provider is duly organized, validly existing and in good standing under the laws of the State of Illinois, and has the legal power and authority to enter into this Agreement and to provide, engage in and carry out the Transportation Services. Service Provider shall maintain its corporate identity and shall make no attempt to cause its corporate existence to be abolished during the Agreement Term.

**Section 12.3. Authorization.** Service Provider has been duly authorized to execute this Agreement by its corporate authorities by ordinance duly adopted, and the execution and delivery of this Agreement by all of the parties signatory hereto shall constitute a valid and binding obligation of Service Provider, enforceable in accordance with its terms, and the making of and compliance by Service Provider with the terms and conditions of this Agreement will not result in any breach or violation of, or default under, any judgment, decree, mortgage, contract, agreement, indenture or other instrument applicable to Service Provider.

**Section 12.4. Approvals Received.** All such approvals, consents, permits, licenses, authorizations, or modifications as may be required to permit the performance by Service

Provider of its obligations under this Agreement have been obtained from the appropriate governmental authorities or other persons or entities.

Section 12.5. No Material Litigation. No litigation, investigation or proceeding of or before any court, governmental authority or arbitrator is pending or, to the knowledge of Service Provider, threatened by or against Service Provider, or against any of its properties or revenues (1) with respect to this Agreement, or (2) which is reasonably likely to have a material adverse effect on the operations, property or financial condition of Service Provider.

Section 12.6. No Default. Service Provider is not in default under or with respect to any obligation in any respect that could be materially adverse to the business, operations, property or financial condition of Service Provider or that is reasonably likely to materially adversely affect the ability of Service Provider to perform its obligations under this Agreement.

Section 12.7. No Burdensome Restrictions. No obligation of Service Provider and no requirement of law materially adversely affects, or insofar as Service Provider Agency may reasonably foresee may so affect, the business, operations, property or financial condition of Service Provider or the ability of Service Provider to perform its obligations under this Agreement.

Section 12.8. No Sale, Lease or Encumbrance. Service Provider will not sell, lease, loan, or in any manner dispose of any Pace Equipment during the Agreement Term.

Section 12.9. Payment of Obligations. Service Provider shall pay and discharge all of its obligations and indebtednesses with respect to the Transportation Services and with respect to the Service Provider Vehicles, if any; provided, however, that any such obligation or indebtedness need not be paid if the validity thereof shall currently be contested in good faith by appropriate proceedings and if Service Provider shall have set aside on its books adequate reserves with respect thereto, except that all such obligations and indebtednesses shall be paid forthwith upon an adverse decision in such proceedings and the exhaustion of available appellate relief with respect thereto.

Section 12.10. Compliance With Applicable Laws. Service Provider shall comply with all federal, state and local statutes, laws, rules, regulations and orders applicable to the Transportation Services.

Section 12.11. Compliance With Agreement Conditions. Service Provider shall comply with all conditions of, and all laws and regulations and all Pace policies, practices and procedures applicable to, any federal, state or local grant received by Pace or by Service Provider at any time with respect to the Transportation Services or the Equipment, including the Pace Paratransit Manual.

Section 12.12. No Bar From Public Contracts. Service Provider warrants and represents that the statements contained in the Service Provider's Certification in Exhibit F hereto are true and correct.

Section 12.13. Opinion of Counsel. Service Provider shall provide to Pace, at or before the time Service Provider executes this Agreement, an opinion of an attorney licensed to practice law in the State of Illinois in the form provided in Exhibit G.

## ARTICLE XIII

### GENERAL PROVISIONS

Section 13.1. Complete Agreement. This Agreement, including the Exhibits hereto and the Pace Paratransit Manual, constitutes the entire Agreement between the parties hereto, except as it may be amended as provided by this Article.

Section 13.2. Exhibits; Pace Paratransit Manual; Conflicts. Exhibits A through G attached to this Agreement and the Pace Paratransit Manual (as such Manual may be amended from time to time and as supplemented with Pace directives) are incorporated herein and made a part hereof by this reference. In case of any conflict among the provisions of this Agreement, including the Exhibits hereto and the Pace Paratransit Manual, that provision which, in the opinion of Pace, best promotes safe, efficient and economical transportation service and best protects the Equipment shall control.

