

Posted: 11/23/2016

REGULAR CITY COUNCIL MEETING
November 28, 2016, 7:00 P.M.
Marengo City Hall, 132 East Prairie Street

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**
- 4. Public Participation** - (Interested parties are invited to speak for two minutes on any item listed on the agenda. Any person wishing to address the City Council must approach the podium, be recognized by the Mayor, and provide their name for the record.)
- 5. Approval of Minutes:** November 14, 2016 Regular Meeting Minutes
- 6. Approval of the List of Bills**
- 7. New Business**
 - a. Action on an Employment Agreement Between the City of Marengo and Richard Solarz to Serve as Chief of Police
 - b. Request for Direction on an Application for a Liquor License at 113 South State Street- Quick Pick Liquor
 - c. Action on an Ordinance Amending Section 33.07 of the Marengo City Code To Establish a New Liquor License Classification for a Specialty Wine Bar
 - d. Action on a Resolution Determining the Amount of Funds to be Levied for the 2015 Tax Year Through Real Estate Taxes
 - e. Action on a Professional Services Agreement with Layne Christensen for any Water/Well Related Projects
- 8. Mayor's Statements and Reports**
- 9. Department Head and Staff Reports**
- 10. Reports and Statements from City Council**
- 11. Adjournment**

**Marengo City Council
Regular Meeting Minutes
City Council Chambers
132 E. Prairie Street
Marengo, IL 60152
November 14, 2016**

CALL TO ORDER

Mayor Donald B. Lockhart called the meeting to order at 7:00 PM.

PLEDGE OF ALLEGIANCE

Mayor Donald Lockhart led everyone in the Pledge of Allegiance.

ROLL CALL

Present this evening are Mayor Donald Lockhart; Aldermen Matt Keenum, Mike Miller, Michael Smith, Nicole DeBoer, Dennis Hammortree, Brett Martin, Todd Hall and Steve Mortensen. Also present are City Administrator Gary Boden, Assistant City Administrator Joshua Blakemore, Interim Chief of Police Rich Solarz, Public Works Director Howard Moser, City Attorney Carlos Arevalo, City Engineer Tim Hartnett and Finance Director Jennifer Snelten.

PUBLIC PARTICIPATION

None

APPROVAL OF MINUTES

Alderman Nicole DeBoer made a motion, seconded by Alderman Todd Hall, to approve the minutes from the October 24, 2016 Regular Meeting. The aldermen voted as follows:

Ayes: Mortensen, DeBoer, Miller, Hall, Smith, Hammortree & Martin
Nays: 0
Abstain: Keenum
Absent: 0
The motion passed.

APPROVAL OF LIST OF BILLS

There was a question on a reimbursement request by City Administrator Boden, and he explained that this was for the entire year. The Council requested that any bills for reimbursement be submitted on a quarterly basis in the future.

Alderman Nicole DeBoer made a motion, seconded by Alderman Todd Hall, to approve the List of Bills. The aldermen voted as follows:

Ayes: Smith, Keenum, Mortensen, DeBoer, Miller, Martin, Hall & Hammortree
Nays: 0
Abstain: 0
Absent: 0
The motion passed.

CONSENT AGENDA

- a. Action on an Ordinance Declaring Certain Municipal Property as Surplus
- b. Authorization to Release the Brookside Meadows Phase 3 Letter of Credit Subject to Final Inspection and Acceptance by the Director of Public Works

- c. Authorization to Cancel the Regular City Council Meeting for December 12, 2016 and Establish a Special Meeting for December 19, 2016

Alderman Nicole DeBoer made a motion, seconded by Alderman Steve Mortensen, to approve the Consent Agenda Items. The aldermen voted as follows:

Ayes: Martin, Hammortree, Hall, Keenum, Mortensen, Miller, DeBoer & Smith
Nays: 0
Abstain: 0
Absent: 0
The motion passed.

NEW BUSINESS

- a. Presentation from Marengo Cemetery Board and Request for Direction on Cemetery Property Tax Levy

Brittany Richardson, representing the Marengo Cemetery Board, spoke to the Council about their request to have the tax levy increased back to the original \$33,000 that they had been receiving. Alderman Keenum spoke about the financial situation that the City is experiencing with the Police Pension Fund and the report that was given at the last meeting regarding the shortfall in payments. Mrs. Richardson reviewed the expenses and income for the past year, and noted a loss for the 2016 fiscal year (which ended on 4-30-2016) was about \$40,000. The Council noted that there was an increase in expenses this past year of about \$20,500, part of which was for a new road that was constructed. Finance Director Snelten commented that there are 5 line items that are capped by law, one of which is the cemetery. The maximum amount is \$28,477. She added that the City is projected to receive \$11,844, from the tax levy, more than originally anticipated. Alderman Michael Smith made a proposal that the City use some of that for the Cemetery Board. His suggestion was to increase the amount levied this year to \$10,000, next year to \$15,000 and possibly a third year increase to \$20,000. This suggestion included the request of the Cemetery Board to look at their current expenses, and see where cutting could occur.

Alderman Smith made a motion that the City fund the Cemetery for \$10,000 this year, \$15,000 next year, and \$20,000 the following year, based upon review and progress towards reducing some of the deficit. This motion died for lack of a second.

There was a question raised on the administrative expenses of \$1300 a month, paid to Marengo Insurance. Mrs. Richardson reviewed the various duties that are performed at their office, as well as the work performed by all employees.

Finance Director Snelten requested that the Cemetery Board provide the City with a breakdown of actual time spent on accounting procedures, so the City could look at the time expended, to determine if those duties could be absorbed by the City.

Alderman Michael Smith made a motion, seconded by Alderman Dennis Hammortree, to amend the tax levy for the Cemetery Board from the current \$100 to \$10,000 for the first year, \$15,000 for the second year, and \$20,000 for the third year, and to see some progress made on reducing the deficit. The aldermen voted as follows:

Ayes: Smith, Martin, Mortensen, DeBoer and Hammortree
Nays: Keenum, Hall and Miller
Abstain: 0
Absent: 0
The motion passed.

b. Request for Direction on an Ordinance Creating a Liquor License Classification for Specialty Wine Bars – Connie’s Corkery

Jason Moy, representing “Connie’s Corkery” spoke to the Council about their plans of opening a wine bar, which would require a special liquor license – Class EE. A copy of a proposed ordinance adding this classification was reviewed by Attorney Arevalo. The Council questioned various items; seating, parking, square footage of the proposed property, future expansion to outdoor seating, and video gaming (not as a main focus, but as an additional option to help pay bills). Answers to all of these questions were addressed. The general consensus of the Council was that they approve of the idea.

c. Action on the Selection of the Preferred Design Option for the Proposed Tollway Interchange at Route 23

Administrator Boden reviewed the options with the Council, and reminded the Council that Option 4 was the preferred option on the part of the County, IDOT, and the Tollway. Option 4 is a Parclo with Roundabout Intersections. City Engineer Hartnett spoke about the roundabout intersections and their use in other locations.

Alderman Todd Hall made a motion, seconded by Alderman Nicole DeBoer, to approve Design Option 4, the Parclo with Roundabout Intersections, for the Proposed Tollway Interchange at Route 23. The aldermen voted as follows:

Ayes: Hall, DeBoer, Mortensen, Smith, Martin, Keenum & Miller
Nays: Hammortree
Abstain: 0
Absent: 0

The motion passed.

d. Action on an Intergovernmental Agreement with McHenry County for McRide Services
Assistant Administrator Blakemore reviewed the information provided to the Council on the agreement with McHenry County for McRide Services. The estimated cost for 2017 is \$22,017, which is in line with the amount currently budgeted for this program. This cost is off-set by participation from Marengo and Riley Townships.

