



# MOLINE CITY COUNCIL AGENDA

Tuesday, July 17, 2012

6:30 p.m.

(immediately following the Committee-of-the-Whole meeting)

City Hall

Council Chambers – 2<sup>nd</sup> Floor

619 16th Street

Moline, IL

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**CONSENT AGENDA**

All items under the consent agenda are considered to be routine in nature and will be enacted by one motion. There will be no separate discussions of these items unless a council member so requests, in which event the item will be removed from the consent agenda and considered as the first item after approval of the consent agenda.

COUNCIL MEMBER	PRESENT	ABSENT
Knaack		
Meredith		
Raes		
Ronk		
Turner		
Schoonmaker		
Liddell		
Acri		
Mayor Welvaert		

**APPROVAL OF MINUTES**

Committee-of-the-Whole and Council meeting minutes of July 10, 2012 and June Financial Report

**SECOND READING ORDINANCES**

**1. Council Bill/General Ordinance 3017-2012**

An Ordinance amending Chapter 4, “ALCOHOLIC LIQUOR,” of the Moline Code of Ordinances, by repealing Sections 4-3304(d)(2), (e)(2) and (f)(2) in their entirety.

**EXPLANATION:** The Local Liquor Control Commissioner and City staff has determined that certain amendments to the City’s liquor code will improve related existing application procedures and help increase business within the City. They therefore recommend repealing Sections 4-3304(d)(2), (e)(2) and (f)(2) to delete limitations on the number of licenses allowed for Class C, CC and CCC Liquor Licenses, thereby eliminating a current waiting list for Class CC Packaged Sales Only-Secondary licenses and potential restrictions for future applicants of these three license types.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** Pamphlet publication required

**2. Council Bill/Special Ordinance 4023-2012**

An Ordinance authorizing the issuance of not to exceed \$16,200,000 General Obligation Refunding Bonds of 2012 of the City of Moline, Illinois.

**EXPLANATION:** Due to favorable interest rates in the current market, it has been determined to be in the best interest of the City of Moline to borrow funds at these lower interest rates through issuance of bonds to advance refund the outstanding 2004A (Police and Library Facilities) and 2004B bonds (Mid Towne Ramp – non taxable) and 2004C bonds (Mid Towne Ramp – taxable) for debt service savings. This parameter ordinance will only trigger a bond issue subject to the City realizing a net present value savings of not less than 2.5% of the amount of the bonds being refunded.

**FISCAL IMPACT:** At current market interest rates, estimated gross savings are \$750,302.

**PUBLIC NOTICE/RECORDING:** Yes, County Clerk

**RESOLUTIONS**

**3. Council Bill/Resolution 1194-2012**

A Resolution authorizing the Mayor and City Clerk to execute a contract with Walter D. Laud, Inc. for Project #1161, 2012 Water Main Improvements, in the amount of \$346,885.50.

**EXPLANATION:** Bids were opened and publicly read on June 26, 2012, with Walter D. Laud, Inc. submitting the lowest responsive and responsible bid.

**FISCAL IMPACT:** Funds are budgeted and available as follows:

ACCOUNT	BUDGETED	AS-BID
CIP		510-9957-438.08-10
Water		310-1716-434.04-25
WPC		320-1835-433.08-30
Storm		330-1971-433.08-35
		\$346,885.50

**PUBLIC NOTICE/RECORDING:** N/A

**4. Council Bill/Resolution 1195-2012**

A Resolution authorizing the Mayor and City Clerk to execute a contract with A.J. Excavating, Inc. for Project #1165, Parking Lot and Demolition at 17<sup>th</sup> Street and River Drive, in the amount of \$182,007.10.

**EXPLANATION:** Bids were opened and publicly read on July 3, 2012, for Project #1165 with A.J. Excavating, Inc. submitting the lowest responsive and responsible bid. Project #1165 includes the demolition of the Indecco Building at 1710 River Drive and the construction of a pervious asphalt parking lot at 1708 and 1710 River Drive.

**FISCAL IMPACT:** TIF #1 funds are available for this project.

**PUBLIC NOTICE/RECORDING:** N/A

**5. Council Bill/Resolution 1196-2012**

A Resolution authorizing a Reconciliation Change Order with Miller Trucking and Excavating for Project No. 1157, 16<sup>th</sup> Street Water Main Improvements, in the amount of \$4,180.29.

**EXPLANATION:** In order to make final payment to the contractor and close out the contract, a change order is needed in the amount of \$4,180.29. The change order reflects the difference between the estimated bid quantities and final quantities actual constructed. The change order increases the original contract value of \$111,307.75 by 3.8% to \$115,488.04. The majority of the change order cost is related to the repair of a leaking sanitary sewer lateral.

**FISCAL IMPACT:** Funds are available as detailed below.

ACCOUNT	BUDGETED	ORIGINAL CONTRACT	ADDITIONAL WORK	TOTAL
Utility Tax				
Water		111,307.75	464.13	111,771.88
WPC			3,716.16	3,716.16
Storm				
		111,307.75	4,180.29	115,488.04

**PUBLIC NOTICE/RECORDING:** N/A

**6. Council Bill/Resolution 1197-2012**

A Resolution authorizing the Mayor and City Clerk to apply for a highway permit and execute the necessary forms for the proposed Ericsson School Celebrate Education Parade scheduled for Friday, September 7, 2012.

**EXPLANATION:** This is a yearly event.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** N/A

**7. Council Bill/Resolution 1198-2012**

A Resolution authorizing the Mayor and City Clerk to accept a letter of proposal from Northwest Bank & Trust Company to allow the City of Moline to pay off a non-recourse loan on the Hawk Hallow property at a discounted amount to release its mortgage on the property.

**EXPLANATION:** In August 2009, the City Council entered into a Development Agreement with Northwest Bank & Trust Company and Moline Place Development Company, L.L.C. (Michael Shamsie), to facilitate the demolition of the nurses' dormitory on the property and transfer ownership of the Hawk Hallow Redevelopment site (formerly known as Phases II and III of One Moline Place) to the City. The City Council approved an amended Redevelopment Agreement in October 2010 that enabled the complete build-out of Phase I of the project and the demolition of the dormitory. The demolition was completed in early 2011 and the property was transferred to the City with a \$440,000 mortgage in the form of a non-recourse loan to be paid once the City sold the property to a new developer. The City Council approved a Term Sheet with IDP Illinois Acquisition Company, L.L.C. (Irgens Development Partners) to redevelop the property upon completion of its due diligence, and the developer is now nearing completion of that process and anticipates entering into a Purchase Agreement for \$440,000 and advancing the project. Pursuant to the letter of proposal attached hereto as Exhibit "A," Northwest Bank & Trust has offered to release the \$440,000 mortgage on the property by July 31, 2012 at a discounted pay-off amount of \$396,000 by the City. The mortgage will be paid from funds loaned from the General Fund to TIF District #6 and will be paid back to the General Fund upon sale of the property.

**FISCAL IMPACT:** Savings of \$44,000 in TIF expenses

**PUBLIC NOTICE/RECORDING:** Release to be recorded by Law Department

**8. Council Bill/Resolution 1199-2012**

A Resolution authorizing the Planning & Development Department to submit an Application for an Illinois Environmental Protection Agency ("IL EPA") Municipal Brownfields Redevelopment Grant in the amount of \$9,575.00.

**EXPLANATION:** During final site grading at RiverTech, foreign objects were uncovered. Sampling analysis concluded the foreign objects were damaged drums of dried lead paint. The contaminated area has been defined. It is estimated that digging and hauling the contaminated soil to the landfill and hauling clean fill will take two days. The total project cost is estimated to be \$13,748.20. The grant would reimburse the City 70% (\$9,575.00).

**FISCAL IMPACT:** \$2,050.00 from TIF 1 (\$2,123.20 from in-kind service)

**PUBLIC NOTICE/RECORDING:** N/A

**9. Council Bill/Resolution 1200-2012**

A Resolution authorizing the Mayor and City Clerk to execute an agreement to accept funding, and execute all necessary assurances and certifications to the Illinois Housing Development Authority (IHDA) for program year 2012 awarded Single Family Owner-Occupied Rehabilitation (SFOOR) funds in the amount of \$210,000.00; and authorizing the Planning and Development Department to begin work upon the execution of an agreement between the City and the Illinois Housing Development Authority (IHDA) to accept funding for program year 2012 awarded Single Family Owner-Occupied Rehabilitation (SFOOR) funds in the amount of \$210,000.00.

**EXPLANATION:** The SFOOR program is part of the HOME Program, which is a federal housing "block grant" program for which Moline does not qualify as a direct formula grantee ("participating jurisdiction"). The Planning and Development Department prepared the grant and submitted it to IHDA for funding in which the City of Moline was awarded \$210,000.00. Loans for rehabilitation shall not be less than \$4,000.00 and not more than \$40,000.00 per applicant.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** Public Notice Required

**10. Council Bill/Resolution 1201-2012**

A Resolution authorizing the Mayor to execute an inter agency agreement between the City of Moline and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for non-criminal justice applicants.

**EXPLANATION:** Criminal justice record information is needed from time to time by the City of Moline on non-criminal justice applicants for various city positions. This information can only be obtained through the fee based fingerprint submission service provided by the Illinois State Police. Execution of an inter agency agreement by the Mayor is required in order to utilize this service.

**FISCAL IMPACT:** Fees paid are part of the application process.

**PUBLIC NOTICE/RECORDING:** N/A

**11. Council Bill/Resolution 1202-2012**

A Resolution authorizing the Mayor to execute an inter agency agreement between the City of Moline Liquor Control Commission and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for liquor license applicants.

**EXPLANATION:** Criminal justice record information is needed by the City of Moline on all liquor license applicants. This information can only be obtained through the fee based fingerprint submission service provided by the Illinois State Police for non-criminal justice applicants. Execution of an inter agency agreement by the Liquor Commissioner (Mayor) is required in order to utilize this service.

**FISCAL IMPACT:** Fees paid are part of the application process.

**PUBLIC NOTICE/RECORDING:** N/A

**12. Council Bill/Resolution 1203-2012**

A Resolution authorizing the Interim Public Safety Director to execute an inter agency agreement between the Moline Fire Department and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for fire department applicants.

**EXPLANATION:** Criminal justice record information is needed by the City of Moline Fire Department on all fire department applicants. This information can only be obtained through the fee based fingerprint submission service provided by the Illinois State Police for non-criminal justice applicants. Execution of an inter agency agreement by the Interim Public Safety Director is required in order to utilize this service.

**FISCAL IMPACT:** Fees paid are part of the application process.

**PUBLIC NOTICE/RECORDING:** N/A

**13. Council Bill/Resolution 1204-2012**

A Resolution authorizing the Chief of Police to accept the proposal submitted by Etico Solutions, Inc., Macomb, Illinois, in the amount of \$14,903.72 to conduct a patrol staffing study for the police department.

**EXPLANATION:** A Request for Proposals (RFP) was issued on May 2, 2012 for qualified firms to provide a comprehensive police patrol operations staffing study; specifically, to review and analyze the existing law enforcement workload, deployment and allocation of personnel and staffing in the Operations Division. The five responses received during the solicitation period were subsequently reviewed by the Chief of Police, two captains and the three Operations lieutenants, taking into consideration the price and evaluation factors set forth in the RFP. Etico Solutions is recommended as the most advantageous to the City of Moline and in the City's best interest. The cost for the study will be paid from police asset forfeiture funds.

**FISCAL IMPACT:** \$14,903.72 from Police Asset Forfeiture Funds.

**PUBLIC NOTICE/RECORDING:** N/A

**14. Council Bill/Resolution 1205-2012**

A Resolution authorizing the Mayor and City Clerk to execute a First Amendment to Promissory Note, First Amendment to Loan and Property Development Agreement, and First Amendment to Collateral and Security Agreement between Financial District Properties HQO, L.L.C., an Illinois limited liability company, and the City.

**EXPLANATION:** In 2007, the City approved a loan to Financial District Properties HQO, L.L.C. (HQO) in the amount of \$7.5 million, and was granted first position mortgage to allow HQO to purchase the old KONE property. The term of the loan was 36 months with a maturity date of December 31, 2010. As the promissory note approached maturity, HQO indicated it would be unable to pay off the loan due to economic conditions. Council Bill 1246-2010 authorized the Mayor and City Clerk to enter into a Collateral and Security Agreement with HQO. The Collateral and Security Agreement provided for additional security for the City’s Seven Million, Five Hundred Thousand Dollar (\$7,500,000.00) loan, and the City also agreed and contracted with HQO to refinance the remaining principal balance owed on the Loan for three years at an interest rate of 3.25% per annum, monthly interest payments only. At the time the Collateral and Security Agreement was entered, there were no written amendments made to the Loan Agreement or Promissory Note regarding the change in the interest rate or the extension of the term of the note. The parties have continued, since December 31, 2010, to operate under the original Loan Agreement and Promissory Note, but according to the terms set forth in the Collateral and Security Agreement. The attached First Amendment to Loan and Property Development Agreement (Exhibit A) and the First Amendment to Promissory Note (Exhibit B) amend the Loan Agreement and Promissory Note pursuant to the terms in the Collateral and Security Agreement. The First Amendment to Collateral and Security Agreement (Exhibit C) amends the date monthly payments are due under Paragraphs IV and V.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** Appropriate documents to be recorded by the City Attorney’s Office.

**15. Council Bill/Resolution 1206-2012**

A Resolution authorizing the Mayor and City Clerk to amend Council Bill/Resolution No. 1188-2012, a Licensing Agreement with Windstream, KDL, Inc. to install fiber optic cable in right-of-way.

**EXPLANATION:** On June 12, 2012, the City Council approved a resolution to enter into a licensing agreement with Windstream, KDL, Inc. to install fiber-optic facilities in right-of-way at four different locations. One of those locations was proposed to run from 34<sup>th</sup> Street, along the north side of 12<sup>th</sup> Avenue right-of-way, to 41<sup>st</sup> Street and then north in 41<sup>st</sup> Street right-of-way to the Moline Housing Authority facility located at 1150 41<sup>st</sup> Street. The applicant has discovered existing utilities on the north side of 12<sup>th</sup> Avenue that are an obstruction to running the line in that location. The new proposal has the bore running on the south side of 12<sup>th</sup> Avenue. This amendment to the previously approved resolution, Council Bill/Resolution No. 1188-2012, will authorize the City Council to amend the installation locations as shown on the attached Exhibit “A.”

OMNIBUS VOTE		
Council Member	Aye	Nay
Meredith		
Raes		
Ronk		
Turner		
Schoonmaker		
Liddell		
Acri		
Knaack		
Mayor Welvaert		

**FISCAL IMPACT:** \$560 application fee & \$30 annual fee

**PUBLIC NOTICE/RECORDING:** N/A

**OMNIBUS VOTE**

**ITEMS NOT ON CONSENT**

**SECOND READING ORDINANCES**

**16. Council Bill/General Ordinance 3018-2012**

An Ordinance amending Chapter 4, “ALCOHOLIC LIQUOR,” of the Moline Code of Ordinances, by repealing Section 4-3208(b) in its entirety and enacting in lieu thereof one new Section 4-3208(b) dealing with the same subject matter.

**EXPLANATION:** The Local Liquor Control Commissioner and City staff have determined that certain amendments to the City’s liquor code will improve related existing application procedures and help increase business within the City. They therefore recommend amending Section 4-3208(b) by increasing the non-refundable application fee of \$2,000 to \$3,000 for all applicants, except those seeking Class D/Fraternal Organization, Class I Special Event, and Class J Park Concession licenses, to more accurately cover costs associated with processing the applications, including necessary reviews and background investigations.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** Pamphlet publication required

**17. Council Bill/General Ordinance 3019-2012**

An Ordinance amending Chapter 5, “AMUSEMENTS,” of the Moline Code of Ordinances, by repealing Article I, “AMUSEMENT DEVICES,” in its entirety and enacting in lieu thereof one new Article I relating to the same subject matter; and Chapter 22, “OFFENSES – MISCELLANEOUS,” of the Moline Code of Ordinances, by repealing Article V, “GAMBLING,” in its entirety and enacting in lieu thereof one new Article V relating to the same subject matter.

3018-2012		
Council Member	Aye	Nay
Meredith		
Raes		
Ronk		
Turner		
Schoonmaker		
Liddell		
Acri		
Knaack		
Mayor Welvaert		

**EXPLANATION:** In accordance with the City’s resolution of intent to permit video gaming in Moline pursuant to the Video Gaming Act, 230 ILCS 40/1 et seq., this ordinance will amend the Code of Ordinances, Chapters 5 and 22, to repeal or amend applicable prohibitions and regulations contained therein. This ordinance will further amend certain provisions contained in Chapter 22 to clarify language pertaining to lotteries within the City.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** Pamphlet publication required

**18. Council Bill/Special Ordinance 4024-2012**

A Special Ordinance authorizing the Mayor and City Clerk to execute a Third Amendment to Development Agreement between the City of Moline and Autumn Trails, L.L.C. for the Bethany Project.

**EXPLANATION:** The Developer has requested the City amend the current development agreement to amend the schedule of completion and to also fund the remaining increment upfront as opposed to an annual rebate. Due to the housing market and financing options for the project, the completion has been delayed. The Developer has reached an agreement with the lending institution, and a mechanism to complete the project has been developed. The project consists of 33 units and an assisted living center containing 41 units. There are 2 units substantially complete but unoccupied, and 9 units remaining to be constructed and sold. There are 22 occupied units and the assisted living center is open. The revised schedule would complete the project in 2013.

3019-2012		
Council Member	Aye	Nay
Meredith		
Raes		
Ronk		
Turner		
Schoonmaker		
Liddell		
Acri		
Knaack		
Mayor Welvaert		

4024-2012		
Council Member	Aye	Nay
Meredith		
Raes		
Ronk		
Turner		
Schoonmaker		
Liddell		
Acri		
Knaack		
Mayor Welvaert		

**FISCAL IMPACT:** \$736,619.08 to be repaid with TIF Increment

**PUBLIC NOTICE/RECORDING:** N/A

**FIRST READING ORDINANCES**

**19. Council Bill/Special Ordinance 4025-2012**

A Special Ordinance closing certain streets more particularly described herein to vehicular traffic and authorizing the use of public right-of-way in conjunction with the Crime Stoppers 5K Run scheduled for Saturday, August 4, 2012.

**EXPLANATION:** This is a yearly event.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** N/A

**20. Council Bill/Special Ordinance 4026-2012**

A Special Ordinance closing certain streets more particularly described herein to vehicular traffic and authorizing the use of public right-of-way in conjunction with the 5th Avenue Cruise In scheduled for Saturday, August 4, 2012.

**EXPLANATION:** This is a yearly event.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** N/A

**21. Council Bill/Special Ordinance 4027-2012**

A Special Ordinance closing certain streets more particularly described herein to vehicular traffic and authorizing the use of public right-of-way in conjunction with the Children's Wellness Fair scheduled for Saturday, August 4, 2012.

**EXPLANATION:** Salem Lutheran Church is holding a Children's Wellness Fair to promote wellness to children and their families.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** N/A

**22. Council Bill/Special Ordinance 4028-2012**

A Special Ordinance closing certain streets more particularly described herein to vehicular traffic and authorizing the use of public right-of-way in conjunction with the Ericsson School Celebrate Education Parade scheduled for Friday, September 7, 2012.

**EXPLANATION:** This is a yearly event.

**FISCAL IMPACT:** N/A

**PUBLIC NOTICE/RECORDING:** N/A

**MISCELLANEOUS BUSINESS**

**PUBLIC COMMENT**

Members of the public are permitted to speak after first stating their name and address.

**EXECUTIVE SESSION**

Council Bill/General Ordinance No. 3017-2012  
Sponsor:\_\_\_\_\_

AN ORDINANCE

AMENDING Chapter 4, "ALCOHOLIC LIQUOR," of the Moline Code of Ordinances, by repealing Sections 4-3304(d)(2), (e)(2) and (f)(2) in their entirety.

---

WHEREAS, the Local Liquor Control Commissioner and City staff have determined that certain amendments to the City's liquor code will improve related existing application procedures and help to increase business within the City, and they recommend approval of the amendments; and

WHEREAS, amendments to Sections 4-3304(d)(2), (e)(2) and (f)(2) will repeal limitations on the number of licenses allowed for Class C, CC and CCC Liquor Licenses, thereby eliminating a current waiting list for Class CC Packaged Sales Only-Secondary licenses and potential restrictions for future applicants of these three license types.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That Chapter 4, "ALCOHOLIC LIQUOR," of the Moline Code of Ordinances, Sections 4-3304(d)(2), (e)(2) and (f)(2) are hereby repealed in their entirety.

**Section 2** – That this ordinance shall be in full force and effect from and after passage, approval and, if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed:\_\_\_\_\_

Approved:\_\_\_\_\_

Attest:\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

Council Bill/Special Ordinance No. 4023-2012

Sponsor: \_\_\_\_\_

A SPECIAL ORDINANCE

AUTHORIZING the issuance of not to exceed \$16,200,000 General Obligation Refunding Bonds of 2012 of the City of Moline, Illinois.

---

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

Section 1. **Authority and Purpose.** This ordinance is adopted pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and Section 2-1110 of the Moline Code of Ordinances for the purpose of authorizing the refunding of all or a portion of (A) the \$8,190,000 outstanding principal amount of General Obligation Corporate Purpose Bonds, Series 2004A, of the City maturing in the years 2014 to 2018, both inclusive and 2024 (the “2004A Bonds”); (B) the \$3,790,000 outstanding principal amount of General Obligation Corporate Purpose Bonds, Series 2004B, of the City maturing in the years 2014 to 2020, both inclusive (the “2004B Bonds”); and (C) the \$2,795,000 outstanding principal amount of General Obligation Corporate Purpose Bonds, Taxable Series 2004C, of the City maturing in the years 2014, 2017 and 2020 (the “2004C Bonds”).

It is found and determined that borrowing money through the issuance of the bonds herein authorized is necessary for the welfare of the government and affairs of the City, is for a proper public purpose and is in the public interest.

Section 2. **Refunding Plan.** The City may determine to refund and redeem all, a portion or none of the 2004A Bonds, the 2004B Bonds and the 2004C Bonds. The particular 2004A Bonds to be refunded and redeemed (the “Prior 2004A Bonds”), the particular 2004B Bonds to be refunded and redeemed (the “Prior 2004B Bonds”) and the particular 2004C Bonds to be refunded and redeemed (the “Prior 2004C Bonds” and together with the Prior 2004A Bonds and the Prior 2004B Bonds, the “Prior Bonds”) shall be specified in the Bond Order to be executed by the City Administrator. The date of redemption of the Prior 2004A Bonds shall be June 1, 2014. The date of redemption of the Prior 2004B Bonds and the Prior 2004C Bonds shall be May 1, 2014. The Mayor, City Administrator, Finance Director and the other officers and officials of the City are authorized and directed to do, or cause to be done, all things necessary to accomplish the refunding and redemption of the Prior Bonds.

Section 3. **Authorization and Terms of Bonds.** (A) To meet part of the estimated costs of refunding the Prior 2004A Bonds, including the costs of issuance of the bonds authorized by this paragraph, there is hereby appropriated the sum of \$8,800,000. Pursuant to the home rule powers of the City to issue debt payable from ad valorem property tax receipts and for the purpose of financing said appropriation, general obligation bonds of the City are authorized to be issued and sold in an aggregate principal amount of not to exceed \$8,800,000 (the “First Series Bonds”). The principal amount of the First Series Bonds to be issued shall be specified in the Bond Order.

(B) To meet part of the estimated costs of refunding the Prior 2004B Bonds, including the costs of issuance of the bonds authorized by this paragraph, there is hereby appropriated the sum of \$4,100,000. Pursuant to the home rule powers of the City to issue debt payable from ad valorem property tax receipts and for the purpose of financing said appropriation, general obligation bonds of the City are authorized to be issued and sold in an aggregate principal amount of not to exceed \$4,100,000 (the “Second Series Bonds”). The principal amount of the Second Series Bonds to be issued shall be specified in the Bond Order.

(C) To meet part of the estimated costs of refunding the Prior 2004C Bonds, including the costs of issuance of the bonds authorized by this paragraph, there is hereby appropriated the sum of \$3,300,000. Pursuant to the home rule powers of the City to issue debt payable from ad valorem property tax receipts and for the purpose of financing said appropriation, general obligation bonds of the City are authorized to be issued and sold in an aggregate principal amount of not to exceed \$3,300,000 (the “Third Series Bonds” and together with the First Series Bonds and the Second Series Bonds, the “Bonds”). The principal amount of the Third Series Bonds to be issued shall be specified in the Bond Order.

(D) Each series of the Bonds shall be designated “General Obligation Refunding Bonds,” shall bear an additional series designation of “Series 2012G,” “Series 2012H” or “Series 2012I” as determined in the Bond Order and, any Third Series Bonds shall bear the additional designation “Taxable.”

(E) Bonds shall be issuable in the denominations of \$5,000 or any integral multiple thereof and may bear such identifying numbers or letters as shall be useful to facilitate the registration, transfer and exchange of Bonds. Each Bond delivered upon the original issuance of the Bonds shall be dated as of the date specified in the Bond Order. Each Bond thereafter issued upon any transfer, exchange or replacement of Bonds shall be dated so that no gain or loss of interest shall result from such transfer, exchange or replacement.

(F) The Bonds shall mature in such years, on such dates and in such principal amounts as shall be determined in the Bond Order, provided that no First Series Bond shall mature later than December 1, 2023 and no Second Series Bond or Third Series Bond shall mature later than November 1, 2020.

(G) Each Bond shall bear interest from its date, computed on the basis of a 360 day year consisting of twelve 30 day months and shall be payable in lawful money of the United States of America on such interest payment dates and at such rates as shall be determined in the Bond Order, provided that no Bond shall bear interest at a rate exceeding five percentum (5.00%) per annum.

(H) No First Series Bonds shall be sold pursuant to this ordinance unless the sum of (i) the taxes levied pursuant to Section 10 of this ordinance and (ii) the moneys to be deposited into the First Series Debt Service Fund (established by this ordinance) is sufficient to provide for the punctual payment of the principal of and interest on the First Series Bonds.

(I) No Second Series Bonds shall be sold pursuant to this ordinance unless the sum of (i) the taxes levied pursuant to Section 11 of this ordinance and (ii) the moneys to be deposited into the Second Series Debt Service Account (established by this ordinance) is sufficient to provide for the punctual payment of the principal of and interest on the Second Series Bonds.

(J) No Third Series Bond shall be sold pursuant to this ordinance unless the sum of (i) the taxes levied pursuant to Section 12 of this ordinance and (ii) the moneys to be deposited into the Third Series Debt Service Account (established by this ordinance) is sufficient to provide for the punctual payment of the principal of and interest on the Third Series Bonds.

(K) The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, which is hereby appointed as bond registrar and paying agent for the Bonds. Interest on the Bonds shall be payable on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of the bond registrar, as of the close of business on the 15<sup>th</sup> day of the calendar month next preceding the applicable interest payment date. Interest on the Bonds shall be paid by check or draft mailed to such registered owners at their addresses appearing on the registration books or by wire transfer pursuant to an agreement by and between the City and the registered owner.

(L) The Bonds of each series may be subject to redemption prior to maturity as determined in the Bond Order, at the option of the City and upon notice as herein provided, in such principal amounts and from such maturities as the City shall determine and by lot within a single maturity of the same series, at such redemption prices as determined in the Bond Order and not in excess of 102% of the principal amount to be redeemed, for such periods of redemption as determined in the Bond Order.

(M) Bonds of like series and maturity may be subject to mandatory redemption, by the application of sinking fund installments, all as determined in the Bond Order. All Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to the principal amount thereof to be redeemed. The bond registrar is hereby authorized and directed to mail notice of the mandatory sinking fund redemption of Bonds in the manner provided in this section.

(N) Whenever Bonds subject to mandatory sinking fund redemption are redeemed at the option of the City, the principal amount thereof so redeemed shall be credited against the unsatisfied balance of future sinking fund installments or final maturity amount established with respect to such Bonds, in such amounts and against such installments or final maturity amount as shall be determined by the City in the proceedings authorizing such optional redemption or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable sinking fund installments next ensuing, and with respect to which notice of redemption has not yet been given.

(O) On or prior to the 60<sup>th</sup> day preceding any sinking fund installment date, the City may purchase Bonds subject to mandatory redemption on such sinking fund installment date, at

such prices as the City shall determine. Any Bond so purchased shall be cancelled and the principal amount thereof so purchased shall be credited against the unsatisfied balance of the next ensuing sinking fund installment.

(P) In the event of the redemption of less than all the Bonds of like series, maturity and interest rate, the aggregate principal amount thereof to be redeemed shall be \$5,000 or an integral multiple thereof and the bond registrar shall assign to each Bond of such series, maturity and interest rate a distinctive number for each \$5,000 principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

(Q) Notice of the redemption of Bonds shall be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of Bonds to be redeemed at their last addresses appearing on said registration books. The Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such Bonds or portions thereof shall cease to accrue and become payable. If there shall be drawn for redemption less than all of a Bond, the City shall execute and the bond registrar shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the Bond so surrendered, Bonds of like series, maturity and interest rate and of the denomination of \$5,000 or any integral multiple thereof.

(R) The bond registrar shall not be required to transfer or exchange any Bond after notice of the redemption of all or a portion thereof has been mailed. The bond registrar shall not be required to transfer or exchange any Bond during a period of 15 days next preceding the mailing of a notice of redemption which could designate for redemption all or a portion of such Bond.

Section 4. **Sale and Delivery.** The delegated authority to sell Bonds pursuant to this ordinance shall expire on December 31, 2012. The Bonds are to be sold to Robert W. Baird & Co. Incorporated (the "Underwriter") at a price of not less than 98% of par. The Official Statement prepared with respect to the Bonds is approved and "deemed final" as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. The form of the Bond Purchase Agreement by and between the City and the Underwriter, on file in the office of the City Clerk, is approved and the City Administrator and the Mayor are each authorized to execute and deliver a final form of the Bond Purchase Agreement reflecting the details of the sale of the Bonds.

No Bonds authorized by this ordinance shall be sold unless as a result of refunding the Prior Bonds, the City will obtain a net present value savings after taking into account all costs of issuance of the Bonds of not less than 2.5% of the principal amount of the Prior Bonds that are refunded. Subject to the limitations contained in this ordinance, authority is delegated to the City Administrator to award the Bonds to the Underwriter.

In order to enhance the marketability of the Bonds, the City Administrator may determine to purchase from a bond insurance company (the "Bond Insurer") a municipal bond insurance policy with respect to the payment of the Bonds.

The sale and award of the Bonds and the determination of the details of the Bonds shall be evidenced by the Bond Order, which shall be signed by the City Administrator. An executed counterpart of the Bond Order shall be filed with the City Clerk and entered in the records of the City.

The Mayor, City Clerk and other officials of the City are authorized and directed to do and perform, or cause to be done or performed for or on behalf of the City each and every thing necessary for the issuance of the Bonds, including the proper execution and delivery of the Bonds, the Bond Purchase Agreement and the Official Statement.

**Section 5. Execution and Authentication.** Each Bond shall be executed in the name of the City by the manual or authorized facsimile signature of its Mayor and the corporate seal of the City, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual or authorized facsimile signature of its City Clerk.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any Bond shall cease to hold such office before the issuance of the Bond, such Bond shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such Bond had not ceased to hold such office. Any Bond may be signed, sealed or attested on behalf of the City by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Bond such person may not have held such office. No recourse shall be had for the payment of any Bonds against any officer who executes the Bonds.

Each Bond shall bear thereon a certificate of authentication executed manually by the bond registrar. No Bond shall be entitled to any right or benefit under this ordinance or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the bond registrar.

**Section 6. Transfer, Exchange and Registry.** The Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each Bond shall be transferable only upon the registration books maintained by the City for that purpose at the principal corporate trust office of the bond registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the bond registrar and duly executed by the registered owner or his duly authorized attorney. Upon the surrender for transfer of any such Bond, the

City shall execute and the bond registrar shall authenticate and deliver a new Bond or Bonds registered in the name of the transferee, of the same aggregate principal amount, series, maturity and interest rate as the surrendered Bond. Bonds, upon surrender thereof at the principal corporate trust office of the bond registrar, with a written instrument satisfactory to the bond registrar, duly executed by the registered owner or his attorney duly authorized in writing, may be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate and of the denominations of \$5,000 or any integral multiple thereof.

For every such exchange or registration of transfer of Bonds, the City or the bond registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. No other charge shall be made for the privilege of making such transfer or exchange. The provisions of the Illinois Bond Replacement Act shall govern the replacement of lost, destroyed or defaced Bonds.

The City and the bond registrar may deem and treat the person in whose name any Bond shall be registered upon the registration books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the bond registrar shall be affected by any notice to the contrary.

Section 7. **Bond Registrar.** The City covenants that it shall at all times retain a bond registrar with respect to the Bonds, that it will maintain at the designated office of such bond registrar a place where Bonds may be presented for payment and registration of transfer or exchange and that it shall require that the bond registrar maintain proper registration books and perform the other duties and obligations imposed upon it by this ordinance in a manner consistent with the standards, customs and practices of the municipal securities business.

The bond registrar shall signify its acceptance of the duties and obligations imposed upon it by this ordinance by executing the certificate of authentication on any Bond, and by such execution the bond registrar shall be deemed to have certified to the City that it has all requisite power to accept, and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. The bond registrar is the agent of the City and shall not be liable in connection with the performance of its duties except for its own negligence or default. The bond registrar shall, however, be responsible for any representation in its certificate of authentication on the Bonds.

The City may remove the bond registrar at any time. In case at any time the bond registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the bond registrar, or of its property, shall be appointed, or if any public officer shall take charge or control of the bond registrar or of its property or affairs, the City covenants and agrees that it will thereupon appoint a successor

bond registrar. The City shall mail notice of any such appointment made by it to each registered owner of Bonds within twenty days after such appointment.

Section 8. **General Obligations.** The full faith and credit of the City are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds shall be direct and general obligations of the City, and the City shall be obligated to levy ad valorem taxes upon all the taxable property in the City for the payment of the Bonds and the interest thereon, without limitation as to rate or amount.

Section 9. **Form of Bonds.** The Bonds shall be issued as fully registered bonds and shall be in substantially the following form, the blanks to be appropriately completed when the Bonds are printed:

No. \_\_\_\_\_

United States of America  
State of Illinois  
County of Rock Island  
CITY OF MOLINE  
GENERAL OBLIGATION REFUNDING BOND,  
[TAXABLE] SERIES 2012\_\_

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
%	_____ 1, ____	_____	608557 ____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

The CITY OF MOLINE, a municipal corporation and a home rule unit of the State of Illinois situate in the County of Rock Island, acknowledges itself indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above, and to pay interest on such principal amount from the date hereof at the interest rate per annum specified above, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on \_\_\_\_\_ 1, 20\_\_ and semiannually thereafter on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 in each year until the principal amount shall have been paid, to the registered owner of record hereof as of the 15<sup>th</sup> day of the calendar month next preceding such interest payment date, by wire transfer pursuant to an agreement by and between the City and the registered owner, or otherwise by check or draft mailed to the registered owner, at the address of such owner appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, as bond registrar or its successor (the "Bond Registrar"). This bond, as to principal when due, will be payable in lawful money of the United States of America upon presentation and surrender of this bond at the principal corporate trust

office of the Bond Registrar. The full faith and credit of the City are irrevocably pledged for the punctual payment of the principal of and interest on this bond according to its terms.

This bond is one of a series of bonds issued in the aggregate principal amount of \$\_\_\_\_\_ which are authorized and issued under and pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and Section 2-1110 of the Moline Code of Ordinances and under and in accordance with an ordinance adopted by the City Council of the City on July 17, 2012 and entitled: "An Ordinance Authorizing the Issuance of Not to Exceed \$16,200,000 General Obligation Refunding Bonds of 2012 of the City of Moline, Illinois." [This bond is issued to refund bonds issued to finance redevelopment project costs pursuant to and in accordance with the Tax Increment Allocation Redevelopment Act, 65 Illinois Compiled Statutes 5/11-74.4.]

[The bonds of such series maturing on or after \_\_\_\_\_ 1, 20\_\_ are subject to redemption prior to maturity at the option of the City and upon notice as herein provided, in such principal amounts and from such maturities as the City shall determine and by lot within a single maturity, on \_\_\_\_\_ 1, 20\_\_ and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed.]

[The bonds of such series maturing in the years 20\_\_, 20\_\_ and 20\_\_ (the "Term Bonds") are subject to mandatory redemption, in part and by lot, on \_\_\_\_\_ 1 in the years and in the respective principal amounts set forth in the following tables, by the application of sinking fund installments, at a redemption price equal to the principal amount thereof to be redeemed:

20__ Term Bonds		20__ Term Bonds		20__ Term Bonds	
<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
20__		20__		20__	
20__		20__		20__	
20__		20__		20__	

[Notice of the redemption of bonds will be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of bonds to be redeemed at their last addresses appearing on such registration books. The bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such bonds or portions thereof shall cease to accrue and become payable.]