Section 13.3. Amendments. No modification, addition, deletion, revision, alteration or other change to this Agreement shall be effective unless and until such change is reduced to writing and executed and delivered by the authorized representatives of the parties hereto.

Section 13.4. Notices. All notices and other communications in connection with this Agreement shall be in writing, and any notice or other communication hereunder shall be deemed received by the addressee thereof when delivered in person at the address set forth below, or three business days after deposit thereof in any main or branch United States post office, certified or registered mail, return receipt requested, postage prepaid, properly addressed to Pace as follows:

Attention: Executive Director  
*Pace Suburban Bus*  
550 W. Algonquin Road  
Arlington Heights, IL 60005-4412

Notices and communications to Service Provider shall be addressed as shown on the cover page to this Agreement. By notice complying with the foregoing requirements of this Section,

each party shall have the right to change the address or addressee or both for all future notices and communications to such party, but no notice of a change of address shall be effective until actually received.

**Section 13.5. Calendar Days and Time.** Any reference herein to "day" or "days" shall mean calendar and not business days. If the date for giving or receiving of any notice required to be given hereunder or the performance of any obligation hereunder falls on a Saturday, Sunday or federal or State of Illinois holiday, then said notice or obligation may be given or performed on the next business day after such Saturday, Sunday or federal or State of Illinois holiday. Any reference herein to time of day shall refer to local time for Arlington Heights, Illinois.

**Section 13.6. Singular and Plural.** The use of the singular or the plural herein shall be construed to be the plural or singular as the context requires.

**Section 13.7. Governing Laws.** This Agreement and the rights of the parties hereunder shall be interpreted and enforced in accordance with the laws of the State of Illinois.

**Section 13.8. Changes in Laws.** Unless otherwise explicitly provided in this Agreement, any reference to laws, ordinances, rules or regulations shall include such laws, ordinances, rules or regulations as they may be amended or modified from time to time.

**Section 13.9. No Assignment.** Service Provider shall not assign either its rights or its obligations under this Agreement without the prior written consent of Pace, which consent may be granted or withheld at the sole discretion of Pace. Any attempted or purported assignment of such rights or obligations without the prior written consent of Pace shall be void and of no effect. Any successor to Service Provider's rights under this Agreement shall be bound by, and shall comply with, all of the provisions, conditions and requirements of this Agreement.

**Section 13.10. Headings.** The section headings of this Agreement are for convenience and reference only and in no way define, extend, limit, or describe the scope or intent of this Agreement or the intent of any provision hereof.

**Section 13.11. Prohibited Interests.** No member of the Illinois General Assembly, no member of the Congress of the United States and no director or employee of Pace or of Service Provider shall, during his or her tenure or for one year thereafter, have any interest, direct or indirect, in this Agreement or be admitted to any share or part of this Agreement or to any benefit arising there from or any proceeds thereof.

**Section 13.12. Independent Contractor.** In the performance of the Transportation Services and Other Services pursuant to this Agreement, Service Provider is an independent contractor with the authority to control and direct the performance of the details of the

Transportation Services and Other Services to be performed pursuant to this Agreement. All personnel necessary for Service Provider's performance pursuant to this Agreement shall be employees of Service Provider or of Service Provider's subcontractors. None of the said personnel shall be deemed for any purpose to be employees, agents or representatives of Pace.

**Section 13.13. Litigation Against Service Provider.** If, during the term of this Agreement, any lawsuits or proceedings are filed or initiated against Service Provider or any subcontractor of Service Provider, before any court, commission, board, bureau, agency, unit of government or sub-unit thereof, arbitrator, or other instrumentality, that may materially affect or inhibit the ability of Service Provider to perform its obligations under, or otherwise to comply with, this Agreement, Service Provider shall promptly deliver a copy of the complaint or charge related thereto to Pace and shall thereafter keep Pace fully informed concerning all aspects of such lawsuit or proceeding.