Alderman Steve Mortensen made a motion, seconded by Alderman Nicole DeBoer, to approve the Intergovernmental Agreement with McHenry County for McRide Services for 2017. The aldermen voted as follows:

Ayes: Miller, Keenum, Smith, DeBoer, Hammortree, Martin & Mortensen
Nays: Hall
Abstain: 0
Absent: 0

The motion passed.

e. Discussion and Request for Direction Regarding the Delivery of Building Inspection and Code Enforcement Services

Administrator Boden discussed with the Council the option of going with a two person position for filling the job previously done by Marianne Wayne. He offered the option of the Council looking at possibly extending the contract that they have with Safebuilt for building inspections, and to hire a part-time person to do code enforcement, hiring an engineering firm (like HR Green) to deal with construction related activity like project design, engineering, construction management and inspection, or contracting with another City like Woodstock (that has the staffing capacity and government service context to

provide building inspection services). A last alternative would be to do everything in-house by hiring a person to replace Marianne.

Alderman Hammortree asked that information be provided to the Council on the number of inspections normally done in a year and how much code enforcement is done in an average year. Administrator Boden said he would have this information put together for the Council to review before making a decision on this issue. He asked the Council if they wanted to be pro-active or re-active when it comes to code enforcement. In the past, the City has been re-active – handling problems when complaints occurred. This issue will be set for further review at the December meeting, with the additional information that was requested.

f. Request for Direction and Discussion on a Professional Services Agreement with Layne Christensen for any Water/Well Related Projects

Director of Public Works, Howard Moser, recommended that the City pursue a Professional Services Agreement with Layne Christensen for all water/well related projects. They currently are the company that is called when problems occur. This agreement would place us on a "priority" for emergency repair services, and also a discount for all projects. Funding for this agreement would come from the Water Department – Utility Infrastructure account. There was a question on the schedule of Service Rates, as the listing that was included with the company information, is dated 10-1-2015. Howard will check with Layne Christensen to verify if these figures are still current. The Council agreed that this would be a good thing to pursue.

MAYOR'S STATEMENTS AND REPORTS

Mayor Lockhart thanked everyone who attended the Veterans Day Program held at Marengo Community High School last Friday. He expressed his gratitude to the schools for this fine program.

DEPARTMENT HEAD AND STAFF REPORTS

Assistant City Administrator Joshua Blakemore spoke on Connie's Corkery proposal from earlier this evening, and was appreciative of how nice it has been working with them. He has met with a potential buyer for the old Vidiots property, and discussed their possibly wanting to obtain a liquor license for that location, and that this potential buyer has no connection with the current owners.

Finance Director Jennifer Snelten had nothing further to report.

Public Works Director Howard Moser reported that the fall tree planting is complete. Twenty-nine trees were planted. Spoke briefly on the status of the Brookside Meadows punch list. Brush pick-up is done, but if any residents have brush to dispose of, they can bring it to the waste water treatment plant. The IEPA inspection was done on November 4th, and all went well. The report should be to the City shortly.

Interim Chief of Police Rich Solarz reported that the new squad vehicle is ready to go. Overtime has increased due to one of the officers being out on medical leave.

City Engineer Tim Hartnett had submitted a written report to the Council.

City Administrator Gary Boden had nothing further to report.

City Attorney Carlos Arevalo had no report.

REPORTS AND STATEMENTS FROM CITY COUNCIL

None

Mayor Lockhart wished everyone a Happy and Safe Thanksgiving, and reminded everyone that the next meeting will be on the 28th of November.

ADJOURNMENT

Alderman Nicole DeBoer made a motion, seconded by Alderman Steve Mortensen, to adjourn the meeting. The motion passed with a voice vote by the Council. The meeting adjourned at 8:45 PM.

Constance J Boxleitner
City Clerk

The City Council approved these minutes on _____.

DRAFT

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CITY OF MARENGO

BOARD MEETING: 11/28/16

BILLS PAYABLE REPORT FOR NOVEMBER, 2016

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WARRANT NO.: 1

GENERAL CORPORATE FUND

CHECKS & DIR. DEBITS

DESCRIPTION	ACCOUNT NUMBER	AMOUNT
<u>PAYROLL AND MISCELLANEOUS EXPENDITURES</u>		
MARENGO POLICE PENSION FUND/#4229-2366 (2920)		\$984.95
11/07/16 PROPERTY TAX DISTRIBUTION #13	01-283-00C	984.95
TOTAL PAYROLL AND MISCELLANEOUS EXPENDITURES		\$984.95
<u>ADMINISTRATION DEPARTMENT EXPENDITURES</u>		
CHARTER COMMUNICATIONS (380)		\$245.00
824511663007162 ACCOUNT 8245116630071621 11/13-12/12/16 PHONE SERVICE/CITY HALL	01-51-523.0C	245.00
COMPSYCH CORPORATION (2889)		\$996.45
11160655 11/1/16-10/31/17 RENEWAL/EMPLOYEE ASSISTANCE PROGRAM	01-51-403.0C	996.45
ICMA MEMBER SERVICES (1037)		\$929.86
MEMBER 191139 1/1/17-12/31/17 MEMBERSHIP DUES/BODEN	01-51-443.0C	929.86
ILLINOIS PUBLIC RISK FUND (999)		\$6,731.62
33218 DECEMBER 2016 WORKERS COMPENSATION & ADMINISTRATIVE FEE	01-51-408.01	6,731.62
J.B. SULLIVAN INC. (2964)		\$24,540.04
NOV2015-APR2016 1% SALES TAX REBATE AT 85% PER ECONOMIC INCENTIVE AGREEMENT	01-51-581.0C	24,540.04
KLEEN UP WITH JANA (3079)		\$475.00
10/23-11/23/16 JANITORIAL SERVICES	01-51-638.01	475.00
MCHENRY COUNTY COUNCIL OF GOVERNMENTS (1337)		\$42.00
16233 OCTOBER 2016 MEMBERSHIP MEETING/BODEN	01-51-480.0E	42.00
OFFICE DEPOT (1575)		\$408.16
877196954001 2017 CALENDAR	01-51-565.01	24.39
877197624001 COPY PAPER AND 2017 CALENDARS	01-51-565.01	114.75
877305415001 TONER CARTRIDGES AND TAPE DISPENSER	01-51-565.01	269.02
STAN'S OFFICE TECHNOLOGIES (1985)		\$394.70
17633 LEASE PAYMENT/CITY HALL	01-51-588.0C	268.73
323923 COPY CHARGES	01-51-429.0C	13.99
323923 COPY CHARGES	01-51-512.0C	111.98
TOTAL ADMINISTRATION DEPARTMENT EXPENDITURES		\$34,762.83
<u>POLICE DEPARTMENT EXPENDITURES</u>		
CALL ONE (2639)		\$908.00
1212081-1132973 11/15-12/14/16 SERVICE/T1 LINE FROM PD TO MCHENRY DISPATCH	01-52-523.0C	908.00
CITY OF BELVIDERE FIRING RANGE (2373)		\$360.00
1604 4/29/16, 5/2/16, AND 8/3/16 RANGE RENTAL	01-52-430.0C	360.00
CITY OF MCHENRY (415)		\$10,728.37
201611164356 DECEMBER 2016 DISPATCH SERVICES	01-52-688.0C	10,728.37
COLLEGE OF DUPAGE (433)		\$95.00
0137497 EVIDENCE PROPERTY MANAGEMENT CLASS/ BOCKELMANN	01-52-430.0C	95.00
COMPSYCH CORPORATION (2889)		\$837.20
11160655 11/1/16-10/31/17 RENEWAL/EMPLOYEE ASSISTANCE PROGRAM	01-52-403.0C	837.20
FIRST CHOICE COMMUNICATIONS (3103)		\$85.00
112216 REPROGRAMMING OF PHONE SWITCHBOARD	01-52-523.0C	85.00
ILLINOIS SECRETARY OF STATE POLICE (2376)		\$101.00
PLATE RENEWAL 2007 JEEP COMMANDER/K253974	01-52-545.0C	101.00