This bond is transferable only upon such registration books by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof at the principal corporate trust office of the Bond Registrar together with a written instrument of

transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered bond or bonds, in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this bond shall be issued to the transferee in exchange therefor. In like manner, this bond may be exchanged for an equal aggregate principal amount of bonds of the same maturity and interest rate and of any of such authorized denominations. The City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this bond. No other charge shall be made for the privilege of making such transfer or exchange. The City and the Bond Registrar may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal and interest due hereon and for all other purposes whatsoever.

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

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this bond in order to make it a legal, valid and binding obligation of the City have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the series of bonds of which this bond is one, together with all other indebtedness of the City is within every debt or other limit prescribed by law.

Council Bill/Special Ordinance No. 4023-2012  
Sponsor: \_\_\_\_\_  
Page 10

IN WITNESS WHEREOF, the City of Moline has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon and attested by the manual or facsimile signature of its City Clerk.

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

CITY OF MOLINE

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

CERTIFICATE OF AUTHENTICATION

This bond is one of the General Obligation Refunding Bonds, [Taxable] Series 2012\_\_, described in the within mentioned Ordinance.

AMALGAMATED BANK OF CHICAGO,  
as Bond Registrar

By \_\_\_\_\_  
Authorized Signer

ASSIGNMENT

For value received the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_

the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_

\_\_\_\_\_

attorney to transfer the said bond on the books kept for registration thereof, with full power of substitution in the premises.

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

Signature Guarantee: \_\_\_\_\_

\_\_\_\_\_

Section 10. **Levy and Extension of Taxes For First Series Bonds.** (A) For the purpose of providing the money required to pay the interest on the First Series Bonds when and as the same falls due and to pay and discharge the principal thereof (including sinking fund installments) as the same shall mature, there is hereby levied upon all the taxable property in the City, in each year while any of the First Series Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes, as follows:

<u>Tax Levy Year</u>	<u>A Tax Sufficient to Produce</u>
2012	\$ 400,000
2013	1,084,000
2014	1,085,000
2015	1,084,000
2016	1,082,000
2017	1,078,000
2018	1,072,000
2019	1,075,000
2020	1,070,000
2021	1,068,000
2022	829,000

(B) Interest or principal coming due at anytime when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when said taxes shall have been collected, reimbursement shall be made to the said funds in the amounts thus advanced.

(C) After the sale of the First Series Bonds and the execution of the Bond Order for the First Series Bonds, an executed copy of the Bond Order and a copy of this ordinance, certified by the City Clerk, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk of Rock Island County, Illinois (the "County Clerk"), who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2012 to 2022, inclusive, and, subject to adjustment as provided in paragraph (D) of this Section, to extend the same for collection on the tax books in connection with other taxes levied in said years, in and by the City for general corporate purposes of the City, and in said years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for said years are levied and collected and, when collected, such taxes shall be used solely for the purpose of paying the principal of and interest on the First Series Bonds herein authorized as the same become due and payable.

(D) In the event that First Series Bonds are to be issued in principal amounts and bearing interest such that for any tax levy year an amount less than that set forth in paragraph (A) of this Section is required to be produced to pay when due the principal of and interest on the First Series Bonds, then the City Treasurer is authorized and directed to file with the County Clerk, on or prior to the date of delivery of the First Series Bonds, a direction for abatement of taxes specifying the exact amount of taxes to be levied to produce the required amounts for each of the various tax levy years.

**Section 11. Levy and Extension of Taxes For Second Series Bonds.** (A) For the purpose of providing the money required to pay the interest on the Second Series Bonds when and as the same falls due and to pay and discharge the principal (including sinking fund installments) thereof as the same shall mature, there is hereby levied upon all the taxable property in the City, in each year while any of the Second Series Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes, as follows:

<u>Tax Levy Year</u>	<u>A Tax Sufficient to Produce</u>
2012	\$153,000
2013	563,000
2014	586,000
2015	608,000
2016	634,000
2017	647,000
2018	694,000
2019	723,000

(B) Interest or principal coming due at anytime when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when said taxes shall have been collected, reimbursement shall be made to the said funds in the amounts thus advanced.

(C) After the sale of the Second Series Bonds and the execution of the Bond Order for the Second Series Bonds, an executed copy of the Bond Order and a copy of this ordinance, certified by the City Clerk, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk, who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2012 to 2019, inclusive, and, subject to adjustment as provided in paragraph (D) of this Section, to extend the same for collection on the tax books in connection with other taxes levied in said years, in and by the City for general corporate purposes of the City, and in said years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for said years are levied and collected and, when collected, such taxes shall be used solely for the purpose of paying the principal of and interest on the Second Series Bonds herein authorized as the same become due and payable.

(D) In the event that Second Series Bonds are to be issued in principal amounts and bearing interest such that for any tax levy year an amount less than that set forth in paragraph (A) of this Section is required to be produced to pay when due the principal of and interest on the Second Series Bonds, then the City Treasurer is authorized and directed to file with the County Clerk, on or prior to the date of delivery of the Second Series Bonds, a direction for abatement of taxes specifying the exact amount of taxes to be levied to produce the required amounts for each of the various tax levy years.

**Section 12. Levy and Extension of Taxes For Third Series Bonds.** (A) For the purpose of providing the money required to pay the interest on the Third Series Bonds when and as the same falls due and to pay and discharge the principal (including sinking fund payments) thereof as the same shall mature, there is hereby levied upon all the taxable property in the City, in each year while any of the Third Series Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes, as follows:

<u>Tax Levy Year</u>	<u>A Tax Sufficient to Produce</u>
2012	\$141,000
2013	481,000
2014	479,000
2015	481,000
2016	488,000
2017	488,000
2018	486,000
2019	488,000

(B) Interest or principal coming due at anytime when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance

of the collection of the taxes herein levied; and when said taxes shall have been collected, reimbursement shall be made to the said funds in the amounts thus advanced.

(C) After the sale of the Third Series Bonds and the execution of the Bond Order for the Third Series Bonds, an executed copy of the Bond Order and a copy of this ordinance, certified by the City Clerk, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk, who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2012 to 2019, inclusive, and, subject to adjustment as provided in paragraph (D) of this Section, to extend the same for collection on the tax books in connection with other taxes levied in said years, in and by the City for general corporate purposes of the City, and in said years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for said years are levied and collected and, when collected, such taxes shall be used solely for the purpose of paying the principal of and interest on the Third Series Bonds herein authorized as the same become due and payable.

(D) In the event that Third Series Bonds are to be issued in principal amounts and bearing interest such that for any tax levy year an amount less than that set forth in paragraph (A) of this Section is required to be produced to pay when due the principal of and interest on the Third Series Bonds, then the City Treasurer is authorized and directed to file with the County Clerk, on or prior to the date of delivery of the Third Series Bonds, a direction for abatement of taxes specifying the exact amount of taxes to be levied to produce the required amounts for each of the various tax levy years.

Section 13. **Full Abatement of Tax Levy for Unissued Bonds.** If no Bonds of a series are to be issued, then the City Treasurer is authorized and directed to file with the County Clerk, a direction for abatement in full of the taxes levied by this ordinance with respect to such series of Bonds.

Section 14. **Taxes Levied for Payment of Prior Bonds.** After the issuance of the Bonds, the City Treasurer shall file with the County Clerk, certificates listing the Prior Bonds and the taxes theretofore levied for the payment of the principal of and interest on the Prior Bonds, and said certificates shall direct the abatement of such taxes. Taxes collected with respect to the 2011 tax levy year for the payment of the Prior Bonds shall be deposited into the applicable Debt Service Fund or Account established by this ordinance for the payment of the principal of and interest on the applicable series of the Bonds that refunded such Prior Bonds.

Section 15. **Escrow Deposit Agreement.** The form of Second 2012 Escrow Deposit Agreement by and between the City and Amalgamated Bank of Chicago, as Escrow Agent, on file in the office of the City Clerk, is hereby approved. The proper officers of the City are authorized and directed to execute and deliver the Second 2012 Escrow Deposit Agreement on behalf of the City.

Section 16. **Application of First Series Proceeds.** The net proceeds of sale of the First Series Bonds (exclusive of accrued interest) shall be applied as follows:

1. To the Tax-Exempt Account in the 2012 Escrow Fund maintained under the Second 2012 Escrow Deposit Agreement, the amount, together with other moneys (if any) of the City deposited therein, necessary to provide for the redemption of the Prior 2004A Bonds on their redemption date and to provide for interest to become due and payable on the Prior 2004A Bonds to their redemption date.

2. To the Expense Fund established by this ordinance, the amount of such proceeds of sale remaining after making the foregoing payment.

Section 17. **Application of Second Series Proceeds.** The net proceeds of sale of the Second Series Bonds (exclusive of accrued interest) shall be applied as follows:

1. To the Tax-Exempt Account in the 2012 Escrow Fund, the amount, together with other moneys (if any) of the City deposited therein, necessary to provide for the redemption of the Prior 2004B Bonds on their redemption date and to provide for interest to become due and payable on the Prior 2004B Bonds to their redemption date.

2. To the Expense Fund, the amount of such proceeds of sale remaining after making the foregoing payment.

Section 18. **Application of Third Series Proceeds.** The net proceeds of sale of the Third Series Bonds (exclusive of accrued interest) shall be applied as follows:

1. To the Taxable Account of the 2012 Escrow Fund maintained under the Second 2012 Escrow Deposit Agreement, the amount, together with other moneys (if any) of the City deposited therein, necessary to provide for the redemption of the Prior 2004C Bonds on their redemption date and to provide for interest to become due and payable on the Prior 2004C Bonds to their redemption date.

2. To the Expense Fund, the amount of such proceeds of sale remaining after making the foregoing payment.

Section 19. **First Series Debt Service Fund.** Moneys derived from taxes levied pursuant to Section 10 of this ordinance are hereby appropriated and set aside for the sole purpose of paying the principal of and interest on the First Series Bonds when and as the same come due. All of such moneys shall be deposited in the First Series Debt Service Fund, which is hereby established as a special fund of the City and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986 (the "Code").

Section 20. **Second Series Debt Service Account.** Moneys derived from taxes levied pursuant to Section 11 of this ordinance are appropriated and set aside for the sole purpose of paying principal of and interest on the Second Series Bonds when and as the same come due. All of such moneys shall be deposited in the "Second Series Debt Service Account", which is hereby established as a special account of the City within the Special Tax Allocation Fund for

the City of Moline's Redevelopment Project District (the "Moline Centre TIF Fund") established pursuant to General Ordinance No. 86-12-4, adopted by the City Council on December 16, 1986. The Second Series Debt Service Account shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986.

Section 21. **Third Series Debt Service Account.** Moneys derived from taxes levied pursuant to Section 12 of this ordinance are appropriated and set aside for the sole purpose of paying principal of and interest on the Third Series Bonds when and as the same come due. All of such moneys shall be deposited in the "Third Series Debt Service Account", which is hereby established as a special account of the City within the Moline Centre TIF Fund.

Section 22. **Pledges Securing Bonds.** The moneys deposited or to be deposited into the First Series Debt Service Fund, the Second Series Debt Service Account and the Third Series Debt Service Account, including the tax receipts derived from the taxes levied pursuant to this ordinance, are pledged as security for the payment of the principal of and interest on the applicable series of Bonds. These pledges are made pursuant to Section 13 of the Local Government Debt Reform Act and shall be valid and binding from the date of issuance of the Bonds. All such tax receipts and the moneys held in the foregoing Fund and Accounts shall immediately be subject to the lien of the applicable pledge without any physical delivery or further act and the lien of each such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City irrespective of whether such parties have notice thereof.

Section 23. **Expense Fund.** The "Expense Fund", is hereby established as a special fund of the City. Moneys in the Expense Fund shall be used for the payment of costs of issuance of the Bonds, but may hereafter be reappropriated and used for other purposes if such reappropriation is permitted under Illinois law and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the First Series Bonds and the Second Series Bonds.

Section 24. **Investment Regulations.** No investment shall be made of any moneys in the First Series Debt Service Fund, the Second Series Debt Service Account, the Tax-Exempt Account of the 2012 Escrow Fund or the Expense Fund, except in accordance with the tax covenants set forth in Section 25 of this ordinance. All income derived from such investments in respect of moneys or securities in any Fund or Account shall be credited in each case to the Fund or Account in which such moneys or securities are held.

Any moneys in any Fund or Account that are subject to investment yield restrictions may be invested in United States Treasury Securities, State and Local Government Series, pursuant to the regulations of the United States Treasury Department, Bureau of Public Debt or in any tax-exempt bond that is not an "investment property" within the meaning of Section 148(b)(2) of the Internal Revenue Code of 1986. The City Treasurer and agents designated by her are hereby authorized to submit, on behalf of the City, subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

Section 25. **Tax Covenants.** The City shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on any First Series Bond or Second Series Bond (collectively, the “Tax-Exempt Bonds”) to become subject to federal income taxes in addition to federal income taxes to which interest on such Bond is subject on the date of original issuance thereof.

The City shall not permit any of the proceeds of the Tax-Exempt Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any Tax-Exempt Bond to constitute a “private activity bond” within the meaning of Section 141 of the Internal Revenue Code of 1986.

The City shall not permit any of the proceeds of the Bonds or other moneys to be invested in any manner that would cause any Tax-Exempt Bond to constitute an “arbitrage bond” within the meaning of Section 148 of the Internal Revenue Code of 1986 or a “hedge bond” within the meaning of Section 149(g) of the Internal Revenue Code of 1986.

The City shall comply with the provisions of Section 148(f) of the Internal Revenue Code of 1986 relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

Section 26. **Tax Status of Third Series Bonds.** The City intends that any interest on the Third Series Bonds will be includible in the gross income of the owners of the Third Series Bonds for federal income tax purposes.

Section 27. **Tax Allocation Fund.** The Second Series Bonds and the Third Series Bonds are issued for purposes authorized by the Tax Increment Allocation Redevelopment Act (the “Redevelopment Act”). Moneys held in the Moline Centre TIF Fund and the taxes and other moneys to be deposited therein pursuant to the Redevelopment Act are hereby pledged for the payment of Redevelopment Project Costs (as defined in the Redevelopment Act) and as security for the payment of the principal of and interest on the Second Series Bonds and the Third Series Bonds on a parity with prior pledges of the Moline Centre TIF Fund for the benefit and security of outstanding bonds of the City, but nothing herein contained shall restrict the power of the City to pledge such moneys or taxes for the benefit and security of additional bonds pursuant to the Redevelopment Act; to subordinate the pledge made by this ordinance or to alter the use and distribution of moneys in the Moline Centre TIF Fund. Moneys held in the Moline Centre TIF Fund, which are to be used for the payment of the principal of or interest on the Second Series Bonds, may be deposited in the Second Series Debt Service Account, and upon such deposit such moneys shall be used solely for the payment of such principal and interest. Moneys held in the Moline Centre TIF Fund, which are to be used for the payment of the principal of or interest on the Third Series Bonds, may be deposited in the Third Series Debt Service Account, and upon such deposit such moneys shall be used solely for the payment of such principal and interest.

The foregoing pledge of moneys in the Moline Centre TIF Fund is subject to the limitation that moneys not required, pledged, earmarked or otherwise designated for the payment and securing

of obligations and anticipated redevelopment project costs shall be calculated annually and designated as “surplus” funds in accordance with Section 11-74.4-7 of the Redevelopment Act.

**Section 28. Continuing Disclosure.** For the benefit of the beneficial owners of the Bonds, the City covenants and agrees to provide to the Municipal Securities Rulemaking Board (the “MSRB”) for disclosure on the Electronic Municipal Market Access (“EMMA”) system, in an electronic format as prescribed by the MSRB, (i) an annual report containing certain financial information and operating data relating to the City and (ii) timely notices of the occurrence of certain enumerated events. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

The annual report shall be provided to the MSRB for disclosure on EMMA within 210 days after the close of the City’s fiscal year. The information to be contained in the annual report shall consist of the annual audited financial statement of the City and such additional information as noted in the Official Statement under the caption “Continuing Disclosure.” Each annual audited financial statement will conform to generally accepted accounting principles applicable to governmental units and will be prepared in accordance with standards of the Governmental Accounting Standards Board. If the audited financial statement is not available, then an unaudited financial statement shall be included in the annual report and the audited financial statement shall be provided promptly after it becomes available.

The City, in a timely manner not in excess of ten business days after the occurrence of the event, shall provide notice to the MSRB for disclosure on EMMA of any failure of the City to provide any such annual report within the 210 day period and of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the bonds, or other events affecting the tax-exempt status of the Bonds; (7) modifications to rights of bondholders, if material; (8) Bond calls, if material; (9) defeasances; (10) release, substitution or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) tender offers; (13) bankruptcy, insolvency, receivership or similar event of the City; (14) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (15) appointment of a successor or additional trustee or the change of name of a trustee, if material. For the purposes of the event identified in clause (13), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or

governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

It is found and determined that the City has agreed to the undertakings contained in this Section in order to assist participating underwriters of the Bonds and brokers, dealers and municipal securities dealers in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934. The chief financial officer of the City is authorized and directed to do and perform, or cause to be done or performed, for or on behalf of the City, each and every thing necessary to accomplish the undertakings of the City contained in this Section for so long as Rule 15c2-12(b)(5) is applicable to the Bonds and the City remains an "obligated person" under the Rule with respect to the Bonds.

The undertakings contained in this Section may be amended by the City upon a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the obligated person, or type of business conducted, provided that (a) the undertaking, as amended, would have complied with the requirements of Rule 15c2-12(b)(5) at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) in the opinion of nationally recognized bond counsel selected by the City, the amendment does not materially impair the interests of the beneficial owners of the Bonds.

**Section 29. Book-Entry System.** In order to provide for the initial issuance of the Bonds in a form that provides for a system of book-entry only transfers, the ownership of one fully registered Bond for each maturity of each series, in the aggregate principal amount of such maturity, shall be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, as securities depository for the Bonds. The City Treasurer is authorized to execute and deliver on behalf of the City such letters to, or agreements with, the securities depository as shall be necessary to effectuate such book-entry system.

In case at any time the securities depository shall resign or shall become incapable of acting, then the City shall appoint a successor securities depository to provide a system of book-entry only transfers for the Bonds, by written notice to the predecessor securities depository directing it to notify its participants (those persons for whom the securities depository holds securities) of the appointment of a successor securities depository.

If the system of book-entry only transfers for the Bonds is discontinued, then the City shall issue and the bond registrar shall authenticate, register and deliver to the beneficial owners of the Bonds, bond certificates in replacement of such beneficial owners' beneficial interests in the Bonds, all as shown in the records maintained by the securities depository.

**Section 30. Defeasance and Payment of Bonds.** (A) If the City shall pay or cause to be paid to the registered owners of the Bonds, the principal, premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this ordinance, then the pledge of taxes, securities and funds hereby pledged and the covenants, agreements and

other obligations of the City to the registered owners and the beneficial owners of the Bonds shall be discharged and satisfied.

(B) Any Bonds or interest installments appertaining thereto, whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning of paragraph (A) of this Section if (1) in case any such Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (2) there shall have been deposited in trust with a bank, trust company or national banking association acting as fiduciary for such purpose either (i) moneys in an amount which shall be sufficient, or (ii) "Federal Obligations" as defined in paragraph (C) of this Section, the principal of and the interest on which when due will provide moneys which, together with any moneys on deposit with such fiduciary at the same time for such purpose, shall be sufficient, to pay when due the principal of, redemption premium, if any, and interest due and to become due on said Bonds on and prior to the applicable redemption date or maturity date thereof.

(C) As used in this Section, the term "Federal Obligations" means (i) non-callable, direct obligations of the United States of America, (ii) non-callable and non-prepayable, direct obligations of any agency of the United States of America, which are unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest, or (iii) non-callable, non-prepayable coupons or interest installments from the securities described in clause (i) or clause (ii) of this paragraph, which are stripped pursuant to programs of the Department of the Treasury of the United States of America.

**Section 31. Ordinance to Constitute a Contract.** The provisions of this ordinance shall constitute a contract between the City and the registered owners of the Bonds. Except as otherwise provided in this ordinance and in the Redevelopment Act with respect to the pledge of money in a special tax allocation fund, any pledge made in this ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the owners of any and all of the Bonds of the same series. All of the Bonds of the same series, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this ordinance. This ordinance shall constitute full authority for the issuance of the Bonds and to the extent that the provisions of this ordinance conflict with the provisions of any other ordinance or resolution of the City, the provisions of this ordinance shall control. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

**Section 32. Publication.** The City Clerk is hereby authorized and directed to publish this ordinance in pamphlet form and to file copies thereof for public inspection in her office.

Council Bill/Special Ordinance No. 4023-2012  
Sponsor: \_\_\_\_\_  
Page 21

Section 33. **Effective Date.** This ordinance shall become effective upon its passage and approval.

Passed and adopted this 17<sup>th</sup> day of July, 2012, by roll call vote as follows:

Ayes:

Nays:

Approved: July 17, 2012

\_\_\_\_\_  
Mayor

Published in pamphlet form: July 18, 2012

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

## CERTIFICATE

I, Tracy A. Koranda, City Clerk of the City of Moline, Illinois, hereby certify that the foregoing ordinance entitled: "An Ordinance Authorizing the Issuance of Not to Exceed \$16,200,000 General Obligation Refunding Bonds of 2012 of the City of Moline, Illinois," is a true copy of an original ordinance which was duly adopted by the recorded affirmative votes of not less than six members of the City Council of the City at a meeting thereof which was duly called and held at 7:45 p.m. on July 17, 2012, at City Hall, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original ordinance signed by the Mayor of the City on July 17, 2012, and thereafter published in pamphlet form on July 18, 2012, and recorded in the Ordinance Book of the City and that it is a correct transcript thereof and of the whole of said ordinance, and that said ordinance has not been altered, amended, repealed or revoked, but is in full force and effect.

I further certify that the agenda for said meeting included the ordinance as a matter to be considered at the meeting and that said agenda was posted at least 48 hours in advance of the holding of the meeting in the manner required by the Open Meetings Act, 5 Illinois Compiled Statutes 120.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City  
this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

(SEAL)

\_\_\_\_\_  
City Clerk

Council Bill/Resolution No.: 1194-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to execute a contract with Walter D. Laud, Inc. for Project #1161, 2012 Water Main Improvements, in the amount of \$346,885.50.

\_\_\_\_\_  
WHEREAS, bids were publicly read on June 26, 2012; and

WHEREAS, bids were solicited with Walter D. Laud, Inc. submitting the lowest responsible and responsive bid; and

WHEREAS, sufficient funds are available.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor and City Clerk are hereby authorized to execute a contract with Walter D. Laud, Inc. for Project #1161, 2012 Water Main Improvements, in the amount of \$346,885.50; provided, however, that said contract is substantially similar in form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit "A" and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
July 17, 2012

Date

Passed: July 17, 2012

Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

# CITY OF MOLINE CONTRACT

THIS AGREEMENT, made and concluded this \_\_\_\_ day of \_\_\_\_\_, A.D., 2012, between **WALTER D. LAUD, INC.** of **P.O. BOX 88, EAST MOLINE, IL 61244**, hereinafter referred to as the “CONTRACTOR,” and the CITY OF MOLINE, ILLINOIS, hereinafter referred to as the “CITY;”

WITNESSETH, that the CONTRACTOR for and in consideration of the payments to be made to it by the CITY in the amount of **THREE HUNDRED FORTY SIX THOUSAND EIGHT HUNDRED EIGHTY FIVE AND 50/100 (\$346,885.50) DOLLARS**, hereby covenants and agrees, to and with the CITY, that it shall and will in good and workmanlike manner, furnish all the labor and material for **PROJECT NO. 1161 – 2012 WATER MAIN IMPROVEMENTS** as set out in the plans and specifications.

Such work to be under the direction and to the satisfaction of the City Engineer, and in accordance with the plans and specifications, which are a part of this contract. The work to be commenced not later than 10 days after the execution of this contract; to progress regularly and uninterruptedly after it shall have been begun excepting as shall otherwise be ordered by the City Council of the City of Moline (hereinafter referred to as the “City Council”), or its authorized representative, and shall be finished and fully completed within the timeframe set forth in the specifications; the time of commencement, rate of progress and time of completion being essential conditions of this contract; PROVIDED, however that if the time of the performance of the contract herein be for any reason either expressly or by implication extended, such extension shall not affect the validity of this contract.

The Contractor further agrees that the unit prices submitted are for the purpose of obtaining a gross sum, and for use in computing the value of extras and deductions; that if there is a discrepancy between the gross sum bid and that resulting from the summation of the quantities multiplied by their

respective unit prices, the latter shall apply. When this contract shall be wholly carried out and completed on the part of the Contractor, and when said work has been accepted by the City, a sum of money shall be computed by multiplying the following unit prices by the quantity of items completed, it being understood that the following total sum of money listed is for the purpose of determining the amount of the performance, labor, material and maintenance bond only. Such payment shall be made as provided for in the said specifications.

This Contract calls for the construction of a “public work” within the meaning of the Illinois Prevailing Wage Act, 820 ILCS 130/.01 et seq. (“the Act”). The Act requires contractors, subcontractors, and truckers to pay laborers, workers, and mechanics performing services on public works projects not less than the “prevailing rate of wages” (hourly cash wages plus fringe benefits) in the county where the work is performed. The prevailing wage rates for projects for the City of Moline required by Moline Special Ordinance 4004-2012 are updated monthly by the Illinois Department of Labor and may be found at:

[http://www.state.il.us/agency/idol/rates/ODDMO/ROCK\\_ISL.htm](http://www.state.il.us/agency/idol/rates/ODDMO/ROCK_ISL.htm).

All contractors, subcontractors, and truckers rendering services under this contract must comply with all requirements of the Act, including but not limited to, all wage, notice and record keeping duties. All contractors, subcontractors, and truckers shall keep an accurate record showing the names and occupations of all laborers, workers, and mechanics employed by them on this contract, and also showing the actual hourly wages paid to each of such persons and shall preserve their weekly payroll records for a period of three (3) years from the date of completion of the contract. Weekly certified payrolls shall be sent to the City Engineer.

For further information, please refer to the Illinois Department of Labor’s website at:  
<http://www.state.il.us/agency/idol>.

It is further provided that the CONTRACTOR shall upon the sealing of this contract, file with the CITY a good and sufficient bond in the penal sum of **THREE HUNDRED FORTY SIX**

**THOUSAND EIGHT HUNDRED EIGHTY FIVE AND 50/100 (\$346,885.50) DOLLARS**

conditioned upon the faithful performance and execution of the work covered by this contract according to the complete and detailed specifications and full and complete drawings, profiles and models therefore, and according to the terms and conditions of this contract, and conditioned also that the CONTRACTOR shall pay all debts incurred by said CONTRACTOR in the prosecution of such work, including those for labor and materials furnished. The CONTRACTOR further agrees to pay liquidated damages as set forth in the specifications for failure to complete the Project by the date specified.

IN WITNESS WHEREOF, the said Parties have executed these presents on the date above mentioned.

CONTRACTOR:

CITY:

\_\_\_\_\_

CITY OF MOLINE, ILLINOIS

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

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

Mayor

\_\_\_\_\_

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

City Clerk

Approved as to form:

\_\_\_\_\_

City Attorney

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

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

Performance Bond Attached

Certificate of Insurance Attached

Council Bill/Resolution No.: 1195-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to execute a contract with A.J. Excavating, Inc. for Project #1165, Parking Lot and Demolition at 17<sup>th</sup> Street and River Drive, in the amount of \$182,007.10.

\_\_\_\_\_  
WHEREAS, bids were publicly read on July 3, 2012; and

WHEREAS, bids were solicited with A.J. Excavating, Inc. submitting the lowest responsible and responsive bid; and

WHEREAS, sufficient funds are available.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor and City Clerk are hereby authorized to execute a contract with A.J. Excavating, Inc. for Project #1165, Parking Lot and Demolition at 17<sup>th</sup> Street and River Drive, in the amount of \$182,007.10; provided, however, that said contract is substantially similar in form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit "A" and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
July 17, 2012

Date

Passed: July 17, 2012

Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

# **CITY OF MOLINE CONTRACT**

THIS AGREEMENT, made and concluded this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2012, between **A.J. EXCAVATING, INC.** of **P.O. BOX 1032, BETTENDORF, IA 52722**, hereinafter referred to as the “CONTRACTOR,” and the CITY OF MOLINE, ILLINOIS, hereinafter referred to as the “CITY;”

WITNESSETH, that the CONTRACTOR for and in consideration of the payments to be made to it by the CITY in the amount of **ONE HUNDRED EIGHTY TWO THOUSAND SEVEN AND 10/100 (\$182,007.10) DOLLARS**, hereby covenants and agrees, to and with the CITY, that it shall and will in good and workmanlike manner, furnish all the labor and material for **PROJECT NO. 1165, PARKING LOT AND DEMOLITION AT 17<sup>TH</sup> STREET AND RIVER DRIVE** as set out in the plans and specifications.

Such work to be under the direction and to the satisfaction of the City Engineer, and in accordance with the plans and specifications, which are a part of this contract. The work to be commenced not later than 10 days after the execution of this contract; to progress regularly and uninterruptedly after it shall have been begun excepting as shall otherwise be ordered by the City Council of the City of Moline (hereinafter referred to as the “City Council”), or its authorized representative, and shall be finished and fully completed within the timeframe set forth in the specifications; the time of commencement, rate of progress and time of completion being essential conditions of this contract; PROVIDED, however that if the time of the performance of the contract herein be for any reason either expressly or by implication extended, such extension shall not affect the validity of this contract.

The Contractor further agrees that the unit prices submitted are for the purpose of obtaining a gross sum, and for use in computing the value of extras and deductions; that if there is a discrepancy between the gross sum bid and that resulting from the summation of the quantities multiplied by their

respective unit prices, the latter shall apply. When this contract shall be wholly carried out and completed on the part of the Contractor, and when said work has been accepted by the City, a sum of money shall be computed by multiplying the following unit prices by the quantity of items completed, it being understood that the following total sum of money listed is for the purpose of determining the amount of the performance, labor, material and maintenance bond only. Such payment shall be made as provided for in the said specifications.

This Contract calls for the construction of a “public work” within the meaning of the Illinois Prevailing Wage Act, 820 ILCS 130/.01 et seq. (“the Act”). The Act requires contractors, subcontractors, and truckers to pay laborers, workers, and mechanics performing services on public works projects not less than the “prevailing rate of wages” (hourly cash wages plus fringe benefits) in the county where the work is performed. The prevailing wage rates for projects for the City of Moline required by Moline Special Ordinance 4004-2012 are updated monthly by the Illinois Department of Labor and may be found at:

[http://www.state.il.us/agency/idol/rates/ODDMO/ROCK\\_ISL.htm](http://www.state.il.us/agency/idol/rates/ODDMO/ROCK_ISL.htm).

All contractors, subcontractors, and truckers rendering services under this contract must comply with all requirements of the Act, including but not limited to, all wage, notice and record keeping duties. All contractors, subcontractors, and truckers shall keep an accurate record showing the names and occupations of all laborers, workers, and mechanics employed by them on this contract, and also showing the actual hourly wages paid to each of such persons and shall preserve their weekly payroll records for a period of three (3) years from the date of completion of the contract. Weekly certified payrolls shall be sent to the City Engineer.

For further information, please refer to the Illinois Department of Labor’s website at:  
<http://www.state.il.us/agency/idol>.

It is further provided that the CONTRACTOR shall upon the sealing of this contract, file with the CITY a good and sufficient bond in the penal sum of **ONE HUNDRED EIGHTY TWO**

**THOUSAND SEVEN AND 10/100 (\$182,007.10) DOLLARS** conditioned upon the faithful performance and execution of the work covered by this contract according to the complete and detailed specifications and full and complete drawings, profiles and models therefore, and according to the terms and conditions of this contract, and conditioned also that the CONTRACTOR shall pay all debts incurred by said CONTRACTOR in the prosecution of such work, including those for labor and materials furnished. The CONTRACTOR further agrees to pay liquidated damages as set forth in the specifications for failure to complete the Project by the date specified.

IN WITNESS WHEREOF, the said Parties have executed these presents on the date above mentioned.

CONTRACTOR:

CITY:

\_\_\_\_\_

CITY OF MOLINE, ILLINOIS

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

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

Mayor

\_\_\_\_\_

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

City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

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

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

Performance Bond Attached

Certificate of Insurance Attached

Council Bill/Resolution No.: 1196-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

APPROVING a Reconciliation Change Order with Miller Trucking and Excavating for Project 1157, 16<sup>th</sup> Street Water Main Improvements, in the amount of \$4,180.29.

\_\_\_\_\_

WHEREAS, in order to make final payment to the contractor and close out this contract, a Reconciliation Change Order is needed in the amount of \$4,180.29; and

WHEREAS, said change order reflects the difference between the estimated bid quantities and final quantities actually constructed; and

WHEREAS, said change order increases the original contract value of \$111,307.75 by 3.8% to \$115,488.04.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the City Council finds it in the best interest of the City of Moline, Illinois, to authorize approval of a Reconciliation Change Order with Miller Trucking and Excavating for Project 1157, 16<sup>th</sup> Street Water Main Improvements, in the amount of \$4,180.29; provided, however, that said change order is substantially similar in form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit "A" and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

July 17, 2012

Passed: July 17, 2012

Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

# CITY OF MOLINE

## CONTRACT CHANGE ORDER

Project No. : 1157

Description: 16th St. Water Main Improvements

Contractor : Miller Trucking & Excavating

Date : 19-Jun-12

Change Order No. : 1 and FINAL

Sheet 1 of 1

WORK DAYS		CONTRACT	
Contract	N/A	Original Contract	\$111,307.75
Changes		Changes To-Date	\$4,180.29
Adjusted		Adjusted Contract	\$115,488.04
% Change			3.8%

*	Item	Description	Quantity	Unit	Price	Addition	Deduction
	1	Curb Box to be Removed		EA	\$250.00		
	2	Valve Box to be Removed		EA	\$100.00		
	3	Cap 4" Water Main & Fill Valve Vault	-1	EA	\$1,400.00		(\$1,400.00)
	4	Remove Valve & Cap 4" Water Main	-1	EA	\$600.00		(\$600.00)
	5	Remove Cross	-1	EA	\$2,200.00		(\$2,200.00)
	6	Tapping Sleeve w/ Valve Box		EA	\$4,425.00		
	7	Water Service Connection Complete, 1"	-4	EA	\$1,450.00		(\$5,800.00)
	8	Abandon Water Service Complete		EA	\$1,000.00		
	9	Standard Test Connection, 8" X 8" X 2" Tee		EA	\$850.00		
	10	Standard Test Connection, 1"		EA	\$850.00		
	11	Water Main, DIP, P CL 350, 8"	-9.3	LF	\$75.50		(\$702.15)
	12	Trench Backfill	27.3	CY	\$5.00	\$136.50	
	13	Sidewalk Removal Special	-65.6	SF	\$2.25		(\$147.60)
	14	Pavement Removal Special	-18.6	SY	\$20.25		(\$376.65)
	15	Traffic Control Complete		LS	\$5,000.00		
*	16	Force Acct for Copper Service Excavation	1	LS	\$226.92	\$226.92	
*	17	Water Locates Incorrect	1	LS	\$453.85	\$453.85	
*	18	Force Acct for Sewer Repair @ 1503 16th Street	1	LS	\$3,324.08	\$3,324.08	
*	19	Force Acct for Copper Service Excavation	1	LS	\$226.92	\$226.92	
*	20	Force Acct for Copper Service Excavation	1	LS	\$407.50	\$407.50	
*	21	Water Locates Incorrect	1	LS	\$751.15	\$751.15	
*	22	Tree Removal	1	LS	\$3,990.00	\$3,990.00	
*	23	Pavement Patching	1	LS	\$670.45	\$670.45	
*	24	Force Acct for Sewer Lateral Repair	1	LS	\$392.08	\$392.08	
*	25	Force Acct for Saturday Water Main Shutdown	1	LS	\$4,827.24	\$4,827.24	
					<b>Totals</b>	<b>\$15,406.69</b>	<b>(\$11,226.40)</b>
Previous Changes =					Total Changes To-Date =	\$4,180.29	Net Change

### REASON FOR CHANGE

- 1-15, Adjustment for final field measurements.
- 16, 19 & 20, Water Service was scheduled to be replaced but after excavation service was found to be copper and was not replaced.
- 17 & 21, Water field locates were incorrect and excavation was done in the wrong location.
- 18 & 24, Sewer repairs were completed to repair a leaking sewer lateral and to address a sinkhole caused by a leaking main.
- 22, Tree removal was needed to replace water services that were next to or in trees.
- 23, Additional pavement patching was completed for the water main installation.
- 25, Water main shut down had to be completed on a Saturday so service was not interrupted to the school.

### CHANGE ORDER APPROVAL

Contractor: \_\_\_\_\_

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

Council Bill/Resolution No.: 1197-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to apply for a highway permit and execute the necessary forms for the proposed Ericsson School Celebrate Education Parade scheduled for Friday, September 7, 2012.