**Section 13.14. Non-Waiver.** Pace shall not be deemed to have waived any right under this Agreement unless such waiver is in writing and signed by an authorized officer or director of Pace. No delay or omission by Pace in exercising any right under this Agreement shall operate as a waiver of such right or any other right by Pace. All the rights and remedies of Pace under this Agreement shall be cumulative and not exclusive and may be exercised singly or concurrently by Pace. The waiver or exercise of any remedy by Pace shall not be construed as a waiver of any other remedy available under this Agreement or under general principles of law or equity.

**Section 13.15. Time of Essence.** Time is of the essence in the performance of all terms and provisions of this Agreement.

**Section 13.16. Survival Clause.** If any provision of this Agreement is construed or held to be void, invalid or unenforceable in any respect, the remaining provisions of this Agreement shall not be affected thereby, but shall remain in full force and effect.

**Section 13.17. Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original.

**Section 13.18. Other Agreements Not Prohibited.** Nothing in this Agreement shall be deemed to prohibit Pace from entering into additional or alternative agreements or arrangements to provide replacement, additional, supplementary or duplicative service in the area served by Service Provider.

**Section 13.19. No Future Obligations.** Nothing in this Agreement or the parties' performance thereof shall be construed to create any obligation to renew this Agreement after the Agreement Term or to enter into any other agreement of any kind or nature.

## ARTICLE XIV

### REMEDIES

Section 14.1. Remedies. In addition to Pace's right to terminate this Agreement pursuant to Article XI and any other rights otherwise provided in this Agreement, in the event of a breach or an alleged breach of this Agreement by either party, either party may, by suit, action, mandamus or any other proceeding, in law or in equity, including specific performance, enforce or compel the performance of this Agreement. Any cost or expense associated with pursuing any such remedy shall not be an Operating Expenditure under this Agreement.

Section 14.2. Notice and Cure. Neither party may exercise the right to bring any suit, action, mandamus or any other proceeding pursuant to Section 14.1 of this Agreement without first providing written notice to the other party of the breach or alleged breach and allowing a period of 15 days for the curing of said breach or alleged breach; provided, however, that in the event such violation or failure cannot be cured within said 15 day period notwithstanding diligent and continuous effort by the party receiving notice and said party shall have promptly commenced to cure the violation or failure and shall have thereafter prosecuted the curing of same with diligence and continuity, then the period for curing such violation or failure shall be extended for such period as may be necessary for curing such violation with diligence and continuity.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

SERVICE PROVIDER

PACE

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

By \_\_\_\_\_

Thomas J. Ross, Executive Director

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

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

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

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

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

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

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

# Exhibit A

## 2012 PARATRANSIT SERVICE PROVIDER AGREEMENT

### PROPOSED 2012 BUDGET

PROJECT: **VILLAGE OF PARK FOREST**

REVENUE	\$ <u>25,678</u>
EXPENSES	
OPERATIONS	\$ <u>139,592</u>
MAINTENANCE	\$ <u>-0-</u>
ADMINISTRATION	\$ <u>-0-</u>
TOTAL EXPENSE	\$ <u>139,592</u>
OPERATING DEFICIT	\$ <u>113,914</u>
PACE SUBSIDY	\$ <u>61,020</u>
LOCAL SHARE	\$ <u>52,894</u>
RIDERSHIP	21,764
VEHICLE HOURS	2,698

# **Exhibit B**

## **2012 PARATRANSIT SERVICE PROVIDER AGREEMENT**

### **PACE VEHICLES**

### **VILLAGE OF PARK FOREST**

(List of any Pace vehicles provided to the Service Provider)

5312

5358

5365

# Exhibit C

## 2012 PARATRANSIT SERVICE PROVIDER AGREEMENT

### PARATRANSIT REIMBURSEMENT GUIDELINES

The maximum Service Reimbursement shall be the lesser of the amounts calculated in each of the following way:

1. 75% of the projected Operating Deficit in the Approved Budget; or
2. 75% of the actual Operating Deficit; or
3. \$3.00 multiplied by the number of annual one-way passenger trips not to exceed the maximum number of trips in the Approved Budget.

