

<p>Village President P. Sean Michels</p> <p>Village Clerk Cynthia Galbreath</p> <p>Village Administrator Brent M. Eichelberger</p>	 <p>10 S. Municipal Drive Sugar Grove, Illinois 60554 Phone: 630-466-4507 Fax: 630-466-4521</p>	<p>Village Trustees</p> <p>Robert Bohler Kevin Geary Mari Johnson Rick Montalto David Paluch Thomas Renk</p>
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Agenda
September 4, 2012
Regular Board Meeting
6:00 P.M.

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Hearing:
 - a. None
5. Appointments and Presentations
 - a. None
6. Public Comment on Items Scheduled for Action
7. Consent Agenda
 - a. Approval: Minutes for August 21 Meeting
 - b. Approval: Vouchers
 - c. Proclamation: National Chamber of Commerce Week
 - d. Proclamation: "No Text On Board" Pledge Day
 - e. Resolution: Approving a Professional Services Agreement for Water System Needs – Layne Christensen
8. General Business
 - a. Ordinance: Opting Out of Video Gaming
 - b. Resolution: Authorizing Entering Into an Intergovernmental Agreement with the Aurora Area Convention and Visitor Bureau
 - c. Approval: Amending the Approval of the 5th Amendment to the Prairie Glen (Stillwater) Development Agreement
 - d. Resolution: Engineering Agreement – Mallard Point/Settlers Ridge Water Main
 - e. Resolution: 2012 Non-MFT Road Program
9. New Business
 - a. None
10. Reports
 - a. Staff Reports
 - b. Trustee Reports
 - c. Presidents Report
11. Public Comments
12. Airport Report
13. Closed Session: Land Acquisition, Personnel, Litigation
14. Adjournment

The consent agenda is made up of items that have been previously discussed, non-controversial, or routine in subject manner and are voted on as a 'package'. However, by simple request any member of the Board may remove an item from the consent agenda to have it voted upon separately.

*Items that are marked as * STAR – indicate that the item is Subject to Attorney Review*

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**September 4, 2012
Committee of the Whole
6:30 p.m.**

1. Call to Order
2. Roll Call
3. Public Comment
4. Discussion: Hannaford Farms Home Owners Association Tolling Agreement
5. Discussion: Amending Development Escrow Provisions
6. Discussion: Additional Authorized Investment Vehicle - Institutional Investment Trust
7. Closed Session: Land Acquisition, Personnel, Litigation
8. Adjournment

Members of the public wishing to address the Board shall adhere to the following rules and procedures:

1. Complete the public comment sign-in sheet prior to the start of the meeting.
2. The Village President will call members of the public to the podium at the appropriate time.
3. Upon reaching the podium, the speaker should clearly state his or her name and address.
4. Individual comment is limited to three (3) minutes. The Village President will notify the speaker when time has expired.
5. Persons addressing the Board shall refrain from commenting about the private activities, lifestyles, or beliefs of others, including Village employees and elected officials, which are unrelated to the business of the Village Board. Also, speakers should refrain from comments or conduct that is uncivil, rude, vulgar, profane, or otherwise disruptive. Any person engaging in such conduct shall be requested to leave the meeting.
6. The aforementioned rules pertaining to public comment may be waived by the Village President, or by a majority of a quorum of the Village Board.
7. Except during the time allotted for public discussion and comment, no person, other than a member of the Board, shall address that body, except with the consent of two (2) of the members present.

SIXTH AMENDED INTERGOVERNMENTAL COOPERATION AGREEMENT

THIS SIXTH AMENDED INTERGOVERNMENTAL COOPERATION AGREEMENT ("Fifth Amendment") made effective the 15th day of December 2012 by and between the cities of Aurora (hereinafter "Aurora"), Batavia (hereinafter "Batavia"), Plano (hereinafter "Plano"), Sandwich (hereinafter "Sandwich") and Yorkville (hereinafter "Yorkville") and the Villages of Big Rock (hereinafter "Big Rock"), Montgomery (hereinafter "Montgomery"), North Aurora (hereinafter "North Aurora"), and Sugar Grove (hereinafter "Sugar Grove"), all being municipal corporations of the State of Illinois (sometimes individually referred to herein as a "Municipality" and collectively referred to herein as the "Municipalities").

WITNESSETH:

WHEREAS, effective December 15, 1987, Aurora, North Aurora, Sugar Grove and Montgomery, executed an Intergovernmental Cooperation Agreement (hereinafter the "Intergovernmental Agreement"), which was subsequently joined by Oswego and Yorkville, for a five-year term beginning on December 15, 1987 and ending on December 15, 1992; and

WHEREAS, effective December 15, 1992, the Intergovernmental Agreement was amended by the Municipalities referenced therein extending the term from December 15, 1992 through December 15, 1997, with the exception of North Aurora, which only agreed to extend the term from December 15, 1992 through December 15, 1995; and

WHEREAS, effective December 15, 1995, a Second Amended Intergovernmental Agreement was executed for the sole purpose of North Aurora agreeing to extend the term of the Intergovernmental Agreement from December 15, 1995 through December 15, 1997; and

WHEREAS, effective December 15, 1997, a Third Amended Intergovernmental Agreement was executed by the Municipalities referenced therein extending the term thereof from December 15, 1997 through December 15, 2002, which was subsequently joined by Plano; and

WHEREAS, effective December 15, 2002, a Fourth Amended Intergovernmental Agreement was executed by the Municipalities referenced therein extending the term thereof from December 15, 2002 through December 15, 2007, which was subsequently joined by the City of Batavia, City of Sandwich and the Village of Big Rock; and

WHEREAS, effective December 15, 2007, a Fifth Amended Intergovernmental Agreement was executed by the Municipalities referenced therein extending the term thereof from December 15, 2007 through December 15, 2012; and

WHEREAS, the Municipalities have agreed to a Sixth Amendment to the Intergovernmental Agreement extending the term thereof for five (5) years from December 15, 2012 through December 15, 2017.

NOW, THEREFORE, the Municipalities, in consideration of the mutual covenants and agreements of the parties, do hereby and herein agree as follows:

1. That the term of the Intergovernmental Agreement shall be extended for five (5) years from December 15, 2012 through December 15, 2017 as between all of the Municipalities.
2. That except as set forth in this Sixth Amendment and in the prior Amendments thereto, the Intergovernmental Agreement shall remain in full force and effect as originally executed by the parties.

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Amendment to be executed by their appropriate officers effective as of the date first above written.

CITY OF AURORA, a Municipal corporation

ATTEST: _____
City Clerk Mayor

VILLAGE OF NORTH AURORA, a municipal corporation

ATTEST: _____
Village Clerk Village President

VILLAGE OF SUGAR GROVE, a municipal corporation

ATTEST: _____
Village Clerk Village President

VILLAGE OF MONTGOMERY, a municipal corporation

ATTEST: _____
Village Clerk Village President

UNITED CITY OF YORKVILLE, a municipal corporation

ATTEST: _____
City Clerk Mayor

VILLAGE OF BIG ROCK, a Municipal corporation

ATTEST: _____
Village Clerk Village President

CITY OF PLANO, a Municipal corporation

ATTEST: _____
City Clerk Mayor

CITY OF SANDWICH, a Municipal corporation

ATTEST: _____
City Clerk Mayor

CITY OF BATAVIA, a Municipal corporation

ATTEST: _____
City Clerk Mayor

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: CYNTHIA L. GALBREATH, VILLAGE CLERK
SUBJECT: RESOLUTION: AUTHORIZING ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE AURORA AREA CONVENTION AND TOURISM BUREAU
AGENDA DATE: SEPTEMBER 04, 2012, REGULAR AGENDA
DATE: AUGUST 29, 2012

ISSUE

Shall the Village of Sugar Grove extend the Intergovernmental Agreement with the Aurora Area Convention and Visitors Bureau (AACVB).

DISCUSSION

The Aurora Area Convention and Visitors Bureau provides tourism representation for Aurora, Batavia, Big Rock, Montgomery, North Aurora, Plano, Sandwich, Sugar Grove and Yorkville. The current agreement with the AACVB expires in December and is proposed to be extended for 5 years (attached).

Previously the agreement contained a 3-year opt out clause which was not included in the last agreement nor is it included in the current agreement. Staff does foresee any reason to request that this option be placed in at this time. Plano, Hinckley, and Big Rock have elected to continue with the AACVB and have signed the intergovernmental agreement.

AACVB Director Chris Hamilton will be in attendance this evening to highlight the services of the AACVB and answer questions regarding both services and the IGA.

COSTS

There is no cost associated.

RECOMMENDATION

That the Village Board adopts Resolution 20120904R4, Authorizing Entering into an Intergovernmental Agreement with the Aurora Area Convention and Visitors Bureau.



RESOLUTION NO. 20120904RA

RESOLUTION OF AUTHORIZATION TO SIGN AN INTERGOVERNMENTL AGREEMENT WITH THE AURORA AREA CONVENTION AND VISITORS BUREAU

BE IT RESOLVED, by the Board of Trustees of the Village of Sugar Grove, Kane County, Illinois as follows:

WHEREAS, tourism representation is desired by the Village of Sugar Grove; and

WHEREAS, the Village of Sugar Grove Board has determined that it is in the best interests of the Village to enter into an agreement for the purpose of tourism representation with the Aurora Area Convention and Visitors Bureau.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, as follows:

1. That the Village President is hereby authorized to sign all agreement forms and documents

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, on this 4th day of September, 2012.

P. Sean Michels, President of the Board of Trustees
of the Village of Sugar Grove, Kane County, Illinois

	Aye	Nay	Absent
Trustee Bohler	_____	_____	_____
Trustee Geary	_____	_____	_____
Trustee Montalto	_____	_____	_____
Trustee Johnson	_____	_____	_____
Trustee Renk	_____	_____	_____
Trustee Paluch	_____	_____	_____

ATTEST: _____
Cynthia L. Galbreath
Clerk, Village of Sugar Grove



CHAMBER OF COMMERCE WEEK 2012

Whereas, the Sugar Grove Chamber of Commerce works with the businesses, merchants, and industry to advance the civic, economic, industrial, professional and cultural life of the Village of Sugar Grove, and

Whereas, chambers of commerce have contributed to the civic and economic life of Illinois for 174 years since the founding of the Galena Chamber of Commerce in 1838, and

Whereas, this year marks the 93rd anniversary of the founding of the Illinois Chamber of Commerce, the state's leading broad-based business organization;

Whereas, the chamber of commerce and its members provide citizens with a strong business environment that increases employment, the retail trade and commerce, and industrial growth in order to make the Village of Sugar Grove a better place to live, and

Whereas, the chamber of commerce encourages the growth of existing industries, services, and commercial firms and encourages new firms and individuals to locate in the Village of Sugar Grove and

Whereas, the State of Illinois is the home to international chambers of commerce, the Great Lakes Region Office of the U.S. Chamber of Commerce, the Illinois Chamber of Commerce and more than 456 local chambers of commerce, and

Whereas, this year marks the 97th anniversary of the Illinois Association of Chamber of Commerce Executives, a career development organization for the chamber of commerce professionals;

Therefore I, P. Sean Michels, Mayor of the Village of Sugar Grove, proclaim **September 10 through September 14, 2012, as CHAMBER OF COMMERCE WEEK** in Sugar Grove and call its significance to the citizens of the Village of Sugar Grove.

Whereunto I have set my hand and caused the seal of the Village of Sugar Grove to be affixed this 4th day of September, 2012.

P. Sean Michels, President
Village of Sugar Grove

Cynthia L. Galbreath, Clerk
Village of Sugar Grove

TOLLING AGREEMENT

This Tolling Agreement (the “Agreement”) is made and entered into this 21st day of September, 2012 (the “Effective Date”), by and between Hannaford Farms Homeowners Association (“HOA”) and the Village of Sugar Grove (“Sugar Grove”).

WITNESSETH

WHEREAS, the HOA is aware of certain claims that Sugar Grove has asserted against MB Financial Bank NA (as successor to Benchmark Bank) and the FDIC (collectively “Claims”);

WHEREAS, such Claims relate to the payment of certain letter of credit originally issued by Benchmark Bank for the purpose of ensuring, among others, the completion of infrastructure work in the Hannaford Farms development;

WHEREAS, the HOA has expressed its concern regarding Sugar Grove’s alleged delay in calling such letter of credit or otherwise failing to protect the HOA and its homeowners from the damages they have or may have as a result the incompleteness of the infrastructure in the Hannaford Farms development (“Allegations”); and

WHEREAS, the HOA and Sugar Grove desire to toll the running of any limitations period relative to the Allegations, at law, in equity or otherwise.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the HOA and Sugar Grove agree as follows:

1. Forbearance by the HOA. HOA shall forbear and refrain from filing an action against Sugar Grove related to the Allegations during such period of time in which Sugar Grove

is actively pursuing the Claims in a manner reasonably acceptable to the HOA (“Forebearance Period”).

2. Tolling of Limitations Period. If HOA later brings a legal action against Sugar Grove arising from or relating to the Allegations at anytime either during or after the expiration of the Forebearance Period, Sugar Grove shall not assert any applicable statute of limitations as a defense to such action, or any equitable defenses relating thereto as a defense to the Allegations to the extent that any such legal action would have been timely under the applicable limitations period if the HOA had initiated any such legal action against Sugar Grove as of the Effective Date. However, neither HOA nor Sugar Grove intend to revive via the execution of this Agreement any claim the HOA may have against Sugar Grove that is already timed-barred or barred by any equitable defenses as of the Effective Date or to otherwise toll or extend any period which has expired as the Effective Date. The tolling of the statute of limitations, or any equitable defenses relating to the Allegations will expire as set forth in Paragraph 6 below.

3. Consideration. The forbearance from bringing suit and the tolling and abeyance of the Allegations as set forth in this Agreement, however limited or temporary, constitute adequate consideration for the execution and delivery of this Agreement. HOA and Sugar Grove agree that the provisions of this Agreement are reasonable in light of the prevailing circumstances and this Agreement serves the mutual interest of the parties in allowing the HOA to preserve the Allegations against Sugar Grove as it exists at the Effective Date and to hopefully avoid litigation between the parties.

4. Agreement not an Admission. Neither the execution of this Agreement, nor the agreement to any of its terms, constitutes an admission against interest by Sugar Grove or the HOA.

5. Reservation of Rights. Except as provided in this Agreement, the execution of this Agreement does not, in any way, waive or limit any rights, remedies or defenses at law, in equity, or otherwise. Sugar Grove and the HOA expressly reserve their respective rights, remedies, and defenses at law, in equity, or otherwise.

6. Termination. Unless mutually agreed upon in writing by all parties to this Agreement, this Agreement and its corresponding tolling of any (i) statute of limitations, or (ii) any equitable defenses relating thereto shall expire on June 30, 2015.

7. Effectiveness. This Agreement shall become effective only when this Agreement has been executed by all parties thereto and may be executed in counterparts and/or with facsimile (or electronic) signatures.

8. Modification. This Agreement may be modified only by written instrument executed by the parties.

9. Merger. This Agreement constitutes that entire agreement of the parties regarding the matters set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the date first shown above.

HANNAFORD HOMEOWNERS ASSOC.

THE VILLAGE OF SUGAR GROVE

BY: _____

BY: _____

ITS: _____

ITS: _____

PRINTED NAME

PRINTED NAME

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: BRENT M. EICHELBERGER, VILLAGE ADMINISTRATOR
SUBJECT: HANNAFORD FARM HOA TOLLING AGREEMENT
AGENDA: 9/4/2012 COMMITTEE OF THE WHOLE
DATE: AUGUST 27, 2012

ISSUE

Should the Village enter into a Tolling Agreement with the Hannaford Farm HOA to preserve HOA rights in regard to processing of the developer's Letter of Credit.

DISCUSSION

The original developer of the Hannaford Farm subdivision filed a Letter of Credit (LOC) with the Village to guarantee the completion of the public improvements. When the developer failed to complete the public improvements the Village called the LOC. The issuing bank refused to honor the LOC. The Village is currently suing the issuing bank, successor bank and the FDIC over the refusal.

The Hannaford Farm HOA believes it has the right to take action against the Village regarding the Village's processing of the LOC. The HOA is not interested in taking action against the Village at this time, but they are concerned their rights may expire subject to a statute of limitations. In order to preserve their rights through June 30, 2015, the HOA has proposed the attached Tolling Agreement.

The Village does not believe that the HOA has a valid claim against the Village. However, we do recognize that they could take action and that the Village would incur expense in defending it. The Tolling Agreement gives the HOA the option of deferring any action they may be considering, and therefore deferring any cost of defense that the Village may incur.

The goal for both parties is that the LOC be honored through the pending lawsuit the Village has against the FDIC, MB Financial and Benchmark Bank, making any action the HOA is considering against the Village moot.

COST

The cost of attorney review of this item is estimated at less than \$100 and will be charged to account #01-55-6301 GF Community Development Legal Services.

RECOMMENDATION

That the Board direct staff to place a Resolution authorizing a Tolling Agreement between the Village and Hannaford Farm HOA on the September 18, 2012 Regular Meeting Agenda.

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: RICHARD YOUNG, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: DISCUSSION: AMENDING DEVELOPMENT ESCROW PROVISIONS
AGENDA: SEPTEMBER 4, 2012 COMMITTEE OF THE WHOLE MEETING
DATE: AUGUST 31, 2012

ISSUE

Should the village amend the Subdivision Regulations to eliminate the reimbursement of 3 ½ % of the estimated cost of construction of land improvements option for the payment of village incurred expenses.

DISCUSSION

Within the Subdivision Regulations there exists an option for developers to pay a set fee of 3 ½ % of the cost of construction of land improvements at the time of final plat approval to reimburse the village for costs associated with the review of a given phase of a subdivision. These expenses are generally the ones paid by the village to consultants for legal and civil engineering review services. The developer then reimburses the village for the cost of these services. Up until the time of final plat approval, these fees are basically a “pass through” from the consultant to the developer. The staff is not proposing a change to this portion of the process. The staff would like to propose a change in the process after final plat approval. The regulation in place allows the developer to pay a set 3 ½ % fee noted above which completes their obligation to the village for any service cost reimbursement from that point forward.

In a time of steady growth, this system worked well for both the village and the developer, however in today’s development climate, there can be long periods of time between the granting of final plat approval and the accrual building on a finished lot. Many times the village must call for the re-review and/or inspection of incomplete improvements (punchlist items) because the developer has been unable to move forward with the completion and acceptance of these improvements. This causes a problem for the village in terms of funding the reimbursement of consultant services if the developer has final plat approval but has been unable to move forward with building on platted lots and the acceptance of final improvements.

The challenge is that the village and the developer both need to know the status or condition of improvements in the ground so both entities can move forward to final acceptance. When a development site sits idle for a number of years, and the improvements have not been completed or maintained, their condition must be evaluated and improvements completed before village acceptance.

Staff would like to review with the COTW the elimination of the 3 ½ % option and the use of strictly a “pay as you go” process for the reimbursement of service costs.

COST

There are no costs associated with this item at this time.

RECOMMENDATION

That the Village Board discusses the elimination of the 3 ½% option and provide direction to staff on a possible text amendment.



An Illinois Entity formed pursuant to the
1970 Constitution of the State of Illinois,
the Intergovernmental Cooperation Act, and
the Public Funds Investment Act.

ILLINOIS INSTITUTIONAL INVESTORS TRUST

DECLARATION OF TRUST

October 18, 2002

Amended and Restated April 26, 2007

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THIS DECLARATION OF TRUST made as of the 18th day of October 2002, and as amended and restated as of April 26, 2007.

W I T N E S S E T H

WHEREAS, Section 10 of Article VII of the 1970 Constitution of the State of Illinois (the “Illinois Constitution”) provides, *inter alia*, that “Units of local government and school districts may contract or otherwise associate among themselves...to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or by ordinance,” and further provides that “Units of local government and school districts may contract and otherwise associate with individuals, associations, and corporations in any manner not prohibited by law or by ordinance”; and

WHEREAS, Section 1 of Article VII of the Illinois Constitution provides that:

“Municipalities” means cities, villages and incorporated towns.
“Units of local government” means counties, municipalities, townships, special districts, and units, designated as units of local government by law, which exercise limited governmental powers or powers in respect to limited governmental subjects, but does not include school districts;

and

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, (the “Intergovernmental Cooperation Act”) provides that “any power or powers, privileges, functions, or authority exercised or which may be exercised by a public agency of this State may be exercised, combined, transferred, and enjoyed jointly with any other public agency of this State...except where specifically and expressly prohibited by law”; 5 ILCS 220/3; and

WHEREAS, the Intergovernmental Cooperation Act defines the term “public agency” as:

Any unit of local government as defined in the Illinois Constitution of 1970, any school district, any public community college district, and public building commission, the State of Illinois, any agency of the state government or of the United States, or of any other state, any political subdivision of another state, and any combination of the above pursuant to an intergovernmental agreement which includes provisions for a governing body of the agency created by the agreement;

and

WHEREAS, the Public Funds Investment Act, 30 ILCS 235/0.01 *et seq.*, (the “Public Funds Investment Act”) provides that “Any public agency may invest any public funds” in the authorized investments provided for in that Act, 30 ILCS 235/2; and

WHEREAS, the Public Funds Investment Act defines the term “public agency” as follows:

The words “public agency” as used in this Act, “mean the State of Illinois, the various counties, townships, cities, towns, villages, school districts, educational service regions, special rural districts, public water supply districts, fire protection districts, drainage districts, levy districts, sewer districts, housing authorities, the Illinois Bank Examiners Education Foundation, the Chicago Park District, and all other political corporations or subdivisions of the State of Illinois, now or hereafter created, whether herein specifically mentioned or not”;

and

WHEREAS, the Initial Participants are public agencies and units of local government within the meaning of the Illinois Constitution, the Intergovernmental Cooperation Act, and the Public Funds Investment Act, and are authorized to enter into this Declaration of Trust pursuant to, *inter alia*, the provision of Section 10, Article VII of the Illinois Constitution, the Intergovernmental Cooperation Act, and the Public Funds Investment Act; and

WHEREAS, pursuant to such authority, the Initial Participants desire to enter into an agreement and thereby establish an entity for joint investment, pursuant to this Declaration of Trust, for the purpose of combining their respective available investment funds so as to enhance the investment opportunities available to them and increase the investment earnings accruing to the benefit of the Participants; and

WHEREAS, pursuant to such authority, this Declaration of Trust is intended to be an agreement entered into for the purpose of better performing the Participants’ responsibility to invest the funds of their respective Public Agency in accordance with the Laws of the State of Illinois; and

WHEREAS, this Declaration of Trust is intended to constitute an intergovernmental agreement pursuant to the authority conferred by the Illinois Constitution, the Intergovernmental Cooperation Act, and the Public Funds Investment Act; and

WHEREAS, each of the Participants has duly taken all official action necessary and appropriate to become a party to this Declaration of Trust; and

WHEREAS, it is proposed that the beneficial interest in the Fund’s assets shall be divided into non-transferable shares of beneficial interest, which shall be evidenced by a share register maintained by the Fund or its agent; and

WHEREAS, the Participants anticipate that other Public Agencies may wish to become Participants by adopting this Declaration of Trust and thus becoming parties to it;

NOW, THEREFORE, the Participants hereby declare that all money and property contributed to the Trust established under this Declaration of Trust shall be held and managed in

trust for the proportionate benefit of the holders of record from time to time of shares of beneficial interest issued and to be issued hereunder, without privilege, priority or distinction among such holders, except as otherwise specifically provided herein, and subject to the terms, covenants, conditions, purposes and provisions hereof.

ARTICLE I. THE FUND

Section 1.1. Name. The name of the common law trust created by this Declaration of Trust shall be the Illinois Institutional Investors Trust (the “Fund”) and, so far as may be practicable, the Trustees shall conduct the Fund’s activities, execute all documents and sue or be sued under that name, which name (and the word “Fund” wherever used in this Declaration of Trust, except where the context otherwise requires) shall refer to the Trustees in their capacity as Trustees, and not individually or personally, and shall not refer to the officers, agents, employees, counsel, advisers, consultants, accountants or Participants of the Fund or of such Trustees. Should the Trustees determine that the use of such name is not practicable, legal or convenient, they may use such other designation or they may adopt such other name for the Fund as they deem proper, and the Fund may hold Property and conduct its activities under such designation or name. The Trustees shall take such action as they, acting with the advice of counsel, shall deem necessary or appropriate to file or register such name in accordance with the Laws of the State of Illinois or the United States of America so as to protect and reserve the right of the Fund in and to such name. The Trustees shall have full and complete power to change the name of the Fund at any time and from time to time, in their sole and absolute discretion, without the affirmative vote of a majority of the Participants entitled to vote as set forth in Article XII hereof, provided that notice of any such change of name shall be promptly given to the Participants.

Section 1.2. Purpose; Only Public Agencies to Be Participants.

(a) The purpose of the Fund is to provide an instrumentality and agency through which Public Agencies organized under Laws of the State of Illinois, may jointly act, agree and cooperate in accordance with the Laws of the State of Illinois in the performance of their responsibilities to invest available funds so as to enhance their investment opportunities pursuant to an investment program conducted in accordance with the Laws of the State of Illinois, from time to time in effect, governing the investment of the funds of Public Agencies. Any Public Agency which is a Participant in this Agreement may authorize its treasurer or other duly authorized official to act on its behalf with respect to the funds of such Public Agency.

(b) No Public Agency shall become a Participant unless and until the governing board of such Public Agency has adopted this Declaration of Trust in accordance with Section 13.6(a) hereof. A Public Agency must make a minimum investment of \$100.00 in the Fund to become a Participant and must maintain a minimum investment balance of \$100.00 in the Fund in order for such Public Agency to exercise the rights and obligations of a Participant. A Participant whose minimum investment falls below \$100.00 may again exercise the rights and obligations of a Participant during such times as its investment exceeds the minimum balance of \$100.00

Section 1.3. Location. The Fund shall maintain an office of record in the State of Illinois and may maintain such other offices or places of business as the Trustees may from time to time determine.

Section 1.4. Nature of Fund and Declaration of Trust.

(a) The Fund shall be a common law trust organized and existing under the Laws of the State of Illinois. The Fund is not intended to be, shall not be deemed to be, and shall not be treated as, a general partnership, limited partnership, joint venture, corporation, investment company or joint stock company. The Participants shall be beneficiaries of the Fund, and their relationship to the Trustees shall be solely in their capacity as Participants and beneficiaries in accordance with the rights conferred upon them hereunder.

(b) This Declaration of Trust is an agreement of indefinite term regarding the deposit, redeposit, investment, reinvestment and withdrawal of Public Agency funds within the meaning of the Laws of the State of Illinois.

Section 1.5. Definitions. As used in this Declaration of Trust, the following terms shall have the following meanings unless the context hereof otherwise requires:

“Administrator” shall mean any Person or Persons appointed, employed or contracted with by the Trustees under the applicable provisions of Section 3.1 hereof.

“Administration Agreement” shall mean the agreement with the Administrator referred to in Section 3.3 hereof as the same may be amended from time to time.

