

CITY OF LINCOLN REGULAR CITY COUNCIL MEETING AGENDA

AUGUST 15, 2016

7:00 P.M.

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Public Participation

5. Consent Agenda By Omnibus Vote

All items under the Consent Agenda are considered to be routine in nature and/or non-controversial and will be approved by one motion. If any one wishes to have a separate vote on any item, it will be pulled from the Consent Agenda and voted on separately.

A. Payment of Bills

B. Approval of minutes for May 10, 2016 Committee of the Whole Meeting and May 16, 2016 Regular City Council Meeting

C. Request from the L.C.H.S. Junior Class to use the Hamilton Street Garage for construction of Homecoming float from September 6, 2016 through September 26, 2016

6. Ordinances and Resolutions

A. Resolution authorizing the issuance of Industrial Revenue Bonds by St. Clara's Manor in the amount of \$9,400,000.00

7. Bids

A. Approval of bid and authorization of contract with Beniach Construction of Tuscola, Illinois for the 2016 Oil and Chip Resurfacing Program in an amount not to exceed \$274,495.00

8. Reports

A. City Treasurer Report for July, 2016

B. City Clerk Report for July, 2016

C. Department Head Reports for July, 2016

9. New Business/Communications

A. Approval of contract with R.D. Lawrence for the construction of the Lincoln Depot (tabled 8/1/16)

B. Request from Route 66 Heritage Foundation of Logan County to permit the closing of First Street between Washington and Jefferson Streets on Saturday, September 17, 2016 from 10:00 a.m. through 4:00 p.m. for an ABATE Motorcycle Show and the Mill in conjunction with the National Railsplitting Festival

C. Approval of contract with the Farnsworth Group for construction engineering services for the replacement of the State Street Bridge in an amount not to exceed \$35,583.64

D. Authorization to direct staff to proceed with plans and request for proposals for equipment upgrades to City Council Chambers

10. Announcements

11. Executive Session

A. 2(c)2 Collective Bargaining

12. Adjournment

We welcome the participation of persons with disabilities at all City of Lincoln meetings. If auxiliary aid or service is required for most effective participation and communication, please notify the City Clerk's Office at 217-735-2815 or cityclerk@lincolnil.gov no later than 48 hours prior to the meeting time.

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Minutes of the City of Lincoln City Council Committee of the Whole Meeting held in the Council Chambers on Tuesday, May 10, 2016.

Mayor Neitzel called the regular City Council Committee of the Whole Meeting to order at 7:00 p.m. There were eight Aldermen present (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch) and none absent. Also present were Fire Chief Miller, Street Superintendent Mr. Landers, Building and Safety Officer Mr. Lebegue, American Water Manager Mr. Ferguson, and Police Chief Adams. Also present were Mayor Neitzel, City Treasurer Mr. Conzo, City Administrator Mr. Johnson, City Attorney Mr. Blinn Bates, City Clerk Mrs. Gehlbach, and Recording Secretary Mrs. Riggs.

Mayor Neitzel led the Pledge of Allegiance.

Public Participation:

There was no Public Participation.

Proclamation: Bicycle Safety Week:

Alderman Mourning asked to have this on the Agenda for Monday, May 16, 2016.

Proclamation: Community Action Month:

Mayor Neitzel said she would read the Proclamation and asked to have this on the agenda for Monday, May 16, 2016.

Logan County Tourism Bureau Funding Agreement:

Ms. Maggie McMurtrey was present to discuss the Funding Agreement. City Administrator Mr. Johnson asked about the funding being dropped to 85%. Ms. McMurtrey said the Logan County Tourism Bureau was holding three months expenses back in case they have a major event (such as Abraham Lincoln wagon having damages again). Ms. McMurtrey said that about 3,000 dining guides have been passed out. Ms. McMurtrey said she places guides wherever there are enough places to hold them such as the hotels, businesses downtown and on the West side of town.

This will be placed on the regular Agenda for Monday, May 16, 2016.

Request to Permit – American Legion Poppy Distribution:

This will be placed on the Consent Agenda for Monday, May 16, 2016.

Ordinance: Revising Billboard Regulation:

Building and Safety Officer Mr. Lebegue said he had been looking into digital billboards as well as updating for the maximum height of 45 feet from 55 feet in a C-2 zone; maximum 45' in an I-

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1 zone; and maximum 55' in an I-2 zone. Separation requirements to add within 300' of any residential zone property; within 75' of overhead power lines; and within 500' of another billboard. That the following will be deleted "no billboard shall have blinking, flashing, fluttering lights or illuminating device of variable light intensity, brightness or color. A new Section 4-5-4, (B), (7) and Section 4-5-4, (B), (8). Deleting existing section 4-5-4, D in its entirety.

This will be placed on the Agenda for Monday, May 16, 2016.

FY 2015-2016 Budget Amendment:

City Treasurer Mr. Conzo said at the end of each year they try to move money between budget line items to ones that have deficiencies.

This will be placed on the agenda for Monday, May 16, 2016.

Pekin Street Parking Lot Bid Award:

City Administrator Mr. Johnson said the following bids were received:

ICCI - \$460,167.20
Leander - \$499,866.00
Otto Baum - 520,016.45

City Administrator Mr. Johnson said that by adding \$20,477.50 to that amount to substitute Portland cement concrete which will expand the lifetime of the parking lot. This brings the total to \$480,644.70.

Alderman Tibbs said she would be voting no on this. Alderman Hoefle agreed with Alderman Tibbs.

Alderman Hoinacki said to place this on the Agenda for Monday, May 16, 2016 in the amount of 480,644.70.

Lincoln Civic Foundation Bylaws:

City Administrator Mr. Johnson said that each ward will select one person to represent their ward, the Mayor will have a representative and the City Administrator would also have a representative. Each member will have a one year term.

Alderman Mourning asked to have this on the Agenda for Monday, May 16, 2016.

Discussion on Committee Format:

City Administrator Mr. Johnson said that each May the Mayor assigned an Alderman to one of the committees. Alderman Tibbs said each committee had a Chairman who would bring to the City Council what was going on in each committee. Alderman Mourning said he talked with IML and all but two communities are managed by a City Administrator or City Manager and wanted to know why they would want to go backward. Alderman Hoinacki said he received a copy of a 2009-2010 Committee assignments. Alderman Horn said she saw what Alderman Tibbs was saying but she talks to whoever has the problem and takes it to the Department Head and the City Administrator. Alderman Mourning thought they could have the Department Heads talk about their “big rocks” at least once a month at the COW meeting. Mr. Ferguson said he thought it would be helpful and they could talk about what was going on currently. Alderman Bauer liked the idea of “big rocks” but didn’t want people to think they were hiding something. Alderman Welch said he did not feel right by dumping whatever problem there might be on the Department Heads and not knowing what happened. Fire Chief Miller said he was happy how the process works now and felt they would be going backwards to go to the Committee format.

Other Discussion:

Alderman Hoefle said he met with Mr. Johnson, as well as Mr. Lebegue and Mr. Landers about the Community Action transportation that starts next Tuesday, May 16, 2016.

Mayor Neitzel said she had a request from Mr. Welty, Student Ministries for an all-nighter at the Ray White Park Pavilion doing the student poverty experience. Mr. Johnson said that this is an outreach to the community.

Possible Executive Session:

There was no Executive Session held.

Upcoming Meetings:

Council: Monday, May 16, 2016 – 7:00 p.m.

Committee of Whole: Tuesday, May 24, 2016 – 7:00 p.m.

Alderman Tibbs made a motion to adjourn the meeting and Alderman Horn seconded it. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

The City of Lincoln Committee of the Whole Meeting adjourned at 8:55 p.m.

Respectfully submitted,
Risa Riggs
Recording Secretary

Minutes of a regular City Council Meeting held in the Council Chambers of City Hall, Lincoln, IL, on Monday, May 16, 2016.

Mayor Neitzel called the regular City Council Meeting to order at 7:00 p.m. City Clerk Mrs. Gehlbach called the roll. There were eight Aldermen present (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch) and none absent. Also present were Street Superintendent Mr. Landers, American Water Manager Mr. Ferguson, Police Chief Adams, City Building and Safety Officer Mr. Lebegue, and Fire Chief Miller. Also present were Mayor Neitzel, City Treasurer Mr. Conzo, City Administrator Mr. Johnson, City Clerk Mrs. Gehlbach, and Recording Secretary Mrs. Riggs.

Mayor Neitzel asked for a moment of silence in memory of Don Vinson. Mayor Neitzel led the Pledge of Allegiance.

Presentation for Elementary School Arbor Day Poster Winners:

Street Superintendant Mr. Landers said there were 140 participants from the local 2nd grade students.

The winners were the following:

1st Place – Cadin Frawley

2nd Place – Calvin Aukamp

3rd Place – Lauren Tedrick

Presentation by the Depot Design Team to present the plans for the Depot Construction:

This is what is being planned to be as close to the old depot as possible. The platform will be extended, there will be a covered breezeway, a new drop off at the depot, new landscaping and more passenger parking on Chicago Street. They are looking forward to the final phase. The completion date is for next summer.

Mayor Neitzel swore in Zac Camille as a Firefighter.

New Business/Communications:

Approval of Mayoral Appointment of Administrative Assistant to Police Chief

Alderman Hoinacki moved to approve the appointment of Administrative Assistant to Police Chief Susan Pegram and Alderman Tibbs seconded it. City Clerk Mrs. Gehlbach called the roll call. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

Mayoral Proclamation #2016 – 321, May 16-20, 2016 as Bicycle Safety Week

Mayor Neitzel read the Proclamation.

Mayoral Proclamation #2016 – 322, May, 2016 as Community Action Month

Mayor Neitzel read the Proclamation.

Alderman Bauer moved to approve both proclamations (Mayoral Proclamation #2016 – 321, May 16-20, 2016 as Bicycle Safety Week and Mayoral Proclamation #2016 – 322, May, 2016 as Community Action Month) and Alderman Welch seconded it. City Clerk Mrs. Gehlbach called the roll call. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

Public Participation:

Mrs. Rohlf asked about a clarification of what time the meetings were held in the past. Alderman Hoinacki said that they were 7:15 p.m. for voting meetings and 7:00 p.m. for Committee Workshop. The meetings are open to anyone who wishes to attend. Alderman Tibbs said each Alderman was given a committee to be on. Alderman Hoinacki said all the Aldermen could look at all departments' bills and they were not able to look at any other departments unless it was one they were on.

Mayor Neitzel called for the Consent Agenda by Omnibus Vote:

Payment of Bills

Approval of minutes for February 9, 2016, February 23, 2016 and March 15, 2016 Committee of the Whole Meetings, February 25, 2016 Special Committee of the Whole Meeting, and March 7, 2016 and March 21, 2016 Regular City Council Meetings

Approval of Request from American Legion Post #263 to distribute poppies at the corner of McLean and Broadway Streets on Saturday, May 28, 2016 from 8:00 a.m. until 12:00 p.m.

Alderman Horn moved to approve the Consent Agenda as changing the date from May 20 to May 28, 2016 and Alderman Bauer seconded it. City Clerk Mrs. Gehlbach called the roll call. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

Ordinances and Resolutions

Ordinance # 2016-850 amending section 4-5-4 of the City Code, Billboard regulations, to regulate billboards within the City of Lincoln

Alderman Hoinacki moved to approve and Alderman Bauer seconded it. City Clerk Mrs. Gehlbach called the roll call. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

Resolution # 2016-320 amending fiscal year 2015-2016 budget

Alderman Bauer moved to approve and Alderman Mourning seconded it. City Clerk Mrs. Gehlbach called the roll call. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

Bids:

Approval of bid for Pekin Street Parking Lot project from Illinois Civil Contractors, Inc. in an amount

not to exceed \$480,644.70

Alderman Mourning moved to approve and Alderman Bauer seconded it. City Clerk Mrs. Gehlbach called the roll call. There were three ayes (Alderman Bauer, Alderman Hoinacki, and Alderman Mourning), five nays (Alderman Hoefle, Alderman Horn, Alderman Parrott, Alderman Tibbs, and Alderman Welch), and none absent; motion failed.

Reports:

City Treasurer gave an oral report for April 2016, and a copy is on file.

City Clerk Report for April 2016 & FY 15-16 is on file.

Building and Safety Final FY 15/16 Activity Report is on file.

Department Heads Reports for April, 2016 (No Reports were on file)

New Business/Communications:

Approval of funding agreement between the City of Lincoln and the Logan County Tourism Bureau

Alderman Bauer moved to approve and Alderman Hoinacki seconded it. Alderman Bauer moved to amend the initial motion to now fund for three months from 5/1/16 to 7/30/16 and Alderman Hoinacki seconded it. City Clerk Mrs. Gehlbach called the roll call. There were five ayes (Alderman Bauer, Alderman Hoinacki, Alderman Horn, Alderman Mourning, and Alderman Parrott), three nays (Alderman Hoefle, Alderman Tibbs and Alderman Welch), and none absent; motion carried.

Approval of Lincoln Civic Foundation By-Laws

Alderman Hoinacki moved to table and Alderman Welch seconded it. City Clerk Mrs. Gehlbach called the roll call. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

Approval of Committee structure for City Council

Alderman Bauer moved to approve and Alderman Mourning seconded it. City Clerk Mrs. Gehlbach called the roll call. There were two ayes (Alderman Hoefle and Alderman Tibbs), six nays (Alderman Bauer, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, and Alderman Welch) and none absent; motion failed.

Approval of request to permit from Jefferson Christian Church to use Ray White Park from 9:00 a.m. on Friday, June 3, 2016 until 8:00 a.m. on Saturday, June 4, 2016 for Hope Grows Neighborhood Event

Alderman Bauer moved to approve and Alderman Welch seconded it. City Clerk Mrs. Gehlbach called the roll call. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

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Other Discussion:

Alderman Hoefle thought the businesses should be open during the Third Friday events. Mayor Neitzel said she went to every business today.

Mayor Neitzel read a letter from Darren LaHood said he would like to hear from the Community at his mobile office to help with Veterans issues. This will be held at Lincoln City Hall, in the City Council Chambers, on Wednesday, May 25, 2016 from 9:00 a.m. to 11:00 a.m.

Mayor Neitzel said the Third Friday event will take place on Friday, May 20, 2016 from 5:30 p.m. to 8:30 p.m.

Alderman Tibbs moved to adjourn the meeting and Alderman Horn seconded it. There were eight ayes (Alderman Bauer, Alderman Hoefle, Alderman Hoinacki, Alderman Horn, Alderman Mourning, Alderman Parrott, Alderman Tibbs and Alderman Welch), zero nays, and none absent; motion carried.

The City Council Meeting was adjourned at 9:28 p.m.

Respectfully Submitted By:

Risa Riggs
Recording Secretary

9/6 - 9/25

REQUEST TO PERMIT

DATE: 8/8/16

We, the undersigned of the City of Lincoln, do hereby respectfully request the Mayor and City Council to permit

The Junior Class (of 2018) of LCHS the use of
the ~~fac~~ Hamilton Street City Garage for the use of
building their Homecoming Float. Building will begin 9/6
and end 9/21 (float will remain their until Friday
the 20th until Parade time).

If the above request is for use of City property, including streets and/ or alleys, please check one of the two boxes below:

A Certificate of Insurance Liability for the event is attached.

A Certificate of Insurance Liability for the event will be provided to the City no later than _____.

If City property is used, a Certificate of Insurance Liability is required listing the City as an additional insured. The City reserves the right to postpone review and consideration of this Request to Permit until a Certificate of Insurance Liability is provided.