CITY OF MARENGO

BOARD MEETING: 11/28/16

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GENERAL CORPORATE FUND

CHECKS & DIR. DEBITS

DESCRIPTION	ACCOUNT NUMBER	AMOUNT
<u>POLICE DEPARTMENT EXPENDITURES</u>		
MARENGO SIGNS INC. (1282)		\$96.11
18294 PERSONNEL ONLY DOOR LETTERING	01-52-510.0C	96.11
OFFICE DEPOT (1575)		\$110.00
877196954001 PENS	01-52-565.02	5.99
877197624001 POST IT NOTES, COPY PAPER AND 2017 CALENDARS	01-52-565.02	104.01
S & B LOCKSMITHS (1838)		\$212.00
110816 REPLACEMENT OF BACK ENTRY WAY DOOR LOCK	01-52-510.0C	212.00
SPEEDWAY SUPER AMERICA LLC (2400)		\$1,642.79
100 1325 594 10/8-11/6/16 FUEL	01-52-566.0C	1,642.79
STAN'S OFFICE TECHNOLOGIES (1985)		\$263.64
17632 LEASE PAYMENT/POLICE	01-52-524.0C	214.47
323816 COPY CHARGES	01-52-524.0C	42.17
323923 COPY CHARGES	01-52-524.0C	7.00
TERMINAL SUPPLY CO. (2069)		\$194.33
64302.00 WIRES AND TERMINALS/M8	01-52-511.0C	194.33
THOMSON REUTERS (2371)		\$262.00
834975735 CLEAR PLUS WEB ANALYTICS	01-52-565.02	262.00
TOTAL POLICE DEPARTMENT EXPENDITURES		\$15,895.44
<u>STREET DEPARTMENT EXPENDITURES</u>		
COMED (438)		\$389.02
2891090021 10/11-11/9/16 SERVICE/STREET LIGHTING/CITY OWNED STREET LIGHTS/ELECTRIC USAGE CHARGES	01-53-527.0C	389.02
COMED (439)		\$6,134.77
1488129005 9/15-10/14/16 SERVICE/STREET LIGHTING/STREET LIGHTS OWNED BY COMED/RENTAL, MAINTENANCE, AND USAGE CHARGES	01-53-527.0C	6,092.64
2361160029 10/10-11/9/16 SERVICE/STREET LIGHTING/ CITY LOT #2/ELECTRICAL USAGE CHARGES	01-53-527.0C	42.13
COMPSYCH CORPORATION (2889)		\$200.20
11160655 11/1/16-10/31/17 RENEWAL/EMPLOYEE ASSISTANCE PROGRAM	01-53-403.0C	200.20
HD SUPPLY WATERWORKS, LTD. (872)		\$445.90
G378126 GRATES AND SPEEDCRETE	01-53-525.0C	445.90
MID-WEST TRUCKERS ASSOCIATION (2607)		\$35.00
641518 RANDOM DRUG TEST NO SHOW CHARGE/YEARTON/ HAD CLASS TO ATTEND	01-53-638.01	35.00
OFFICE DEPOT (1575)		\$35.57
877197624001 2017 CALENDARS	01-53-567.01	35.57
SPEEDWAY SUPER AMERICA LLC (2400)		\$645.83
100 1325 594 10/8-11/6/16 FUEL	01-53-566.0C	645.83
STAN'S OFFICE TECHNOLOGIES (1985)		\$24.48
323886 COPY CHARGES	01-53-512.0C	24.48
TERMINAL SUPPLY CO. (2069)		\$63.65
64302.00 CABLE TIES AND WASHERS/STREET SIGN MAINTENANCE	01-53-567.0C	37.47
64302.00 DRILL BITS/SHOP STOCK	01-53-567.0C	26.18
TOTAL STREET DEPARTMENT EXPENDITURES		\$7,974.42

CITY OF MARENGO

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GENERAL CORPORATE FUND

CHECKS & DIR. DEBITS

DESCRIPTION	ACCOUNT NUMBER	AMOUNT
<u>PUBLIC GROUNDS, WORKS & BEAUTIFICATION EXPENDITURES</u>		
FIRST NATIONAL BANK (693)		\$16,224.47
20060171 INTEREST PAYMENT/BESINGER LAND ACQUISITION	01-54-594.00	2,788.98
20060171 PRINCIPAL PAYMENT/BESINGER LAND ACQUISITION	01-54-594.00	13,435.49
CHARTER COMMUNICATIONS (380)		\$76.11
824511663002179 ACCOUNT 8245116630021790 11/16-12/15/16 INTERNET SERVICE/CITY HALL	01-54-526.03	76.11
COMED (438)		\$22.07
2796543007 10/10-11/9/16 SERVICE/109 E. WASHINGTON	01-54-526.03	22.07
NEW COLONIAL IV LANDSCAPE LLC (3020)		\$9,800.00
111516 PURCHASE AND PLANTING OF 28 TREES	01-54-588.07	9,800.00
QUICK TIRES INC. (3101)		\$782.25
7084 DISPOSAL OF 447 TIRES/TIRE RECYCLING DRIVE	01-54-515.00	782.25
TOTAL PUBLIC GROUNDS, WORKS & BEAUTIFICATION EXPENDITURE		\$26,904.90

BUILDING DEPARTMENT EXPENDITURES

COMPSYCH CORPORATION (2889)		\$40.95
11160655 11/1/16-10/31/17 RENEWAL/EMPLOYEE ASSISTANCE PROGRAM	01-55-403.00	40.95
KLEEN UP WITH JANA (3079)		\$170.00
10/23-11/23/16 JANITORIAL SERVICES	01-55-638.02	170.00
SAFEBUILT (3102)		\$3,548.75
0027007-IN BUILDING DEPARTMENT SERVICES/10/10-10/31/16 / 39.75 HOURS	01-55-638.02	3,548.75
SPEEDWAY SUPER AMERICA LLC (2400)		\$27.59
100 1325 594 10/8-11/6/16 FUEL	01-55-566.00	27.59
STAN'S OFFICE TECHNOLOGIES (1985)		\$208.03
17634 LEASE PAYMENT/PUBLIC WORKS	01-55-588.00	208.03
TOTAL BUILDING DEPARTMENT EXPENDITURES		\$3,995.32

GENERAL CORPORATE FUND RECAP

CODE	DESCRIPTION	AMOUNT
	PAYROLL AND MISCELLANEOUS	984.95
51	ADMINISTRATION DEPARTMENT	34,762.83
52	POLICE DEPARTMENT	15,895.44
53	STREET DEPARTMENT	7,974.42
54	PUBLIC GROUNDS, WORKS & BEAUTIFICATION.	26,904.90
55	BUILDING DEPARTMENT	3,995.32
TOTAL GENERAL CORPORATE FUND EXPENDITURES		90,517.86