“Adviser” shall mean any Person or Persons appointed, employed or contracted with by the Trustees under the applicable provisions of Section 3.1 hereof.

“Affiliate” shall mean, with respect to any Person, another Person directly or indirectly controlling, controlled by or under common control with such Person, or any officer, director, partner or employee of such Person.

“Class” shall mean a category of the Shares of a Series or of the Fund if there are no Series, which category is authorized by the Trustees pursuant to Article VI hereof

“Custodian” shall mean any Person or Persons appointed, employed or contracted with by the Trustees under the applicable provisions of Article X hereof.

“Custodian Agreement” shall mean the agreement with a Custodian referred to in Article XI hereof as such agreement may be amended from time to time.

“Declaration of Trust” shall mean this Declaration of Trust as amended, restated or modified from time to time. References in this Declaration of Trust to “Declaration,” “hereof,” “herein,” “hereby” and “hereunder” shall be deemed to refer to the Declaration of Trust and shall not be limited to the particular text, article or section in which such words appear.

“Distributor” shall mean any Person or Persons appointed, employed or contracted with by the Trustees under the applicable provisions of Section 3.1 hereof.

“Distribution Agreement” shall mean the agreement with the Distributor referred to in Section 3.4 as the same may be amended from time to time.

“Fund” shall mean the common law trust created by this Declaration of Trust.

“Fund Property” or “Property” shall mean, as of any particular time, any and all Property, real, personal or otherwise, tangible or intangible, which is transferred, conveyed or paid to the Fund or Trustees, and all income, profits and gains therefrom, and which, at such time, is owned or held by, or for the account of, the Fund or the Trustees.

“Information Statement” shall mean the information statement or other descriptive document or documents adopted as such by the Trustees and distributed by the Fund to Participants and potential Participants of the Fund as the same may be amended by the Trustees from time to time.

“Initial Participants” shall mean the Public Agencies which initially formed this Fund as of October 18, 2002 by the execution and adoption of this Declaration of Trust.

“Investment Advisory Agreement” shall mean the agreement with the Adviser referred to in Section 3.2 hereof as the same may be amended from time to time.

“Law” or “Laws” shall mean common law and all ordinances, statutes, rules, regulations, orders, injunctions, decisions, opinions or decrees of any government or political subdivision or agency thereof, or any court or similar entity established by any thereof.

“Participants” shall mean the Public Agencies which are the Initial Participants and the Public Agencies which adopt this Declaration of Trust pursuant to Section 13.6(a) hereof.

“Permitted Investments” shall mean the investments referred to in paragraphs (a) through (h) of Section 4.2 hereof.

“Person” shall mean and include individuals, corporations, limited partnerships, general partnerships, joint stock companies or associations, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other entities (whether or not legal entities) and governments and agencies and political subdivisions thereof, but shall not include the Trust.

“Public Agency” or “Public Agencies” shall mean those units of local government, school districts, and political corporations or subdivisions of the State of Illinois which are authorized to enter into intergovernmental agreements pursuant to the provisions of Section 10 of Article VII of the Illinois Constitution and the Intergovernmental Cooperation Act, and which are authorized to invest their funds pursuant to the provisions of the Public Funds Investment Act.

“Section 2” shall mean Section 2 of the Public Funds Investment Act, as heretofore amended, and as the same may be amended from time to time.

“Series” shall mean a category of the Shares authorized by the Trustees pursuant to Article VI hereof.

“Share” shall mean the unit used to denominate and measure the respective pro rata beneficial interests of the Participants in the Fund (or any Series or any Class thereof) as described in Article VI.

“Share Register” shall mean the register of Shares maintained pursuant to Section 7.1 hereof.

“Trustees” shall mean the Persons who become fiduciaries of the Fund pursuant to Article VIII hereof.

ARTICLE II. POWERS OF THE TRUSTEES

Section 2.1. General.

(a) Subject to the rights of the Participants as provided herein, the Trustees shall have, without other or further authorization, full, exclusive and absolute power, control and authority over the Fund Property and over the affairs of the Fund to the same extent as if the Trustees were the sole and absolute owners of the Fund Property in their own right, and with such powers of delegation as may be permitted by this Declaration of Trust. The Trustees may do and perform such acts and things as in their sole judgment and discretion are necessary and proper for conducting the affairs of the Fund or promoting the interests of the Fund and the Participants. The enumeration of any specific power or authority herein shall not be construed as limiting the aforesaid general power or authority or any specific power or authority. The Trustees may exercise any power authorized and granted to them by this Declaration of Trust. Such powers of the Trustees may be exercised without the necessity of any order of, or resort to, any court.

(b) The Trustees shall have the power to conduct, operate and provide an investment program for the investment of funds of Public Agencies; and for such consideration as they may deem proper and as may be required by Law, to subscribe for, invest in, reinvest in, purchase or otherwise acquire or otherwise deal in or dispose of investment instruments constituting “Permitted Investments” as described in Section 4.2. The Trustees shall have the power to enter into contracts and agreements with respect to the purchase and sale of permitted investments.

(c) In the exercise of their powers, the Trustees shall not be limited, except as otherwise provided hereunder, to investing in Permitted Investments maturing before the possible termination of the Fund. Except as otherwise provided in this Declaration of Trust, the Trustees shall not be limited by any Law now or hereafter in effect limiting the investments which may be held or retained by trustees or other fiduciaries, and they shall have full authority and power to make any and all Permitted Investments within the limitations of this Declaration of Trust that they, in their absolute discretion, shall determine to be advisable and appropriate. The Trustees shall have no liability for loss with respect to Permitted Investments made within

the terms of this Declaration of Trust, even though such investments shall be of a character or in an amount not considered proper for the investment of trust funds by trustees or other fiduciaries. The Trustees shall be permitted only to make Permitted Investments in accordance with Article IV of this Declaration of Trust.

Section 2.2. Legal Title.

Legal title to all of the Fund Property shall be vested in the Trustees on behalf of the Participants and be held by and transferred to the Trustees, except that the Trustees shall have full and complete power to cause legal title to any Fund Property to be held, on behalf of the Participants, by or in the name of the Fund, or in the name of any other Person as nominee, on such terms, in such manner, and with such powers as the Trustees may determine, so long as in their judgment the interest of the Fund is adequately protected.

The right, title and interest of the Trustees in and to the Fund Property shall vest automatically in all persons who may hereafter become Trustees upon their due election and qualification without any further act. Upon the resignation, disability, removal, adjudication as an incompetent, or death of a Trustee, he (and in the event of his death, his estate) shall automatically cease to have any right, title or interest in or to any of the Fund Property, and the right, title and interest of such Trustee in and to the Fund Property shall vest automatically in the remaining Trustees without any further act.

Section 2.3. Disposition of Assets. Subject in all respects to Article IV hereof, the Trustees shall have full and complete power to sell, exchange or otherwise dispose of any and all Fund Property free and clear of any and all trusts and restrictions, at public or private sale, for cash or on terms, with or without advertisement, and subject to such restrictions, stipulations, agreements and reservations as they shall deem proper, and to execute and deliver any deed, power, assignment, bill of sale, or other instrument in connection with the foregoing. The Trustees shall also have full and complete power, subject in all respects to Article IV hereof, and in furtherance of the affairs and purposes of the Fund, to give consents and make contracts relating to Fund Property or its use.

Section 2.4. Taxes. The Trustees shall have full and complete power: (i) to pay all taxes or assessments, of whatever kind or nature, validly and lawfully imposed upon or against the Fund or the Trustees in connection with the Fund Property or upon or against the Fund Property or income or any part thereof; (ii) to settle and compromise disputed tax liabilities; and (iii) for the foregoing purposes to make such returns and do all such other acts and things as may be deemed by the Trustees to be necessary or desirable.

Section 2.5. Rights as Holders of Fund Property. The Trustees shall have full and complete power to exercise on behalf of the Participants all of the rights, powers and privileges appertaining to the ownership of all or any Permitted Investments or other Property forming part of the Fund Property to the same extent that any individual might, and, without limiting the generality of the foregoing, to vote or give any consent, request or notice or waive any notice either in person or by proxy or power of attorney, with or without the power of substitution, to one or more Persons, which proxies and powers of attorney may be for meetings or actions

generally, or for any particular meeting or action, and may include the exercise of discretionary powers.

Section 2.6. Delegation; Committees. The Trustees shall have full and complete power (consistent with their continuing exclusive authority over the management of the Fund, the conduct of its affairs, their duties and obligations as Trustees, and the management and disposition of Fund Property) to delegate from time to time to such one or more of their number (who may be designated as constituting a Committee of the Trustees) or to officers, employees or agents of the Fund (including, without limitation, the Administrator, the Adviser and the Custodian) the doing of such acts and things and the execution of such instruments either in the name of the Fund, or the names of the Trustees or as their attorney or attorneys, or otherwise as the Trustees may from time to time deem expedient and appropriate in the furtherance of the business affairs and purposes of the Fund.

Section 2.7. Collection. The Trustees shall have full and complete power: (i) to collect, sue for, receive and receipt for all sums of money or other property due to the Fund; (ii) to consent to extensions of the time for payment, or to the renewal of any securities, investments or obligations; (iii) to engage or intervene in, prosecute, defend, compromise, abandon or adjust by arbitration or otherwise any actions, suits, proceedings, disputes, claims, demands or things relating to the Fund Property; (iv) to foreclose any collateral, security or instrument securing any investments, notes, bills, bonds, obligations or contracts by virtue of which any sums of money are owed to the Fund; (v) to exercise any power of sale held by them, and to convey good title thereunder free of any and all trusts, and in connection with any such foreclosure or sales to purchase or otherwise acquire title to any property; (vi) to be parties to reorganization and to transfer to and deposit with any corporation, committee, voting trustee or other Person any securities, investments or of any Person which form a part of the Fund Property, for the purpose of such reorganization or otherwise; (vii) to participate in any arrangement for enforcing or protecting the interests of the Trustees as the owners or holders of such securities, investments or obligations and to pay any assessment levied in connection with such reorganization or arrangement; (viii) to extend the time (with or without security) for the payment or delivery of any debts or property and to execute and enter into releases, agreements and other instruments; and (ix) to pay or satisfy any debts or claims upon any evidence that the Trustees shall deem sufficient.

Section 2.8. Payment of Expenses. The Trustees shall have full and complete power: (i) to incur and pay any charges or expenses which in the opinion of the Trustees are necessary or incidental to or proper for carrying out any of the purposes of this Declaration of Trust; (ii) to reimburse others for the payment therefor; and (iii) to pay appropriate compensation or fees from the funds of the Fund to Persons with whom the Fund has contracted or transacted business. The Trustees shall fix the compensation, if any, of all officers and employees of the Fund. The Trustees shall not be paid compensation for their general services as Trustees hereunder. The Trustees may pay themselves or any one or more of themselves reimbursement for expenses reasonably incurred by themselves or any one or more of themselves on behalf of the Fund. The Trustees may allocate such expenses among various Series and Classes in such manner and proportion as appropriate in the discretion of the Trustees.

Section 2.9. Borrowing and Indebtedness. The Trustees shall not have the power to borrow money or incur indebtedness on behalf of the Fund, or authorize the Fund to borrow money or incur indebtedness, except as provided in paragraph (d) of Section 4.2 of this Declaration of Trust, but only if and to the extent permitted by Law.

Section 2.10. Deposits. The Trustees shall have full and complete power to deposit, in such manner as may now and hereafter be permitted by Law, any moneys or funds included in the Fund Property, and intended to be used for the payment of expenses of the Fund or the Trustees, with one or more banks, trust companies or other banking institutions whether or not such deposits will draw interest. Such deposits are to be subject to withdrawal in such manner as the Trustees may determine, and the Trustees shall have no responsibility for any loss which may occur by reason of the failure of the bank, trust company or other banking institution with which the moneys, investments, or securities have been deposited. Each such bank, trust company or other banking institution shall comply, with respect to such deposit, with all applicable requirements of all applicable Laws including, but not limited to, the laws governing each participating Public Agency.

Section 2.11. Valuation. The Trustees shall have full and complete power to determine in good faith conclusively the value of any of the Fund Property and to revalue the Fund Property.

Section 2.12. Fiscal Year. The Trustees shall have full and complete power to determine the fiscal year of the Fund and the method or form in which its accounts shall be kept and from time to time to change the fiscal year or method or form of accounts. The Trustees may establish different fiscal years for the various Series as appropriate in the discretion of the Trustees.

Section 2.13. Concerning the Fund and Certain Affiliates.

(a) The Fund may enter into transactions with any Affiliate of the Fund or of the Adviser, the Administrator, the Custodian or any Affiliate of any Trustee, officer, director, employee or agent of the Fund or of the Adviser, the Administrator, or the Custodian if (i) each such transaction (or type of transaction) has, after disclosure of such affiliation, been approved or ratified by the affirmative vote of a majority of the Trustees, including a majority of the Trustees who are not Affiliates of any Person (other than the Fund) who is a party to the transaction or transactions with the Fund and (ii) such transaction (or type of transaction) is, in the opinion of the Trustees, on terms fair and reasonable to the Fund and the Participants and at least as favorable to them as similar arrangements for comparable transactions (of which the Trustees have knowledge) with organizations unaffiliated with the Fund or with the Person who is a party to the transaction or transactions with the Fund.

(b) Except as otherwise provided in this Declaration of Trust or in the Laws of the State of Illinois, in the absence of fraud, a contract, act or other transaction, between the Fund and any other Person, or in which the Fund is interested, is valid and no Trustee, officer, employee or agent of the Fund has any liability as a result of entering into any such contract, act or transaction even though (i) one or more of the Trustees, officers, employees or agents of such other Person, or (ii) one or more of the Trustees, officers, employees, or agents of the Fund,

individually or jointly with others, is a party or are parties to or directly interested in, or affiliated with, such contract, act or transaction, provided that (i) such interest or affiliation is disclosed to the Trustees and the Trustees authorize such contract, act or other transaction by a vote of a majority of the unaffiliated Trustees, or (ii) such interest or affiliation is disclosed to the Participants, and such contract, act or transaction is approved by a majority of the Participants.

(c) Any Trustee or officer, employee, or agent of the Fund may, in his personal capacity, or in a capacity as trustee, officer, director, stockholder, partner, member, agent, adviser or employee of any Person, have business interests and engage in business activities in addition to those relating to the Fund, which interests and activities may be similar to those of the Fund and include the acquisition, syndication, holding, management, operation or disposition of securities, investments and funds, for his own account or for the account of such Person. Each Trustee, officer, employee and agent of the Fund shall be free of any obligation to present to the Fund any investment opportunity which comes to him in any capacity other than solely as Trustee, officer, employee or agent of the Fund, even if such opportunity is of a character which, if presented to the Fund, could be taken by the Fund.

(d) Subject to the provisions of Article III hereof, any Trustee or officer, employee or agent of the Fund may be interested as trustee, officer, director, stockholder, partner, member, agent, adviser or employee of, or otherwise have a direct or indirect interest in, any Person who may be engaged to render advice or services to the Fund, and may receive compensation from such Person as well as compensation as Trustee, officer, employee or agent of the Fund or otherwise hereunder. None of the activities and interests referred to in this paragraph (d) shall be deemed to conflict with his duties and powers as Trustee, officer, employee or agent of the Fund.

(e) To the extent that any other provision of this Declaration of Trust conflicts with, or is otherwise contrary to the provisions of, this Section 2.13, the provisions of this Section 2.13 shall be deemed controlling.

(f) Notwithstanding the foregoing provisions of this Section 2.14, the Trustees shall not have the power to engage in any transaction with any Affiliate that would be inconsistent with the Laws of the State of Illinois concerning public ethics and conflicts of interest, and the By-Laws of the Fund may contain provisions more restrictive than those set forth in this Section 2.13.

Section 2.14. Investment Program. The Trustees shall use their best efforts to obtain through the Adviser or other qualified persons a continuing and suitable investment program, consistent with the investment policies and objectives of the Fund set forth in Article IV of this Declaration of Trust, and the Trustees shall be responsible for reviewing and approving or rejecting the investment program presented by the Adviser or such other Persons. Subject to the provisions of Section 2.6 and Section 3.1 hereof, the Trustees may delegate functions arising under this Section 2.14 to one or more of their number or to the Adviser. The Trustees also shall have full and complete power to contract for or to otherwise obtain from or through the Adviser, the Administrator or other qualified Persons for the benefit of, and to make available to, the Participants of the Fund from time to time, additional investment and non-investment programs and services distinct from the Fund's program of investments measured by Shares, but consistent with the investment goals and objectives of the Fund and the general purposes of this Declaration

of Trust. The Trustees shall have the power to review and approve or reject, in their sole discretion, such additional investment and non-investment programs as may be presented to the Trustees by the Adviser, the Administrator or any other qualified Persons.

Section 2.15. Power to Contract, Appoint, Retain and Employ. Subject to the provisions of Section 2.6 and Section 3.1 hereof with respect to delegation of authority by the Trustees, the Trustees shall have full and complete power to appoint, employ, retain, or contract with any Person of suitable qualifications and high repute (including one or more of themselves and any corporation, partnership, trust or other entity of which one or more of them may be an Affiliate, subject to the applicable requirements of Section 2.13 hereof) as the Trustees may deem necessary, or desirable for the transaction of the affairs of the Fund, or the transaction of the affairs of any additional investment programs or services or non-investment programs or services of any nature affiliated with the Fund or otherwise contracted for or by the Fund, including any Person or Persons who, under the supervision of the Trustees, may, among other things: (i) serve as the Fund's investment adviser and consultant in connection with policy decisions made by the Trustees; (ii) serve as the Fund's administrator; (iii) serve as the Fund's distributor; (iv) furnish reports to the Trustees and provide research, economic and statistical data in connection with the Fund's investments; (v) act as consultants, accountants, technical advisers, attorneys, brokers, underwriters, corporate fiduciaries, escrow agents, depositaries, custodians or agents for collection, insurers or insurance agents, registrars for Shares or in any other capacity deemed by the Trustees to be necessary or desirable; (vi) investigate, select and, on behalf of the Fund, conduct relations with Persons acting in such capacities and pay appropriate fees to, and enter into appropriate contracts with, or employ, or retain services performed or to be performed by, any of them in connection with the investments acquired, sold, or otherwise disposed of, or committed, negotiated, or contemplated to be acquired, sold or otherwise disposed of; (vii) substitute any other Person for any such Person; (viii) act as attorney-in-fact or agent in the purchase or sale or other disposition of investments, and in the handling, prosecuting or other enforcement of any lien or security securing investments; (ix) assist in the performance of such ministerial functions necessary in the management of the Fund as may be agreed upon with the Trustees; and (x) any of the foregoing as may be agreed upon by the Trustees with regard to any additional investment and non-investment programs and services for the benefit of the Participants.

Section 2.16. Insurance. The Trustees shall have full and complete power to purchase and pay for, entirely out of Fund Property, insurance policies insuring the Fund and the Trustees, officers, employees and agents, of the Fund individually against all claims and liabilities of every nature arising by reason of holding or having held any such office or position, or by reason of any action alleged to have been taken or omitted by the Fund or any such Person as Trustee, officer, employee and agent, including any action taken or omitted that may be determined to constitute negligence, whether or not the Fund would have the power to indemnify such Person against such liability.

Section 2.17. Indemnification. In addition to the mandatory indemnification provided for in Section 5.3 hereof, the Trustees shall have full and complete power, to the extent permitted by applicable Laws, to indemnify or enter into agreements with respect to indemnification with any Person with whom the Fund has dealings, including, without limitation, the Adviser, the

Administrator and the Custodian, to such extent as the Trustees shall determine, subject to such limitations as may arise under law.

Section 2.18. Remedies. Notwithstanding any provision in this Declaration of Trust, when the Trustees deem that there is a significant risk that an obligor to the Fund may default or is in default under the terms of any obligation to the Fund, the Trustees shall have full and complete power to pursue any remedies permitted by Law which, in their sole judgment, are in the interests of the Fund, and the Trustees shall have full and complete power to enter into any investment, commitment or obligation of the Fund resulting from the pursuit of such remedies as are necessary or desirable to dispose of property acquired in the pursuit of such remedies.

Section 2.19. Information Statement. The Trustees shall have full and complete power to authorize the distribution of an Information Statement regarding the Fund which may be prepared by advisers to the Fund and to authorize the amendment of or supplement of the same from time to time.

Section 2.20. Further Powers. The Trustees shall have full and complete power to take all such actions, do all such matters and things and execute all such instruments as they deem necessary, proper or desirable in order to carry out, promote or advance the interests and purposes of the Fund although such actions, matters or things are not herein specifically mentioned. Any determination as to what is in the best interests of the Fund made by the Trustees in good faith shall be conclusive. In construing the provisions of this Declaration of Trust, the presumption shall be in favor of a grant of power to the Trustees. The Trustees shall not be required to obtain any court order to deal with the Fund Property.

ARTICLE III. THE INVESTMENT ADVISER ,THE ADMINISTRATOR, THE DISTRIBUTOR AND THE INDEPENDENT ACCOUNTANT

Section 3.1. Appointment of Adviser, Administrator and Distributor. The Trustees are responsible for the general investment policy and program of the Fund and for the general supervision and administration of the business and affairs of the Fund conducted by the officers, agents, employees, investment advisers, administrators, distributors, or independent contractors of the Fund. However, the Trustees are not required personally to conduct all of the routine business of the Fund and, consistent with their ultimate responsibility as stated herein, the Trustees may appoint, employ or contract with the Adviser as an investment adviser to the Fund, the Administrator as an administrator for the Fund, and the Distributor as the distribution agent for the Fund and may grant or delegate such authority to the Adviser, the Administrator (pursuant to the terms of Section 2.15 hereof), the Distributor or to any other Person the services of whom are obtained by the Adviser, the Administrator or the Distributor, as the Trustees may, in their sole discretion, deem necessary or desirable, for the efficient management of the Fund, without regard to whether such authority is normally granted or delegated by trustees or other fiduciaries. The same Person may serve simultaneously as the Administrator, as the Adviser and as the Distributor, but no Person serving as the Administrator, the Adviser or the Distributor may serve as the Custodian.

Section 3.2. Duties of the Adviser. The duties of the Adviser shall be those set forth in the Investment Advisory Agreement to be entered into between the Fund and the Person or

Persons designated pursuant to Section 3.1 as the Adviser. Such duties may be modified by the Trustees, from time to time, by the amendment of the Investment Advisory Agreement. Subject to Article IV hereof, the Trustees may authorize the Adviser to effect purchases, sales or exchanges of Fund Property on behalf of the Trustees or may authorize any officer, employee, agent or Trustee to effect such purchases, sales, or exchanges pursuant to recommendations of the Adviser, all without further action by the Trustees. Any and all of such purchases, sales, and exchanges shall be deemed to be authorized by all the Trustees. The Investment Advisory Agreement may authorize the Adviser to employ other persons to assist it in the performance of its duties.

Section 3.3. Duties of the Administrator. The duties of the Administrator shall be those set forth in the Administration Agreement to be entered into between the Fund and the Person or Persons designated pursuant to Section 3.1 as the Administrator. Such duties may be modified by the Trustees, from time to time, by the amendment of the Administration Agreement. The Administration Agreement may authorize the Administrator to employ other persons to assist it in the performance of its duties.

Section 3.4. Duties of the Distributor. The duties of the Distributor shall be those set forth in the Distribution Agreement to be entered into between the Fund and the Person or Persons designated pursuant to 3.1 as the Distributor. Such duties may be modified by the Trustees, from time to time, by the amendment of the Distribution Agreement. The Distribution Agreement may authorize the Distributor to employ other persons to assist it in the performance of its duties.

Section 3.5. Successors. In the event that, at any time, the position of Adviser or of Administrator or of the Distributor shall become vacant for any reason, the successor shall not be appointed without a vote of the Participants as set forth in Section 8.1.

Section 3.6. Appointment and Duties of the Independent Accountant. The Trustees shall appoint an independent accountant for each fiscal year of the Fund and its various Series. Such independent accountant shall perform such duties as may be directed by the Trustees, including, without limitation, conducting examinations of the Fund and the rendering of opinions and reports concerning the Fund.

ARTICLE IV. INVESTMENTS

Section 4.1. Statement of Investment Policy and Objective. Subject to the prohibitions and restrictions contained in Section 4.2 hereof, the general investment policy and objective of the Trust and each Series shall be to invest the Fund in Permitted Investments as set forth below and any other applicable provisions of Law as may be set forth more fully in the Fund's Information Statement, as the same may be amended from time to time.

Section 4.2. Permitted Investments. In accordance with Article II, Permitted Investments shall constitute the following:

(a) bonds, notes, certificates of indebtedness, treasury bills or other securities now, or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

(b) bonds, notes, debentures or other similar obligations of the United States of America or its agencies;

(c) interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 ILCS 511, et. seq.); provided, however, that such bank is federally insured;

(d) short-term obligations of corporations organized in the United States of America with assets exceeding \$500,000,000, provided that such obligations are rated at the time of purchase within one of the three highest classifications established by at least two standard rating services, such obligations mature not later than 180 days from the date of purchase, and such purchases do not exceed 10% of the applicable corporation's outstanding obligations;

(e) short-term discount obligations of the Federal National Mortgage Association or shares or other forms of securities legally issuable by savings and loan associations incorporated under the Laws of Illinois or any other state or under the Laws of the United States of America, provided that the shares or investment certificates of such savings and loan associations are federally insured, any such securities are purchased at the offering or market price thereof at the time of such purchase, and all such securities so purchased shall mature or be redeemable on a date or dates prior to the time when, in the judgment of the Trustees, the funds so invested will be required for the payment of funds to Participants upon the withdrawal of moneys from the Fund;

(f) money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraphs (a) or (b) of this Section 4.2 and to agreements to repurchase such obligations; and

(g) any other investment instruments now permitted by the provisions of Section 2 of the Public Funds Investment Act or any other applicable statutes or hereafter permitted by reason of the amendment of Section 2 of the Public Funds Investment Act or the adoption of any other statute applicable to the investment of Public Agency funds.

Section 4.3. Restrictions Fundamental to the Fund. Notwithstanding anything in this Declaration of Trust which may be deemed to authorize the contrary, the Fund:

(a) May not make any investment other than investments authorized by Section 4.2 or any other applicable provisions of Law, as the same may be amended from time to time, and in the case of investments made jointly with funds of other Public Agencies, may not make any investment other than investments authorized by Law for the investment of each such Public Agency;

(b) May not purchase any Permitted Investment which has a maturity date more than 397 days from the date of the Fund's purchase thereof, unless subject, at the time of such purchase by the Fund, to an irrevocable agreement on the part of a Responsible Person to purchase such Permitted Investment from the Fund within 397 days; provided, however, that the Trustees may, in their discretion, by an action set forth by resolution of the Trustees and included

in the Information Statement, waive such 397 day limitation with respect to any one or more Series of Shares. For the purposes of this provision:

(i) A variable rate security which has its rate of interest readjusted no less frequently than every 397 days shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate or earlier maturity.