The Approved Budget shall not include any costs in excess of \$47.45 per vehicle service hour nor any expenses associated with any increase in service beyond the amount of service authorized by Pace. The Approved Budget shall be the maximum estimated expenses, deficit, hours of service, and ridership upon which Pace's maximum Service Reimbursement amount will be calculated.

The total of the year to date subsidy payments shall not exceed an amount equal to 1/12<sup>th</sup> of the annual budgeted subsidy times the number of months elapsed in the year.

# Exhibit D

## 2012 PARATRANSIT SERVICE PROVIDER AGREEMENT

### TRANSPORTATION SERVICES FUNDED BY PACE

## VILLAGE OF PARK FOREST

<b>TYPE OF SERVICE</b>	Dial-A-Ride Bus Service
<b>SERVICE OPERATED BY</b>	Private Provider
<b>TRIP RESERVATION METHOD</b>	30 minutes in advance
<b>SERVICE AREA</b>	Village of Park Forest and select destinations outside of the Village boundaries.
<b>SERVICE HOURS</b>	Monday through Friday 9:00 a.m. to 3:30 p.m.
<b>HOLIDAYS</b>	Service will <b><i>not</i></b> operate on the following holidays: <ul style="list-style-type: none"><li>➤ New Year's Day</li><li>➤ Memorial Day</li><li>➤ Independence Day (observed Holiday)</li><li>➤ Labor Day</li><li>➤ Thanksgiving Day</li><li>➤ Christmas Day</li></ul>
<b>ONE-WAY FARE</b>	Adults           \$3.00 Persons (65+)   \$1.50 Disabled         \$1.50 Students         \$1.50 Child (under 7 years of age) – No Charge
<b>RIDER ELIGIBILITY</b>	General Public

## Exhibit E

### 2012 PARATRANSIT SERVICE PROVIDER AGREEMENT

#### **AFFIRMATIVE ACTION, EQUAL EMPLOYMENT OPPORTUNITY AND DISADVANTAGED BUSINESS ENTERPRISES**

- A. **Affirmative Action.** Service Provider shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability or an unfavorable discharge from military service. Such action shall include, but not be limited to, the following: employment, hiring, upgrading, demotion, transfer, recruitment advertising, layoff of termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Prior to the execution of this Agreement, Service Provider shall furnish Pace with evidence that it has filed with the Illinois Department of Human Rights (the "Department") an affirmative action program covering the Service Provider's employment practices, if a plan is required by the Department. Service Provider shall promptly furnish Pace with a copy of any and all documents filed by it with the Department.
- B. **Equal Employment opportunity Clause.** Service Provider shall comply with the following provisions, collectively referred to as the "Equal Employment Opportunity Clause".
- (1) That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, and national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.
  - (2) That, if it hires additional employees in order to perform this Agreement or any portion hereof, it will determine the availability (in accordance with the Department's Rules and Regulations for Public Contracts) of minorities and Women in the area(s) from which it may reasonably recruit and it will hire persons in such a way that minorities and women are not underutilized.
  - (3) That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service.
  - (4) That it will send a notice to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding advising such labor organization or representative of its obligation under the Illinois Human Rights Act and the Department's Rules and Regulations

for Public Contracts. If any such labor organization or representative fails or refuses to cooperate with Service Provider in its efforts to comply with such Act and Rules and Regulation, Service Provider shall promptly so notify the Department, and Service Provider shall recruit employees for other sources when necessary to fulfill its obligations thereunder.

(5) That it will submit reports as required by the Department's Rules and Regulations for Public Contracts, furnish all relevant information as may from time to time be requested by the Department of Pace, and in all respects comply with the Illinois Human Rights Act and the Department's Rules and Regulations for Public Contracts.

(6) That it will permit access by Pace and the Department to all relevant books, Records, accounts, and work sites for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and the Department's Rules and Regulations for Public Contracts.

C. Subcontracts. Service Provider shall insert the following provisions in all subcontracts relating to the provision of Transportation Services and Other Service except subcontracts for standard commercial supplies or raw materials:

"No discrimination shall be made in any term or aspect of employment because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service, or political reasons or factors.