WHEREAS, the Ericsson School is sponsoring a parade to be held in the City of Moline which constitutes a public purpose; and

WHEREAS, this event will require temporary closure of 4<sup>th</sup> Avenue (IL Route 92) between 3<sup>rd</sup> Street and 12<sup>th</sup> Street; and

WHEREAS, Section 4-408 of the Illinois Highway Code authorized the Department of Transportation to issue permits to local authorities to temporarily close portions of State Highways for such public purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That permission to temporarily close 4<sup>th</sup> Avenue (IL Route 92) between 3<sup>rd</sup> Street and 12<sup>th</sup> Street be requested; and

BE IT FURTHER RESOLVED that this closure shall occur during the approximate time period between 9:00 a.m. until 10:00 a.m. on Friday, September 7, 2012.

BE IT FURTHER RESOLVED that this closure is for the public purpose of the "Ericsson School Celebrate Education Parade."

BE IT FURTHER RESOLVED that traffic from that closed portion of the highway shall be detoured over routes with an all-weather surface that can accept the anticipated traffic, which will be maintained to the satisfaction of the Department and which is conspicuously marked for the benefit of traffic diverted from the State Highway. (The parking of vehicles shall be prohibited on the detour routes to allow an uninterrupted flow of two-way traffic.) The detour route shall be as follows: North on 12<sup>th</sup> Street to River Drive, west on River Drive to 1<sup>st</sup> Street, south on 1<sup>st</sup> Street to 4<sup>th</sup> Avenue (Route 92).

BE IT FURTHER RESOLVED that the City assumes full responsibility for the direction, protection and regulation of the traffic during the time 4<sup>th</sup> Avenue (IL Route 92) between 3<sup>rd</sup> Street and 12<sup>th</sup> Street is closed.

BE IT FURTHER RESOLVED that police officers or authorized flaggers shall, at the expense of the City, be positioned at the end of the closed sections and at other points as may be necessary to assist in directing traffic through the detour.

BE IT FURTHER RESOLVED that police officers, flaggers, and officials shall permit emergency vehicles in emergency situations to pass through the closed area as swiftly as is safe for all concerned.

BE IT FURTHER RESOLVED that all debris shall be removed from the City of Moline prior to re-opening the State Highway.

BE IT FURTHER RESOLVED that such signs, flags, barricades, etc. shall be used by the City of Moline as may be approved by the Illinois Department of Transportation. These items shall be provided by the City of Moline.

BE IT FURTHER RESOLVED that the closure and detour shall be marked according to the Illinois Manual on Uniform Traffic Control Devices.

BE IT FURTHER RESOLVED that the City of Moline hereby agrees to assume all liabilities and pay claims for any damage, which shall be occasioned by the closing described above.

BE IT FURTHER RESOLVED that the City of Moline shall provide comprehensive general liability insurance policy or an additional insured endorsement in the amount of \$100,000.00 per person and \$500,000.00 aggregate which names the Illinois Department of Transportation and its officials, employees, and agents as insured and which protects them from all claims arising from the requested road closing.

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to the Illinois Department of Transportation to serve as a formal request for the permission sought in this resolution and to operate as part of the conditions of said permission.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_

Mayor

\_\_\_\_\_

Date

Passed: July 17, 2012

Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_

City Attorney

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to accept a letter of proposal from Northwest Bank & Trust Company to allow the City of Moline to pay off a non-recourse loan on the Hawk Hallow property at a discounted amount to release its mortgage on the property.

WHEREAS, in August 2009, the City Council entered into a Development Agreement with Northwest Bank & Trust Company and Moline Place Development Company, L.L.C. (Michael Shamsie), to facilitate the demolition of the nurses' dormitory on the property and transfer ownership of the Hawk Hallow Redevelopment site (formerly known as Phases II and III of One Moline Place) to the City; and

WHEREAS, the City Council approved an amended Redevelopment Agreement in October 2010 that enabled the complete build-out of Phase I of the project and the demolition of the dormitory; and

WHEREAS, the demolition was completed in early 2011 and the property was transferred to the City with a \$440,000 mortgage in the form of a non-recourse loan to be paid once the City sold the property to a new developer but no longer than three years; and

WHEREAS, the City Council approved a Term Sheet with IDP Illinois Acquisition Company, L.L.C. (Irgens Development Partners) to redevelop the property upon completion of its due diligence, and the developer is now nearing completion of that process and anticipates entering into a Purchase Agreement for \$440,000 and advancing the project; and

WHEREAS, pursuant to the letter of proposal attached hereto as Exhibit "A," Northwest Bank & Trust has offered to release the \$440,000 mortgage on the property by July 31, 2012 at a discounted pay-off amount of \$396,000 by the City; and

WHEREAS, the mortgage will be paid from funds loaned from the General Fund to TIF District #6 and will be paid back to the General Fund upon sale of the property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor and City Clerk are hereby authorized to accept a letter of proposal from Northwest Bank & Trust Company to allow the City of Moline to pay off a non-recourse loan on the Hawk Hallow property at a discounted amount to release the mortgage on the property; provided, however, that that said letter of proposal is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit "A" and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor  
July 17, 2012  
\_\_\_\_\_  
Date

Passed: July 17, 2012  
Approved: July 24, 2012  
Attest: \_\_\_\_\_

City Clerk  
Approved as to Form:

\_\_\_\_\_  
City Attorney



Providing Direction. Producing Results.

June 28, 2012

Mr. Lew Steinbrecher, City Administrator  
City of Moline  
619 16th Street  
Moline IL 61265

Dear Lew,

This letter is in regards to the Amended and Restated Redevelopment Agreement for One Moline Place Development between the City of Moline, Illinois ("Moline"), Northwest Bank & Trust Company, a Federal Savings Bank ("Bank"), Moline Place Development Company L.L.C., an Illinois Limited Liability Company ("Developer") and Michael R. Shamsie dated November 10, 2010 ("Amended Agreement"). Capitalized terms used but not defined herein shall have the meaning assigned to them in the Amended Agreement.

Pursuit to the Amended Agreement, Bank made the Non-Recourse Loan to finance Moline's purchase of the Project Property. As of the date hereof, the Adjusted Amount of the Non-Recourse Loan is \$440,000.00. In consideration of Moline paying Bank \$396,000.00 on or before July 31, 2012, Bank will deem the Non-Recourse Loan paid-in-full and release its mortgage on the Project Property.

Please contact me at your convenience with any questions regarding this proposal.

Very truly yours,

Joe B. Slavens  
President/CEO  
jbslavens@northwestbank.com  
563-388-2577

Approved as to substance and form:

Michael R. Shamsie, Operating Manager  
Moline Place Development L.L.C., an  
Illinois Limited Liability Company

Michael R. Shamsie, Individually

[www.northwestbank.com](http://www.northwestbank.com)

Mailing Address  
P.O. Box 8001  
Davenport, Iowa 52808

NorthPark Tower  
100 E. Kimberly Road  
Davenport, Iowa 52806

West Davenport  
1454 W. Locust Street  
Davenport, Iowa 52804

Bettendorf Tower  
2550 Middle Road  
Bettendorf, Iowa 52722

563.388.2511

Council Bill/Resolution No. 1199-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Planning & Development Department to submit an application for an Illinois Environmental Protection Agency (“IL EPA”) Municipal Brownfields Redevelopment Grant in the amount of \$9,575.00.

WHEREAS, the City of Moline received a No Further Remediation Letter for 2500 & 2600 River Drive recorded July 21, 2009; and

WHEREAS, lead-based contamination was discovered during final site grading at this location; and

WHEREAS, it is in the City’s best interest to remediate the contaminated site in order to maintain the integrity of the No Further Remediation letter.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Department of Planning and Development is hereby authorized to submit an application for an IL EPA Municipal Brownfields Redevelopment Grant in the amount of \$9,575.00.

BE IT FURTHER RESOLVED that the City, upon award of said grant, will begin to manage and operate said IL EPA grant and will contribute \$2,123.20 in in-kind services and \$2050.00 to fulfill the matching fund request of the grant.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
July 17, 2012  
Date

Passed: \_\_\_\_\_  
July 17, 2012

Approved: \_\_\_\_\_  
July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney



Is the applicant a municipality as defined in the Illinois Environmental Protection Act, 415 ILCS 5/58.2? Please check one.

Yes  No

What are the proposed uses of the grant? Please check the appropriate answer(s).

Identification of Brownfield Sites	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Site Investigation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Development of Remedial Objectives	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Development of Remedial Action Plans	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Implementation of Remedial Action Plans and Completion Reports	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Other: _____		

**For Site-Specific Proposals**

Is the site already part of the Illinois EPA's Site Remediation Program? Please check one.

Yes  No

Please complete the following for *each* site. Attach separate sheets as needed.

Site Name: former American Air Filter/Hendricks property

Site Owner: City of Moline  
First Name Last Name

Site Location: 2500 & 2600 River Drive  
Street Address P.O Box

City: Moline State: IL Zip Code: 61265

Latitude 41.513577 Longitude -90.501683 Site Size (in acres): 15.5

Type of Contamination (actual or suspected):

Petroleum  Hazardous Waste  Both

Site Used Formerly As: Industrial

I have read Appendix C: Brownfields Redevelopment Grant Program Example Grant Agreement. Please check one.

Yes  No





APPENDIX B

MUNICIPAL BROWNFIELDS REDEVELOPMENT GRANT PROGRAM:  
PROPOSED BUDGET

Name of Municipality Moline

SUMMARY ESTIMATE

	Applicant's Match		State Funding Requested	Total Cost
	Monetary <sup>1</sup>	In-Kind <sup>2</sup>	Grant Dollars	
A. Personnel Services <sup>3</sup>		\$1,432.32	\$0.00	\$1,432.32
B. Equipment	\$0.00	\$690.88	\$6,210.00	\$6,900.88
C. All Other Direct Costs	\$250.00	\$0.00	\$0.00	\$250.00
D. Consultant, Contractor & Subcontractors	\$1,800.00	\$0.00	\$3,365.00	\$5,165.00
<b>Total</b>	<b>\$2,050.00</b>	<b>\$2,123.20</b>	<b>\$9,575.00</b>	<b>\$13,748.20</b>
Percentage of Total	14.9%	15.4%	69.6%	100%

Note: Round all amounts to the nearest dollar and carry all percentages to one decimal place.  
A detailed cost breakdown for each category must be provided on the following pages.

<sup>1</sup> External financing.

<sup>2</sup> Personnel, equipment, etc. employed or purchased prior to the execution of the proposed grant project.

<sup>3</sup> Personnel services for applicant and primary consultant/planner.

## BUDGET BREAKDOWN

**A. PERSONNEL SERVICES** List employees by name and title below.

A.1.	<b>Applicant</b> (In-house services)	Hourly Rate	Estimated Time on Project	Match Amount	Grant Amount	Total Cost
1.	Gary Vise, MEO	\$46.38	16.00	\$742.08	\$0.00	\$742.08
2.	Martin Engh, Laborer	\$43.14	16.00	\$690.24	\$0.00	\$690.24
3.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
4.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
5.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
6.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
7.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
8.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
9.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
10.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
11.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
12.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
13.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
14.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
15.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
16.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
17.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
18.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
<b>A.1 SUBTOTAL:</b>				\$1,432.32	\$0.00	\$1,432.32

**BUDGET BREAKDOWN (continued)**

<u>A.2.</u>	<b>Primary Consultant/Planner</b> (Project management and principal staff) Firm Name: <u>EnviroNET</u>	Hourly Rate	Estimated Time On Project	Match Amount	Grant Amount	Total Cost
1.	Jennifer Walker - hazardous waste handling/management	\$95.00	10.00	\$0.00	\$0.00	\$950.00
2.	Jennifer Walker - project management & reporting	\$70.00	40.00	\$0.00	\$0.00	\$2,800.00
3.	Alex Nelson	\$35.00	8.00	\$0.00	\$0.00	\$280.00
4.	Fred Lawrence	\$85.00	10.00	\$0.00	\$0.00	\$850.00
5.	Molly Newell	\$95.00	3.00	\$0.00	\$0.00	\$285.00
6.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
7.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
8.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
9.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
10.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
11.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
12.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
13.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
14.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
15.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
16.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
<b>A.2 SUBTOTAL:</b>				\$0.00	\$0.00	\$5,165.00
<b>A. PERSONNEL SERVICES TOTAL:</b>				\$1,432.32	\$0.00	\$6,597.32

## BUDGET BREAKDOWN (continued)

**B. EQUIPMENT** Equipment purchased with applicant's funds prior to execution of the proposed grant project may be considered "in-kind" contribution.

	Equipment	Rate <sup>1</sup> or Purchase Price	Estimated Hours/Units	Match Amount	Grant Amount	Total Cost
1.	Lab Fees	\$0.00	0.00	\$0.00	\$1,000.00	\$1,000.00
2.	Disposal Fees	\$0.00	0.00	\$0.00	\$5,000.00	\$5,000.00
3.	Backfill Material	\$0.00	0.00	\$0.00	\$210.00	\$210.00
4.	Dump Truck	\$27.46	16.00	\$439.36	\$0.00	\$439.36
5.	Backhoe	\$15.72	16.00	\$251.52	\$0.00	\$251.52
6.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
7.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
8.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
<b>B. SUBTOTAL:</b>				\$690.88	\$6,210.00	\$6,900.88

<sup>1</sup> Designate if rate is hourly, daily, weekly or monthly.

## BUDGET BREAKDOWN (continued)

### C. ALL OTHER DIRECT COSTS

Include costs to participate in the Site Remediation Program, computer services, duplicating, materials/supplies, postage, publication charges, telephone, fuel, automobile operations, etc. List all items in reasonable detail.

	Equipment or Service	Rate <sup>1</sup> , Purchase Price or Direct Cost	Estimated Hours/Units	Match Amount	Grant Amount	Total Cost
1.	IEPA Review			\$250.00	\$0.00	\$250.00
2.						\$0.00
3.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
4.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
5.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
6.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
7.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
8.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
9.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
10.		\$0.00	0.00	\$0.00	\$0.00	\$0.00
<b>C. SUBTOTAL:</b>				\$250.00	\$0.00	\$250.00

<sup>1</sup> Designate if rate is hourly, daily, weekly or monthly

### BUDGET BREAKDOWN (continued)

**D. CONTRACTORS & SUBCONTRACTORS**

List all vendors, contractors and subcontractors providing professional services by firm. Details of vendors, contractors and subcontractors, including names of key staff assigned to project, must be attached.

	Firm Name	Match Amount	Grant Amount	Total Cost
1.	EnviroNET	\$1,800.00	\$3,365.00	\$5,165.00
2.		\$0.00	\$0.00	\$0.00
3.		\$0.00	\$0.00	\$0.00
4.		\$0.00	\$0.00	\$0.00
5.		\$0.00	\$0.00	\$0.00
6.		\$0.00	\$0.00	\$0.00
7.		\$0.00	\$0.00	\$0.00
8.		\$0.00	\$0.00	\$0.00
<b>D. SUBTOTAL:</b>		\$1,800.00	\$3,365.00	\$5,165.00

Council Bill/Resolution No. 1200-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to execute an agreement to accept funding, and execute all necessary assurances and certifications to the Illinois Housing Development Authority (IHDA) for program year 2012 awarded Single Family Owner-Occupied Rehabilitation (SFOOR) funds in the amount of \$210,000.00; and

AUTHORIZING the Planning and Development Department to begin work upon the execution of an agreement between the City and the Illinois Housing Development Authority (IHDA) to accept funding for program year 2012 awarded Single Family Owner-Occupied Rehabilitation (SFOOR) funds in the amount of \$210,000.00.

\_\_\_\_\_

WHEREAS, due to a waiting list of 250 households in the Housing and Neighborhood Services Program, there is a demonstrated need for additional resources for owner-occupied housing rehabilitation in Moline; and

WHEREAS, such additional resources are available through the HOME Program administered by IHDA; and

WHEREAS, the SFOOR Program is part of the HOME Program, which is a federal housing "block grant" program for which Moline does not qualify as a direct formula grantee ("participating jurisdiction"), and the Planning and Development Department prepared the grant and submitted it to IHDA for funding in which the City of Moline was awarded \$210,000.00; and

WHEREAS, loans for rehabilitation shall not be less than Four Thousand and No/100 Dollars (\$4,000.00) and not more than Forty Thousand and No/100 Dollars (\$40,000.00); and

WHEREAS, the Planning and Development Department, will manage the SFOOR grant under the HOME Program guidelines as referenced in Chapter 24, Code of Federal Regulations, Part 92, "Home Investment Partnership Program."

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor and City Clerk are hereby authorized to execute an agreement to accept funding, and execute all necessary assurances and certifications to the Illinois Housing Development Authority (IHDA) for program year 2012 awarded Single Family Owner-Occupied Rehabilitation (SFOOR) funds in the amount of \$210,000.00

BE IT FURTHER RESOLVED that the Planning and Development Department is hereby authorized to begin work upon the execution of an agreement between the City and the Illinois Housing Development Authority (IHDA) to accept funding for program year 2012 awarded Single Family Owner-Occupied Rehabilitation (SFOOR) funds in the amount of \$210,000.00.

CITY OF MOLINE

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: July 17, 2012  
Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**HO-50532**  
**CITY OF MOLINE**  
**Single Family Owner-Occupied Rehabilitation ("SFOOR")**

**SFOOR PROGRAM AGREEMENT**

This **SFOOR PROGRAM AGREEMENT** ("**Agreement**") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2012 by and between the **CITY OF MOLINE**, an Illinois unit of local government ("**State Recipient**"), and the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** ("**Authority**"), a body politic and corporate of the State of Illinois (the "**State**") established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 *et seq.*, as amended from time to time (the "**IHDA Act**").

**RECITALS**

A. The Authority has been designated the program administrator of the HOME Investment Partnerships Program ("**HOME Program**") for the State of Illinois, as authorized by Title II of the National Affordable Housing Act of 1990 (P.L. 101-165) ("**HOME Act**"), the regulations promulgated thereunder and codified at 24 CFR, Part 92 ("**HOME Regulations**"), and the Authority's rules for the HOME Program, codified at 47 Ill. Adm. Code, Part 371 ("**IHDA Rules**") all as may be amended and supplemented from time to time. The Authority receives funding for the HOME Program from the U.S. Department of Housing and Urban Development ("**HUD**"), CFDA number 14.239. The IHDA Rules and HOME Regulations are incorporated herein by this reference and made a part hereof. All capitalized terms not defined in this Agreement shall have the meanings established in the HOME Act, and if not defined there, the meanings established in the HOME Regulations, and if not defined there, the meanings established in the IHDA Rules. **Appendix A** attached hereto contains the text and a summary of the sections of HOME Regulations that are referenced in this Agreement.

B. The State Recipient has applied to the HOME Program for funding ("**Funding**"), the proceeds of which will be used for the rehabilitation ("**Rehabilitation Program**") of approximately five (5) single-family, owner-occupied residences (each, a "**Residence**," and collectively, the "**Residences**"), to be identified at a later date, which are located in the City of Moline, Rock Island County, Illinois. The rehabilitation of a Residence shall hereinafter be referred to as a "**Project**." Approximately five (5) of the Residences shall be owner-occupied dwelling units for Very Low-Income households ("**Households**").

C. It is a condition of the Authority's making the Funding that the State Recipient enter into and be bound by this Agreement.

**AGREEMENTS**

NOW, THEREFORE, in consideration of the recitals set forth above and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. **INCORPORATION.** The foregoing recitals are made a part of this Agreement.

2. **CONTINGENCIES.** The Authority agrees to make the Funding to the State Recipient, contingent on the following:

(a) the Illinois General Assembly, HUD, or other federal funding source making a sufficient appropriation of funds for the HOME Program;

(b) the Illinois General Assembly, HUD, or other federal funding source making a sufficient appropriation or grant of funds for the Rehabilitation Program to permit the State Recipient to operate the Rehabilitation Program as required and to fulfill its obligations under this Agreement;

(c) funds that have been appropriated or granted by the Illinois General Assembly, HUD, or other federal funding source for the HOME Program or the Rehabilitation Program are not de-appropriated or allocated for another purpose;

(d) funds necessary for the Authority, in the Authority's sole discretion, to operate the HOME Program are insufficient for any reason;

(e) the State Recipient's fulfillment of each and every other term and condition set forth in this Agreement to the Authority's sole satisfaction, including, without limitation, closing of the transaction contemplated hereunder on or before the Outside Closing Date (as hereinafter defined); and

(f) the Authority's determination, in its sole discretion, that (i) on each date upon which funds from the Funding are to be disbursed to the State Recipient for a Project, Funding amounts to be disbursed, together with other sources of funding, will be sufficient to complete the Project; and (ii) such Project is otherwise satisfactory.

3. **GENERAL CONDITIONS.** This Agreement and the Funding shall be subject to the terms and conditions of the HOME Act, the HOME Regulations, the IHDA Act and the IHDA Rules, all as they may be amended and supplemented from time to time.

4. **TERMS AND CONDITIONS OF THE FUNDING.** The Funding shall be subject to the following terms and conditions:

(a) **Amount.** The Funding shall be in the maximum amount of Two Hundred Ten Thousand and No/100 Dollars (\$210,000.00).

(b) **Use.** The proceeds of the Funding shall be used by the State Recipient to make Loans to Households for the Rehabilitation Program and to reimburse the State Recipient for certain administrative costs ("Administrative Costs") (as defined in the 24 CFR §92.207 and Project Delivery Costs as defined by the Authority), all as more fully described in **Paragraph 8** hereof. The proceeds of the Funding shall be extended in accordance with the Project Schedule set forth on **Exhibit C** attached hereto, time being of the essence with respect to such expenditures.

(c) **Project Requirements.** All activities undertaken by the State Recipient in connection with the Rehabilitation Program must comply with Subpart F of the HOME Regulation regarding Project Requirements, as applicable to the type of project assisted. State Recipient must carry out each activity in connection with the Rehabilitation Program in accordance with Subpart H of the HOME Regulations, regarding other Federal Requirements, as applicable, except for Section 92.352 and 92.357 of the HOME Regulations.

(d) **Term and Funding Proceeds Availability.** The Funding shall only be available to the State Recipient for a period of two (2) years from the earlier of (a) the date this Agreement is executed by the Authority (and the Authority's receipt of all documents attendant thereto); and (b) October 18, 2012 (the "Outside Closing Date"). STATE RECIPIENT ACKNOWLEDGES THAT TIME IS OF THE ESSENCE WITH RESPECT TO THE OUTSIDE CLOSING DATE AND THAT IN NO EVENT SHALL THE AUTHORITY BE UNDER ANY OBLIGATION TO EXTEND THE OUTSIDE CLOSING DATE.

5. **AUTHORITY'S RIGHT TO REDUCE FUNDING.** Failure by the State Recipient to achieve closing deadlines or milestones and/or failure by the State Recipient to make sufficient progress (as determined in the Authority's sole discretion) in the expenditure of the Funding and/or the completion of the Residences or a Project within one year of the date of this Agreement shall entitle the Authority to exercise its remedies under this Agreement, including, without limitation to withhold or reduce further disbursement of the Funding or take any other action which the Authority may deem appropriate in its sole discretion.

6. **FUNDING DOCUMENTS.** Simultaneously with the State Recipient's execution of this Agreement, the State Recipient shall deliver to the Authority (i) three (3) original copies of this Agreement, (ii) three (3) original copies of the Service Agreement and (iii) such other documents as the Authority in its sole discretion may require, all executed in the manner indicated therein, and in form and substance acceptable to the Authority in its sole discretion (collectively, "**Funding Documents**").

7. **REHABILITATION PROGRAM.**

(a) **Program Manual.** The State Recipient acknowledges that it has received, reviewed and understands the HOME Program requirements set forth in the Authority's HOME Owner-Occupied Rehabilitation Program Manual (as amended and supplemented by the Authority from time to time, "**Program Manual**"). The State Recipient agrees that, in addition to the provisions of this Agreement, it shall at all times comply with the requirements of the Program Manual with respect to the Funding and the Rehabilitation Program. The Program Manual is incorporated in this Agreement by this reference.

(b) **Eligibility.** The State Recipient agrees to make Loans only to Households for the rehabilitation of Projects that meet the following eligibility requirements:

(i) Household. A Household is eligible to participate in the Rehabilitation Program if:

A. For a Low-Income Household, it has adjusted gross annual income (as such term is defined for purpose of reporting under Internal Revenue Service form 1040), adjusted for family size, less than or equal to eighty percent (80%) of the median income for the metropolitan statistical area ("**MSA**") or county in which the Residence is located, as determined by HUD; and for a Very Low-Income Household, it has a gross annual income, adjusted for family size, less than or equal to fifty percent (50%) of the median income for the MSA or county in which the Residence is located, as determined by HUD; and for an Extremely Low-Income Household it has a gross annual income, adjusted for family size, less than or equal to thirty percent (30%) of the median income for the MSA or county in which the Residence is located, as determined by HUD;

B. A member of the Household holds fee simple title, or such other form of ownership as may be approved by the Authority, to the Residence; and

C. It resides in the Residence as its principal residence.

(ii) Project. As permitted under Section 92.254(a)(2)(iii) of the HOME Regulations, the appraised value of each Residence after completion of the Rehabilitation shall not exceed Two Hundred Thousand One Hundred Sixty and No/100 Dollars (\$200,160.00), as amended from time to time by HUD, or such other amount as may be required by HUD. If at any time after the date of this Agreement, HUD requires such appraised after rehabilitation value be modified, the Authority will notify the State Recipient of such amount in writing.

(iii) Eligible Project Costs. The State Recipient shall use the Funding proceeds to pay only the Eligible Project Costs (as defined in Section 92.206 of the HOME Regulations) of each Project (including Administrative Costs and Project Delivery Costs that are Eligible Project Costs).

(c) Conditions. Each Loan shall be for the term of the applicable Repayment Period (as hereinafter defined), shall bear no interest, shall be repayable to the Authority in accordance with the Repayment Agreement (as defined below), shall be in an amount not to exceed the Eligible Project Costs of the Project, and shall have an original principal amount not less than Four Thousand Dollars (\$4,000) and not more than Forty Thousand Dollars (\$40,000).

(d) Repayment Agreement. Each Household receiving a Loan shall enter into a Repayment Agreement in favor of the Authority ("**Repayment Agreement**") in the form attached as Exhibit A to the Rehabilitation Program Agreement (defined below).

(e) **Rehabilitation Program Agreement.** Prior to receiving a Loan, each Household participating in the Rehabilitation Program shall enter into: (i) a rehabilitation program agreement ("**Rehabilitation Program Agreement**") with the State Recipient in the form attached hereto as **Exhibit A**, (ii) a promissory note ("**Note**"), (iii) a repayment agreement ("**Repayment Agreement**") and (iv) a mortgage ("**Mortgage**") each in the form attached to the Rehabilitation Program Agreement. The Repayment Agreement and the Mortgage shall be recorded in the recorder's office of the county in which the Residence is located. The State Recipient understands that any declaration of default by it under a Rehabilitation Program Agreement will constitute a violation of this Agreement, as provided in Paragraph 12 hereof.

(f) **Project Set-Ups.** The State Recipient shall provide the Authority with a set up form for each Project in HUD's Integrated Disbursement Information System ("**IDIS**") prior to the commencement of rehabilitation of such Project.

(g) **State Recipient's Eligible Fees.** The State Recipient may retain, as Project Delivery Costs, up to fifteen percent (15%) of the HOME Program funds expended for hard costs and soft costs (as described in 24 CFR §92.206) budgeted for each Project, provided that such Project Delivery Costs are documented Eligible Project Costs specific to such Project. The State Recipient also may retain up to Ten Thousand and No/100 Dollars (\$10,000.00) of the Funding amount for reimbursement of Administrative Costs of the Rehabilitation Program, provided that such Administrative Costs are Eligible Project Costs.

(h) **Previously Incurred Administrative Costs.** Administrative Costs incurred by the State Recipient for the Project prior to the date of this Agreement shall be reimbursed up to One Thousand and No/100 Dollars (\$1,000.00) based upon invoices and paid receipts satisfactory to the Authority.

(i) **Disbursement.**

(i) **General.** The State Recipient shall request disbursements of Funding proceeds from the Authority in connection with the rehabilitation of each Project (including Administrative Costs) when funds are needed for payment of the Eligible Project Costs of such Project. The total amount of each disbursement request shall be limited to the amount of the Eligible Project Costs of the Project.

(ii) **Termination.** The Authority shall not be obligated to disburse Funding proceeds in connection with any Project after the Outside Closing Date.

(iii) **Authorization.** The Authority shall authorize the disbursement of Funding proceeds to the State Recipient for a Project only upon delivery of the following documents, acceptable to the Authority in its sole discretion:

A. A copy of all HUD IDIS set-up forms and revisions, if applicable, of those forms;

B. The required environmental review forms, in the form set forth in the Program Manual;

C. The Authority's HOME Program Disbursement Request Form executed by the State Recipient; and

D. Any and all other documents and showings requested by the Authority or its counsel.

Within ten (10) business days from receipt of these documents, the Authority shall approve or reject the request for disbursement. If the request for disbursement is approved, the Authority shall notify the State Recipient and shall endeavor to disburse the appropriate amount to the State Recipient within thirty (30) business days from the date of its approval. If the request for disbursement is rejected, the Authority shall give its reasons for such rejection in writing to the State Recipient.

(iv) Payments. Within five (5) business days from receipt of the Funding proceeds in connection with a Project, the State Recipient shall pay all contractors for all work performed on such Project; provided, however, that all such contractors have provided the State Recipient with partial or final lien waivers, as applicable, for such work.

Notwithstanding the foregoing, if the State Recipient is unable or unwilling to pay the contractors by the date identified in the preceding paragraph, the State Recipient shall immediately remit any unpaid funds to the Authority. The State Recipient agrees that any monies received from the Authority and awaiting disbursement to contractors shall be deposited and held in a non-interest bearing, FDIC-insured bank account.

(v) Records. The State Recipient shall obtain for its files the original of the Rehabilitation Program Agreement, a file-stamped copy of the Repayment Agreement, the original Note (as defined in the Rehabilitation Program Agreement), originals of the other Loan Documents (as defined in the Rehabilitation Program Agreement). The State Recipient shall record or cause to be recorded the Repayment Agreement and the Mortgage, upon closing

(j) Project Completion. Within sixty (60) days after receiving the final disbursement for a Project, the State Recipient shall file a HUD Project Completion Report with the Authority.

(k) Governmental Approvals. The State Recipient shall require that, for each Project, the Household and any contractors shall obtain and comply with all Federal, State and local governmental approvals required by law.

(l) Property Standards. The State Recipient shall require of each Household receiving a Loan that their Project be conducted in compliance with all local codes, ordinances, zoning ordinances and that their Residence shall, at a minimum, meet

the property standards set forth in Section 92.251(a)(1) of the HOME Regulations and the Authority's Property Standards for Rehabilitated Units.

(m) **Certification of Income.** Prior to the making of a Loan to a Household, the State Recipient shall obtain an Income Certification Form, set forth in the Program Manual, completed and executed by the Household receiving the Loan. In the manner prescribed by the Authority, the State Recipient shall obtain written evidence substantiating the information given on such Income Certifications and shall retain such evidence in its files for five (5) years after the year to which such evidence pertains.

(n) **Repayment of Funding Monies.** The State Recipient agrees to repay to the Authority any Funding proceeds used for a Project if the Project fails to meet the affordability restrictions set forth in the HOME Regulations and in the Repayment Agreement, or if the proceeds are used to pay for costs other than Eligible Project Costs. This obligation to repay Funding proceeds shall continue for each Project until the expiration (without default) of the Repayment Period (as defined in the Rehabilitation Program Agreement) for such Project.

(o) **Expiration of Agreement Remaining Monies.** Upon the expiration of this Agreement, any Funding proceeds not used by the State Recipient and any accounts receivable of the State Recipient attributable to the use of HOME funds shall be returned immediately to the Authority.

(p) **Prohibited Transfer; Subordination Policy.** The State Recipient shall require the Owner of each Residence to acknowledge that, without the prior written consent of the Authority, such owner shall not effect, suffer or permit any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation (or any agreement to do any of the foregoing) of the Residence (each a "**Prohibited Transfer**") not in compliance with the terms and conditions of the Repayment Agreement. A Prohibited Transfer shall include without limitation, any re-subordination of a Loan by the owner of a Residence without the prior written consent of the Authority, which may be granted or withheld in the Authority's sole discretion.

(q) **Program Income.** At no time shall the State Recipient cause the generation of any income as a result of or related to the Program ("Program Income"). In the event that there is Program Income, the State Recipient shall remit all such Program Income to the Authority prior to the State Recipient making any disbursement requests of the Authority.

## 8. **OTHER HOME PROGRAM REQUIREMENTS.**

(a) **Equal Employment Opportunity.** The State Recipient shall require that the Households execute the Owner-Occupied Rehabilitation Contract in the form attached to the Rehabilitation Program Agreement as Exhibit E thereto ("Construction Contract"), including without limitation the incorporation of the equal opportunity clause contained in **Exhibit B** attached to and incorporated into the Construction Contract. The State Recipient further agrees that it will (1) assist and cooperate actively with the

Authority and the United States Secretary of Labor ("**Secretary**") in obtaining the compliance of all contractors and subcontractors with the equal opportunity clause and the rules, regulations and relevant orders of the Secretary, (2) furnish the Authority and the Secretary such information as they may require for their supervision of such compliance and (3) otherwise assist the Authority in the discharge of the State Recipient's primary responsibility for securing compliance. The State Recipient further agrees that it will not enter into any contract or contract modification with a contractor who has been excluded ("debarred") from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to Executive Order 11246 of September 24, 1965 ("**Executive Order**"), and will carry out such sanctions and penalties for any violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary pursuant to Part II, Subpart D of the Executive Order. In addition, the State Recipient agrees that if it fails or refuses to comply with these undertakings, the Authority may terminate this Agreement and pursue its remedies hereunder and/or refer the case to the United States Department of Justice for appropriate action.

(b) **Local Preference.** The State Recipient shall require that Households participating in the Rehabilitation Program meet the rehabilitation requirements of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), as amended, that to the greatest extent feasible, (i) opportunities for training and employment shall be given to lower income residents located in the MSA or county in which the Residence is located; and (ii) contracts for construction work in connection with the Project shall be awarded to business concerns engaged in the business of construction that are located in, or owned in substantial part by, persons residing in the MSA or county in which the Residence is located. The State Recipient shall require that the Households include the provisions of this **Paragraph 9(b)** in any construction contract with a general contractor for a Project.

(c) **Minority Business Enterprises.** The State Recipient shall make efforts to encourage the use of minority and women's business enterprises in connection with the rehabilitation of each Project, as provided in Executive Orders 11625, 12432 and 12138.

(d) **Lead-Based Paint.** The State Recipient shall provide each Household applying to participate in the Rehabilitation Program with the Lead-Based Paint Notification contained in the Program Manual. The State Recipient shall evaluate the Residence to determine whether there is the presence of lead-based paint or lead-based paint hazards, and shall require, as part of the Project, that the Owner comply with the Lead-Based Paint Poison Prevention Act, as amended (42 U.S.C. 4821 *et seq.*) and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 *et seq.*) and the Lead-Based Paint HOME Regulations codified at 24 CFR Part 35. The State Recipient shall also require that all construction contracts and subcontracts provide that lead-based paint not be used in the Project. Construction contracts must also include all requirements (i) for the use of applicable safe work practices and (ii) that all contractors and their employees, and subcontractors and their employees, have been properly trained and possess proper qualifications or certifications as applicable to carry out the work.

(e) **Environmental Review.** Each activity carried out with Funding proceeds must be assessed by the State Recipient, for the benefit of the Authority, in accordance with the provisions of the National Environmental Policy Act of 1969 and the related authorities listed in the implementing regulations at The foregoing must be completed in accordance with the provisions of the National Environmental Policy Act of 1969 and the related authorities listed in the implementing regulations at 24 CFR, Parts 50, 51, 55 and 58, and 36 CFR 800, as set forth in Section 92.352 of the HOME Regulations. The State Recipient shall submit each Project assessment to the Authority with each project set up days prior to the initial closing. State Recipient may not expend any funds for activities until the Authority has notified State Recipient in writing that the environmental review is complete.

(f) **Flood Insurance.** No portion of the Funding proceeds may be used for acquisition or construction (including rehabilitation) of a Project located in an area identified by the Federal Emergency Management Agency as having special flood hazards unless flood insurance is obtained, as provided in 24 CFR 58.6.

(g) **Uniform Administrative Requirements.** The State Recipient shall comply with applicable uniform administrative requirements pursuant to Section 92.505 of the HOME Regulations.

(h) **Residence Value.** As permitted under Section 92.254(a)(2)(iii) of the HOME Regulations, the appraised value of each Residence after completion of the rehabilitation shall not exceed Two Hundred Thousand One Hundred Sixty and No/100 Dollars (\$200,160.00), as amended from time to time by HUD, or such other amount as may be required by HUD. If at any time after the date of this Agreement, HUD requires such appraised value be modified, the Authority will notify the State Recipient of such amount in writing.

(i) **Debarment.** The State Recipient shall (i) certify that the State Recipient has not been debarred from any governmental contracts, including but not limited to the form of Debarment Certificate attached hereto and made a part hereof as **Exhibit D**, and (ii) maintain evidence satisfactory to the Authority that no contractors involved in the rehabilitation of a Projects has been debarred from any governmental contracts during their involvement with a Project.