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WATER & SEWER FUND

CHECKS & DIR. DEBITS

DESCRIPTION	ACCOUNT NUMBER	AMOUNT
<u>WATER DEPARTMENT EXPENDITURES</u>		
AMERICAN WATER WORKS ASSOC. (71)		\$83.00
7001255902 1/1/17-12/31/17 MEMBERSHIP RENEWAL/NETZER	30-70-443.0C	83.00
COMED (438)		\$987.68
1017202024 9/13-10/12/16 SERVICE/501 NICOLE/WELL #8	30-70-526.0C	846.88
2512078001 9/7-10/6/16 SERVICE/416 STEVENSON	30-70-526.0C	47.59
3279033030 9/16-10/13/16 SERVICE/0 BRIDEN DR	30-70-526.0C	49.18
3812080106 9/16-10/13/16 SERVICE/240 N. PROSPECT	30-70-526.0C	44.03
COMPSYCH CORPORATION (2889)		\$79.62
11160655 11/1/16-10/31/17 RENEWAL/EMPLOYEE ASSISTANCE PROGRAM	30-70-403.0C	79.62
CONSTELLATION NEWENERGY, INC. (463)		\$1,699.47
0035609740 9/16-10/15/16 SERVICE/840 GREENLEE	30-70-526.0C	1,294.02
0035659550 9/16-10/15/16 SERVICE/105 LYNN DR/PUMP STATION	30-70-526.0C	405.45
HD SUPPLY WATERWORKS, LTD. (872)		\$-174.72
G381096 CREDIT/RETURN OF HYDRANT/ORG. INV. G237553	30-70-512.0E	-174.72
ILLINOIS PUBLIC RISK FUND (999)		\$256.79
33218 DECEMBER 2016 WORKERS COMPENSATION & ADMINISTRATIVE FEE	30-70-403.0E	256.79
MCHENRY ANALYTICAL WATER LAB INC (1345)		\$45.00
592442 WATER SAMPLE TESTING	30-70-638.0C	45.00
NICOR GAS (2414)		\$273.65
23-50-93-13294 9/27-10/27/16 SERVICE/105 LYNN DR/PUMP STATION	30-70-526.0C	124.42
33-26-44-10003 9/27-10/27/16 SERVICE/250 LYNN DR/WELL #7	30-70-526.0C	30.25
46-91-43-10001 9/27-10/26/16 SERVICE/1 GREENLEE/WELL HOUSE	30-70-526.0C	91.66
46-91-43-10001 9/27-10/26/16 SERVICE/SOUTH ST & ROUTE 23 WATER TOWER	30-70-526.0C	27.32
SES-SMITH ECOLOGICAL SYSTEMS COMPANY (1944)		\$2,479.39
20203 TUBING, O-RINGS, INJECTOR NOZZELS /FOR CHLORINE BOOSTER PUMP	30-70-512.0C	1,568.92
20209 CHLORINE BOOSTER PUMP	30-70-512.0C	910.47
SPEEDWAY SUPER AMERICA LLC (2400)		\$504.74
100 1325 594 10/8-11/6/16 FUEL	30-70-566.0C	504.74
STAN'S OFFICE TECHNOLOGIES (1985)		\$7.00
323923 COPY CHARGES	30-70-565.01	7.00
TOTAL WATER DEPARTMENT EXPENDITURES		\$6,241.62
<u>SANITARY & WASTEWATER DEPARTMENT EXPENDITURES</u>		
ADVANCED AUTOMATION & CONTROLS (2637)		\$1,070.00
16-2552 SCADA MAINTENANCE	30-75-635.0C	1,070.00
AT&T UVERSE (3018)		\$55.00
144219884-9 10/13-11/12/16 INTERNET SERVICE/WWTP	30-75-523.0C	55.00
COMED (438)		\$99.46
0588136038 9/9-10/10/16 SERVICE/800 N. STATE ST/LIFT STATION	30-75-526.0C	99.46
COMPSYCH CORPORATION (2889)		\$120.58
11160655 11/1/16-10/31/17 RENEWAL/EMPLOYEE ASSISTANCE PROGRAM	30-75-403.0C	120.58
CONSTELLATION NEWENERGY, INC. (463)		\$9,777.12
0035609740 9/9-10/9/16 SERVICE/1350 N. STATE/WWTP	30-75-526.0C	9,777.12
ILLINOIS PUBLIC RISK FUND (999)		\$769.59
33218 DECEMBER 2016 WORKERS COMPENSATION & ADMINISTRATIVE FEE	30-75-403.0E	769.59

CITY OF MARENGO

BILLS PAYABLE REPORT FOR NOVEMBER, 2016

BOARD MEETING: 11/28/16

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WATER & SEWER FUND

CHECKS & DIR. DEBITS

DESCRIPTION	ACCOUNT NUMBER	AMOUNT
<u>SANITARY & WASTEWATER DEPARTMENT EXPENDITURES</u>		
IN-PIPE TECHNOLOGY COMPANY, INC. (3032)		\$1,250.00
16398 NOVEMBER 2016 TREATMENT & SERVICE FEE	30-75-565.0E	1,250.00
LOU'S GLOVES (2969)		\$172.00
015494 NITRILE GLOVES	30-75-565.02	172.00
MIDWEST CONTRACT OPERATIONS, INC. (1396)		\$1,262.40
20988 OCTOBER 2016 WWTP CLASS 1 OPERATOR SERVICES/19 HOURS	30-75-635.0C	1,262.40
NICOR GAS (2414)		\$1,025.75
62-54-88-58729 9/26-10/26/16 SERVICE/800 N. STATE/LIFT STATION	30-75-526.0C	33.22
98-50-57-10008 9/27-10/26/16 SERVICE/1350 N. STATE/WWTP	30-75-526.0C	992.53
OFFICE DEPOT (1575)		\$6.07
877197624001 2017 CALENDAR	30-75-565.01	6.07
SPEEDWAY SUPER AMERICA LLC (2400)		\$234.69
100 1325 594 10/8-11/6/16 FUEL	30-75-566.0C	234.69
UNITED LABORATORIES (2153)		\$231.29
INV172232 NUTKRACKER, DISINFECTANT, AND SEIZE- EAZE	30-75-565.02	231.29
USA BLUE BOOK (2169)		\$825.59
102419 FILTERS, PIPET TIPS, TEST KITS, AND REPLACEMENT CAP	30-75-565.01	825.59
TOTAL SANITARY & WASTEWATER DEPARTMENT EXPENDITURES		\$16,899.54

WATER & SEWER FUND RECAP

CODE DESCRIPTION	AMOUNT
70 WATER DEPARTMENT	6,241.62
75 SANITARY & WASTEWATER DEPARTMENT	16,899.54
TOTAL WATER & SEWER FUND EXPENDITURES	23,141.16

CITY OF MARENGO

BOARD MEETING: 11/28/16

BILLS PAYABLE REPORT FOR NOVEMBER, 2016

PAGE: 6

WARRANT NO.: 1

SUMMARY ALL FUNDS

BANK ACCOUNT	BANK	DESCRIPTION	AMOUNT
01-102-00C	01	GENERAL CORPORATE FUND-CASH IN BANK	90,517.86 *
30-102-00C	30	WATER & SEWER FUND-CASH IN BANK	23,141.16 *
TOTAL ALL FUNDS			113,659.02 **

#7a

TO: Mayor and City Council
FROM: Gary Boden, City Administrator
DATE: November 22, 2016
RE: Police Chief Contract for Richard Solarz

Per direction from the Mayor this contract has been prepared to name Interim Chief Rich Solarz as the Police Chief of Marengo. In recognition of his continuing involvement into this position and recognition that the compensation for this position needs an upward adjustment to be competitive with similar small-sized area communities, you have directed that the pay for this position be increased 4.5% above the regularly determined base salary on November 1, 2017 and on November 1, 2018. Otherwise this contract is similar to that which was approved last January for the hiring of Public Works Director Howard Moser.

CITY OF MARENGO, ILLINOIS EMPLOYMENT AGREEMENT

This agreement for employment ("Agreement") of a Chief of Police is entered into this 28th day of November, 2016 by and between the City of Marengo (hereafter "CITY") and Richard Solarz (hereafter "EMPLOYEE").

COMMENCEMENT DATE

This Agreement shall commence no later than November 28th, 2016.