(ii) A floating rate security shall be deemed to have a remaining maturity of one day.

(c) May not purchase any Permitted Investment if the effect of such purchase by the Fund would be to make the average dollar weighted maturity of the Fund's investment portfolio greater than the period designated by the Trustees with respect to the Series to which such purchase of such Permitted Investment relates; provided, however, that in making such determination any Permitted Investment which is subject to an irrevocable agreement of the nature referred to in the preceding clause (b) shall be deemed to mature on the day on which the Fund is obligated to sell such Permitted Investment back to a Responsible Person or the day on which the Fund may exercise its rights under such agreement to require the purchase of such Permitted Investment by a Responsible Person;

(d) May not borrow money or incur indebtedness, whether or not the proceeds thereof are intended to be used to purchase Permitted Investments, except

(i) as a temporary measure to facilitate withdrawal requests which might otherwise require unscheduled dispositions of portfolio investments, including, without limitation, to facilitate withdrawal requests made by Participants and received by the Custodian after the Fund has already sold, or entered sell orders for, portfolio investments to cover the withdrawal requests previously made on that date, and only to the extent permitted by Law; or

(ii) as a temporary measure (not to exceed one business day) from the Custodian to provide for the purchase of portfolio securities pending receipt by the Custodian of collected funds from a Participant who has notified the Fund before such purchase that it has wire transferred funds (or otherwise transferred immediately available funds) to the Fund in an amount sufficient to pay the purchase price of such securities, and only as and to the extent permitted by Law.

provided, however, that nothing contained in this paragraph (d) shall permit, or be construed as permitting, the pledge of the assets of the Fund to secure any such borrowing except for the pledge of amounts, limited to the amount of such borrowing, held in the specific Participant's account with the Fund for whom such borrowing was incurred;

(e) May not make loans, provided that the Fund may make Permitted Investments; and

(f) May not hold or provide for the custody of any Fund Property in a manner not authorized by Law or by any institution or Person not authorized by Law.

For the purposes of this Section 4.3, the phrase “Responsible Person” shall mean a Person listed on the United States Treasury Department List of Primary Government Securities Dealers or any equivalent successor to such list or a bank organized and existing under the Laws of the United States of America or any state thereof having assets in excess of \$500,000,000.

Section 4.4. Amendment of Restrictions. The restrictions set forth in Section 4.2 hereof are fundamental to the operation and activities of the Fund and may not be changed without the affirmative vote of a majority of the Participants entitled to vote, except that such restrictions may be changed by the Trustees so as to make them more restrictive when necessary to conform the investment program and activities of the Fund to the Laws of the State of Illinois and the United States of America as they may from time to time be amended.

ARTICLE V. LIMITATIONS OF LIABILITY

Section 5.1. Liability to Third Persons. No Participant shall be subject to any personal liability whatsoever, in tort, contract or otherwise, to any other Person or Persons in connection with Fund Property or the affairs of the Fund; and no Trustee, officer, or employee of the Fund shall be subject to any personal liability whatsoever in tort, contract or otherwise, to any other Person or Persons in connection with Fund Property or the affairs of the Fund, and all such other Persons shall look solely to the Fund Property for satisfaction of claims of any nature arising in connection with the affairs of the Fund. If any Participant, Trustee, officer or employee, as such, of the Fund is made a party to any suit or proceedings to assert or enforce any such liability, he shall not on account thereof be held to any personal liability.

Section 5.2. Liability to the Fund or to the Participants. No Trustee, officer or employee of the Fund shall be liable to the Fund or to any Participant for any action or failure to act (including, without limitation, the failure to compel in any way any former or acting Trustee to redress any breach of trust) except for his own bad faith, willful misfeasance, gross negligence or reckless disregard of his duties provided, however, that the provisions of this Section 5.2 shall not limit the liability of any Person with respect to breaches by it of a contract between it and the Fund.

Section 5.3. Indemnification.

(a) The Fund shall indemnify and hold each Participant harmless from and against all claims and liabilities, whether they proceed to judgment or are settled or otherwise brought to a conclusion, to which such Participant may become subject solely by reason of its being or having been a Participant, and shall reimburse such Participant for all legal and other expenses reasonably incurred by it in connection with any such claim or liability. The rights accruing to a Participant under this Section 5.3 shall not exclude any other right to which such Participant may be lawfully entitled, nor shall anything herein contained restrict the right of the Fund to indemnify or reimburse a Participant in any appropriate situation even though not specifically provided herein.

(b) The Fund shall indemnify each of its Trustees and officers, and employees and other Persons designated by the Board of Trustees to receive such indemnification, against all liabilities and expenses (including, without limitation, amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees) reasonably incurred by him in connection with the defense or disposition of any action, suit or other proceeding by the Fund or any other Person, whether civil or criminal, in which he may be involved or with which he may be threatened, while in office or thereafter, by reason of his being or having been such a Trustee, officer, employee or other designated Person, except as to any matter as to which he shall have been adjudicated to have acted in bad faith or with willful misfeasance or reckless disregard of his duties or gross negligence; provided, however, that the provisions of this Section 5.3 shall not be construed to permit the indemnification of any Person with respect to breaches by it of a contract between it and the Fund; and further provided, however, that as to any matter disposed of by a compromise payment by such Trustee, officer, employee or other designated Person, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless the Fund shall have received a written opinion from independent counsel approved by the Trustees to the effect that if the foregoing matters had been adjudicated, the defenses that could have been presented on behalf of such Trustee, officer, employee or other designated Person were meritorious. The rights accruing to any Trustee, officer, employee or other designated Person under the provisions of this paragraph (b) of this Section 5.3 shall not exclude any other right to which he may be lawfully entitled; provided, however, that no Trustee, officer, employee or other designated Person may satisfy any right of indemnity or reimbursement granted herein or to which he may be otherwise entitled except out of the Fund Property, and no Participant shall be personally liable to any Person with respect to any claim for indemnity or reimbursement or otherwise. The Trustees may make advance payments in connection with indemnification under this paragraph (b) of this Section 5.3, provided that the indemnified Trustee, officer, employee or other designated Person shall have given a written undertaking to reimburse the Fund in the event that it is subsequently determined that he is not entitled to such indemnification.

(c) Any action taken by, or conduct on the part of, a Trustee, an officer, or an employee of the Fund or other Person designated by the Trustees in conformity with, or in good faith reliance upon, the provisions of Section 2.13 or Section 5.7 hereof shall not, for the purpose of this Declaration of Trust (including, without limitation, Sections 5.1 and 5.2 and this Section 5.3) constitute bad faith, willful misfeasance, gross negligence or reckless disregard of his duties.

Section 5.4. Surety Bonds. No Trustee shall, as such, be obligated to give any bond or surety or other security for the performance of any of his duties.

Section 5.5. Apparent Authority. No purchaser, seller, transfer agent or other Person dealing with the Trustees or any officer, employee or agent of the Fund shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by the Trustee or by such officer, employee or agent or make inquiry concerning or be liable for the application of money or property paid, transferred or delivered to or on the order of the Trustees or of such officer, employee or agent.

Section 5.6. Recitals. Any written instrument creating an obligation of the Fund shall be conclusively taken to have been executed by a Trustee or an officer, employee or agent of the

Fund only in his capacity as a Trustee under this Declaration of Trust or in his capacity as an officer, employee or agent of the Fund. Any written instrument creating an obligation of the Fund shall refer to this Declaration of Trust and contain a recital to the effect that the obligations thereunder are not personally binding upon, nor shall resort be had to the property of, any of the Trustees, Participants, officers, employees or agents of the Fund, and that only the Fund Property or a specific portion thereof shall be bound, and such written instrument may contain any further similar recital which may be deemed appropriate; provided, however, that the omission of any recital pursuant to this Section 5.6 shall not operate to impose personal liability on any of the Trustees, Participants, officers, employees or agents of the Fund.

Section 5.7. Reliance on Experts, Etc. Each Trustee and each officer of the Fund shall, in the performance of his duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Fund, upon an opinion of counsel or upon reports made to the Fund by any of its officers or employees or by the Adviser, the Administrator, the Custodian, accountants, appraisers or other experts or consultants selected with reasonable care by the officers of the Fund.

ARTICLE VI. CHARACTERISTICS OF SHARES

Section 6.1. Beneficial Interest. The beneficial interest of the Participants hereunder in the Fund Property and the earnings thereon shall be divided into Shares, which shall be used as units to measure the proportionate allocation to the respective Participants of the beneficial interest hereunder. The number of Shares that may be used to measure and represent the proportionate allocation of beneficial interest among the Participants is unlimited.

Section 6.2. Rights of Participants. The beneficial interest hereunder measured by the Shares shall not entitle a Participant to which Shares relate to preference, preemptive, appraisal, conversion, or exchange rights of any kind with respect to the Fund or the Fund Property, except as the Trustees may determine with respect to any Class or Series. Title to the Fund Property of every description and the right to conduct any affairs herein described are vested in the Trustees on behalf, and for the beneficial interest, of the Participants, and the Participants shall have no interest therein other than the beneficial interest conferred hereby and measured by their Shares, and they shall have no right to call for any partition or division of any property, profits, rights or interests of the Fund nor can they be called upon to share or assume any losses of the Fund or suffer an assessment of any kind by virtue of the allocation of Shares to them, except as provided in Article IX hereof.

Section 6.3. Series or Class Designation. The Trustees may, from time to time, authorize the division of Shares into separate Series and the division of any Series into two or more separate Classes of Shares, as they deem necessary and desirable. The different Series or Classes shall be established and designated, and the variations in the relative rights and preferences as between the different Series or Classes, such as the purchase price, right of redemption and the price, terms and manner of redemption, special and relative rights as to distributions on liquidation, conversion rights, and conditions under which the several series or classes shall have separate voting rights and separate investment restrictions, shall be fixed and determined, by the Trustees, without the requirement of Participant approval.

Section 6.4. Allocation of Shares.

(a) The Trustees, in their discretion, may, from time to time, without vote of the Participants, allocate Shares, in addition to the then allocated Shares, to such party or parties, for such amount and such type of consideration (including, without limitation, income from the investment of Fund Property), at such time or times (including, without limitation, each business day in accordance with the maintenance of a constant net asset value per Share as permitted by Section 9.1 hereof), and on such terms as the Trustees may deem best. In connection with any allocation of Shares, the Trustees may allocate fractional Shares. The Trustees may from time to time adjust the total number of Shares allocated without thereby changing the proportionate beneficial interests in the Fund. Reductions or increases in the number of allocated Shares may be made in order to maintain a constant net asset value per Share as permitted by Section 9.1 hereof. Shares shall be allocated and redeemed as whole Shares and/or one hundredths (1/100ths) of a Share or multiples thereof.

(b) Shares may be allocated only to a Public Agency that has become a Participant of the Fund in accordance with Section 1.2 hereof and who is acting with respect to the funds of a Public Agency. Each Participant may divide its Shares administratively among more than one account within the Fund or Series or Class for such Participant's convenience in accordance with such procedures as the Trustees may establish.

(c) The minimum amount of funds which may be placed in the Fund by a Participant at any one time shall be as determined by the Trustees from time to time. Unless otherwise determined by the Trustees pursuant to this paragraph (c) of this Section 6.4, the minimum amount of funds which may be placed in the Fund by a Participant at any one time shall be One Dollar (\$1.00).

Section 6.5. Evidence of Share Allocation. Evidence of Share allocation shall be reflected in the Share Register maintained by or on behalf of the Fund pursuant to Section 7.1 hereof, and the Fund shall not be required to issue certificates as evidence of Share allocation.

Section 6.6. Redemption to Maintain Constant Net Asset Value. If so determined by the Trustees, the Shares of one or more Series of the Fund shall be subject to redemption pursuant to the procedure for reduction of outstanding Shares as permitted by Section 9.1 hereof in order to maintain the constant net asset value per Share.

Section 6.7. Redemptions. Payments by the Fund to Participants, and the reduction of Shares resulting therefrom, are referred to in this Declaration of Trust as "redemptions." Any and all allocated Shares may be redeemed at the option of the Participant whose beneficial interest hereunder is measured by such Shares, upon and subject to the terms and conditions provided in this Declaration of Trust. The Fund shall, upon application of any Participant, promptly redeem from such Participant allocated Shares for an amount per Share equivalent to the proportionate interest measured by each Share in the net assets of the Fund at the time of the redemption. The procedures for effecting redemption shall be as adopted by the Trustees and as set forth in the Information Statement of the Fund, as the same may be amended from time to time; provided, however, that such procedures shall not be structured so as to substantially and materially restrict the ability of the Participants to withdraw funds from the Fund by the redemption of Shares;

provided further however, that the Trustees shall have the power to provide for redemption procedures relating to any particular Series or Class which are consistent with the purpose and intent of this Declaration of Trust and consistent with the Information Statement . Such procedures may, among other things, establish periods during which funds relating to Shares of such Series or Class may either not be withdrawn from the Fund or be withdrawn upon payment of a redemption penalty.

Section 6.8. Suspension of Redemption; Postponement of Payment. Each Participant, by its adoption of this Declaration of Trust, agrees that the Trustees may, without the necessity of a formal meeting of the Trustees, temporarily suspend the right of redemption or postpone the date of payment for redeemed Shares for all Series or Classes or any one or more Series or Classes for the whole or any part of any period (i) during which there shall have occurred any state of war, national emergency, banking moratorium or suspension of payments by banks in the State of Illinois or any general suspension of trading or limitation of prices on the New York or American Stock Exchange (other than customary weekend and holiday closings) or (ii) during which any financial emergency situation exists as a result of which disposal by the Fund of Fund Property is not reasonably practicable because of the substantial losses which might be incurred or it is not reasonably practicable for the Fund fairly to determine the value of its net assets. Such suspension or postponement shall not alter or affect a Participant's beneficial interest hereunder as measured by its Shares or the accrued interest and earnings thereon. Such suspension or payment shall take effect at such time as the Trustees shall specify but not later than the close of business on the business day next following the declaration of suspension, and thereafter there shall be no right of redemption or payment until the Trustees shall declare the suspension or postponement at an end, except that the suspension or postponement shall terminate in any event on the first day on which the period specified in clause (i) or (ii) above shall have expired (as to which, the determination of the Trustees shall be conclusive). In the case of a suspension of the right of redemption or a postponement of payment for redeemed Shares, a Participant may either (i) withdraw its request for redemption or (ii) receive payment based on the net asset value existing after the termination of the suspension.

Section 6.9. Minimum Redemption. There shall be no minimum number of Shares which may be redeemed at any one time at the option of a Participant, unless authorized by a resolution of the Board of Trustees and specified in the Information Statement; provided, however, that no request by a Participant for the redemption of less than one whole Share need be honored.

Section 6.10. Defective Redemption Requests. In the event that a Participant shall submit a request for the redemption of a greater number of Shares than are then allocated to such Participant, such request shall not be honored and each Participant, by its adoption of this Declaration of Trust, agrees that the Trustees shall have full and complete power to redeem an amount of the Shares allocated to such Participant, at a redemption price determined in accordance with Section 6.7 hereof, sufficient to reimburse the Fund for any fees, expenses, costs or penalties actually incurred by the Fund as a result of such defective redemption request.

ARTICLE VII. RECORD OF SHARES

Section 7.1. Share Register. The Share Register shall be kept by or on behalf of the Trustees, under the direction of the Trustees, and shall contain for each series (i) the names and addresses of the Participants, (ii) the number of Shares representing their respective beneficial interests hereunder and (iii) a record of all allocations and redemptions thereof. Such Share Register shall be conclusive as to the identity of the Participants to which the Shares are allocated. Only Participants whose allocation of Shares is recorded on such Share Register shall be entitled to receive distributions with respect to Shares or otherwise to exercise or enjoy the rights and benefits related to the beneficial interest hereunder represented by the Shares. No Participant shall be entitled to receive any distribution, nor to have notices given to it as herein provided, until it has given its appropriate address to such officer or agent of the Fund as shall keep the Share Register for entry thereon.

Section 7.2. Registrar. The Trustees shall have full and complete power to employ a registrar. Unless otherwise determined by the Trustees, the Share Register shall be kept by the Administrator which shall serve as the registrar for the Fund. The registrar shall record the original allocations of Shares in the Share Register. Such registrar shall perform the duties usually performed by registrars of certificates and shares of stock in a corporation, except as such duties may be modified by the Trustees.

Section 7.3. Owner of Record. No Person becoming entitled to any Shares in consequence of the merger, reorganization, consolidation, bankruptcy or insolvency of any Participant or otherwise, by operation of Law, shall be recorded as the Participant to which such Shares are allocated and shall only be entitled to the redemption value of such Shares. Until the Person becoming entitled to such redemption value shall apply for the payment thereof and present any proof of such entitlement as the Trustees may in their sole discretion deem appropriate, the Participant of record to which such Shares are allocated shall be deemed to be the Participant to which such Shares are allocated for all purposes hereof, and neither the Trustees nor the registrar nor any officer or agent of the Fund shall be affected by any notice of such merger, reorganization, consolidation, bankruptcy, insolvency or other event.

Section 7.4. No Transfers of Shares. The beneficial interests measured by the Shares shall not be transferable, in whole or in part, other than to the Fund itself for purposes of redemption.

Section 7.5. Limitation of Fiduciary Responsibility. The Trustees shall not, nor shall the Participants or any officer, registrar or other agent of the Fund, be bound to see to the execution of any trust, express, implied or constructive, or of any charge, pledge or equity to which any of the Shares or any interest therein are subject, or to ascertain or inquire whether any redemption of such Shares by any Participant or its representatives is authorized by such trust, charge, pledge or equity, or to recognize any Person as having any interest therein except the Participant recorded as the Participant to which such Shares are allocated. The receipt of the Participant in whose name any Share is recorded or of the duly authorized agent of such Participant shall be a sufficient discharge for all moneys payable or deliverable in respect of such Shares and from all liability to see to the proper application thereof.

Section 7.6. Notices. Any and all notices to which Participants hereunder may be entitled and any and all communications shall be deemed duly served or given if mailed, postage prepaid, addressed to Participants of records at their last known post office addresses as recorded on the Share Register provided for in Section 7.1 hereof.

ARTICLE VIII. TRUSTEES AND OFFICERS

Section 8.1. Number and Qualification. The governing body of the Fund shall be the Board of Trustees, the membership of which shall be determined as hereinafter provided. The number of Trustees shall be fixed from time to time by resolution of a majority of the voting Trustees then in office; provided, however, that the number of voting Trustees shall in no event be less than two or more than fifteen. Any vacancy created by an increase in the number of Trustees may be filled by the appointment of an individual having the qualifications described in this Section 8.1 made by a resolution of a majority of the Trustees then in office. Any such appointment shall not become effective, however, until the individual named in the resolution of appointment shall have (i) accepted in writing such appointment, (ii) agreed in writing to be bound by the terms of this Declaration of Trust, and (iii) if he is affiliated with a Public Agency, presented evidence in writing of the granting of an authorization by the Public Agency for him to serve as a Trustee. No reduction in the number of Trustees shall have the effect of removing any Trustee from office prior to the expiration of his term. Whenever a vacancy in the number of Trustees shall occur, until such vacancy is filled as provided in Section 8.5 hereof, the Trustees or Trustee continuing in office, regardless of their number, shall have all the power granted to the Trustees and shall discharge all the duties imposed upon the Trustees by this Declaration of Trust. A Trustee shall be an individual who is not under legal disability and who is either (i) a member of the corporate authorities of a Participant, (ii) a Treasurer, or other financial officer of a Participant, or (iii) any other duly authorized individual affiliated with a Participant. There shall be no more than one Trustee affiliated with any one Public Agency; provided, however, that no Trustee shall be disqualified from serving out an unexpired term by reason of such prohibition. The Trustees, in their capacity as Trustees, shall not be required to devote their entire time to the business and affairs of the Fund.

Section 8.2. Organizational Trustees. By the initial execution of this Declaration of Trust, the Initial Participants appointed the following two individuals to serve as Trustees until the first annual meeting or vote of the Participants and until their successors had been elected and qualified.

<u>Name</u>	<u>Address</u>	<u>Affiliation</u>
William R. Farley	130 West Park Avenue Wheaton, IL 60187	Community Unit School District 200
Arnold C. Uhlig	10114 Gladstone Westchester, IL 60154	Proviso Township Schools

Section 8.3. Term and Election. Each Trustee named herein, or elected or appointed as provided in Section 8.1 or 8.3 hereof, shall (except in the event of resignations or removals or vacancies pursuant to Section 8.4 or 8.5 hereof) hold office until his successor has been elected at such meeting or pursuant to such vote and has qualified to serve as Trustee. The Trustees shall be divided into three classes, as equal in number as practicable, so arranged that the term of one class shall expire at the respective annual meetings or votes of Participants held following the conclusion of each fiscal year of the Fund. At all annual meetings or votes a class of Trustees shall be elected to serve for a term of three (3) years and until their successors shall be elected and qualify. Any addition made to the number of Trustees, except at a meeting or pursuant to a vote of the Participants, shall be made only for a term expiring at the next annual meeting or vote of the Participants or until a successor shall be elected and qualify. At the annual meeting or vote of the Participants next following any addition to the number of Trustees, or, in the case of any addition to the number of Trustees made at an annual meeting or pursuant to such vote of the Participants, at such meeting or pursuant to such vote, the terms of the additional Trustees shall be fixed so that, as nearly as shall be practicable, an equal number of terms shall expire at each annual meeting or vote of the Participants. Trustees may succeed themselves in office. Election of Trustees at an annual meeting or in an annual vote shall be by the affirmative vote of at least a majority of the Participants entitled to vote present in person or by proxy at such meeting or voting in such annual vote. The election of any Trustee (other than an individual who was serving as a Trustee immediately prior to such election) pursuant to this Section 9.3 shall not become effective unless and until such person shall have (i) in writing accepted his election, (ii) agreed in writing to be bound by the terms of this Declaration of Trust, and (iii) if he is affiliated with a Public Agency, presented evidence in writing of the granting of an authorization by the Public Agency for him to serve as a Trustee.

Section 8.4. Resignation and Removal. Any Trustee may resign (without need for prior or subsequent accounting) by an instrument in writing signed by him and delivered to the chairperson, the vice chairperson or the secretary and such resignation shall be effective upon such delivery, or at a later date according to the terms of the notice. Any of the Trustees may be removed (provided that the aggregate number of Trustees after such removal shall not be less than the minimum number required by Section 8.1 hereof) with cause, by the action of two-thirds of the remaining Trustees. Upon the resignation or removal of a Trustee, or his otherwise ceasing to be a Trustee, he shall execute and deliver such documents as the remaining Trustees shall require for the purpose of conveying to the Fund or the remaining Trustees shall require for the purpose of conveying to the Fund or the remaining Trustees any Fund Property held in the name of the resigning or removed Trustee. Upon the incapacity or death of any Trustee, his legal representative shall execute and deliver on his behalf such documents as the remaining Trustees shall require as provided in the preceding sentence.

Section 8.5. Vacancies.

(a) The term of office of a Trustee shall terminate and a vacancy shall occur in the event of the death, resignation, bankruptcy, adjudicated incompetence or other incapacity to exercise the duties of the office, or removal of a Trustee. In addition, a Person shall no longer be a Trustee and a vacancy shall be deemed to have occurred if: (i) a Trustee who is affiliated with a Public Agency ceases to be affiliated with the Public Agency, or (ii) the Public Agency with which the Trustee is affiliated ceases to be a Participant. If a Trustee who is affiliated with a

Public Agency shall no longer be affiliated with the Public Agency, or the Public Agency with which the Trustee is affiliated shall no longer be a Participant, such Person shall, upon the expiration of a sixty (60) day period following the occurrence of such event, no longer be a Trustee and a vacancy will be deemed to have occurred, unless such person shall have become affiliated with another Public Agency which is a Participant, within such sixty (60) day period and shall have presented evidence in writing of the granting of an authorization by the Public Agency with which he is then affiliated for him to serve as a Trustee.

(b) No such vacancy shall operate to annul this Declaration of Trust or to revoke any existing agency created pursuant to the terms of this Declaration of Trust, and title to any Fund Property held in the name of such Trustee and the other Trustees, or otherwise, shall, in the event of the death, resignation, removal, bankruptcy, adjudicated incompetence or other incapacity to exercise the duties of the office of such Trustee, vest in the continuing or surviving Trustees without necessity of any further act or conveyance. In the case of an existing vacancy (other than by reason of an increase in the number of Trustees) at least a majority of the Participants entitled to vote, acting at any meeting or vote of the Participants called for the purpose, or a majority of the Trustees continuing in office acting by resolution, may fill such vacancy, and any Trustee so elected by the Trustees shall hold office for the remaining balance of the term for which vacancy said Trustee was elected to fill.

(c) Upon the effectiveness of any such appointment as provided in this Section 8.5, the Fund Property shall vest in such new Trustee jointly with the continuing or surviving Trustees without the necessity of any further act or conveyance; provided, however, that no such election or appointment as provided in this Section 8.5 shall become effective unless or until the new Trustee shall have (i) accepted in writing for his appointment, (ii) agreed to be bound by the terms of this Declaration of Trust, and (iii) if he is affiliated with a Public Agency, presented evidence in writing of the granting of an authorization by the Public Agency for him to serve as a Trustee.

Section 8.6. By-Laws. The Trustees may adopt and, from time to time, amend or repeal By-Laws for the conduct of the business of the Fund, and in such By-Laws, among other things, may define the duties of the respective officers, agents, employees and representatives of the Fund.

ARTICLE IX. DETERMINATION OF NET ASSET VALUE AND NET INCOME DISTRIBUTIONS TO PARTICIPANTS

Section 9.1. By-Laws to Govern Net Asset Value, Net Income and Distribution Procedures. The Trustees, in their absolute discretion, may prescribe and shall set forth in the By-Laws such basis and time for determining the per Share of Beneficial Interest net asset value of the Shares or net income, or the declaration and payment of distributions, as they may deem necessary or desirable. The methods of determining net asset value of Shares of each Series shall also be set forth in the Information Statement. The duty to make the calculations may be delegated by the Trustees to the Adviser, the Administrator, the Custodian or such other Person as the Trustees by resolution may designate. The Trustees may adopt different methods for the determination of the net asset value of different Series of Shares.

ARTICLE X. CUSTODIAN

Section 10.1. Duties. The Trustees shall employ a bank or trust company organized under the Laws of the United States of America or the State of Illinois having an office in the State of Illinois and having a capital and surplus aggregating at least twenty-five million dollars (\$25,000,000) as Custodian with authority as its agent, but subject to such restrictions, limitations and other requirements, if any, as may be contained in the By-Laws of the Fund to perform the duties set forth in the Custodian Agreement to be entered into between the Fund and the Custodian.

Section 10.2. Appointment. The Trustees shall have the power to select and appoint the Custodian for the Fund. The Custodian Agreement shall provide that it may be terminated at any time without cause and without the payment of any penalty by the Fund on no less than ninety (90) days' and no more than one hundred eighty (180) days' written notice to the Custodian.