Name: Sally Aukamp (Class Co-sponsor) Lincoln Community High School

Address: 1000 Primm Road
Lincoln, IL 62656

Phone: 217 732 4131 (school) Cell: 217 737 0618 (personal)

Email: sallyzurlinden@hotmail.com



CERTIFICATE OF LIABILITY INSURANCE

●PID: LK

DATE (MM/DD/YYYY)

02/22/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Ramza Insurance Group-Sireator 127 S. Bloomington Street Sireator, IL 61364 Craig S. Ramza, Sr.	CONTACT NAME PRODUCER (A.C. No. Exp.) E-MAIL ADDRESS PRODUCER CUSTOMER ID: LINCO-4	FAX (A.C. No.)
INSURED Lincoln CHSD #404 1000 Railer Way Lincoln, IL 62656	INSURERS AFFORDING COVERAGE INSURER 1: Catlin Indemnity INSURER 2: INSURER 3: INSURER 4: INSURER 5:	NAIC#

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSURER	TYPE OF INSURANCE	ADD. CODES (INSURER / PROD)	POLICY NUMBER	POLICY EFF. DATE (MM/YY)	POLICY EXP. DATE (MM/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLASSIS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> GENERAL AGGREGATE LIABILITY PER POLICY PERIOD <input type="checkbox"/> PER POLICY PERIOD		CND-IL-EPP-12417-000	10/01/2015	10/01/2016	BODILY INJURY (PERSONAL AND PROPERTY) \$ 1,000,000 BODILY INJURY (PRODUCTS) \$ 500,000 MEDICAL EXPENSES \$ 5,000 PERSONAL AND PROPERTY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - CONTRACTS \$ 2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> AUTOMOBILE <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> NON-OWNED TRUCKS		CND-IL-CAP-12418-000	10/01/2015	10/01/2016	COMBINED SINGLE LIMIT (PERSONAL AND PROPERTY) \$ 1,000,000 BODILY INJURY (PERSONAL AND PROPERTY) \$ 1,000,000 BODILY INJURY (PRODUCTS) \$ 500,000 PRODUCTS - CONTRACTS \$ 2,000,000
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> PER POLICY PERIOD \$ 10,000		CND-IL-EXL-12420-000	10/01/2016	10/01/2016	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
	WORKERS COMPENSATION AND EMPLOYERS LIABILITY <input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS LIABILITY <input type="checkbox"/> EMPLOYERS LIABILITY <input type="checkbox"/> EMPLOYERS LIABILITY (Mandatory in NH) TYPE OF POLICY: <input type="checkbox"/> TWR <input type="checkbox"/> NFA DESCRIPTION OF OPERATIONS:					ALL STATE WORKERS COMPENSATION \$ 1,000,000 ALL STATE EMPLOYERS LIABILITY \$ 1,000,000 ALL STATE EMPLOYERS LIABILITY \$ 1,000,000 ALL STATE EMPLOYERS LIABILITY \$ 1,000,000

(If Description of Operations, LOCATIONS, VEHICLES, etc. is ACCURATE, a description of Remarks Section, if more space is required)
CITY OF LINCOLN IS LISTED AS AN ADDITIONAL INSURED IN REGARDS TO THE LINCOLN CHSD #404 - ALL 2016 PROM EVENTS AND USE OF VARIOUS CITY FACILITIES AS THEIR INTEREST MAY APPEAR

CERTIFICATE HOLDER CITY OF LINCOLN CITY HALL CITY CLERK'S OFFICE P.O. BOX 509 LINCOLN, IL 62656	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Craig S. Ramza, Sr. <i>Craig Ramza/LSH</i>
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MEMORANDUM

TO: Mayor and Aldermen of the City of Lincoln

FROM: Clay T. Johnson, City Administrator



MEETING

DATE: August 9, 2016

RE: Issuance of Industrial Revenue Bonds – St. Clara's Manor

Background

St. Clara's Manor is in the process of designing and financing a new, 72,000 sq. ft. facility west of Abraham Lincoln Memorial Hospital on Castle Manor Drive. The facility will retain 100 jobs in our community and provide a modern home for many in our senior population. The management of the company has approached the City about issuing Industrial Revenue Bonds (IRBs) to finance the construction of their new facility. Industrial Revenue Bonds are a financing option established by Illinois State Statute (65 ILCS 5/11-74-1, et. seq.) which allows for a City to serve as issuer of bonds for the benefit of a private entity. The City is not obligated to pay the bonds, the obligation falls on the private entity. The advantage to a private company utilizing IRB's are tax-free financing and, presumably, lower interest rates.

Analysis/Discussion

In these issuances, the City acts as issuer of the bonds and assigns the responsibilities of repayment to the "Borrower," in this case St. Clara's Manor. St. Clara's is then responsible for all debt service obligations, fees, and other incurred expenses related to the issuance of the bonds.

Obviously, one of the concerns of issuing these type of bonds are the obligations of the City in the repayment or default of the bonds. Illinois State Law dictates, for one, that holders of bonds cannot force or compel the municipality ("Issuer") to raise taxes or revenues for the payment of the bonds. Additionally, the statute states that "the bonds do not constitute an indebtedness of the municipality or a loan of credit thereof within the meaning of any constitutional or statutory provision."

In instances of default, the Borrower is responsible for all costs incurred by the City in its actions against said Borrower. The bond documents state, "The Issuer shall not be obligated to take any step in connection with any part of this Loan Agreement that in its opinion will or might cause it to expend time or money or otherwise incur liability, unless and until satisfactory indemnity has been furnished to the Issuer at no cost or expense."

Fiscal Impact

In this series of bonds, the principal amount is for \$9.4M. The \$9.4M amount allows the City to sell its usual \$500,000 General Obligation bonds this year and for all issuances to remain bank qualified. In these scenarios, the City acts as a conduit between the borrower and the purchaser, but the City does give up some of its bank qualified bond capacity. A municipality is allowed to issue up to \$10M in bonds within a calendar year for them to remain bank qualified. Bonds which are considered bank

qualified are exempt from Federal taxation and typically have lower interest rates than those which are not considered bank qualified.

If the City is to issue any debt in the form of bonds this year, other than these two issues, it would not be bank qualified. St. Clara's has indicated that they would like to issue a second series of bonds for the project next year which can detract from our bond capacity. Representatives from St. Clara's have said that they would work to accommodate the City should it issue any future debt.

COW Recommendation

Place the execution of documents related to the issuance of Industrial Revenue Bonds (IRB) for St. Clara's Manor on the Council's August 15, 2016 agenda. This action will need to occur after a public hearing regarding the authorization of these documents.

Council Recommendation

The issuance of these bonds is an economic development incentive for St. Clara's Manor. Issuing the \$10M in IRBs should not affect the planning for future issues related to capital projects. Approve the documents to form, and authorize the Mayor to execute the necessary documents to move forward with the issuance of IRBs for the construction of a new St. Clara's Manor.

What is the Project?

A new 106 bed skilled nursing facility located at 1450 Castle Manor Drive, Lincoln, Illinois (adjacent to Castle Manor), to be owned by St. Clara's Senior Services and operated by St. Clara's Manor. St. Clara's Senior Services and St. Clara's Manor are each an Illinois not-for-profit corporation and 501(c)(3) organization.

The amount of the 2016 bond issue is approximately \$9,400,000. In early 2017, there will be a second bond issue for approximately \$7,600,000. Total project cost is \$22 million with St. Clara's equity contribution of \$5,000,000.

Why tax-exempt bonds?

To obtain a lower interest rate – the bank can charge a lower interest rate because it does not pay federal income tax on the interest paid by St. Clara's. Tax-exempt bonds for private (non-government) projects are available only to 501(c)(3) organizations and manufacturing facilities in limited circumstances.

What is the City's responsibility for the bonds?

The Bonds are revenue bonds payable solely by St. Clara's. The Bonds are not an obligation or debt of the City and are not supported by the taxing authority of the City. The City would have no responsibility for payment of the Bonds and the Bonds would be issued at no cost to the City.

Who is purchasing the bonds?

The Bonds will be purchased by State Bank of Lincoln (and its affiliate Heartland Bank) who has made its independent credit analysis and risk assessment. The bonds will not be sold to the general public or to an underwriter.

What does the City have to do?

The issuance of the Bonds will require approval of the City via a resolution approving the Bonds. St. Clara's bond counsel will prepare all of the necessary documents and coordinate with the City's staff and legal counsel. Bond Counsel is Samuel J. Witsman and Mike Southworth of Hart, Southworth & Witsman, Springfield, Illinois, who have completed many similar transactions in the counties of Sangamon, Morgan, Logan, Menard and others.

When will this happen?

The desired schedule is to have a bond resolution approved on August 15 with a closing on August 26.

Thank you for your consideration of this request.

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE CITY OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS (ST. CLARA'S PROJECT), SERIES 2016, AUTHORIZING EXECUTION OF A LOAN AGREEMENT, AN ASSIGNMENT AND AGREEMENT, AND A BOND PURCHASE AGREEMENT, ALL RELATIVE TO SAID BONDS, AND AUTHORIZING OTHER ACTION TO BE TAKEN WITH RESPECT TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS

WHEREAS, the City of Lincoln, Logan County, Illinois (the "Issuer") is a political subdivision, body politic and municipality, duly organized and validly existing under the laws of the State of Illinois; and

WHEREAS, the Issuer, with authority under The Industrial Project Revenue Bond Act (65 ILCS 5/11-74-1 *et seq.*), as supplemented and amended (the "Act") and the Illinois Municipal Code (65 ILCS 5/1-1-1 *et seq.*), is authorized and empowered among other things (a) to make loans to finance and refinance the acquisition, purchase, construction, reconstruction, improvement, betterment or extension of qualifying "industrial projects" under the Act, (b) to issue and sell its industrial development revenue bonds to provide moneys for such a loan and (c) to enact this resolution and execute and deliver the related agreements, documents and instruments hereinafter identified; and

WHEREAS, it has been proposed that the Issuer issue its Economic Development Revenue Bonds (St. Clara's Project), Series 2016, in an aggregate principal amount of \$9,400,000 (the "Bonds") and loan the proceeds of the Bonds to ST. CLARA'S SENIOR SERVICES, an Illinois not-for-profit corporation and a 501(c)(3) organization (the "Borrower") to assist the Borrower in (i) financing and refinancing the cost of acquisition, purchase, construction, reconstruction, improvement, betterment or extension related to a new 106 bed skilled nursing facility located at 1450 Castle Manor Drive, Lincoln, Illinois (adjacent to Castle Manor), said location being within the territorial boundaries of the Issuer, and said facility to be owned by the Borrower and operated by St. Clara's Manor, an Illinois not-for profit corporation and 501(c)(3) organization (the "Guarantor"), and which when completed will be used by the Borrower and the Guarantor in furtherance of their charitable purposes and (ii) paying certain expenses incurred in connection with the issuance of the Bonds (collectively, the "Project"); and

WHEREAS, drafts of the following documents relating to the Project have been submitted to the Mayor and City Council and are now, or shall be placed, on file in the office of the City Clerk:

- (a) Loan Agreement, dated as of August 1, 2016 (the "Loan Agreement"), proposed to be made and entered into by and between the Issuer and the Borrower;

(b) Assignment and Agreement, dated as of August 1, 2016 (the “Assignment”), proposed to be made and entered into between the Issuer and Heartland Bank & Trust Company, as Assignee;

(c) Tax Compliance Agreement, dated as of August 1, 2016 (the “Tax Compliance Agreement”), proposed to be made and entered into by and between the Borrower and the Issuer;

(d) Bond Purchase Agreement, dated August 26, 2016 (the “Bond Purchase Agreement”), proposed to be made and entered into among the Issuer, the Borrower and Heartland Bank & Trust Company (the “Purchaser”); and

WHEREAS, the Project and operation of the facilities have and will provide for the economic development of the Issuer, and provide for increased employment, increased revenue and an increased tax base for the Issuer and promote the health, safety and welfare of the Issuer and will create and preserve jobs and employment opportunities and promote the health and economic welfare in the Issuer and the State of Illinois and that the Issuer, through the issuance under this resolution of the Bonds will be acting in a manner consistent with and in furtherance of the provisions of the Act; and

WHEREAS, the Issuer proposes to sell the Bonds hereinafter authorized upon a negotiated basis to the Purchaser; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LINCOLN, LOGAN COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. Definitions. Terms defined in the Loan Agreement and used herein shall have the meanings set forth in the Loan Agreement unless the context or use indicates another or different meaning. The words “hereof,” “herein,” “hereunder” and other words of similar import refer to this Bond Resolution as a whole.

Section 2. Authorization of the Project. That in order to promote the general welfare of the Issuer and its inhabitants by providing for the economic development of the Issuer and providing increased employment, increased revenue and an increased tax base for the Issuer, the Project shall be and is hereby authorized to be financed as described herein. The Project will create and preserve jobs and employment opportunities and promote the health and economic welfare in the Issuer and the State of Illinois, and in issuing the Bonds the Issuer will be acting in a manner consistent with and in furtherance of the provisions of the Act. It is hereby found and declared that the facilities financed with the Bonds constitute “industrial projects” under the Act and the financing for the Project, and the use thereof by the Borrower as hereinafter provided, is necessary to accomplish the public purposes described in the preamble hereto and in the Act.

Section 3. Authorization and Payment of Bonds. That for the purpose of financing the cost of the Project, there shall be and there is hereby authorized to be issued the Bonds. The

Bonds shall be dated as of the date of issuance thereof, and be payable to the order of the Purchaser in the amount and on the dates set forth in the Bond form, shall bear interest on the unpaid principal installments at the rate set forth in the Bond form, and shall contain such other terms as are contained in the Bond form.

In the event of prepayment, the Bonds may be redeemed by the Bond Registrar as directed by the Assignee at a prepayment price as set forth in the Bond form upon written notice to the Registered Owners of the Bonds given by the Borrower on behalf of the Issuer, at least five (5) business days prior to the date which the Borrower shall have designated as the prepayment date. In the event the Bonds are redeemed in part, the Registered Owner of the Bonds shall deliver the Bonds to the Paying Agent for an endorsement which duly notes the redemption in part. Any failure to have duly noted or endorsed such prepayment shall not render such prepayment ineffective. In addition, the Bonds are subject to redemption as set forth in the Loan Agreement.

All principal installments of the Bonds or portion thereof designated for prepayment will cease to bear interest on the specified prepayment date, provided funds for their prepayment are on deposit at the place of payment at that time.

The principal installments of (except the final installment which will be paid upon presentment at the principal office of the Paying Agent) and interest on the Bonds shall be payable by check or draft of the Paying Agent mailed to the Registered Owner of the Bonds at the address as shown in the Bond Register.

The Bonds shall be signed by the Mayor and attested by the City Clerk of the Issuer and the corporate seal of the Issuer shall be affixed thereto.

The Bonds, together with interest thereon, shall be limited obligations of the Issuer secured by, among other things, the Assignment and payable solely from the receipts derived from and as described in the Loan Agreement (except to the extent paid out of moneys attributable to the Bond proceeds or the income from the temporary investment thereof) and shall be a valid claim of the Registered Owners hereof only against moneys required to be applied to the payment of the Bonds and other moneys held by the Assignee and Paying Agent and the receipts derived from the Loan Agreement, which receipts shall be used for no other purpose than to pay the principal installments of, and interest on the Bonds, except as may be otherwise expressly authorized in this Bond Resolution. The Bonds and the obligation to pay interest thereon do not now and shall never constitute an indebtedness or a loan of credit of the Issuer, the State of Illinois or any political subdivision thereof, or a charge against their general taxing powers, within the meaning of any constitutional or statutory provisions of the State of Illinois, but shall be secured by the Assignment, and payable solely from the receipts from the Loan Agreement. Without limiting the foregoing, the Issuer makes no representation that interest on the Bonds is or will continue to be tax-exempt under the Code, and expressly disclaims any liability for absence or loss of any such tax-exempt status for any reason whatsoever.

Section 4. Bond Form. That the Bonds shall be in substantially the form as shown on attached Exhibit A, with appropriate insertions.

Section 5. Creation of the 2016 Project Fund and 2016 Bond Fund; Custody and Application of Proceeds of Bonds.

(a) 2016 Project Fund. There is hereby created and established with the Assignee a special fund in the name of the Issuer to be designated “City of Lincoln Economic Development Revenue Bonds 2016 Project Fund (St. Clara’s Project)” (the “2016 Project Fund”) and identified with the name of the Borrower. The proceeds received by the Issuer upon the sale of the Bonds shall be deposited in the 2016 Project Fund which shall be held in a separate account by the Assignee. Moneys in the 2016 Project Fund shall be expended in accordance with the provisions of the Loan Agreement, and particularly Article IV thereof.

The Assignee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and after the Project has been completed and a certificate of payment of all costs filed as provided in this Section, the Assignee upon request shall deliver copies of such records to the Issuer and the Borrower.

Upon completion of the Project and payment of all costs and expenses incident thereto, any moneys thereafter remaining in the 2016 Project Fund shall be applied in accordance with Sections 4.3 and 9.3 of the Loan Agreement.

(b) 2016 Bond Fund. There is hereby created and established with the Assignee a special fund in the name of the Issuer to be designated “City of Lincoln Economic Development Revenue Bonds 2016 Bond Fund (St. Clara’s Project)” (the “2016 Bond Fund”) and identified with the name of the Borrower. The payments of the Borrower received by the Issuer or the Assignee shall be deposited in the 2016 Bond Fund which shall be held in a separate account by the Assignee. Moneys in the 2016 Bond Fund shall be held for application to payment of the Bonds and shall be timely paid over to the Paying Agent for application in accordance with the provisions of this Bond Resolution.

The Assignee shall keep and maintain adequate records pertaining to the 2016 Bond Fund and all disbursements therefrom, and after all the Bonds have been paid and all costs filed as provided in this Section, the Assignee upon request shall deliver copies of such records to the Issuer and the Borrower.

The payment of all the Bonds and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Issuer and the Assignee of a certificate of the Authorized Borrower Representative (as set forth in Section 10.1 of the Loan Agreement).

Section 6. Payment of Amounts Under the Loan Agreement. It is the declared intention of the Issuer to authorize the disbursement of the proceeds of the Bonds in order to finance the acquisition, purchase, construction, reconstruction, improvement, betterment or

extension of the Project pursuant to the Loan Agreement in substantially the form which has been presented to and is hereby approved by the Mayor and City Council of the Issuer.

The Mayor is hereby authorized to execute and acknowledge said Loan Agreement for and on behalf of the Issuer, and the City Clerk is hereby authorized to attest same and to affix thereto the corporate seal of the Issuer.

The Loan Agreement and the Notes and the receipts therefrom, including all moneys received under their terms and conditions, are intended to be sufficient to pay the principal installments of and interest on the Bonds hereby authorized and are hereby pledged and ordered paid to the Registered Owners of the Bonds for payment of the Bonds. The Loan Agreement provides that the Borrower shall remit the required payments thereunder directly to the Assignee for deposit in the 2016 Bond Fund for payment of the Bonds and such provision for payment is hereby expressly approved.