ARTICLE I DUTIES AND RESPONSIBILITIES OF EMPLOYEE

EMPLOYEE shall have those duties and responsibilities as set forth in the City Ordinance (which may be amended from time to time), the job description enacted or established by the City of Marengo relative to the position of the Chief of Police, and the laws of the State of Illinois. The Chief of Police of CITY shall be responsible to the Mayor for proper administration of the policing affairs of CITY, the Statutes of the State of Illinois, the ordinances of the City of Marengo, and the resolutions and directives of the Mayor and City Council. The EMPLOYEE shall be subject to all provisions set forth in the Personnel Policy Manual for the City of Marengo that are not in conflict with this Agreement.

ARTICLE II SALARY

Subject to Article X, the annual salary of the EMPLOYEE pursuant to this Agreement shall be \$102,263. On November 1, 2017 EMPLOYEE'S annual salary shall be \$109,421. On November 1, 2018 the EMPLOYEE'S annual shall be \$114,345, plus whatever increase the Mayor and City Council determines for non-represented employees effective on November 1, 2018. Salary payments shall be made to the EMPLOYEE at the same time periods as are in effect for other non-represented EMPLOYEEES of the City of Marengo. Future (typically annual) salary increases shall be established by the Mayor and City Council.

ARTICLE III HEALTH and TERM LIFE INSURANCE

The CITY agrees to provide health insurance to EMPLOYEE with the same percent EMPLOYEE contribution for premiums as the other EMPLOYEEES, and shall have the same benefits as are currently in effect for other non-represented EMPLOYEEES of the City of Marengo.

ARTICLE IV RETIREMENT BENEFITS

The CITY agrees to maintain EMPLOYEE's enrollment in the Marengo Police Pension Fund and to make all the appropriate contributions on the EMPLOYEE'S behalf.

ARTICLE V
VACATIONS

In recognition of the EMPLOYEE'S service in municipal government, the EMPLOYEE shall be credited for 240 months of service at the time of employment according to the CITY's "Guideline and Employee Manual: Effective 09-28-09 (page 8)," and shall be entitled to twenty-five (25) days effective April 28, 2016. In the event EMPLOYEE fails to utilize all allowable vacation at the end of each year of employment, he may elect to: (1) be paid his average daily salary for each day of vacation not used, up to a maximum of ten (10) days; or (2) carry over to the next year up to ten (10) days of unused vacation time provided, however, the vacation time be used within the first six (6) months of that year.

ARTICLE VI
HOLIDAYS, PERSONAL LEAVE, SICK LEAVE AND FUNERAL LEAVE

The EMPLOYEE shall receive holidays, personal leave, sick leave and funeral leave in accordance with the same benefits as in effect for other non-represented EMPLOYEES of the City of Marengo.

ARTICLE VII
CITY VEHICLE

The CITY shall provide an automotive police vehicle for the EMPLOYEE'S use at all times within the 50-mile radius of Marengo, Illinois. City-owned vehicle usage outside this 50-mile radius shall be restricted to official business on behalf of the CITY. The CITY shall maintain the vehicle and provide fuel for the vehicle for CITY business purposes. The EMPLOYEE shall be responsible for fuel for personal use of the vehicle and any personal use requirements as provided by law. The CITY shall provide automobile insurance for this vehicle.

ARTICLE VIII
PROFESSIONAL FEES

The CITY acknowledges the value of having EMPLOYEE participate and be directly involved in professional associations. The CITY shall be responsible for the payment of EMPLOYEE'S costs of maintaining membership in professional associations including, the FBI National Academy, the McHenry County Chiefs of Police Association, the International Chiefs of Police Association and similar professional associations and whose membership is beneficial to the CITY. The EMPLOYEE may attend annual state conferences and the national ICPA conference when sufficient funds are available and if authorized by the Mayor and City Council.

ARTICLE IX
MISCELLANEOUS

Communication. CITY will provide EMPLOYEE a city cell phone in conjunction with the duties of the Police Chief.

EMPLOYEE shall be compensated for his accrued 58.5 hours of Compensatory Time Off which was accrued during EMPLOYEE'S time as a Police Sergeant for the City of Marengo. Such compensatory time off gross salary payout shall be \$2,366.91 as determined on a pro rata hourly basis of an annual

salary of \$84,163.00, the salary EMPLOYEE was earning at the time of his July 1, 2016 appointment as Interim Police Chief. Said payout shall occur no later than December 31, 2016.

ARTICLE X
APPOINTMENT, EMPLOYEE TERMINATION

The Police Chief shall be appointed on the basis of merit with due regard to training, experience, administrative ability and general fitness for the office, by a majority vote of the Mayor and City Council. The Police Chief shall be appointed for the term of the Mayor. Because the EMPLOYEE is an "at will employee", the Police Chief may be discharged or terminated at any time without reason and without cause by a simple majority vote of the Mayor and Council. Upon termination as Police Chief, EMPLOYEE shall revert back to his position as a Police Sergeant for the City of Marengo and be entitled to the benefits, compensation and related applicable increases as if EMPLOYEE had continued in said position.

ARTICLE XI
DURATION

This Agreement shall be effective immediately and shall remain in full force and effect for an indefinite period. This Agreement may be modified at any time upon approval by both the CITY and the EMPLOYEE. Termination of this Agreement shall be in accordance with Article X.

ARTICLE XII
OUTSIDE EMPLOYMENT

Outside employment provided by this Agreement shall be at the EMPLOYEE'S request and the consent of the Mayor with notice to the Council. The EMPLOYEE may engage in activities outside the employment, such as teaching, consulting, and volunteer services, provided that such activities do not impede or interfere with the EMPLOYEE'S employment responsibilities hereunder and do not result in a conflict of interest. EMPLOYEE further agrees to defend, save harmless and indemnify CITY for any claims, suits and/or actions resulting from or connected to EMPLOYEE's outside employment.

ARTICLE XIII
INDEMNIFICATION

CITY shall defend, save harmless and indemnify the EMPLOYEE against any tort, professional liability claim or other demand or legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of the EMPLOYEE'S duties as Police Chief, provided that such alleged act or omission does not constitute intentional conduct. The City will pay the amount of any settlement or judgment resulting from such a claim against the EMPLOYEE to the extent permitted by law.

The indemnification provided by this Article, notwithstanding any provision to the contrary herein, shall not be construed as a waiver or release by the CITY of any coverage, payment or benefit otherwise due in respect to any policy of insurance or other source of indemnity owned by or available to the CITY in respect to acts or omissions of the EMPLOYEE, the CITY, any of its officers or agents. In addition, the indemnification provided for in the Article shall not constitute a waiver, or affect in any manner, any immunity from suit or liability or limitation in an award of damages otherwise available to the CITY by virtue of any statute or common law.

ARTICLE XIV
BONDING

CITY shall bear the full cost of any fidelity or other bonds required of the EMPLOYEE under any law or ordinance.

ARTICLE XV
SEVERABILITY AND CHOICE OF LAW AND FORUM

If any Article or section of this Agreement, or any amendment thereof should be held invalid by operation of law or by a tribunal of competent jurisdiction or if compliance with, or enforcement of, any provision herein should be restrained by such tribunal, then the remainder of this Agreement and any amendment thereof shall not be affected thereby. This Agreement shall be governed by the laws of the State of Illinois. Any action filed to enforce this Agreement shall be brought in the 22nd Judicial Circuit, McHenry County, Illinois.

Dated for reference purposes this 28th day of November, 2016.

EMPLOYEE

City of Marengo

Richard Solarz
Chief of Police

Donald Lockhart
as Mayor, City of Marengo

#7b

AGENDA SUPPLEMENT

TO: Mayor and City Council

FROM: Joshua Blakemore, Assistant City Administrator 

FOR: November 28, 2016 Regular City Council Meeting

RE: Request on a Potential Application for a Class B Liquor License – 113 S. State Street – Quick Pick Liquors

As was mentioned during staff reports at the previous Council meetings, the City has been approached about a potential liquor license application for 113 South State Street (former Vidiots building). The applicant, Sanjay Jethva and Bhaveshbhai Kalani are requesting a Class B liquor license for the property. The property in question is located at 111 and 113 S. State Street, however the application is proposing a wall to separate the units. The space at 113 would be used for the liquor store and the space at 111 would be leased to another business in the future. The applicant also intends to restore the second floor and add 4-6 apartments. There is a letter from the applicants outlining the plan for the property for your review.