(j) **No Defaults.** The State Recipient by this Agreement certifies that as of the date hereof, and at all times hereafter, State Recipient has satisfied and shall continue to satisfy all terms, conditions, and covenants of, and has not suffered or will suffer any event of default of any agreement, contract or requirement of the Authority, HUD, the State of Illinois, or any political subdivision thereof.

9. **PARTICIPANT SELECTION PLAN; NON-DISCRIMINATION.**

(a) **Participant Selection Plan.** In the selection of Households for participation in the Rehabilitation Program, the State Recipient agrees to abide by its Participant Selection Plan, as approved by the Authority.

(b) **Non-Discrimination.**

(i) The State Recipient shall not, in the selection of Households for participation in the Rehabilitation Program, in the provision of services in connection therewith, or in any other manner discriminate against any person on the grounds of race, color, creed, religion, sex, age, handicap, national origin, familial or marital status, ancestry, or unfavorable military discharge.

(ii) The State Recipient shall comply with all of the provisions of Paragraph 313 of the HOME Act, and all provisions of Federal, State and local laws relating to non-discrimination as applicable, including, but not limited to, (1) the Fair Housing Act (42 U.S.C. 3601-20) and the implementing regulations; (2) Executive Order 11063, as amended by Executive Order 12259 and the implementing regulations; (3) Title VI of the Civil Rights Act of 1964 and the implementing regulations; (4) the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and the implementing regulations; (5) Section 504 of the Rehabilitation Act of 1973 and the implementing regulations; (6) the requirements of Executive Order 11246 and the implementing regulations; and (7) the Illinois Human Rights Act (775 ILCS 5/1-101 et seq. (1992)); all as they may be subsequently amended and supplemented.

10. **CONFLICT OF INTEREST.** The State Recipient shall comply with the conflicts of interest provisions in 24 CFR 85.36 and 24 CFR 84.42 respectively. In all cases not governed by 24 CFR 85.36 and 24 CFR 84.42 the State Recipient shall comply with the prohibitions on conflicts of interest set forth in Section 92.356 of the HOME Regulations, as the same may be modified, amended or supplemented from time to time, and with the prohibitions on conflicts of interest otherwise adopted by the HOME Program from time to time. Among other things, (i) no person who is an employee, agent, consultant, officer or elected or appointed official of the State Recipient may obtain a financial interest or benefit from a HOME Program-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, during their tenure or for one year thereafter, and (ii) in addition to, and not in limitation of, clause (i) above, no person who is an employee, agent, consultant, officer or elected or appointed official of the State Recipient and who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME Program funds, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a HOME Program-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter. The State Recipient shall take all reasonable steps to ensure that the provisions of this **Paragraph 10** are adhered to and observed, including, but not limited to, requiring that all contracts and subcontracts in connection with any Project contain language prohibiting such conflicts of interest.

11. **RECORDS.**

(a) **Audits.** The plans, specifications, books, contracts, records and documents relating to the Rehabilitation Program shall at all times be maintained by the State Recipient in accordance with Section 92.508 of the HOME Regulations and otherwise in reasonable condition for proper audit, and shall be subject to examination, inspection and copying by the Authority or its agent or representative at any time as the Authority reasonably requires.

(b) **Financial Report.** The State Recipient shall furnish the Authority with a compliance audit, prepared in accordance with the requirements of 24 CFR Part 85, OMB Circular A-133 (Audits of State and Local Governments) and OMB Circular A-110, as applicable, and certified to the Authority by the State Recipient and an Illinois-licensed certified public accountant. The audit of State Recipient shall be completed and submitted within the earlier of thirty (30) days after receipt by State Recipient of the auditor's reports, or nine (9) months after the end of the State Recipient audit period. The Authority reserves the right to require such additional reports as necessary.

(c) **Project Files.** The State Recipient shall maintain files, in a manner acceptable to the Authority, for each Household participating in the Rehabilitation Program evidencing that the State Recipient has met all requirements of the Rehabilitation Program, the IHDA Rules and the HOME Regulations. In addition, the State Recipient shall maintain all documents delivered to the Authority and listed on the Homeowner Rehabilitation Monitoring Checklist in the Program Manual.

(d) **Furnishing Information.** At the request of the Authority, the State Recipient shall furnish such reports, budgets, certifications and other documents required pursuant to the IHDA Rules and the HOME Regulations, or other applicable Federal or State statutes or requirements, and shall give specific answers to questions from the Authority, from time to time, relative to the State Recipient's contracts and operations in connection with the Rehabilitation Program and the Projects. In addition, the State Recipient shall permit the Authority, the Auditor General, or the Attorney General to inspect and audit any books, records, or papers related to the Rehabilitation Program, the Project, the Residences or use for which the Funding was provided.

(e) **Reporting Compliance with Program Provisions.** The State Recipient and Household receiving a Loan shall have mutual obligations of reporting compliance with the conditions contained in the Rehabilitation Program Agreement from the date the Project has been identified as "completed" in IDIS until the Loan has been forgiven in full (whether five years or ten years, as the case may be), along with a requirement that the State Recipient and the Household receiving the Loan shall promptly notify the Authority in the event that the Residence is no longer owner-occupied.

12. **DEFAULT; REMEDIES.** The occurrence of any one or more violations of the provisions of this Agreement by the State Recipient shall constitute an "**Event of Default**" hereunder. Upon an Event of Default, the Authority shall give written notice thereof to the State Recipient, as provided in **Paragraph 16** hereof. If (i) such Event of Default is not cured to the satisfaction of the Authority within thirty (30) days after the date such notice is given, or within such further time as the Authority in its sole discretion permits (but if such violation is of a

nature that it cannot be cured within such thirty (30) day period, then so long as the State Recipient commences to cure within such thirty (30) day period and diligently pursues such cure to completion within a reasonable period not to exceed one hundred twenty (120) days from the date of such notice, it shall not be considered to be an Event of Default), or (ii) if there exists any default under any Rehabilitation Program Agreement or any Loan Document (as defined therein), then the Authority may declare a default (“**Default**”) under this Agreement, effective on the date of declaration of Default and notice thereof to the State Recipient, and upon such Default the Authority shall act in accordance with 24 CFR 85.43 and may:

(a) Take one or more of the following actions, as appropriate in the circumstances: (1) temporarily withhold cash payment pending correction of the deficiency by the State Recipient or more severe enforcement action by the Authority, (2) disallow (that is deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance, (3) wholly or partly suspend or terminate the current award for the Rehabilitation Program or (4) withhold awards for the Rehabilitation Program;

(b) Recover any unexpended proceeds of the Funding and recover as damages any amounts that the Authority may be required to return to HUD pursuant to the HOME Program as a consequence of the Default;

(c) Apply to any court, State or Federal, for an injunction against any Default, or for such other relief as may be appropriate. The State Recipient acknowledges and agrees that, because the injury to the Authority arising from a Default would be irreparable and the amount of damages would be difficult to ascertain, the Authority's remedies at law, in the event of a violation of this Agreement, would be inadequate to assure the Authority's public purpose under the IHDA Act and the HOME Act; and

(d) Exercise such other rights or remedies as may be available to the Authority hereunder, at law or in equity.

The Authority's remedies are cumulative, and the exercise of one remedy shall not be deemed an election of remedies, nor foreclose the exercise of any other remedy by the Authority. No waiver of any breach of this Agreement by the Authority shall be deemed to be a waiver of any other breach or a subsequent breach. If the Authority fails to exercise, or delays in exercising, any right under this Agreement, such failure or delay shall not be deemed a waiver of such right or any other right.

13. **NO PERSONAL LIABILITY**. No member, officer, agent or employee of the Authority, or their successors and assigns, shall be liable personally concerning any matters arising out of or in relation to the undertakings or obligations set forth in this Agreement.

14. **INDEMNIFICATION**.

(a) The State Recipient shall indemnify the Authority and the Authority's officers, agents, employees, or servants against, and hold them harmless from, liabilities, claims, damages, losses and expenses, including, but not limited to, legal defense costs, attorneys' fees, and settlements or judgments, in any claim or lawsuit arising out of

the State Recipient's performance hereunder or any actions of any Household in connection with any Project brought against the Authority or the Authority's officers, agents, employees or servants.

(b) If a claim or suit is brought against the Authority or the Authority's officers, agents, employees or servants for which the State Recipient is responsible pursuant to **subparagraph (a)** of this **Paragraph 15**, the State Recipient shall defend the Authority, at the State Recipient's cost and expense, and will pay any resulting claims, judgments, damages, losses, expenses or settlements against the Authority or the Authority's officers, agents, employees or servants, including, but not limited to, attorneys' fees.

15. **AMENDMENT**. This Agreement shall not be altered or amended except in a writing signed by the parties hereto.

16. **NOTICES**. Any notices, demand, request or other communication which any party may desire or may be required to give to any other party hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified United States mail, postage prepaid, return receipt requested.

The State Recipient:

City of Moline  
619 16th Street  
Moline, IL 61265  
Attn: Ms. Liliana Rodriguez

The Authority:

Illinois Housing Development Authority  
401 N. Michigan, Suite 700  
Chicago, Illinois 60611  
Attn: Legal Department

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to subsection (a) hereof shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection (b) shall be served and effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

17. **SUCCESSORS**. This Agreement shall bind, and the benefits shall inure to, the parties hereto, their legal representatives, successors in office or interest and assigns, provided that the State Recipient may not assign this Agreement or any of its obligations, or delegate any of its duties, hereunder without the prior written approval of the Authority.

18. **PUBLICITY.** The Authority reserves the right to publicize the execution of this Agreement and the making of the Funding. The State Recipient shall notify the Authority immediately of any formal publicity in connection with the Rehabilitation Program or any Project that is arranged or promoted by the State Recipient or any other party participating in the financing or development of any Project. Formal publicity includes, but is not limited to, participation in news conferences and similar media events. The use of the Authority's name in any signage is subject to the Authority's prior written consent.

19. **SURVIVAL OF OBLIGATIONS.** The State Recipient's obligations, as set forth in this Agreement, shall survive the Outside Closing Date and the State Recipient shall continue to cooperate with the Authority and furnish any documents, exhibits or showings required hereunder.

20. **CONSTRUCTION OF AGREEMENT.**

(a) **Partial Invalidity.** If any term, covenant, condition or provision of this Agreement, or the application thereof to any circumstance, shall, at any time or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application thereof to circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(b) **Gender.** The use of the plural in this Agreement shall include the singular, the singular shall include the plural, and the use of any gender shall be deemed to include all genders.

(c) **Captions.** The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of the intent of any provision of this Agreement.

(d) **Construction.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Illinois.

(e) **Exhibits.** The Exhibits attached hereto are incorporated herein and made a part of this Agreement.

21. **WAIVER OF JURY TRIAL. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE REHABILITATION PROGRAM OR THIS AGREEMENT.**

23. **JURISDICTION. TO INDUCE THE AUTHORITY TO ACCEPT THE TERMS OF THIS AGREEMENT, STATE RECIPIENT IRREVOCABLY AGREES THAT, SUBJECT TO THE AUTHORITY'S SOLE AND ABSOLUTE ELECTION, ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS AGREEMENT WILL BE LITIGATED IN COURTS HAVING SITUS IN**

**CHICAGO, ILLINOIS. STATE RECIPIENT HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY COURT LOCATED WITHIN CHICAGO, ILLINOIS, WAIVES PERSONAL SERVICE OF PROCESS UPON STATE RECIPIENT, AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL DIRECTED TO STATE RECIPIENT AT THE ADDRESS STATED HEREIN AND SERVICE SO MADE WILL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT.**

24. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page.

25. **LIABILITY OF THE AUTHORITY.** In no event shall the Authority be liable to the State Recipient for consequential or incidental damages, including, without limitation, lost profits, whatever the nature of the breach by the Authority of its obligations under this Agreement or the Funding Documents or in connection herewith and the State Recipient waives all claims for consequential and incidental damages and for all damages described in **Paragraph 26** below.

26. **FUNDING.** The parties acknowledge that the Funding is to be funded with monies provided by HUD, and that the Authority is under no obligation to request such funds for any disbursement of proceeds of the Funding unless and until all necessary preconditions to disbursement set forth herein and in the other Funding Documents shall have been satisfied to the Authority's satisfaction, and that significant time delays might result from the funding of such monies by HUD. Without limiting the generality of **Paragraph 25** above, in no event shall the Authority be liable to the State Recipient for any damages whatsoever which might result in whole or in part from any delays in funding any proceeds of the Funding. In addition, as a condition that must be satisfied prior to Authority disbursing any proceeds of the Funding, the State Recipient must provide to Authority the Certification attached hereto as **Exhibit E**. No proceeds of the Funding shall be disbursed without the certification.

27. **THE AUTHORITY'S RIGHT TO TERMINATE.** In addition to any other rights granted to the Authority herein, the Authority reserves the right to terminate this Agreement for convenience, in accordance with 24 CFR 85.44.

28. **ANTI-LOBBYING CERTIFICATION.** Pursuant to the requirements in 24 CFR 91.225, State Recipient certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of State Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, State Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," ("Lobbying Disclosure Certificate", attached hereto as **Exhibit F**) in accordance with its instructions.

(c) State Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

## 29. **PRIVACY ACT CERTIFICATION.**

State Recipient certifies, to the best of his or her knowledge and belief, that the undersigned has adopted and implemented and will enforce an Information Security Policy ("Privacy Policy") that: (a) complies with the Gramm-Leach-Bliley Act (the "GLB Act"); (b) complies with the Federal Trade Commission's established policies and procedures for safeguarding information for applicants' and individual participants ("Participants") of the Rehabilitation Program (the "Safeguard Rule"); (c) includes appropriate measures to dispose of applicants' and Participants' information in compliance with the foregoing (the "Disposal Rule"); and (d) complies with the Personal Information Act (the "PIP Act") (the GLB Act, the Safeguard Rule, the Disposal Rule and the PIP Act shall be collectively referred to herein as the "Privacy Legislation").

State Recipient additionally certifies, to the best of his or her knowledge and belief, that the undersigned's Privacy Policy: (a) creates a form of privacy notice that is in compliance with the Privacy Legislation ("Privacy Notice"); (b) requires that the Privacy Notice be delivered to all individuals prior to a relationship being established with and prior to the applicant disclosing any nonpublic personal information to the State Recipient regardless of whether or not a loan is extended to this individual; (c) directs that the Privacy Notice be sent by mail to the last known address or delivered in person to all of the existing Participants under the Rehabilitation Program and yearly thereafter for the duration of the relationship with the Participants; (d) provides that if the State Recipient changes its Privacy Policy that the State Recipient will need to provide a new, revised Privacy Notice reflecting the changes to the Privacy Policy to the Participants; and (e) complies with all of the requirements set forth in that certain Notice Regarding Privacy Act delivered to the State Recipient by the Authority.

State Recipient acknowledges that this certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this agreement to be effective as of the date first written above.

**STATE RECIPIENT:**

**CITY OF MOLINE,**  
an Illinois unit of local government

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

Name: \_\_\_\_\_

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

**AUTHORITY:**

**ILLINOIS HOUSING DEVELOPMENT  
AUTHORITY**

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

Mary R. Kenney  
Executive Director

**APPROVED AS TO FORM:**

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

Maureen G. Ohle  
General Counsel

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

Hazim Taib  
Chief Financial Officer

Exhibits:

A: Rehabilitation Program Agreement

Exhibits:

- A: Repayment Agreement
- A.1: Repayment Agreement Amendment
- B: Promissory Note
- C: Mortgage
- D: Contractor's Payment Request
- E: Certificate of Completion
- F: Owner-Occupied Rehabilitation Construction Contract
- G: Rehabilitation Work List

- H: Right to Rescind
- B: Intentionally Omitted
- C: Projected Payout Schedule
- D: Debarment Certification
- E: Certification
- F: Disclosure of Lobbying Activities Certification

Appendices:

- A: Summary and Text of Applicable HOME Regulations

Council Bill/Resolution No. 1201-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor to execute an inter agency agreement between the City of Moline and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for non-criminal justice applicants.

WHEREAS, criminal history record information is needed from time to time by the City of Moline for non-criminal justice applicants for various city positions; and

WHEREAS, fingerprint based criminal history record information can only be obtained from the Illinois State Police upon payment of the associated fee; and

WHEREAS, execution of an inter agency agreement is required in order to utilize the Illinois State Police fee based criminal history record information service.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor is hereby authorized to execute an inter agency agreement between the City of Moline and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for non-criminal justice applicants; provided said agreement is substantially similar in form and content to Exhibit A, attached hereto and incorporated herein by this reference thereto, and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

July 17, 2012

\_\_\_\_\_  
Date

Passed: July 17, 2012

Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney



**STATE OF ILLINOIS  
ILLINOIS STATE POLICE  
INTER AGENCY AGREEMENT BETWEEN  
THE ILLINOIS STATE POLICE**

**AND**

**CITY OF MOLINE    ORI: ILL13348S**

---

Requesting Organization (User)

The Illinois State Police (hereinafter “ISP”) acting as the state central repository for Criminal History Record Information (hereinafter “CHRI”) and the User, hereby agree to the following terms, provisions, and conditions:

**I. Purpose:**

- (1) ISP, in its capacity as the state central repository, has the authority to provide CHRI, pursuant to the applicable Illinois Compiled Statute, and be paid for its expenses. This Interagency Agreement (hereinafter “Agreement”) establishes the terms of the relationship.

**II. Effective Date:**

- (1) This agreement will commence upon execution of the signature of the Director of the Illinois State Police and continues unless canceled by either party upon thirty (30) days written notice.

**III. Services the ISP agrees to provide to User:**

- (1) Fingerprint-based Criminal History Record Information authorized by law to be released.

**IV. Duties of User:**

User agrees to undertake and perform the following duties:

- (1) User will request applicants submit fee applicant fingerprint cards, via a live scan vendor, for processing by ISP through its files. Manual fee applicant cards (IL 493-0696) will be accepted in those instances where live scan transmissions cannot be used.

- (2) User shall submit FBI fee applicant fingerprint cards for submission to the Federal Bureau of Identification's Criminal Justice Information Services (CJIS) Division through the ISP.
- (3) User shall be responsible for checking the quality and completeness of all manual forms submitted by their Agency or Department to ensure they are legible and properly completed. Forms deemed to be incomplete may be returned unprocessed.
- (4) User shall cooperate with and make its records available to ISP/FBI for the purpose of conducting periodic audits to ensure User's compliance with all laws, rules, and regulations regarding the processing of CHRI furnished by ISP to User.
- (5) User agrees to keep such records as ISP may direct in order to facilitate such audits. At a minimum, User shall log all dissemination of ISP/FBI CHRI received from ISP and/or the FBI. This log must include the identities of persons or agencies to whom the information is released, the name of the requester, the authority of the requester, the purpose of the request, the identity of the individual to whom the information relates, and the date of the dissemination. Such log shall be retained for a period of three (3) years.
- (6) User shall be responsible for the physical security of ISP/FBI CHRI under its control or in its custody and shall protect such information from unauthorized access, disclosure and dissemination.
- (7) User shall limit dissemination of CHRI to statutorily authorized parties and ensure such authorized parties agree to provide the same protection and physical security of CHRI as agreed to by User.
- (8) When CHRI is no longer required by User, data shall be destroyed by User through shredding or burning of paper documentation and/or deletion of electronic CHRI from User's databases.
- (9) The User shall comply with all the provisions of Criminal Identification Act (20 ILCS 2630/1, et seq).
- (10) Payments for services rendered by ISP pursuant to the terms of this Interagency Agreement shall be paid in full not later than forty-five (45) calendar days from the last date of the billing cycle. Failure to pay on a timely basis could result in an interruption of services rendered by ISP.
- (11) User shall comply with all provisions outlined in Addendum 1 if User is providing live scan fingerprinting services as part of this Interagency Agreement.
- (12) User shall report in writing to the ISP any changes in agency contact information, and initiate a new user agreement for Chief Administrator(s) name change.

**V. Duties of ISP:**

ISP agrees to undertake and perform the following duties:

- (1) ISP shall process, in a timely fashion, all ISP/FBI fee applicant cards submitted by User.
- (2) ISP agrees to forward, in a timely fashion, FBI applicant fingerprint cards to the FBI's Criminal Justice Information Services (CJIS) Division.
- (3) ISP shall, if requested, assist User in the interpretation or translation of any CHRI requiring clarification.
- (4) ISP shall conduct an annual review in order to determine the level of fees to be established to cover the cost of processing criminal record inquiries. ISP fees shall be based upon the cost of providing CHRI services, as required by law. User shall be notified of any change in ISP fees. Pursuant to notification by ISP, any new ISP fee established shall replace the ISP fee identified in Appendix A.
- (5) Fingerprint submission procedures established by the FBI are subject to change and ISP shall advise User immediately of any changes promulgated by the FBI.
- (6) ISP will notify User if fee applicant fingerprint cards are of insufficient fingerprint quality. Background checks can not be processed for fee applicant fingerprint cards containing insufficient fingerprint quality. The User may request the applicant resubmit a new completed fingerprint card for reprocessing by ISP with the appropriate fee.

**VI. General Provisions**

- (1) ISP agrees to notify User sixty (60) days prior to making changes in rules, procedures, and policies adopted by it and incorporated in this agreement. Changes in the rules, procedures, and policies originating with federal and state executive order, congressional or state legislative enactment, or by court decision shall be initiated as required by law.
- (2) The current fee schedule is reflected in Appendix A. This agreement may be amended by the mutual consent of both parties at anytime during its term. Amendments to this Agreement shall be in writing and signed by both parties or their authorized representatives. Modifications of the fee amounts in Appendix A will be implemented upon written notification from ISP to User.

**IN WITNESS THEREOF**, the parties hereto caused this agreement to be executed by the proper officers and officials.

\_\_\_\_\_  
Signature of Agency Head

DONALD P. WELVAERT, MAYOR

\_\_\_\_\_  
Print or Type Name of Agency Head

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Name of Agency

619 - 16TH STREET

MOLINE

IL

61265

\_\_\_\_\_  
Address of Agency

City

State

Zip

309-524-2001

309-524-2031

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Fax Number

dwelvaert@moline.il.us

\_\_\_\_\_  
E-mail Address

07/17/2012

\_\_\_\_\_  
Date

**State of Illinois**  
**Illinois State Police**

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

Director

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

## Appendix A

**AUTHORIZATION:** ISP will provide User with CHRI pursuant to and limited by:  
20 ILCS 2630/et seq

**FEES:** Services performed by ISP will be based upon the following fee schedule:

\$39.25	Each original set of Fee Applicant fingerprint cards (1-ISP & 1-FBI) submitted manually.
\$34.25	Each set of Fee Applicant fingerprint images (1-ISP & 1-FBI) submitted electronically.
\$20.00	Each ISP Fee Applicant fingerprint card submitted manually
\$15.00	Each ISP Fee Applicant fingerprint card submitted electronically.
\$19.25	Each FBI Applicant fingerprint card submitted manually or electronically.
\$10.00	Each re-submission of ISP/FBI Fee Applicant fingerprints as a result of an unclassifiable fingerprint card.

**NOTICES:** All notices shall be effective on the date of posting with the U. S. Postal Service and shall be addressed as follows:

**ISP:**

Illinois State Police  
Bureau of Identification  
260 North Chicago Street  
Joliet, Illinois 60432- 4072

**USER:**

CITY OF MOLINE

Agency

619 16TH ST., MOLINE, IL 61265

Street Address, City, State Zip

309-524-2001

Telephone Number

Fax Number

\*E-mail Address

Please mark only **one** preferred response method:

\*Agency must have installed the decryption software ([www.isp.state.il.us](http://www.isp.state.il.us)) and must be registered with Entrust ([www.illinois.gov/pki](http://www.illinois.gov/pki)) **prior to receiving** email responses.

### **Addendum 1**

*(Addendum I to be utilized in conjunction with ISP Interagency Agreement for the sole purpose of utilizing live scan fingerprinting services)*

#### **Purpose:**

Governmental agencies or other legal entities (hereinafter "Users") have a need for live scan fingerprinting services in order to perform their licensing and employment responsibilities. Vendors may be utilized by such Users to provide live scan fingerprinting services and have the fingerprint images forwarded to the ISP for processing. ISP, in its capacity as the state central repository, has the authority to provide CHRI, pursuant to the applicable Illinois Compiled Statute, and be paid for its expenses. This Addendum establishes the terms of the relationship.

#### **Services ISP Agrees to Provide:**

ISP agrees to accept and process live scan fingerprint images submitted in the form and manner prescribed by ISP.

#### **Duties of User:**

User agrees to undertake and perform the following duties:

- (1) User agrees to capture and transmit all fingerprint images to the ISP using live scan equipment certified by the Federal Bureau of Investigation (FBI). The fingerprint images and demographic data must be submitted in the form and manner required by ISP/FBI, including the electronic transfer of fingerprint and demographic data to the ISP NATMS/AFIS system via a network connection as defined by the ISP/FBI. All fingerprint and demographic data transmitted must be encrypted at all times using FBI encryption standards.
- (2) User agrees to comply with all ISP/FBI certification standards and procedures, which includes but is not limited to certification of live scan equipment, audits of live scan transmissions to the ISP/FBI.
- (3) User agrees to take appropriate action to ensure each live scan transmission is sent to ISP successfully and passes all ISP live scan edits, conforming to the most recent ISP Electronic Fingerprint Submission Specifications (EFSS). In the event the electronic fingerprint specifications are modified, the user agrees to make any changes necessary to meet the new specifications within thirty (30) days of notification.

*Addendum 1 -continued-*

- (4) User agrees to cooperate and make its records available for the purpose of conducting periodic audits by ISP/FBI to ensure compliance with all laws, rules and regulations regarding the submission of fingerprints to the ISP/FBI via live scan.

**Dissemination:**

At a minimum, User shall log all dissemination of ISP/FBI CHRI received from ISP and/or the FBI. This log must include the identities of persons or agencies to whom the information is released, the name of the requester, the authority of the requester, the purpose of the request, the identity of the individual to whom the information relates, and the date of the dissemination. Such log shall be retained for a period of three (3) years. CHRI will only be disseminated directly to the Requester and only to the extent permitted by law.

---

Signature of Agency Head

DONALD P. WELVAERT, MAYOR

---

Print or Type Name of Agency Head

CITY OF MOLINE, ILLINOIS

---

Name of Agency

619 16TH STREET

MOLINE

IL

61265

---

Address of Agency

City

State

Zip

07/17/2012

---

Date

Council Bill/Resolution No. 1202-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor to execute an inter agency agreement between the City of Moline Liquor Control Commission and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for liquor license applicants.

WHEREAS, criminal history record information is needed by the City of Moline on all liquor license applicants; and

WHEREAS, fingerprint based criminal history record information on non-criminal justice applicants can only be obtained from the Illinois State Police upon payment of the associated fee; and

WHEREAS, execution of an inter agency agreement is required in order to utilize the Illinois State Police fee based criminal history record information service.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor is hereby authorized to execute an inter agency agreement between the City of Moline Liquor Control Commission and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for liquor license applicants; provided said agreement is substantially similar in form and content to Exhibit A, attached hereto and incorporated herein by this reference thereto, and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

July 17, 2012

\_\_\_\_\_  
Date

Passed: July 17, 2012

Approved: July 24, 2012

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

City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney



**STATE OF ILLINOIS  
ILLINOIS STATE POLICE  
INTER AGENCY AGREEMENT BETWEEN  
THE ILLINOIS STATE POLICE**

**AND**

**MOLINE LIQUOR CONTROL COMMISSION    ORI: ILL13347S**

---

Requesting Organization (User)

The Illinois State Police (hereinafter “ISP”) acting as the state central repository for Criminal History Record Information (hereinafter “CHRI”) and the User, hereby agree to the following terms, provisions, and conditions:

**I. Purpose:**

- (1) ISP, in its capacity as the state central repository, has the authority to provide CHRI, pursuant to the applicable Illinois Compiled Statute, and be paid for its expenses. This Interagency Agreement (hereinafter “Agreement”) establishes the terms of the relationship.

**II. Effective Date:**

- (1) This agreement will commence upon execution of the signature of the Director of the Illinois State Police and continues unless canceled by either party upon thirty (30) days written notice.

**III. Services the ISP agrees to provide to User:**

- (1) Fingerprint-based Criminal History Record Information authorized by law to be released.

**IV. Duties of User:**

User agrees to undertake and perform the following duties:

- (1) User will request applicants submit fee applicant fingerprint cards, via a live scan vendor, for processing by ISP through its files. Manual fee applicant cards (IL 493-0696) will be accepted in those instances where live scan transmissions cannot be used.

- (2) User shall submit FBI fee applicant fingerprint cards for submission to the Federal Bureau of Identification's Criminal Justice Information Services (CJIS) Division through the ISP.
- (3) User shall be responsible for checking the quality and completeness of all manual forms submitted by their Agency or Department to ensure they are legible and properly completed. Forms deemed to be incomplete may be returned unprocessed.
- (4) User shall cooperate with and make its records available to ISP/FBI for the purpose of conducting periodic audits to ensure User's compliance with all laws, rules, and regulations regarding the processing of CHRI furnished by ISP to User.
- (5) User agrees to keep such records as ISP may direct in order to facilitate such audits. At a minimum, User shall log all dissemination of ISP/FBI CHRI received from ISP and/or the FBI. This log must include the identities of persons or agencies to whom the information is released, the name of the requester, the authority of the requester, the purpose of the request, the identity of the individual to whom the information relates, and the date of the dissemination. Such log shall be retained for a period of three (3) years.
- (6) User shall be responsible for the physical security of ISP/FBI CHRI under its control or in its custody and shall protect such information from unauthorized access, disclosure and dissemination.
- (7) User shall limit dissemination of CHRI to statutorily authorized parties and ensure such authorized parties agree to provide the same protection and physical security of CHRI as agreed to by User.
- (8) When CHRI is no longer required by User, data shall be destroyed by User through shredding or burning of paper documentation and/or deletion of electronic CHRI from User's databases.
- (9) The User shall comply with all the provisions of Criminal Identification Act (20 ILCS 2630/1, et seq).
- (10) Payments for services rendered by ISP pursuant to the terms of this Interagency Agreement shall be paid in full not later than forty-five (45) calendar days from the last date of the billing cycle. Failure to pay on a timely basis could result in an interruption of services rendered by ISP.
- (11) User shall comply with all provisions outlined in Addendum 1 if User is providing live scan fingerprinting services as part of this Interagency Agreement.
- (12) User shall report in writing to the ISP any changes in agency contact information, and initiate a new user agreement for Chief Administrator(s) name change.

**V. Duties of ISP:**

ISP agrees to undertake and perform the following duties:

- (1) ISP shall process, in a timely fashion, all ISP/FBI fee applicant cards submitted by User.
- (2) ISP agrees to forward, in a timely fashion, FBI applicant fingerprint cards to the FBI's Criminal Justice Information Services (CJIS) Division.
- (3) ISP shall, if requested, assist User in the interpretation or translation of any CHRI requiring clarification.
- (4) ISP shall conduct an annual review in order to determine the level of fees to be established to cover the cost of processing criminal record inquiries. ISP fees shall be based upon the cost of providing CHRI services, as required by law. User shall be notified of any change in ISP fees. Pursuant to notification by ISP, any new ISP fee established shall replace the ISP fee identified in Appendix A.
- (5) Fingerprint submission procedures established by the FBI are subject to change and ISP shall advise User immediately of any changes promulgated by the FBI.
- (6) ISP will notify User if fee applicant fingerprint cards are of insufficient fingerprint quality. Background checks can not be processed for fee applicant fingerprint cards containing insufficient fingerprint quality. The User may request the applicant resubmit a new completed fingerprint card for reprocessing by ISP with the appropriate fee.

**VI. General Provisions**

- (1) ISP agrees to notify User sixty (60) days prior to making changes in rules, procedures, and policies adopted by it and incorporated in this agreement. Changes in the rules, procedures, and policies originating with federal and state executive order, congressional or state legislative enactment, or by court decision shall be initiated as required by law.
- (2) The current fee schedule is reflected in Appendix A. This agreement may be amended by the mutual consent of both parties at anytime during its term. Amendments to this Agreement shall be in writing and signed by both parties or their authorized representatives. Modifications of the fee amounts in Appendix A will be implemented upon written notification from ISP to User.

**IN WITNESS THEREOF**, the parties hereto caused this agreement to be executed by the proper officers and officials.

\_\_\_\_\_  
Signature of Agency Head

DONALD P. WELVAERT, MAYOR/LIQUOR CONTROL COMMISSIONER

\_\_\_\_\_  
Print or Type Name of Agency Head

MOLINE LIQUOR CONTROL COMMISSION

\_\_\_\_\_  
Name of Agency

619 - 16TH STREET

MOLINE

IL

61265

\_\_\_\_\_  
Address of Agency

City

State

Zip

309-524-2001

309-524-2031

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Fax Number

dwelvaert@moline.il.us

\_\_\_\_\_  
E-mail Address

07/17/2012

\_\_\_\_\_  
Date

**State of Illinois**  
**Illinois State Police**

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

Director

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

## Appendix A

**AUTHORIZATION:** ISP will provide User with CHRI pursuant to and limited by:  
20 ILCS 2630/et seq

**FEES:** Services performed by ISP will be based upon the following fee schedule:

\$39.25	Each original set of Fee Applicant fingerprint cards (1-ISP & 1-FBI) submitted manually.
\$34.25	Each set of Fee Applicant fingerprint images (1-ISP & 1-FBI) submitted electronically.
\$20.00	Each ISP Fee Applicant fingerprint card submitted manually
\$15.00	Each ISP Fee Applicant fingerprint card submitted electronically.
\$19.25	Each FBI Applicant fingerprint card submitted manually or electronically.
\$10.00	Each re-submission of ISP/FBI Fee Applicant fingerprints as a result of an unclassifiable fingerprint card.

**NOTICES:** All notices shall be effective on the date of posting with the U. S. Postal Service and shall be addressed as follows:

**ISP:**

Illinois State Police  
Bureau of Identification  
260 North Chicago Street  
Joliet, Illinois 60432-4072

**USER:**

MOLINE LIQUOR CONTROL COMMISSION

Agency

619 16TH ST., MOLINE, IL 61265

Street Address, City, State Zip

309-524-2001

Telephone Number

Fax Number

\*E-mail Address

Please mark only **one** preferred response method:

\*Agency must have installed the decryption software ([www.isp.state.il.us](http://www.isp.state.il.us)) and must be registered with Entrust ([www.illinois.gov/pki](http://www.illinois.gov/pki)) **prior to receiving** email responses.

### **Addendum 1**

*(Addendum 1 to be utilized in conjunction with ISP Interagency Agreement for the sole purpose of utilizing live scan fingerprinting services)*

#### **Purpose:**

Governmental agencies or other legal entities (hereinafter "Users") have a need for live scan fingerprinting services in order to perform their licensing and employment responsibilities. Vendors may be utilized by such Users to provide live scan fingerprinting services and have the fingerprint images forwarded to the ISP for processing. ISP, in its capacity as the state central repository, has the authority to provide CHRI, pursuant to the applicable Illinois Compiled Statute, and be paid for its expenses. This Addendum establishes the terms of the relationship.

#### **Services ISP Agrees to Provide:**

ISP agrees to accept and process live scan fingerprint images submitted in the form and manner prescribed by ISP.

#### **Duties of User:**

User agrees to undertake and perform the following duties:

- (1) User agrees to capture and transmit all fingerprint images to the ISP using live scan equipment certified by the Federal Bureau of Investigation (FBI). The fingerprint images and demographic data must be submitted in the form and manner required by ISP/FBI, including the electronic transfer of fingerprint and demographic data to the ISP NATMS/AFIS system via a network connection as defined by the ISP/FBI. All fingerprint and demographic data transmitted must be encrypted at all times using FBI encryption standards.
- (2) User agrees to comply with all ISP/FBI certification standards and procedures, which includes but is not limited to certification of live scan equipment, audits of live scan transmissions to the ISP/FBI.
- (3) User agrees to take appropriate action to ensure each live scan transmission is sent to ISP successfully and passes all ISP live scan edits, conforming to the most recent ISP Electronic Fingerprint Submission Specifications (EFSS). In the event the electronic fingerprint specifications are modified, the user agrees to make any changes necessary to meet the new specifications within thirty (30) days of notification.

*Addendum 1 -continued-*

- (4) User agrees to cooperate and make its records available for the purpose of conducting periodic audits by ISP/FBI to ensure compliance with all laws, rules and regulations regarding the submission of fingerprints to the ISP/FBI via live scan.

**Dissemination:**

At a minimum, User shall log all dissemination of ISP/FBI CHRI received from ISP and/or the FBI. This log must include the identities of persons or agencies to whom the information is released, the name of the requester, the authority of the requester, the purpose of the request, the identity of the individual to whom the information relates, and the date of the dissemination. Such log shall be retained for a period of three (3) years. CHRI will only be disseminated directly to the Requester and only to the extent permitted by law.