In addition, Service Provider shall insert verbatim or by reference the provisions of the Equal Employment Opportunity Clause in every performance subcontract as defined in Section 1.1(17)(b) of the Department's Rules and Regulations so that such provisions will be binding upon every such subcontractor. In the same manner as with other provisions of this Agreement, Service Provider will be liable for compliance by all its subcontractors with applicable provisions of this Section; and further it will promptly notify pace and the Department in the event any subcontractor fails or refuses to comply therewith. In addition, Service Provider will not utilize any subcontractor declared by the Department to be non-responsible and, therefore, ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

D. Disadvantaged Business Enterprises. Service Provider shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. Service Provider shall carry out application requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by Service Provider to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such remedy as Pace deems appropriate.

## Exhibit F

### 2012 PARATRANSIT SERVICE PROVIDER AGREEMENT

#### SERVICE PROVIDER'S CERTIFICATION

STATE OF ILLINOIS                    )  
  )  
COUNTY OF \_\_\_\_\_ )       SUBURB-TO-SUBURB.

  , being first duly sworn on oath, deposes and state that all statements herein made are made on behalf of the Service Provider; that this deponent is authorized to make them, and that the statements contained herein are true and correct.

The Service Provider deposes, states and certifies that the Service Provider is not barred from contracting with Pace on the Paratransit Service Provider Agreement as a result of a violation of either Section 33E-3 of Section 33E-4 of Article 33E of the Criminal Code of 1961 (720 ILCS 5/33E-3 and 33E-4).

DATED: \_\_\_\_\_

#### SERVICE PROVIDER

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

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

Attest: \_\_\_\_\_

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

#### NOTARY PUBLIC

## Exhibit G

### 2012 PARATRANSIT SERVICE PROVIDER AGREEMENT

#### FORM OF OPINION OF GRANTEE'S COUNSEL

Attention: Executive Director  
PACE Suburban Bus  
550 W. Algonquin Road  
Arlington Heights, IL 60005-4412

Please be advised that I represent (Name of Service Provider). Pursuant to Article XII of the Service Provider Agreement ("Agreement") this Opinion of Council is being provided:

1. (Name of Service Provider) is duly organized, validly existing and in good standing under the laws of the State of Illinois, and has the legal authority to engage in and carry on the public transportation services as described in said Agreement.
2. Said Agreement has been duly authorized by the (Board\Council) of the (Name of Service Provider) pursuant to Ordinance No. \_\_, and the execution and delivery of said Agreement by all of the parties hereto will constitute a valid and binding obligation to the (Name of Service Provider), enforceable in accordance with its terms, and the making of and compliance with the terms and conditions of said Agreement by the (Name of Service Provider) will not result in any breach or violation of, or default under, any judgment, decree, mortgage, contract, agreement, indenture or other instrument applicable to the (Name of Service Provider) known to this council.
3. All such approvals, consents, permits, licenses, authorizations or modifications as may be required to permit the performance by the (Name of Service Provider) of its obligations under said Agreement have been obtained, whether from the appropriate government authorities or other persons or entities known to this council.
4. No litigation, investigation or proceeding of or before any court, government authority or arbitrator is pending or, to the knowledge of this counsel threatened by or against the Service Provider, or against any of its properties or revenues (a) with respect to said Agreement, or (b) which is reasonably likely to have a material adverse effect on the operations, property or financial condition or the Service Provider.
5. The Service Provider is not in default under or with respect to any obligation in any respect that could be materially adverse to the business, operations, property or financial condition of the Service Provider, or that is reasonably likely to materially adversely affect the ability of the Service Provider to perform its obligations under said Agreement.
6. No obligation of the Service Provider and no requirement of law materially adversely affects, or insofar as Counsel may reasonably foresee based on facts known to (him or her) may so affect, the business, operation, property or financial condition or the Service Provider or the ability of the Service Provider to perform its obligations under said Agreement.