Section 7. Receipts. Notwithstanding any provision of this Bond Resolution or the Loan Agreement to the contrary, the Bonds and all payments required of the Issuer hereunder are not general obligations of the Issuer but are special and limited obligations secured by the Assignment and are payable by the Issuer solely and only out of the receipts derived from the Loan Agreement and the Notes as provided herein and therein.

There shall be deposited in the 2016 Bond Fund and applied to the payment of the Bonds, as and when received, (a) a sum equal to the accrued interest paid by the purchaser of the Bonds, if any; (b) all prepayments specified in the Loan Agreement; and (c) all other moneys required to be deposited under and pursuant to any of the provisions of the Loan Agreement and the Notes. The Assignee is authorized and directed to transfer amounts available therefor to the Paying Agent for the payment when due of the principal of and interest on the Bonds.

The Issuer covenants and agrees that should there be a default under the Loan Agreement, the Issuer shall fully cooperate with the Assignee and with the Registered Owners of the Bonds to enforce the obligations of the Borrower under the Loan Agreement and the Notes to the end of fully protecting the rights and security of such Registered Owners. Nothing herein shall be construed as requiring the Issuer to use any funds or receipts from any source other than funds and receipts derived from or as described in the Loan Agreement and the Notes, or to undertake to perform the obligations of the Borrower under the Loan Agreement and the Notes, including without limitation the obligation to complete the Project.

Any amounts held by the Assignee, after payment in full of the principal installments of and interest on the Bonds (or provision for payment thereof as provided in this Bond Resolution) and the charges and expenses of the Bond Registrar and Paying Agent, shall be paid to the Borrower upon the expiration or sooner termination of the term of the Loan Agreement.

Section 8. Assignment. As security for the due and punctual payment of the principal installments of and interest on the Bonds hereby authorized, the Issuer hereby assigns and pledges to the Assignee, the Loan Agreement and the Notes, including all receipts derived by the

Issuer pursuant to the Loan Agreement and the Notes (except any payment made pursuant to Sections 2.3, 3.4, 8.2, 8.5, 8.6 and 8.7 of the Loan Agreement relating to reimbursement or indemnification of the Issuer by the Borrower) and all rights and remedies of the Issuer under the Loan Agreement and the Notes to enforce payment thereof, including evidence of such assignment and of the agreement of the Assignee to accept its responsibilities with respect to the moneys to be applied to the payment of the Bonds, the Mayor is hereby authorized to execute for and on behalf of the Issuer, and the Mayor and City Clerk are authorized and directed to cause the Assignment to be executed by the Assignee, with the Assignment to be in substantially the form which has been presented to and is hereby approved by the Mayor and City Council of the Issuer.

Section 9. Investments: Arbitrage. Any moneys held as part of the 2016 Project Fund created pursuant to Section 5 hereof or held by the Assignee for application to payment of the Bonds, may be invested or reinvested on the direction of the Borrower, in accordance with the provisions of the Loan Agreement and this Bond Resolution. Any such investment shall be held by or under control of the Assignee or Bond Registrar and shall be deemed at all times a part of the account from which such investment was made and the interest accruing thereon and any profit realized from such investments shall be credited to such account, and any loss resulting from such investments shall be charged to such account, which loss shall be an obligation of the Borrower as provided in the Loan Agreement.

As and when any amount invested pursuant to this Section may be needed for disbursement, the Borrower may direct the Assignee to cause a sufficient amount of the investments to be sold and reduced to cash to the credit of such accounts regardless of the loss on such liquidation which loss shall be the obligation of the Borrower to restore to the affected fund as described in the Loan Agreement.

With respect to Section 148 of the Code, the Borrower has made certain certifications and representations to the Issuer in Sections 2.2 and 2.3 of the Loan Agreement, which certifications and representations by this reference are incorporated herein and made a part hereof. The Issuer agrees to comply with all provisions of the Code which, if not complied with by the Issuer, would cause the Bonds not to be tax-exempt. The City Council of the Issuer, acting in reliance upon such certifications and representations, in furtherance of the foregoing provisions, but without limiting their generality, agrees that it will not take or authorize the taking of any action which will affect the tax-exempt status of the Bonds under the Code or will cause the Bonds to be classified as an “arbitrage bond” within Section 148 of the Code and regulations or rulings lawfully promulgated thereunder.

The Issuer recognizes that the provisions of Section 148 of the Code require a rebate to the United States government in certain circumstances, and pursuant to the Tax Compliance Agreement creates and orders established with the Assignee, a trust fund in the name of the Issuer to be designated “City of Lincoln Economic Development Revenue Bonds 2016 Rebate Fund (St. Clara’s Project)” (the “2016 Rebate Fund”), which shall be held, invested, expended and accounted for at the direction of the Borrower and at the Borrower’s expense in accordance with the Assignment, the Loan Agreement and the Tax Compliance Agreement. Such 2016

Rebate Fund shall not be considered moneys held under the Assignment and shall not constitute part of the Project held for the benefit of the Registered Owners, the Issuer, or the Borrower, but shall be held on behalf of the United States government as contemplated by the provisions of the Tax Compliance Agreement and subject to direction by the Borrower as provided in the Tax Compliance Agreement.

Moneys in the 2016 Rebate Fund shall be held in trust by the Assignee and, except for those excess amounts which may be transferred to the Assignee as funds to be held and applied under the Assignment, shall be held for future payment at the Borrower's direction to the United States government as contemplated under the provisions of the Tax Compliance Agreement.

Notwithstanding the foregoing, exemptions to rebate requirements applicable to the Bonds appear at Treasury Regulation 1.148-7. Based upon the certifications of the Borrower, no rebate is required or planned by the Issuer. In support of this conclusion, the Mayor and the City Clerk may make such further certifications and covenants as they deem necessary in the Tax Compliance Agreement.

Section 10. General Covenants. The Issuer covenants that it will promptly cause to be paid solely and only from the source mentioned in the Bonds, the principal installments of and interest on the Bonds hereby authorized at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. The Bonds and the obligation to pay interest thereon are limited obligations of the Issuer, secured by, among other things, the Assignment and payable solely out of the receipts derived by the Issuer from the Loan Agreement and the Notes and otherwise as provided herein and in the Loan Agreement and the Notes. The Bonds and the obligation to pay interest thereon shall not be deemed to constitute an indebtedness or a loan of credit of the Issuer, the State of Illinois or any political subdivision thereof, or a charge against their general taxing powers, within the meaning of any constitutional or statutory provision of the State of Illinois. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Bond Resolution, in the Bonds and in all proceedings of its City Council pertaining thereto. The Issuer covenants that it is duly authorized under the Constitution and laws of the State of Illinois, including particularly and without limitation the Act, to issue the Bonds authorized hereby, and to pledge and assign the receipts hereby pledged and assigned in the manner and to the extent herein set forth; and that all action on its part for the issuance of the Bonds has been duly and effectively taken and that the Bonds are and will be a valid and enforceable limited obligation of the Issuer according to the true intent and meaning thereof, except as the enforceability of the same may be subject to bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting creditors' rights, and to the exercise of judicial discretion in accordance with general principles of equity.

The Issuer covenants that it will execute, acknowledge and deliver such instruments and other documents as the Registered Owners of the Bonds or the Assignee may reasonably require for the better assuring, granting, pledging and assigning unto the Assignee the interest of the Issuer in the Loan Agreement and the Notes, as well as the rights of the Issuer in and to the receipts hereby assigned and pledged to the payment of the principal installment of and interest

on the Bonds. The Issuer covenants and agrees that, except as herein and in the Loan Agreement provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the receipts derived from the Loan Agreement and the Notes or of its rights under the Loan Agreement and the Notes.

The Issuer covenants and agrees that all books and documents in its possession relating to the receipts derived from and as described in the Loan Agreement and the Notes shall at all reasonable times be open to inspection by the Registered Owners of the Bonds or such accountants or other agencies as such Registered Owners may from time to time designate.

Section 11. Event of Default And Remedies. Upon the occurrence of an Event of Default and so long as such event is continuing, the Assignee by notice in writing delivered to the Issuer and the Borrower, may declare the principal installments of the Bonds and the interest accrued thereon immediately due and payable, and such principal installments and interest shall thereupon become and be immediately due and payable. Upon any such declaration all payments under the Loan Agreement and the Notes from the Borrower immediately shall become due and payable as provided in the Loan Agreement.

While any principal installments of the Bonds or interest are unpaid, the Issuer shall not exercise any of the remedies on default specified in Section 8.2 of the Loan Agreement without prior written consent of the Assignee.

Upon the occurrence of an Event of Default, the Assignee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal installments and interest on the Bonds and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth and of the Borrower as set forth in the Loan Agreement and the Notes.

No remedy by the terms of this Bond Resolution conferred upon or reserved to the Assignee is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Assignee or to the Registered Owner hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every such right, power or remedy may be exercised from time to time as often as may be deemed expedient.

All moneys received pursuant to any right given or action taken under the provisions of this Section or under the provisions of the Loan Agreement (after payments of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Issuer, the Assignee or the Registered Owners of the Bonds) and all moneys in the 2016 Bond Fund or 2016 Project Fund at the time of the occurrence of an Event of Default shall be applied to the payment of the principal installments and interest then due and unpaid upon the Bonds to the person entitled thereto.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Paying Agent or the Assignee as the case may be shall determine, but in any event within fifteen (15) business days after receipt of such moneys by the Paying Agent or the Assignee as the case may be. The Paying Agent shall give such notice as it may deem appropriate of the receipt of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Registered Owner of any Bond until such Bond shall be presented to the Paying Agent for appropriate endorsement or for cancellation if fully paid.

Whenever all principal installments and interest on the Bonds have been paid under the provisions of this Section and all expenses of the Assignee, Paying Agent, Bond Registrar and the Issuer have been paid, any balance remaining with the Assignee shall be paid to the Borrower.

With regard to any default concerning which notice is given to the Borrower under the provisions of this Section, the Issuer hereby grants the Borrower full authority for account of the Issuer to perform or observe any covenant or obligation alleged in said notice not to have been performed or observed, in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do in order to remedy such default.

Section 12. Sale of the Bonds; Execution of Bond Purchase Agreement. The sale of the Bonds (the execution and issuance of which is authorized pursuant to Section 13 hereunder) to the Purchaser at a price of par plus accrued interest, if any, and payment pursuant to the Bond Purchase Agreement is hereby in all respects authorized, approved and confirmed. The Bond Purchase Agreement in substantially the form which has been presented to the City Council is hereby approved.

The Mayor is hereby authorized and directed to execute said Bond Purchase Agreement for and on behalf of the Issuer, and the City Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the Issuer.

Section 13. Performance Provisions. The forms, terms and provisions of the proposed Loan Agreement, Bond Purchase Agreement, Notes, Assignment and Tax Compliance Agreement (the "Issuer Documents") are hereby in all respects approved, and the Mayor and City Clerk are hereby authorized, empowered and directed to execute and deliver the Issuer Documents in the name and on behalf of the Issuer. The Issuer Documents, as executed and delivered, shall be in substantially the forms now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the forms of the Issuer Documents now before this meeting.

The Mayor and City Clerk be, and they are hereby, further authorized and directed for and on behalf of the Issuer, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of the authority conferred by this Bond Resolution or to

evidence said authority and to exercise and otherwise take all necessary action to the full realization of the rights, accomplishments and purposes of the Issuer under the Loan Agreement, the Assignment, the Bond Purchase Agreement and the Tax Compliance Agreement and to discharge all of the obligations of the Issuer thereunder. From and after the execution and delivery of the Issuer Documents authorized by this Bond Resolution, the officers, agents and employees of the Issuer are hereby further authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out the intent and accomplish the purposes of this resolution and to comply with and make effective the provisions of the instruments as executed.

Section 14. Other Tax Covenants.

A. The Issuer recognizes the provisions of Section 265(b)(3) of the Code which provide that a “qualified tax exempt obligation” as therein defined may be treated by certain financial institutions as if it were acquired on August 7, 1986, for certain purposes. The Issuer hereby designates each of the Bonds as may be from time to time outstanding for purposes of Section 265(b)(3) of the Code as a “qualified tax exempt obligation”. In making such designation, the Issuer is relying upon covenants and warranties of the Borrower and continued compliance in connection with Section 501(c)(3) of the Code and the status of the Bonds as “Qualified 501(c)(3) Bonds” under Section 141(e)(1)(G).

In support of such designation, the Issuer further certifies, represents and covenants as follows:

1) Including the Bonds, the Issuer (including any entities subordinate thereto) has not and does not reasonably expect to issue in excess of \$10,000,000 in “tax-exempt obligations” during calendar year 2016. The term “tax-exempt obligations” includes “qualified 501(c)(3) bonds” (as defined in Section 145 of the Code) but does not include other “private activity bonds” (as defined in Section 141 of the Code).

2) Including the Bonds, not more than \$10,000,000 of obligations issued by the Issuer (including any entities subordinate thereto) during calendar year 2016 have been to date or will be designated by the Issuer for purposes of said Section 265(b)(3).

B. The Bonds are qualified 501(c)(3) “private activity bonds” as defined in Section 141(e)(1)(G) of the Code. In support of such conclusion, the Issuer certifies, represents and covenants as follows:

1) All property which is to be provided by the net proceeds of the issue is to be owned by a 501(c)(3) organization or a governmental unit.

2) No direct or indirect payments are to be made on any Bonds with respect to any private business use by any person other than the qualified 501(c)(3) organization.

3) None of the proceeds of the Bonds are to be used, directly or indirectly, to make or finance loans to persons other than a qualified 501(c)(3) organization.

C. The Issuer recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain tax-exempt. In this connection, the Issuer agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 15. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered by hand delivery or on the third (3rd) day following the day on which the same has been mailed by registered or certified mail, postage prepaid, addressed as specified in Section 10.3 of the Loan Agreement. The Issuer, the Borrower or the Assignee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 16. Resolution a Contract; Provisions For Modifications, Alterations and Amendments. The provisions of this Bond Resolution shall constitute a contract between the Issuer and the Registered Owner or Registered Owners of the Bonds hereby authorized; and after the issuance of the Bonds no modification, alteration, or amendment or supplement to the provisions of this Bond Resolution shall be made in any manner except with the written consent of the Registered Owner or Registered Owners of the Bonds until such time as all principal installments of, and interest on the Bonds shall have been paid in full.

Section 17. Satisfaction And Discharge. All rights and obligations of the Issuer and the Borrower under the Loan Agreement, the Notes, the Assignment, the Bonds, the Bond Purchase Agreement and this Bond Resolution shall terminate and such instruments shall cease to be of further effect and the Assignee and Paying Agent shall cancel the Bonds, deliver them to the Issuer, and deliver a copy of the canceled Bonds to the Borrower, and shall assign and deliver to the Borrower any moneys held by the Assignee and Paying Agent required to be paid to the Borrower under Section 7 hereof (except moneys held by the Paying Agent for the payment of principal of or interest on the Bonds) when:

(a) all expenses of the Issuer, the Assignee, the Registrar and the Paying Agent shall have been paid;

(b) the Issuer and the Borrower shall have performed all of their covenants and promises in the Loan Agreement, the Notes, the Assignment, the Bonds, the Bond Purchase Agreement and in this Resolution; and

(c) all principal installments and interest on the Bonds have been paid.

Section 18. Severability. If any section, paragraph, clause or provision of this resolution shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

Section 19. Captions. The captions or headings of this resolution are for convenience only and in no way define, limit or describe the scope or intent of any provision of this resolution.

Section 20. Provisions In Conflict Repealed. All resolutions, and orders, or parts thereof, in conflict with the provisions of this resolution are to the extent of such conflict, hereby repealed, and this Bond Resolution shall be in full force and effect upon its passage and approval as required by law.

AND BE IT FURTHER RESOLVED, that the Mayor and City Clerk are is authorized to execute all documents necessary to effectuate this Bond Resolution.

This Bond Resolution is hereby adopted by the Mayor and by the affirmative vote, the “ayes” and “nays” being called, of a majority of the members of the City Council of the City of Lincoln, Logan County, Illinois, at a regular meeting of said City Council on this August 15, 2016.

ADOPTED by the Mayor and City Council this August 15, 2016.

Mayor

(SEAL)

City Clerk

STATE OF ILLINOIS)
) SS.
COUNTY OF LOGAN)

I, Susan K. Gehlbach, hereby certify that I am the duly qualified and acting City Clerk of the City of Lincoln, Logan County, Illinois (the “Issuer”) and as such official I further certify that attached hereto is a copy of a RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE CITY OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS (ST. CLARA’S PROJECT), SERIES 2016, AUTHORIZING EXECUTION OF A LOAN AGREEMENT, AN ASSIGNMENT AND AGREEMENT, AND A BOND PURCHASE AGREEMENT, ALL RELATIVE TO SAID BONDS, AND AUTHORIZING OTHER ACTION TO BE TAKEN WITH RESPECT TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS, dated as of August 15, 2016 (the “Bond Resolution”) adopted at a regular meeting of the City Council of the Issuer held on August 15, 2016; that I have compared said copy with the original Bond Resolution in my official custody; that said copy is true, correct and complete; and that as of the date hereof the attached Bond Resolution is still in full force and effect and has not been amended, repealed or rescinded.