As per the Municipal Code, a Class B license “authorizes the retail sale of alcoholic liquor solely for consumption off the premises where sold and not for resale in any form.” The annual fee is \$1,500 and \$7,500 for the application fee.

There are currently three Class B liquor licenses in Marengo, including Fas Mart, McCormick Mart, and Marengo Convenient Mart.

Staff is requesting direction as to whether or not to proceed with preparing an ordinance adding a Class B liquor license.

Quick Pick Liquor

113 S State St,
Marengo, IL 60152

LETTER OF INTEREST FOR STARTING A CLASS B PACKAGED LIQUOR STORE

November 22nd, 2016

Sanjay Jethva &
Bhaveshbhai Kalani
473 Harvard Ln,
Bartlett, IL
1-847-738-2748
bdarji@yahoo.com
jethvasanjay@hotmail.com

**The Honorable Mayor Donald B. Lockhart &
City Council Members**
132 East Prairie Street,
Marengo, IL 60152

Dear Mayor & City Council Members:

We are planning to purchase a down town Marengo property located at 111-113 S State St, Marengo, IL 60152.

We are interested in adding packaged liquor class B License at 113 S State St, Marengo, IL 60152, We will build the wall to separate unit 111 and 113 once approve for liquor License to be around 1500 SF of liquor store in Unit 113 and rent out Unit 111 to some other business to fill empty space in downtown. Also we are planning to update the property in near future by adding 4-6 apartments on second floor to increase a beauty of downtown.

We like to apply for Class B liquor license to run as a package liquor store. We will not have a bar or restaurant.

Sanjay and Bhaveshbhai will the only two partners and owner of the building property.

Sanjay have a package liquor store as known as Quick Pick Liquor located at 635 N Midlothian Rd, Mundelein IL 60060.

The Liquor Store will provide its customers with a broad array of wines, beers, and spirits for sale to the general public. At all times, the Liquor Store will comply with all applicable state and federal laws regarding the sale of alcohol to the general public.

Quick Pick Liquor

113 S State St,
Marengo, IL 60152

The clientele will range from many residential home owners, and nearby patrons of the local businesses. The traffic pattern of the surround streets and roads will allow for all customers to be able to shop in the Liquor Store.

Sanjay Jethva has been working in new product introductions, quality and control for over 25 years at Motorola Solutions Inc. In addition to this long outstanding service in a professional position, Sanjay also have opportunity in owning and running gas station with liquor for year and half in Tampa FL.

Bhaveshbhai Kalani have Computer Science degree from Sam Houston State University Huntsville, Texas and has been a Realtor since 2007. Bhaveshbhai Kalani have over 22years of experience in business management. Bhaveshbhai also have opportunity in owning and running a Dollar Store for 9years in Palatine, IL. He also had opportunity to work at gas station and liquor store in past in Texas. In past, he also worked at Hotel/Motel industry at management level. Bhaveshbhai is currently have a partnership in motel and purchasing another motel in December. Bhaveshbhai have his own real estate brokerage firm known as Kalani Realty, Inc.

The Liquor Store will carry an extensive and diverse inventory of wines, beers, and spirits. At all times, the business will have appropriate checks in place to ensure that people under the age of 21 do not buy alcoholic products from the Liquor Store.

We will invest in new technology cash register which prompt employee to ask for customers ID as soon as the tobacco or liquor product are scanned, we can scan all 50 states DL and verify the age of the person buying to insure they are not under age..

On a nationwide basis, there are more than 45,000 stores that specialize in the sale of liquor, wine, beer, and other spirits to the general public. On an annual basis, these businesses aggregate generate more than \$50 billion of revenue and employ more than 200,000 people. This is a mature industry and the future expected growth rate of the business is expected to mirror that of the general economy.

Both partners are US citizen and will provide the proof of citizenship with liquor license application unless needed before we are willing to provide sooner.

We want to thank you for your consideration and look forward to working with your office.

Sincerely,



Bhaveshbhai Kalani



Sanjay Jethva

7c

AGENDA SUPPLEMENT

TO: Mayor and City Council

FROM: Joshua Blakemore, Assistant City Administrator 

FOR: November 28, 2016 Regular City Council Meeting

RE: Ordinance Amending Section 33.07 of the Marengo City Code to Establish a New Liquor License Classification for a Specialty Wine Bar

As per direction during the November 14th City Council meeting, the City Attorney has drafted the attached ordinance creating and issuing a liquor license for the Connie's Corkery. This will be the first Class EE license for a specialty wine bar.

The minimum seating capacity section of the ordinance has been filled in at 24, as was previously discussed. While a lease has not yet been signed between owner and the operators of the Corkery, Jason Moy said he is finalizing a letter of intent with the property owner.

This matter is being placed on the November 28th Agenda for your approval.

ORDINANCE 16-11-X

An Ordinance Amending Section 33.07 of the Marengo City Code To Establish a New Liquor License Classification for a Specialty Wine Bar

WHEREAS, the City of Marengo is a municipal corporation duly organized and operating pursuant to the laws of the State of Illinois; and

WHEREAS, Chapter 33 of the Marengo City Code governs and regulates liquor licensing and the conduct of licensed liquor establishments within the City; and

WHEREAS, Section 33.07 of the Marengo City Code establishes the various classification, fees and number of liquor licenses available within the City; and

WHEREAS, the Local Liquor Commissioner has recommended an amendment to Section 33.07 to create a new liquor license classification for a wine bar; and

WHEREAS, the City Council has determined that this new liquor license classification is reasonable and necessary in that a specialty wine bar will not operate as traditional taverns and/or restaurants, but will focus on wine tastings, classes and other similar events, with the service of food and alcohol as an amenity thereto; and

WHEREAS, the City Council desires to approve this new liquor license classification, finding that this new license classification will provide more consistency in administering the City's liquor code and will institute sufficient safeguards in place to protect the public health, safety and welfare.

NOW, THEREFORE, be it ordained by the Mayor and Aldermen of the City of Marengo, McHenry County, Illinois, as follows:

SECTION 1: The above stated recitals are hereby restated and incorporated into this Section 1 as though fully stated herein.

SECTION 2: 33.05(F) of Chapter 33 of the Marengo City Code is hereby amended to establish a first time applicant, non-refundable fee for the EE – Specialty Wine Bar liquor license classification and shall read as follows:

F. APPLICATION FEE: A non-refundable application fee in the amount of \$7,500 shall be payable upon the initial application for liquor license classifications AA, BB, B or G. A non-refundable application fee in the amount of \$5,000 shall be payable upon the initial application for liquor license classifications E, EE, EE – Specialty Wine Bar, R, GC, EEE or VGC. No initial application fee shall be required from liquor classifications C, D, BYOB or Daily Permits. The renewal of liquor licenses as provided in Section 33.13 herein shall

not be subject to this application fee.

SECTION 3: 33.07(A) of Chapter 33 of the Marengo City Code is hereby amended to create a new class EE – Specialty Wine Bar as follows:

33.07 CLASSIFICATIONS, FEES, DAILY PERMIT

A. CLASSES, FEES: Liquor licenses shall be divided into the following classes:

7a. Class EE – Specialty Wine Bar, which authorizes the retail sale of wine and beer only at retail, for consumption on the premises, to be accompanied by food items (whether complementary or for purchase) which food items can be less than a full meal and need not be prepared or maintained on the licensed premises. The Class EE – Specialty Wine Bar license authorizes the establishment to conduct wines tastings, monthly wine classes and special Chef wine dinners on a periodic basis.