## VILLAGE OF PARK FOREST

### MEMORANDUM

**TO:** John A. Ostenburg, Mayor  
Board of Trustees

**FROM:** Thomas K. Mick,  
Village Manager

**DATE:** December 1, 2011

**SUBJECT:** A RESOLUTION ADOPTING THE HOLIDAY AND MEETING  
SCHEDULE FOR THE CALENDAR YEAR 2012

#### **BACKGROUND/DISCUSSION:**

Attached is the tentative Village Board Meeting calendar for 2012. The calendar includes dates for Board Rules Meetings, Regular Board Meetings and Saturday Morning Rules Meetings along with holidays in which Village Hall is closed. The calendar also sets forth a relaxed meeting schedule for the months of July, August and December when the Board will only meet on two Mondays in each of these months. The July/August meetings are on the 2<sup>nd</sup> and 3<sup>rd</sup> Mondays of these months while December meetings have historically been on the first and second Mondays of the month. It is understood that the Board can schedule a special meeting in any of these months should the need arise.

In September of 2010, the Board amended its Rules of Order and Procedure and set forth a new meeting time and days. With the amendment, the Board has a Rules Meeting on the 1<sup>st</sup> Monday of each month and a Regular Meeting on the 3<sup>rd</sup> Monday of each month. A Rules or Regular meeting can be scheduled on the fourth Monday as needed, upon conference of the Mayor and Village Manager.

The attached meeting calendar also includes a number of regularly scheduled meetings that are postponed a day due to holidays (New Years Day, Martin Luther King, Jr. Holiday, Memorial Day, and Labor Day). In past years, the Village Board has expressed an interest in rescheduling Board Meeting dates which may conflict with holidays of the Jewish faith. There are several instances where the Board Meeting calendar will be altered accordingly in 2012 Meeting. After consultation with the Mayor, the alterations are as follows:

- Passover runs from April 7 to the evening of April 13<sup>th</sup>. Additionally, Holy Saturday falls on Saturday, April 7<sup>th</sup>. As such, the Board's Saturday Morning Rules Meeting for April will be shifted to April 14<sup>th</sup>.
- Rosh Hashanah runs from sundown on September 16<sup>th</sup> through September 18<sup>th</sup>. As such, the Regular Meeting for September will be moved to Monday, September 10<sup>th</sup>.
- Hanukah starts on December 9<sup>th</sup> and runs through December 16<sup>th</sup>. As such, the Board's Regular Board Meeting for this month will be on Monday, December 17<sup>th</sup>.

#### **SCHEDULE FOR CONSIDERATION:**

This issue will be on the Rules Meeting of December 5, 2011 for Board discussion.

**RESOLUTION No. \_\_\_\_\_**

**A RESOLUTION ADOPTING THE HOLIDAY  
AND MEETING SCHEDULE FOR THE CALENDAR YEAR 2012**

**WHEREAS,** the Mayor and Board of Trustees of the Village of Park Forest establishes a meeting schedule of Rules and Regular meetings each year so as to alert the public of when it will be convening; and

**WHEREAS,** the Board of Trustees generally meets three Monday evenings per month and one Saturday morning per month; and

**WHEREAS,** the Board of Trustees has adopted a relaxed schedule in the months of July, August and December when they will meet on two Monday evenings and one Saturday morning in these months; and

**WHEREAS,** the Personnel Manual establishes a list of annual holidays for employees including New Years Day, Dr. Martin Luther King, Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the day after Thanksgiving, the day before Christmas and Christmas; and

**WHEREAS,** if a holiday falls on a Monday, the regularly-scheduled meeting traditionally has been delayed until Tuesday of the same week.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois that the holiday and meeting schedule attached hereto shall be officially adopted for the calendar year 2012.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
**Mayor**

\_\_\_\_\_  
**Village Clerk**

## 2012 Holiday and Meeting Schedule

	<u>Rules</u>	<u>Regular</u>	<u>Rules/Regular</u>	<u>Saturday Rules</u>
January	3 (Tues) (New Year's Day)	17 (Tues.) (M.L. King, Jr. Holiday)	23	7
February	6	20	27	4
March	5	19	26	3
April	2	16	23	14(Passover)
May	7	21	29	5
June	4	18	25	2
July	9	16	-	7
August	13	20	-	4
September	4 (Tues.) (Labor Day)	10 (2 <sup>nd</sup> Monday) (Rosh Hashanah)	24	8 (Labor Day)
October	1	15	22	6
November	5	19	26	3
December	3	17 (3 <sup>rd</sup> Monday) (Hanukah)	-	1