I further certify that in accordance with the requirements of The Open Meetings Act, 5 ILCS 120/1, *et seq.*, public notice of the date, time and place of the meeting of the City Council of the Issuer was properly given by posting a copy of such notice at the principal office of the Issuer, and by supplying a copy of such notice to any local newspaper of general circulation or any local radio or television station that has filed an annual request for such notice.

I further certify that all meetings of the City Council of the Issuer concerning the \$9,400,000 Economic Development Revenue Bonds (St. Clara’s Project), Series 2016 were held at times and places convenient to the public and specified in the notice regarding said meetings, and that said meetings were public meetings.

WITNESS my official signature and seal of the City of Lincoln, Logan County, Illinois this August 26, 2016.

City Clerk

(SEAL)

EXHIBIT A
(FORM OF BOND)
UNITED STATES OF AMERICA
CITY OF LINCOLN, LOGAN COUNTY, ILLINOIS
ECONOMIC DEVELOPMENT REVENUE BONDS
(ST. CLARA'S PROJECT)
SERIES 2016

No. R-___

\$9,400,000

KNOW ALL MEN BY THESE PRESENTS that the City of Lincoln, Logan County, Illinois (the "Issuer"), a political subdivision, body politic and municipality, duly organized and validly existing under the laws of the State of Illinois, for value received, promises to pay from the source and as hereinafter provided, to the order of HEARTLAND BANK & TRUST COMPANY, or registered assigns, the principal sum of NINE MILLION FOUR HUNDRED THOUSAND DOLLARS, in installments of principal as hereinafter provided and to pay interest on the unpaid balance of said principal sum as hereinafter provided, until the principal amount is paid in full.

(1) Interest shall be calculated on the outstanding principal amount of this Bond from the date of the authentication of this Bond at an interest rate per annum equal to the Interest Rate, provided however that the interest rate shall be adjusted to the then existing Interest Rate on each Adjustment Date; and further provided that from and after any Effective Date of Taxability, as defined in the Loan Agreement, this Bond shall bear interest at the Taxable Interest Rate as adjusted on each Adjustment Date.

(2) "Adjustment Date" means August 26, 20__, August 26, 20__ and August 26, 20__.

(3) "Base Rate" means LIBOR Rate plus two hundred fifty basis points (2.50%).

(4) "Bonds" means the Issuer's Economic Development Revenue Bonds (St. Clara's Project), Series 2016, in an aggregate principal amount of \$9,400,000.

(5) "Borrower" means St. Clara's Senior Services, an Illinois not-for-profit corporation and a 501(c)(3) organization.

(6) "Code" means the Internal Revenue Code of 1986, as now or hereafter amended, and applicable regulations. All references herein to sections of the Code are to the sections thereof as they existed on the date of execution of the Loan Agreement.

(7) "Interest Rate" means ___% per annum, subject to adjustment on each Adjustment Date to a rate of interest per annum which provides the Registered Owner with a yield exempt from Federal income tax equal to the Registered Owner's after tax yield resulting from a rate per annum that (i) is the Base Rate and (ii) is subject to Federal income tax.

(8) “LIBOR Rate” means, for each Adjustment Date, the interest rate per annum determined by the Registered Owner by dividing (i) the rate which appears on the Bloomberg Page BBAMI (or on such other substitute Bloomberg page that displays rates at which US dollar deposits are offered by leading banks in the London interbank deposit market), or the rate which is quoted by another source selected by the Registered Owner which has been approved by the British Bankers’ Association as an authorized information vendor for the purpose of displaying rates at which US dollar deposits are offered by leading banks in the London interbank deposit market (an “Alternate Source”), at approximately 11:00 a.m., London time, two (2) Business Days prior to such Adjustment Date, as the one (1) month London interbank offered rate for U.S. Dollars commencing on such Adjustment Date (or if there shall at any time, for any reason, no longer exist a Bloomberg Page BBAMI (or any substitute page) or any Alternate Source, a comparable replacement rate determined by the Registered Owner at such time (which determination shall be conclusive absent manifest error)), by (ii) a number equal to 1.00 minus the LIBOR Reserve Percentage.

(9) “Loan Agreement” means the Loan Agreement dated as of August 1, 2016 between the Issuer and the Borrower.

(10) “Overdue Rate” means the applicable interest rate, Interest Rate or Taxable Interest Rate, as the case may be, plus 2.00%.

(11) “Payment Date” means monthly on the twenty-sixth (26th) day of each calendar month during the term of the Bonds, commencing September 26, 2016.

(12) “Purchaser” means Heartland Bank & Trust Company, Bloomington, Illinois, an Illinois banking corporation.

(13) “Resolution” means Resolution No. _____ adopted by the Mayor and City Council of the Issuer on August 15, 2016 authorizing issuance of the Bonds.

(14) “Taxable Interest Rate” means the Base Rate. The Taxable Interest Rate shall be adjusted to the then existing Taxable Interest Rate on each Adjustment Date.

(15) Principal advances shall be made on this Bond from time to time in accordance with the Loan Agreement. Interest shall be calculated on the then outstanding principal amount of this Bond (not on the unpaid principal amount of the Promissory Note) from the date hereof at the Interest Rate as provided herein; provided, however, that from and after any Effective Date of Taxability, as defined in the Loan Agreement, this Bond shall bear interest at the Taxable Interest Rate.

(16) In the event any payment is not made within ten (10) days of when due hereunder, the Issuer shall pay to the owner of this Bond a “late charge” equal 5.00% of the payment due or \$25.00, whichever is greater, up to the maximum amount of \$250.00 per late charge. In addition, upon acceleration of the Note, as defined in the Loan Agreement of even date herewith from the Borrower to the Issuer, all amounts payable as a result of such acceleration shall bear interest at

the Taxable Interest Rate from the date of acceleration until paid. In the event of any Event of Default under the Loan Agreement, the Bond shall bear interest at the Overdue Rate.

(17) Principal and interest payments shall be payable on the Bond on each Payment Date as set forth in the Amortization Schedule attached hereto. All payments of principal and interest shall be due and payable on each Payment Date, through August 26, 2044, when payment shall be made of all principal then remaining unpaid, if any, together with interest thereon. All payments shall be applied first to interest due and the balance to repayment of principal. Interest shall be calculated on an actual day/360 day basis.

(18) The Issuer has authorized the issuance of the Bonds for the purpose of providing funds to pay a portion of the cost of acquisition, purchase, construction, reconstruction, improvement, betterment or extension that certain project as describe in the Resolution.

(19) Principal of and interest and premium, if any, on this Bond are payable in lawful money of the United States of America at the office of Heartland Bank & Trust Company, Bloomington, Illinois. Payment of principal and interest on this Bond shall be made to the registered owner thereof and shall be paid by check or draft mailed to the registered owner at his address as it appears on the registration books of Issuer or at such other address as is furnished to Issuer in writing by such registered owner.

(20) The proceeds from the sale of the Bonds have been lent by the Issuer to the Borrower under the terms of the Loan Agreement, under which the Borrower is obligated to pay amounts which are sufficient to pay (1) the principal of and premium, if any, and interest on the Bonds as the same shall become due in accordance with the Bonds terms and provisions and the terms and provisions of the Loan Agreement, and (2) the fees and expenses of any paying agents properly payable under the Loan Agreement and certain expenses of the Issuer.

(21) The Bonds are secured by an Assignment and Agreement dated as of August 1, 2016, between the Issuer and the Purchaser. Reference is hereby made to the Loan Agreement for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of Issuer, and the owner of the Bonds, and the terms upon which the Bonds is issued and secured.

(22) This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing, but only in the manner, subject to the limitations provided in the Loan Agreement, and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond of the same series and the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Issuer and any paying agents may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes, and Issuer shall not be affected by the notice to the contrary.

(23) The Bonds are issuable only as fully registered bonds without coupons. Subject to the limitations and upon payment of the charges provided in the Loan Agreement a registered

Bond without coupons may be exchanged for a like aggregate principal amount of registered Bonds without coupons of other authorized denominations of the same series and the same maturity.

(24) The principal installments of the Bonds are subject to prepayment as set forth in the Loan Agreement.

(25) In the event of prepayment, the Bonds may be redeemed by the Bond Registrar as directed by the Assignee at a prepayment price of par plus accrued interest to the prepayment date with premium upon written notice to the Registered Owners of the Bonds given by the Borrower on behalf of the Issuer, at least five (5) business days prior to the installment payment date which the Borrower shall have designated as the prepayment date. In the event the Bonds are redeemed in part, the Registered Owner of the Bonds shall deliver the Bonds to the Paying Agent for an endorsement which duly notes the redemption in part. Any failure to have duly noted or endorsed such prepayment shall not render such prepayment ineffective.

(26) In the event the Borrower prepays the Bonds in part, the Borrower shall be required to continue to make payments on each subsequent Payment Date until the entire principal balance of the Bonds is paid in full.

(27) Additionally, notwithstanding the foregoing paragraph, the Bonds are subject to redemption in the event the Borrower shall be obligated to prepay the amounts payable under the Loan Agreement as provided in Article V of the Loan Agreement. If called for redemption at any time pursuant to the above, the Bonds shall be subject to redemption by Issuer in whole or in part. Reference is hereby made to Section 9.1 and Article V of the Loan Agreement for a description of the circumstances and terms under which Borrower may prepay or be required to prepay the amounts payable under the Loan Agreement.

(28) The Bonds are issued pursuant to and in full compliance with The Industrial Project Revenue Bond Act (65 ILCS 5/11-74-1 *et seq.*), as supplemented and amended, and by appropriate action duly taken by the City Council of the Issuer which authorizes the execution and delivery of the Loan Agreement. Payments sufficient for the prompt payment, when due, of the principal of and premium, if any, and interest on the Bonds are to be paid to Heartland Bank & Trust Company, Bloomington, Illinois for the account of Issuer and deposited in a special account created by Issuer and designated "City of Lincoln Economic Development Revenue Bonds 2016 Bond Fund (St. Clara's Project)" and such payments have been duly pledged and assigned for that purpose, and in addition, the rights of Issuer (other than certain indemnification rights and the payment of certain expenses of Issue) under the Loan Agreement have been assigned to the Purchaser to secure payment of such principal and premium, if any, and interest under the Loan Agreement.

(29) THIS BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER NOR A LOAN OF THE CREDIT OF THE ISSUER OR THE STATE OF ILLINOIS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE FAITH AND CREDIT OF THE ISSUER NOR THE TAXING POWER OF THE STATE OF ILLINOIS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED

TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

(30) The owner of this Bond shall have no right to enforce the Loan Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Loan Agreement, or to institute, appear in or defend any suit or other proceedings with respect thereto, unless an Event of Default, as defined in the Loan Agreement shall have occurred. In certain events, on the conditions, in the manner and with the effect set forth in the Loan Agreement, the principal of the Bonds and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

(31) The Loan Agreement permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of Issuer and the rights of the owner of the Bonds at any time by Issuer with the consent of the owner the Bonds. Any such consent or waiver by the owner of the Bonds shall be conclusive and binding upon such owner and upon all future owners of this Bond and of any Bond issued in replacement thereof whether or not notation of such consent or waiver is made upon this Bond. The Loan Agreement also contains provisions permitting waiver of certain past defaults under the Loan Agreement and their consequences.

(32) The Issuer has designated the Bonds “qualified tax-exempt obligations” under Section 265(b)(3) of the Code.

(33) It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Loan Agreement and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Bond and the issue of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation; and that the amounts payable under the Loan Agreement and pledged to the payment of the principal of and premium, if any, and interest on this Bond and the issue of which it forms a part, as the same become due, will be sufficient in amount for that purpose.

IN WITNESS WHEREOF, the City of Lincoln, Logan County, Illinois, has caused this Bond to be executed in its name by the manual signature of its Mayor and its corporate seal to be hereunto impressed or imprinted hereon and attested by the manual signature of its City Clerk, all as of August 26, 2016.

CITY OF LINCOLN, LOGAN COUNTY, ILLINOIS

By: _____
Mayor

(SEAL)
ATTEST:

City Clerk

(Form of Certificate of Authentication)

This Bond is one of the Bonds described in the within mentioned Resolution No. _____ of the City of Lincoln, Logan County, Illinois.

Registration Date: August 26, 2016

HEARTLAND BANK & TRUST COMPANY

By: _____
Vice President

Bond Registrar and Paying Agent:

Heartland Bank & Trust Company
Bloomington, Illinois

(Form for Transfer)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____

(Print name, address and employer identification number or social security number of Transferee)
the within Bond and all rights thereunder, and hereby irrevocable constitutes and appoints _____, Attorney to transfer the within Bond on the Bond Register kept for registration thereof, with full power of substitution in the premises.

Dated: _____

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

Signature Guaranteed By:

(Name of Bank)

By: _____
Title: _____

AMORTIZATION SCHEDULE

Each payment of interest shall be calculated at the applicable interest rate so as to equal the interest for the period preceding the Payment Date. Each payment of principal shall be calculated by amortizing the Outstanding principal balance of the Bonds as of each Payment Date occurring on and after August 26, 2019, at the interest rate then applicable using an amortization factor of twenty-five (25) years.

At least five (5) Business Days prior to each Payment Date, the Assignee shall send Borrower a notice specifying the principal and interest due on the next succeeding Payment Date. The failure to provide notice will not relieve Borrower of its obligations to pay principal and interest when due.

MEMORANDUM

TO: Mayor and Aldermen of the City of Lincoln

FROM: Clay T. Johnson, City Administrator



MEETING

DATE: August 9, 2016

RE: 2016 Oil and Chip Road Resurfacing Program

Background

In late June, the Council held a discussion regarding this year's street resurfacing program. Mr. Landers brought forward a list of streets to be addressed which totaled \$299,826.58 by our estimates. On Thursday, the City opened bids for this work and received one proposal from Beniach Construction Company (Tuscola, IL) in the amount of \$275,495. This is \$24,331.58 below our estimate.

Analysis/Discussion

The list of streets to be addressed is included with the proposal document from Beniach. Two years ago, Beniach was awarded our street resurfacing work and we were pleased with the workmanship and the product.

Fiscal Impact

The City has budgeted \$530,000 in resurfacing in the Capital Project Fund for this year. If you recall as part of our discussion in June, we held back bidding more work in anticipation in what may happen with the Depot construction work, and if it will be completed this construction season. It is unlikely that the contractor will be able to install surface for the project this year, which means that we are able to resurface a greater amount of streets. Mr. Landers will begin preparing a list to provide the contractor which will precipitate the need for a change order. The staff will bring a change order forward for your approval, assuming the contractor is able to do the work and able to hold their prices level for the additional scope.

COW Recommendation

Place the bid award for the 2016 Oil and Chip Road Resurfacing Program on the Council agenda for August 15, 2016.

Council Recommendation:

Award the bid and authorize the execution of a contract with Beniach Construction (Tuscola, IL) for the 2016 Oil and Chip Road Resurfacing Program in an amount not to exceed \$275,495.

RETURN WITH BID



Local Public Agency
Formal Contract
Proposal

PROPOSAL SUBMITTED BY		
Benjach Construction Company, Inc.		
Contractor's Name		
307 S. Main Street		
Street		
P.O. Box 20		
City		
Tuscola, IL 61953		
State		
Zip Code		

STATE OF ILLINOIS

COUNTY OF Logan
 City of Lincoln
 (Name of City, Village, Town or Road District)

FOR THE IMPROVEMENT OF
 STREET NAME OR ROUTE NO. Various
 SECTION NO. 16-00097-00-EG
 TYPES OF FUNDS Local

SPECIFICATIONS (required)

PLANS (required)

For Municipal Projects
 Submitted/Approved/Passed

Mayor President of Board of Trustees Municipal Official

Date

Department of Transportation
 Released for bid based on limited review

Regional Engineer

Date

For County and Road District Projects
 Submitted/Approved

Highway Commissioner

Date

Submitted/Approved

County Engineer/Superintendent of Highways

Date

Note: All proposal documents, including Proposal Guaranty Checks or Proposal Bid Bonds, should be stapled together to prevent loss when bids are processed.

RETURN WITH BID

NOTICE TO BIDDERS

County Logan
Local Public Agency City of Lincoln
Section Number 16-00097-00-EG
Route Various

Sealed proposals for the improvement described below will be received at the office of City Clerk,
700 Broadway St., Lincoln, IL. until 9:00 AM on August 4, 2016
Address Time Date

Sealed proposals will be opened and read publicly at the office of City Clerk
700 Broadway St., Lincoln, IL. at 9:00 AM on August 4, 2016
Address Time Date

DESCRIPTION OF WORK

Name Pulverize and Seal Coat Length: 22560.00 feet (4.27 miles)
Location Various Locations
Proposed Improvement Base scarification, reshaping, manhole and valve box adjustments, bituminous surface treatment (A-1 and A-2) and other incidental work.

1. Plans and proposal forms will be available in the office of Farnsworth Group
7707 N. Knoxville Ave., Suite 100, Peoria, IL 61614
Address

2. [X] Prequalification
If checked, the 2 low bidders must file within 24 hours after the letting an "Affidavit of Availability" (Form BC 57), in duplicate, showing all uncompleted contracts awarded to them and all low bids pending award for Federal, State, County, Municipal and private work. One original shall be filed with the Awarding Authority and one original with the IDOT District Office.