The annual fee for a Class EE – Specialty Wine Bar license shall be \$1,500.

To qualify for a Class EE – Specialty Wines Bar license, the establishment shall have a seating capacity of not less than 24 persons at tables and booths. In addition, not more than one bar shall be allowed that is intended primarily for the seating of customers or the seating capacity exceed one-tenth of the seating capacity of the establishment.

Tastings of varieties of wine shall be subject to the following conditions: a) the licensee may charge a fee for such tastings; provided that the fee shall be applied to the purchase of wine; b) all tasting samples shall be served in winery tasting glasses; c) no signage on the premises shall advertise the availability of samples; and d) tastings of varieties of wine shall be permitted at private events provided the event require advance registration, including a fixed-price registration fee.

A Class EE – Specialty Wine Bar licensee may apply for an auxiliary license, designated as a Class EE-1-Specialty Wine Bar license, which authorizes the retail sale of packaged wine and beer for consumption off the licensed premises.

The annual fee for a Class-1-Specialty Wine Bar shall be \$200.

SECTION 4: Chapter 33.07(B), Number of Licenses Issued, shall be amended to add the following:

B. NUMBER OF LICENSES ISSUED: There shall be issued in the City not more than:

Class EE – Specialty Wine Bar: One license

SECTION 5: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 6: All ordinances or parts of ordinance in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 7: This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Voting Aye:

Voting Nay:

Absent:

Abstain:

APPROVED:

Mayor Donald B. Lockhart

(SEAL)

ATTEST: _____
City Clerk Constance J. Boxleitner

Passed: _____

Approved: _____

Published: _____

CERTIFICATION

I, CONSTANCE J. BOXLEITNER, do hereby certify that I am the elected and qualified Clerk of the City of Marengo, McHenry County, Illinois, and that as such Clerk, I am the keeper of the records and minutes and proceedings of the Mayor and City Council of said City of Marengo.

I do hereby further certify that at a regular meeting of the Mayor and City Council of the City of Marengo held on the _____ day of _____, 2016, the foregoing Ordinance entitled *An Ordinance Amending Section 33.07 of the Marengo City Code to Establish a New Liquor License Classification for a Specialty Wine Bar* was duly passed by the Mayor and City Council of the City of Marengo.

The pamphlet form of Ordinance No. 16-__-__, including the Ordinance and a cover sheet thereof, was prepared, and a copy of such Ordinance was posted in the City Hall, commencing on the _____ day _____, 2016, and will continue for at least 10 days thereafter. Copies of such Ordinance are also available for public inspection upon request in the office of the City Clerk.

I do further certify that the original, of which the attached is a true and correct copy, is entrusted to me as the Clerk of said City for safekeeping, and that I am the lawful custodian and keeper of the same.

Given under my hand and corporate seal of the City of Marengo on this _____ day of _____, 2016.

Constance J. Boxleitner, Clerk
City of Marengo,
McHenry County, Illinois

(SEAL)

#7d

AGENDA SUPPLEMENT

TO: Mayor and City Council

FROM: Jennifer Snelten, Finance/H.R. Director

FOR: November 28, 2016 Regular City Council Meeting

RE: Proposed 2016 Tax Levy Resolution

The proposed 2016 Tax Levy Resolution is attached for your review and consideration. Each year, the corporate authorities for the City of Marengo are required to estimate the revenues required to operate the various functions of the City. Included in the revenues are those amounts funded through the property taxes. Consequently, the City must evaluate the amounts required for the property tax level so that the funds generated through this revenue instrument will become available during the 2017-2018 fiscal year. The estimated levy must be approved by the City Council and submitted to the County Clerk by the last Tuesday in December.

The McHenry County Deputy Assessor has projected the 2016 property tax levy extension to be an approximate increase of 0.79%, or \$1,509,864 after the County Clerk has applied the property tax extension limitation. Consequently, staff recommends a 2016 levy request of \$1,572,932, which represents an increase of 5% over the prior year's extension of \$1,498,030. In March 2017, the County Clerk will provide the limiting tax extension and if the City's request has exceeded the tax extension the levy amount will be reduced accordingly. If, on the other hand, our request for the levy extension is underestimated and we do not meet the limitation figure, the City will not have the ability to levy more to make up the difference. This would result in the city's loss of between \$11,834 and \$74,902 in property tax revenue for 2017, and each subsequent year as well. Therefore, it is critical that the request be higher than the anticipated extension in order to capture all new growth and assessment in the community and all of the property tax revenues to which the City is entitled under the tax cap legislation. For illustrative purposes, the levy request for tax years 2007 through 2015 ranged from a 5.00%-32.05% increase. The actual extensions provided increases of 4.90%, 5.30%, 1.05%, 1.75%, -2.68%, -1.13%, 4.82%, 2.01%, and 0.82% respectively.

Per City Council direction staff has increased the Cemetery line item request to \$10,420 in anticipation of a resulting extension of \$10,000, the Garbage, and Street & Bridge funds remain reduced to the minimum of \$100, and the Police Pension fund has been increased by 5%, resulting in a 4.14% increase to the remaining line items for an aggregate increase of 5%.

This step in the tax levy process is sometimes misleading to public perception. Although the request is for a 5% increase, this does not mean that municipal property taxes will automatically increase by that amount. The projected resulting increase of 0.79% represents an increase of \$11,834 in property tax revenue for the city. The city's share of the local property tax rate was 11.64% in 2015, consisting of an 8.19% share for operating and a 3.45% share for the pension

fund. Subsequently, a property owner with property assessed a “fair cash value” of \$150,000 can expect a projected increase of \$5 for the city’s portion of the 2016 tax bill.

Since the 2016 proposed tax levy request is not more than a 5% increase when compared to the previous extension, it is not necessary to publish a notice and hold a public hearing prior to the approval of the tax levy ordinance in December.

If the City Council is in agreement with the approach and strategies outlined above, then adoption of the attached resolution determining the amount of funds to be levied for the 2016 tax year is respectfully requested.

**Tax Levy Summary by Fund
Fiscal Year 2017-2018
Tax Year 2016**

The following is a summary of the items herein before levied:

PROPOSED

Levy Item	Amount to be Raised by Taxation
Corporate	\$462,597.25
IMRF	\$76,708.46
Police Protection	\$417,844.04
Police Pension	\$276,257.09
Cemetery	\$10,420.38
Garbage	\$100.00
Audit	\$17,173.54
Liability Insurance	\$64,749.34
Street & Bridge	\$100.00
Street Lighting	\$52,869.56
ESDA	\$2,369.15
Social Security	\$111,486.29
Unemployment	\$5,849.20
Workman’s Comp	\$74,407.32
TOTAL	\$1,572,931.61

**RESOLUTION
NO. 16-11-A**

**DETERMING THE AMOUNT OF FUNDS TO BE LEVIED
FOR THE 2016 TAX YEAR THROUGH REAL ESTATE TAXES
FOR THE CITY OF MARENGO, MCHENRY COUNTY, ILLINOIS**

WHEREAS, THE City of Marengo has historically levied taxes for the purpose of conducting business for its residents and local businesses; and

WHEREAS, it has been determined the requested levy amount is an increase of \$74,901.50 (5%) over the 2015 extension amount; and

WHEREAS, it is the intent of the City of Marengo to not exceed the 2015 tax extension by more than one hundred five percent (105%) with the levy request; and

WHEREAS, the City of Marengo will not exceed 105% of the 2015 extension, a public hearing will not be required per the Truth in Taxation Act of 1981.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MARENGO, MCHENRY COUNTY, ILLINOIS that it has been determined the amount of the taxes to be levied by the City of Marengo, exclusive of election costs, shall be \$1,572,931.61.