Section 10.3. Sub-Custodians. The Trustees may also authorize the Custodian to employ one or more Sub-Custodians from time to time to perform such of the acts and services of the Custodian and upon such terms and conditions, as may be agreed upon between the Custodian and such Sub-Custodians and approved by the Trustees; provided, however, that, in every case, such Sub-Custodian shall be a bank or trust company organized under the Laws of the United States of America or one of the States thereof having capital and surplus aggregating at least twenty-five million dollars (\$25,000,000).

Section 10.4. Successors. In the event that, at any time, the Custodian shall resign or shall be terminated pursuant to the provisions of the Custodian Agreement, the Trustees shall appoint a successor thereto.

Section 10.5. Additional Custodians. The Trustees may in their discretion employ one or more Custodians in addition to the Custodian referred to in Section 10.1. Such additional Custodians shall be banks or trust companies organized under the Laws of the United States of America or any state thereof and having capital and surplus aggregating at least twenty-five million dollars (\$25,000,000). Such additional Custodian shall perform such duties (including duties applicable only to designated Series or Classes) as may be set forth in an agreement between the Fund and the additional Custodian.

ARTICLE XI. RECORDING OF DECLARATION OF TRUST

Section 11.1. Recording. This Declaration of Trust and any amendment hereto shall be filed, recorded or lodged as a document of public record in such place or places and with such official or officials as may be required by Law or as the Trustees may deem appropriate. Each amendment so filed, recorded or lodged shall be accompanied by a certificate signed and acknowledged by a Trustee stating that such action was duly taken in the manner provided for herein; and unless such amendment or such certificate sets forth some earlier or later time for the effectiveness of such amendment, such amendment shall be effective upon its filing. An amended Declaration of Trust, containing or restating the original Declaration and all amendments theretofore made, may be executed any time or from time to time by a majority of the Trustees and shall, upon filing, recording or lodging in the manner contemplated hereby, be

conclusive evidence of all amendments contained therein and may thereafter be referred to in lieu of the original Declaration of Trust and the various amendments thereto. Notwithstanding the foregoing provisions of this Section 11.1, no filing or recordation pursuant to the terms of this Section 11.1 shall be a condition precedent to the effectiveness of this Declaration of Trust or any amendment hereto.

ARTICLE XII. AMENDMENT OR TERMINATION OF FUND; DURATION OF FUND

Section 12.1. Amendment or Termination.

(a) The provisions of this Declaration of Trust may be amended or altered (except as to the limitations on personal liability of the Participants and Trustees and the prohibition of assessments upon Participants), or the Fund may be terminated, at any meeting of the Participants or pursuant to any vote of the Participants called for that purpose, by the affirmative vote of a majority of the Participants entitled to vote, or, if permitted by applicable Law, by an instrument or instruments in writing, without a meeting, signed by a majority of the Trustees and a majority of the Participants; provided, however, that the Trustees may, from time to time, by a two-thirds vote of the Trustees, and after fifteen (15) days' prior written notice to the Participants, amend or alter the provisions of this Declaration of Trust, without the vote or assent of the Participants, to the extent deemed by the Trustees in good faith to be necessary to conform this Declaration to the requirements of applicable Laws or regulations or any interpretation thereof by a court or other governmental agency of competent jurisdiction, but the Trustees shall not be liable for failing so to do, and the Trustees may, from time to time and without notice or the vote or assent of the Participants, make changes that do not adversely affect the rights of any Participant, to supply any omissions, or to cure, correct or supplement any ambiguous, defective or inconsistent provision hereof. In addition, a Series may be terminated by vote or written consent of not less than a majority of the Participants of that Series. Notwithstanding the foregoing, (i) no amendment may be made pursuant to this Section 12.1 which would change any rights with respect to any allocated Shares of the Fund by reducing the amount payable thereon upon liquidation of the Fund or which would diminish or eliminate any voting rights of the Participants, except with the vote or written consent of two-thirds of the Participants entitled to vote thereon; and (ii) no amendment may be made which would cause any of the investment restrictions contained in Section 4.2 hereof to be less restrictive without the affirmative vote of a majority of the Participants entitled to vote thereon.

(b) Upon the termination of the Fund pursuant to this Section 12.1:

(i) The Fund shall carry on no business except for the purpose of winding up its affairs;

(ii) The Trustees shall proceed to wind up the affairs of the Fund and all of the powers of the Trustees under this Declaration of Trust shall continue until the affairs of the Fund shall have been wound up, including, without limitation, the power to fulfill or discharge the contracts of the Fund, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Fund Property to one or more persons at public or private sale for consideration which may consist in whole or in part of cash, securities or other property of any kind, discharge or pay its liabilities, and

do all other acts appropriate to liquidate its affairs; provided, however, that any sale, conveyance, assignment, exchange, transfer or other disposition of all or substantially all of the Fund Property shall require approval of the principal terms of the transaction and the nature and amount of the consideration by affirmative vote of not less than a majority of the Participants entitled to vote thereon; and

(iii) After paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining Fund Property of any Series, in cash or in kind or partly in each, among the Participants of such Series and each Class of such Series according to their respective proportionate allocation of Shares, taking into account their respective net asset values and the proper allocation of expenses being borne solely by any Series or any Class of Shares of a Series.

(c) Upon termination of the Fund and distribution to the Participants as herein provided, a majority of the Trustees shall execute and lodge among the records of the Fund an instrument in writing setting forth the fact of such termination, and the Trustees shall thereupon be discharged from all further liabilities and duties hereunder, and the right, title and interest of all Participants shall cease and be canceled and discharged.

(d) A certification in recordable form signed by a majority of the Trustees setting forth an amendment and reciting that it was duly adopted by the Participants or by the Trustees as aforesaid or a copy of the Declaration, as amended, in recordable form, and executed by a majority of the Trustees, shall be conclusive evidence of such amendment.

Section 12.2. Power to Effect Reorganization. If permitted by applicable Law, the Trustees, by vote or written approval of a majority of the Trustees, may select, or direct the organization of, a corporation, association, trust or other Person with which the Fund may merge, or which shall take over the Fund Property and carry on the affairs of the Fund, and after receiving an affirmative vote of not less than a majority of the Participants entitled to vote at any meeting of the Participants, the notice for which includes a statement of such proposed action, the Trustees may effect such merger or may sell, convey and transfer the Fund Property to any such corporation, association, trust or other Person in exchange for cash or shares for securities thereof, or beneficial interest therein with the assumption by such transferee of the liabilities of the Fund; and thereupon the Trustees shall terminate the Fund and deliver such cash, shares, securities or beneficial interest ratably among the Participants of this Fund in redemption of their Shares.

Section 12.3. Duration. The Fund shall continue in existence in perpetuity, subject in all respects to the provisions of this Article XII.

ARTICLE XIII. MISCELLANEOUS

Section 13.1. Governing Law. This Declaration of Trust is adopted by the Participants and delivered in the State of Illinois and with reference to the Laws thereof, and the rights of all parties and the validity, construction and effect of every provision hereof shall be subject to and construed according to the Laws of said State of Illinois.

Section 13.2. Counterparts. This Declaration of Trust may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

Section 13.3. Reliance by Third Parties. Any certificate executed by an individual who, according to the records of the Fund or of any official or public body or office in which this Declaration of Trust may be recorded, appears to be a Trustee hereunder or the Secretary or the Treasurer of the Fund, certifying to: (i) the number or identity of Trustees or Participants; (ii) the due authorization of the execution of any instrument or writing; (iii) the form of any vote passed at a meeting of Trustees or Participants; (iv) the fact that the number of Trustees or Participants present at any meeting or executing any written instrument satisfies the requirements of this Declaration of Trust; (v) the form of any By-Law adopted by or the identity of any officers elected by the Trustees; or (vi) the existence of any fact or facts which in any manner relate to the affairs of the Fund, shall be conclusive evidence as to the matters so certified in favor of any Person dealing with the Trustees or any of them or the Fund and the successors of such Person.

Section 13.4. Provisions in Conflict with Law. The provisions of this Declaration of Trust are severable, and if the Trustees shall determine, with the advice of counsel, that any one or more of such provisions (the "Conflicting Provisions") are in conflict with applicable federal or Illinois Laws, the Conflicting Provisions shall be deemed never to have constituted a part of this Declaration of Trust; provided, however, that such determination by the Trustees shall not affect or impair any of the remaining provisions of this Declaration of Trust or render invalid or improper any action taken or omitted (including, but not limited to, the election of Trustees) prior to such determination.

Section 13.5. Gender; Section Headings.

(a) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(b) Any headings preceding the texts of the several Articles and Sections of this Declaration of Trust, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Declaration of Trust nor affect its meaning, construction or effect.

Section 13.6. Adoption by Public Agencies Electing to Become Additional Participants; Resignation of Participants.

(a) Subject to Section 13.6(b) any Public Agency meeting the requirements of Section 1.2 hereof, may become an additional Participant of this Fund by (i) taking any appropriate official action to adopt this Declaration of Trust, (ii) furnishing the Trustees with evidence of appropriate official action authorizing its treasurer or other duly authorized official of the Public Agency to act on its behalf with respect to the funds of the Public Agency, (iii) furnishing the Trustees with a certificate of a duly authorized officer of the Public Agency setting forth the names and specimen signatures of the officials of such Public Agency

authorized at the time of delivery of such certificate to act on behalf of such Public Agency in connection with the Public Agency's participation in the Fund, and (iv) furnishing the Trustees with a counterpart signature to this document, which signature shall evidence such additional Participant's entry into this intergovernmental agreement with the other Participants hereto. A copy of this Declaration of Trust may be adopted by executing a written instrument of adoption in such form as may be prescribed by the Trustees. Adoption of a written investment policy that permits investment in the Fund will be deemed by the Trustees to constitute an adoption of this Declaration of Trust. Delivering an acknowledged copy of an instrument adopting the Declaration of Trust or the written investment policy shall constitute satisfactory evidence of the adoption contemplated by this Section 13.6.

(b) A Public Agency's admission as a Participant shall be subject to the approval of the Trustees, or of a duly appointed designee of the Trustees, but such approval shall not be unreasonably withheld.

(c) Any Participant may resign and withdraw from the Fund by sending a written notice to such effect to the Administrator and by requesting the redemption of all Shares then held by it. Such resignation and withdrawal shall become effective upon the receipt thereof by the Administrator. No resignation and withdrawal by a Participant shall operate to annul this Declaration of Trust and terminate the existence of the Fund.

**ILLINOIS INSTITUTIONAL INVESTORS TRUST
INTERGOVERNMENTAL COOPERATION
COUNTERPART SIGNATURE PAGE**

Acting in accordance with Section 13.6(a) of the Declaration, the undersigned delivers this counterpart signature page evidencing the undersigned's entry into an intergovernmental agreement with the other Participants to the Declaration.

Executed this ___ day of _____, 20__.

Signature

Name: _____

Agency Name: _____

Title: _____

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: JUSTIN VANVOOREN, FINANCE DIRECTOR
SUBJECT: DISCUSSION: ILLINOIS TRUST DECLARATION OF TRUST
AGENDA: SEPTEMBER 4, 2012 REGULAR BOARD MEETING
DATE: AUGUST 27, 2012

ISSUE

Shall the Village Board approve participation in the Illinois Trust (IIIT).

DISCUSSION

The Village Board approved the most recent investment policy on December 16, 2003. That policy states the Village will “invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all State of Illinois statutes and the Village codes governing the investment of public funds.”

The Finance Department has reviewed the Village’s investment policy and will be recommending changes to that policy at the September 18, 2012 Committee of the Whole meeting. Village Staff investigated ways to further diversify its portfolio and considered additional opportunities for investment. Staff has identified the Illinois Trust as an opportunity that is governed by a Board of managers and finance officers of Illinois local governments.

The Illinois Institutional Investors Trust (“IIIT” or the “Trust”) is a diversified, open-end, actively managed investment trust designed to address the short-term cash investment needs of investors, including school districts, municipalities and their political subdivisions and agencies. IIIT offers Illinois municipalities the ability to invest funds short-term at a competitive variable rate through its money market fund, similar to the Illinois Funds and Illinois Metropolitan Investment (IMET) Convenience Fund. In addition, IIIT investors have access to fixed rate investment products (certificates of deposit, commercial paper, U.S. Agency and U.S. Treasury securities) through the investment advisor of the Trust.

The attached resolution and exhibits will need to be approved to open and maintain an account with IIIT.

COST

IMET is compensated as a percentage of the average net assets of the entire fund, resulting in a net rate paid out to all fund participants. There is no direct fee paid by the Village.

RECOMMENDATION

That the Village Board direct staff to place a resolution, approving and authorizing execution of the Illinois Trust Declaration of Trust, on the September 18, 2012 agenda.

RESOLUTION NO. 20120918F2

**A RESOLUTION APPROVING AND AUTHORIZING
EXECUTION OF THE DECLARATION OF TRUST OF THE ILLINOIS TRUST
(FORMERLY KNOWN AS THE ILLINOIS INSTITUTIONAL INVESTORS TRUST)**

BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows;

WHEREAS, the Village of Sugar Grove is not a home rule municipality within Article VII, Section 6A of the Illinois Constitution and, pursuant to the powers granted to it under 65 ILCS 5/1-1 et seq.; and,

WHEREAS, the Village of Sugar Grove (the "Village"), desires to participate in the joint investment of certain of its funds in accordance with the Constitution and laws of the State of Illinois (the "State");

WHEREAS, Section 10 of Article VII of the Constitution of the State provides that the State shall encourage intergovernmental cooperation and use its technical and financial resources to assist intergovernmental activities among its units of local government;

WHEREAS, the Intergovernmental Cooperation Act, as amended (the "*Cooperation Act*"), provides a statutory framework that supplements the constitutional grant of intergovernmental cooperation powers found in said Section 10 of Article VII;

WHEREAS, Section 3 of the Cooperation Act provides that "[a]ny power or powers, privileges, functions, or authority exercised or which may be exercised by a public agency of [the] State may be exercised, combined, transferred, and enjoyed jointly with any other public agency of [the] State ... except where specifically and expressly prohibited by law";

WHEREAS, Section 5 of the Cooperation Act, provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform, *provided* that such contract shall be authorized by the governing body of each party of the contract;

WHEREAS, such contract shall set forth fully the purposes, powers, rights, objectives and responsibilities of the contracting parties;

WHEREAS, Section 1-1-5 of the Illinois Municipal Code, as amended (the "*Municipal Code*"), provides among other things, that the corporate authorities of each municipality may exercise jointly, with one or more other municipal corporations or governmental subdivisions or districts, all of the powers set forth in the Municipal Code;

WHEREAS, Section 3.1-35-50 of the Municipal Code provides, among other things, that each municipal treasurer is permitted to join with other municipal treasurers or municipalities for the purpose of investing the municipal funds of which the treasurer has custody;

WHEREAS, the President and Board of Trustees of the Village has been presented with and reviewed the Declaration of Trust dated October 18, 2002 (the "Declaration of Trust"); and

WHEREAS, the Declaration of Trust creates a common law trust (the "Trust") to provide an instrumentality and agency through which public agencies organized under the laws of the State of Illinois may jointly act, agree, and cooperate in accordance with the laws of the State of Illinois in the performance of their responsibilities to invest available funds so as to enhance their investment opportunities pursuant to an investment program conducted in accordance with the laws of the State of Illinois, from time to time in effect, governing the investment of the funds of public agencies; and

WHEREAS, the Village does hereby find that by entering into the Declaration of Trust and becoming a Participant (as such term is defined in Section 1.4 of the Declaration of Trust) in the Trust, it shall be better able to perform its responsibility to invest its funds in accordance with the laws of the State of Illinois; and

WHEREAS, the Trust's assets can only be invested in instruments authorized by the Public Funds Investment Act, as amended;

WHEREAS, no public agency, shall become a participant (a "*Participant*") in the Trust unless and until such public agency, including the Village, has adopted and authorized the Declaration of Trust; and

WHEREAS, the Participants anticipate that other municipal treasurers, official custodians of municipal funds, public agencies and intergovernmental entities composed solely of participating municipalities may wish from time to time to become Participants; and

WHEREAS, the Village does hereby find and declare that it is in the best interest of the residents of the Village that the Village enter into the Declaration of Trust, become a Participant of the Trust, and use the Trust's services from time to time;

NOW THEREFORE BE IT RESOLVED by the President and Board of Trustees, as follows:

Section 1. The facts and statements contained in the preamble to this Resolution are hereby found to be true and correct and are hereby adopted as part of this Resolution.

Section 2. The terms and conditions of the Declaration of Trust are hereby approved, and the Agency is hereby authorized to become a Participant in the Trust. The persons listed below are authorized to execute said Declaration of Trust and enter into the Intergovernmental Agreement, and said persons are duly authorized present incumbents of said offices; and actual samples of their respective signatures are listed below:

Print Name

Title

Signature

Print Name

Title

Signature

Section 3.

This Resolution shall take effect from and after its passage and approval as provided by law.

Signature of Official designated in Section 2

Print Name

Title

Agency

Attest: _____

I hereby certify that the foregoing is a full, true and complete transcript of a Resolution was adopted at the meeting held on _____ 20_____.

I do further certify that the deliberations of the Village of Sugar Grove Board on the adoption of said Resolution were conducted openly, that the vote on the adoption of said Resolution was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, and that the Village of Sugar Grove Board has complied with said Act and with all of the procedural rules of the Governing Board.

I do further certify that such Resolution is in full force and effect as of the date hereof, and that such Resolution has not been modified, amended, or rescinded since its adoption.

Cynthia L. Galbreath, Village Clerk
[seal]

Date

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is dated August 1, 2012 and made by and between

VILLAGE OF SUGAR GROVE, IL
10 Municipal Drive
Sugar Grove, IL 60554
(Hereinafter "the Village"),

AND

LAYNE CHRISTENSEN COMPANY INC.
(Hereinafter "Contractor"),
a Corporation
with a principal business address at
721 West Illinois Ave.
Aurora, IL 60506

IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED, THE VILLAGE AND THE CONTRACTOR AGREES AS FOLLOWS:

1. DEFINITIONS: When capitalized in the Agreement, the following words or phrases shall have the following meanings:

- a) "Agreement" shall mean this Agreement, the conditions of the Agreement, all Schedules of the Agreement, and all Change Orders issued and Task Orders executed after execution of this Agreement.
- b) "Village's Site" shall mean the location where the Work shall be performed,
- c) "Change Order" shall mean a document signed by the Village and the Contractor and authorizes an addition, deletion, or revision in the work or an adjustment in the Price or the Contract Term, issued on or after the execution of the Agreement.
- d) NOT USED.
- e) "Or Equal" shall be understood to indicate that the "equal" product is the same or better than the product named in the Specifications in function, performance, reliability, quality and general configuration.
- f) "Price" shall mean the price or prices stated in this Agreement and/or the applicable Task Order.
- g) "Specifications" shall mean the specifications, qualities, nature, type, properties, amounts, assortments and other descriptions of and requirements for the Work as stated in the respective Task Order.

h) "Subcontractor" shall mean contractors, suppliers, vendors, and subcontractors of any tier and any other persons or entities contracting directly or indirectly with Contractor for the performance of the Work under this Agreement.

i) "Work" shall mean Services identified in the Specifications.

j) "Work Product" shall mean studies, reports, evaluations, designs, drawings, procedures, specifications, plans and all other documentation and deliverables which are produced or acquired by Contractor for or at the direction of Village pursuant to the applicable Task Order.

2. SCOPE OF WORK AND PROCESS: The Work to be performed by Contractor under this Agreement shall be set forth in individual task orders ("Task Orders"). Upon the request of Village, Contractor shall prepare a Task Order containing an identification of the project ("Project"), description of the Work, compensation to be paid to Contractor for the performance of the Work, any Bonds required for the Work and a proposed schedule for the performance ("Project Schedule") for the Work. This Agreement does not obligate Village to request Work from Contractor, nor does it obligate Contractor to accept orders for Work from Village. Upon mutual agreement of the parties, the Task Order shall be finalized and executed by the parties. The effective date will be as set forth in the individual Task Order. Changes to the Task Order shall be made in writing and signed by both parties. This agreement applies to, but is not limited to, the projects described in Schedule A.

3. TERM: This Agreement shall commence on **1 August 2012** and shall expire on **1 August 2017** unless terminated earlier pursuant to provisions contained herein ("Contract Term"). Village and Contractor may mutually agree to extend the term of this Agreement if the parties agree, in writing, on the terms of such extension.

4. REPRESENTATIVES: The Village Representative ("Village Representative") shall be ***Anthony Speciale***. Contractor's designated representatives shall be ***William Balluff, P.E.*** ("Contractor Representative"). Either party may change the name of its designated representative by giving written notice of same. The designated representatives shall be the primary points of contact for the Work but shall not have authority to change the terms of this Agreement.

5. NOT USED.

6. PAYMENT: The Village shall pay Contractor for the Work as outlined in the applicable Task Order, inclusive of all sales and use taxes. Work shall be conducted at the rates established in schedule B with a 5% reduction. A 10% reduction shall be applied to specialized service fees i.e. downhole video survey, Sonar Jet®, Boreblast™, Chemical Treatment Unit, High Pressure Packer, Equipment Rental etc. Schedule b shall be updated yearly to account for the Contractor's agreement with Union Local 150 Operating Engineers. Contractor shall perform Annual Preventative Maintenance testing on Village's nine wells per scope and rates of Schedule E.

7. PAYMENT TERMS: Village shall pay Contractor invoices within thirty (30) days of receipt of invoice. If any portion of the Work does not conform to the requirements of this Agreement, a corresponding portion of the price may be withheld by Village until the nonconformity is corrected. The Village shall pay the Contractor for the Work as outlined above, inclusive of all sales and use taxes, as the same may be adjusted by Change Order.

8. NOT USED

9. WARRANTIES: Contractor represents, warrants and guarantees that any Work provided under this Agreement shall be: (1) provided in accordance with the Specifications and the requirements of this Agreement; (2) provided in a skillful, workmanlike and professional manner and consistent with generally accepted industry practices and procedures in Contractor's particular area of expertise; (3) constructed from new materials, free from defects in material, workmanship and design, and of proper size and quality; and (4) not manufactured and not priced or sold in violation of any federal, state or local law, including without limitation those relating to health and safety. These warranties shall survive acceptance of the Work. Contractor warrants that the Work performed under this Agreement conforms to the requirements of this Agreement and is free of any defect of equipment, material or design furnished, or workmanship performed by the Contractor or any of his subcontractors or suppliers. In the case of the purchase of new Flowserve/Byron Jackson equipment and materials all labor, workmanship, and new Flowserve/Byron Jackson materials will be provided with a two (2) year warranty. Should a problem develop with any of these items within the warranty period, the Village would not be charged for any work to remedy the situation. The warranties on all non-Flowserve/Byron Jackson materials shall continue for a period of one (1) year from the date of final completion of the Work to be performed under the respective Task Order. Under this warranty, the Contractor shall remedy at his own expense any such failure to conform to any such defect. The above warranties would apply for any material or new pump components furnished, with the exception of non-Flowserve/Byron Jackson submersible motors. Non- Flowserve/Byron Jackson *equipment* will maintain the industry standard one (1) year warranty. Other submersible motor manufacturers will not warranty our labor, thus, we would need to bill the Village for the labor associated with any motor warranty projects with any other submersible motors. If in any case overtime is required to expedite a warranty repair, the difference between the overtime and standard hourly rates would be chargeable to the Village.

10. INDEMNIFICATION: Contractor agrees to indemnify, defend and hold Village, its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action (including third party claims, demands or causes of action for contribution or indemnification), liability and costs (including attorney's fees and other costs of defense) for damages to property or injuries or death of any person arising out of any negligent act or omission of Contractor, its employees, agents or subcontractors in the performance of this Contract. Contractor, however, will not be obligated to indemnify Village against liability arising as a result of Village's, or its directors', officers', employees', agents' or other contractors', negligence or intentional misconduct or other liability for which Village has agreed

herein to indemnify Contractor.

Village agrees to indemnify, defend and hold Contractor, its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action (including third party claims, demands or causes of action for contribution or indemnification), liability and costs (including attorney's fees and other costs of defense) for damages to property or injuries or death of any person arising out of any negligent act or omission of Village, its employees, agents or subcontractors in the performance of this Contract. Village, however, will not be obligated to indemnify Contractor against liability arising as a result of Contractor's, or its directors', officers', employees', agents' or subcontractors', negligence or intentional misconduct or other liability for which Contractor has agreed herein to indemnify Village.

Village agrees to indemnify, defend and hold Contractor, its directors, officers, stockholders, employees, agents and subcontractors, harmless from and against any and all claims, demands, causes of action (including third party claims, demands or causes of action for contribution or indemnification), liability and costs (including attorneys' fees and other costs of defense) which arise out of or result from (i) any release or threatened release of any substance (whether or not hazardous), including, without limitation, any hazardous waste, hazardous substance, pollutant, contaminant, toxic material, irritant, waste gas, liquid or solid material (as defined under state, provincial, or federal laws), or failure to properly detect or evaluate the presence or release or threatened release of any such substances on or from the job site, all except and to the extent that such claims, demands, causes of action, liabilities or costs are caused by the negligence or intentional misconduct of Contractor, its employees, agents, or subcontractors; or (ii) any holding or claim that Contractor or any of its subcontractors was a "generator" or "transporter" of hazardous waste or an "operator" of the job site (as such terms are used or defined under local, state, provincial, or federal laws).

11. LIENS: To the fullest extent permitted by law, Contractor shall take all actions necessary to prevent any Subcontractors from filing, any liens against Village or its property, including Village's Site, except when related to Village's failure to make timely payments hereunder. In addition, Contractor shall defend, indemnify and hold harmless Village and any of its property, including Village's Site, from all such liens that are filed.

12. CLAIM FOR DAMAGES: Regardless of anything to the contrary in any other part of this Agreement, neither party shall be liable to the other party for any special, indirect, incidental or consequential damages, whether based on contract, tort (including negligence), strict liability or otherwise, except in the event that the misconduct which give rise to such a damage claim are fraudulent or willful.

13. NOT USED.

14. NOT USED.

15. CHANGES: Village may at any time by a written Change Order notice make changes within the general scope of this Agreement and/or the respective Task Order. If any change results in a material increase or decrease in the cost of the Work or otherwise materially affects this Agreement, the Change Order notice shall include an equitable adjustment in the Price, the schedule and/or any other affected provision. Any objection by Contractor to the proposed equitable adjustment must be asserted within seven (7) business days after receipt of the Change Order Notice. Notwithstanding such objection, if directed by Village, Contractor shall proceed with the change. Contractor shall not proceed with additional work without written authorization from Village.

16. SUSPENSION OR INTERRUPTION OF WORK: Village may direct Contractor, in writing, to suspend or interrupt all or any part of the Work for such period of time as Village may determine to be appropriate. Contractor shall mitigate the costs of such suspension or interruption. Village agrees to reimburse Contractor for those expenses necessarily incurred directly as a result of such suspension or interruption, subject to Village's right to audit Contractor's books and records, except where such suspension or interruption results from Contractor's material noncompliance with the Purchase Agreement.