3. The Awarding Authority reserves the right to waive technicalities and to reject any or all proposals as provided in BLRS Special Provision for Bidding Requirements and Conditions for Contract Proposals.

- 4. The following BLR Forms shall be returned by the bidder to the Awarding Authority:
a. BLR 12200: Local Public Agency Formal Contract Proposal
b. BLR 12200a Schedule of Prices
c. BLR 12230: Proposal Bid Bond (if applicable)
d. BLR 12325: Apprenticeship or Training Program Certification (do not use for federally funded projects)
e. BLR 12326: Affidavit of Illinois Business Office

5. The quantities appearing in the bid schedule are approximate and are prepared for the comparison of bids. Payment to the Contractor will be made only for the actual quantities of work performed and accepted or materials furnished according to the contract. The scheduled quantities of work to be done and materials to be furnished may be increased, decreased or omitted as hereinafter provided.

6. Submission of a bid shall be conclusive assurance and warranty the bidder has examined the plans and understands all requirements for the performance of work. The bidder will be responsible for all errors in the proposal resulting from failure or neglect to conduct an in depth examination. The Awarding Authority will, in no case be responsible for any costs, expenses, losses or changes in anticipated profits resulting from such failure or neglect of the bidder.

7. The bidder shall take no advantage of any error or omission in the proposal and advertised contract.

8. If a special envelope is supplied by the Awarding Authority, each proposal should be submitted in that envelope furnished by the Awarding Agency and the blank spaces on the envelope shall be filled in correctly to clearly indicate its contents. When an envelope other than the special one furnished by the Awarding Authority is used, it shall be marked to clearly indicate its contents. When sent by mail, the sealed proposal shall be addressed to the Awarding Authority at the address and in care of the official in whose office the bids are to be received. All proposals shall be filed prior to the time and at the place specified in the Notice to Bidders. Proposals received after the time specified will be returned to the bidder unopened.

9. Permission will be given to a bidder to withdraw a proposal if the bidder makes the request in writing or in person before the time for opening proposals.

RETURN WITH BID

PROPOSAL

Bealch Construction Company, Inc.
307 S. Main Street
P.O. Box 20
Tuscola, IL 61953

County Logan
Local Public Agency City of Lincoln
Section Number 16-00097-00-EG
Route Various

1. Proposal of _____
for the improvement of the above section by the construction of Base scarification, reshaping, manhole and valve box adjustments, bituminous sur ace treatment (A-1 and A-2) and other incidental work.

a total distance of 22560.00 feet, of which a distance of 22560.00 feet, (4.270 miles) are to be improved.

- 2. The plans for the proposed work are those prepared by Farnsworth Group, Inc. and approved by the Department of Transportation on N/A
- 3. The specifications referred to herein are those prepared by the Department of Transportation and designated as "Standard Specifications for Road and Bridge Construction" and the "Supplemental Specifications and Recurring Special Provisions" thereto, adopted and in effect on the date of invitation for bids.
- 4. The undersigned agrees to accept, as part of the contract, the applicable Special Provisions indicated on the "Check Sheet for Recurring Special Provisions" contained in this proposal.
- 5. The undersigned agrees to complete the work within _____ working days or by 09/16/2016 unless additional time is granted in accordance with the specifications.
- 6. A proposal guaranty in the proper amount, as specified in BLRS Special Provision for Bidding Requirements and Conditions for Contract Proposals, will be required. Bid Bonds will be allowed as a proposal guaranty. Accompanying this proposal is either a bid bond if allowed, on Department form BLR 12230 or a proposal guaranty check, complying with the specifications, made payable to:

City of Lincoln Treasurer of _____

The amount of the check is N/A Bid Bond included 5% (_____).

- 7. In the event that one proposal guaranty check is intended to cover two or more proposals, the amount must be equal to the sum of the proposal guaranties, which would be required for each individual proposal. If the proposal guaranty check is placed in another proposal, it will be found in the proposal for: Section Number _____.
- 8. The successful bidder at the time of execution of the contract _____ be required to deposit a contract bond for the full amount of the award. When a contract bond is not required, the proposal guaranty check will be held in lieu thereof. If this proposal is accepted and the undersigned fails to execute a contract and contract bond as required, it is hereby agreed that the Bid Bond or check shall be forfeited to the Awarding Authority.
- 9. Each pay item should have a unit price and a total price. If no total price is shown or if there is a discrepancy between the product of the unit price multiplied by the quantity, the unit price shall govern. If a unit price is omitted, the total price will be divided by the quantity in order to establish a unit price.
- 10. A bid will be declared unacceptable if neither a unit price nor a total price is shown.
- 11. The undersigned submits herewith the schedule of prices on BLR 12200a covering the work to be performed under this contract.
- 12. The undersigned further agrees that if awarded the contract for the sections contained in the combinations on BLR 12200a, the work shall be in accordance with the requirements of each individual proposal for the multiple bid specified in the Schedule for Multiple Bids below:



**Illinois Department
of Transportation**

SCHEDULE OF PRICES

County Logan
 Local Public Agency City of Lincoln
 Section 16-00097-00-EG
 Route Various

Schedule for Multiple Bids

Combination Letter	Sections Included in Combinations	Total

Schedule for Single Bid

(For complete information covering these items, see plans and specifications)

Bidder's Proposal for making Entire Improvements **# 275,495.00**

Item No.	Items	Unit	Quantity	Unit Price	Total
1	Preparation of Base	SQ YD	12,500	4.00	50,000.00
2	Aggregate Base Repair	Ton	100	40.00	4,000.00
3	Bit. Materials Prime Coat	Gal	5,000	4.00	20,000.00
4	Aggregate Prime Coat	Ton	30	100.00	3,000.00
5	Valve Boxes to be Adjusted	Each	7	300.00	2,100.00
6	Manholes to be Adjusted	Each	13	400.00	5,200.00
7	Bit. Materials Cover & Seal Coat	Gal	36,500	3.00	109,500.00
8	Cover Coat Aggregate	Ton	160	68.00	10,880.00
9	Seal Coat Aggregate	Ton	750	72.00	54,000.00
10	Traffic Control&Protect. (Special)	L Sum	1	16,815.00	16,815.00

RETURN WITH BID

CONTRACTOR CERTIFICATIONS

County	<u>Logan</u>
Local Public Agency	<u>City of Lincoln</u>
Section Number	<u>16-00097-00-EG</u>
Route	<u>Various</u>

The certifications hereinafter made by the bidder are each a material representation of fact upon which reliance is placed should the Department enter into the contract with the bidder.

1. **Debt Delinquency.** The bidder or contractor or subcontractor, respectively, certifies that it is not delinquent in the payment of any tax administered by the Department of Revenue unless the individual or other entity is contesting, in accordance with the procedures established by the appropriate revenue Act, its liability for the tax or the amount of tax. Making a false statement voids the contract and allows the Department to recover all amounts paid to the individual or entity under the contract in a civil action.
2. **Bid-Rigging or Bid Rotating.** The bidder or contractor or subcontractor, respectively, certifies that it is not barred from contracting with the Department by reason of a violation of either 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4.

A violation of Section 33E-3 would be represented by a conviction of the crime of bid-rigging which, in addition to Class 3 felony sentencing, provides that any person convicted of this offense or any similar offense of any state or the United States which contains the same elements as this offense shall be barred for 5 years from the date of conviction from contracting with any unit of State or local government. No corporation shall be barred from contracting with any unit of State or local government as a result of a conviction under this Section of any employee or agent of such corporation if the employee so convicted is no longer employed by the corporation and: (1) it has been finally adjudicated not guilty or (2) if it demonstrates to the governmental entity with which it seeks to contract and that entity finds that the commission of the offense was neither authorized, requested, commanded, nor performed by a director, officer or a high managerial agent in behalf of the corporation.

A violation of Section 33E-4 would be represented by a conviction of the crime of bid-rotating which, in addition to Class 2 felony sentencing, provides that any person convicted of this offense or any similar offense of any state or the United States which contains the same elements as this offense shall be permanently barred from contracting with any unit of State or local government. No corporation shall be barred from contracting with any unit of State or local government as a result of a conviction under this Section of any employee or agent of such corporation if the employee so convicted is no longer employed by the corporation and: (1) it has been finally adjudicated not guilty or (2) if it demonstrates to the governmental entity with which it seeks to contract and that entity finds that the commission of the offense was neither authorized, requested, commanded, nor performed by a director, officer or a high managerial agent in behalf of the corporation.

3. **Bribery.** The bidder or contractor or subcontractor, respectively, certifies that it has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois or any unit of local government, nor has the firm made an admission of guilt of such conduct which is a matter of record, nor has an official, agent, or employee of the firm committed bribery or attempted bribery on behalf of the firm and pursuant to the direction or authorization of a responsible official of the firm.
4. **Interim Suspension or Suspension.** The bidder or contractor or subcontractor, respectively, certifies that it is not currently under a suspension as defined in Subpart I of Title 44 Subtitle A Chapter III Part 6 of the Illinois Administrative Code. Furthermore, if suspended prior to completion of this work, the contract or contracts executed for the completion of this work may be cancelled.

RETURN WITH BID

SIGNATURES

County Logan
Local Public Agency City of Lincoln
Section Number 16-00097-00-EG
Route Various

(If an individual)

Signature of Bidder _____

Business Address _____

(If a partnership)

Firm Name _____

Signed By _____

Business Address _____

Inset Names and Addressed of All Partners



(If a corporation)

Corporate Name Beniach Construction Co. Inc.

Signed By *Michael J. Beniach* Pres.

Business Address Beniach Construction Company, Inc.
307 S. Main Street
P.O. Box 20
Tuscola, IL 61953

Inset Names of Officers



President Michael J. Beniach

Secretary Michael J. Beniach

Treasurer Michael J. Beniach

Attest *Michael J. Beniach*
Secretary



Local Agency Proposal Bid Bond

Route Various
County Logan
Local Agency City of Lincoln
Section 16-00097-00-EG

RETURN WITH BID

PAPER BID BOND

WE Beniach Construction Co., Inc. as PRINCIPAL.
and Washington International Insurance Company as SURETY.

are held jointly, severally and firmly bound unto the above Local Agency (hereafter referred to as "LA") in the penal sum of 5% of the total bid price, or for the amount specified in the proposal documents in effect on the date of invitation for bids whichever is the lesser sum.

WHEREAS THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH that, the said PRINCIPAL is submitting a written proposal to the LA acting through its awarding authority for the construction of the work designated as the above section.

THEREFORE if the proposal is accepted and a contract awarded to the PRINCIPAL by the LA for the above designated section and the PRINCIPAL shall within fifteen (15) days after award enter into a formal contract, furnish surety guaranteeing the faithful performance of the work, and furnish evidence of the required insurance coverage, all as provided in the "Standard Specifications for Road and Bridge Construction" and applicable Supplemental Specifications, then this obligation shall become void; otherwise it shall remain in full force and effect.

IN THE EVENT the LA determines the PRINCIPAL has failed to enter into a formal contract in compliance with any requirements set forth in the preceding paragraph, then the LA acting through its awarding authority shall immediately be entitled to recover the full penal sum set out above, together with all court costs, all attorney fees, and any other expense of recovery.

IN TESTIMONY WHEREOF, the said PRINCIPAL and the said SURETY have caused this instrument to be signed by their respective officers this 4th day of August, 2016

Principal

Beniach Construction Co., Inc.
(Company Name)
By: Jerry Schmidt Vice President
(Signature and Title)

(Company Name)
By:
(Signature and Title)

(If PRINCIPLE is a joint venture of two or more contractors, the company names, and authorized signatures of each contractor must be affixed.)

Surety

Washington International Insurance Company
(Name of Surety)

By: Randy S Cannady
(Signature of Attorney-in-Fact)

STATE OF ILLINOIS,
COUNTY OF Macon

I, Amanda Rhoades, a Notary Public in and for said county, do hereby certify that Jerry Schmidt and Randy S Cannady

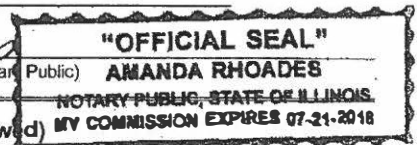
(Insert names of individuals signing on behalf of PRINCIPAL & SURETY)

who are each personally known to me to be the same persons whose names are subscribed to the foregoing instrument on behalf of PRINCIPAL and SURETY, appeared before me this day in person and acknowledged respectively, that they signed and delivered said instruments as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and notarial seal this 4th day of August, 2016

My commission expires July 21, 2018

Amanda Rhoades
(Notary Public)



ELECTRONIC BID BOND

Electronic bid bond is allowed (box must be checked by LA if electronic bid bond is allowed)

The Principal may submit an electronic bid bond, in lieu of completing the above section of the Proposal Bid Bond Form. By providing an electronic bid bond ID code and signing below, the Principal is ensuring the identified electronic bid bond has been executed and the Principal and Surety are firmly bound unto the LA under the conditions of the bid bond as shown above.

Electronic Bid Bond ID Code

(Company/Bidder Name)

(Signature and Title)

Date

NAS SURETY GROUP

NORTH AMERICAN SPECIALTY INSURANCE COMPANY
WASHINGTON INTERNATIONAL INSURANCE COMPANY

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Manchester, New Hampshire, and Washington International Insurance Company, a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Schaumburg, Illinois, each does hereby make, constitute and appoint:

KEVIN J. BREHENY, RANDY S. CANNADY, GLENDA HOFFMAN, RONALD A. KOOPMAN,

TIM R. PATTON and GREG NUSSBAUM

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

FIFTY MILLION (\$50,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on the 9th of May, 2012:

"RESOLVED, that any two of the Presidents, any Managing Director, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By [Signature]
Steven P. Anderson, Senior Vice President of Washington International Insurance Company
& Senior Vice President of North American Specialty Insurance Company



By [Signature]
Michael A. Ito, Senior Vice President of Washington International Insurance Company
& Senior Vice President of North American Specialty Insurance Company

IN WITNESS WHEREOF, North American Specialty Insurance Company and Washington International Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 8th day of August, 2014.

North American Specialty Insurance Company
Washington International Insurance Company

State of Illinois
County of Cook ss:

On this 8th day of August, 2014, before me, a Notary Public personally appeared Steven P. Anderson, Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Michael A. Ito, Vice President of Washington International Insurance Company and Vice President of North American Specialty Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



M. Kenny, Notary Public

I, Jeffrey Goldberg, the duly elected Assistant Secretary of North American Specialty Insurance Company and Washington International Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company and Washington International Insurance Company, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 4th day of August, 2016.

[Signature]
Jeffrey Goldberg, Vice President & Assistant Secretary of
Washington International Insurance Company & North American Specialty Insurance Company



Return with Bid

Route	<u>Various</u>
County	<u>Logan</u>
Local Agency	<u>City of Lincoln</u>
Section	<u>16-00097-00-EG</u>

All contractors are required to complete the following certification:

- For this contract proposal or for all groups in this deliver and install proposal.
- For the following deliver and install groups in this material proposal:

Illinois Department of Transportation policy, adopted in accordance with the provisions of the Illinois Highway Code, requires this contract to be awarded to the lowest responsive and responsible bidder. The award decision is subject to approval by the Department. In addition to all other responsibility factors, this contract or deliver and install proposal requires all bidders and all bidders' subcontractors to disclose participation in apprenticeship or training programs that are (1) approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training, and (2) applicable to the work of the above indicated proposals or groups. Therefore, all bidders are required to complete the following certification:

- I. Except as provided in paragraph IV below, the undersigned bidder certifies that it is a participant, either as an individual or as part of a group program, in an approved apprenticeship or training program applicable to each type of work or craft that the bidder will perform with its own employees.
- II. The undersigned bidder further certifies for work to be performed by subcontract that each of its subcontractors submitted for approval either (A) is, at the time of such bid, participating in an approved, applicable apprenticeship or training program; or (B) will, prior to commencement of performance of work pursuant to this contract, establish participation in an approved apprenticeship or training program applicable to the work of the subcontract.
- III. The undersigned bidder, by inclusion in the list in the space below, certifies the official name of each program sponsor holding the Certificate of Registration for all of the types of work or crafts in which the bidder is a participant and that will be performed with the bidder's employees. Types of work or craft that will be subcontracted shall be included and listed as subcontract work. The list shall also indicate any type of work or craft job category for which there is no applicable apprenticeship or training program available.

Operators Apprenticeship and Training Local 965

Laborers Apprenticeship and Training Local 477

IV. Except for any work identified above, any bidder or subcontractor that shall perform all or part of the work of the contract or deliver and install proposal solely by individual owners, partners or members and not by employees to whom the payment of prevailing rates of wages would be required, check the following box, and identify the owner/operator workforce and positions of ownership.

The requirements of this certification and disclosure are a material part of the contract, and the contractor shall require this certification provision to be included in all approved subcontracts. The bidder is responsible for making a complete report and shall make certain that each type of work or craft job category that will be utilized on the project is accounted for and listed. The Department at any time before or after award may require the production of a copy of each applicable Certificate of Registration issued by the United States Department of Labor evidencing such participation by the contractor and any or all of its subcontractors. In order to fulfill the participation requirement, it shall not be necessary that any applicable program sponsor be currently taking or that it will take applications for apprenticeship, training or employment during the performance of the work of this contract or deliver and install proposal.