---

Signature of Agency Head

DONALD P. WELVAERT, MAYOR/LIQUOR CONTROL COMMISSIONER

---

Print or Type Name of Agency Head

MOLINE LIQUOR CONTROL COMMISSION

---

Name of Agency

619 16TH STREET

MOLINE

IL

61265

---

Address of Agency

City

State

Zip

07/17/2012

---

Date

Council Bill/Resolution No. 1203-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Interim Public Safety Director to execute an inter agency agreement between the Moline Fire Department and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for fire department applicants.

WHEREAS, criminal history record information is needed by the City of Moline Fire Department on all fire department applicants; and

WHEREAS, fingerprint based criminal history record information on non-criminal justice applicants can only be obtained from the Illinois State Police upon payment of the associated fee; and

WHEREAS, execution of an inter agency agreement is required in order to utilize the Illinois State Police fee based criminal history record information service.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Interim Public Safety Director is hereby authorized to execute an inter agency agreement between the Moline Fire Department and the Illinois State Police for providing fee based criminal history record information from fingerprint submissions for fire department applicants; provided said agreement is substantially similar in form and content to Exhibit A, attached hereto and incorporated herein by this reference thereto, and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

July 17, 2012

\_\_\_\_\_  
Date

Passed: July 17, 2012

Approved: July 24, 2012

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

City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney



**STATE OF ILLINOIS  
ILLINOIS STATE POLICE  
INTER AGENCY AGREEMENT BETWEEN  
THE ILLINOIS STATE POLICE**

**AND**

**MOLINE FIRE DEPARTMENT      ORI: ILL12048F**

---

Requesting Organization (User)

The Illinois State Police (hereinafter "ISP") acting as the state central repository for Criminal History Record Information (hereinafter "CHRI") and the User, hereby agree to the following terms, provisions, and conditions:

**I. Purpose:**

- (1) ISP, in its capacity as the state central repository, has the authority to provide CHRI, pursuant to the applicable Illinois Compiled Statute, and be paid for its expenses. This Interagency Agreement (hereinafter "Agreement") establishes the terms of the relationship.

**II. Effective Date:**

- (1) This agreement will commence upon execution of the signature of the Director of the Illinois State Police and continues unless canceled by either party upon thirty (30) days written notice.

**III. Services the ISP agrees to provide to User:**

- (1) Fingerprint-based Criminal History Record Information authorized by law to be released.

**IV. Duties of User:**

User agrees to undertake and perform the following duties:

- (1) User will request applicants submit fee applicant fingerprint cards, via a live scan vendor, for processing by ISP through its files. Manual fee applicant cards (IL 493-0696) will be accepted in those instances where live scan transmissions cannot be used.

- (2) User shall submit FBI fee applicant fingerprint cards for submission to the Federal Bureau of Identification's Criminal Justice Information Services (CJIS) Division through the ISP.
- (3) User shall be responsible for checking the quality and completeness of all manual forms submitted by their Agency or Department to ensure they are legible and properly completed. Forms deemed to be incomplete may be returned unprocessed.
- (4) User shall cooperate with and make its records available to ISP/FBI for the purpose of conducting periodic audits to ensure User's compliance with all laws, rules, and regulations regarding the processing of CHRI furnished by ISP to User.
- (5) User agrees to keep such records as ISP may direct in order to facilitate such audits. At a minimum, User shall log all dissemination of ISP/FBI CHRI received from ISP and/or the FBI. This log must include the identities of persons or agencies to whom the information is released, the name of the requester, the authority of the requester, the purpose of the request, the identity of the individual to whom the information relates, and the date of the dissemination. Such log shall be retained for a period of three (3) years.
- (6) User shall be responsible for the physical security of ISP/FBI CHRI under its control or in its custody and shall protect such information from unauthorized access, disclosure and dissemination.
- (7) User shall limit dissemination of CHRI to statutorily authorized parties and ensure such authorized parties agree to provide the same protection and physical security of CHRI as agreed to by User.
- (8) When CHRI is no longer required by User, data shall be destroyed by User through shredding or burning of paper documentation and/or deletion of electronic CHRI from User's databases.
- (9) The User shall comply with all the provisions of Criminal Identification Act (20 ILCS 2630/1, et seq).
- (10) Payments for services rendered by ISP pursuant to the terms of this Interagency Agreement shall be paid in full not later than forty-five (45) calendar days from the last date of the billing cycle. Failure to pay on a timely basis could result in an interruption of services rendered by ISP.
- (11) User shall comply with all provisions outlined in Addendum 1 if User is providing live scan fingerprinting services as part of this Interagency Agreement.
- (12) User shall report in writing to the ISP any changes in agency contact information, and initiate a new user agreement for Chief Administrator(s) name change.

**V. Duties of ISP:**

ISP agrees to undertake and perform the following duties:

- (1) ISP shall process, in a timely fashion, all ISP/FBI fee applicant cards submitted by User.
- (2) ISP agrees to forward, in a timely fashion, FBI applicant fingerprint cards to the FBI's Criminal Justice Information Services (CJIS) Division.
- (3) ISP shall, if requested, assist User in the interpretation or translation of any CHRI requiring clarification.
- (4) ISP shall conduct an annual review in order to determine the level of fees to be established to cover the cost of processing criminal record inquiries. ISP fees shall be based upon the cost of providing CHRI services, as required by law. User shall be notified of any change in ISP fees. Pursuant to notification by ISP, any new ISP fee established shall replace the ISP fee identified in Appendix A.
- (5) Fingerprint submission procedures established by the FBI are subject to change and ISP shall advise User immediately of any changes promulgated by the FBI.
- (6) ISP will notify User if fee applicant fingerprint cards are of insufficient fingerprint quality. Background checks can not be processed for fee applicant fingerprint cards containing insufficient fingerprint quality. The User may request the applicant resubmit a new completed fingerprint card for reprocessing by ISP with the appropriate fee.

**VI. General Provisions**

- (1) ISP agrees to notify User sixty (60) days prior to making changes in rules, procedures, and policies adopted by it and incorporated in this agreement. Changes in the rules, procedures, and policies originating with federal and state executive order, congressional or state legislative enactment, or by court decision shall be initiated as required by law.
- (2) The current fee schedule is reflected in Appendix A. This agreement may be amended by the mutual consent of both parties at anytime during its term. Amendments to this Agreement shall be in writing and signed by both parties or their authorized representatives. Modifications of the fee amounts in Appendix A will be implemented upon written notification from ISP to User.

**IN WITNESS THEREOF**, the parties hereto caused this agreement to be executed by the proper officers and officials.

\_\_\_\_\_  
Signature of Agency Head

KIM R. HANKINS, INTERIM PUBLIC SAFETY DIRECTOR

\_\_\_\_\_  
Print or Type Name of Agency Head

MOLINE FIRE DEPARTMENT

\_\_\_\_\_  
Name of Agency

1630 - 8TH AVENUE

MOLINE

IL

61265

\_\_\_\_\_  
Address of Agency

City

State

Zip

309-524-2250

309-524-2270

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Fax Number

aaubrey@moline.il.us

\_\_\_\_\_  
E-mail Address

07/17/2012

\_\_\_\_\_  
Date

**State of Illinois**  
**Illinois State Police**

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

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

**Appendix A**

**AUTHORIZATION:** ISP will provide User with CHRI pursuant to and limited by:  
20 ILCS 2630/et seq

**FEES:** Services performed by ISP will be based upon the following fee schedule:

\$39.25	Each original set of Fee Applicant fingerprint cards (1-ISP & 1-FBI) submitted manually.
\$34.25	Each set of Fee Applicant fingerprint images (1-ISP & 1-FBI) submitted electronically.
\$20.00	Each ISP Fee Applicant fingerprint card submitted manually
\$15.00	Each ISP Fee Applicant fingerprint card submitted electronically.
\$19.25	Each FBI Applicant fingerprint card submitted manually or electronically.
\$10.00	Each re-submission of ISP/FBI Fee Applicant fingerprints as a result of an unclassifiable fingerprint card.

**NOTICES:** All notices shall be effective on the date of posting with the U. S. Postal Service and shall be addressed as follows:

**ISP:**

Illinois State Police  
Bureau of Identification  
260 North Chicago Street  
Joliet, Illinois 60432- 4072

**USER:**

MOLINE FIRE DEPARTMENT  
\_\_\_\_\_  
Agency  
 1630 8TH AVE., MOLINE, IL 61265  
\_\_\_\_\_  
Street Address, City, State Zip  
309-524-2050  
\_\_\_\_\_  
Telephone Number  
 \_\_\_\_\_  
Fax Number  
 \_\_\_\_\_  
\*E-mail Address

Please mark only **one** preferred response method:

\*Agency must have installed the decryption software ([www.isp.state.il.us](http://www.isp.state.il.us)) and must be registered with Entrust ([www.illinois.gov/pki](http://www.illinois.gov/pki)) **prior to receiving** email responses.

### **Addendum 1**

*(Addendum 1 to be utilized in conjunction with ISP Interagency Agreement for the sole purpose of utilizing live scan fingerprinting services)*

#### **Purpose:**

Governmental agencies or other legal entities (hereinafter "Users") have a need for live scan fingerprinting services in order to perform their licensing and employment responsibilities. Vendors may be utilized by such Users to provide live scan fingerprinting services and have the fingerprint images forwarded to the ISP for processing. ISP, in its capacity as the state central repository, has the authority to provide CHRI, pursuant to the applicable Illinois Compiled Statute, and be paid for its expenses. This Addendum establishes the terms of the relationship.

#### **Services ISP Agrees to Provide:**

ISP agrees to accept and process live scan fingerprint images submitted in the form and manner prescribed by ISP.

#### **Duties of User:**

User agrees to undertake and perform the following duties:

- (1) User agrees to capture and transmit all fingerprint images to the ISP using live scan equipment certified by the Federal Bureau of Investigation (FBI). The fingerprint images and demographic data must be submitted in the form and manner required by ISP/FBI, including the electronic transfer of fingerprint and demographic data to the ISP NATMS/AFIS system via a network connection as defined by the ISP/FBI. All fingerprint and demographic data transmitted must be encrypted at all times using FBI encryption standards.
- (2) User agrees to comply with all ISP/FBI certification standards and procedures, which includes but is not limited to certification of live scan equipment, audits of live scan transmissions to the ISP/FBI.
- (3) User agrees to take appropriate action to ensure each live scan transmission is sent to ISP successfully and passes all ISP live scan edits, conforming to the most recent ISP Electronic Fingerprint Submission Specifications (EFSS). In the event the electronic fingerprint specifications are modified, the user agrees to make any changes necessary to meet the new specifications within thirty (30) days of notification.



Council Bill/Resolution No. 1204-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Chief of Police to accept a proposal submitted by Etico Solutions, Inc., Macomb, Illinois, in the amount of \$14,903.72 to conduct a patrol staffing study for the police department.

\_\_\_\_\_  
WHEREAS, a Request for Proposals (RFP) was issued by the police department seeking qualified firms to provide a comprehensive police patrol operations staffing study; and

WHEREAS, five proposals were received during the solicitation period of May 2, 2012 through June 1, 2012; and

WHEREAS, all proposals were reviewed, taking into consideration the price and evaluation factors set forth in the RFP, and Etico Solutions was recommended as the most advantageous to the City of Moline and in the City's best interest; and

WHEREAS, police asset forfeiture funds will be utilized to pay the cost of the study.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Chief of Police is hereby authorized to accept a proposal submitted by Etico Solutions, Inc., Macomb, Illinois, in the amount of \$14,903.72 to conduct a patrol staffing study for the police department, provided said proposal is substantially similar in form and content to Exhibit A, attached hereto and incorporated herein by this reference thereto, and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor  
July 17, 2012  
\_\_\_\_\_  
Date

Passed: July 17, 2012

Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

**MOLINE POLICE DEPARTMENT  
STAFFING STUDY RFP  
RESPONSES RECEIVED**

COMPANY	TOTAL COST	COMPLETION
A. Criterion Associates, LLC 16 Balmoral St., Unit 114 Andover, MA 01810 Contact: Travis R. Miller, President	\$32,900.00	12 Weeks
B. Matrix Consulting Group 101 Southpointe Drive, Suite E Edwardsville, IL 62025 Contact: Richard Brady, President	\$32,000.00	9 Weeks
C. RW Management Group, Inc. 1295 Appleton Rd., Suite 2 Menasha, WI 54925 Contact: Jeffrey R. Roemer, President	\$58,500.00	4 Months
D. Etico Solutions, Inc. 524 E. Washington St. Macomb, IL 61455 Contact: Timothy J. Freesmeyer	\$14,903.72	6 Months
E. International City/County Management Assoc. ICMA Center for Public Safety Management 777 North Capital Street NE, Suite 500 Washington, DC 20002 Contact: Timothy J. Wiczorek, Director	\$60,500.00	5-7 Months

*City of Moline*  
*Police Staffing Study Proposal*

*Etico Solutions, Inc., 524 E. Washington Street, Macomb, Illinois 61455*



Captain Jerome Patrick  
Moline Police Department  
1640 6<sup>th</sup> Avenue  
Moline, IL 61265

May 15, 2012

Captain Patrick,

Thank you for the opportunity to present the following proposal for a Police Patrol Staffing Study for the City of Moline Police Department. Etico Solutions, Inc. is pleased to submit the following proposal with full confidence that we can meet all elements of the RFP and exceed the expectations for the final outcome.

It has been our pleasure to have several members of your agency present in our four-day Resource Allocation course presented through the Illinois Law Enforcement Standards and Training Board Executive Institute. The same methods taught to your managers would be used in this staffing study methodology. Furthermore, the mathematical processes and spreadsheets that were presented to your officers would be the same basis upon which this study would be built. If Etico Solutions is successful in this RFP process, your own managers and administrators could update the final results of the staffing study in subsequent years.

On behalf of Etico Solutions, I look forward to any questions or comments upon review of this RFP response. I can be reached at 309-333-4906 or by email at [tim@eticosolutions.com](mailto:tim@eticosolutions.com). It would be a pleasure to work with your agency on this project.

Best regards,

A handwritten signature in black ink, appearing to read "Tim".

Timothy J. Freesmeyer

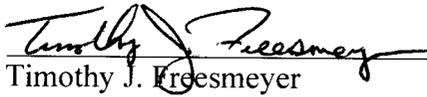
**REQUEST FOR PROPOSAL FOR POLICE PATROL STAFFING  
STUDY FOR THE CITY OF MOLINE**

**CORPORATION:**

The undersigned certifies on behalf of the corporation names below that the corporation is not barred from bidding on this contract as a result of a violation of either bid-rigging or bid-rotating. Further, the undersigned certifies and warrants that he or she is duly authorized to execute this certification on behalf of the corporation in accordance with by-laws of the corporation and that this certification is binding upon the corporation and is true and accurate.

Corporate Name: **Etico Solutions, Inc.**

Signed by:

  
\_\_\_\_\_  
Timothy J. Freesmeyer

Title: **President, Etico Solutions, Inc.**

Business Address: **524 E Washington Street, Macomb, IL 61455**

Names of Corporate Officers:

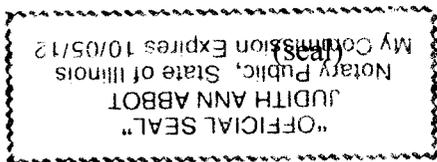
President: **Timothy J. Freesmeyer**

Secretary: **Terri L. Freesmeyer**

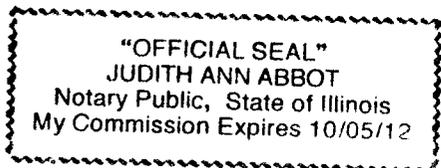
Attest:

  
\_\_\_\_\_  
Secretary

SUBSCRIBED AND SWORN to before me on this 14 day of June,  
2012



  
\_\_\_\_\_  
Notary



**REQUEST FOR PROPOSAL FOR POLICE PATROL STAFFING  
STUDY FOR THE CITY OF MOLINE**

Total Cost: **\$14,903.72**

Project Start Date: **July 1, 2012**      Project Completion Date: **December 31, 2012**

**Study Proposed: Police Patrol Staffing study as described in the following proposal to include: (1) calculations of optimal staffing based on agency data and specified performance parameters, (2) current beat analysis for workload equity and appropriate recommendations for improvement, (3) deployment recommendations by location, day of week, and time of day, and (4) schedule analysis and recommendations for schedule optimization.**

The undersigned certifies that he/she is a representative of the Proposer shown below and as such representative is authorized to submit this bid on the Proposer's behalf.

Federal Tax Identification Number: **36-4555542**

Proposer: ***Etico Solutions, Inc.***

Address: ***524 E Washington Street***

City/State/Zip: ***Macomb, IL 61455***

Telephone Number: ***309-421-0005***

Fax Number: ***309-837-7577***

Authorized Signature: 

Name/Title: ***Timothy J. Freesmeyer / President***

Date: ***5/15/2012***

**REQUEST FOR PROPOSAL FOR POLICE PATROL STAFFING  
STUDY FOR THE CITY OF MOLINE**

**POLICY STATEMENT**

**EQUAL EMPLOYMENT OPPORTUNITY**

It is the policy of Etico Solutions, Inc. to provide equal employment opportunity to all persons regardless of race, color, religion, sex or national origin. Accordingly, we will take Affirmative Action to insure that we will:

1. Recruit, hire and promote in all job classifications regardless of race, color, religion, sex or national origin.
2. Make promotional decisions that are in accordance with principles of equal opportunity by imposing only valid requirements for promotional opportunities.
3. Incorporate our equal employment opportunity policy in all personnel actions such as compensations, benefits, transfers, layoffs, returns from layoffs, company sponsored training, education and tuition assistance.
4. Conduct social and recreation programs sponsored by our agency without regard to race, color, sex and religion.

Proposer/Business Name

*Etico Solutions, Inc.*

Authorized Signature



Title

*President / Etico Solutions, Inc.*

Date

*5/15/2012*

TABLE OF CONTENTS

I. EXECUTIVE SUMMARY – “SCOPE” ..... 6

II. QUALIFICATIONS AND EXPERIENCE ..... 7

    General Company Information ..... 7

    Qualifications Overview ..... 7

    Organizational Management Approach ..... 8

    Key Staff ..... 9

    Experience..... 9

    Response to Technical Approach Questionnaire ..... 9

III. REFERENCES ..... 18

IV. WORK OUTLINE..... 24

V. COST UTILIZATION ..... 24

APPENDIX A ..... 26

## I. EXECUTIVE SUMMARY – “SCOPE”

The City of Moline Police Department issued a request for proposal on May 2, 2012 for a Police Patrol Staffing Study for the Moline Police Department. The primary scope of the study was to (1) review and evaluate present patrol operations, (2) define strengths and/or needs and formulate preliminary recommendations, and (3) present recommendations and a final report.

Etico Solutions is pleased to submit the following proposal in response to the City’s request. Timothy J. Freesmeyer, the researcher that would undertake this study, has a long-standing reputation as an expert in the science of resource allocation, deployment, beat design, and staff scheduling. He has over 17 years experience in the discipline of resource analysis, allocation, and deployment and has made it his sole focus for the last eight years.

Proper resource allocation and deployment is a managerial necessity for agencies that desire to maximize the efficient use of current resources. Proper staffing levels can affect many agency performance indicators such as response times, call for service stacking, and the frequency of cross beat dispatching.

Historically, many agencies have relied upon benchmarking techniques based on “similar” agencies or national officer-to-population ratios to determine adequate staffing. Population statistics are *external* workload indicators that describe very little about the agency under study. Because of its simplicity, benchmarking relies on many assumptions about the selected “similar agencies.” It is often assumed that the demographic compositions of comparable jurisdictions are similar and that the philosophy and composition of the police agencies are similar. Even more importantly, benchmarking techniques assume that the comparable agencies are appropriately staffed. These are important and often erroneous assumptions.

Etico Solutions will use calls-for-service data and average service times to obtain an accurate picture of the work performed by the agency’s patrol division. These *internal* workload indicators account for transient populations, demographic characteristics of the community, seasonal activities, and the call-for-service level within the jurisdiction. Multiple years of CAD data will be used to make reliable forecasts of future workload. The predicted workload will be used to make staffing recommendations.

The data and information required for the staffing estimates will be collected in several ways. Although CAD data will be the primary means of determining patrol workload, officer activity data collected firsthand from patrol officers through ride-alongs, interviews, and observations will also be used. Leave times for several years will be used to estimate officer availability.

Several direct workload drivers will be used to determine optimal officer deployment strategies. Using the same CAD data that was used to determine appropriate staffing levels, Etico Solutions will develop a deployment plan that equalizes officer workload. Time spent riding with patrol officers will be used to collect qualitative data for

deployment and beat design considerations. If desired by the agency, several alternative deployment plans can also be developed; for example, (1) deploy enough officers to cover the obligated workload and allow the remaining officers to be targeted to districts for community oriented policing, or (2) use a hazard scoring model based on multiple subjective weights and measures to tailor the allocation based on community expectations and department priorities.

At the completion of the study, a set of computer-based spreadsheets will be delivered to the agency. The spreadsheets will allow officer activity to be entered by MPD personnel to estimate optimal staffing levels. With these tools, the agency will be able to reproduce the staffing analyses in future years.

Descriptions of past projects by Etico Solutions are presented in later sections of this report. A review of past clients will reveal a wide variety of police staffing and deployment experience that directly matches the scope of the City of Moline's request for proposal.

## **II. Qualifications and Experience**

### General Company Information

Etico Solutions was originally founded in March of 2004 as a sole proprietorship by Timothy J. Freesmeyer. Within three months, requests for training workshops and full resource allocation studies soon surpassed what could be accomplished on a part-time basis. The company was incorporated to become Etico Solutions, Inc. in July of 2004 and Tim Freesmeyer became the first full-time employee focusing on resource allocation, deployment, and scheduling for law enforcement agencies.

Etico Solutions, Inc. is located at 524 E. Washington Street in Macomb, Illinois. It is a privately owned "C" corporation with Timothy and Terri Freesmeyer owning 100% of the company shares. Etico is listed with Dunn and Bradstreet, fully insured through American Family Insurance Company, and operates under FEIN# 36-455542.

### Qualifications Overview

The demand for quality resource allocation and deployment services has continued to grow over the last eight years keeping Etico's main focus on *staffing services to law enforcement agencies*.

One of the best ways to learn a particular discipline is to teach it to someone else. Tim Freesmeyer has been teaching resource allocation, deployment, and staff scheduling to law enforcement managers routinely since 1995. From 2001 through 2008, Tim contracted with the International Association of Chiefs of Police (IACP) to provide four-day workshops on Resource Allocation, Deployment, and Staff Scheduling throughout the United States. Etico Solutions is the only training provider used by the IACP in this discipline. At the present time, Etico Solutions provides annual upper-level management training in Law Enforcement Command programs in Michigan, Wisconsin, Ohio, Missouri, and Illinois.

Upon request, Etico Solutions has contracted directly with larger agencies such as the Lakeland Police Department (Lakeland, FL), the Polk County Sheriff's Office (Bartow, FL), the San Diego Sheriff's Office (San Diego, CA), the Lakewood Police

Department (Lakewood, CO), the Orange County Sheriff's Office (Orange, CA), and the Madison Police Department (Madison, WI) to offer in-house three-day or four-day resource allocation and deployment workshops.

Etico Solutions took the classroom into the field in 2004 and began to conduct full resource allocation studies for police agencies. Since that time, Etico has conducted numerous independent staffing studies for various sized agencies and worked in conjunction with the IACP Management Consulting team to conduct additional studies. These projects will be explained in greater detail in a following section.

Over time, Etico Solutions has expanded into two additional business markets based on client requests.

- In September of 2004, Etico began to design, build, and host *online training modules for the law enforcement and security professions*. Demand for online training was soon large enough to create a second business center within the company. Etico Solutions currently hosts four separate online training platforms for national and international organizations.
- A third business center emerged to respond to requests for *web-based applications for law enforcement and security operations*. Etico Solutions has created an Internet based daily activity report (DAR) application that enables officers to track their daily activity from their in-car computers over the Internet. These data sets are used to verify an agency's CAD information. An event tracking application was also created for the private security profession to serve as a notification tool for major events.

As Etico Solutions grew and expanded into these additional services, additional subcontractors were brought onto the team. Today, approximately eleven subcontractors are used for application programming, network administration, and for the creation of online training modules for law enforcement and security. Staffing studies and workshops are conducted and managed by Tim Freesmeyer, Etico's founder. For larger resource allocation and deployment proposals, additional resource allocation experts are brought in as subcontractors.

#### Organizational Management Approach

Timothy J. Freesmeyer will be the project manager and primary researcher for this study. It will be his responsibility to maintain contact with the Moline Police Department and to share information in a timely manner. As milestones are reached in data analysis, beat design proposals, and alternative schedules, the results will be posted into a secure area on the Etico Solutions web portal. Moline Police Department personnel with the required access will be able to log into the web portal and download results for review and comment as the study progresses.

A minimum of three site visits will be held at the Moline Police Department throughout the study. During the initial on-site visit to the Moline Police Department, introductory contact will be made with all persons responsible for collecting and submitting data in order to acquire phone numbers and contact times for future questions.

It is customary for many phone conversations to take place with key personnel throughout the study.

The researcher assigned to this study resides less than two hours from Moline. Additional site visits can easily be arranged if phone conversations or email correspondence are not yielding the required results.

#### Key Staff

**Timothy Freesmeyer** has been teaching resource allocation methods to police managers on a routine basis for the last seventeen years. Mr. Freesmeyer taught on behalf of the Northwestern University Center for Public Safety (NUCPS) for six years in their School of Police Staff and Command (SPSC) before taking a full time faculty appointment in 2000 as the Director of Management Training. In 2001, Mr. Freesmeyer left NUCPS and began to incorporate newer technologies into teaching and learning. He modified the resource allocation course to be taught as an interactive workshop format and began to create interactive spreadsheets that could be easily adapted by others. After leaving NUCPS, he began to teach for the International Association of Chiefs of Police as their sole instructor for resource allocation and staff scheduling. He has conducted numerous studies for small, medium, and large agencies both independently and in conjunction with the International Association of Chiefs of Police Management Consulting team. After founding Etico Solutions, Inc. in March of 2004, he has devoted his entire career to police resource analysis and deployment. A full vitae is attached as appendix A.

#### Experience

Since its incorporation in July of 2004, Etico Solutions has completed a number of patrol staffing studies both independently and in conjunction with the IACP. For larger agencies that choose to train their command staff on resource allocation methods, Etico Solutions has provided four-day in-house workshops. Three-day classes on behalf of Northwestern University were provided in the past as well as three and four day seminars on behalf of the IACP. The workshops, classes, and seminars are detailed in Appendix A. Section 3 of this report contains a list of past staffing studies completed solely by Etico Solutions and staffing studies conducted in conjunction with the IACP.

#### Response to Technical Approach Questionnaire

1. Please explain the process you would use to analyze the current level, allocation and utilization of Patrol staffing by function, time and area in order to determine appropriate levels of staffing. This explanation should include how you plan to incorporate considerations of projected community growth, and community expectations of level of service.

Etico Solutions uses internal workload measures such as calls for service, service times, and officer availability factors to determine the appropriate level, allocation, and utilization of patrol staffing resources.

By examining the last three to four years of CAD data from the agency's patrol division, Etico Solutions will develop interactive spreadsheets that indicate

the frequency and time spent on call for each CAD code used by patrol. The frequencies and average times provide a picture of the annual obligated workload that must be met by the patrol division. By analyzing each year separately, a linear regression model can be used to forecast the frequencies of the various CAD codes in future years. The frequencies of future CFS activity by CAD code will be used to estimate patrol workload for up to three years beyond the completion date of the study. If the city is growing at a constant rate, the linear regression model can be used to identify projected police workload due to community growth.

In addition to the annual obligated workload, it is also crucial to examine the leave time of patrol officers. An officer availability rate, also known as a shift relief factor, will be ascertained based on the officer's regular days off, benefit days, non-patrol days, and net compensatory time off. This step takes into account leave time given by the Moline Police Department, the amount of training time spent by the average patrol officer, the amount of special assignments that pull officers away from street patrol, and time lost when officers take compensatory time off.

Police allocation and deployment, despite its quantitative nature, is not solely a matter of mathematics or statistics. The optimal ratio of officers to various workload indicators is a matter of human judgment and community resources. An agency administrator will have to make a subjective decision on how many minutes out of the average patrol hour the average patrol officer should spend on obligated activities. This decision will determine the amount of unobligated time, or free patrol time, that should be added to the annual obligated time collected from the CAD database. Higher amounts of unobligated time provide more time for community oriented policing but also require more officers and higher funding. Lower unobligated times per hour reduce costs but also increase response times and lower citizen satisfaction.

Combining the officer availability rate with the obligated and unobligated workload will form the foundation of the staffing recommendations. The same data used to determine the annual workload will also be used to evaluate staffing needs by day of week, hour of day, and geographic location.

2. Please provide a detailed description of the type of data that would be needed in order to effectively evaluate Patrol service levels, and outline any requirements for assistance/input from Moline Police Department staff in this process.

Internal department data required for successful completion of the study will consist of the following:

- CAD Data
  1. Call Event number
  2. Event date and time
  3. Officer assigned
  4. Location
  5. Priority
  6. CAD code

7. Offense description
  8. Source (911/officer initiated/ non-emergency phone/walk-in)
  9. Dispatch time
  10. Arrival time
  11. Cleared time
  12. Data on all assisting units
- Officer Leave Data
    1. Vacation leave
    2. Sick leave
    3. Training leave
    4. On-duty-injury
    5. Personnel leave
    6. Special assignment
    7. Court leave
    8. Overtime hours worked
    9. Compensatory hours taken
    10. Four consecutive weeks of roll-call sheets indicating who was assigned, present, and absent. This should cover a time frame that is considered as normal activity for the agency.
  - Geographic data
    1. A city map showing a key for the location of calls.
    2. District boundaries
    3. Sector (beat) boundaries
    4. Geocoding (subbeat) boundaries

It will also be important for the MPD to appoint a liaison or contact person who can assist the study team in identifying and contacting persons both within and outside the department who are familiar with and can assist in obtaining data required for the study. Two important areas that the contact person will be needed are:

- Obtaining information about citizen expectations (e.g., recent citizen surveys).
  - Meeting with key department personnel to obtain an understanding of department priorities with regard to patrol performance (e.g., response times, time spent on community-oriented policing, maintaining beat integrity, etc.)
3. If a specific data set is not currently available (or only partially available), please explain any options you would provide in order to implement the project.

Etico Solutions has built a web-based daily activity reporting application that officers can complete from a web-browser on their in-car computers. The

application has been successfully used to collect data for other resource allocation projects. The application runs on Etico servers and does not require any additional software to be installed on the patrol car computers. If some portion of CAD data identified above is not readily available, and if the MPD has Internet access in their squad cars, a two-month sample of officer activity can be easily obtained and used to augment the CAD data.

Other missing data such as report writing times can be estimated based on interviews and/or a two-month sample of reports.

Since it is never possible to anticipate all data collection issues beforehand, it is important that the researcher has extensive experience with resource analysis projects in a variety of law enforcement settings. Etico has professional experience dealing with large and small police agencies. The researcher assigned to this project has dealt with numerous data collection issues and has used creative solutions to overcome data problems. As an example, the researcher for this project is intimately familiar with staff estimating procedures to be used and, as a result, has the ability to precisely assess the required level of accuracy that is needed for each individual data element.

4. Please explain how you would accommodate the Moline Police Department philosophy of proactive community oriented policing in the analysis.

The procedure to be used to determine the appropriate staffing level for patrol is based on the average amount of time each officer spends on obligated and unobligated time per hour. Obligated time is patrol time used primarily to respond to CFS (reactive activities). Unobligated time is time spent on free patrol and on officer-initiated activities (i.e., proactive activities such as community-oriented policing). The determination of the appropriate split between obligated and unobligated time is a direct input to the analysis procedure that will be used for this study. As a result, an agency can change the obligated/unobligated time split to assess the impact on patrol performance and determine what split is consistent with community expectations and department priorities.

Since the procedures used for deployment (both geographic and temporal) are also based on time, the user has the same ability to explicitly specify what the obligated/unobligated split should be by geographic area and time of day. As an example, one deployment option can distribute the number of units required for reactive activities according to the obligated workload only and deploy remaining units to specific areas and times that need extra attention (e.g., areas that may benefit from targeted community-oriented activities)

5. Please outline the anticipated project timeline from date of award. Include specific milestones and deliverables for each phase of the project.

The proposed study will consist of six major tasks. The discussion below briefly

describes each task. A Gantt chart on page 16 shows the anticipated timeline for each task and subtask.

### Task 1: Initial On-Site Meeting

The initial on-site meeting will be held within two weeks after project award. Etico would be on-site at MPD for two to three days. The purpose of the meeting will be:

- To meet key MPD and other personnel
- To review the objectives, tasks, deliverables, and timetable for the project
- To collect as much data as possible about current MPD patrol operations including CFS data, CAD codes, allocation of patrol personnel by time and day, and the current MPD schedule for patrol,
- To identify procedures for collecting other CAD and officer field data.

### Task 2: Evaluation of Current MPD Patrol Operations

This task will consist of three subtasks

#### Task 2.1: Data Gathering

This subtask will begin immediately following the Initial on-site meeting (Task 1) and is anticipated to last approximately six weeks. The primary purpose of the subtask will be the collection of all data needed to evaluate current MPD patrol operations. The data required for this task are identified in the response to Technical Question 2 above.

#### Task 2.2: Review of Current MPD Patrol Operations

This subtask will use the data collected for tasks 1 and 2.1 to perform a comprehensive review of the current staffing, allocation, and use of the MPD patrol staff by time of day, day of the week, and geographic area. The review will incorporate projected community growth and what is known about community expectations as it relates to patrol performance. It is anticipated that this task will conclude approximately eight weeks following project award.

#### Task 2.3 Interim Report on Current MPD Patrol Operations

This subtask will produce a written report based on the results of subtasks 2.1 and 2.2. The report will describe the data collected; the methods used to review current patrol operations; assess the current strengths and needs of patrol operations; and offer preliminary recommendations. The Interim Report will be delivered to the MPD approximately two weeks prior to the On-Site Status Meeting (Task 3).

### Task 3: On-Site Status Meeting

This meeting will be held at the end of the third month of the project and will be used to: (1) review the findings of the Interim Report, (2) meet with MPD personnel to classify patrol activities into obligated and unobligated time categories, (3) meet with MPD personnel to determine the target obligated/unobligated time split for the MPD, (4) assess current MPD patrol beat allocation and scheduling strategies, and (5) review final tasks for the study

### Task 4: Analysis of MPD Patrol Performance Objectives

This task will use the information gathered at the On-Site Status Meeting (Task 3) to estimate an appropriate staffing level for MPD patrol based on department objectives regarding obligated and unobligated time. Recommendations for improving department allocation strategies by time of day, day of week, and geographic area will also be developed. It is anticipated that this task will be completed near the end of month 4 after project award.

### Task 5: Final Report

This task will consist of three subtasks.

#### Task 5.1: Preparation of the Draft Final Report

This task will produce a draft of the final report for the study. It will describe the data collected, the analysis tools used, the findings of the analyses, the strengths and needs of the patrol functions, and specific recommendations for staffing and deployment of the patrol personnel.

#### Task 5.2: MPD Review

A copy of the draft final report will be delivered to the MPD approximately 4½ months after project award. The MPD will review the draft and offer recommendations for

revisions within two weeks.

#### Task 5.3: Completion of the Final Report

Upon receipt of the review comments from the MPD, the final report will be completed and delivered to the MPD. Also included with the final report will be a set of computer-based spreadsheets which will allow the MPD to replicate the staffing analyses of the study based on future data collections. It is anticipated that the report will be delivered approximately 5½ months after project award.