17. TERMINATION:

- a.) For Contractor's Default: In the event of a material default by Contractor in the performance of the Work, Village may, with ten (10) days written notice of termination to Contractor, terminate this Agreement unless Contractor within such ten (10) day period cures such default or, if the default cannot be cured in ten (10) days, takes and continues to take substantial steps to cure such default.
- b.) For Village's Convenience: The Village may, with ten (10) days written notice of termination to Contractor, terminate this Agreement at any time.
- c.) For Village's Default: Contractor may, with ten (10) days written notice of termination to Village, terminate this Agreement for nonpayment of amounts owed under this Agreement for 15 days or longer after such amounts become due, unless Village within such ten (10) day period cures such default or, if the default cannot be cured in ten (10) days, takes and continues to take substantial steps to cure such default. In the event of such termination by Contractor for any reason which is not the fault of Contractor, its subcontractors or their agents or employees or other persons performing portions of the Work under contract with Contractor, Contractor shall be entitled to recover from Village payment for all Work executed and for all loss with respect to materials, equipment, tools, and construction equipment and machinery.

18. CONFLICT ERRORS; OMISSIONS: In the event Contractor or Village becomes aware of any conflict, error or omission in the documents comprising this Agreement, such party shall bring the discrepancy to the attention of the other party. Such discrepancy shall be resolved by Village, subject to Contractor's right to seek to an equitable increase in compensation or time of performance.

19. INSPECTIONS AND TESTS: Village may inspect the progress of the Work provided under this Agreement including Services and Work Product performed at Contractor's facilities. If this Agreement, laws, ordinances, rules, regulations or orders of any public authority require any portion of the Services and Work Product to be inspected, tested or approved, Contractor shall give Village reasonable advance notice of completion of such portion of the Services and Work Product and need for inspection, testing and/or approval, and shall not continue with such portion of the Services or modify the such portion of the Work Product until such inspection, test or approval is completed. Contractor shall notify Village when, in its opinion, the Services and Work Product is completed. For a reasonable time after delivery and before acceptance, Village shall have the right to inspect and test the Work. Village shall notify Contractor if the Work or parts thereof do not conform to this Agreement. Contractor shall promptly correct, repair or replace all nonconforming Work at its sole expense and shall be responsible for the costs of returning any nonconforming Work. Acceptance and payment by Village shall not relieve Contractor of any of Contractor's duties and obligations.

20. NOT USED

21. VILLAGE'S PROPERTY: All tools, dies, jigs, patterns, equipment or material and other items furnished by or paid for by the Village, and any replacement thereof, shall remain the property of Village. Such property shall be plainly marked to show it is the property of Village and shall be safely stored apart from other property. Contractor shall not substitute other property for Village's property and shall not use such property except in filling Village's orders. Contractor shall hold such property at its own risk and upon Village's written request shall redeliver the property to Village in the same condition as originally received by Contractor, reasonable wear and tear excepted.

22. INSURANCE: Contractor shall purchase and maintain such insurance as will protect Contractor and Village from claims which may arise out of or result from Contractor's operations under this Agreement. Such insurance shall be written for not less than the coverage and any limits of liability specified below, whichever is greater. By requiring insurance specified herein, Village does not represent that such coverage and limits will necessarily be adequate to protect Contractor and the Village, and such coverage and limits shall not be deemed as a limitation on Contractor's liability under the indemnities or warranties of Contractor in this Agreement. Certificates of Insurance provided by Contractor shall state that they are Primary Insurance and shall be filed with Village Representative prior to the commencement of the Work. These Certificates shall contain a provision that the coverage afforded under the policies will not be canceled until at least thirty (30) days prior written notice has been given to Village, except ten (10) day's notice for non-payment of premium. The Village shall be named as an additional insured on all policies except workers' compensation and errors and omissions (if applicable).

23. BONDS: To the extent specified in an executed Task Order issued hereunder, the Contractor shall obtain from a surety authorized to do business in the State or Commonwealth of a surety bond and/or a material and labor bond in the form as set forth in Appendix 1. Unless otherwise provided in the Task Order, Village shall pay Contractor for the cost of the bond(s). In such

event, said bond(s) shall be delivered to the Village prior to the effective date of a Task Order issued hereunder. Said bond(s) shall be renewed annually in each contract year until such time as the Work as specified in a Task Order issued hereunder is Substantially Complete (sufficiently complete in accordance with the Task Order such that the Work can be occupied and/or utilized for its intended use without undue interference). Neither non-renewal by the surety, nor failure or inability of the Contractor to file a performance bond for subsequent terms under this Agreement shall constitute a loss to the surety recoverable under the bond(s).

24. TAXES: The Village of Sugar Grove is Tax Exempt and will furnish a Tax Exempt Certificate to the Contractor as a condition of this contract.

25. CONFIDENTIAL PROPERTY INFORMATION: Contractor shall be bound by the following confidentiality provisions:

a) In connection with the performance of the Services under this Agreement, Village may disclose to Contractor certain information which may include, but is not limited to, trade secrets, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, flow charts, data, computer programs, marketing plans, customer names and other technical, financial or business information, such as negotiations between the parties and discussions relating to the structuring of agreements, pricing, values, plans, prospects and assets of Village.

b) Such information whether in written, encoded, graphic or other tangible form, or provided orally, shall be deemed to be confidential and proprietary (hereinafter "Confidential Information") unless it is clearly identified by Village prior to such disclosures as not being confidential or proprietary and Contractor shall use reasonable efforts to keep all such information and data strictly confidential and Contractor shall not purposefully divulge or permit its employees to purposefully divulge any information or data so acquired to any third party. Should Village desire transmission of such information or data to any third party, Village shall specify in advance writing the authorized recipient and any pertinent transmission details. Provided, however, Confidential Information shall not include information:

- (i) previously known to Contractor free of any obligations to keep it confidential;
- (ii) which becomes publicly known through no act of Contractor;
- (iii) which is rightfully received from a third party who is under no obligation of confidence to either Village or Contractor;
- (iv) which is independently developed by an employee, agent or contractor of Contractor who did not have any direct or indirect access to the information furnished thereunder; or
- (v) where disclosure is required by law.

c) Contractor agrees that it shall use same solely for the purpose set forth in this Agreement, and further agrees that it shall not make disclosure of any such Confidential Information to anyone except those of its employees to whom such disclosure is necessary for the purposes authorized by this Agreement. In addition, and not by way of limitation of such obligations:

d) NOT USED.

- e) Upon termination of this Agreement, Village, upon request to Contractor, shall be entitled within 30 days of such request to delivery of all tangible Confidential Information furnished by it, whether contained or stored on tapes, discs, files or otherwise, without cost. Provided, however, Contractor shall be entitled to retain one copy of its files.
- f) The confidentiality provisions contained herein shall remain in effect for a period of three (3) years after expiration or termination of the Agreement.

26. OWNERSHIP OF WORK PRODUCT; INTELLECTUAL PROPERTY: Village shall own the Work Product resulting from or arising out of this Agreement upon Contractor's receipt of full payment hereunder, including work in progress. The Work Product prepared by Contractor is not intended or represented to be suitable for reuse by Village or others on extensions of the project or any other project. Any reuse without prior written verification or adaptation by Contractor for the specific purpose intended will be at Village's sole risk and without liability or legal exposure to Contractor. Contractor warrants that it will not infringe on the copyright, trademark, patent or trade secrets of any other person or entity in providing the Work under this Agreement.

27. PUBLICITY: Contractor shall not use Village's name nor issue any publicity releases, including but not limited to, news releases and advertising, relating to the Purchase Agreement without the prior written consent of Village.

28. FORCE MAJEURE: Neither party shall be liable *for* any failure or delay in performing its obligations hereunder, or for any loss or damage resulting therefrom, due to causes beyond its reasonable control, including but not limited to, acts of God, public enemy or government, riots, fires, natural catastrophe or epidemics. In the event of such failure or delay, the date of delivery or performance shall be extended for a period not to exceed the time lost by reason of the failure or delay; provided that Village may terminate this Agreement in accordance with Section 17b) hereof if the period of failure or delay exceeds ten (10) days. Each party shall notify the other promptly of any failure or delay in, and the effect on, its performance.

29. ASSIGNMENT: Contractor shall not assign this Agreement, in whole or in part, nor contract with any Subcontractor for the performance of the same or any of its parts, without first obtaining Village's written consent, which consent shall not be unreasonably withheld. In the event Village consents to such assignment to a Subcontractor, nothing contained in this Agreement or such consent shall be construed as creating any contractual relationship between any Subcontractor and Village. Contractor shall be as fully responsible to Village for the acts and omissions of Subcontractors, and of persons employed by it as it is for the acts and omissions of persons directly employed by it. Village's consent shall not be construed as discharging or releasing Contractor in any way from the performance of the work or the fulfillment of any obligation under this Agreement.

30. WORK BY VILLAGE: Village may be performing work related to the Work with its own forces through separate purchase agreements with other contractors. In such instances, Village reserves the right to coordinate the Work with the work of its forces and the other contractors.

31. CONDITION AT VILLAGE'S SITE: When the proper performance of any part of the Work depends upon other work, whether performed by Contractor or others, Contractor shall verify all necessary dimensions, measurements and equipment that may affect the Work. No adjustment to the Price shall be made for Contractor's failure to comply with this Section.

32. PROTECTION OF PROPERTY AND PERSONS: equipment or material (including without limitation informational material) furnished by Village and all jigs, fixtures, dies, tools or patterns that Village has paid Contractor for shall, unless otherwise agreed in writing, be the property of Village and shall be returned to Village. Contractor will not use such equipment, material, jigs, fixtures, dies, tools and patterns in any of its business except its business with Village under this or other purchase orders. Contractor shall take all necessary precautions during the progress of the Work to protect all persons and the property of Village and others from injury, loss or damage including, without limiting Contractor's duties, any precautions directed by Village. Contractor shall assume full responsibility for all tools, equipment and materials to be used in connection with the Work.

33. SAFE WORK SITE: SECURITY: Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Contractor shall conduct all Work in compliance with OSHA regulations, the regulations of any other agency having jurisdiction over safety and health. Contractor shall maintain all reasonable safeguards at Village's Site to protect both employees and the public from injury or damage. The Contractor shall erect and maintain, as required by existing conditions and progress of the Work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities. Contractor shall comply with any safety, security and site access requirements of Village of which it has been made aware and shall sign a safety declaration if requested by Village. Without limiting Contractor's responsibilities under this Agreement, Village may require Contractor to remove from Village's Site any individual Village deems incompetent or otherwise objectionable, which determination shall be within the reasonable discretion of Village.

34. PREMISES: Contractor shall confine its facilities, materials, tools and equipment on Village's Site in areas specified by Village for that purpose. Contractor shall during the progress of work and on a daily basis upon completion of the Work, clean up and remove from Village's Site and from the adjoining premises, driveways and streets all waste materials, rubbish, tools and machinery, and leave Village's Site and adjoining premises, driveways and streets free and clear from all obstructions. Furthermore, at the completion of Work, Contractor shall return Village's Site to its original condition or as otherwise required in the scope of work.

35. VILLAGE'S APPROVAL OF PLANS, SPECIFICATIONS AND SCHEDULES:

Contractor shall develop and submit for review and approval by Village any procedures, checklists, drawings, specifications and other documentation requested by Village to verify that the Work conforms to this Agreement. Contractor shall not proceed with any part of the Work which requires prior approval by Village until such approval has been obtained.

36. DISPUTE RESOLUTION: The parties shall use good faith efforts to resolve any disputes hereunder. In the event of a dispute hereunder that cannot be resolved by mutual discussions between the Village and the Contractor, the disputing party shall provide written notice to the other party outlining in detail the basis for the dispute. The other party shall respond in writing within thirty (30) days, or such longer period as may be mutually agreed. Disputes not resolved within sixty (60) days following the issuance of written notice shall be referred to non-binding mediation. If within sixty (60) days after such disputes are referred to mediation, no resolution has been reached; either party may pursue its remedies in the courts.

37. NOT USED

38. NOTICES: Any notice required under the Agreement shall be in writing and shall be delivered, in person or transmitted by certified mail, return receipt requested, or national courier service providing proof of receipt, to the parties listed below. Either party may update such addresses on written notice to the other party. Notices shall be effective upon receipt.

To the Village:
Village of Sugar Grove, IL
10 Municipal Drive
Sugar Grove, IL 60554

To the Contractor:
Layne Christensen Company
721 W. Illinois Ave.
Aurora, IL 60506

39. INDEPENDENT CONTRACTOR: Contractor shall operate as an independent contractor in the performance of this Agreement and not as an agent or employee of Village.

40. NOT USED.

41. SEVERABILITY: If any provision(s) of this Agreement is found by a court of competent jurisdiction to be illegal or otherwise unenforceable, such provision(s) shall be deemed not to be a part of this Agreement and the remaining provisions shall remain in full force and effect.

42. SURVIVAL: The obligations and rights of the parties pursuant to the Assignment, Liens, Warranties, Confidential/Proprietary Information, Indemnification, Dispute Resolution, Publicity and Payment shall survive the expiration or early termination of this Agreement.

43. LAWS; CODES; RULES; REGULATIONS: Contractor and its Subcontractors at their own expense shall obtain all necessary licenses and permits to conduct their businesses and those that are specific to the Work and shall otherwise comply with all applicable federal, state and local laws, statutes, ordinances, codes, rules and regulations relating to performance of the Work, including but not limited to safety, environment, labor standards and workers' compensation.

44. NON-DISCRIMINATION IN EMPLOYMENT: Village, Contractor and Contractor's Subcontractors (if any) agree to comply fully with the terms, provisions and obligations of the following clauses, as amended and supplemented from time to time, which are incorporated by reference into the Purchase Agreement: The Equal Opportunity Clause required by Executive Order 11246, as amended; Affirmative Action for Disabled Veterans of Vietnam Era Clause as required by the Vietnam Era Veterans Readjustment Assistance Act, and Affirmative Action for Handicapped Workers Clause or regulations issued pursuant to the foregoing, unless exempted by the Secretary of Labor.

45. NO CONTINGENT FEE WARRANTY: Contractor hereby warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business. In the event of a breach of this warranty, Village shall have the right to annul this contract without liability or in its discretion to deduct from the moneys due Contractor under this Agreement the full amount of such commission, percentage, brokerage or contingent fee.

46. GOVERNING LAW; JURISDICTION: This Agreement shall be governed by, construed in accordance with and enforced under the internal laws of the State or Commonwealth where the job site is located at which the Work is to be performed, without reference to the choice of law principles thereof. Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the federal or state courts of such State or Commonwealth.

47. NON WAIVER: The failure of either party in anyone or more instances to insist upon the performance of any of the terms or conditions of the Agreement or to exercise any right hereunder shall not be construed as a waiver or relinquishment of the future performance of any such terms or conditions or the future exercise any such right.

48. ENTIRE AGREEMENT: This Agreement contains the entire agreement between the parties with respect to this subject matter and supersedes any and all prior oral or written agreements. This Agreement governs repair and maintenance Work performed by Contractor for Village; any and all construction work performed by Contractor for Village shall be governed by Village's separate and distinct Construction Agreement with Contractor.

49. EXHIBITS, SCHEDULES AND APPENDICES: The following are attached to and expressly made a part of this Agreement:

**Village of Sugar Grove, IL
Layne Christensen Company Professional Services Agreement
August 1, 2012**

- Schedule A – Partial description of services
- Schedule B – Price/Compensation/Rates
- Schedule C – Insurance requirements and example
- Schedule D – Special Conditions
- Schedule E – Annual Preventative Maintenance Testing Task Order
- Exhibit 1 – Task Order
- Exhibit 2 – Layne Qualifications and Services
- Appendix 1 – Sample Surety Certificate

50. CHANGED CONDITIONS: The discovery of any hazardous waste, substances, pollutants, contaminants, underground obstructions, conditions or utilities on or in the job site which were not brought to the attention of Contractor prior to the date of this Contract and which materially and adversely impair Contractor's ability to meet its obligations hereunder will constitute a materially different site condition entitling Contractor, at its option, to terminate this Contract (and to receive payment for all work performed up to and including the date of such termination) or to receive an equitable adjustment in the Contract price and time for performance. Contractor, however, shall only have the right to terminate if such different site condition(s) creates additional health and safety risks or requires Contractor to perform work outside the original scope or beyond its capabilities.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

Village of Sugar Grove, IL	Layne Christensen Company
Print Name:	Print Name:
Title:	Title:
Signature:	Signature:
Attest:	Attest:
Date:	Date:

SCHEDULE A

DESCRIPTION OF WORK/SPECIFICATIONS

Projects to Include but not limited to:

- Preventative Maintenance Testing on Well and Booster Pumping Equipment
- Single-Source Contracting
- Operation and Maintenance Services
- Well and booster pump removal, inspection, repair, and reinstallation
- Downhole Video Services
- Well Rehabilitation (Chemical and Mechanical)
- Well Construction
- Pumping Equipment
- Pump Repair and Maintenance Service
- Environmental Drilling
- Hydrogeological Investigations
- Test Hole Drilling Management
- Well Siting Services
- Well Logging Services
- Aquifer Performance Studies
- Hydrogeological Modeling
- Surface Geophysics
- Borehole Geophysics
- Water treatment equipment maintenance and rehabilitation services

SCHEDULE B

The undersigned Purchaser hereby instructs Layne Christensen Company ("Contractor") to proceed with work on Purchaser's well and/or pumping equipment with the understanding that the Terms and Conditions shown on the reverse are hereby incorporated as part of this Work Order and with the specific understanding that Contractor will not be liable for any damage in any way whatsoever for failure to complete the described work, nor for any injury or damage, including damage to the well, well material, pump or water supply, resulting from Contractor's efforts to perform such work, or for any delay on Contractor's part in completing same. All work will be provided on a cost plus basis at the hourly rates described below. Charges will be made at the below listed rates for travel time from applicable Aurora or Beecher, Illinois equipment base to destination and return for men and equipment. All hours worked before or after Contractor's normal work day hours and all hours worked on Saturdays, will be billed at time and one-half rates. All work on Sundays and/or any federally recognized holiday will be billed at double time rates.

1. Serviceman or machinist with hand tools	\$ 136.00 per hour
2. Serviceman with service truck and tools or welding truck	166.00 per hour
3. Machinist with machine shop equipment.....	153.00 per hour
4. Machinist with 12" pipe threading machine	179.00 per hour
5. Serviceman with small hoist or winch truck or sandblast equipment.....	202.00 per hour
6. Operator and backhoe.....	203.00 per hour
7. Serviceman with small service rig or large hoist or flatbed crane	214.00 per hour
8. Serviceman with large service rig or large cable tool rig or 15 ton truck crane.....	252.00 per hour
9. Helpers (per helper)	120.00 per hour
10. Time and one half rate for serviceman	add 68.00 per hour
11. Double time rate for serviceman	add 136.00 per hour
12. Time and one half rate for helpers (per helper)	add 60.00 per hour
13. Double time rate for helpers (per helper).....	add 120.00 per hour
14. Mileage from Layne shop or nearest point and return to shop, if not covered by hourly rate above:	
(a) Auto.....	0.55 per mile
(b) Pickup truck.....	0.70 per mile
(c) One-ton truck	1.00 per mile
(d) Flat-bed truck	2.20 per mile
(e) Semi-trailer truck	2.75 per mile
15. Per Diem:	
(a) Over 45 miles to 96 miles radius from base	35.00 + motel cost/man/day
(b) Over 96 miles from base	40.00 + motel cost/man/day

Remarks:

All Work shall be conducted within the terms of this agreement at the above stated unit pricing with a 5% reduction. All technical services such as Video Survey, Sonar Jet®, Boreblast™, High Potential Testing, CTU trailer, etc. shall be invoice at the standard pricing with a 10% reduction.

NOTE: The final invoice will reflect the actual time and materials used on the job multiplied by the unit rates/prices indicated above and in any estimates provided. Any applicable taxes are not included and would be added to the invoice.

**Village of Sugar Grove, IL
Layne Christensen Company Professional Services Agreement
August 1, 2012**

SCHEDULE C

INSURANCE REQUIREMENTS
Example certificates furnished below

CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 5/1/2013 7/31/2012														
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 Lockton Companies, LLC-1 Kansas City 444 W. 47th Street, Suite 900 Kansas City 64112-1906 (816) 960-9000	CONTACT NAME: PHONE (A/C, Ho, Ext): FAX (A/C, No): E-MAIL ADDRESS:															
INSURED 14753 LAYNE CHRISTENSEN COMPANY 721 W. ILLINOIS AVENUE AURORA IL 60506	<table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A : Old Republic Insurance Company</td> <td>24147</td> </tr> <tr> <td>INSURER B : American Guarantee and Liab. Ins. Co.</td> <td>26247</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Old Republic Insurance Company	24147	INSURER B : American Guarantee and Liab. Ins. Co.	26247	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #															
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INSURER C :																
INSURER D :																
INSURER E :																
INSURER F :																
COVERAGES I AYTN01 GN CERTIFICATE NUMBER: 11939536 REVISION NUMBER: XXXXXXXX																
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 WVO	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS									
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTUAL <input checked="" type="checkbox"/> X.C.U. COVERAGE GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROCT <input type="checkbox"/> LOC	Y	N	MWZY 59644	5/1/2012	5/1/2013	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000									
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	Y	N	MWIB 21603	5/1/2012	5/1/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX									
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$	Y	N	3807886-08	5/1/2012	5/1/2013	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$ XXXXXXXX									
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	MWVC 11748000 STOPGAP(ND,OH,WA,WY)	5/1/2012 5/1/2012	5/1/2013 5/1/2013	<input checked="" type="checkbox"/> W/C STATU-TORY LIMITS <input type="checkbox"/> OTH-ER EL EACH ACCIDENT \$ 5,000,000 EL DISEASE - EA EMPLOYEE \$ 5,000,000 EL DISEASE - POLICY LIMIT \$ 5,000,000									
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 104, Additional Remarks Schedule, if more space is required) RE: WELL AND PUMP WORK, AS RESPECTS TO ALL WORK PERFORMED BY OR ON BEHALF OF THE NAMED INSURED, VILLAGE OF SUGAR GROVE, IL IS INCLUDED AS AN ADDITIONAL INSURED ON GENERAL LIABILITY, AUTOMOBILE LIABILITY AND UMBRELLA LIABILITY AND A PRIMARY AND NON-CONTRIBUTORY BASIS AS REQUIRED BY SIGNED, WRITTEN CONTRACT. 30-DAYS NOTICE OF CANCELLATION APPLIES.																
CERTIFICATE HOLDER				CANCELLATION												
11939536 VILLAGE OF SUGAR GROVE, IL 10 MUNICIPAL DRIVE SUGAR GROVE IL 60554				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 												

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SCHEDULE D

SPECIAL CONDITIONS

Village and Contractor may mutually agree to extend the term of this Agreement if the parties agree, in writing, on the terms of such extension. The billing rates in Scheduled B will increase annually as agreed by the parties.

TASK ORDER Services shall be provided only as specifically set forth in written Task Orders that shall be issued by the Village. The Contractor is responsible for ensuring that they receive an executed copy of each Task Order. A Task Order form is attached hereto as Exhibit 1. Unless indicated otherwise on a Task Order, for purposes of this Agreement, Contractor shall report to and be responsible to the Village's Representative, who shall be designated by the Village. The Contractor shall not commence work until it receives an executed Task Order for such work, or alternatively a Village executed Purchase Order.

SCHEDULE E

Date	April 3, 2012
Project Name	ANNUAL PREVENTATIVE MAINTENANCE TESTING
Project Scope (provide attachment as required)	<p>The preventative maintenance testing will consist of obtaining current static water level., gpm, pumping water level, drawdown, amperage, discharge pressure, etc. The data will be recorded on a well test data sheet and plotted on the original pump curve. A short analysis of current and previous data along with the data sheet and curve will be provided. The data will provide information on how the pumping assembly and well are currently operating.</p> <p>The pumps' capacities (gpm) will be recorded utilizing a calibrated orifice at Wells 5, 6, and 7. Temporary piping, fittings, and hose would be installed to pump the well to waste. A serviceman with service truck and helper will be utilized to perform these tasks.</p> <p>The pumps' capacities (gpm) will be recorded utilizing facility meters at Wells 2, 4, 8, 9, 10, and 11. A serviceman with service truck will be utilized to perform these tasks.</p>
Schedule / timeline	Annual, per Village/Contractor mutually agreeable schedule.
Additional Information	<p>Payment per current Schedule B Total not to exceed: (32) hours Serviceman with Service Truck and (16) hours Helper less 5%.</p>

**Village of Sugar Grove, IL
Layne Christensen Company Professional Services Agreement
August 1, 2012**

**Exhibit 1
Task Order**

Date	
Project Name	
Project Scope (provide attachment as required)	
Schedule / timeline	
Additional Information	

Village of Sugar Grove, IL	Layne Christensen Company
Print Name:	Print Name:
Title:	Title:
Signature:	Signature:
Attest:	Attest:
Date:	Date:

Exhibit 2
Layne Capabilities and Experience

1. HISTORY

A. Layne Christensen Company

Mahlon E. Layne began his well drilling career in 1882 in the Dakota Territory. Within a decade, the well drilling industry would be permanently changed by his innovations, earning more than 60 patents. Some of his innovations consisted of the design of a faster, more efficient steam-powered drilling rig; the Layne Pitless Pump, one of the first vertical turbine lineshaft pumps; the development of the Gravel Wall well; and the invention of the Layne shutter screen.

Mr. Layne's Company, founded in 1882, has developed into an organization that is today known as Layne Christensen Company. With over 90 offices in the United States, and several more around the world, Layne Christensen Company is the largest provider of drilling services in the United States and one of the largest in the world.

Originally known as Layne-Western Company, our Illinois office was organized in May of 1924 with an 8' x 10' office, one well rig, and four employees. The Aurora, Illinois District has been part of this long standing organization for the last 80+ years with previous offices in Chicago, Illinois.

The Layne Companies, including the Aurora, Illinois District, have thrived on the utilization of a professional engineering staff to coordinate all work with the Client, maintain a high level of communication between the Client and field service crews, and to handle all water related needs of the needs of the Client.

The Aurora, Illinois District has always handled the water supply needs for the Village of Sugar Grove, Illinois. The Layne Christensen Aurora District continues to be one of the top operations in the Water Resources Division of Layne Christensen Company. However, support is always available from other Layne Districts such as St. Louis, Missouri; Milwaukee, Wisconsin; Lansing, Michigan; etc.

B. Aurora District/Village of Sugar Grove, Illinois Relationship

The relationship between Layne and the Village of Sugar Grove began in 1960. Our relationship has remained and grown almost continuously since 1960 and has included well construction, well rehabilitation, pump repair, testing, troubleshooting, etc. The Village currently utilizes premium Byron

Jackson Type H submersible motors in all of its wells. Layne is the sole source representative for Byron Jackson submersible pumps and motors in the state of Illinois.