Bidder: **Benlach Construction Company, Inc.**
307 S. Main Street
Address: **P.O. Box 20**
Tuscola, IL 61953

By: *Jim Schull*
(Signature)
Title: *Vice President*

RETURN WITH BID



Illinois Department of Transportation

Affidavit of Illinois Business Office

County Logan
Local Public Agency City of Lincoln
Section Number 16-00097-00-EG
Route Various

State of Illinois)
County of Logan) ss.

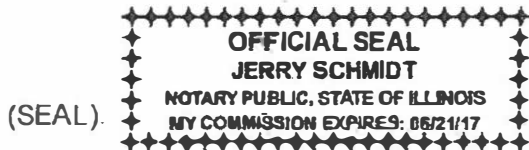
I, Michael J. Beniach of Tuscola, Illinois
(Name of Affiant) (City of Affiant) (State of Affiant)

being first duly sworn upon oath, states as follows:

- 1. That I am the President of Beniach Construction Co. Inc. bidder
2. That I have personal knowledge of the facts herein stated.
3. That, if selected under this proposal, Beniach Construction Co. Inc. will maintain a business office in the State of Illinois which will be located in Douglas County, Illinois.
4. That this business of ice will serve as the primary place of employment for any persons employed in the construction contemplated by this proposal.
5. That this Affidavit is given as a requirement of state law as provided in Section 30-22(8) of the Illinois Procurement Code.

Handwritten signature of Michael J. Beniach
(Signature)
Michael J. Beniach
(Print Name of Affiant)

This instrument was acknowledged before me on 29th day of July, 2016.



Handwritten signature of Jerry Schmidt
(Signature of Notary Public)

City of Lincoln - Oil and Chip Targets 2016

Street	From	To	Operation	Length	Width	Area (SY)
Connlfoey Rd.	14th St.	5th St.	A-1	2800	22	6844.4
Frorer Ave.	Hamilton St.	Sherman St.	A-1	370	20	822.2
Frorer Ave.	Sherman St.	Sheridan St.	A-1	385	33.5	1433.1
Frorer Ave.	Sheridan St.	Butler St.	A-1	375	17.5	729.2
Frorer Ave.	Butler St.	Home Ave.	A-1	350	19	738.9
Decatur St.	Elliott St.	Ladue St.	A-1	360	33	1320.0
Delavan St.	N. Mclean St.	Hamilton St.	A-1	340	33.5	1265.6
9th St.	Elm St.	Union St.	A-1	1310	26.5	3857.2
Debruler Dr.	Nugent Pl.	Welch Dr.	A-1	700	34	2644.4
Earl St.	Delavan St.	180' S.	A-1	180	18	360.0
Miner St.	Delavan St.	180' S.	A-1	180	29.5	590.0
Border St.	Delavan St.	180' S.	A-1	180	13	260.0
College Ave	Lincoln Ave.	Keokuk St.	A-1	330	24	880.0
Galina St.	Hamilton St.	Sherman St.	A-1	330	33.5	1228.3
22nd St.	Grand St.	Union St.	A-1	365	16	648.9
21st St.	Palmer St.	Oglesby St.	A-1	360	17	680.0
21st St.	Palmer St.	Oglesby St.	A-1	175	16.5	320.8
21st St.	Oglesby St.	Grand St.	A-1	385	17	727.2
21st St.	Grand St.	Union St.	A-1	355	17.5	690.3
21st St.	Main St.	Jefferson St.	A-1	675	20	1500.0
Chestnut St.	10th St.	11th St.	A-1	475	19	1002.8
Chestnut St.	10th St.	11th St.	A-1	125	6	83.3
Minder Dr.	College St.	Elm St.	A-1	610	32	2168.9
11th St.	Jackson St.	State St.	A-1	400	33.5	1488.9
11th St.	State St.	College St.	A-1	400	33.5	1488.9
Short 8th St.	Madison St.	Monroe St.	A-1	275	20	611.1
Short 8th St.	Monroe St.	Adams St.	A-1	265	17	500.6
Short 8th St.	Adams St.	Jackson St.	A-1	240	18	480.0
Short 8th St.	Jackson St.	State St.	A-1	180	16	320.0
Short 8th St.	State St.	End	A-1	390	17	736.7
S. Walnut St.	5th St.	6th St.	A-1	345	29.5	1130.8
S. Walnut St.	6th St.	7th St.	A-1	390	29	1256.7
Maple St.	3rd St.	4th St.	A-1	365	33.5	1358.6
Maple St.	4th St.	5th St.	A-1	250	33.5	930.6
2nd St.	College St.	Cul-De-Sac	A-1	430	17.5	836.1
Adams St.	2nd St.	3rd St.	A-1	320	16	568.9
2nd St.	Jackson St.	State St.	A-1	200	24	533.3
Kickapoo Ave.	State St.	Galvin St.	A-1	315	29	1015.0
Nortgate St.	Kickapoo St.	Regent St.	A-1	250	46.5	1291.7
Williamette Ave.	Kickapoo St.	McLean St.	A/3	300	18	600.0
Earl St.	Tremont St.	Delavan St.	A/3	290	18.5	596.1
Miner St.	Tremont St.	Delavan St.	A/3	320	16.5	586.7
Border St.	Tremont St.	Delavan St.	A/3	320	18	640.0
College Ave	Tremont St.	Delavan St.	A/3	350	24	933.3
22nd St.	Palmer St.	Oglesby St.	A/3	365	14.5	588.1
22nd St.	Palmer St.	Oglesby St.	A/3	175	19	369.4
22nd St.	Oglesby St.	Grand St.	A/3	385	16	684.4
11th St.	Union St.	Chestnut St.	A/3	520	18	1040.0
11th St.	Chesnut St.	Mundy St.	A/3	365	18	730.0
11th St.	College St.	Elm St.	A/3	550	33.5	2047.2
2nd St.	Elm St.	College St.	A/3	620	16	1102.2
Jackson St.	1st St.	2nd St.	A/3	315	14	490.0
Jackson St.	2nd St.	3rd St.	A/3	320	12	426.7
Jackson St.	3rd St.	4th St.	A/3	315	13	455.0
Adams St.	1st St.	2nd St.	A/3	320	19	675.6
TOTAL				22560	1219.5	57308.06



LINCOLN FIRE DEPARTMENT

Fire ~ Rescue ~ Life Safety

700 Broadway - Lincoln, IL 62656
Phone 217-735-4020 - Fax 217-732-2145
www.cityoflincoln-il.gov



JULY ACTIVITY REPORT 2016

Emergency Runs for July 2016 included the Lincoln Firefighters responding to 230 alarms with a loss of \$15,700 property value. Firefighters handled 3 building fires, 1 truck fire, 1 dumpster fire, 4 kitchen fires, 6 car crashes with injury and extrication, 2 gas leaks and 21 false alarms.

Fire related runs	78
EMS related runs	146
Rescue related runs	6

July the weather has cranked up with dangerous heat hitting our area. Several medical calls were related to heat illness. Fire activity has been up for July, a structure fire reported on Keokuk Street was controlled quickly by Lincoln Firefighters with minimal damage to the structure left behind. Mutual aid structure fire in Atlanta involving an attached car garage, once again a rapid response contributed to property saves.

Inspections throughout town on new and old businesses are constant. Blue print review for the St Clara's project took a deal of time. Walk through safety inspections at Northwest School and Casey's general store were completed.

Public Education for July Firefighters attended 3rd Friday with a touch a truck activity, Firefighter Chris Perrine on his day off came in and participated in Family Fun Days at Scully Park with touch a Truck and had an Aerial on display.

Truck 5102 was down for two weeks due to a computer cable issue that shut down some of the computer system. Local shop Fire Apparatus Supply Team made the fix, and we are back up and running.

July also proved to be a challenging month for LFD as an Emergency medical and Rescue unit, Firefighters responded to two fatal accidents on two separate weekends. One accident involving a twenty year old young man and a second accident claimed two children. These incidents take a toll on responders emotionally and help from the Central Illinois Critical Incident Stress Team and the Illinois Fire Fighters Peer Support Team came in to help fire fighter deal with what affects them.

Our Fire Fighters health and safety is very important for long successful careers. When you see any of these Fire fighters thank them for their service and abilities.

Respectfully, *Mark Miller*

Mark Miller Fire Chief



CITY OF LINCOLN, ILLINOIS
700 BROADWAY ST., P.O. BOX 509
LINCOLN, IL 62656

August 10, 2016

TO: City Aldermen
Martha Neitzel, Acting Mayor
Clay Johnson, City Administrator
Chuck Conzo, City Treasurer
Tim Ferguson, EMC Facility Manager

FROM: Susan Gehlbach, City Clerk

The chart below represents the breakdown of the past due sewer balances as of 07/29/16. These accounts are divided into three periods, 0-45 days, 46-90 days and over 90 days. The Monthly sewer balance total includes LDC and both prisons as of July 29, 2016. We received past due payments in the month of July from both prisons which totaled \$122,753.85.

Reports	0-45 Days	46-90 Days	Over 90 Days	Total
Monthly	\$45,278.80	\$44,830.76	\$337,870.74	\$ 427,980.30
Commercial	\$ 684.88	\$ 962.50	\$ 945.64	\$ 2,593.02
Northeast	\$ 1,190.00	\$ 1,404.59	\$ 13,338.08	\$ 15,932.67
South	\$ 20,688.10	\$ 1,355.00	\$ 37,986.61	\$ 60,029.71
Northwest	\$ 1,957.29	\$ 2,282.02	\$ 16,910.27	\$ 21,149.58
TOTALS	\$ 69,799.07	\$ 50,834.87	\$ 407,051.34	\$ 527,685.28

Please note as of July 29, 2016 (accounts that are 90 days or more past due) totaled \$407,051.34. We have authorized IL-AWC to disconnect water service to 218 properties with allowing 193 reconnections (due to payment in full) since February, 2012. There are 14 properties in foreclosure, delinquent taxes, and/or bankruptcy; with a total of \$23,177.76 (included in above past due residential totals).

The Northeast Sections were billed on 07/29/16.


Monthly - July \$ 87,819.11
Northeast Section \$ 84,249.00

TOTAL \$172,068.11

The total amount of sewer receipts collected for the month of July, 2016:
\$386,544.75 cash & checks
+ 23,755.13 debit/credit payments (E-Pay)
\$410,299.88 Total amount received

Since the Clerk's office began enforcing collection of delinquent sewer accounts on 01/01/12, \$138,159.07 (approx. 80%) on 155 properties; \$7,358.98 (approx. 4.3%) on 8 properties have been written off due to Bankruptcy, Tax Deed and US Marshall sales; and \$27,113.34 (approx. 15.7%) on 13 properties are left to be collected, on the original \$172,631.39 (176 properties) outstanding sewer balances.

M E M O R A N D U M

TO: Mayor and Aldermen of the City of Lincoln
FROM: Clay T. Johnson, City Administrator 
MEETING
DATE: July 26, 2016
RE: Lincoln Depot Construction Agreement – R.D. Lawrence

Background

The City has prepared a draft agreement that was sent to representatives of R.D. Lawrence for their review and comment. This draft agreement is included in your materials for reference. R.D. Lawrence received the contract last week, and we believe that both sides will find agreeable language in time for the August 1st meeting.

Any changes to the contract will be presented on or before the August 1st meeting.

Analysis/Discussion

Many of the provisions in the contract are standard for other City construction projects including representations on the quality of the work, ability to inspect, payment, etc. Other provisions in the contract reference the Lincoln Depot Construction project documents including the plans and specifications. These documents include stipulations on insurance limits, materials, scope, and building procedures.

Once the contract is in place, we hope to have a pre-construction meeting with the general contractor and the State of Illinois' design team to get the project kick started quickly. The contract must be completed with 300 days of execution.

Fiscal Impact

The fiscal impact is stipulated by the Intergovernmental Agreement with IDOT.

COW Recommendation

Place the agreement with R.D. Lawrence for the construction of the Lincoln Depot project on the Council's August 1st agenda.

Council Recommendation

Approve the final version of the contract with R.D. Lawrence for the construction of the Lincoln Depot. If a final version is not ready for August 1st, table the item until the next voting meeting.

tabled 8/11/16

DRAFT

CONSTRUCTION AGREEMENT

THIS AGREEMENT made and entered into as of this 1st day of August, 2016, by and between RD LAWRENCE CONSTRUCTION COMPANY, an Illinois corporation, with its principal place of business located at 603 N Amos Ave, Springfield, IL 62702 (hereinafter referred to as "CONTRACTOR"), and the CITY OF LINCOLN, ILLINOIS, a municipal corporation, located in Logan County, Illinois (hereinafter referred to as "CITY"), WITNESSETH:

WHEREAS, CITY owns the following described real estate, to-wit:

Part of the Northeast Quarter of the Southeast Quarter of Section 31, Township 20 North, Range 2 West of the Third Principal Meridian, Logan County, Illinois, more particularly described as follows: Commencing at the Northeast corner of Section 31; thence South 00°-00'-00" West, bearing referenced to the Plat of Survey in Volume 138 on page 49 in the Office of the Recorder in Logan County, Illinois, along the East line of said Section 31, said line also being the East right of way of State Route 121, locally known as Limit Street, a distance of 2809.16 feet; thence North 90°-00'-00" West (DESC), a distance of 60 feet, said point being on the West right of way line of State Route 121 and the South right of way line of the former Illinois Central Gulf Railroad, thence South 89°-50'-12" West on said former South right of way line, 235.01 feet to the Point of Beginning. Thence continuing South 89°-50'-13" West on

DRAFT

said South right of way line, 615.17 feet; thence South 3°-18'-30" East, 343.09 feet; thence South 49°-19'-28" East, 324.20 feet; thence South 40°-50'13" West, 150.35 feet; thence South 49°-17'-05" East, 403.99 feet; thence South 86°-54'-52" East, 147.51 feet; thence North 0°-20'-16" West, 346.46 feet; thence North 0°-21'-02" West, 594.72 feet to the Point of Beginning, containing 9.961 acres, more or less; and,

WHEREAS, CONTRACTOR desires to act, and CITY has agreed to engage CONTRACTOR, as the general CONTRACTOR, supervisor, and site administrator for the Improvements ("Work") on the Property in accordance with plans and specifications, prepared by WSP Parsons Brinckerhoff 30 N. LaSalle Street, Suite 4200, Chicago, IL 60602, (Engineer) and Muller & Muller, 700 N Sangamon St, Chicago, IL 60642, (Architect), dated May 26, 2016, and bid submissions dated June 28, 2016, which plans, specifications, and bid submissions are titled "Illinois High Speed Rail - Chicago to St. Louis 'Lincoln, Illinois HSR Station'" referred to together as the "Project Documents" , and by this reference made a part hereof as if appearing verbatim herein.

WHEREAS, CITY has agreed to engage CONTRACTOR to perform the Work, and CONTRACTOR has agreed to perform the Work for CITY upon the terms and conditions set forth in this Agreement and in accordance with the provisions of the Intergovernmental Agreement for the Construction and Rehabilitation of Passenger Rail Station between the Illinois Department of Transportation and the City of Lincoln (Exhibit A).

DRAFT

WHEREAS, this written Agreement, together with the Project Documents, represents the entire and integrated agreement between the parties hereto, and it supersedes prior negotiations, representations, or agreements, either written or oral; and,

NOW, THEREFORE, for and in consideration of the mutual promises and undertakings as hereinafter set forth, the parties hereto do freely and voluntarily agree as follows:

1. RECITALS INCORPORATED: That the above listed recitals are incorporated as if appearing herein verbatim.

2. DUTIES OF CONTRACTOR:

2.1. CONTRACTOR shall act as general CONTRACTOR, supervisor, and site administrator for the Work, supplying thereto all of the skilled and unskilled trades and labor and all of the materials (all such trades and labor and the suppliers of materials being hereinafter referred to individually as a "Subcontractor" and together as "Subcontractors") required to complete the Work, all in accordance with this Agreement and the Project Documents. CONTRACTOR represents and warrants to CITY that all materials and equipment to be furnished under this Agreement, the Project Documents, and/or any modifications or amendments thereto will be new unless otherwise

DRAFT

specified, and that all work will be of good quality, free from faults and defects, and in conformance with this Agreement, the Project Documents, and any modifications or amendments thereto. All work not so conforming to these standards may, in CITY's sole and absolute discretion, be considered defective. If requested by CITY, CONTRACTOR shall furnish satisfactory evidence to CITY as to the kind and quality of materials and equipment so furnished. In the event that it becomes necessary, due to conditions beyond the control of CONTRACTOR, to substitute any materials, CONTRACTOR may do so, provided that the substituted materials are of equal or greater quality to that so specified and are approved, in writing, by CITY. Construction shall conform to this Agreement, the Project Documents, and any and all modifications or amendments thereto, unless otherwise permitted by CITY's prior written approval and consent. All construction shall be done in a neat and good workmanlike manner and in accordance with the regulations of all applicable municipal governing bodies and authorities.