### 2012 Holidays When Village Hall Will Be Closed:

Monday, January 2, 2012      New Year's Day  
 Monday, January 16            Martin Luther King, Jr. Holiday  
 Monday, May 28                Memorial Day  
 Wednesday, July 4            Independence Day  
 Monday, September 3        Labor Day  
 Monday, November 12        Veteran's Day  
 Thursday, November 22      Thanksgiving Day  
 Friday, November 23         Day After Thanksgiving  
 Monday, December 24        Christmas Eve  
 Tuesday, December 25        Christmas Day  
 2 Floating Holidays of Employee's Choice

## **AGENDA BRIEFING**

**DATE:** December 1, 2011

**TO:** Mayor Ostenburg  
Board of Trustees

**FROM:** Roderick Ysaguirre – Assistant Village Engineer

**RE:** Approval of a Resolution to appropriate and expend \$28,650 dollars from the Village's allotment of Motor Fuel Tax Funds for the costs associated with Right of Way acquisitions needed for the reconstruction of Orchard Drive.

### **BACKGROUND/DISCUSSION:**

During the Preliminary and Design Phases for this project, the Village was made aware that portions of private property will need to be purchased and established as permanent easements in order to construct and/or maintain the necessary geometric and public utility improvements at specific intersections along Orchard Drive. On May 16, the Village Board approved a Resolution Authorizing the Village Manager to Acquire Property Interests for the Reconstruction of Orchard Drive. Negotiations are now completed and the total Village cost to acquire all the permanent easements necessary total \$28,650 dollars. The attached Resolution is for the approval to appropriate and utilize Motor Fuel Tax funds for the purchase of these properties.

**RECOMMENDATION:** Approve this Resolution to appropriate and expend \$28,650 dollars from the Village's allotment of Motor Fuel Tax funds for the purchase of said private properties.

**SCHEDULE FOR CONSIDERATION:** This item will appear on the Agenda of the Rules meeting of December 5, 2011 for your Discussion.



BE IT RESOLVED, by the President and Board of Trustees of the  
Council or President and Board of Trustees  
Village of Park Forest of Park Forest Illinois  
City, Town or Village

that the following described street(s) be improved under the Illinois Highway Code:

Name of Thoroughfare	Route	From	To
Orchard Drive	FAU 2836	Sauk Trail (FAU 1632)	US Route 30 (FAP 353)

BE IT FURTHER RESOLVED,

1. That the proposed improvement shall consist of Right of Way acquisition costs for the improvements  
of Orchard Drive (FAU 2836) between Sauk Trail (FAU 1632) and US Route 30 (FAP 353).

and shall be constructed 41' (and varies) wide  
and be designated as Section 06-00090-00-FP

2. That there is hereby appropriated the (additional  Yes  No) sum of twenty-eight thousand six hundred and  
fifty dollars Dollars ( \$28,650 ) for the  
improvement of said section from the municipality's allotment of Motor Fuel Tax funds.

3. That work shall be done by Contract ; and,  
Specify Contract or Day Labor

BE IT FURTHER RESOLVED, that the Clerk is hereby directed to transmit two certified copies of this resolution to the  
district office of the Department of Transportation.

Approved \_\_\_\_\_

Date \_\_\_\_\_

Department of Transportation

Regional Engineer \_\_\_\_\_

I, Village Clerk in and for the  
Village of Park Forest  
City, Town or Village  
County of Cook , hereby certify the  
foregoing to be a true, perfect and complete copy of a resolution adopted  
by the President and Board of Trustees  
Council or President and Board of Trustees  
at a meeting on \_\_\_\_\_  
Date  
IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this  
\_\_\_\_\_ day of \_\_\_\_\_  
(SEAL)  
\_\_\_\_\_  
City, Town, or Village Clerk