#### Task 6: On-Site Presentation

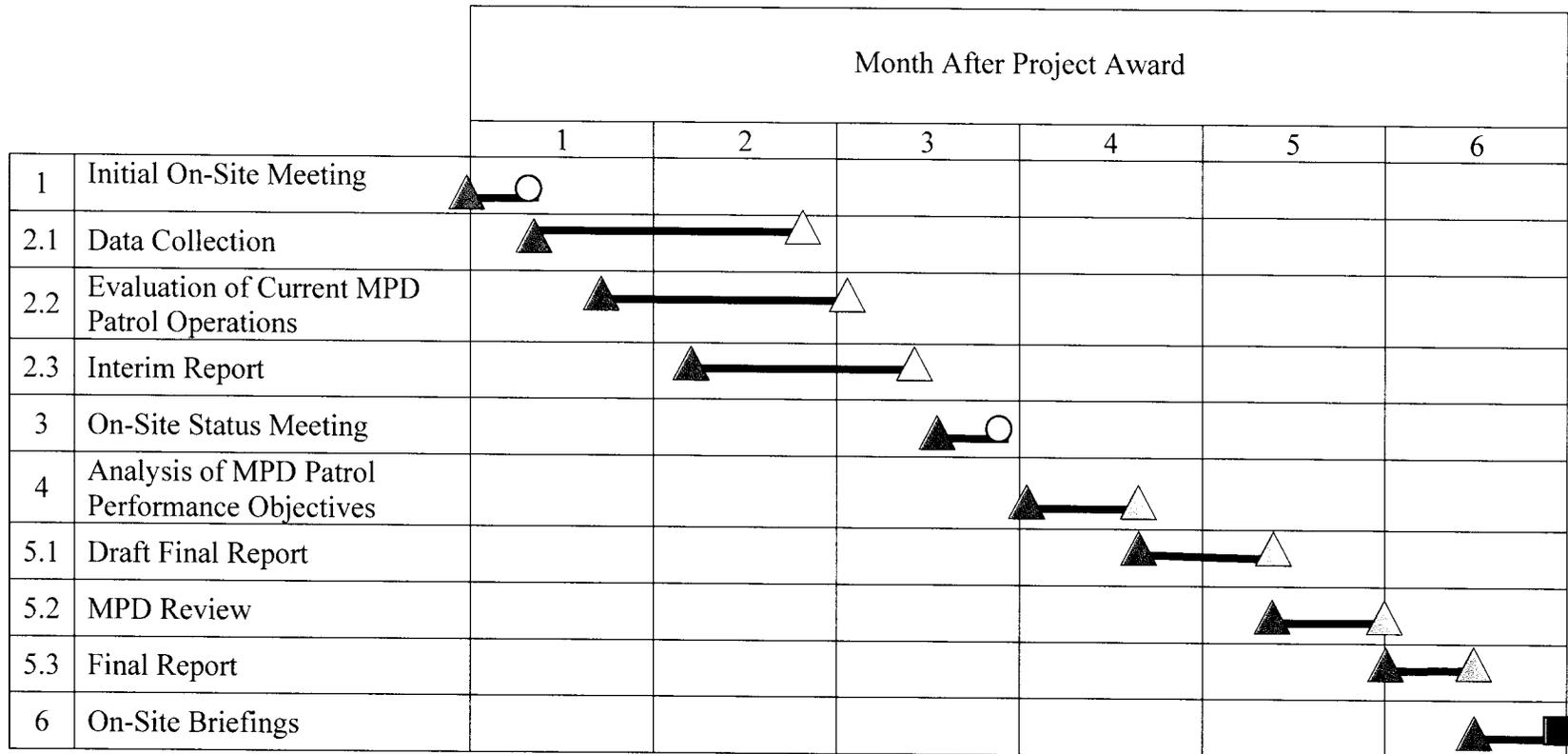
Within two weeks of delivery of the final report to the MPD, the researcher will make, at the request of the MPD, a maximum of two on-site presentations on the findings of the study. Both presentations will be scheduled to allow the researcher to make only one trip to Moline. The specific time for the presentations will be made by mutual agreement between the MPD and Etico Solutions.

#### Deliverables

The study will produce four deliverables:

1. Interim Report (Task 2.3)
2. Final Report (Task 5)
3. Set of computer-based spreadsheets (Task 5.3)
4. Two final presentations (Task 6)

## Project Tasks and Timeline



○ - Project meeting    ▲ - Task beginning    △ - Task end    ■ - Presentation

6. Please explain what recommendations your process will provide. (For example, will there be a recommendation regarding what percentage of an officers shift will be utilized for a type of activity? Will there be a recommendation regarding what percentage of time is needed for breaks/lunch? Will there be a recommendation regarding overall recommended numbers of patrol officers/sergeants needed by shift and what this staff can be expected to accomplish?) Include a detailed description of exactly how the recommendations will be outlined upon completion of the study.

Recommendations presented by Etico Solutions in the Final Report will consist of two types:

1. **Direct recommendations** that address the specific objectives of the study; that is, (1) the appropriate level of patrol staffing for the MPD to meet patrol requirements, and (2) deployment strategies to use patrol staffing in the most efficient manner.
2. **Indirect recommendations** based on observations about the policies, procedures, practices, and objectives of the MPD in general and the patrol function in particular.

Each type of recommendation is described in greater detail below.

#### Direct Recommendations

Direct recommendations and deliverables address the objectives of the study and will include, but not be limited to, the following:

- Specific recommendations about the total patrol staff, divided into officers and sergeants, required for the MPD.
- Specific recommendations about the allocation of patrol staff by time; that is, by time of day and day of the week.
- Specific recommendations about the allocation of patrol staff by geographic area; that is, by beat.
- Specific recommendations about the most effective division of obligated and unobligated time to meet the department requirements to provide adequate service for both reactive activities (i.e., CFS) and proactive activities (i.e., officer-initiated activities and community-oriented policing activities).
- Delivery of a set of computer-based electronic worksheets to enable the MPD to perform staffing analyses in the future.

#### Indirect Recommendations

Indirect recommendations will be based on observations by the researcher during the project. Because indirect recommendations, by definition, include all possible recommendations that are not direct recommendations, it is not possible to accurately

forecast what issues will arise during the course of the study. Examples of indirect recommendations from previous resource analysis studies include:

- Recommendations for revisions to the current scheduling procedures used for individual officers
- Recommendations for modifications to CAD codes
- Recommendations for improvements in capturing patrol workload data
- Recommendations for the need to study other department policies and procedures

All direct recommendations will be included in the Executive Summary of the Final Report, and an in-depth explanation of each direct recommendation will be included in the body of the Final Report. Indirect recommendations will be identified and discussed in a separate section in the Final Report.

### III. References

This section contains a list of past staffing studies completed solely by Etico Solutions and staffing studies conducted in conjunction with the IACP.

#### **Port St. Lucie Police Department**

121 SW Port St. Lucie Blvd

Port St. Lucie, FL 34984-5099

Contact: Capt. Joe D'Agostino, (772) 871-5011

Study began: July 2004

Study completed: March 2005

Agency size: 247

Etico worked independently on this study and analyzed three years of past CAD data to provide a forecast of expected workload in future years. Port St. Lucie held the title of "Safest City in Florida" for seven consecutive years and subscribed to a community oriented policing philosophy. Recommended staffing levels were determined as well as alternative work schedules for the agency. Recommendations were offered for dispatching alternatives, updated signal code listings and additional uses for civilian volunteers. As a result of this study, additional officers were approved for patrol and approval was given for a designated dispatch center for the city.

#### **Clovis Police Department**

1233 Fifth Street

Clovis, CA 93612

Contact: Capt. Bob Keyes, (559) 324-2414

Study began: November 2005

Study completed: March 2006

Agency size: 135

Etico worked independently on this study and analyzed seven years of past CAD data to determine current staffing needs for the city of Clovis as well as predicted future needs in the following 3 years. Once the optimal staff size was determined, a plan for a three-year escalation of officers was created as well as an alternative shift schedule to maximize their current resources. The study was incorporated into the Clovis Master Service Plan for the next six years. Clovis is proud of its status as having the lowest crime in the Fresno Valley and also subscribes to a community oriented policing philosophy.

**Fort Pierce Police Department**

920 South U.S. Highway 1

Fort Pierce, FL 34954

Contact: Chief Sean Baldwin (772) 461-3820

Study began: January 2006

Study completed: June 2006

Agency size: 162

Etico was contracted to independently conduct a staffing and deployment study for the Fort Pierce Police Department's Patrol Bureau. Three years of past CAD data was analyzed to determine the recommended staffing levels for the current year and for three subsequent years. The City of Fort Pierce was divided into 9 beats with no sub beats or smaller geo-coding schemes present. The last year of CAD events was hand mapped to their location of incident and a new 10 beat plan was created to optimize their deployment and equalize workload for the officers. At the conclusion of the study, Etico fulfilled a request to address the city council on the methodologies and results of the study. Actions are underway at this time to incorporate the new beat plans into the agency's CAD software to improve call tracking capabilities for the next study.

**Bozeman Police Department**South 16<sup>th</sup> Avenue

Bozeman, MT 59715

Contact: Lt. Richard McLane, (406) 582-2000

Study began: September 2006

Study completed: November 2006

Agency size: 52

The contact person for Bozeman PD was a former student in an Etico workshop and contacted Etico directly to assist with a staffing study of the Bozeman Police Patrol Division. Lt. Rich McLane collected the majority of the agency data and collaborated with Etico Solutions to complete a basic allocation template for the agency. On April 2, 2007, after optimal staffing levels were determined, Etico Solutions presented the methodology of the study and the interpretation of the results to the city council. Based on that presentation, Etico was retained and requested to design a deployment study and a beat design schema for the City of Bozeman. At the conclusion of the beat design plan, the Police Department was able to successfully use the entire study to levy a millage for additional staffing.

**Oakland Police Department**

455 Seventh Street

Oakland, CA 94607

Contact: Chief Jeffrey Israel, (510) 238-7437

Study began: October 2006

Study completed: November 2007

Agency size: 1,019

Etico was contacted directly by an administrative officer for the Oakland Police Department who had participated in a prior Etico workshop. The Deputy Chief for Field Operations requested assistance in determining appropriate staffing levels for their agency, making recommendations on deployment alternatives, and to evaluate their current staff scheduling practices. Appropriate staff sizes were determined based on call for service workload data and service times per call. Leave times and overtime usage were studied and an alternative work schedule was proposed to drastically reduce overtime. Etico testified as an expert witness in an arbitration hearing for the City of Oakland and the City successfully won the arbitration and converted their shifts to 12-hour shifts. Mandated overtime was practically eliminated and productivity increased. Unfortunately, a change in upper management caused the agency to revert back to their old schedules and overtime resumed as before.

**National Wildlife Refuge System**

Department of the Interior  
1849 C. Street N.W.  
Washington DC 20240

Study began: February 2004  
Study completed: July 2004  
Agency size: approximately 400

Contact person: Jerry Olmsted (703) 358-1725

The IACP Management Consulting team undertook this project in 2003. Etico Solutions was asked to join the team as a subcontractor in February of 2004 to assist in the creation of a hazard-scoring model for resource analysis and deployment. The National Wildlife Refuge System (NWRS) employs law enforcement officers on 592 refuges located throughout the US. No single CAD system contained call for service patterns for all of the refuges. In addition, the data on refuge characteristics and usage patterns was sporadic. Starting from very little data, the team was able to create a single hazard-scoring model that allocated officers effectively across all refuges, taking into consideration the nuances and special law enforcement needs of each refuge. The model is in use today and is the only land management hazard-scoring model of its kind. Etico Solutions was instrumental in creating the final model and writing the final report.

**Pittsburgh Police Department**

1203 Western Avenue  
Pittsburgh, PA 15233

Study began: August 2004  
Study completed: February 2005  
Agency size: 943

Contact: Robert McNeilly (Former Chief)

The IACP Management Consulting team began this project in August of 2004 and subcontracted with Etico Solutions for assistance. Etico Solutions obtained the CAD data and human resource data in order to calculate Pittsburgh's optimal staffing size and officer availability for patrol operations. Other team members focused on the support divisions and supervisor staffing. Etico Solutions also assisted in writing the final report for the staffing study. Based on the heavy political issues that were taking place at the time, it is unknown if any of the study results were used.

**Billings Police Department**

220 North 27<sup>th</sup> St.  
Billings, MT 59101

Study began: June 2005  
Study completed: October 2005  
Agency size: 145

Contact: Richard St. John (406) 657-8200

The IACP Management Consulting team began this project in June of 2005 and subcontracted with Etico Solutions for assistance. Etico Solutions made contact with the IT staff at Billings PD and made arrangements to obtain all necessary data to calculate optimal staffing for the Billings Patrol Division. Multiple years of CAD data was analyzed and recommendations were forwarded to the IACP team for appropriate staffing levels.

**Fredericksburg Police Department**

615 Princess Anne Street  
P.O. Box 828  
Fredericksburg, VA 22404

Study began: November 2005  
Study completed: February 2006  
Agency size: 86

Contact: Chief David Nye (540) 372-3122

The IACP Management Consulting team began this project in November of 2005 and subcontracted with Etico Solutions for assistance. Etico Solutions made contact with the agency and attempted to obtain as much CAD data as possible to determine an appropriate staff size for the Fredericksburg Patrol Division. The data that was available was suspect and many additional factors had to be included into the study in an attempt to estimate their true workload. Once the data was obtained and cleaned, a recommendation for appropriate staff sizes based on the desired level of performance was created. Etico's involvement was solely in the area of estimating appropriate patrol staffing levels.

**Madison Police Department**

211 S. Carroll Street  
Madison, WI 53703

Study began: September 2007

Study completed: July 2008

Agency size: 579

Contact: John Davenport (Assistant Chief) (608) 266-4318

Etico worked independently on this study with the assistance of William Stenzel as a subcontractor to Etico. Three years of past CAD data was analyzed to provide a forecast of expected workload in future years. Madison is the Capital of Wisconsin and home to the University of Wisconsin-Madison. They subscribed to a community oriented policing philosophy and were very transparent in their communications with the public. Recommended staffing levels were determined as well as alternative work schedules for the agency. At the conclusion of the study, a lengthy presentation was given to the Madison City Council resulting in the adoption of the PAM methodology for future police department staffing. It is believed that the education of their City Council may have prevented lay-offs several months later when the economics of the State began to tighten.

**Corpus Christi Police Department**

321 John Sartain Street  
Corpus Christi, Texas 78401

Study began: March 2008

Study completed: July 2009

Agency size: 432

Contact: Commander Todd Green (361) 886-2619

Etico worked independently on this study with the assistance of William Stenzel and William Gielow as subcontractors to Etico. This study included all components of the police department including dispatch, records, forensics, vice/narcotics, investigations, patrol, training, and building maintenance. The study was an exhaustive look at the agency and resulted in a final report of over 170 pages. There were numerous recommendations that dealt with staffing, to deployment, to accountability, to reorganization. The report was widely publicized and many presentations were given to the City Council, action committees, and special interest groups. Agency commanders have reported that the agency does not even look the same after the study and that their operations have improved profoundly. Talks are presently underway to contract once again to update the study and the recommendations given the amount of change that has taken place in the city.

**Westfield Police Department**

130 Penn Street  
Westfield, IN 46074

Study began: May 2008

Study completed: March 2009

Agency size: 44

Contact: Asst. Chief Scott Jordan (317) 896-5236

Etico worked independently on this study and analyzed four years of past CAD data to determine current staffing needs for the city of Westfield as well as predicted future needs in the following 4 years. The workload by beat was analyzed and a new set of beat maps was configured to equalize the workload among beats. The agency's workload curve was determined and schedule modifications were suggested to improve the correlation between their workload curve and their staffing curve. Four years of leave and training data was also analyzed to determine optimal staffing.

**Santa Rosa Police Department**

965 Sonoma Avenue

Santa Rosa, CA 95404

Contact: Michelle Comerford (707) 543-3561

Study began: September 2008

Study completed: March 2009

Agency size: 244

Etico worked independently on this study to determine the proper staffing needs of their patrol division, evidence technicians, dispatchers, and records clerks. Four years of CAD data and four years of leave data was used to determine staffing needs. The patrol beats for the city were reviewed with recommendations given for beat optimization. Their work schedule was compared to their workload curve and several suggestions were made for improved efficiencies in staffing and deployment. Many suggestions were implemented and the city of Santa Rosa is currently under contract with Etico once again to have their original study updated with 2009-2011 data.

**Santa Cruz Police Department**

155 Center Street

Santa Cruz, CA 95060

Contact: Zach Friend (831) 420-5818

Study began: December 2008

Study completed: April 2009

Agency size: 109

Etico worked independently on this study with the agency's Crime Analyst to collect, clean, and prepare their CAD data for analysis. Four years of leave data was used in conjunction with the CAD data to determine their optimal staff size for patrol and to evaluate their current beat structures. As with previous studies, their workload curve was determined and compared against their staffing curve to determine their current scheduling efficiency. Alternate schedules were created and offered along with a final presentation to their command staff.

**Madison Police Department (Detective Study)**

211 S. Carroll Street

Madison, WI 53703

Contact: Captain Vic Wahl (608) 261-9105

Study began: December 2008

Study completed: May 2010

Agency size: 579

The Madison Police Department contracted with Etico after their initial Patrol Staffing Study to conduct a staffing study of their Detective Division. Using an online Daily Activity Report application that was created by Etico in 2004, we captured 90 days of workload data for the detectives and used that data to determine how much of their workday is spent on case activity, admin time, special projects, and leave time. Staffing ratios of detectives to overall staff, patrol staff, sworn staff, and various crime categories were benchmarked with several other agencies. Final staffing recommendations were made along with recommendations for deployment by district.

**Noblesville Police Department**

135 South 9<sup>th</sup> Street  
Noblesville, IN 46060

Contact: Chief Kevin Jowitt (317) 776-6339

Study began: December 2009

Study completed: May 2012

Agency size: 81

Etico worked independently on this study to determine the appropriate staffing levels for the City of Noblesville Police Patrol Division. CAD data and leave data were analyzed to determine the proper staffing for their patrol division. Location data was used to redesign their beats into three districts and to optimize their current schedule based on the agency's workload curve. The agency is currently considering a change to the three-district configuration.

**Flint Police Department**

210E Fifth Street  
Flint, MI 48502

Contact: Captain Tim Johnson (810) 237-6913

Study began: March 2010

Study completed: November 2010

Agency size: 155

The Flint Police Department staffing study, conducted solely by Etico Solutions, included the Patrol Division, the Investigations Division, the Telecommunications Division, and the Records Division. This project was done under contract with the Michigan State University School of Criminal Justice Training and Technical Assistance Team. A complete review of the agency was completed which led to a number of critical areas that needed to be addressed. The MSU team received additional funding to address several issues identified in the study and talks are underway for additional work by Etico with the Flint Police Department. As with all other studies, CAD data, leave data, and schedule data was used to analyze their current operations. Recommendations were made for increased efficiency and many cost saving actions through process redesign.

**Lakewood Police Department**

445 S Allison Parkway  
Lakewood, CO 80226

Contact: Asst. Chief Michelle Tovrea (303) 987-7171

Study began: March 2010

Study completed: January 2011

Agency size: 424

After a four-day training course held at the Lakewood Police Department in January of 2010, Etico contracted with the Lakewood Police Department to conduct a staffing study of their patrol division. The scope of the study was to determine appropriate staffing levels for the agency, to evaluate their current beat design for workload equity, and to examine their current schedule to see if changes would bring about greater efficiency with their current resources. After examining their CAD data and leave data, a variety of staffing metrics were formulated. An examination of their beats revealed a wide discrepancy in the workload levels among beats. Their shifts were not optimized to their workload curve leaving times throughout the day where they were overstaffed and other times when they were stacking calls on the beat level. After redesigning their beats to equalize their workload, a proposal was made for a 12-hour shift schedule that would maximize efficiency and reduce overtime spending. The agency acted on the proposal and is in the midst of a 6-month trial of the 12-hour shift.

#### **IV. Work Outline**

A work outline for this project is contained in question 5 of the Technical Approach Questionnaire in Section 2 of this RFP response.

#### **V. Cost Utilization**

Etico Solutions is submitting this proposal at a total cost of \$14,903.72. Three invoices would be sent to the City of Moline at the following milestones and in the following amounts:

- The first invoice will be due at the start of the study during the initial site visit. The first invoice will be for 35% of the total project cost.
- The second invoice will be presented at the second site visit. The second invoice will be for 35% of the total project cost.
- The final invoice will be sent with the final report approximately 5 ½ months after project award. The final invoice will be payable upon the consultant's final visit for result presentations. The final invoice will be for the remaining 30% of the total project costs.

A breakdown of total costs for this project is contained on the following page.

## Cost Utilization

Travel			
<b>Mileage</b>			
Initial On-site Meeting	\$0.555/mile	\$89.24	
On-Site Status Meeting	\$0.555/mile	\$89.24	
Final Presentation	\$0.555/mile	\$89.24	
Total Mileage:			\$267.72
<b>Lodging</b>			
Initial On-site Meeting	1 Night	\$77.00	
Total Lodging:			\$77.00
<b>Daily Per Diem</b>			
Initial On-site Meeting	2 Days	\$92.00	
On-Site Status Meeting	1 Day	\$46.00	
Final Presentation	1 Day	\$46.00	
Total Per Diem:			\$184.00
Total Travel:			\$528.72
Office Costs			
Phone Expense		\$75.00	
Computer/Software Costs		\$200.00	
Printing		\$100.00	
Total Office Costs:			\$375.00
Personnel Costs			
<b>Task 1:</b>			
On-Site Visit	2 Days	\$2,000.00	
<b>Task 2:</b>			
Data Gathering	3 Days	\$1,500.00	
Review of Current Ops	4 Days	\$2,000.00	
Interim Report on Current	2 Days	\$1,000.00	
<b>Task 3:</b>			
On-Site Visit	1 Day	\$1,000.00	
<b>Task 4:</b>			
Analysis of MPD Patrol	5 Days	\$2,500.00	
<b>Task 5:</b>			
Draft Report	5 Days	\$2,500.00	
Final Report	1 Day	\$500.00	
<b>Task 6:</b>			
On-Site Presentations	1 Day	\$1,000.00	
	24 Days		\$14,000.00
Total Project Costs			
Total Project Costs:			\$14,903.72

## Appendix A

### **Timothy J. Freesmeyer**

524 E. Washington Street  
Macomb, IL 61455  
H: 309.837.7577  
C: 309.333.4906  
tim@eticosolutions.com

### **Relevant Employment**

2004 - Present

#### **Etico Solutions Inc., Macomb, Illinois**

##### Founder and President

Etico Solutions was founded in March of 2004 as a sole proprietorship focused on law enforcement consulting, education, and training in the areas of resource allocation, staff scheduling, and resource deployment. Based on numerous opportunities in the private sector for online interactive training, the company was incorporated on July 3, 2004. Etico's project scope was expanded to include online training courses for the private security industry and corporate security organizations.

2001 - 2004

#### **Western Illinois University, Macomb, Illinois**

##### **Faculty Development Office**

May 2004 – July 2004: Interim Coordinator – Duties included the overall supervision and direction of the Faculty Development Office. Services and programs were directed towards all WIU faculty on both the Macomb Campus and the Quad Cities Campus. New faculty orientations, mentor programs, research seminars, and Faculty networking activities were all coordinated through the Faculty Development Office.

##### **Center for the Application of Information Technologies (CAIT)**

2001 - 2004: Instructional Development Services Coordinator – Duties included coordination and facilitation of faculty and student development within the College of Education and Human Services (COEHS).

2002 – 2004: Faculty Innovator's Program Coordinator – Organized, facilitated, and coordinated a twelve month technology introduction course for faculty members from the COEHS.

2001 - 2003: User Services and Support Coordinator – Duties included supervision and leadership for the User Services and Support staff and overall responsibility for the CAIT helpdesk.

2002 – 2003: Systems Support Coordinator – Duties included oversight and supervision of the System Support staff, the COEHS electronic classrooms, Compressed Video Services, and desktop support staff.

2002 – 2003: WIU CATALISE Project Coordinator - Assisted the Project Director in managing and coordinating a three year, multimillion dollar federal grant designed to Prepare Teachers to Use Tomorrow's Technology. This program entailed numerous site visits to other state and private institutions on a consultative basis to evaluate their technology use by faculty and to make follow-up recommendations for infusing technology into teaching and learning.

2002 – 2003: Abbott Laboratories Security Management Certification Course

Project Director for a six month, technology-rich, security management program. Duties included project acquisition, design, budget proposal and oversight, and classroom

instruction. This project was a joint venture between CAIT and the Law Enforcement and Justice Administration Department.

1995-2001

**Northwestern University, Evanston, Illinois  
Center for Public Safety**

2000-2001: Junior Lecturer / Director, Management Training Division – Managed and led a division of four full time professional employees, six support services employees, and over eighty adjunct field instructors. Taught in the areas of Resource Allocation, Staff Scheduling, and Computers for Law Enforcement. As the division Director; maintained primary responsibility for the two week “Staff Supervision School”, the three week “Executive Management Program”, and the ten week “School of Police Staff and Command”. Additional responsibilities included hiring and dismissal of adjunct instructors, curriculum review and approval, and program marketing and sales. While in this position, I introduced the BlackBoard Course Management System to the center and oversaw its implementation.

1995-2000: Adjunct Instructor – Areas of instruction included Resource Allocation, Staff Scheduling, and Computers. The Resource Allocation class was a considerable challenge for many students due to the mathematical and statistical nature of the class. Due to my undergraduate work in physics and mathematics, I was one of only two instructors for this block of material.

1990-2000

**Normal Police Department, Normal, Illinois**

1998-2000: Shift Watch Commander - Senior Sergeant on the midnight shift and served as the shift Watch Commander

1995-1998: Shift Sergeant - Transferred to uniform patrol as a shift sergeant on the 3<sup>rd</sup> watch.

1995: Attended Northwestern University Center for Public Safety “School of Police Staff and Command”. Graduated in June 1995 and received the “Franklin J. Kreml” award for “high ethical and professional values and dedication to public service.”

1994-1995: Detective Sergeant - Promoted to the rank of Sergeant and assumed supervisory responsibility for the Criminal Investigation Division.

1991-1994: Detective - Joined the Criminal Investigation Division as a Police Detective and remained active in juvenile matters, general case investigation, and major crimes. Maintained primary responsibility for juvenile cases and school-related investigations.

1990-1991: Patrol Officer - Entered the department as a uniformed patrolman. Completed basic training in May 1990 and received the “Irvin H. Warren” award for excellence.

1988-1990

**Champaign County Sheriff’s Department, Champaign, Illinois**

1988-1990: Deputy Sheriff Correctional Officer: Performed routine correctional officer duties including cellblock supervision, resident escorts, court security, and resident intakes.

1987-1988

**Arizona Department of Corrections, Florence, Arizona**

1987-1988: Correctional Service Officer I - Performed routine security services for various security level prisons within the state of Arizona. Began working maximum security, accepted a voluntary transfer to a minimum custody work camp, and then transferred back to a Special Management / Death Row facility.

## **Education**

**Illinois State University, Normal, IL**

Currently enrolled in the Ph.D. program in Educational Administration and Foundations.  
Course work to be completed in Spring of 2012.

**Illinois State University, Normal, IL**

1998-2000: Master of Business Administration (MBA), GPA 3.9/4.0 Electives focused on internet technologies and computer network administration.

**Illinois State University, Normal, IL**

1990-1998: Bachelor of Science, Physics  
Maintained position on Dean's List

**Northwestern University, Center for Public Safety, Evanston, IL**

1995: School of Police Staff and Command - Upon successful completion of this ten-week management course, I received 18 undergraduate credits from Northwestern University.

## **Adjunct Teaching Affiliations**

2010-2011	<p><b>School of Law Enforcement and Justice Administration, Western Illinois University</b></p> <p><u>Adjunct Instructor</u> – <i>LEJA 208: Introduction to External Security</i> Began teaching this three-hour undergraduate course in the Fall of 2010</p>
2001-2009	<p><b>International Association of Chiefs of Police, Arlington, Virginia</b></p> <p><u>Instructor</u> - Determining Patrol Staffing, Deployment, and Scheduling Upon the request of the IACP Training Manager, the material taught in the IACP course was completely revised and updated. Served as the only instructor for the IACP in this area conducting nation-wide three-day workshops on resource allocation and two-day workshops on police work scheduling.</p>
1998-Present	<p><b>Executive Development Institute, Fox Valley Technical College, Appleton, WI</b></p> <p><u>Guest lecturer</u>- Currently conducting four-day workshops on Resource Allocation and Staff Scheduling on an annual basis.</p>
2006-Present	<p><b>Staff and Command, Michigan State University, Lansing, MI</b></p> <p><u>Guest lecturer</u>- Currently conducting four-day workshops on Resource Allocation and Staff Scheduling on an annual basis.</p>
2008-Present	<p><b>Illinois Law Enforcement Standards and Training Board Executive Institute, Western Illinois University, Macomb, IL</b></p> <p><u>Guest lecturer</u>- Currently conducting four-day workshops on Resource Allocation and Staff Scheduling on an annual basis.</p>
2009-Present	<p><b>Command College, Missouri Police Chief's Association, Jefferson City, MO</b></p> <p><u>Guest lecturer</u>- Currently conducting four-day workshops on Resource Allocation and Staff Scheduling on an annual basis.</p>

## Resource Allocation Studies Conducted

2004 - 2005	Port St. Lucie Police Department Port St. Lucie, Florida Contact: Capt. Joe D'Agostino July 2004 - March 2005
2005 - 2006	Clovis Police Department Clovis, California Contact: Capt. Bob Keyes November 2005 - March 2006
2006 - 2006	Fort Pierce Police Department Fort Pierce, Florida Contact: Asst. Chief Sean Baldwin January 2006 - June 2006
2006 - 2007	Bozeman Police Department Bozeman, Montana Contact: Lt. Richard McLane September 2006 - November 2007
2006 - 2007	Oakland Police Department Oakland, California Contact: Chief Jeffrey Israel October 2006 - November 2007
2007 - 2008	Madison Police Department Madison, Wisconsin Contact: Asst. Chief John Davenport September 2007 - July 2008
2008 - 2009	Corpus Christi Police Department Corpus Christi, Texas Contact: Commander Todd Green March 2008 - July 2009
2008 - 2009	Westfield Police Department Westfield, Indiana Contact: Asst. Chief Scott Jordan May 2008 - March 2009
2008 - 2009	Santa Rosa Police Department Santa Rosa, California Contact: Michelle Comerford September 2008 - March 2009
2008 - 2009	Santa Cruz Police Department Santa Cruz, California Contact: Zach Friend December 2008 - April 2009

2008 - 2010	Madison Police Department (Detective Study) Madison, Wisconsin Contact: Captain Vic Wahl December 2008 – May 2010
2009 - 2012	Noblesville Police Department Noblesville, Indiana Contact: Chief Kevin Jowitt December 2009 – May 2012
2010 - 2011	Flint Police Department Flint, Michigan Contact: Captain Tim Johnson March 2010 – December 2011
2011 - 2012	Lakewood Police Department Lakewood, Colorado Contact: Deputy Chief Michelle Tovrea March 2011 – January 2012

**Resource Allocation Studies Conducted with the IACP**

2004	National Wildlife Refuge System Department of Interior Washington, DC. February 2004 – July 2004
2004 - 2005	Pittsburgh Police Department Pittsburgh, Pennsylvania August 2004 – February 2005
2005	Billings Police Department Billings, Montana June 2005 – October 2005
2005 - 2006	Fredericksburg Police Department Fredericksburg, Virginia November 2005 – February 2006
2008	Sarasota Police Department Sarasota, Florida February 2008 – April 2008

**In-House Resource Allocation Training Seminars**

2005	Polk County Sheriff's Office Bartow, Florida Contact: Nick Staszko, Police Planner July 18-20, 2005
------	--

2006	Lakeland Police Department Lakeland, Florida Contact: Greg Policastro, Captain January 9-11, 2006
2006	Madison Police Department Madison, Wisconsin Contact: Carl Glaede June 19-21, 2006
2006	San Diego County Sheriff's Office San Diego, California Contact: Jason King, COPPS Administration Detail June 26-28, 2006
2008	Santa Cruz Police Department Santa Cruz, California Contact: Zach Friend March 4-6, 2008
2011	Lakewood Police Department Lakewood, Colorado Contact: Ken Perry January 11-14, 2011
2012	Orange County Sheriff's Office Orange, California April 30 – May 3, 2012 Contact: Commander Don Barnes

### **IACP Resource Allocation Courses Taught**

Locations include but are not limited to:

Slidell, LA  
 Fremont, CA  
 Pleasanton, CA  
 Grayslake, IL  
 Greenwood, IN  
 Shakopee, MN  
 Grand Junction, CO  
 Boise, ID  
 Concord, MA  
 Greer, SC  
 Murrieta, CA  
 Seattle, WA  
 Toledo, OH  
 Richmond, VA  
 Roanoke, VA  
 Germantown, TN  
 Boston, MA

## **SPSC Resource Allocation Course Locations**

Locations include but are not limited to:

Evanston, IL  
Elmhurst, IL  
Bolingbrook, IL  
New London, OH  
Sea Girt, NJ  
Newark, NJ  
Philadelphia, PA  
Seattle, WA  
Meridian, ID  
Nashville, TN  
Santa Fe, NM  
Jefferson City, MO  
Springfield, IL  
Holland, MI  
Farmington, MI  
Detroit, MI  
Bismarck, ND  
Minneapolis, MN  
Milwaukee, WI  
Rockford, IL

## **Computer-Based Law Enforcement / Security Projects**

2002 - 2003

Abbott Laboratories, Security Supervisor Course: November 2002 – August 2003  
Directed, designed, and administered a six-month hybrid training course for corporate security managers at Abbott Laboratories. The course was created while I was employed at WIU and utilized Law Enforcement and Justice Administration faculty for content creation. CAIT staff created the technical site and animations. The course was a combination of online modules, face-to-face workshops, and web-based discussion boards.

2004 - 2007

Initial Security, Initial Online Academy: September 2004 – 2007  
Created and designed an asynchronous officer training program for Initial Security that allowed them to meet the basic training requirements of all 50 states. The induction series contained 13 separate training modules covering the following topics:

- Introduction to Asset Protection and Security
- Physical Security and Crime Prevention
- Patrols and Fixed Posts
- Communications
- Report Writing
- Human and Public Relations
- Fire Protection and Life Safety
- Ethics, Deportment, and Professional Conduct
- Civil law and Civil liability
- Criminal Law and Criminal Liability
- Emergency Situations

- Investigations
- Homeland Security

2005 - Present

Abbott Laboratories, Global Security E-Learning Program: June 2005 – Present  
Configured and customized an open-source course management system for delivery of online security training for Abbott Security personnel. Installed the 13-module induction series onto their system and taught their Training Manager how to use the system. Etico Solutions, Inc. currently hosts, maintains, and supports the Abbott Security online training platform and we continue to create new modules each year based on topics of their choice. The site is now in use around the world at numerous Abbott facilities.

2005 - Present

Takeda Pharmaceuticals, Global Security E-learning Program: December 2005 – Present  
Configured and customized an open-source course management system for delivery of online security training for Takeda Security personnel. Installed 4 modules onto their system and taught their Training Manager how to use the system. Etico Solutions, Inc. currently hosts, maintains, and supports the Takeda Security online training platform and we continue to create new modules each year based on topics of their choice. The site is now in use around the world at numerous Takeda facilities.

2005 - Present

Abbott Laboratories, Global Security ALERTS Application: December 2005 – Present  
Designed and directed the creation of a web-based notification application for the Abbott Global Security Division that automates the process of risk notifications and threat tracking. This application is used world-wide and was designed specifically to meet an identified set of needs by the Abbott Global Security team. This site is currently being hosted, maintained, and supported by Etico Solutions, Inc.

2006 - 2008

Fox Valley Technical College, Criminal Justice Department, DNA & Crime Scene Management Online Training Series: February 2006 – December 2006  
Created a four-module series on the basic forensics of DNA and its use in cold case investigations. The four modules addressed the following four topics:

- Deoxyribonucleic Acid
- Proper handling of DNA evidence
- CODIS – Combined DNA Index System
- DNA considerations for investigators

An open-source course management system was configured and customized to deliver these training courses to officers across the United States. Enrollment was open to all law enforcement personnel through a federal DOJ grant. Etico Solutions, Inc. hosted, maintained, and supported this site located at [www.dnacsm.com](http://www.dnacsm.com).

2006 - Present

Center for American and International Law, Institute for Law Enforcement Administration, Online Training Platform: November 2006 – Present  
Configured and customized an open source course management system for use by the Institute. Plans are underway to create the first series of online modules on police ethics to be taught by the Institute staff asynchronously. Etico Solutions, Inc. hosts, maintains, and supports this site.

2006 - Present

National Biopharmaceutical Security Council, Web Portal: December 2006 - Present  
Designed and customized a web portal for the NBSC to facilitate member workgroups and to provide a professional web presence. Etico Solutions, Inc. currently hosts, maintains, and supports this portal located at [www.nbsconline.org](http://www.nbsconline.org).

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to execute a First Amendment to Promissory Note, First Amendment to Loan and Property Development Agreement, and First Amendment to Collateral and Security Agreement between Financial District Properties HQO, L.L.C., an Illinois limited liability company, and the City.

\_\_\_\_\_

WHEREAS, in 2007, the City approved a loan to Financial District Properties HQO, L.L.C. (HQO) in the amount of \$7.5 million, and was granted first position mortgage to allow HQO to purchase the old KONE property; and

WHEREAS, the term of the loan was 36 months with a maturity date of December 31, 2010; and

WHEREAS, as the promissory note approached maturity, HQO indicated it would be unable to pay off the loan due to economic conditions; and

WHEREAS, Council Bill 1246-2010 authorized the Mayor and City Clerk to enter into a Collateral and Security Agreement with HQO; and

WHEREAS, the Collateral and Security Agreement provided for additional security for the City's Seven Million, Five Hundred Thousand Dollar (\$7,500,000.00) loan, and the City also agreed and contracted with HQO to refinance the remaining principal balance owed on the Loan for three years at an interest rate of 3.25% per annum, monthly interest payments only; and

WHEREAS, at the time the Collateral and Security Agreement was entered, there were no written amendments made to the Loan Agreement or Promissory Note regarding the change in the interest rate or the extension of the term of the note; and

WHEREAS, the parties have continued, since December 31, 2010, to operate under the original Loan Agreement and Promissory Note, but according to the terms set forth in the Collateral and Security Agreement; and

WHEREAS, the attached First Amendment to Loan and Property Development Agreement (Exhibit A) and the First Amendment to Promissory Note (Exhibit B) amend the Loan Agreement and Promissory Note pursuant to the terms in the Collateral and Security Agreement; and

WHEREAS, the attached First Amendment to Collateral and Security Agreement (attached hereto as Exhibit C) amends the date monthly payments are due under Paragraphs IV and V.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor and City Clerk are hereby authorized to execute the First Amendment to Loan and Property Development Agreement between HQO and the City, provided said Agreement is substantially similar in form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A, and has been approved as to form by the City Attorney.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute the First Amendment to Promissory Note between HQO and the City, provided said document is substantially similar in form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit B, and has been approved as to form by the City Attorney.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute the First Amendment to Collateral and Security Agreement between HQO and the City, provided said Agreement is substantially similar in form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit C, and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
July 17, 2012  
Date

Passed: July 17, 2012

Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

**First Amendment to Loan and Property Development Agreement between the City of  
Moline and Financial District Properties HQO, L.L.C., et al.**

This First Amendment to Loan and Property Development Agreement (hereinafter “Amendment”) is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_ 2012, by and between the City of Moline, Illinois, a municipal corporation (hereinafter “City”), and Financial District Properties HQO, L.L.C., an Illinois Limited Liability Company (hereinafter “Developer”), and Rodney A. Blackwell, Guarantor.