2.2. In its capacity hereunder as supervisor and site administrator, CONTRACTOR shall (a) accept bids from and contract directly with all Subcontractors for performance of any portion of the Work in accordance with the Project

DRAFT

Documents and any applicable Change Order or Change Orders, as such orders are hereinafter defined; (b) supervise and direct the Work using its best skill and attention; (c) be responsible for all construction means, methods, techniques, and sequences, for coordinating all work on the Project, and for the acts and omissions of its employees, Subcontractors, and their agents and employees, and other persons performing any of the Work under a contract with CONTRACTOR. CITY, or its agent, shall have the right to inspect the work performed to date, any time or from time to time, upon giving reasonable notice to CONTRACTOR. All such inspections will be at CITY's sole cost and expense. If CITY's inspection indicates the existence of defects in the Work, CITY shall immediately give notice thereof to CONTRACTOR, and CONTRACTOR shall immediately cure and/or repair said defect, at CONTRACTOR's sole cost and expense, as soon as reasonably possible.

3. CONTRACT SUM: CITY shall pay to CONTRACTOR FOUR MILLION FORTY ONE THOUSAND FOUR HUNDRED DOLLARS (\$4,041,400.00) (hereinafter referred to as "Contract Sum"). Notwithstanding anything in this Agreement to the contrary, the Contract Sum shall include the cost of all Work to be performed in connection with this Agreement and any modifications or amendments thereto. The Contract Sum shall

DRAFT

be subject to increase and reduction only pursuant to a Change Order, as such orders are hereinafter defined, which shall be issued as provided in Sections 6.1 and 6.2 below.

4. PAYMENT TO CONTRACTOR: The Contract Sum shall be paid to CONTRACTOR as follows:

a. CONTRACTOR acknowledges receipt of \$_____ from CITY; and

b. The balance of the Contract Sum, not to exceed \$_____, shall be paid to the CONTRACTOR on [date].

5. COMMENCEMENT AND COMPLETION OF THE WORK:

5.1. The Work shall commence upon issuance of a building permit and shall proceed with all due diligence and shall be substantially completed three hundred days (300) from the commencement of this agreement. The Work shall be deemed to be substantially completed when CITY has issued its certificate of occupancy, permitting full use and occupancy of the entire Property.

5.2 When CONTRACTOR considers the Work to be substantially completed, CITY, or its designee, shall have the right to inspect the Work. If CITY's inspection indicates the existence of any punch list items or defects in the condition of the Work, CITY shall immediately give notice thereof to CONTRACTOR, and CONTRACTOR shall cure

DRAFT

and/or repair said defects, within reasonable time. The failure of CITY to notify CONTRACTOR of any item does not alter the responsibility of CONTRACTOR to correct the defect and/or complete the Work in accordance with this Agreement, the Project Documents, and any and all modifications or amendments thereto. Warranties provided by Sections 10.1 and 10.2 below shall commence on the date of first payment to CONTRACTOR by CITY.

5.3. No payment for final completion of the Work shall be due until CONTRACTOR submits to CITY (a) an affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the Work for which CITY or the Property might in any way be responsible, or lienable, have been paid or otherwise satisfied; (b) if required by CITY, other data establishing payment or satisfaction of all obligations, such as receipts, releases, and waivers of liens arising out of this Agreement, and provides extended title insurance over any possible mechanics lien claims of CONTRACTOR and its Subcontractors and suppliers. If any Subcontractor refuses to furnish any such release or waiver required by CITY, CONTRACTOR may furnish a bond satisfactory to CITY to indemnify CITY against any such lien. If any such lien remains unsatisfied after all payments are made, CONTRACTOR

DRAFT

shall refund to CITY all sums that CITY may be compelled to pay in discharging such lien.

5.4. The making of final payment shall constitute a waiver of all claims by CITY except those arising from (a) unsettled liens; (b) faulty or defective work appearing after final completion of the Work; (c) failure of the Work to comply with the requirements of this Agreement, the Project Documents, or any modifications or amendments thereto; or (d) terms of any special warranties required by this Agreement, the Project Documents, or any modifications or amendments thereto. The acceptance of final payment, respectively, by CONTRACTOR or any Subcontractor shall constitute a waiver of all claims of CONTRACTOR and such Subcontractor, except those claims identified in writing as unsettled to CITY by CONTRACTOR or any Subcontractor at the time of submission of the final Application.

6. CHANGE ORDERS:

6.1. A Change Order is a written order to CONTRACTOR signed by CITY and CONTRACTOR, issued after execution of this Agreement, authorizing a change in the Work and/or an adjustment in the Contract Sum.

6.2. If requested by CITY, CONTRACTOR shall prepare a Change Order setting forth any change to be made to the Work. Change Orders prepared to document requested changes

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in the Work shall reasonably describe the change to be made and the materials and labor required to carry out the change, and shall set forth the actual cost to CONTRACTOR of such labor and materials and CONTRACTOR's charge, if any, applicable thereto for profit and overhead. When a Change Order is completed by CONTRACTOR, it shall be submitted to CITY for its approval and signature signifying acceptance thereof and shall be returned to CONTRACTOR. Change Orders that are submitted for acceptance by CITY that are not signed and returned to CONTRACTOR within thirty (30) working days of such submission shall be deemed to be rejected.

7. PERMITS, APPROVALS, AND SITE WORK: CONTRACTOR shall secure and pay for the building permit for the Work. CITY shall execute and do all things reasonably required to assist CONTRACTOR in obtaining same. CONTRACTOR, any and all Subcontractors, agents, servants, and employees shall comply with and shall perform the Work at all times in accordance with any and all statutes, ordinances, rules, regulations, and lawful orders of public authorities bearing on performance of the Work. CONTRACTOR shall be obligated to ascertain that the Project Documents are in accordance with applicable laws, statutes, ordinances, building codes, rules, and regulations, or do not contain

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mistakes or omissions; and if CONTRACTOR observes that any portion of the Project Documents are at variance therewith or contain mistakes or omissions, it shall promptly notify CITY thereof in writing. If CONTRACTOR deviates from this Agreement, the Project Documents, and/or any modifications or amendments thereto, which deviation is in violation of any applicable law, statute, ordinance, building code, rule, and/or regulation, CONTRACTOR shall be liable for all of the damages and costs incurred by CITY with respect thereto and shall take all actions necessary so that same complies with said law, statute, ordinance, building code, rule, or regulation. CONTRACTOR shall provide temporary electric power and provide water and gas to the site and shall pay for all utilities during the Work. CONTRACTOR shall take such steps as are necessary to ensure that the utility usage during the Work is reasonable under the circumstances.

8. CLEANING UP: CONTRACTOR shall keep the Property and the area surrounding the Property free from accumulation of waste materials or rubbish caused by operations under this Agreement. Upon completion of the Work, CONTRACTOR shall remove or cause to be removed from and about the Property waste materials, rubbish, CONTRACTOR's and other's tools, construction equipment, machinery, and surplus materials

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and shall deliver the finished Work to CITY in "broom clean" condition. If CONTRACTOR fails to clean up as provided in this Agreement or the Project Documents, CITY may cause such cleanup to be performed, and the cost thereof shall be charged to CONTRACTOR and deducted from the next payment of the Contract Sum due CONTRACTOR. CONTRACTOR shall replace or repair any improvements or other property damaged during the course of the Work and not scheduled for replacement or repair as part of the Work.

9. INSURANCE:

9.1. CONTRACTOR and each Subcontractor shall purchase and maintain insurance coverage, with types and limits set forth in Exhibit B attached hereto, to protect CITY from claims set forth below that may arise out of or result from CONTRACTOR's operations under this Agreement, whether such operations be by CONTRACTOR or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable: (a) claims for damages because of bodily injury, sickness or disease, or death of any person, other than employees of CONTRACTOR and Subcontractors; (b) claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use

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resulting therefrom; and (c) claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle. In addition, CONTRACTOR shall cause each Subcontractor to purchase and maintain insurance coverage for claims under workers' compensation disability benefit or other similar employee benefit Acts. Such policies shall include a provision that coverages afforded under the policies will not be canceled without thirty (30) days' prior written notice.

9.2. CONTRACTOR shall purchase and maintain throughout the term of this Agreement casualty insurance with extended coverage on the Work to the full insurable value thereof. Such insurance shall cover the interests of CITY, CONTRACTOR, and Subcontractors in the Work and shall insure against the perils of fire and other casualty on an "all-risk" basis for physical loss and damage, including, without duplication of coverage, theft, vandalism, and malicious mischief. CITY shall pay CONTRACTOR the proceeds received from any loss incurred hereunder in an amount not to exceed the lesser of (a) the proceeds received from the insurance company; or (b) the dollar amount of the Work that was damaged or destroyed due to the loss. CITY and CONTRACTOR waive all rights against each other for damages

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caused by fire and other perils to the extent covered by property insurance applicable to the Work, except such rights as either party may have to the proceeds of such insurance.

9.3. CONTRACTOR shall provide CITY with Certificates of Insurance evidencing its compliance and the compliance of each and every Subcontractor, with the requirements of this Section. The insurance required pursuant to the provisions hereof shall also include contractual liability insurance applicable to any of CONTRACTOR's obligations pursuant to this Agreement.

9.4. To the fullest extent permitted by law, CONTRACTOR shall indemnify and hold CITY harmless from and against any and all claims, damages, losses, and expenses, including, but not limited to, attorneys' fees, which may arise out of or result from, directly or indirectly, the actions or negligence or failure to act of CONTRACTOR, or any Subcontractor, servant, agent, or employee. CONTRACTOR shall take all reasonable precautions to prevent damage, injury, or loss to:

- a. all employees on the Work and all other persons who may be affected thereby; and,
- b. all the Work and materials and equipment to be incorporated therein, whether in storage on-site or

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off-site, under the care, custody, or control of CONTRACTOR or any Subcontractors; and,

- c. other property at the site or adjacent thereto, including, but not limited to, buildings, trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of the Work.

10. CONTRACTOR'S WARRANTIES:

10.1. CONTRACTOR hereby warrants, represents, and undertakes that the Work shall be constructed and performed in a good and workmanlike manner and in accordance with the Project Documents and this Agreement and in compliance with all applicable laws, ordinances, and regulations. CONTRACTOR, at its sole cost and expense, will correct all defects in the Work and shall make all necessary repairs, replacements, and corrections of any nature or description, interior or exterior, structural or nonstructural, of which notice is given prior to the expiration of one (1) year from the Payment Date. In addition, All Subcontractors shall be approved by the CITY prior to any Subcontractor's performing any Work. Any part of the Work performed for the CONTRACTOR by a Subcontractor shall be pursuant to a written Subcontract between the CONTRACTOR and the Subcontractor, which shall be prepared on a master form of

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Subcontract, which includes the obligation of all Subcontractors to comply with the Prevailing Wage Act as outlined in Section 12 below, that the CONTRACTOR shall, prior to the execution of any such subcontract, submit to the CITY and obtain prior written approval from it.

10.2. CONTRACTOR represents and warrants to CITY that no Hazardous Materials, including, without limitation, radon, will be used in the completion of the Work. To the extent Hazardous Materials are discovered, at any time (including any time after the Work is completed), CONTRACTOR shall remove same, at its sole cost and expense, and with as little inconvenience as possible to CITY.

11. TERMINATION OR NONPERFORMANCE BY CONTRACTOR:

CITY may terminate this Agreement for the following reasons:

- a. Failure of CONTRACTOR to commence the Work as required by this Contract;
- b. Failure of CONTRACTOR to prosecute the Work to completion, as required by this Agreement and the Project Documents, in a diligent, workmanlike, and skillful manner;
- c. Failure of CONTRACTOR to perform any of its obligations under this Agreement;
- d. Adjudication of CONTRACTOR as a bankrupt;

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e. Any general assignment by CONTRACTOR for the benefit of its creditors, appointment of a receiver for CONTRACTOR on account of its insolvency, or any other act of insolvency by CONTRACTOR;

f. Failure of CONTRACTOR to make prompt payments to its Subcontractors, material suppliers, or laborers.

When any of the above reasons exists, CITY shall notify CONTRACTOR in writing of its intent to terminate this Agreement, and if the matter complained of is not corrected within fourteen (14) days after receipt of said notice from CITY, the Agreement shall be terminated, and CITY may avail itself of any and all remedies against CONTRACTOR. However, if, during the fourteen (14) day period, CONTRACTOR corrects such breaches, then CONTRACTOR shall not be in breach of this Agreement.

Notwithstanding the above, the parties acknowledge that this Agreement is contingent upon and subject to the availability of funds. The CITY, at its sole option, may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if the CITY receives notice from the Illinois Department of Transportation that: (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to reimburse the CITY, or if funds needed are

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insufficient for any reason, (2) the Governor decreases the Illinois Department of Transportation's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly; or (3) the Illinois Department of Transportation determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. CONTRACTOR will be notified in writing of the failure of appropriation or of a reduction or decrease. All obligations assumed by the CITY under this Agreement shall cease immediately upon the occurrence of (1), (2) or (3) above, without penalty or payment beyond costs that the CONTRACTOR has already incurred in accordance with this Agreement.

12. PREVAILING WAGE: The parties acknowledge that this Contract calls for the construction of a "public work," within the meaning of the Illinois Prevailing Wage Act, 820 ILCS 130/.01 et seq. (hereinafter referred to as "the Act"). The Act requires contractors and subcontractors to pay laborers, workers and mechanics performing services on public works projects no less than the "prevailing rate of wages" (hourly cash wages plus fringe benefits) in the County where the work is performed. All contractors and

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subcontractors rendering services under this Contract must comply with all requirements of the Act, including, but not limited to, all wage, notice, and record keeping duties. CONTRACTOR shall comply with all portions of the Act, including, but not limited to, the posting of the prevailing wage rates, keeping and maintaining payroll records for at least three (3) years, submittal to CITY, at least monthly, by CONTRACTOR and any Subcontractors, certified payroll records, and shall make payroll records available upon seven (7) days written notice by CITY.

13. MISCELLANEOUS:

13.1. The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to, and not a limitation of, any duties, obligations, rights, and remedies otherwise imposed or available by law.

13.2. No action or failure to act by the CITY or CONTRACTOR shall constitute a waiver of any right or duty afforded any of them under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

13.3. All notices, demands, or other communications to be given or delivered under, or by reason of the provisions

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of this Agreement, shall be in writing and will be deemed to have been properly given when (a) personally delivered to the party entitled to receive same, or (b) actually received by the recipient, or if mailed by certified or registered mail, postage prepaid, return receipt requested, addressed as follows:

CITY'S ATTORNEY

CONTRACTOR'S ATTORNEY

WILLIAM B. BATES, JR.
WOODS & BATES
306 Clinton Street
Lincoln, Illinois 62656
(217) 735-1234

This contract was prepared by WILLIAM B. BATES, JR., Attorney, and approved by _____, Attorney.

Any party may change its address for notice by providing notice to the other in the form as provided herein.

13.4. CITY and CONTRACTOR each bind themselves, their beneficiaries, successors, assigns, and legal representatives to the other party hereto and to the successors, assigns, and legal representatives of such other party in respect to all covenants, agreements, and obligations contained in this Agreement. No party to this Agreement, or any part thereof, shall assign it without the written consent of the other, nor shall CONTRACTOR assign

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any moneys due or to become due to it hereunder, without the previous written consent of CITY.

13.5. The Agreement constitutes the entire Agreement between the parties, and any modification or change will not be effective unless in writing signed by the parties. This Agreement has been made within the State of Illinois and shall be governed by the laws of said State. Any litigation with respect to the terms of this Agreement shall have its appropriate venue in the Circuit Court of Logan County, Illinois.

13.6. All sections, titles, and captions contained herein are for reference purposes only and shall not be used in the interpretation of any part of this Agreement.

13.7. In the event CONTRACTOR or CITY shall institute any action or proceeding against the other relating to the enforcement of the Agreement, any provision hereof, or any default hereunder, the unsuccessful party in such action or proceeding agrees to pay the successful party's attorneys' fees and costs incurred herein by the successful party, as well as other costs incurred in that action or proceeding, in addition to any other relief to which the successful party may be entitled.

14. INCONSISTENCIES AMONG DRAWINGS, SPECIFICATIONS, AND CONTRACT: If there is an inconsistency among the Project

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Documents, the inconsistency shall be determined in accordance with the following priority: (a) plan and specifications; (b) this Agreement; (c) any additional supplements to this Agreement.

15. ALLOWANCES: The CONTRACTOR shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied by such persons or entities as the CONTRACTOR may decide. Whenever cost of an item is more than allowance provided therefore, the Contract Sum shall be adjusted by Change Order. The amount of the Change Order shall reflect (a) the difference between actual costs and the allowances, and (b) changes in CONTRACTOR's costs of handling of materials and equipment, labor, installation, and profit and overhead.

IN WITNESS WHEREOF, the parties to these presents have here-unto set their hands and seals to this agreement in duplicate the date and year first above written.

RD LAWRENCE CONSTRUCTION
COMPANY,

CITY OF LINCOLN, ILLINOIS,

By: _____

By: _____
Martha Neitzel, Mayor

Attest: _____

Attest: _____
Susan Gehlbach, City Clerk

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Print: _____

Its: _____

EXHIBIT A

[Contract documents/bid specs. etc.]