C. Emergency Response

While there are fewer Villages now with single wells, there still are emergency situations in the water supply business. Our Emergency Response Procedures continue to be refined, as needed, in order that all customer needs are handled in a proper and expedient manner.

We currently utilize an answering machine at the Aurora, Illinois District office that details three phone numbers; two of our Account Managers' home numbers and our Beecher, Illinois office number. The latter number for the Beecher office would provide five individuals' after-hours phone numbers if there is no answer.

Our Account Managers also have personal cards that include their cell phone numbers. While the Village of Sugar Grove's emergencies have been rare over the years due to the significance of your water system and well documented preventative maintenance, this procedure has been tested favorably several times in the past. We attempt to determine the priorities of each project and, of course, maintain contact with each Client to ensure project completions are to each Client's satisfaction.

The Village of Sugar Grove will receive priority service in event of an emergency situation. The Village will have the governing opinion on whether a project is to be deemed an "emergency."

2. Contractor Personnel

A. Professional Engineering Staff

We utilize a professional engineering staff of Account and Project Managers to handle all project coordination with the Client. The experience of the five professional engineers in the Aurora District exceeds 100 years with the vast majority of this experience at Layne Christensen.

B. Field Crew Operations

Our field crew operations are coordinated by Greg Swanberg, our Operations Manager. He is supported by two Field Superintendents in an effort to coordinate the field service with the engineering staff/Client. We have included an organizational chart for our field operations also.

C. Lead Project Manager and Key Support Staff

In addition to the Lead Project Manager, all other Engineering staff and Field Operations Management are available for any project management assistance. The secondary Project Manager will be Thomas P. Healy, P.E.

D. Emergency Contact Information, in order of contact

Office phone numbers:

Aurora, IL 630-897-6941;

Beecher, IL 708-946-2244

William Balluff, P.E.: 630-466-9256 home
 708-417-2108 cell

Nick Winkelmann, P.E.: 630-801-5142 home
 708-514.1214 cell phone

Tom Healy, P.E. : 630-897-9518 home
 708-514-2233 cell phone

Greg Swanberg: 815-761-7166 home
 708-514-8881 cell phone

John Geltz: 630-556-4066 home
 708-514-1438 cell phone

E. Field Work Force

Included in this section is our Layne/Aurora Seniority List for our field service crews. This Seniority List details the length of service with Layne Christensen, DOT and CDL certifications, and classification within the Company. Our field service crews are all members of the International Union of Operating Engineers, Local 150 and are comprised of many very experienced well and pump servicemen in addition to newer hires who will provide the enthusiasm and experience for the future.

F. Corporate Support Staff

As a now International Water Supply and Mineral Exploration Company, we have considerable Corporate staff that can be relied upon for their expertise. Specifically for the type of work for the Village of Sugar Grove, Illinois, we offer the following:

- * Safety and Environmental Health Sciences Division (SEHS) – Fred Bonewell, Director Mission Woods, Kansas

The SEHS staff is responsible for all safety related issues. We utilize a comprehensive safety program and abide by our Safety Practice Manual Regulations.

- * Water Technologies Division – James E. Goose, Water Treatment Specialist Great Lakes Group (Aurora, Milwaukee, WI and Lansing, MI Districts)

By purchase of the Layne Hydro Group in the mid 1990's, a Water Treatment Division is now part of the Layne Christensen Company. The Water Treatment Division has been in existence for over 20 years and has recently reorganized as Layne's Water Technologies Division. Layne's Great Lakes Group has completed numerous projects in Illinois, Wisconsin, and Michigan for the removal of radium, iron, manganese, arsenic, and nitrates. Layne has treatment capabilities to address all contaminants that could be encountered while developing a potable water supply.

- * Layne Hydro

In Bloomington, Indiana and, for projects in the Sugar Grove area, in Milwaukee, Wisconsin, Professional Hydrologists and Geologists are on staff for any type of water supply needs. These can entail aquifer studies; well-head protection investigations, well rehabilitation problems, etc. While the Hydro group would be more applicable for the future water supply development, their expertise can also be utilized for well rehabilitation projects.

- * Other Layne Districts (Great Lakes Group)

As mentioned before, other districts in the surrounding states can be utilized to provide additional flexibility in any emergency situation. The Aurora, IL; Milwaukee, WI; and Lansing, MI Districts are more closely aligned as the *Great Lakes Group*. We are a "sub" group in the Company and work in conjunction on various projects/needs. We also have access to Layne rigs and crews in the other seventy plus U.S. office locations.

3. Field Equipment – Applicable to Sugar Grove, Illinois Wells

A. SEMCO –S30,000 Pump Service Rig:

This 2009 pump service rig and support equipment is capable of pulling any Sugar Grove, IL well pump. It allows for the use of either three or four man pump service crews depending upon the pumphouse and pump configuration.

B. Smeal R36 Pump Service Rig:

This 2007 pump service rig and equipment is also capable of pulling any Sugar Grove, IL well pump. It is also a three or four man pump service crew-type rig depending upon the pumphouse and pump configuration.

C. Smeal R12 and R12E:

These pump service rigs and are capable of pulling pumps with weights approaching 40,000 pounds. They allow for the use of either three or four man pump service crews depending upon the pumphouse and pump configuration.

D. Franks Big Rigs 1 and 2:

These are WS100 model pump service rigs and are capable of pulling pumps with weights approaching 100,000 pounds. They allow for the use of either three or four man pump service crews depending upon the pumphouse and pump configuration.

E. National 16 Ton Truck Crane:

These two National cranes are used as support for all pump service projects for delivery, pickup, etc. The scheduling of these cranes is usually quite flexible.

F. Bucyrus-Erie 36L Cable Tool Rig:

This cable tool drilling rig is frequently utilized for deep well workover/rehabilitation. The rig's configuration makes it very valuable in liner replacement, airlift well rehabilitation, and well reconstruction. This rig is also capable of pulling any of the Village's well pumps with either a three or four man pump service crew.

G. Chemical Treatment Unit (CTU):

Due to the increasing awareness of potential environmental damage in chemical treatment projects, Layne Christensen Company designed and has built several Chemical Treatment Units (CTU). We currently utilize three (3) CTU's at our disposal to allow for the treatment and neutralization of large quantities of acidic, basic, chlorinated, and turbid well-derived fluids. We can introduce the appropriate well treatment chemicals and neutralization chemicals in liquid or granular form. The treatment process is enhanced with the 2000 or 4000 gallon truck mounted tanks that can be used as surge tanks during the treatment process. This backflushing provides added energy to enhance the chemical treatments. During the discharge process, the 1000GPM mounted centrifugal pump can discharge the neutralized chemicals to the desired, distant location.

H. Aries Video Survey / Sonar-Jet® Well Rehabilitation Van

This is a cargo van with equipment to televise wells over 2000' deep and to perform all necessary Sonar-Jet Well Cleaning projects. Our part-time technician is our former Operations Manager who has 50 years of experience with the Company.

I. Other Layne Districts

Including our Beecher, Illinois office, who utilizes several of the same pump service rigs as described above, we have access to be able to use any of the 300 rigs in the Layne organization.

4. Aurora, Illinois Facility

A. Machine Shop

We utilize two full time, Union machinists to perform all necessary machining, fabrication, etc. for all pump repairs. The machine shop is a fully owned Layne facility and is operated by Layne employees in order to expedite and prioritize repairs as necessary. The machine shop utilizes two machine lathes for the fabrication of lineshafts, impeller shafts, bowl bushings, wear rings, etc. and a larger 22 ft. machine lathe for single pointing of larger diameter column pipe, threading of stainless steel pipe, and machining of large flanges. Two raised pump assembly racks are used for bowl assembly, tear down, and reassembly.

B. Sandblasting and Coating Work

A large portion of the yard is utilized for all needed sandblasting and coating work. Air compressors, sandblasting pots, and all necessary safety equipment are housed in an adjacent warehouse building. The pipe and oil tube coating work can be applied either by roller or airless sprayer equipment. Pipe coating work will normally include the use of PPG Aquapon LT NSF 61 epoxy coating.

C. Pipe Threading/Repair

We utilize our Oster 12R pipe threading machine for all necessary pipe repairs, rethreading, or threading of new column pipe. We can thread up to 12" pipe diameter in this machine and have done so on Village projects.

D. Available Inventory

We normally stock approximately \$1,000,000.00 (±) worth of Byron Jackson submersible pumping equipment and Layne and Bowler lineshaft pumping equipment components, parts, etc. in our Aurora, Illinois yard. The decision to maintain such a high level of inventory was made many years ago so that we are able to expedite any emergency repairs that may arise.

5. Project Costs

A. Layne Work Order Form

Well rehabilitation and pump repair work is normally performed on a time and material basis. In the past, our work has been performed according to the rates, terms, and conditions of our standard Work Order Form as shown in schedule b.

B. Professional Engineer Cost

While Professional Engineers are on our Engineering staff, we do not do the typical Professional Engineering-type work. This type of work is left up to your Consulting Engineer of choice and we do not intend to infringe on their profession.

However, the availability of a Professional Engineer may be of some benefit to the Village. This could include, but is not limited to, project management, attending Village meetings, trouble shooting, or doing any type of preventative maintenance checking of the well that is necessary.

C. Various Well Treatment Methods

It is difficult to provide a breakdown of the various well treatment/rehabilitation costs. The same process or project at one well might be a different cost than another well, due to varying depths, diameters, etc. We will provide a detailed estimate before any well treatment/rehabilitation prior to the beginning of any work.

1. 2000 Gallon C.T.U.
2. 4000 Gallon C.T.U.
3. BoreBlast™ Treatment Base Charge
4. Downhole Video Survey
5. High Potential Testing
6. Furnish, Install and Remove Airlift Surging Equipment
7. Well Development by Airlift Surging
8. Furnish, Install and Remove Air Pressurizing Equipment
9. Well Development by Air Pressurizing
10. Double Block Shooting
11. Penetrating Shots: 90 Gram
12. Bulk Nitroglycerin Shots

D. Rate Increases

Layne currently has a contract through 2013 with the International Union of Operating Engineers Local 150. This contract includes nominal increases each year for our service men. In addition to these increases our standard Work Order form may be updated periodically to account for changes in fuel pricing, equipment configurations, etc. In the case of this Service Agreement we would propose to furnish the Village a new Work Order form, along with any changes in the Well Treatment lump sums, for review and approval whenever changes are made to our standard Work Order form.

E. Well Contract Term

We propose to enter into this agreement with the Village for a minimum of 5 calendar years. At the end of the initial contract term the Village will have the option of renewing the contract in 5 year intervals.

F. Warranties

All labor, workmanship, and new materials would be provided with a two (2) year guarantee or warranty on all workmanship and new Flowserve/Byron Jackson equipment and materials. Should a problem develop with any of these items within the warranty period, the Village would not be charged for any work to remedy the situation. However, if overtime is required to expedite

the repair, the difference between the overtime and standard hourly rates would be chargeable.

The above warranties would apply for any material or new pump components furnished, with the exception of non-Flowserve/Byron Jackson submersible motors. Non-Flowserve/Byron Jackson equipment will maintain the industry standard one (1) year warranty. Other submersible motor manufacturers will not warranty our labor, thus, we would need to bill the Village for any motor warranty projects with any other submersible motors.

G. Other – Miscellaneous Fees

As stated during the well treatment method cost sections, it is also very difficult to provide detailed costs for pump repairs, pump parts, etc. since there are so many variables involved. We would negotiate all of these costs with the appropriate Village representative before proceeding with any work.

6. Pump Manufacturer Representation

We have several exclusive dealership agreements that would allow for only Layne-Western to provide the appropriate, genuine parts for the various well pumps. These agreements are with:

- A. Layne and Bowler, a Division of Pentair Pump Group
- B. Byron Jackson, a Division of Flowserve/IDP/Pleuger Pumps
- C. Pleuger Submersible Motors and Pumps, a Division of Flowserve/IDP/
Pleuger Pumps
- D. Christensen Pumps (ITT-Goulds)

The submersible pumps utilized by the Village all use the Byron Jackson Type H submersible motor. The pumps are also Byron Jackson submersible pumps. While non-genuine parts could be available from other manufacturers, we would be able to provide the genuine repair parts at the lowest cost available. We also maintain an extensive inventory of replacement parts that allows our machine shop to expedite typical pump repairs.

Layne introduced the Christensen Pumps several years ago, which utilizes Goulds pump components along with long time Layne and Bowler features such as the Layne combination coupling. While the Goulds pump agreement

is non-exclusive, we receive a quantity discount from Goulds pump because of all the various Layne Districts that purchase from them.

We also represent Johnston and Peerless Pump Companies, two long time, highly reputable pump manufacturers.

7. General Scope of Work

A. Lead Project Manager Duties

The Lead Project Manager will be involved well before the project commencement. Once the authorization has been received to move forward with a project(s), the Lead Project Manager would provide any desired information, estimates, etc. to the Village; schedule the crew for work; handle all details of the project during the course of the work; and basically handle everything necessary from start to finish including the procurement of materials, invoicing the Village, etc.

The Lead Project Manager would also be available for periodic site visits, review of present pumping data, troubleshooting, etc., and as desired by the Village Water Department.

The Lead Project Manager will also update the well and pump repair history and provide two copies to the Village after each project.

B. Field Crews

The field service crews would be responsible for contacting the appropriate Village representative prior to arrival in Village and discuss all facets of the project before proceeding with any work. Daily operations would include all measures necessary to efficiently carry out the work needed at the specific well(s). With the inclusion of the Nextel portable phone system, our field crews are able to provide timely updates on any developments during the course of the project. Should notification and/or approval of any changes in the scope of work be necessary, the Village would be contacted immediately.

C. Typical Pump Repair

A pre-test before pulling a pump may be done if there is some question as to the specific capacity or production of the well.

All safety measures would be undertaken to properly set up the pump service rig, support equipment, etc. Assuming the pump is pulled in a

typical fashion without fishing for its retrieval due to a pipe separation, etc.; each well pump would be pulled and transported to our machine shop for disassembly and inspection.

Following the removal of the well pump, the following would typically be done:

- Measuring the total depth and static water level of the well
- Inspecting column pipe on-site and deciding on need for sandblasting for inspection, power washing, etc.
- Dismounting the bowl assembly from motor
- Dewatering the motor seal chamber and performing seal flotation tests
- Placing the motor in a storage position
- Draining the motor completely and servicing the motor with a new oil filter and replacement oil (**Note that all motor servicing will be completed on-site by factory certified Byron Jackson service personnel*)
- Disassemble the bowl assembly in Aurora machine shop for further inspection, cleaning, repairs, etc.
- Perform all necessary repairs, as authorized by the Village
- Reinstall and perform minimum two hour pumping test to waste
- Demobilize all equipment

In the case of a typical pump repair project, as well as any well rehabilitation project, the crew will fill out a detailed Well Test Data Sheet for typing and ultimate delivery to the Village. We typically would take readings at 10 minute intervals recording GPM, water levels, pressure, 3 phase amps, and note water quality.

The well would be disinfected with any bacteriological samples collected and analyzed by the Village, if desired.

8. Key Subcontractors/Suppliers

A. Flowserve/Byron Jackson – Taneytown, Maryland

Layne Christensen is the exclusive representative for all Flowserve/Byron Jackson submersible pumping equipment in the state of Illinois. Any motor repairs would be conducted at the Flowserve facility in Taneytown. Repair items from our stock including flat cables, submersible motors, bowl castings and impellers are original equipment produced by Flowserve/Byron Jackson.

B. K&K Supply Company – Conroe, Texas

While we do not have an exclusive agreement, we do receive a Layne national quantity discount through our Central Purchasing Department for the use of K&K Supply for various repair components such as threaded and coupled column pipe, pipe couplings, column check valves, etc.

C. Water Systems Engineering – Johnson Screen

As mentioned previously, we have an alliance with these two firms for the future development and improvement in water well rehabilitation technology. In Appendix B, we have included a sample report that we can obtain from Water Systems Engineering which is basically a detailed water chemistry profile with bacteria analysis and recommendations. Two sets of samples are taken and delivered to WSE for analysis and their detailed report.

9. Well Rehabilitation Methods

A. Traditional Chemical Treatments

We have performed the following types of treatments for many, many years with some very good results:

- Super-chlorination: We would typically use sodium hypochlorite for any super chlorination project, in concentrations that would vary depending upon the situation.
- Acid Treatment: Hydrochloric acid and water is mixed to make a 15% muriatic acid solution. This is the traditional acid treatment solution.
- Non-Polyphosphate treatments can be performed in the rare cases where sands or silts are a problem. We tend to stay away from polyphosphate treatments due to the fact that they are food for bacteria.
- Stiles-Kem products, such as their Bio-Purge or WD-3100 chemicals have been utilized to enhance the results from our Surge and Purge and BoreBlast well treatment methods.

As mentioned previously, our Chemical Treatment Unit can be utilized in any of the above cases to help the injection of the chemical solution; surging of

the solution while in the well during reaction; and neutralization during the discharge process.

B. BoreBlast™

Many deep wells in northern Illinois have been developed using the BoreBlast process. The BoreBlast process, described in the enclosed brochure, utilizes an Air Impulse Generator suspended on a flexible high pressure hose. The tool is filled with high pressure nitrogen, or, in extreme cases, air. When the tool discharges the gas is released into the well bore. The brief release of energy creates a rapid movement of water in a percussive wave. The combined forces loosen any buildup or materials accumulated on the borehole walls. This process has also been used to successfully develop sandstone formations to increase specific capacity and decrease sand pumpage. In conjunction with this process we often utilize a submersible pump or airlift surging equipment so that we are able to pump off the loosened material immediately from the well. The various, available chemicals could also be used to help enhance this process.

C. QC-21® Well Cleaner

This is a variation of the traditional hydrochloric acid treatment and includes the use of our special QC-21 well cleaner as developed by our chemist Roger Miller and Water Systems Engineering. The addition of the QC-21 well cleaner allows us to significantly reduce the amount of the hazardous hydrochloric acid used in a well treatment. It also allows us to leave the solution in the well longer for more reaction time because of the much greater holding capacity of the dissolved solubles provided by the QC-21 well cleaner.

D. Miscellaneous

There are a number of other available well treatment methods such as surge block development, brushing, airlifting, air pressurizing, etc. that are basically very general in nature and obviously available to use, as the need arises.

10. Safety

Layne would like to stress our commitment to providing the Village of Sugar Grove with a Company committed to making Health & Safety our number one priority during the course of this contract. Layne has a comprehensive, industry leading, health and safety program which can be viewed at **www.laynesafety.com**. It is composed of, but not limited to, the following:

Supervisor's Accident Prevention Manual

Safety Practices Manual

Hazard Communication Manual

Fleet Manual

Emergency Response Plans

Site Specific Health and Safety Plan

Auditing Forms and Procedures

Mentoring Program

All Layne employees have and continue to be trained by Layne Safety. Documentation of each employees training can be provided upon request. All technicians are trained Local 150 Operating Engineers.

Appendix 1



RESOLUTION NO. 20120904PW1

VILLAGE OF SUGAR GROVE, KANE COUNTY, ILLINOIS

RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH LAYNE CHRISTENSEN COMPANY, INC.

WHEREAS, the Village of Sugar Grove Board of Trustees find that it is in the best interest of the Village to engage the services of Layne Christensen Company, Inc. to provide professional services to the Village of Sugar Grove, and to execute the attached agreement;

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows:

That attached hereto and incorporated herein by reference as Exhibit A is an agreement between Layne Christensen Company, Inc. and the Village of Sugar Grove for professional services to the Village of Sugar Grove. The President and Clerk are hereby authorized to execute said agreement on behalf of the Village and to take such further actions as are necessary to fulfill the terms of said agreement.

Passed by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, at a regular meeting thereof held on the 4th day of September, 2012.

 P Sean Michels, President of the Board
 of Trustees of the Village of Sugar Grove,
 Kane County, Illinois

ATTEST: _____
 Cynthia Galbreath, Clerk
 Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Robert E. Bohler	_____	_____	_____	_____
Trustee Kevin M. Geary	_____	_____	_____	_____
Trustee Mari Johnson	_____	_____	_____	_____
Trustee Rick Montalto	_____	_____	_____	_____
Trustee David Paluch	_____	_____	_____	_____
Trustee Thomas Renk	_____	_____	_____	_____
President P. Sean Michels	_____	_____	_____	_____

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: ANTHONY SPECIALE, DIRECTOR OF PUBLIC WORKS
BRAD MERKEL, UTILITIES SUPERVISOR
SUBJECT: RESOLUTION: AUTHORIZING A PROFESSIONAL SERVICES
AGREEMENT FOR WATER SYSTEM NEEDS WITH LAYNE
CHRISTENSEN COMPANY, INC.
AGENDA: SEPTEMBER 4, 2012 VILLAGE BOARD MEETING
DATE: AUGUST 23, 2012

ISSUE

Should the Village Board enter into a Professional Services Agreement with Layne Christensen Company, Inc.

DISCUSSION

At the August 21, 2012 Committee of the Whole Meeting, staff discussed entering into a service agreement with Layne Christensen Company, Inc. for water system needs.

Layne Christensen has been providing well rehabilitation and construction services to the Village of Sugar Grove for more than 50 years. The service agreement is non-binding and does not obligate the Village to utilize Layne Christensen for work. Individual Task Orders detailing the description of the work, costs, schedule, etc, will need to be executed for each project. Highlights of the agreement include:

- 5% reduction in labor costs on all Task Orders
- 10% reduction applied to specialized service fees
- Two year warranty on all workmanship and new Flowserve / Byron Jackson equipment
- Emergency Response Priority Service

Attorney Steve Andersson reviewed the Layne Agreement and believes that entering into an agreement with Layne Christensen Company would prove to be beneficial for the Village of Sugar Grove. The cost savings, additional warranty and priority emergency response service would be benefits to the community.

Attached for your review is the Professional Services Agreement from Layne Christensen Company.

COST

There is no cost associated with approving the agreement.

RECOMMENDATION

The Village Board approves Resolution **20120904PW1** authorizing a Professional Services Agreement for Water System Needs with Layne Christensen Company, Inc.

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: ANTHONY SPECIALE, DIRECTOR OF PUBLIC WORKS
GEOFF PAYTON, STREETS & PROPERTIES SUPERVISOR
SUBJECT: RESOLUTION: 2012 PAVEMENT MAINTENANCE PROGRAM
AGENDA: SEPTEMBER 4, 2012 REGULAR BOARD MEETING
DATE: AUGUST 31, 20128

ISSUE

Should the Village Board contract with Geneva construction for the expanded 2012 Pavement Maintenance Program.

DISCUSSION

As part of the 2012 Pavement Maintenance Program, Public Works staff is focusing on patching in the subdivisions that will be micro surfaced in 2013. This program will include edge milling, patching and the installation of miscellaneous curb and gutter sections to aid drainage.

Sealed bids were received, opened and tabulated on Thursday August 29, 2012 at 10:00 AM. The engineer's estimate for this project was \$40,000.00. We received one bid from Geneva Construction that was approximately \$10,000.00 over the estimate. Staff and EEI discussed the possibility of expanding the program to get better quantities in the hopes of delivering not only a better program, but also a program that offers more return on the Village's investment. In addition, re-bidding the revised program is not recommended due to time constraints for construction. The expanded program was submitted to Geneva Construction so they could revise their proposal. Geneva Construction was offered the opportunity based on two factors; first, they were the only bidder on the non-MFT Pavement Maintenance Program and second, they were the lowest bidder and won the award for the Dugan Road Project.

The revised program that was decided on includes the patching as planned plus the resurfacing of Neil Road (from Stanley Road to Richard Street) and Stanley Road (from Neil Road to Joy Street). These sections of road were chosen from the 5-year pavement maintenance plan that is part of our Comprehensive Pavement Maintenance Program. Geneva Construction has supplied a revised proposal based on the expanded program with a total construction cost of \$154,277.40. In addition, Village Staff will be going out

for proposals to complete \$10,000.00 worth of crack sealing independent of this contract. The total cost of construction for the 2012 Non-MFT Program is \$164,277.40. Engineering costs for the program are \$30,230.00. The total cost of the 2012 Non-MFT Pavement Maintenance Program is \$194,507.40.

COST

The Fiscal Year 2012-2013 Budget has \$130,000.00 allocated for the 2012 Pavement Maintenance Program. Account number 35-53-6303: Engineering Services has \$15,600.00 allocated for engineering and account number 35-53-7008: Streets / ROW Improvements has \$114,400.00 allocated for construction. The additional funds will utilize money from the \$240,000.00 General Fund transfer from the end of Fiscal Year 2011-2012.

RECOMMENDATION

The Village Board by consensus reject the 2012 Pavement Maintenance Program Bids.

The Village Board waive the bidding process and approve Resolution **20120904PW3** authorizing an agreement with Geneva Construction Company in the amount of \$154,277.40 for the expanded 2012 Pavement Maintenance Program.



RESOLUTION NO. 20120904PW3

VILLAGE OF SUGAR GROVE, KANE COUNTY, ILLINOIS

RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH GENEVA CONSTRUCTION COMPANY FOR CONSTRUCTION SERVICES FOR THE 2012 STREET MAINTENANCE PROGRAM

WHEREAS, the Village of Sugar Grove Board of Trustees find that it is in the best interest of the Village to engage the services of Geneva Construction Company to provide construction services for the 2012 Street Maintenance Program, and to execute the attached agreement;

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows:

The agreement between Geneva Construction Company and the Village of Sugar Grove for the professional construction services for the 2012 Street Maintenance Program. The President and Clerk are hereby authorized to execute said agreement on behalf of the Village and to take such further actions as are necessary to fulfill the terms of said agreement.

Passed by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, at a regular meeting thereof held on the 4th day of September, 2012.

 President of the Board of Trustees
 of the Village of Sugar Grove, Kane
 County, Illinois

ATTEST: _____
 Clerk, Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Robert E. Bohler	_____	_____	_____	_____
Trustee Kevin M. Geary	_____	_____	_____	_____
Trustee Mari Johnson	_____	_____	_____	_____
Trustee Rick Montalto	_____	_____	_____	_____
Trustee David Paluch	_____	_____	_____	_____
Trustee Thomas Renk	_____	_____	_____	_____
President P. Sean Michels	_____	_____	_____	_____



PROCLAMATION

No Text On Board – Pledge Day

WHEREAS, The Village of Sugar Grove holds the health and safety of its young adults as a chief concern; and

WHEREAS, text messaging is the main mode of communication for most American teenagers with half of all teens sending between 21 and 70 texts a day; and

WHEREAS, 90% of American teenagers expect a reply to a text message within minutes; and

WHEREAS, texting takes one's eyes off the road for an average of five seconds; and

WHEREAS, in a survey, 43% of American teenage drivers admitted to texting while driving even though 97% know it is dangerous; and

WHEREAS, a recent study showed those who send text messages while driving are 23 times more likely to crash; and

WHEREAS, a driver that sends a text message while driving not only jeopardizes his or her safety, but also the safety of passengers, pedestrians, and other drivers.