**RECITALS**

**Whereas**, the City and Developer entered into a certain Loan and Property Development Agreement dated December 5, 2007 (hereinafter “Loan Agreement”); and

**Whereas**, pursuant to such agreement, the City issued bonds in order to provide Developer with a loan in an amount not to exceed Seven Million Five Hundred and Fifty Thousand and no/100ths Dollars (hereinafter “Loan”); and

**Whereas**, Developer agreed to repay the Loan by entering into that certain promissory note dated as of December 17, 2007 in favor of the City in the principal amount of \$7,550,000.00 which had an original maturity date of December 31, 2010 (“Note”); and

**Whereas**, Developer previously indicated it was unable, due to economic conditions, to obtain the financing necessary to pay off the Note on December 31, 2010; and

**Whereas**, the City and Developer entered into a Collateral and Security Agreement dated December 16, 2010 (hereinafter “Collateral and Security Agreement”), in which the City agreed and contracted with Developer to refinance the remaining principal balance owed on the Note for a period of three (3) years, at an interest rate of 3.25% per annum, monthly interest only payments to be made by Developer; and

**Whereas**, the City obtained a line of credit loan and paid off the remaining balance of the bonds pursuant to the Collateral and Security Agreement; and

**Whereas**, the Developer has continued to be indebted to the City to repay the Note and has continued to remit payments to the City for the interest each month and a portion of the principal; and

**Whereas**, that from December 31, 2010, to the date of this Amendment, Developer paid the City all interest owed to date and is current on its interest only payments; and

**Whereas**, the City and Developer have continued to abide by and work under the Loan Agreement; and



**Whereas**, the parties have reached an agreement regarding the amendments to this Loan Agreement and now set forth their agreement in writing; and

**Whereas**, the City and Developer will also amend the Note as of the date hereof;

**Whereas**, City and Developer desire to amend the Loan Agreement and certain exhibits attached thereto; and

**Whereas**, amendment of the Loan Agreement is allowed under Section VI of the Loan Agreement if the amendment is in writing and signed by the Developer and City.

NOW THEREFORE, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Developer hereby contract and agree as follows:

1. The recitals above are incorporated herein by reference.
2. The following is hereby added as Section I. B. to the Loan Agreement:

By December 31, 2010, the City shall pay off the bonds and refinance the remaining balance of the bonds by obtaining a line of credit loan. Developer shall continue to repay the City for this economic assistance. As of December 31, 2010, the outstanding principal balance of the Note attached as Exhibit "B" to the Loan Agreement, was \$6,782,917.00. The refinanced amount of the Note to the Developer shall be \$6,782,917.00 at a rate of three and one-quarter percent (3.25%) per annum and the term of the note shall be thirty-six (36) months from the date of closing, with said date of closing being December 31, 2010, which shall be evidenced by an amendment to the Note dated as of the date hereof (hereinafter "Refinanced Note"). The Refinanced Note shall continue to be secured by a first lien mortgage against the Property, which was previously recorded.

3. The word "bonds" set forth repeatedly in Section II.B.(iii) is hereby deleted and replaced with "bonds or any loans."
4. Section II.B. (viii) is hereby deleted in its entirety.
5. The word "bonds" is hereby deleted in Section III.C.(i) and in Section III.C.(iii) and replaced with "bonds or any loans."
6. Section IV.A. is hereby deleted in its entirety and replaced with Sections IV.A. 1. and IV.A. 2. and IV.A.2.a. which read as follows:

1. Pursuant to the Note to be executed by Developer, Developer shall submit funds to the City of Moline on the seventeenth of each month. The first payment being due on the seventeenth of January 2008 and continuing on the seventeenth of each month thereafter (“monthly payment”). Monthly payments shall consist of interest-only payments for thirty-six (36) months with the remaining principal and interest balance due on the bonds due on the last day of the thirty-sixth (36th) month. In addition, the entirety of all proceeds of the sale of any mortgaged parcel shall be placed in an ESCROW account to be established exclusively for the payment of any principal remaining on the bonds. The maturity date for the bonds being December 31, 2010. The terms and provisions contained in this paragraph shall not apply to the Refinanced Note.
  
2. In regards to the Refinanced Note, pursuant to the Note attached as Exhibit B and any amendments thereto executed by Developer, Developer shall submit funds to the City of Moline on the twenty-first day of each month. The first payment being due on the twenty-first day of January 2011 and continuing on the twenty-first of each month thereafter (“monthly payment”). Monthly payment shall consist of interest-only payments for thirty-six (36) months with the remaining principal and interest balance due on the Refinanced Note due on the last day of the thirty-sixth (36<sup>th</sup>) month, that being December 31, 2013. In addition, the entirety of all proceeds of the sale of any mortgaged parcel shall be applied as an additional or prepayment as set forth in the Refinanced Note.
  - a. The City and Developer further agree that the amount of monthly interest payments due on the Refinanced Note will be as set forth in the Refinanced Note.
  
7. Section IV.C. is hereby deleted in its entirety and replaced with the following:
  - (i) Developer agreed that should the monthly rental income collected from Kone, Inc. pursuant to the Lease Agreement exceed Developer’s monthly interest payment for the Loan, Developer shall place any and all excess rental income in a Keylock Account, at an institution of City’s choosing, where proceeds can only be disbursed to City to pay down the principal on the loan. The terms and provisions contained in this paragraph shall not apply to the Refinanced Note.
  
  - (ii) Developer agrees to execute an authorization allowing the City to automatically withdraw the amount of Thirty-seven Thousand and 00/100 Dollars

(\$37,000.00) each month from Developer's bank account for payment under the Refinanced Note. Of the \$37,000.00 withdrawn each month, the monthly accrued interest payment owed on the remaining principal balance shall be paid first. The amount remaining after payment of said interest will be applied in the following order: to Developer's monthly payment obligations under Paragraph IV of the Collateral and Security Agreement, to Developer's monthly payment obligations under Paragraph V of the Collateral and Security Agreement, and finally to pay down the principal balanced owed on the Refinanced Note. In addition, Developer may make further prepayments or additional payments under the Refinanced Note at any time and same shall immediately be applied and credited against the remaining principal balance owed on the Refinanced Note.

8. Section IV.D. is hereby deleted in its entirety and replaced with the following:

(i) Should the Thirty Thousand and No/Dollars (\$30,000.00) rental income collected from Kone, Inc. be insufficient to pay the monthly interest payment for the Loan, Developer shall be responsible to supplement the payment with (a) fund from the Developer's L.L.C. pursuant to the promissory note; and (b) with private funds pursuant to his personal guaranty, sufficient to cover the entire interest payment. The terms and provisions contained in this paragraph shall not apply to the Refinanced Note.

(ii) Should the Thirty-seven Thousand and 00/100 Dollars (\$37,000.00) automatically withdrawn from Developer's bank account and paid to the City be insufficient to pay the monthly interest payment for the Refinanced Note obtained pursuant to this Agreement, and Developer's payment obligations under Paragraph IV and Paragraph V of the Collateral and Security Agreement, Developer shall be responsible to supplement the payment, so that it covers the entire amount due, with (a) funds from the Developer's L.L.C. pursuant to the Promissory Note; (b) private funds pursuant to Guarantor's Personal Guaranty; and (c) Guaranties and the Collateral Assignment of Certain Financial Interests all attached to the Collateral and Security Agreement.

9. Notwithstanding the expiration of the term of the Loan Agreement, the City and Developer have continued to act in accordance with the terms of the Loan Agreement. The City and Developer hereby re-state, re-affirm and adopt the document, excepting only those sections hereby amended in this document.

10. The City and Developer ratify all actions taken by either one or both of them from December 31, 2010, to the date hereinabove set forth.





## First Amendment to Promissory Note

This First Amendment to Promissory Note is entered into on this \_\_\_\_\_ day of \_\_\_\_\_ 2012, by Financial District Properties HQO, L.L.C., an Illinois limited liability company (hereinafter "Borrower"), and is approved, as to form, by the City of Moline, Illinois, a municipal corporation (hereinafter "Lender"), and is acknowledged by Rodney A. Blackwell (hereinafter "Guarantor").

### RECITALS

**Whereas**, Borrower executed a Promissory Note dated December 17, 2007, promising to pay the City the sum of \$7,550,000.00, plus interest; and

**Whereas**, the term of the Note was 36 months from the date of execution and provided for interest only payments each month and called for a balloon payment at the end of the term; and

**Whereas**, the terms of that Note specified Borrower may change the terms of this Agreement only by another written Agreement; and

**Whereas**, Borrower and Lender entered into a Collateral and Security Agreement dated December 16, 2010, (hereinafter "Collateral and Security Agreement") in which the Lender agreed and contracted with Borrower to refinance the remaining principal balance owed on the loan for a period of three (3) years, at an interest rate of 3.25% per annum, monthly interest only payments to be made by Borrower; and

**Whereas**, Borrower and Lender desire to state the amendments to the Note in this written Amendment executed by the Borrower and agreed to, as to form, by the Lender; and

**Whereas**, Guarantor executes this Amendment to acknowledge his continued Guaranty on the Note.

NOW THEREFORE, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Lender and the Borrower hereby contract and agree as follows:

1. The Borrower and Lender agree that each of the recitals set forth above is true and correct and shall be part of this Amendment.
2. At the top of the document, before the first paragraph, the amount "7,550,000.00" is hereby deleted and replaced with "6,782,917.00".
3. At the top of the document, before the first paragraph, the date of "December 31, 2007" is hereby deleted and replaced with "December 31, 2010".



4. In the first paragraph, which begins "FOR VALUE RECEIVED", the following is hereby deleted "Seven Million Five Hundred Fifty Thousand and 00/100 Dollars (\$7,550,000.00)" and is replaced with "Six Million Seven Hundred Eighty-two Thousand Nine Hundred Seventeen and 00/100 Dollars (\$6,782,917.00)".
5. Also in the first paragraph, which begins "FOR VALUE RECEIVED", the following is hereby deleted "four.two-six percent (4.26%)" and is replaced with "three and one-quarter percent (3.25%)".
6. Paragraph A is hereby deleted in its entirety.
7. In Paragraph D, under the heading "FIXED RATE", the following is hereby deleted "4.26%" and is replaced with "3.25%".
8. In the sentence above the heading "Borrower's Right to Repay", the following is hereby deleted "execution of this note" and is replaced with "December 31, 2010".
9. The paragraph "Borrower's Right to Prepay", is hereby deleted in its entirety and is replaced with the following:

Borrower has the right to make additional or pre-payments at any time before the Maturity Date. Each additional or prepayment Borrower makes on this note shall immediately be applied and credited against the remaining principal balance owed under this note.
10. Item (3) found in the "Borrower's Failure to Pay as Required" "Default" section is hereby deleted and replaced in its entirety with the following: "Borrower fails to pay, or keep any other promise, on any other loan or agreement Borrower has with Lender."
11. Guarantor signs this Amendment and by signing, acknowledges and affirms his continued personal guaranty as security of the Promissory Note and any amendments thereto.
12. Except as herein amended, the provisions of the Note are expressly reaffirmed and remain in full force and effect.
13. Borrower and Lender ratify and affirm all actions taken by them from December 31, 2010, to the date this Amendment is executed.

14. Lender acknowledges and agrees that Borrower (and all guarantors of Borrower) is current in payments under the Note, as amended herein.

The parties have executed this First Amendment as of the date first written above.

**City of Moline, Illinois**

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

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

Donald P. Welvaert, Mayor

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

Tracy A. Koranda, City Clerk

Approved as to form:

\_\_\_\_\_  
Maureen E. Riggs, City Attorney

STATE OF ILLINOIS                    )  
  ) SS:  
COUNTY OF ROCK ISLAND        )

On this \_\_\_\_ day of \_\_\_\_\_, 2012, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared DONALD P. WELVAERT and TRACY A. KORANDA, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Moline, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

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

**Financial District Properties HQO, L.L.C.,**  
an Illinois limited liability company,

By: \_\_\_\_\_  
Rodney A. Blackwell, Manager

STATE OF ILLINOIS                    )  
  ) SS:  
COUNTY OF ROCK ISLAND        )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2012, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared Rodney A. Blackwell, to me personally known, who being by me duly sworn did say that he is the Manager of Financial District Properties HQO, L.L.C., executing the within and foregoing instrument to which this is attached; that said instrument was signed on behalf of said corporation and such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

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

**Personally guaranteed by:**

\_\_\_\_\_  
Rodney A. Blackwell, Guarantor

STATE OF ILLINOIS                    )  
  ) SS:  
COUNTY OF ROCK ISLAND        )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2012, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared Rodney A. Blackwell, executing the within and foregoing instrument to which this is attached; that he signed said instrument as Guarantor; and acknowledged the execution of said instrument to be his voluntary act and deed.

(seal)

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

## First Amendment to Collateral and Security Agreement

This First Amendment to Collateral and Security Agreement is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between the City of Moline, Illinois, a municipal corporation (hereinafter "City"), and Financial District Properties HQO, L.L.C., an Illinois limited liability company (hereinafter "HQO"), FDP, Inc., an Iowa corporation ("FDP"), Hilltop Properties, L.L.C., an Iowa limited liability company ("Hilltop"), Jodi Blackwell, individually ("Jodi") and Rodney Blackwell, individually ("Rodney").

**Whereas**, the parties entered into a certain Collateral and Security Agreement dated December 16, 2010 (hereinafter "Agreement"); and

**Whereas**, the City and HQO have disagreed over the payments required under paragraphs IV and V of the Collateral and Security Agreement; and

**Whereas**, the City and HQO have reached resolution on the payments required under Paragraphs IV and V and agreed to amend the Collateral and Security Agreement to reflect their resolution; and

**Whereas**, the City acknowledges that as of September 30, 2011, HQO is current on all required payments; and

**Whereas**, under Paragraph VIII of the Collateral and Security Agreement, amendment to the Agreement must be in writing and signed by all parties.

NOW THEREFORE, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and HQO hereby modify the Agreement as follows:

1. Paragraph IV is hereby deleted in its entirety and replaced with the following:

IV. Commencing December 31, 2010, whether HQO is in default or not, HQO shall pay to the City two thousand dollars (\$2,000.00) per month for twenty-four (24) months, to be used for general fund purposes. Said payment for general fund purposes shall be made on the 21<sup>st</sup> day of each month. Prior to the conclusion of the twenty-four (24) months referenced herein, HQO shall place thirty-six thousand dollars (\$36,000.00) in an escrow account acceptable to the City to guarantee an additional 12 months of \$3,000.00 monthly payments. These payments for general fund purposes shall cease and no longer be required by HQO hereunder at such time as the Loan is paid off in full.



2. Paragraph V is hereby deleted in its entirety and replaced with the following:

V. Commencing December 31, 2010, and continuing on the 21<sup>st</sup> day of each month thereafter through November 21, 2012, HQO shall make an additional payment of sixteen thousand dollars (\$16,000.00) per month; and commencing December 21, 2012, and continuing on the 21<sup>st</sup> day of each month thereafter through the end of the term of the Loan, HQO shall make an additional payment of fifteen thousand dollars (\$15,000.00) per month. All payments under this paragraph to be applied to any outstanding indebtedness of the Loan, beginning first with unpaid costs of the City allowed by the Loan, then unpaid delinquent interest owed on the Loan, then unpaid principal on the Loan.

3. Except as amended herein, the parties re-state and re-affirm all other provisions of the Collateral and Security Agreement dated December 16, 2010.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Collateral and Security Agreement on the dates set forth above their respective signatures.

**City of Moline, Illinois**

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

By: \_\_\_\_\_  
Donald P. Welvaert, Mayor

Attest: \_\_\_\_\_  
Tracy A. Koranda, City Clerk

Approved as to form:

\_\_\_\_\_  
Maureen E. Riggs, City Attorney

**Financial District Properties HQO, L.L.C.**

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

By: \_\_\_\_\_  
Rodney A. Blackwell, Manager

**FDP, Inc.**

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

By: \_\_\_\_\_  
Rodney A. Blackwell, President

**Hilltop Properties, L.L.C.**

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

By: \_\_\_\_\_  
Rodney A. Blackwell, Manager

\_\_\_\_\_  
**Jodi Blackwell**

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

\_\_\_\_\_  
**Rodney A. Blackwell**

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

Council Bill/Resolution No. 1206-2012

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to amend Resolution 1188-2012 that authorized a Licensing Agreement with Windstream, KDL, Inc. to install fiber optic cable in right-of-way.

WHEREAS, Resolution 1188-2012 was approved by the City Council on June 12, 2012; and

WHEREAS, Windstream, KDL, Inc. has discovered existing utilities on the north side of 12<sup>th</sup> Avenue that are an obstruction to running the line in that location as originally proposed; and

WHEREAS, Windstream, KDL, Inc. seeks to install fiber optic cable on the south side of 12<sup>th</sup> Avenue instead; and

WHEREAS, the placement of the fiber optic cable within the public right-of-way should not pose any hazards to motorists or pedestrians.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Mayor and City Clerk are hereby authorized to amend Resolution 1188-2012 and the accompanying Licensing Agreement and to authorize Windstream, KDL, Inc. to install fiber optic cable in right-of-way at four different locations; (1) the south side of 12<sup>th</sup> Ave. right-of-way from 34<sup>th</sup> St. to 41<sup>st</sup> St., then north in 41<sup>st</sup> St. right-of-way to the Moline Housing Authority property at 1150 41<sup>st</sup> St.; (2) 17<sup>th</sup> St. right-of-way at 825 17<sup>th</sup> St.; (3) 34<sup>th</sup> Ave. right-of-way from 60<sup>th</sup> St. to 70<sup>th</sup> St., and then south in 70<sup>th</sup> St. right-of-way to the Black Hawk College property located at 6600 34<sup>th</sup> Ave.; (4) 34<sup>th</sup> St. right-of-way at 3316 Avenue of the Cities; provided said agreement is substantially similar in form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit "A," and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
July 17, 2012

\_\_\_\_\_  
Date

Passed: July 17, 2012

Approved: July 24, 2012

Attest: \_\_\_\_\_  
City Clerk

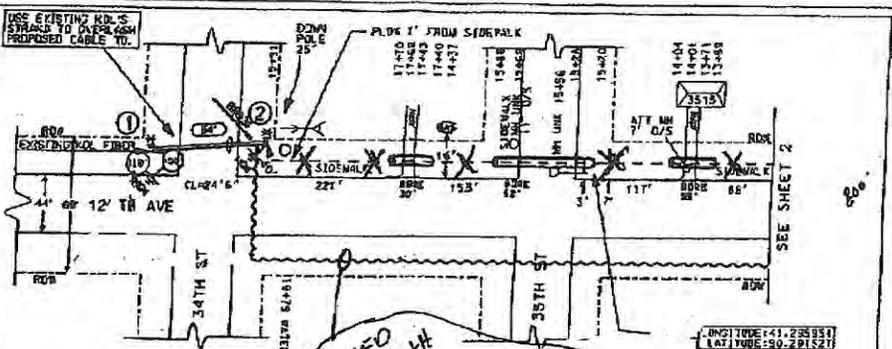
Approved as to Form:

\_\_\_\_\_  
City Attorney

0003/010

① OWNER: PWR CO  
 SERVICE: 123  
 ALY: 123  
 TYPE: CLASS: NC  
 HEIGHT: 30'  
 LONGITUDE: 41.300000  
 LATITUDE: 90.292210  
 LOP PMP: 25' 2"  
 STREET LIGHT:  
 ATTACH1:  
 ATTACH2:  
 ATTACH3:  
 ATTACH4:  
 NEW ATTACH: 24' 9"  
 ATTACH ZONE:  
 ANCHOR LEAD:  
 ANCHOR HEIGHT:  
 MARK READY:  
 MAP: 0311-1  
 INDIA-18  
 COMA-1  
 W2011-1  
 PMA-1

② OWNER: PWR CO  
 SERVICE: 123  
 ALY: 123  
 TYPE: CLASS: NC  
 HEIGHT: 30'  
 LONGITUDE: 41.300000  
 LATITUDE: 90.292210  
 LOP PMP: 25' 2"  
 STREET LIGHT:  
 ATTACH1:  
 ATTACH2:  
 ATTACH3:  
 ATTACH4:  
 NEW ATTACH: 24' 9"  
 ATTACH ZONE:  
 ANCHOR LEAD:  
 ANCHOR HEIGHT:  
 MARK READY:  
 MAP: 0311-1  
 INDIA-18  
 COMA-1  
 W2011-1  
 PMA-1



REVISED BORE PATH  
 DUE TO CONGESTED ROW  
 ON ORIGINAL PATH

ORIG WORK CROSS:  
 86' 0" - 77'  
 86' 1" - 91' - 22"  
 BURIED  
 ALL BORE

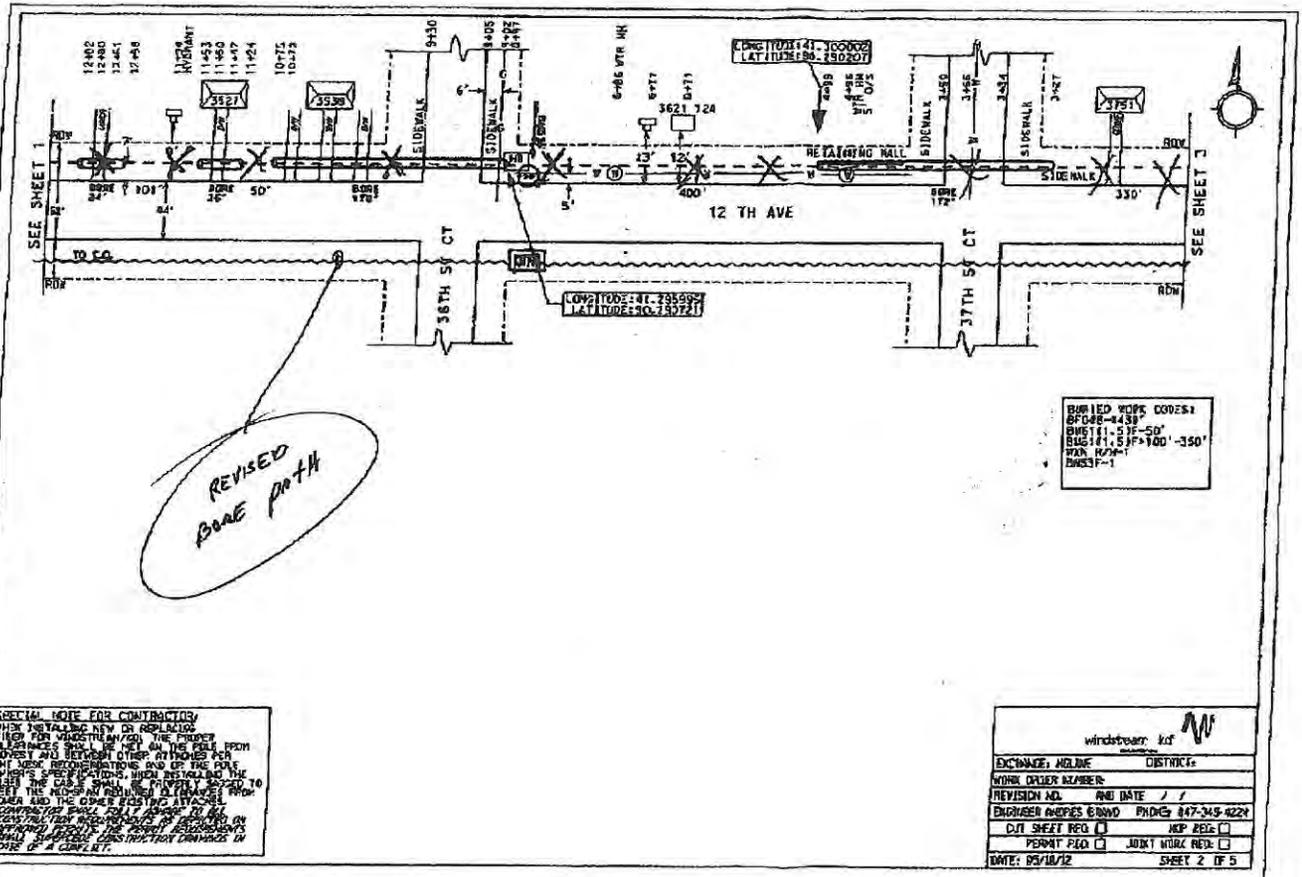
SPECIAL NOTE FOR CONTRACTOR:  
 WHEN INSTALLING NEW OR REPLACING  
 FIRST FOR UNDERGROUND THE PROPER  
 CLEARANCES SHALL BE MAINTAINED FROM  
 UNDER AND BETWEEN OTHER UTILITIES PER  
 ALL CITY REQUIREMENTS AND THE  
 CONTRACTOR SHALL BE RESPONSIBLE TO  
 MAINTAIN THE CLEARANCES FROM  
 OTHER UTILITIES AND THE OTHER UTILITIES  
 CONTRACTOR SHALL BE RESPONSIBLE TO  
 MAINTAIN THE CLEARANCES FROM  
 OTHER UTILITIES AND THE OTHER UTILITIES  
 CONTRACTOR SHALL BE RESPONSIBLE TO  
 MAINTAIN THE CLEARANCES FROM  
 OTHER UTILITIES AND THE OTHER UTILITIES

winstream inc

EXCHANGE: MILWAUKEE	DISTRICT:
WORK ORDER NUMBER:	
PREY SIGN NO:	ARD DATE: / /
ENGINEER APPROVES DRAWING	PHONE: 817-345-4624
CUT SHEET PER: <input type="checkbox"/>	MSF REQ: <input type="checkbox"/>
PERMIT REQ: <input type="checkbox"/>	JOINT WORK REQ: <input type="checkbox"/>
DATE: 05/18/12	SHEET 1 OF 5

05/17/2012 THU 16:08 FAX 309 683 3076 CUSTOM UNDERGROUND INC \*\*\* SEND FORWARD

0003/010



REVISED  
BORE PATH

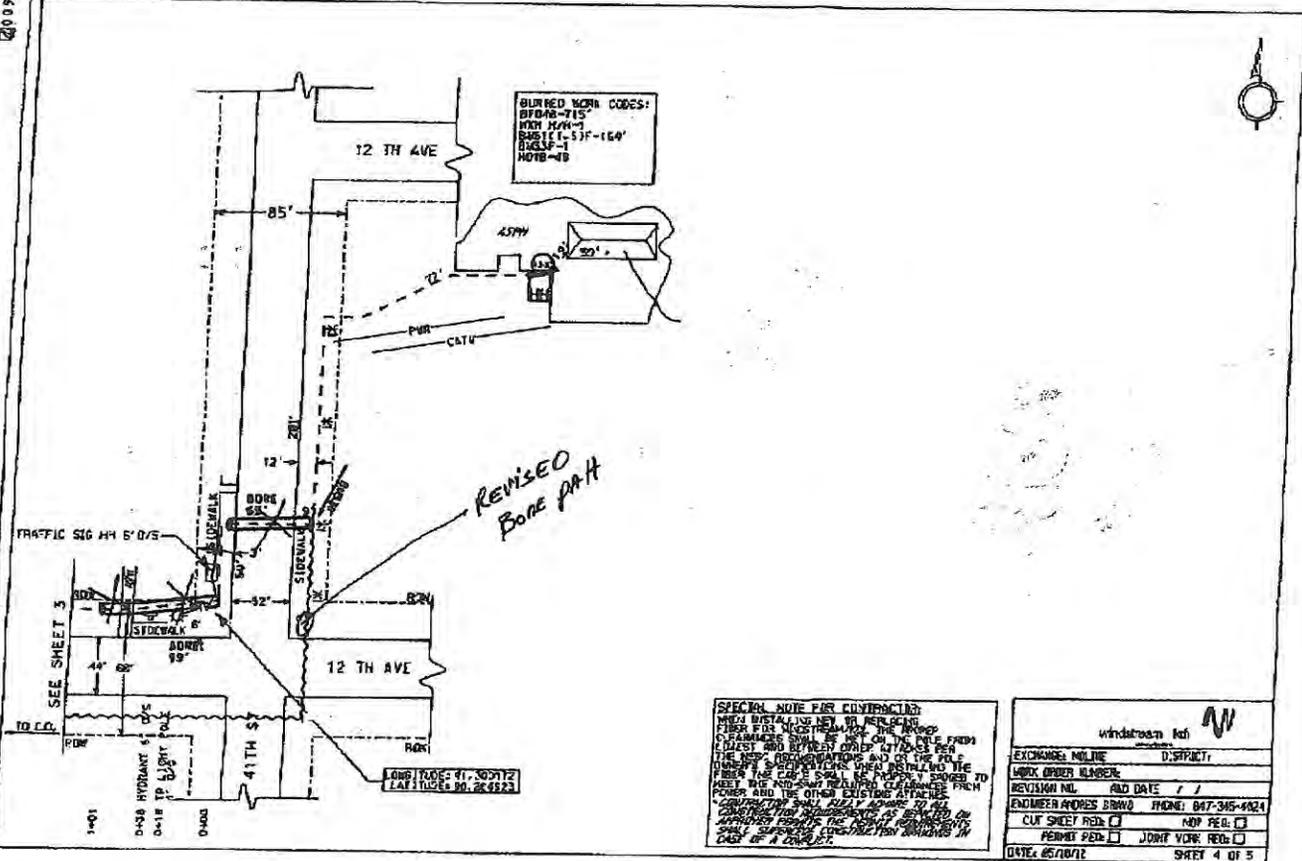
**SPECIAL NOTE FOR CONTRACTOR:**  
 WHEN INSTALLING NEW OR REPLACING  
 PIPES FOR UNDERGROUND, THE PROPER  
 CLEARANCES SHALL BE MET ON THE JOB, FROM  
 ADJACENT AND BETWEEN OTHER UTILITIES PER  
 THE LOCAL REGULATIONS AND OF THE JOB.  
 THE CONTRACTOR SHALL BE RESPONSIBLE TO  
 MEET THE REQUIREMENTS OF ALL LOCAL  
 ORDINANCES AND THE OTHER EXISTING UTILITIES.  
 THE CONTRACTOR SHALL BE RESPONSIBLE TO  
 OBTAIN ALL NECESSARY PERMITS AND  
 APPROVALS FROM THE APPROPRIATE  
 AGENCIES BEFORE COMMENCING WORK.  
 ALL UTILITIES SHALL BE PROTECTED  
 AT ALL TIMES. THE CONTRACTOR SHALL  
 BE RESPONSIBLE FOR OBTAINING ALL  
 NECESSARY PERMITS AND APPROVALS  
 FROM THE APPROPRIATE AGENCIES  
 BEFORE COMMENCING WORK.  
 ALL UTILITIES SHALL BE PROTECTED  
 AT ALL TIMES.

windstream: <i>kt</i>	
EXCHANGE: HELINE	DISTRICT:
WORK ORDER NUMBER:	
REVISION NO.	AND DATE / /
ENGINEER AND/OR DESIGNER	PHONE: 847-345-8224
CITY SHEET REG. <input type="checkbox"/>	NEP REG. <input type="checkbox"/>
PERMIT REG. <input type="checkbox"/>	JOINT WORK REG. <input type="checkbox"/>
DATE: 05/18/12	SHEET 2 OF 5

BURNED WOPS CODES:  
 BFD88-4430  
 BUST11-51'-50"  
 BUST11-51'-50"  
 BUST11-51'-50"  
 BUST11-51'-50"  
 BUST11-51'-50"  
 BUST11-51'-50"

05/17/2012 THU 16:08 FAX 309 683 3016 CUSTOM UNDERGROUND INC 144 BIDD SWARD 0004/010





BURIED WORK CODES:  
 BFDAB-715'  
 BFDH N/A-7  
 BFDL (1-5)F-164'  
 BFDLSP-1  
 BFDLSP-49

REVISED  
 BORE PA-H

SPECIAL NOTE FOR CONTRACTOR:  
 WHEN INSTALLING NEW OR REPLACING  
 FIBER FIBER OPTIC CABLES, THE PROPER  
 CLEANING SHALL BE DONE ON THE FIBER  
 CABLES AND BEFORE THEY ARE INSTALLED  
 INTO THE SPLICING BOXES. THE FIBER  
 OPTIC SPLICING BOXES SHALL BE INSTALLED  
 WITH THE CABLES SHALL BE PROPERLY  
 LABELLED AND THE OTHER EXISTING ATTACHES  
 TO THE SPLICING BOXES SHALL BE  
 MAINTAINED AS IS. THE CONTRACTOR  
 SHALL BE RESPONSIBLE FOR THE PROPER  
 LABELLING OF THE FIBER OPTIC CABLES  
 AND THE OTHER EXISTING ATTACHES  
 TO THE SPLICING BOXES. THE CONTRACTOR  
 SHALL BE RESPONSIBLE FOR THE PROPER  
 LABELLING OF THE FIBER OPTIC CABLES  
 AND THE OTHER EXISTING ATTACHES  
 TO THE SPLICING BOXES.

windstream kci	
EXCHANGE: INCLINE	DISTRICT:
WORK ORDER NUMBER:	
REVISION NO.	ADD DATE / /
ENGINEER/OWNER'S DRAWING NUMBER:	407-345-4924
CUT SHEET PER: <input type="checkbox"/>	NOT PER: <input type="checkbox"/>
PERMIT PER: <input type="checkbox"/>	JOINT WORK PER: <input type="checkbox"/>
DATE: 05/17/12	SHEET 4 OF 5

05/17/2012 THU 16:09 FAX 309 683 3016 CUSTOM UNDERGROUND INC \*\*\* brand upward 00067010

Council Bill/General Ordinance No. 3018-2012  
Sponsor: \_\_\_\_\_

AN ORDINANCE

AMENDING Chapter 4, "ALCOHOLIC LIQUOR," of the Moline Code of Ordinances, by repealing Section 4-3208(b) in its entirety and enacting in lieu thereof one new Section 4-3208(b) dealing with the same subject matter.

---

WHEREAS, the Local Liquor Control Commissioner and City staff have determined that certain amendments to the City's liquor code will improve related existing application procedures and help to increase business within the City; and

WHEREAS, an amendment to Section 4-3208(b) will increase the non-refundable application fee of \$2,000 to \$3,000 for all applicants, except those seeking Class D/Fraternal Organization, Class I Special Event, and Class J Park Concession licenses, to more accurately cover the costs associated with processing the applications, including necessary reviews and background investigations.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That Chapter 4, "ALCOHOLIC LIQUOR," of the Moline Code of Ordinances, Section 4-3208, "LICENSE FEES," is hereby amended by repealing subsection (b) in its entirety and enacting in lieu thereof one new subsection (b), which shall read as follows:

**"SEC. 4-3208. LICENSE FEES.**

\* \* \* \* \*

(b) A non-refundable application fee of three thousand dollars (\$3,000.00) shall be paid by all licensee applicants, except for Class D Clubs/Fraternal Organization, Class I Special Event, and Class J Park Concession license applicants. A non-refundable application fee of one thousand dollars (\$1,000.00) shall be paid by Class D Clubs/Fraternal Organization license applicants. A total fee of twenty-five dollars (\$25.00) per day shall be paid by Class I Special Event licensee applicants. Said application fees are not refundable and are intended to cover the cost of obtaining or reviewing property consents and the cost of reviewing the application and applicant as well as serve other regulatory purposes.

(1) For any licensee that has a current Moline liquor license and seeks to change location of the same business and close the existing licensed premises, the non-refundable application fee shall be five hundred dollars (\$500.00) as long as the City does not need to perform a background check for persons other than the liquor manager and any other owner/stockholder information remains the same."

\* \* \* \* \*

**Section 2** – That this ordinance shall be in full force and effect from and after passage, approval and, if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

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

City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

Council Bill/General Ordinance No. 3019-2012

Sponsor: \_\_\_\_\_

AN ORDINANCE

AMENDING Chapter 5, "AMUSEMENTS," of the Moline Code of Ordinances, by repealing Article I, "AMUSEMENT DEVICES," in its entirety and enacting in lieu thereof one new Article I relating to the same subject matter; and Chapter 22, "OFFENSES – MISCELLANEOUS," of the Moline Code of Ordinances, by repealing Article V, "GAMBLING," in its entirety and enacting in lieu thereof one new Article V relating to the same subject matter.