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EXHIBIT B

Insurance Coverages Required Per Article 11 Located in
Illinois High Speed Rail - Chicago to St. Louis 'Lincoln,
Illinois HSR Station' Specifications

General Liability

Bodily Injury Each Occurrence:	\$1,000,000
Bodily Injury Aggregate:	\$2,000,000
Property Damage Each Occurrence:	\$1,000,000
Property Damage Aggregate	
OR Bodily Injury and Property:	\$2,000,000
Damage Combined Single Limit:	\$1,000,000
Personal and Advertising Injury Liability Projects and Completed Operations Aggregate:	\$2,000,000

Automobile Liability

Bodily Injury Per Person:	\$1,000,000
Bodily Injury Per Accident:	\$1,000,000
Property Damage OR	
Bodily Injury and Property:	\$1,000,000
Damaged Combined Single Limit:	\$1,000,000

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Workers Compensation

Statutory Coverage with Employer's

Liability Coverage As Follows:

Each Accident:	\$500,000
Disease/Policy Limit:	\$500,000
Disease/Each Employee:	\$500,000

Excess (Umbrella Liability)

In the event an Umbrella or Excess Liability policy is in force (and indicated on the Certificate of Insurance) for a limit of at least \$5,000,000, then the Insurance Company's minimum limits of underlying insurance will be acceptable.

Property

Property insurance shall be carried to protect all owned property brought on the premises. Muller + Muller, Ltd. And City of Lincoln, Illinois, Owner, its directors and officers, employees and agents should be named as additional insured.

All insurance companies must be rated A VI or better by the current Bests Rating Guide.

REQUEST TO PERMIT

DATE: 8/5/16

We, the undersigned of the City of Lincoln, do hereby respectfully request the Mayor and City Council to permit:

The closure of 1st St between Washington and
Jefferson Streets on Sat. Sept 17, 2016 for an ABATE
Motorcycle Show at The Mill in conjunction with the
National Rallsplitting Festival. Barracodes will be
needed. Time of event is 11am - 3pm. Road closure
would be 10am - 4pm.

[Signature]

If the above request is for use of City property, including streets and/ or alleys, please check one of the two boxes below:

- A Certificate of Insurance Liability for the event is attached.
- A Certificate of Insurance Liability for the event will be provided to the City no later than _____

If City property is used, a Certificate of Insurance Liability is required listing the City as an additional insured. The City reserves the right to postpone review and consideration of this Request to Permit until a Certificate of Insurance Liability is provided.

Name: Route 66 Heritage Foundation of Logan County

Address: 738 S. Washington
Lincoln, IL 62656

Phone: 217-671-3790 Cell: 217-671-3790

Email: geoffladd@yaho.com



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8-5-16

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER TERRY WERTH INSURANCE (217) 732-1300 1203 Woodlawn Rd. Lincoln, IL 62656	CONTACT NAME: <i>Roberta</i> PHONE (A/C, No, Ext): <i>217-732-1300</i>	FAX (A/C, No): <i>217-735-5166</i>	
	E-MAIL ADDRESS: <i>twertth@yahoo.com</i> PRODUCER CUSTOMER ID #: <i>0802</i>		
INSURED <i>Route 66 Heritage Foundation</i> <i>738 S Washington St of Logan County</i> <i>Lincoln, IL 62656</i>	INSURER(S) AFFORDING COVERAGE		NAIC#
	INSURER A: <i>Scottsdale Insurance Co.</i>		
	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR			CPS2400139	2/15/16	2/15/17	EACH OCCURRENCE \$ <i>500,000-</i>
	<input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <i>100,000-</i>
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N <input type="checkbox"/> N/A				WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Motorcycle Cruise in Sept 17, 11AM to 3pm 2016

CERTIFICATE HOLDER <i>City of Lincoln</i> <i>c/o Susan Gehlbach</i> <i>700 Broadway St</i> <i>Lincoln, Ill. 62656</i>	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Melaine Dezhnev</i>
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**COMMERCIAL PROPERTY COVERAGE PART
SUPPLEMENTAL DECLARATIONS**

Policy No.: CPS2400139 Effective Date: 02/15/2016
12:01 A.M. Standard Time

Named Insured: ROUTE 66 HERITAGE FOUNDATION OF Agent No.: 13004

Item 1. Business Description: TOURISM OFFICE, MUSEUM

Item 2. Premises Described:
See Schedule Of Locations

Item 3. \$500 Deductible unless otherwise indicated.

Item 4. Coverages Provided:

Prem. No.	Bldg. No.	Coverage	Limit of Insurance	Covered Causes of Loss	Coins.
1	1	BUILDING	75,000	BROAD	80%

Other Provisions

Construction: FRAME Year Built: 1929 No. of Stories: 2
 Agreed Value: MARKET VALUE Expires: _____ Replacement Cost
 Business Income Indemnity: Monthly Limit: _____ Period: Maximum _____ Inflation Guard: _____ %
 Reporting Extended
 Deductible: 1,000 Earthquake Deductible: _____ % Exceptions: _____

Prem. No.	Bldg. No.	Coverage	Limit of Insurance	Covered Causes of Loss	Coins.

Other Provisions

Construction: _____ Year Built: _____ No. of Stories: _____
 Agreed Value: _____ Expires: _____ Replacement Cost
 Business Income Indemnity: Monthly Limit: _____ Period: Maximum _____ Inflation Guard: _____ %
 Reporting Extended
 Deductible: _____ Earthquake Deductible: _____ % Exceptions: _____

Prem. No.	Bldg. No.	Coverage	Limit of Insurance	Covered Causes of Loss	Coins.

Other Provisions

Construction: _____ Year Built: _____ No. of Stories: _____
 Agreed Value: _____ Expires: _____ Replacement Cost
 Business Income Indemnity: Monthly Limit: _____ Period: Maximum _____ Inflation Guard: _____ %
 Reporting Extended
 Deductible: _____ Earthquake Deductible: _____ % Exceptions: _____

Item 5. Forms and Endorsements:

Form(s) and Endorsement(s) made a part of this policy at time of issue:

See Schedule of Forms and Endorsements

THIS SUPPLEMENTAL DECLARATIONS AND THE COMMON POLICY DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND ENDORSEMENT(S), IF ANY, COMPLETE THE ABOVE-NUMBERED POLICY.

SUPPLEMENTAL DECLARATIONS

Policy No. CPS2400139 Effective Date 02/15/2016
 12:01 A.M., Standard Time

Named Insured ROUTE 66 HERITAGE FOUNDATION OF Agent No. 13004

Item 1. Limits of Insurance	
Coverage	Limit of Liability
Aggregate Limits of Liability	Products/Completed Operations Aggregate \$ <u>EXCLUDED</u> General Aggregate (other than Products/Completed Operations) \$ <u>500,000</u>
Coverage A - Bodily Injury and Property Damage Liability	any one occurrence subject to the Products/Completed Operations and General Aggregate Limits of Liability \$ <u>500,000</u>
Damage to Premises Rented to You Limit	any one premises subject to the Coverage A occurrence and the General Aggregate Limits of Liability \$ <u>100,000</u>
Coverage B - Personal and Advertising Injury Liability	any one person or organization subject to the General Aggregate Limits of Liability \$ <u>500,000</u>
Coverage C - Medical Payments	any one person subject to the Coverage A occurrence and the General Aggregate Limits \$ <u>5,000</u>
Item 2. Description of Business	
Form of Business: <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Joint Venture <input type="checkbox"/> Trust <input type="checkbox"/> Limited Liability Company <input checked="" type="checkbox"/> Organization including a corporation (other than Partnership, Joint Venture or Limited Liability Company)	
Location of All Premises You Own, Rent or Occupy: See Schedule of Locations	
Item 3. Forms and Endorsements	
Form(s) and Endorsement(s) made a part of this policy at time of issue: See Schedule of Forms and Endorsements	
Item 4. Premiums	
Coverage Part Premium:	\$ 1,052
Other Premium:	\$
Total Premium:	\$ 1,052

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

THE INDUSTRIAL PLAZA - COVINGTON, ILLINOIS 62924
Administrative Office:
 8877 North Gainey Center Drive • Scottsdale, Arizona 85258
 1-800-423-7675
A STOCK COMPANY

ITEM 1. Named Insured and Mailing Address:

ROUTE 66 HERITAGE FOUNDATION OF
 LOGAN CO
 738 S WASHINGTON STREET
 LINCOLN, IL 62656

Agent Name and Address:

Roush Insurance Services, Inc.
 PO Box 1060
 Noblesville, IN 46061-1060

Agent No.: 13004 Program No.: NONE

ITEM 2. Policy Period From: 02/15/2016 To: 02/15/2017 Term: 365 DAYS

12:01 A.M., Standard Time at the mailing address shown in ITEM 1.

Business Description: TOURISM OFFICE, MUSEUM

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy. This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.

Coverage Part(s)	Premium Summary
Commercial General Liability Coverage Part	\$ <u>1,052</u>
Commercial Property Coverage Part	\$ <u>620</u>
Commercial Crime And Fidelity Coverage Part	\$ <u>NOT COVERED</u>
Commercial Inland Marine Coverage Part	\$ <u>NOT COVERED</u>
Commercial Auto Coverage Part	\$ <u>NOT COVERED</u>
Professional Liability Coverage Part	\$ <u>NOT COVERED</u>
NOTICE TO POLICYHOLDER This contract is issued pursuant to Section 420 of the Illinois Insurance Code, by a company not licensed and licensed to transact business in Illinois and as such is not covered by the Illinois Insurance Guaranty Fund.	\$ _____ \$ _____ \$ _____
Total Policy Premium:	\$ <u>1,672.00</u>
SURPLUS LINES TAX	\$ <u>59.00</u>
FIRE MARSHAL TAX	\$ <u>7.00</u>
STAMPING FEE	\$ <u>3.00</u>
POLICY FEE	\$ <u>150.00</u>
	\$ _____ \$ _____
Policy Total:	\$ <u>1,891.00</u>

Form(s) and Endorsement(s) made a part of this policy at time of issue:
SEE SCHEDULE OF FORMS AND ENDORSEMENTS

NO FLAT CANCELLATION
 NOBLESVILLE IN
 KH
 02/18/16

THIS COMMON POLICY DECLARATION AND THE SUPPLEMENTAL DECLARATION(S), TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART(S), COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, COMPLETE THE ABOVE NUMBERED POLICY.

MEMORANDUM

TO: Mayor and Aldermen of the City of Lincoln

FROM: Clay T. Johnson, City Administrator



MEETING

DATE: August 9, 2016

RE: State Street Bridge Construction Engineering

Background

On August 1st, the City Council awarded a bid and authorized the execution of a construction contract with Freesen (UCM) for the replacement of the State Street Bridge. The staff has requested an estimate for construction engineering during the course of the project. Farnsworth Group has provided a scope of services and an estimated cost not to exceed \$22,900. This scope does include some costs already incurred for the bidding of the project.

Analysis/Discussion

The attached materials outline the scope of services provided by the engineer for the approximate three month period of construction.

Fiscal Impact

While the costs of construction engineering are accounted for within the Capital Project Fund, the savings realized between the estimated cost figure and awarded price covers the cost of construction engineering. The bid was \$35,583.64 under the engineer's estimate.

COW Recommendation

Place the authorization of construction engineering services for the replacement of the State Street Bridge on the Council's agenda for August 15, 2016.

Council Recommendation:

Authorize construction engineering services for the replacement of the State Street Bridge in an amount not to exceed \$22,900 to Farnsworth Group.

APPENDIX A
SCOPE OF SERVICES – July 5, 2016
City of Lincoln, IL

State Street Bridge Replacement – Phase 3 Bidding and Construction Engineering Services

Scope of Services listed below are for Phase III Construction Engineering Services consisting of Project Administration/Management, Bidding and Contract Processing Services, Shop Drawing and Submittal Review, Material Testing, Material Documentation, Construction Engineering as indicated below for the replacement of the existing bridge with a triple 8'h x 10'w cast-in-place concrete box culvert. This Scope assumes the project is locally funded and that MFT, State, or Federal Material Documentation and Full Time Observation is not required.

1. Bidding Assistance, Contract Award, Project Administration and Management

- a. Submit the Notice to Bidders to IDOT for inclusion in the IDOT Local Roads Bulletin.
- b. Submit the Notice to Bidders to local contractors and to the City for publication in local newspapers.
- c. Attend the Bid Opening, evaluate the bids and make a recommendation for award.
- d. Coordinate with the Contractor for execution of the Contract and Contract Bond upon approval of the City.
- e. Attend Preconstruction Meeting and prepare Meeting Minutes.
- f. Submit up to 5 monthly status reports to the City Administrator and Street Superintendent to report on project progress.
- g. Emails and phone calls to Contractor and City for coordination of needs for material documentation and construction engineering.

2. Construction Engineering, Material Testing and Material Documentation

- a. Provide for part-time Construction Engineering, Material Testing and Material Documentation for the subject project. It is assumed that IDOT approved aggregates, concrete mixtures and bituminous mixtures will be used.
- b. Provide Shop Drawing reviews for reinforcement, railing, and railing connection inserts.
- c. Provide part time construction observation at key points in the construction including:
 - i. Base Course for the culvert
 - ii. Forms and reinforcement prior to placement of concrete (Bottom Slab, Walls, Top Slab, Wingwalls) (5 pours)
 - iii. Test for air content, slump and temperature and prepare cylinders for strength testing during concrete placement
 - iv. Backfill operations and installation of storm sewer
 - v. Subbase prior to placement of pavement base course
 - vi. Base course prior to placement of bituminous binder course
 - vii. Placement of bituminous binder and surface courses
- d. Provide part-time observation of the work and the contractor's operations for general compliance with the plans and specifications as construction proceeds, but the Engineer does not guarantee the performance of the contract by the Contractor.
- e. Maintain a record of the contractor's activities during construction, while we are on site, including sufficient information to permit verification of the nature and cost of changes in plans and authorized extra work
- f. Supervision of technicians, proportioning engineers, and other engineering technical personnel and the taking and submitting of material samples
- g. Prepare two (2) Pay Request and one (1) Change Order form.
- h. Provide Record Drawings indicating known field locations and elevations of storm sewers and drainage structures.
- i. Prepare Punch List and confirm Punch List items were addressed prior to Final Acceptance.

- j. This Scope of Services is based on part-time on-site Construction Engineering time frame for our Bidding and Construction Field services from June 27, 2016 through November 15, 2016 and returning on April 15, 2017 through April 28, 2017 for seeding and final cleanup. Should the Contractor not meet the completion date of November 15, 2016 due to weather or any other issues, additional compensation for continued Construction Engineering Services shall be made to the Engineer at that time should the City request additional Engineering services beyond the November 15, 2016 date, except as indicated herein.

Note: Not included in this Contract and Scope of Services:

- a. Aggregate Testing at the Quarry (Assumed to be completed by IDOT Materials as part of their Approved Source process)
- b. Concrete Plant Testing Services
- c. Bituminous Plant Testing Services
- d. Property Owner Meetings or Coordination
- e. Meetings with City Staff or City Council other than those referenced above
- f. Full time Construction Engineering Services
- g. Construction Layout or staking services
- h. Proposed ROW or Easement staking

The work listed above will be completed on a time and material basis or under a separate contract addendum, if requested at a later date by the Client.

Appendix A
Farnsworth Group Inc. - Construction Engineering Services (ESTIMATE WORKSHEET)
Lincoln State Street Bridge Replacement

July 5, 2016

MANHOURS ESTIMATE: (06/27/16 start and 11/15/16 substantial completion & 04/28/17 Final Acceptance)

	TASK DESCRIPTION	Principal	Project Manager	Senior Project Engineer	Field Staff Construction	ADMIN Clerical
1	Job Setup, Bid Coord, Contract Executic Precon Mtg	2	6	8	4	
2	Const. Observation, Documentation & Material Testing, routine corresp	2	4	12	60	2
3	Const Admin., Pay Estimates, monthly status,		2	4	12	2
4	Project Closeout, Final Pay Estimate Agreed Quantities, & Punch List		4	8	16	2
5	Record Plans					
6	Client Coordination	0				
	SUBTOTAL HOURS	4	16	32	92	6
	BILLING RATE*	\$199.00	\$181.00	\$162.00	\$126.00	\$67.00
	SUBTOTAL ESTIMATE	\$796.00	\$2,896.00	\$5,184.00	\$11,592.00	\$402.00

IN-HOUSE DIRECT COSTS (ESTIMATE)

	ELEMENT OF WORK	TRUCK (DAYS)	PRINTS & CADD	MISC/EQUIP
1	Job Setup, Bid Coord, Contract Executic Precon Mtg	1	\$25.00	
2	Const. Observation, Documentation & Material Testing, routine corresp	12	\$25.00	\$500.00
3	Const Admin., Pay Estimates, monthly status,			
4	Project Closeout, Final Pay Estimate Agreed Quantities, Punch List & Record Plans	1	\$100.00	
5	Gary Davis Phase			
	SUBTOTAL UNIT	14		
	RATE	\$65.00	AT COST	AT COST
	SUBTOTAL ESTIMATE	\$910.00	\$150.00	\$500.00

TESTING SERVICES (ESTIMATE)

	ELEMENT OF WORK	TOTAL DIRECT COSTS
	MATERIAL TESTING AND REPORTS	\$470.00
	SUBTOTAL ESTIMATE	\$470.00

CADD = \$15.00/Hour
 Field Truck = \$65/Day
 Meeting Mileage = \$0.57/Mile

SUMMARY OF COSTS (ESTIMATES)

MANHOUR ESTIMATE	\$20,870.00
IN-HOUSE DIRECT COSTS	\$1,560.00
SERVICES BY OTHERS	\$470.00
ESTIMATED FEE	\$22,900.00