NOW, THEREFORE, The Village of Sugar Grove does hereby proclaim September 19, 2012 as:

“No Text On Board – Pledge Day”

And hereby encourage all drivers to take the pledge to never text and drive again.

Passed this 4th day of September, 2012

President, P. Sean Michels

Trustee, Robert E. Bohler

Trustee, Kevin M. Geary

Trustee, Mari Johnson

Trustee, Rick Montalto

Trustee, David Paluch

Trustee Thomas Renk

Village Clerk, Cynthia L. Galbreath

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: CINDY GALBREATH, VILLAGE CLERK
SUBJECT: PROCLAMATION: NO TEXT ON BOARD – PLEDGE DAY
AGENDA: SEPTEMBER 4 REGULAR BOARD MEETING
DATE: FRIDAY, AUGUST 31, 2012

ISSUE

Should the Village of Sugar Grove proclaim September 19, 2012 as No Text On Board Pledge Day.

DISCUSSION

Gov. Quinn and the IML in support of the effort to get the word out that texting and driving is dangerous are urging drivers to take the “No Text On Board Pledge”, and proclaiming September as “Texting and Driving Awareness Month” in Illinois and, specifically, proclaiming Sept. 19 as “No Text on Board Pledge Day” in Illinois.

Text messaging has become the most frequently used means of communication by many and the main mode of communication for most teenagers. Half of all teens send between 21 and 70 texts a day. And even though it is illegal to text and drive in Illinois 43% of young people admit that they send and receive texts while driving.

In recent years, there has been a spike in the number of car crash-related injuries and fatalities specifically caused by texting while driving. According to one study, wireless users who text while driving are 23 times more likely to be involved in a car crash.

September 19th, as part of the “It Can Wait” campaign is national “No Text on Board Pledge Day.” On this day, people are asked to vow to never text and drive again. The goal of this initiative is to encourage people to make a commitment to keep themselves and others on the road safe, and to spread awareness of the dangers of texting while driving.

COSTS

There are no costs.

RECOMMENDATION

That the Village Board Proclaims September 19 as No Text On Board Pledge Day.

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: BRENT M. EICHELBERGER, VILLAGE ADMINISTRATOR
SUBJECT: APPROVAL: AMENDING THE APPROVAL OF THE 5TH AMENDMENT TO THE PRAIRIE GLEN (STILLWATER) DEVELOPMENT AGREEMENT – CLARIFYING THE ABOVE GROUND POOL CONDITION
AGENDA: SEPTEMBER 4 REGULAR BOARD MEETING
DATE: AUGUST 31, 2012

ISSUE

Should the Board amend the approval of the 5th amendment providing for reduced fees and altered architectural requirements in Unit 1 (first phase of residential), in Prairie Glen, clarifying the above ground swimming pool condition.

DISCUSSION

This report assumes the reader has full knowledge of the previous Board Reports, discussions and action for this item. Additional information, if needed, is available from the Village Clerk.

This item was approved, Subject to Attorney Review, at the August 7, 2012 Regular Meeting after discussion at a Special Meeting on July 30, 2012. A condition of approval was that the Covenants, Conditions and Restrictions for the development be amended to allow above ground swimming pools on lots abutting Yolane Drive.

The Village Attorney reported at the August 7, 2012 meeting that more direction was required regarding the pool condition before the Amendment could be finalized. As the item was not listed on the agenda, no formal action could be taken, and it was determined that the Amendment should be confirmed, with clarification. After discussion of the condition and the potential implications, the majority of the Board stated that they prefer to remove the pool condition.

With the removal of the condition, no changes are necessary to the Amendment or the Ordinance, as presented at the August 7 meeting. As such, these items are not attached. They are available from the Village Clerk.

COST

The requesting parties are reimbursing the Village for all costs associated with the preparation and approval of the amendment.

RECOMMENDATION

That the Board approve amending the approval of Ordinance 20120807D amending the Prairie Glen Development Agreement to remove the above ground pool condition.

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: RICHARD YOUNG, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: DISCUSSION: AMENDING DEVELOPMENT ESCROW PROVISIONS
AGENDA: SEPTEMBER 4, 2012 COMMITTEE OF THE WHOLE
DATE: AUGUST 31, 2012

ISSUE

Should the Village amend the Subdivision Regulations to change the manner in which reimbursement is made for the costs of construction and consulting services associated with subdivision improvements.

DISCUSSION

The Village requires developers to reimburse for costs, such as legal and civil engineering review services, incurred in the review, approval and monitoring of a subdivision. Developers are currently allowed to choose between paying actual costs or paying a set fee of 3 ½ % of the cost of construction of land improvements at the time of final plat approval.

This provisions has worked well, however, in today's development climate, there can be long periods of time between the recording of final plat and construction. Many times the Village must re-review and/or re-inspect improvements (punchlist items). This can cause a challenge in funding the consultant services. This challenge occurs most often when the developer has final plat approval but has been unable to move forward with construction and/or the public improvements are not completed. This is especially true when a development is acquired by a new owner.

When a development site sits idle for a number of years and the improvements have not been completed or maintained, their condition must be evaluated and completion confirmed before final acceptance by the Village. This review work can come many years after the recording of the final plat.

Amending the process will alleviate any funding problems for the Village and save costs that need to be fronted by a developer. Staff suggests that the COTW consider eliminating the 3½% option and the use a "pay as you go" process for the reimbursement of service costs. This process would be the same as the one used for services performed prior to recording of final plat which is the developer is invoiced

monthly for costs incurred. In order to facilitate this an amendment to the Subdivision Control Code will be needed.

COST

There are no costs associated with this item at this time.

RECOMMENDATION

That the Village Board discusses amending the Subdivision Regulations regarding reimbursement for the costs of construction and consulting services associated with subdivision improvements and directs staff accordingly.



**VILLAGE OF SUGAR GROVE
KANE COUNTY, ILLINOIS**

Ordinance NO. 20120904A

**An Ordinance banning Video Gaming pursuant to
230 ILCS 40/27 for the Village of Sugar Grove,
Kane County, Illinois**

Adopted by the
Board of Trustees and President
of the Village of Sugar Grove
this 4th day of September, 2012.

Published in Pamphlet Form
by authority of the Board of Trustees
of the Village of Sugar Grove, Kane County,
Illinois, this 4th day of September, 2012.

ORDINANCE NO. 20120904A

**An Ordinance banning Video Gaming pursuant to
230 ILCS 40/27 for the Village of Sugar Grove,
Kane County, Illinois**

BE IT ORDAINED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows;

WHEREAS, the Village of Sugar Grove is not a home rule municipality within Article VII, Section 6A of the Illinois Constitution and, pursuant to the powers granted to it under 65 ILCS 5/1-1 *et seq.*; and,

WHEREAS, the Village wishes to amend Section 5-2-2-10 of the Village of Sugar Grove Code of Ordinances to ban video gaming pursuant to 230 ILCS 40/27 ,

NOW THEREFORE BE IT ORDAINED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows;

SECTION ONE: AMENDMENT

The Village Code of Ordinances Section 5-2-2-10 is hereby amended to read as follows:

5-2-2-10: GAMBLING:

A. Gambling Prohibited: A person commits gambling when he:

1. Plays a game of chance or skill for money or other thing of value, unless excepted in 720 Illinois Compiled Statutes 5/20-1 **except for Video Gaming pursuant to 230 ILCS 40/1 et seq. which is hereby prohibited below**; or
2. Makes a wager upon the result of any game, contest or any political nomination, appointment or election; or
3. Operates, keeps, owns, uses, purchases, exhibits, rents, sells, bargains for the sale or lease of, manufactures or distributes any gambling device; or
4. Contracts to have or give himself or another the option to buy or sell, or contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, where it is at the time of making such contract intended by both parties thereto that the contract to buy or sell, or the option, whenever exercised, or the contract resulting therefrom, shall be settled, not by the receipt or delivery of such property, but by the payment only of differences in prices thereof; however, the issuance, purchase, sale, exercise, endorsement or

guarantee, by or through a person registered with the Secretary of State pursuant to 815 Illinois Compiled Statutes 5/8 section 8 of the Illinois Securities Law of 1953, or by or through a person exempt from such registration under said section 8, of a put, call or other option to buy or sell securities which have been registered with the Secretary of State or which are exempt from such registration under 815 Illinois Compiled Statutes 5/3 section 3 of the Illinois Securities Law of 1953 is not gambling within the meaning of this subsection A4; or

5. Knowingly owns or possesses any book, instrument or apparatus by means of which bets or wagers have been, or are, recorded or registered, or knowingly possesses any money which he has received in the course of a bet or wager; or

6. Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment or election; or

7. Sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any lottery; or

8. Sets up or promotes any policy game or sells, offers to sell or knowingly possesses or transfers any policy ticket, slip, record, document or other similar device; or

9. Knowingly drafts, prints or publishes any lottery ticket or share, or any policy ticket, slip, record, document or similar device, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state or foreign government; or

10. Knowingly advertises any lottery or policy game, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state.

11. Knowingly transmits information as to wagers, betting odds, or changes in betting odds by telephone, telegraph, radio, semaphore or similar means; or knowingly installs or maintains equipment for the transmission or receipt of such information; except that nothing in this subsection 11 prohibits transmission or receipt of such information for use in news reporting events or contents.

12. Video Gaming as defined and regulated in 230 ILCS 40/1 et seq. is hereby prohibited pursuant to 230 ILCS 40/27 in the Village of Sugar Grove.

SECTION TWO: GENERAL PROVISIONS

REPEALER: All ordinances or portions thereof in conflict with this ordinance are hereby repealed.

SEVERABILITY: Should any provision of this Ordinance be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and effect the same as

if the invalid provision had not been a part of this Ordinance.

EFFECTIVE DATE: This Ordinance shall be in full force and effect on and after its approval, passage and publication in pamphlet form as provided by law.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, this 4th day of September 2012.

P. Sean Michels
President of the Board of Trustees
of the Village of Sugar Grove, Kane
County, Illinois

ATTEST: _____
Cynthia L. Galbreath
Clerk, Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Mari Johnson	___	___	___	___
Trustee Thomas Renk	___	___	___	___
Trustee Rick Montalto	___	___	___	___
Trustee Robert E. Bohler	___	___	___	___
Trustee David Paluch	___	___	___	___
Trustee Kevin M. Geary	___	___	___	___
President P. Sean Michels	___	___	___	___

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: CINDY GALBREATH, VILLAGE CLERK
SUBJECT: DISCUSSION: VIDEO GAMING
AGENDA: SEPTEMBER 4, 2012 REGULAR BOARD MEETING
DATE: AUGUST 31, 2012

ISSUE

Should the Village of Sugar Grove allow video gaming.

DISCUSSION

The Board first discussed Video Gaming on August 7, 2012 and then again on August 21, 2012. At the meeting on August 21st members of the audience spoke both for and against allowing video gaming in the Village. At that time the Board asked that staff work with the Village attorney to prepare an ordinance banning gaming for their consideration. An ordinance has been drafted and is attached.

This evening the Board has four options:

1. The Ordinance passes in a vote, Video Gaming is banned.
2. The Ordinance fails in a vote, Video Gaming will be allowed as it currently is.
3. The Ordinance is tabled, in which case Video Gaming would continue to be allowed pending passage at a subsequent meeting.
4. There is no motion and/or second, in which case there will be no vote, and Video Gaming would continue to be allowed.

COSTS

There is no cost associated with the discussion of allowing Video Gaming in the Village of Sugar Grove.

RECOMMENDATION

That the Village Board further discusses video gaming and takes appropriate action.



August 1, 2012

Mr. Anthony Speciale
Public Works Director
Village of Sugar Grove
601 Heartland Drive
Sugar Grove, IL 60554

**Re: Professional Engineering Services for
Mallard Point to Settlers Ridge
Water Main Improvements
Village of Sugar Grove, Kane County, IL**

Dear Mr. Speciale:

Please find our contract for professional design and construction engineering services for the Mallard Point to Settlers Ridge Water Main Loop Improvements. We have attached two (2) copies of the contract and supporting documentation for your review and execution.

This water main improvement has been previously identified in the Village of Sugar Grove Water Works System Needs Assessment dated May 2006.

To summarize, the proposed professional design and construction engineering services to complete this work are **\$47,300** as presented on Attachment C and broken down as follows:

Design Engineering Services and Additional Design Services (\$27,800):

- Design Engineering Services = \$22,500 Fixed Fee (8.0% of Construction Costs)
- Preparation of Easements = \$300 Hourly (0.1% of Construction Costs)
- Additional Design Services by Sub-consultants = \$5,000 Actual Costs

Construction Engineering Services (\$19,500):

- Construction Services = \$19,500 Fixed Fee (\$13,500 Hourly + \$6,000 Fixed Fee)
(6.9% of Construction Costs)

Mr. Anthony Speciale
August 1, 2011
Page 2 of 2

Thank you for this opportunity to submit this Agreement. We look forward to continuing our close working relationship with the Village. If you have any questions, please do not hesitate to call.

Respectfully submitted,

ENGINEERING ENTERPRISES, INC.

A handwritten signature in black ink, appearing to read "David R. Burroughs", with a long, sweeping flourish extending to the right.

David R. Burroughs, P.E.
Senior Vice President

MLP/arf
Enclosure

pc: Mr. Brent Eichelberger, Village Administrator
Mr. Rich Young, Community Development Director
MLP, DMT, EEI

AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES

This Agreement, made this _____ day of _____, 20____, by and between the Village of Sugar Grove, Kane County, Illinois, hereafter referred to as the OWNER, and Engineering Enterprises, Inc., Sugar Grove, Illinois hereinafter referred to as the ENGINEER amends and supercedes all previous contracts:

The OWNER intends to construct Water Main Improvements in Sugar Grove, Kane County, State of Illinois and for which the ENGINEER agrees to perform the various professional engineering services for the design and construction of said improvements. The OWNER intends to construct the improvements as follows: construct approximately 1,430 feet of water main from Mallard Point, north across Prairie Street and the BNSF Railroad tracks, to the water main at the Water Treatment Plant Site in Settlers Ridge for Wells No. 10 and 11 per attached Exhibit A.

WITNESSETH:

That for and in consideration of the mutual covenants and promises between the parties hereto, it is hereby agreed:

SECTION A - PROFESSIONAL DESIGN ENGINEERING SERVICES

The ENGINEER shall furnish professional design engineering services as follows:

1. The ENGINEER will attend conferences with the OWNER, or other interested parties as may be reasonably necessary.
2. The ENGINEER will perform the necessary design surveys, accomplish the detailed design of the project, prepare construction drawings, specifications and contract documents, and prepare a final cost estimate based on final design for the entire system. It is also understood that if subsurface explorations (such as borings, soil tests, rock soundings and the like) are required, the ENGINEER will furnish coordination of said explorations without additional charge, but the costs incident to such explorations shall be paid for by the OWNER as set out in Section D hereof.
3. The contract documents furnished by the ENGINEER under Section A-2 shall utilize IEPA endorsed construction contract documents, including Supplemental General Conditions, Contract Change Orders, and partial payment estimates.

(Section A – Continued)

4. Prior to the advertisement for bids, the ENGINEER will provide for each construction contract, not to exceed 10 copies of detailed drawings, specifications, and contract documents for use by the OWNER, appropriate Federal, State, and local agencies from whom approval of the project must be obtained. The cost of such drawings, specifications, and contract documents shall be included in the basic compensation paid to the ENGINEER.
5. The ENGINEER will furnish additional copies of the drawings, specifications and contract documents as required by prospective bidders, material suppliers, and other interested parties, but may charge them for the reasonable cost of such copies. Upon award of each contract, the ENGINEER will furnish to the OWNER five sets of the drawings, specifications and contract documents for execution. The cost of these sets shall be included in the basic compensation paid to the ENGINEER. Original documents, survey notes, tracings, and the like, except those furnished to the ENGINEER by the OWNER, are and shall remain the property of the ENGINEER.
6. The drawings prepared by the ENGINEER under the provisions of Section A-2 above shall be in sufficient detail to permit the actual location of the proposed improvements on the ground. The ENGINEER shall prepare and furnish to the OWNER without any additional compensation, three copies of map(s) showing the general location of needed construction easements and permanent easements and the land to be acquired. Property surveys, property plats, property descriptions, abstracting and negotiations for land rights shall be accomplished by the OWNER, unless the OWNER requests, and the ENGINEER agrees to provide those services. In the event the ENGINEER is requested to provide such services, the ENGINEER shall be additionally compensated as set out in Section D hereof.
7. The ENGINEER will attend the bid opening and tabulate the bid proposal, make an analysis of the bids, and make recommendations for awarding contracts for construction.
8. The ENGINEER further agrees to obtain and maintain, at the ENGINEER's expense, such insurance as will protect the ENGINEER from claims under the Workman's Compensation Act and such comprehensive general liability insurance as will protect the OWNER and the ENGINEER from all claims for bodily injury, death, or property damage which may arise from the performance by the ENGINEER or by the ENGINEER's employees of the ENGINEER's functions and services required under this Agreement.
9. The ENGINEER will complete the final plans, specifications and contract documents and submit for approval of the OWNER, and all State regulatory agencies to meet the project schedule(s) as summarized in Attachment A: "Schedule – Mallard Point to Settlers Ridge Water Main Improvements" dated August 1, 2012.

(Section A – Continued)

If the above is not accomplished within the time period specified, this Agreement may be terminated by the OWNER. The time for completion may be extended by the OWNER for a reasonable time if completion is delayed due to unforeseeable cases beyond the control and without the fault or negligence of the ENGINEER.

SECTION B - PROFESSIONAL CONSTRUCTION ENGINEERING SERVICES

The ENGINEER shall furnish professional construction engineering services as follows:

1. The ENGINEER will review, for conformance with the design concept, shop and working drawings required by the construction Contract Documents and indicate on the drawings the action taken. Such action shall be taken with reasonable promptness.
2. The ENGINEER will interpret the intent of the drawings and specifications to protect the OWNER against defects and deficiencies in construction on the part of the contractors. The ENGINEER will not, however, guarantee the performance by any contractor.
3. The ENGINEER will evaluate and determine acceptability of substitute materials and equipment proposed by Contractor(s).
4. The ENGINEER will establish baselines for locating the work together with a suitable number of bench marks adjacent to the work as shown in the contract documents.
5. The ENGINEER will provide general engineering review of the work of the Contractor(s) as construction progresses to ascertain that the Contractor is conforming with the design concept.
 - (a) ENGINEER shall have authority, as the OWNER's representative, to require special inspection of or testing of the work, and shall receive and review all certificates of inspections, testing and approvals required by laws, rules, regulations, ordinances, codes, orders or the Contract Documents (but only to determine generally that their content complies with requirements of, and the results certified indicate compliance with, the Contract Documents).
 - (b) During such engineering review, ENGINEER shall have the authority, as the OWNER's representative, to disapprove of or reject Contractor(s)' work while it is in progress if ENGINEER believes that such work will not produce a completed Project that conforms generally to the Contract Documents or that it will prejudice the integrity of the design concept of the Project as reflected in the Contract Documents.

(Section B – Continued)

6. The ENGINEER will provide resident construction observation. Resident construction observation shall consist of visual inspection of materials, equipment, or construction work for the purpose of ascertaining that the work is in substantial conformance with the contract documents and with the design intent. Such observation shall not be relied upon by others as acceptance of the work. The ENGINEER's undertaking hereunder shall not relieve the Contractor of Contractor's obligation to perform the work in conformity with the drawings and specifications and in a workmanlike manner; shall not make the ENGINEER an insurer of the Contractor's performance; and shall not impose upon the ENGINEER any obligation to see that the work is performed in a safe manner. Attachment B - The Limitations of Authority, Duties and Responsibilities of the Resident Construction Observer is attached to this Agreement.
7. The ENGINEER will cooperate and work closely with representatives of the OWNER.
8. Based on the ENGINEER's on-site observations as an experienced and qualified design professional, on information provided by the Resident Construction Observer, and upon review of applications for payment with the accompanying data and schedules by the Contractor, the ENGINEER:
 - (a) Shall determine the amounts owing to Contractor(s) and recommend in writing payments to Contractor(s) in such amounts. Such recommendations of payment will constitute a representation to OWNER, based on such observations and review, that the work has progressed to the point indicated, and that, to the best of the ENGINEER's knowledge, information and belief, the quality of such work is generally in accordance with the Contract Documents (subject to an evaluation of such work as a functioning whole prior to or upon substantial completion, to the results of any subsequent tests called for in the Contract Documents, and to any other qualifications stated in the recommendation).
 - (b) By recommending any payment, ENGINEER will not hereby be deemed to have represented that exhaustive, continuous or detailed reviews or examinations have been made by ENGINEER to check the quality or quantity of Contractor(s)' work as it is furnished and performed beyond the responsibilities specifically assigned to ENGINEER in the Agreement and the Contract Documents. ENGINEER's review of Contractor(s)' work for the purposes of recommending payments will not impose on Engineer responsibility to supervise, direct or control such work or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto or Contractor(s) compliance with laws, rules, regulations, ordinances, codes or orders applicable to their furnishing and performing the work. It will also not impose responsibility on ENGINEER to make any examination to ascertain how or for what purposes any Contractor has used the moneys paid on account of the Contract Price, or to determine that title to any of the work, materials equipment has passed to OWNER free and clear of any lien, claims,

(Section B – Continued)

security interests, or encumbrances, or that there may not be other matters at issue between OWNER and Contractor that might affect the amount that should be paid.

9. The ENGINEER will prepare necessary contract change orders for approval of the OWNER, and others on a timely basis.
10. The ENGINEER will make a final review prior to the issuance of the statement of substantial completion of all construction and submit a written report to the OWNER. Prior to submitting the final pay estimate, the ENGINEER shall submit the statement of completion to and obtain the written acceptance of the facility from the OWNER.
11. The ENGINEER will provide the OWNER with one set of reproducible record (as-built) drawings, and two sets of prints at no additional cost to the OWNER. Such drawings will be based upon construction records provided by the contractor during construction and reviewed by the resident construction observer and from the resident construction observer's construction data.
12. If State Statutes require notices and advertisements of final payment, the ENGINEER shall assist in their preparation.
13. The ENGINEER will be available to furnish engineering services and consultations necessary to correct unforeseen project operation difficulties for a period of one year after the date of statement of substantial completion of the facility. This service will include instruction of the OWNER in initial project operation and maintenance but will not include supervision of normal operation of the system. Such consultation and advice shall be at the hourly rates as described in the attached "Standard Schedule of Charges", dated January 1, 2012. The ENGINEER will assist the OWNER in performing a review of the project during the 11th month after the date of the certificate of substantial completion.
14. The ENGINEER further agrees to obtain and maintain, at the ENGINEER's expense, such insurance as will protect the ENGINEER from claims under the Workman's Compensation Act and such comprehensive general liability insurance as will protect the OWNER and the ENGINEER from all claims for bodily injury, death, or property damage which may arise from the performance by the ENGINEER or by the ENGINEER's employees of the ENGINEER's functions and services required under this Agreement.

(Section B – Continued)

15. The ENGINEER will provide construction engineering services in accordance with the periods summarized in Attachment A: "Schedule – Mallard Point to Settlers Ridge Water Main Improvements" dated August 1, 2012.

If the above is not accomplished within the time period specified, this Agreement may be terminated by the OWNER. The time for completion may be extended by the OWNER for a reasonable time if completion is delayed due to unforeseeable cases beyond the control and without the fault or negligence of the ENGINEER.

SECTION C – COMPENSATION FOR ENGINEERING SERVICES

1. The OWNER shall compensate the ENGINEER for professional design engineering services in the approximate amount of Twenty-Two Thousand Five Hundred and 00/100 - Fixed Fee (FF) Dollars (\$22,500 FF) as summarized on Attachment C: "Summary of Compensation for Professional Engineering Services" dated August 1, 2012.
 - (a) The compensation for the professional design engineering services shall be payable as follows:
 - (1) A sum which does not exceed ninety percent (90%) of the total compensation payable under Section C-1 shall be paid in monthly increments for work actually completed and invoiced, for the preparation and submission to the OWNER and/or IEPA of the construction drawings, specifications, cost estimates and contract documents.
 - (2) A sum which, together with the compensation paid pursuant to Section C-1(a)(1) above, equals one hundred percent (100%) of the total compensation due and payable in accord with Section C-1 above, shall be due immediately after the award of construction contract(s) is approved by the corporate authorities.
2. The OWNER shall compensate the ENGINEER for the construction engineering services in the amount Nineteen Thousand Five Hundred and 00/100 Dollars (\$ 19,500) including Six Thousand and 00/100 - Fixed Fee (FF) Dollars (\$ 6,000 FF) and including Thirteen Thousand Five Hundred and 00/100 - Hourly (FF) Dollars (\$ 13,500 HR) as summarized on Attachment C: "Summary of Compensation for Professional Engineering Services" dated August 1, 2012.
 - (a) The compensation for the construction administration and record drawings services shall be payable as follows:

(Section C – Continued)

- (1) A sum which does not exceed ninety percent (90%) of the total compensation payable under Section C-2 shall be paid in monthly increments for work actually completed and invoiced, for the administration of the construction contracts.
 - (2) A sum which, together with the compensation paid pursuant to Section C-2(a)(1) above, equals one hundred percent (100%) of the total compensation due and payable in accord with Section C-2 above, shall be due immediately after the final Contractor pay-out is processed.
- (b) The compensation for the construction staking and layout and construction observation (including the Resident Construction Observer) services shall be payable as follows:
 - (1) A sum which equals any charges for work actually completed and invoiced shall be paid at least once per month.
 - (2) On May 1 of each calendar year, the "Standard Schedule of Charges" may be reevaluated by the ENGINEER to account for cost of living and/or cost of engineering service changes in subsequence year.
3. The OWNER shall compensate the ENGINEER for the preparation/coordination of easements and any additional consultation and surveying services on the basis of Hourly Rates - HR as described on the attached "Standard Schedule of Charges" dated January 1, 2012. The estimated values are included in Attachment C.
 - (a) The compensation for the preparation of easements and any additional consultation and surveying services shall be payable as follows:
 - (1) A sum which equals any charges for work actually completed and invoiced shall be paid at least once per month.
 - (2) On May 1 of each calendar year, the "Standard Schedule of Charges" may be reevaluated by the ENGINEER to account for cost of living and/or cost of engineering service changes in subsequence year.

(Section C – Continued)

4. The compensation for any additional engineering services authorized by the OWNER pursuant to Section D shall be payable as follows:
 - (a) A sum which equals any charges for work actually completed and invoiced shall be paid at least once per month.

SECTION D – ADDITIONAL ENGINEERING SERVICES

In addition to the foregoing being performed, the following services may be provided UPON PRIOR WRITTEN AUTHORIZATION OF THE OWNER.