WHEREAS, on July 13, 2009, the Illinois General Assembly enacted the Video Gaming Act, 230 ILCS 40/1, et seq. ("Act"), which permits certain establishments licensed to sell alcohol, including bars, restaurants, fraternal clubs, veteran's establishments and truck stops, to operate and allow the use of video gaming terminals on their premises upon proper licensing by the Illinois Gaming Board; and

WHEREAS, the City Council has determined that it is in the best interests of the City and its eligible businesses to pursue this avenue of revenue by allowing video gaming within the City pursuant to the Act; and

WHEREAS, this ordinance will amend the Moline Code of Ordinances, Chapters 5 and 22, to repeal or amend certain prohibitions and regulations contained therein to permit video gaming within the City; and

WHEREAS, this ordinance will further amend certain provisions contained in Chapter 22 to clarify language pertaining to lotteries within the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That Chapter 5, "AMUSEMENTS," of the Moline Code of Ordinances, is hereby amended by repealing Article I, "AMUSEMENT DEVICES," in its entirety and enacting in lieu thereof one new Article I relating to the same subject matter, which shall read as follows:

**"ARTICLE I. AMUSEMENT DEVICES**

**SEC. 5-1100. PURPOSE.**

The purpose of this article is to impose a tax for revenue upon devices generally known as amusement devices, video gaming terminals and coin-operated amusement devices or bowling alleys, pool tables, juke boxes, pinball, video, and arcade games. However, because it is legislatively determined that such devices present a great attraction to minors and that truancy and juvenile delinquency are related problems and that the nearness of such games to elementary, junior and senior high schools encourage truancy; an additional purpose of this article is to regulate the location of such devices in order to aid in the efforts to control truancy.

**SEC. 5-1101. TERMS DEFINED.**

For purposes of this article, the following terms shall have the meaning ascribed to them:

- (1) **Amusement device.** Amusement device shall mean any game or entertainment played for a fee paid to the operator of the game rather than inserted directly into a device, machine or electronic device. It shall include bowling alleys, pool tables, athletic type games, and similar games; provided such do not include games, devices or events operated by not-for-profit organizations.
- (2) **Arcade.** Arcade shall mean any premise where ten (10) or more coin-operated amusement devices are operated, displayed or exhibited for use.
- (3) **Bowling alley.** Bowling alley shall mean each enclosed wooden lane designed for the game of bowling.
- (4) **Coin-operated amusement device.** Coin-operated amusement device shall mean any game or entertainment operated or played by insertion of coins, tokens, or similar objects, into a machine or other device to activate the game or entertainment. Such games and entertainments include, but are not limited to, pool tables, juke boxes, pinball games, video games and amusements, air hockey, electronic games, mechanical or electronic rides, shuffleboard or shuffle bowler, foosball, motion picture viewers, and other, similar mechanical or electronic devices. Not included within the term are devices for which licenses are required elsewhere in the Moline Code of Ordinances, devices for the dispensing of tangible property and food or beverages unless chance is involved in obtaining said items, devices located within single-family residences, and devices displayed solely for retail sale.
- (5) **Exhibitor.** Exhibitor shall mean any person who owns or operates premises upon which amusement devices, video gaming terminals or coin-operated amusement devices are operated, displayed, or exhibited for use.
- (6) **Gambling.** Gambling shall have the meaning ascribed to it in Section 22-5101 of the Moline Code of Ordinances.
- (7) **Gambling device.** Gambling device shall have the meaning ascribed to it in Section 22-5100(1) of the Moline Code of Ordinances, but shall specifically include the acts or repurchase of free games or tokens awarded by such devices and the acts of exchanging free games or tokens for merchandise.
- (8) **Juke box.** Juke box shall mean any phonograph, player piano, music box, juke box, or other instrument or device capable of producing or reproducing any vocal or instrumental sounds, other than a motion picture sound machine, which is governed by, controlled by, operated or played by insertion of coins, tokens, or similar objects into the instrument or device.
- (9) **Operator.** Operator shall mean any person, firm, partnership, corporation or association who owns, sells, leases, rents, or is otherwise responsible for placing or distributing amusement devices or coin-operated amusement devices within the City of Moline, Illinois.
- (10) **Pool table.** Pool table shall mean a billiard table or other table for the playing of billiards, pool, bumper pool, eight-ball and similar games.
- (11) **Video gaming terminal.** Video gaming terminal shall mean any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game, including but not limited to video poker, line up, and blackjack, as authorized by the Illinois Gaming Board pursuant to the Video Gaming Act, 230 ILCS 40/1 et seq., utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine or device that directly dispenses coins, cash, or tokens or is for amusement purposes only.

**SEC. 5-1102. LICENSE REQUIRED.**

(a) It shall be unlawful for any person to act as an operator or exhibitor of amusement devices, video gaming terminals or coin-operated amusement devices unless said person holds a valid license issued by the City's accounts and finance office in the name of the operator and exhibitor.

(b) In addition, it shall be unlawful for any person to act as an operator or exhibitor of video gaming terminals or coin-operated amusement devices unless said person holds a valid license issued by the state.

**SEC. 5-1103. APPLICATION; INSPECTION.**

A person desiring a license required by this article shall apply to the City's accounts and finance office therefor; the license shall be issued by the accounts and finance office upon the certification of the building official and zoning administrator that the premises for which the license is applied complies with all building construction codes and the zoning and subdivision ordinances of the City of Moline, the fee has been paid, and it has been determined that the provisions of this article are complied with or that adequate provision has been made to cause such compliance.

**SEC. 5-1104. FEE; TERM, LATE PENALTY.**

(a) The annual fee for licenses required by this article shall be as follows:

(1) Operators shall pay an annual fee of fifty dollars (\$50.00) per year for each coin-operated amusement device, video gaming terminal and for each amusement device not specified in subsection (2) below. (Ord. No.2002-06-12; Sec.5-1104 (a)(1) repealed; new Sec. 5-1104 (a)(1) enacted; 06/25/02)

(2) Operators shall pay an annual fee of ten dollars (\$10.00) per year for each bowling alley, tennis court, and racquetball court.

(3) Exhibitors operating an arcade shall pay an additional annual fee of five hundred dollars (\$500.00) per year per location.

(b) The term of the license shall be February 1 to January 31.

(c) Licenses not renewed prior to expiration of the previous license shall be charged a penalty of twenty five dollars (\$25.00) minimum, or \$5.00 per day for each day past the due date, whichever is greater.

(d) Corporations organized under the General Not-For-Profit Corporation Act of 1986 (805 ILCS 105/101.01 et seq.) or authorized to conduct activities in the State of Illinois as a foreign not-for-profit corporation which are organized for charitable, educational, civic, religious, and or athletic purposes, and which do not possess a liquor license from the City of Moline, are exempt from the payment of any fee under the provisions of this article.

**SEC. 5-1105. TRANSFERABILITY; DISPLAY.**

(a) No license issued pursuant to this article shall be transferable from one person to another or from one premise to another. However, licenses shall be transferable from one machine to another.

(b) A license shall consist of a display certificate describing the number and nature of the devices exhibited, the exhibitor's name and address and the operator's name and address and must be signed by the accounts and finance officer and under seal of the City of Moline.

(c) In the event the devices or number of devices change after issuance of a license, but before renewal thereof, the license shall be considered to have been transferred to a new license; provided, the licensee notifies the accounts and finance office in writing of the change within ten (10) days after the change in number of devices has occurred and pays any additional fee required by an increase in the number of devices. The act of operation without the notification required herein and payment of fees required herein shall constitute operation without holding a valid license.

(d) Each license issued pursuant to this article shall be displayed at all times by a licensee in a conspicuous place on the licensed premises and in an area accessible to business invitees during all hours of operation.

**SEC. 5-1106. LOCATIONS PROHIBITED OR RESTRICTED.**

(a) No arcade exhibitor's license may be issued for premises located within four hundred (400) feet of any public or private elementary, junior high, or senior high school as measured from the nearest wall of the school building to the nearest wall of the principal building in which the devices are located unless said premises also are licensed for the sale of alcoholic beverages. If a premise is licensed for the sale of alcoholic beverages and is located within four hundred (400) feet of such a school, an exhibitor's license may be issued; however, it shall be unlawful to locate amusement devices or coin-operated amusement devices within areas on said premises which are accessible to minors.

(b) Video gaming terminals shall be subject to the location restrictions of the Video Gaming Act, 230 ILCS 40/1, et seq.

**SEC. 5-1107. SUSPENSION; REVOCATION.**

(a) The accounts and finance officer may suspend or revoke or refuse to renew a license issued hereunder for cause. Such officer shall be required to give written notice to the licensee of the cause of the suspension or revocation or refusal to renew and provide the licensee at least ten (10) days before such suspension or revocation or refusal to renew is to be effective to request a hearing by filing such request in writing with the accounts and finance officer. If such a request is filed, the accounts and finance officer shall schedule a hearing as soon as practicable, but in no case later than thirty (30) days after a request for hearing has been filed. Pending hearing, a licensee may continue to operate.

(b) The City shall have the burden of proof that cause exists at any hearing to suspend, revoke, or refuse to renew a license. The accounts and finance officer shall render any decision in writing and give the licensee a copy thereof.

(c) Service of notices and decision required in this section shall be obtained by mailing same by certified mail to the operator and exhibitor at their addresses as shown on the application for license.

**SEC. 5-1108. OPERATION.**

(a) An operator shall file with the application for annual license by January 31 of each year with the accounts and finance office a list, by address, of all premises within the City where amusement devices, video gaming terminals or coin-operated amusement devices are sold, leased, rented, serviced or otherwise placed or distributed by said operator are exhibited, displayed or operated and the name of the exhibitor at each such premise and the number of devices at each such premise. Such filing shall be kept confidential as a business secret.

(b) An arcade exhibitor must have readily identifiable adult supervision present during all hours of operation. However, this provision shall not apply to multi-family residential structures where game rooms are restricted to use by residents and their guests.

(c) No exhibitor shall knowingly permit gambling to occur on said exhibitor's premises and shall not maintain any gambling device.

**SEC. 5-1109. PENALTY.**

Any person violating the provisions of this article shall be guilty of a petty offense and be punished as provided in Section 1-1107 of the Moline Code of Ordinances.”

**Section 2** – That Chapter 22, “OFFENSES – MISCELLANEOUS,” of the Moline Code of Ordinances, is hereby amended by repealing Article V, “GAMBLING,” in its entirety and

enacting in lieu thereof one new Article V relating to the same subject matter, which shall read as follows:

**“ARTICLE V. GAMBLING**

**SEC. 22-5100. DEFINITIONS.**

As used in this article, the following terms shall have the meanings ascribed to them:

- (1) **Gambling device** is any clock, tape machine, slot machine or other machines or device for the reception of money or other thing of value on chance or skill or upon the action of which money or other thing of value is staked, hazarded, bet, won or lost or any mechanism, furniture, fixture, equipment or other device designed primarily for use in a gambling place. A “gambling device” includes, but is not limited to, any simulated video gaming device such as a video poker machine, video or mechanical slot machine, video or mechanical bingo machine, or other device which involves any game of chance or amusement based upon poker, blackjack, dog racing, or horse racing, craps, any card or dice game, or any similar device operated by means of the insertion of a coin, token, slug currency, or similar object. A "gambling device" does not include:
  - a. Authorized video gaming terminals as defined in the Illinois Video Gaming Act, 230 ILCS 40/1 et seq.;
  - b. Any of the following, as more specifically defined in 720 ILCS 5/28-2(a)(1) through (a)(5):
    - i. A coin-in-the-slot operated mechanical device played for amusement which rewards the player with the right to replay such mechanical device, which device is so constructed or devised as to make such result of the operation thereof depend in part upon the skill of the player and which returns to the player thereof no money, property or other thing of value or the right to receive money or property or other thing of value;
    - ii. Vending machines by which full and adequate return is made for the money invested and in which there is no element of chance or hazard;
    - iii. Crane games;
    - iv. Redemption machines; or
    - v. Internet computer service or system.
- (2) **Lottery** is any scheme or procedure whereby one (1) or more prizes are distributed by chance among persons who have paid or promised consideration for a chance to win the prizes, whether the scheme or procedure is called a lottery, raffle, gift, sale or some other name.
- (3) **Policy game** is any scheme or procedure whereby a person promises or guarantees by any instrument, bill, certificate, writing, token or other device that any particular number, character, ticket or certificate shall in the event of any contingency in the nature of a lottery entitle the purchaser or holder to receive money, property or evidence of debt. (Ord. No. 3016-2004; Sec. 22-5100 repealed; new Sec. 22-5100 enacted; 03/19/04)

**SEC. 22-5101. GAMBLING DECLARED AN OFFENSE; ACTS CONSTITUTING GAMBLING ENUMERATED.**

- (a) A person commits the offense of gambling when said person does any of the following acts:

- (1) Plays a game of chance or skill for money or other thing of value, unless permitted per subsection (b) below.
  - (2) Operates, keeps, owns, uses, purchases, exhibits, rents, sells, bargains for the sale or lease of, manufactures or distributes any gambling device, unless permitted per subsection (b) below.
  - (3) Makes a wager upon the result of any game, contest or any political nomination, appointment or election.
  - (4) Contracts to have or give said person 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 the 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 the Illinois Securities Law of 1953, or by or through a person exempt from such registration under that law 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 the Illinois Securities Law of 1953 is not gambling within the meaning of this subsection.
  - (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 said person has received in the course of a bet or wager.
  - (6) Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment or election.
  - (7) Sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any lottery, unless permitted per subsection (b) below.
  - (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.
  - (9) Knowingly advertises any lottery or policy game or drafts, prints or publishes any lottery ticket or share, or any policy ticket, slip, record, document or similar device or any advertisement of any lottery or policy game, unless permitted per subsection (b) below.
  - (10) Knowingly transmits information as to wagers, betting odds, or chances 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 prohibits transmission or receipt of such information for use in news reporting of sporting events or contests.
- (b) Participants in any of the following activities shall not be convicted of gambling:
- (1) Agreements to compensate for the loss caused by the happening of chance including without limitation contracts of indemnity or guaranty and life or health or accident insurance.
  - (2) Offers of prizes, award or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest.
  - (3) Pari-mutuel betting as authorized by the law of this state.
  - (4) Video gaming as authorized by the Video Gaming Act, 230 ILCS 40/1 et seq.
  - (5) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof pursuant to the Illinois Video Gaming Act, 230 ILCS 40/1 et seq., and/or for transportation in interstate or foreign commerce to any place outside this state when such transportation is not prohibited by any applicable federal law.

- (6) The game commonly known as "bingo" when conducted in accordance with "An Act making lawful the conducting of bingo by certain not-for-profit organizations, requiring licensing and prescribing regulations therefor," as authorized by the law of this state, and when conducted pursuant to license issued hereunder.
- (7) Any lottery conducted and authorized by the law of this state.
- (8) Any lottery commonly known as a raffle which is licensed pursuant to Article IX of Chapter 17 of this Code.
- (9) Any charitable game including but not limited to roulette, blackjack, poker, pull tabs, craps, bang, beat the dealer, big six, gin rummy, five card stud poker, chuck-a-luck, keno, hold-em poker and merchandise wheel conducted pursuant to and in strict compliance with the Charitable Games Act, 230 ILCS 30/1 as now enacted or hereafter amended. (Ord. No. 3022-2006; Sec. 22-5101(b)(7) repealed; new Sec. 22-5101(b)(7) enacted; 05/23/06)

(c) **Penalty.** Any person violating any provisions of Section 22-5101(a) shall be subject to a mandatory fine of not less than two hundred dollars (\$200.00) plus court costs, nor more than seven hundred fifty dollars (\$750.00) plus court costs. (Ord. No. 2002-08-11; new Sec. 22-5101 (c) enacted; 09/10/02)

**SEC. 22-5102. SEIZURE OF GAMBLING DEVICES AND GAMBLING FUNDS.**

(a) Every gambling device which is incapable of lawful use is contraband and shall be subject to seizure, confiscation and destruction pursuant to the rules and regulations of the Illinois Gaming Board as authorized by the Video Gaming Act, 230 ILCS 40/1 et seq. As used in this section, a "gambling device which is incapable of lawful use" includes any slot machine, and includes any machine or device constructed for the reception of money or other thing of value and so constructed as to return on chance to the player thereof money, property or a right to receive money or property."

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval and, if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

A SPECIAL ORDINANCE

AUTHORIZING the Mayor and City Clerk to execute a Third Amendment to Development Agreement between the City of Moline and Autumn Trails, L.L.C. for the Bethany Project.

---

WHEREAS, the City and Autumn Trails, L.L.C. ( "Developer") have previously entered into a Development Agreement for the Bethany Project ("Project") and a First Amendment to Development Agreement, approved by Special Ordinance No. 4017-2005 and Special Ordinance No. 4049-2006, respectively; and a Second Amendment approved by Special Ordinance No. 4016-2008; and

WHEREAS, the agreement's first amendment permits an extension for completion and provides that the Developer is to complete the Project by February 27, 2008, unless the Project is delayed by fire, adverse weather conditions, unavoidable casualty, or similar unforeseen circumstances; and

WHEREAS, while the Project had progressed and continued to proceed soundly, adverse weather and soil conditions posed additional delays, and the Developer therefore requested a second extension to June 30, 2009, to complete the Project; and

WHEREAS, the Developer also requested an extension of the Development Agreement's TIF sunset provision from December 31, 2015 to December 31, 2017, and an increase in the TIF amount from \$1,222,181.00 to \$1,371,800.00 pursuant to additional charges incurred due to the soil conditions and the necessary construction of pilings for the first phase of the Project; pilings were also needed for the second phase of the Project; and

WHEREAS, due to market conditions and difficulty in funding the final units of the project, the developer halted construction; now due to an improved residential sales environment and available funding, the developer is now in a position to complete the project and the Developer has requested an extension of the completion date of the final units to December 31, 2013 and also fund the remaining increment upfront as opposed to an annual rebate.

WHEREAS, the City agrees to enter into a Third Amendment to Development Agreement to allow such amendment provisions provided the amendment reflects a mechanism for the City to be reimbursed for financing costs of the prefunding should the developer fail to complete the project within the amended timeframe.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That the Mayor and City Clerk are hereby authorized to execute a Third Amendment to Development Agreement between the City of Moline and Autumn Trails, L.L.C. for the Bethany Project; provided that said Third Amendment to Development Agreement is in substantially similar form as that attached hereto and incorporated herein by this reference thereto as Exhibit "A" and has been approved as to form by the City Attorney.

**Section 2** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT BETWEEN  
THE CITY OF MOLINE AND AUTUMN TRAILS, L.L.C.

This Third Amendment, effective on the date of execution of the parties below, modifies the Development Agreement, the First Amendment to Development Agreement, and the Second Amendment to the Development entered into by the City of Moline, an Illinois Municipal Corporation ("City"), and Autumn Trails, L.L.C., an Illinois Limited Liability Company ("Developer"), for the Bethany Project pursuant to adoption of Special Ordinance No. 4017-2005 and 4049-2006 and Special Ordinance No. 4016-2008 by amending the following paragraphs.

1. Paragraph 1.I., "Prefunding TIF Payment," is hereby added to read as follows:

"I. Prefunding TIF Payment. The City has received documentation detailing the private investment in this project and has previously rebated Six Hundred Thirty Five Thousand, One Hundred Eighty and 92/100 (\$635,180.92) of the total rebate of One Million Three Hundred Seventy One Thousand Eight Hundred and 00/100 Dollars (\$1,371,800.00). The City shall fund the balance of the rebate, Seven Hundred Thirty Six Thousand Six Hundred Nineteen and 08/100 Dollars (\$736,619.08) upon execution of the Third Amendment to Development Agreement and disburse the monies as detailed in Council Bill/Resolution No. 1133-2009, Settlement Agreement and between Autumn Trails, L.L.C., MidWestOne Bank, Blackhawk Bank & Trust Company, and the City, which was approved on August 4, 2009.

Should the Developer fail to complete the project by the timeline established in Paragraph II C as amended, the City shall have the right to request reimbursement of any and all interest payments incurred by the City. The City shall enter into a Promissory Note with Autumn Trails, L.L.C detailing the interest and expenses related to the Prefunded TIF Payment.

2. Paragraph II.C., "Development Timetable," is hereby amended to read as follows:

"B. Development Timetable. The Developer submitted a request for TIF assistance in July 2004. The Developer shall commence the Project within six (6) months from and after the date of this Agreement and shall complete the Project by December 31, 2013 unless delayed by fire, unusual delay in transportation, adverse weather conditions not reasonably anticipated, unavoidable casualty, flood, acts of God, other causes beyond the Developer's control which could not reasonably have been anticipated and which could not have been reasonably avoided, or acts of the City in breach of this or any other agreement executed by the City in connection with the Redevelopment Project. The City in its reasonable discretion may extend the completion date in writing. Delay beyond the completion date shall be cause for the City to terminate this Agreement after notice to the Developer."

3. 3. Modifications. Except as herein modified, the Development Agreement and its First Amendment and Second Amendment remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date(s) shown below.

**City of Moline**

**Autumn Trails, L.L.C.**

By: \_\_\_\_\_  
Donald P. Welvaert, Mayor

By: \_\_\_\_\_  
George Bialecki, Jr.  
Operating Manager

Attest: \_\_\_\_\_  
Tracy A. Koranda, City Clerk

Approved as to Form:

By: \_\_\_\_\_  
Maureen E. Riggs, City Attorney

STATE OF ILLINOIS \_\_\_\_\_ )  
 ) ss.  
COUNTY OF ROCK ISLAND \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2012 before me, a Notary Public in and for said county and state, personally appeared **DONALD P. WELVAERT AND TRACY A. KORANDA**, to me personally known, who being by me duly sworn or affirmed did say that the persons are the **Mayor and City Clerk**, respectively, of the **CITY OF MOLINE, a municipal corporation**, that the seal affixed to said instrument is the seal of said corporation and that said instrument was signed and sealed on behalf of the said corporation and said persons acknowledged the execution of said instrument to be the voluntary act and deed of said corporation.

\_\_\_\_\_  
Notary Public

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2012, before me, a Notary Public in and for said county and state, personally appeared **GEORGE BIALECKI, JR.**, to me personally known (or proven to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as the **Operating Manager of AUTUMN TRAILS, L.L.C.** and that by his signature on the instrument the entity upon behalf of which he acted, executed the instrument.

\_\_\_\_\_  
Notary Public



Council Bill/General Ordinance No.: 4026-2012  
Sponsor: \_\_\_\_\_

A SPECIAL ORDINANCE

CLOSING certain streets more particularly described herein to vehicular traffic; and  
AUTHORIZING the use of public right-of-way in conjunction with the 5<sup>th</sup> Avenue Cruise In scheduled for Saturday, August 4, 2012.

\_\_\_\_\_

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That this Council hereby authorizes and directs the Mayor, Director of Public Works and Police Chief to erect barricades and post temporary signs, if necessary, for the purpose of closing the following designated roadways to vehicular traffic during the specified times mentioned herein:

Saturday, August 4, 2012, from 8:00 a.m. to 6:00 p.m.

All lanes of 23<sup>rd</sup> Street from the southernmost side of 4<sup>th</sup> Avenue to the northernmost side of 5<sup>th</sup> Avenue and 5<sup>th</sup> Avenue from the westernmost side of 23<sup>rd</sup> Street to the westernmost side of 24<sup>th</sup> Street.

It shall be an offense to use said roadway for vehicular purposes during such time specified herein.

**Section 2** – That this Council declares the intent of this ordinance to be a temporary variance from other ordinances that may be in conflict herewith and shall authorize the activities described hereinabove only during such times specified for the street closings and shall not constitute a repeal of other ordinances of the City of Moline which are in conflict herewith.

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney



Council Bill/Ordinance No.: 4028-2012

Sponsor: \_\_\_\_\_

A SPECIAL ORDINANCE

CLOSING certain streets more particularly described herein to vehicular traffic; and

AUTHORIZING the use of public right-of-way in conjunction with the Ericsson School Celebrate Education Parade scheduled for Friday, September 7, 2012.

\_\_\_\_\_

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

**Section 1** – That this Council hereby authorizes and directs the Mayor, Director of Public Works and Police Chief to erect barricades and post temporary signs, if necessary, for the purpose of closing the following designated roadways to vehicular traffic during the specified times mentioned herein:

Friday, September 7, 2012 from 9:00 a.m. to 10:00 a.m.

All lanes of 4<sup>th</sup> Avenue from the easternmost side of 3<sup>rd</sup> Street to the westernmost side of 12<sup>th</sup> Street,  
All lanes of 4<sup>th</sup> Street from the northernmost side of 4<sup>th</sup> Avenue to the northernmost side of 5<sup>th</sup> Avenue.

It shall be an offense to use said roadways for vehicular purposes during the times herein specified.

**Section 2** – That this Council declares the intent of this ordinance to be a temporary variance from other ordinances that may be in conflict herewith and shall authorize the activities described hereinabove only during such times specified for the street closings and shall not constitute a repeal of other ordinances of the City of Moline which are in conflict herewith.

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

# **City of Moline**

June 2012  
Financial Report

CITY OF MOLINE  
SUMMARY OF REVENUE AND EXPENDITURES  
AS OF 06/30/12

	BUDGET	YTD ACTUAL	VARIANCE
<b>GENERAL FUND</b>			
Revenues	\$40,477,720	\$18,751,788	\$21,725,932
Expenditures	\$40,477,720	\$16,842,122	\$23,635,598
Difference	\$0	\$1,909,666	
<b>GENERAL TRUST FUND</b>			
Revenues	\$400,000	\$245,937	\$154,063
Expenditures	\$400,000	\$115,207	\$284,793
Difference	\$0	\$130,729	
<b>SMALL RENTAL PROPERTY</b>			
Revenues	\$168,025	\$104,976	\$63,049
Expenditures	\$168,025	\$11,952	\$156,073
Difference	\$0	\$93,024	
<b>SFOOR GRANT</b>			
Revenues	\$136,060	\$149,412	(\$13,352)
Expenditures	\$136,060	\$108,608	\$27,452
Difference	\$0	\$40,803	
<b>TOURISM FUND</b>			
Revenues	\$1,007,660	\$387,550	\$620,110
Expenditures	\$1,007,660	\$166,156	\$841,504
Difference	\$0	\$221,394	
<b>2009 LEAD HAZARD GRANT</b>			
Revenues	\$200,375	\$583,645	(\$383,270)
Expenditures	\$200,375	\$209,184	(\$8,809)
Difference	\$0	\$374,460	
<b>NSP2 GRANT</b>			
Revenues	\$1,264,000	\$1,801,024	(\$537,024)
Expenditures	\$1,264,000	\$301,564	\$962,436
Difference	\$0	\$1,499,460	
<b>LIBRARY FUND</b>			
Revenues	\$2,991,090	\$1,065,227	\$1,925,863
Expenditures	\$2,991,090	\$1,321,296	\$1,669,794
Difference	\$0	(\$256,070)	
<b>PARK FUND</b>			
Revenues	\$4,005,665	\$1,526,021	\$2,479,644
Expenditures	\$4,005,665	\$1,171,264	\$2,834,401
Difference	\$0	\$354,757	
<b>MOTOR FUEL TAX FUND</b>			
Revenues	\$3,520,270	\$729,288	\$2,790,982
Expenditures	\$3,520,270	\$464,592	\$3,055,678
Difference	\$0	\$264,697	

	BUDGET	YTD ACTUAL	VARIANCE
<b>COMMUNITY DEVELOPMENT</b>			
Revenues	\$773,245	\$98,120	\$675,125
Expenditures	\$773,245	\$251,743	\$521,502
Difference	\$0	(\$153,623)	
<b>REVOLVING LOAN FUND</b>			
Revenues	\$192,000	\$9,954	\$182,046
Expenditures	\$192,000	\$0	\$192,000
Difference	\$0	\$9,954	
<b>TAX INCREMENTAL FINANCING #1</b>			
Revenues	\$4,379,690	\$2,348,006	\$2,031,684
Expenditures	\$4,379,690	\$731,146	\$3,648,544
Difference	\$0	\$1,616,860	
<b>TAX INCREMENTAL FINANCING #2</b>			
Revenues	\$288,840	\$2,803,222	(\$2,514,382)
Expenditures	\$288,840	\$2,173,033	(\$1,884,193)
Difference	\$0	\$630,190	
<b>TAX INCREMENTAL FINANCING #3</b>			
Revenues	\$51,115	\$2,013	\$49,102
Expenditures	\$51,115	\$49,098	\$2,017
Difference	\$0	(\$47,085)	
<b>TAX INCREMENTAL FINANCING #4</b>			
Revenues	\$150,000	\$128,137	\$21,863
Expenditures	\$150,000	\$93,563	\$56,437
Difference	\$0	\$34,574	
<b>HOMEBUYER GRANT</b>			
Revenues	\$354,010	\$60,000	\$294,010
Expenditures	\$354,010	\$8,113	\$345,897
Difference	\$0	\$51,887	
<b>TIF #5 KONE CENTRE</b>			
Revenues	\$32,110	\$204	\$31,906
Expenditures	\$32,110	\$0	\$32,110
Difference	\$0	\$204	
<b>TIF #7 BUSINESS PARK</b>			
Revenues	\$17,305	\$4,002	\$13,303
Expenditures	\$17,305	\$58,511	(\$41,206)
Difference	\$0	(\$54,509)	
<b>TIF #9 Route 150</b>			
Revenues	\$0	\$1	(\$1)
Expenditures		\$2,500	(\$2,500)
Difference	\$0	(\$2,499)	
<b>TIF #10 Health Park</b>			
Revenues	\$0	\$0	\$0
Expenditures	\$0	\$1,100	(\$1,100)
Difference	\$0	(\$1,100)	

	BUDGET	YTD ACTUAL	VARIANCE
<b>SPECIAL SERVICE AREA #5</b>			
Revenues	\$119,470	\$63,187	\$56,283
Expenditures	\$119,470	\$38,981	\$80,489
Difference	\$0	\$24,206	
<b>SPECIAL SERVICE AREA #6</b>			
Revenues	\$238,615	\$88,527	\$150,088
Expenditures	\$238,615	\$42,021	\$196,594
Difference	\$0	\$46,506	
<b>WATER FUND</b>			
Revenues	\$10,407,790	\$3,680,653	\$6,727,137
Expenditures	\$10,407,790	\$3,210,877	\$7,196,913
Difference	\$0	\$469,776	
<b>WPC FUND</b>			
Revenues	\$7,974,170	\$3,703,738	\$4,270,432
Expenditures	\$7,974,170	\$2,021,389	\$5,952,781
Difference	\$0	\$1,682,349	
<b>STORMWATER UTILITY</b>			
Revenues	\$1,080,170	\$497,377	\$582,793
Expenditures	\$1,080,170	\$299,522	\$780,648
Difference	\$0	\$197,855	
<b>FIRE PENSION</b>			
Revenues	\$4,137,325	\$533,835	\$8,811
Expenditures	\$4,137,325	\$2,124,678	\$2,012,647
Difference	\$0	(\$1,590,844)	
<b>REHER ART GALLERY</b>			
Revenues	\$28,815	\$1	\$28,814
Expenditures	\$28,815	\$4,688	\$24,127
Difference	\$0	(\$4,687)	
<b>PERPETUAL CARE FUND</b>			
Revenues	\$14,100	\$7,198	\$83,516
Expenditures	\$14,100	\$0	\$14,100
Difference	\$0	\$7,198	
<b>PARK/CEMETERY GIFTS</b>			
Revenues	\$12,250	\$9,607	\$2,643
Expenditures	\$12,250	\$15,704	(\$3,454)
Difference	\$0	(\$6,097)	
<b>FOREIGN FIRE INS TAX</b>			
Revenues	\$31,700	\$0	\$31,700
Expenditures	\$31,700	\$45,750	(\$14,050)
Difference	\$0	(\$45,750)	
<b>POLICE PENSION</b>			
Revenues	\$4,182,950	\$614,988	\$3,567,962
Expenditures	\$4,182,950	\$1,441,042	\$2,741,908
Difference	\$0	(\$826,054)	

	BUDGET	YTD ACTUAL	VARIANCE
<b>LIBRARY TRUST</b>			
Revenues	\$62,200	\$41,211	\$20,989
Expenditures	\$62,200	\$45,887	\$16,313
Difference	\$0	(\$4,676)	
<b>HEALTH BENEFIT FUND</b>			
Revenues	\$7,453,815	\$2,945,489	\$4,508,326
Expenditures	\$7,453,815	\$2,942,162	\$4,511,653
Difference	\$0	\$3,327	
<b>OPEB RETIREMENT FUND</b>			
Revenues	\$0	\$568	(\$568)
Expenditures	\$0	\$0	\$0
Difference	\$0	\$568	
<b>INFORMATION TECHNOLOGY</b>			
Revenues	\$1,140,660	\$514,567	\$626,093
Expenditures	\$1,140,660	\$484,226	\$656,434
Difference	\$0	\$30,340	
<b>LIABILITY FUND</b>			
Revenues	\$3,205,320	\$1,252,144	\$1,953,176
Expenditures	\$3,205,320	\$1,020,421	\$2,184,899
Difference	\$0	\$231,723	
<b>FLEET SERVICES</b>			
Revenues	\$4,257,570	\$2,029,369	\$2,228,201
Expenditures	\$4,257,570	\$1,386,350	\$2,871,220
Difference	\$0	\$643,019	
<b>SANITATION FUND</b>			
Revenues	\$2,284,600	\$1,001,348	\$1,283,252
Expenditures	\$2,284,600	\$1,051,195	\$1,233,405
Difference	\$0	(\$49,847)	
<b>DEBT. SERVICE FUND</b>			
Revenues	\$7,122,730	\$4,145,945	\$2,976,785
Expenditures	\$7,122,730	\$4,397,096	\$2,725,634
Difference	\$0	(\$251,151)	
<b>2007 ESCROW ACCOUNT</b>			
Revenues	\$0	\$210,010	(\$210,010)
Expenditures	\$0	\$210,000	(\$210,000)
Difference	\$0	\$10	
<b>CAPITAL IMPROVEMENT FUND</b>			
Revenues	\$7,512,000	\$3,635,189	\$3,876,811
Expenditures	\$7,512,000	\$2,496,081	\$5,015,919
Difference	\$0	\$1,139,108	
<b>* TOTALS</b>			
Revenues	\$121,678,430	\$55,720,187	\$65,958,243
Expenditures	\$121,678,430	\$47,358,825	\$74,319,605
Difference	\$0	\$8,361,362	

**City of Moline**  
**Major Revenue Projection**  
**Summary Sheet**  
**as of June 30, 2012**

Revenues	Year to Date Receipts	Projections	Current Budget	Budget Variance	Prior Year Actual	% Change Cur Proj/ Prior Yr	Last Month's Projection	% Change Proj This Month/ Last Month
Property Tax	\$4,527,626	\$14,684,000	\$14,684,000	\$0	\$14,323,438	2.52%	\$14,684,000	0.00%
State Sales Tax	\$4,849,402	\$9,620,000	\$9,620,000	\$0	\$9,155,388	5.07%	\$9,620,000	0.00%
Water User Fees	\$3,395,580	\$7,203,650	\$7,203,650	\$0	\$6,536,186	10.21%	\$7,203,650	0.00%
Home Rule Sales Tax	\$3,250,299	\$8,220,000	\$8,220,000	\$0	\$8,159,401	0.74%	\$8,220,000	0.00%
Sewer User Fees	\$4,162,123	\$6,882,400	\$6,882,400	\$0	\$5,953,357	15.61%	\$6,882,400	0.00%
Income Tax	\$2,130,822	\$3,600,000	\$3,280,800	\$319,200	\$3,423,885	-4.18%	\$3,500,000	2.86%
Telecommunication Tax	\$1,040,656	\$1,800,000	\$1,800,000	\$0	\$1,799,668	0.02%	\$1,800,000	0.00%
Corporate Replacement Tax	\$1,231,833	\$2,211,265	\$2,129,265	\$82,000	\$2,151,879	-1.05%	\$2,211,265	0.00%
Utility Taxes	\$1,402,409	\$3,000,000	\$3,350,000	(\$350,000)	\$1,872,666	0.00%	\$3,000,000	0.00%
Prepared Food/Liquor Tax	\$1,007,029	\$1,875,000	\$1,850,000	\$25,000	\$1,919,513	-3.62%	\$1,875,000	0.00%
<b>Total</b>	<b>\$26,997,779</b>	<b>\$59,096,315</b>	<b>\$59,020,115</b>	<b>\$76,200</b>	<b>\$55,295,381</b>	<b>6.74%</b>	<b>\$58,996,315</b>	<b>0.17%</b>

NOTE: State of Illinois is four months behind in remitting Income Tax payments.  
Food & Beverage Tax increased from 1% to 1.5% as of 1/1/10  
Home Rule Sales Tax increased from 1% to 1.25% as of 1/1/10  
Utility Tax increased from 3% to 5% as of 1/1/12