1. Site surveys for water treatment plants, sewage treatment works, dams, reservoirs, and other similar special surveys as may be required.
2. Laboratory tests, well tests, borings, specialized geological soils hydraulic, or other studies recommended by the ENGINEER.
3. Property surveys, detailed description of sites, maps, drawings, or estimates related thereto; assistance in negotiating for land and easement rights.
4. Necessary data and filing maps for litigation, such as condemnation.
5. Redesigns ordered by the OWNER after final plans have been accepted by the OWNER and IEPA.
6. Appearances before courts or boards on matters of litigation or hearings related to the project.
7. Preparation of environmental impact assessments or environmental impact statements.
8. Making drawings from field measurements of existing facilities when required for planning additions or alterations thereto.
9. Services due to changes in the scope of the Project or its design, including but not limited to, changes in size, complexity, schedule or character of construction.
10. Revising studies or reports which have previously been approved by the OWNER, or when revisions are due to cases beyond the control of the ENGINEER.
11. Preparation of design documents for alternate bids where major changes require additional documents.

(Section D – Continued)

12. Preparation of detailed renderings, exhibits or scale models for the Project.
13. Providing special analysis of the OWNER's needs such as owning and operating analysis, plan for operation and maintenance, OWNER's special operating drawings or charts, and any other similar analysis.
14. The preparation of feasibility studies, appraisals and evaluations, detailed quantity surveys of material and labor, and material audits or inventories by the OWNER.
15. Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) defective or incomplete work of the Contractor, and/or (3) the Contractor's default on the Construction Contract due to delinquency or insolvency.
16. Providing design services relating to future facilities, systems and equipment which are not intended to be constructed or operated as a part of the Project.
17. Providing other services not otherwise provided for in this Agreement, including services normally furnished by the OWNER as described in Section F – SPECIAL PROVISIONS – Owner's Responsibilities.

Payment for the services specified in this Section D shall be as agreed in writing between the OWNER and the ENGINEER prior to commencement of the work. The ENGINEER will render to OWNER for such services an itemized bill, separate from any other billing, once each month, for compensation for services performed hereunder during such period, the same to be due and payable by OWNER to the ENGINEER on or before the 10th day of the following period. Payment for services noted in D shall be at Actual Cost (AC), Fixed Fee (FF) or Hourly (HR).

SECTION E - INTEREST ON UNPAID SUMS

OWNER shall make all payments to ENGINEER in accord with the requirements of the Illinois Local Government Prompt Payment Act, 50 ILCS 505/1 et seq., including but not limited to the penalty provisions contained therein.

SECTION F - SPECIAL PROVISIONS

1. OWNER'S RESPONSIBILITIES
 - (a) Provide to the ENGINEER all criteria, design and construction standards and full information as to the OWNER's requirements for the Project.

(Section F – Continued)

- (b) Designate a person authorized to act as the OWNER's representative. The OWNER or his representative shall receive and examine documents submitted by the ENGINEER, interpret and define the OWNER's policies and render decisions and authorizations in writing promptly to prevent unreasonable delay in the progress of the ENGINEER's services.
- (c) Furnish laboratory tests, air and water pollution tests, reports and inspections of samples, materials or other items required by law or by governmental authorities having jurisdiction over this Project, or as recommended by the ENGINEER.
- (d) Provide legal, accounting, right-of-way acquisition and insurance counseling services necessary for the Project, legal review of the construction Contract Documents, and such auditing services as the OWNER may require to account for expenditures of sums paid to the Contractor.
- (e) Furnish above services at the OWNER's expense and in such manner that the ENGINEER may rely upon them in the performance of his services under this Agreement and in accordance with the Project timetable.
- (f) In the event that the OWNER shall bring any suit, cause of action or counterclaim against the ENGINEER, to the extent that the ENGINEER shall prevail, the party initiating such action shall pay to the ENGINEER the cost and expenses incurred to answer and/or defend such action, including reasonable attorney fees and court costs. In no event shall the ENGINEER indemnify any other party for the consequences of that party's negligence, including failure to follow the ENGINEER's recommendations.
- (g) Guarantee full and free access for the ENGINEER to enter upon all property required for the performance of the ENGINEER's services under this Agreement.
- (h) Give prompt written notice to the ENGINEER whenever the OWNER observes or otherwise becomes aware of any defect in the Project or other event which may substantially affect the ENGINEER's performance of services under this Agreement.
- (i) Protect and preserve all survey stakes and markers placed at the project site prior to the assumption of this responsibility by the Contractor and bear all costs of replacing stakes or markers damaged or removed during said time interval.

(Section F – Continued)

2. All original documents, including but not limited to ideas, designs, drawings and specifications, are to remain the property of the ENGINEER, however, the ENGINEER shall provide signed duplicate originals of same to the OWNER. Modifications of any signed duplicate original document not authorized by ENGINEER will be at OWNER's sole risk and without legal liability to the ENGINEER. Use of any incomplete, unsigned document will, likewise, be at the OWNER's sole risk and without legal liability to the ENGINEER.
3. Delegation of Duties - Neither the OWNER nor the ENGINEER shall delegate his duties under this Agreement without the written consent of the other.
4. Extent of Agreement - This Agreement represents the entire and integrated Agreement between the OWNER and the ENGINEER and supersedes all prior negotiations, representations or agreement, either written or oral. This Agreement may be amended only by written instrument signed by the OWNER and the ENGINEER.
5. Governing Law - Unless otherwise specified within this Agreement, this Agreement shall be governed by the law of the principal place of business of the ENGINEER.
6. In the event any provisions of this Agreement shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties.
7. The ENGINEER has not been retained or compensated to provide design services relating to the Contractor's safety precautions or to means, methods, techniques, sequences, or procedures required by the Contractor to perform his work but not relating to the final or completed structure; omitted services include but are not limited to shoring, scaffolding, underpinning, temporary retainment of excavations and any erection methods and temporary bracing.
8. The ENGINEER intends to render his services under this Agreement in accordance with generally accepted professional practices for the intended use of the Project.

(Section F – Continued)

9. Since the ENGINEER has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s) methods of determining prices, or over competitive bidding or market conditions, his opinions of probable Project Costs and Construction Costs provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but the ENGINEER cannot and does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost prepared by him. If prior to the bidding or negotiating phase OWNER wishes greater assurance as to project or construction costs he shall employ an independent cost estimator.

10. TERMINATION

(a) Should the OWNER decide to abandon, discontinue, or terminate the Project at any stage of development, the ENGINEER shall receive seven (7) days written notice and be compensated for their services through the appropriate fee schedule provided for in the Agreement to date of abandonment, discontinuance or termination.

(b) In the event the project is delayed for causes beyond the control of the ENGINEER for a period of six months or more, the ENGINEER shall be paid for his services to the beginning of the delay on the basis of actual cost plus 125% to cover profit, overhead and readiness to serve - "actual cost" being defined as material costs plus actual payrolls, insurance, social security and retirement deductions. Traveling and other out-of-pocket expense will be reimbursed to the ENGINEER at his actual cost.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in duplicate on the respective dates indicated below.

(SEAL)

OWNER: Village of Sugar Grove

By _____

ATTEST _____

Print Name P. Sean Michels

Print Name Ms. Cynthia Galbreath

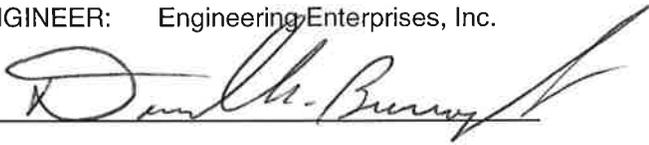
Title Village President

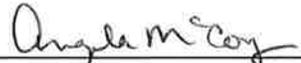
Title Village Clerk

Date _____

(SEAL)

ENGINEER: Engineering Enterprises, Inc.

By 

ATTEST  _____

Print Name David R. Burroughs, P.E.

Print Name Angela McCoy

Title Senior Vice President

Title Accounting Assistant

Date August 1, 2012

ATTACHMENT B

to

Agreement for Professional Engineering Services

THE LIMITATIONS OF AUTHORITY, DUTIES AND RESPONSIBILITIES OF THE RESIDENT CONSTRUCTION OBSERVER ARE AS FOLLOWS:

1. The Resident Construction Observer shall act under the direct supervision of the ENGINEER, shall be the ENGINEER's agent in all matters relating to on-site construction review of the Contractor's work, shall communicate only with the ENGINEER and the Contractor (or Contractors), and shall communicate with subcontractors only through the Contractor or his authorized superintendent. The OWNER shall communicate with the Resident Construction Observer only through the ENGINEER.
2. The Resident Construction Observer shall review and inspect on-site construction activities of the Contractor relating to portions of the Project designed and specified by the Engineer as contained in the Construction Contract Documents.
3. Specifically omitted from the Resident Construction Observer's duties are any review of the Contractor's safety precautions, or the means, methods, sequences, or procedures required for the Contractor to perform the work but not relating to the final or completed Project. Omitted design or review services include but are not limited to shoring, scaffolding, underpinning, temporary retainment of excavations and any erection methods and temporary bracing.
4. The specific duties and responsibilities of the Resident Construction Observer are enumerated as follows:
 - (a) Schedules: Review the progress schedule, schedule of Shop Drawing submissions and schedule of values prepared by Contractor and consult with ENGINEER concerning their acceptability.
 - (b) Conferences: Attend preconstruction conferences. Arrange a schedule of progress meetings and other job conferences as required in consultation with ENGINEER and notify those expected to attend in advance. Attend meetings and maintain and circulate copies of minutes thereof.
 - (a) Liason:
 - (1) Serve as ENGINEER's liaison with Contractor, working principally through Contractor's superintendent and assist him in understanding the intent of the Contract Documents.

(Attachment B – Continued)

- (2) Assist ENGINEER in serving as OWNER's liaison with Contractor when Contractor's operations affect OWNER's on-site operations.
 - (3) As requested by ENGINEER, assist in obtaining from OWNER additional details or information, when required at the job site for proper erection of the work.
- (d) Shop Drawings and Samples:
- (1) Receive and record date of receipt of Shop Drawings and samples.
 - (2) Receive samples which are furnished at the site by Contractor, and notify ENGINEER of their availability for examination.
 - (3) Advise ENGINEER and Contractor or its superintendent immediately of the commencement of any work requiring a Shop Drawing or sample submission if the submission has not been approved by ENGINEER.
- (e) Review of Work, Rejection of Defective Work, Inspections and Tests:
- (1) Conduct on-site inspection of the work in progress to assist ENGINEER in determining if the work is proceeding in accordance with the Contract Documents and that completed work will conform to the Contract Documents.
 - (2) Report to ENGINEER whenever he believes that any work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or does not meet the requirements of any inspections, test or approval required to be made or has been damaged prior to final payment; and advise ENGINEER when he believes work should be corrected or rejected or should be uncovered for inspection, or requires special testing, inspection or approval.
 - (3) Verify that tests, equipment and systems start-ups, and operating and maintenance instructions are conducted as required by the Contract Documents and in presence of the required personnel, and that Contractor maintains adequate records thereof; observe, record and report to ENGINEER appropriate details relative to the test procedures and start-ups.

(Attachment B – Continued)

- (4) Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the outcome of these inspections and report to ENGINEER.

- (f) Interpretation of Contract Documents: Transmit to Contractor ENGINEER's clarifications and interpretations of the Contract Documents.

- (g) Modifications: Consider and evaluate Contractor's suggestions for modifications in Drawings or Specifications and report them with recommendations to ENGINEER.

- (h) Records:
 - (1) Maintain at the job site orderly files for correspondence, reports of job conferences, Shop Drawings and samples submissions, reproductions of original Contract Documents including all addenda, change orders, field orders, additional drawings issued subsequent to the execution of the Contract, ENGINEER's clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents.

 - (2) Keep a diary or log book, recording hours on the job site, weather conditions, data relative to questions of extras or deductions, list of visiting officials and representatives of manufacturers, fabricators, suppliers and distributors, daily activities, decisions, observations in general and specific observations in more detail as in the case of observing test procedures. Send copies to ENGINEER.

 - (3) Record names, addresses and telephone numbers of all Contractors, subcontractors and major suppliers of materials and equipment.

- (i) Reports:
 - (1) Furnish ENGINEER periodic reports as required of progress of the work and Contractor's compliance with the approved progress schedule and schedule of Shop Drawing submissions.

 - (2) Consult with ENGINEER in advance of schedule major tests, inspections or start of important phases of the work.

(Attachment B – Continued)

- (3) Report immediately to ENGINEER upon the occurrence of any accident.

- (j) Payment Requisitions: Review applications for payment with Contractor for compliance with the established procedure for their submission and forward them with recommendations to ENGINEER, noting particularly their relation to the schedule of values, work completed and materials and equipment delivered at the site but not incorporated in the work.

- (k) Certificates, Maintenance and Operating Manuals: During the course of the work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by Contractor are applicable to the items actually installed; and deliver this material to ENGINEER for his review and forwarding to OWNER prior to final acceptance of the work.

- (l) Completion:
 - (1) Before ENGINEER issues a Statement of Substantial Completion, submit to Contractor a list of observed items requiring completion or correction.

 - (2) Conduct final review in the company of ENGINEER, OWNER and Contractor and prepare a final list of items to be completed or corrected.

 - (3) Verify that all items on final list have been completed or corrected and make recommendations to ENGINEER concerning acceptance.

**ATTACHMENT C - SUMMARY OF COMPENSATION FOR
PROFESSIONAL ENGINEERING SERVICES**

MALLARD POINT TO SETTLERS RIDGE WATER MAIN IMPROVEMENTS
Village of Sugar Grove, Kane Co., IL

August 1, 2012

ESTIMATED CONSTRUCTION COSTS

PROJECT NUMBER	PROJECT DESCRIPTION	ESTIMATED CONSTRUCTION COSTS W/ CONT.
	MALLARD POINT TO SETTLERS RIDGE WATER MAIN IMPROVEMENTS	\$282,000
ESTIMATED CONSTRUCTION COST TOTAL		\$282,000

PROFESSIONAL ENGINEERING FEES

PROFESSIONAL SERVICES		FEES
DESIGN ENGINEERING FEES		
02A	FIELD RECONNAISSANCE AND PLANNING PHASE	\$2,000 FF
	FINAL DESIGN PHASE	\$20,500 FF
DESIGN ENGINEERING SUBTOTAL		\$22,500
CONSTRUCTION ENGINEERING SERVICES		
3-1	CONSTRUCTION ADMINISTRATION	\$4,200 FF
3-2	CONSTRUCTION STAKING AND LAYOUT	\$1,000 HR
3-3	CONSTRUCTION OBSERVATION	\$12,500 HR
3-4	RECORD DRAWINGS	\$1,800 FF
CONSTRUCTION ENGINEERING SUBTOTAL		\$19,500
ADDITIONAL DESIGN SERVICES		
02B	PREPARATION/COORDINATION OF EASEMENTS	\$300 HR
02C	SUBSURFACE SOIL INVESTIGATIONS	\$5,000 AC
ADDITIONAL DESIGN SERVICES SUBTOTAL		\$5,300
PROFESSIONAL ENGINEERING FEES TOTAL		\$47,300

\\c:\SUGARGRO\2010\SG1009 Watermain Looping Improvements Mallard Point to Settlers Ridge\PSA[Attachment C - fee summary01.xls]Summary

FEES LEGEND:

HR = HOURLY
FF = FIXED FEE
AC = ACTUAL COST



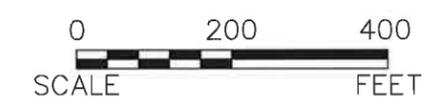
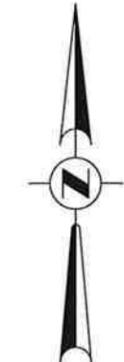
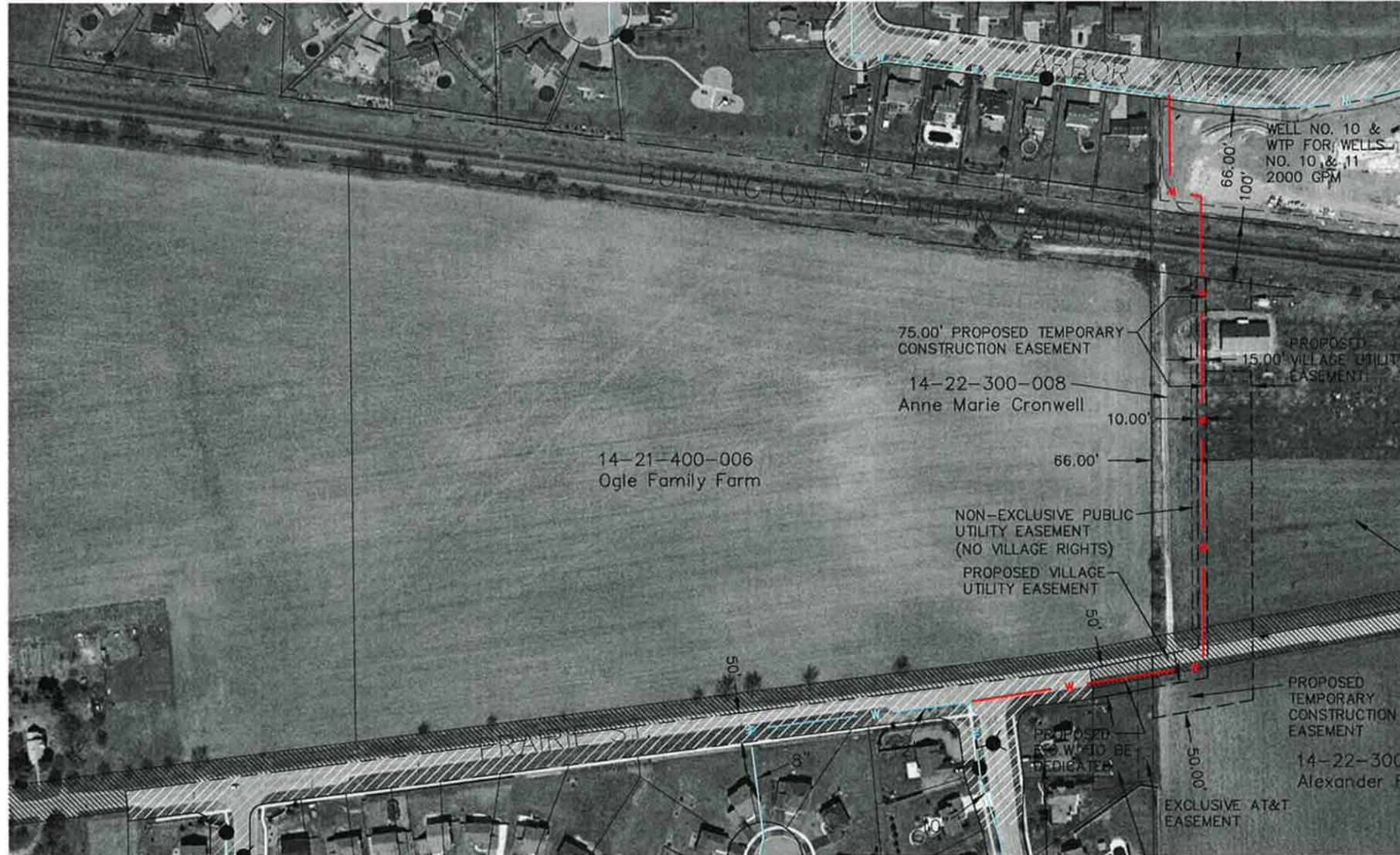
Standard Schedule of Charges

January 1, 2012

EMPLOYEE DESIGNATION	CLASSIFICATION	HOURLY RATE
Senior Principal	E-4	\$171.00
Principal	E-3	\$168.00
Senior Project Manager	E-2	\$160.00
Project Manager	E-1	\$146.00
Senior Project Engineer/Planner/Surveyor II	P-6	\$134.00
Senior Project Engineer/Planner/Surveyor I	P-5	\$125.00
Project Engineer/Planner/Surveyor	P-4	\$114.00
Senior Engineer/Planner/Surveyor	P-3	\$105.00
Engineer/Planner/Surveyor	P-2	\$ 96.00
Associate Engineer/Planner/Surveyor	P-1	\$ 85.00
Senior Project Technician II	T-6	\$125.00
Senior Project Technician I	T-5	\$114.00
Project Technician	T-4	\$105.00
Senior Technician	T-3	\$ 96.00
Technician	T-2	\$ 85.00
Associate Technician	T-1	\$ 76.00
Administrative Assistant	A-3	\$ 78.00
CREW RATES, VEHICLES AND REPROGRAPHICS		
1 Man Field Crew with Standard Survey Equipment		\$137.00
2 Man Field Crew with Standard Survey Equipment		\$213.00
1 Man Field Crew with RTS or GPS *		\$169.00
2 Man Field Crew with RTS or GPS *		\$245.00
Vehicle for Construction Observation		\$15.00
In-House Scanning and Reproduction	\$0.25/Sq. Ft. (Black & White) \$1.00/Sq. Ft. (Color)	

*RTS = Robotic Total Station / GPS = Global Positioning System

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- = DEDICATED RIGHT OF WAY
- = PRESCRIPTIVE RIGHT OF WAY
- W— = EXISTING WATER MAIN
- W— = PROPOSED WATER MAIN

Engineering Enterprises, Inc.
 CIVIL ENGINEERS & LAND SURVEYORS
 52 Wheeler Road
 Sugar Grove, Illinois 60554
 630.466.6700 / www.eeiweb.com

EXHIBIT 1
 PROJECT NO: SG0905
 FILE NO: SG0905-ROW-EXHIBIT

Preliminary Cost Estimate
Mallard Point to Settlers Ridge Water Main Loop Improvements
Village of Sugar Grove, Kane County, Illinois
February 16, 2010

Item No.	Item	Unit	Quantity	Unit Cost	Amount
1	Topsoil Stripping, Piling, and Replacing	Lump Sum	1	\$ 6,000.00	\$ 6,000.00
2	Hot-Mix Asphalt Pavement Replacement	Sq. Yd.	90	70.00	6,300.00
3	Connection to Existing Water Main	Each	2	2,000.00	4,000.00
4	Water Main, 16-Inch Class 52, D.I.P.	Foot	1,430	55.00	78,650.00
5	Gate Valve & Valve Vault, 16-Inch (Resilient Seat) in 60-Inch Vault	Each	6	6,500.00	39,000.00
6	Fire Hydrant Assembly, 6-Inch MJ	Each	4	4,000.00	16,000.00
7	Ductile Iron Fittings	Lump Sum	1	6,000.00	6,000.00
8	Bore and Jack 30-Inch Steel Casing Pipe with a 0.375-Inch Wall Thickness	Foot	200	300.00	60,000.00
9	Foundation Material	Cu. Yd.	100	25.00	2,500.00
10	Controlled Low-Strength Material	Cu. Yd.	225	125.00	28,125.00
11	Watermain Testing - Pressure and Disinfection	Lump Sum	1	2,500.00	2,500.00
12	Restoration	Lump Sum	1	2,000.00	2,000.00
13	Traffic Control	Lump Sum	1	5,000.00	5,000.00
Sub-total					\$ 256,075.00
Contingency (10%)					25,610.00
Total Estimated Cost Of Construction					281,685.00
Engineering - Design (8%)					22,500.00
Engineering - Construction (7%)					19,700.00
Railroad Liability Insurance					1,000.00
Railroad Flagger (at the time of construction - assumed 3 days@\$800)					2,400.00
Legal Fees & Easement Acquisition					20,000.00
Total Estimated Cost Of Project					\$ 347,285.00

Notes: -- All values are based on 2010 construction costs.

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**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: ANTHONY SPECIALE, DIRECTOR OF PUBLIC WORKS
BRAD MERKEL, PUBLIC UTILITIES SUPERVISOR
SUBJECT: RESOLUTION: AUTHORIZING AN AGREEMENT WITH EEI FOR
THE WATER MAIN IMPROVEMENTS FROM THE MALLARD
POINT TO SETTLERS RIDGE SUBDIVISIONS
AGENDA: SEPTEMBER 4, 2012 REGULAR BOARD MEETING
DATE: AUGUST 23, 2012

ISSUE

Should the Village extend the water main between the Mallard Point to Settlers Ridge Subdivisions.

DISCUSSION

The 2006 Water Works Needs Assessment Study identified the extension of the water main between Mallard Point and Settlers Ridge as a recommended improvement. This will enable the Village to provide better water service to both subdivisions by improving overall water quality, ensuring adequate fire flow in case of an emergency and eliminating two sections of dead end water main.

Staff has worked with EEI to develop an estimated cost of \$27,800 for professional design engineering and \$19,500 for construction engineering of the project. The engineer's estimate for construction of the water main is \$281,685.

Considering the recent savings on similar projects combined with the anticipated benefits of the extension, Staff believes this would be an advantageous time to begin this project.

COST

The proposed cost for Engineering Enterprises, Inc. to complete design and construction engineering services for the Watermain Improvements from the Mallard Point to Settlers Ridge Subdivisions is \$47,300. The Fiscal Year 12-13 Water Capital Budget, account number 50-71-6303: Engineering has \$42,200 budgeted for the Watermain Improvements.

RECOMMENDATION

The Village Board approves Resolution # **20120904PW2** authorizing an agreement with Engineering Enterprises, Inc. for the Design and Construction Engineering Services for the Watermain Improvements from the Mallard Point to Settlers Ridge Subdivisions pending the Village acquiring the necessary easements subject to attorney review.



RESOLUTION NO. 20120904PW2

VILLAGE OF SUGAR GROVE, KANE COUNTY, ILLINOIS

**RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH
ENGINEERING ENTERPRISES, INC. FOR THE WATER MAIN IMPROVEMENTS
FROM THE MALLARD POINT TO SETTLERS RIDGE SUBDIVISIONS**

WHEREAS, the Village of Sugar Grove Board of Trustees find that it is in the best interest of the Village to engage the services of Engineering Enterprises, Inc. to provide professional design and construction engineering services for the water main improvements from the Mallard Point to Settlers Ridge Subdivisions, and to execute the attached agreement;

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows:

That attached hereto and incorporated herein by reference as Exhibit A is an agreement between Engineering Enterprises, Inc. and the Village of Sugar for the professional design and construction engineering services for the water main improvements from the Mallard Point to Settlers Ridge Subdivisions. The President and Clerk are hereby authorized to execute said agreement on behalf of the Village and to take such further actions as are necessary to fulfill the terms of said agreement.

Passed by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, at a regular meeting thereof held on the 4th day of September, 2012.

P. Sean Michels, President of the Board
of Trustees of the Village of Sugar Grove,
Kane County, Illinois

ATTEST: _____
Cynthia Galbreath, Village Clerk,
Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Robert E. Bohler	_____	_____	_____	_____
Trustee Kevin M. Geary	_____	_____	_____	_____
Trustee Mari Johnson	_____	_____	_____	_____
Trustee Rick Montalto	_____	_____	_____	_____
Trustee David Paluch	_____	_____	_____	_____
Trustee Thomas Renk	_____	_____	_____	_____
President P. Sean Michels	_____	_____	_____	_____