Donald B. Lockhart, Mayor

Attest:

Constance J. Boxleitner, City Clerk

**Projected Impact of 2016 Tax Levy Request
2015 Property Tax - No Exemptions**

Fair Cash Value	Supervisor of Assessments Equalized Value (-3172)	Board of Review Equalized Value (1.0508)	State Equalized Value (1.0000)	Taxable Amount	2015 Local Tax (11.819283%)	2015 City Tax (8.19%)	2015 City Tax - Police Pension (3.45%)	2015 Total City Tax (11.64%)	2016 Total City Tax Increase with 5% Levy Request	2016 Total City Tax Increase with Projected 0.79% Extension
\$ 75,000	\$ 23,788	\$ 24,996	\$ 24,996	\$ 24,996	\$ 2,954	\$ 242	\$ 102	\$ 344	\$ 17	\$ 3
\$ 150,000	\$ 47,576	\$ 49,993	\$ 49,993	\$ 49,993	\$ 5,909	\$ 484	\$ 204	\$ 688	\$ 34	\$ 5
\$ 225,000	\$ 71,364	\$ 74,989	\$ 74,989	\$ 74,989	\$ 8,863	\$ 726	\$ 306	\$ 1,032	\$ 52	\$ 8

**Projected Impact of 2016 Tax Levy Request
2015 Property Tax - With Annual Homestead Exemption**

Fair Cash Value	Supervisor of Assessments Equalized Value (-3172)	Board of Review Equalized Value (1.0508)	State Equalized Value (1.0000)	Taxable Amount After Annual Homestead Exemption (6,000)	2015 Local Tax (11.819283%)	2015 City Tax (8.19%)	2015 City Tax - Police Pension (3.45%)	2015 Total City Tax (11.64%)	2016 Total City Tax Increase with 5% Levy Request	2016 Total City Tax Increase with Projected 0.79% Extension
\$ 75,000	\$ 23,788	\$ 24,996	\$ 24,996	\$ 18,996	\$ 2,245	\$ 184	\$ 77	\$ 261	\$ 13	\$ 2
\$ 150,000	\$ 47,576	\$ 49,993	\$ 49,993	\$ 43,993	\$ 5,200	\$ 426	\$ 179	\$ 605	\$ 30	\$ 5
\$ 225,000	\$ 71,364	\$ 74,989	\$ 74,989	\$ 68,989	\$ 8,154	\$ 668	\$ 281	\$ 949	\$ 47	\$ 7

**Projected Impact of 2016 Tax Levy Request
2015 Property Tax - With Annual Homestead & Elderly Exemptions**

Fair Cash Value	Supervisor of Assessments Equalized Value (-3172)	Board of Review Equalized Value (1.0508)	State Equalized Value (1.0000)	Taxable Amount After Annual Homestead & Elderly Exemptions (6,000 + 4,000)	2015 Local Tax (11.819283%)	2015 City Tax (8.19%)	2015 City Tax - Police Pension (3.45%)	2015 Total City Tax (11.64%)	2016 Total City Tax Increase with 5% Levy Request	2016 Total City Tax Increase with Projected 0.79% Extension
\$ 75,000	\$ 23,788	\$ 24,996	\$ 24,996	\$ 14,996	\$ 1,772	\$ 145	\$ 61	\$ 206	\$ 10	\$ 2
\$ 150,000	\$ 47,576	\$ 49,993	\$ 49,993	\$ 39,993	\$ 4,727	\$ 387	\$ 163	\$ 550	\$ 28	\$ 4
\$ 225,000	\$ 71,364	\$ 74,989	\$ 74,989	\$ 64,989	\$ 7,681	\$ 629	\$ 265	\$ 894	\$ 45	\$ 7

#7e



AGENDA COVER MEMORANDUM

MEETING DATE: November 28, 2016
ITEM TITLE: Professional Services Agreement – Layne Christensen
ACTION REQUESTED: Authorization
DEPARTMENT HEAD: Howard Moser, Director of Public Works

BACKGROUND:

The City of Marengo currently has three (3) operating wells that provide domestic water to the residents of the City. These wells need routine testing and maintenance in order to perform efficiently. Occasionally a pump will fail and emergency repairs are necessary as they were at well # 6 this past June. Layne Christensen has installed and serviced the wells in Marengo for years and has offered to enter into a professional services agreement with the City. This agreement would provide several benefits including discounts on labor rates and specialized service fees such as down hole camera, chemical treatment units. Layne would provide a professional service technician to “troubleshoot” at no charge. We would be a priority for emergency repair services utilizing equipment and personnel from multiple offices as required. There is no cost for this agreement and it would speed up the repair process by eliminating the bidding process. Any work to be performed under this agreement would still be brought before the Council if it exceeded \$10,000.

RECOMMENDATION:

Staff requests authorization to enter into a professional services agreement with Layne Christensen Company, 721 West Illinois Avenue, Aurora, IL 60506. Funding for any work performed under this agreement will come from the Water Department – Utility Infrastructure account (30-70-512.06).

Attachments:

- PSA Agreement
- Reference List – Layne Christensen

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is dated November __, 2016 and made by and between

CITY OF MARENGO, IL
132 East Prairie Street
Marengo, IL 60152
(Hereinafter "the City"),

AND

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

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

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

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

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

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

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

2. SCOPE OF WORK AND PROCESS: The Work to be performed by Contractor under this Agreement shall be set forth in individual task orders ("Task Orders"). Any Task Order shall be governed by the terms of this Agreement, except as provided therein. Upon the request of the City, Contractor shall prepare a Task Order containing an identification of the project ("Project"), description of the Work, compensation to be paid to Contractor for the performance of the Work, any Bonds required for the Work and a proposed schedule for the performance ("Project Schedule") for the Work. This Agreement does not obligate the City to request Work from Contractor, nor does it obligate Contractor to accept orders for Work from the City. Upon mutual agreement of the parties, the Task Order shall be finalized and executed by the parties. The effective date will be as set forth in the individual Task Order. Changes to the Task Order shall be made in writing and signed by both parties. Contractor acknowledges and agrees that approval of Task Orders shall be subject to the purchasing provisions of the City of Marengo Municipal Code.

3. TERM: This Agreement shall be for the term of one year and, shall commence on XXXXX, 2016 and shall expire on XXXXX, 2017 unless terminated earlier pursuant to provisions contained herein ("Contract Term"). The City and Contractor may mutually agree to extend the term of this Agreement for an additional year if the parties agree, in writing, on the terms of such extension. Any extension(s) shall be approved on an annual basis.

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

5. NOT USED.

6. PAYMENT: The City shall pay Contractor for the Work as outlined in the applicable Task Order, inclusive of all sales and use taxes, if work is not tax exempt. Work shall be conducted at the rates established in Schedule B with a 5% reduction. A 10% reduction shall be applied to

specialized service fees i.e. downhole video survey, Sonar Jet®, Boreblast™, Chemical Treatment Unit, High Pressure Packer, Equipment Rental etc. Schedule B of this Agreement shall be updated annually at the time of extension to account for the Contractor's agreement with Union Local 150 Operating Engineers. Currently, the Local 150 agreement accounts for an increase in labor wages and fringes on October 1 of each year through XXXX. The agreement expires XXXXXX XX, 201X.

7. PAYMENT TERMS: The City shall pay Contractor invoices per the requirements of the Illinois Local Government Prompt Payment Act. If any portion of the Work does not conform to the requirements of this Agreement, a corresponding portion of the price may be withheld by the City until the nonconformity is corrected. The City shall pay the Contractor for the Work as outlined above, inclusive of all sales and use taxes, as the same may be adjusted by Change Order.

8. NOT USED

9. WARRANTIES: Contractor represents, warrants and guarantees that any Work provided under this Agreement shall be: (1) provided in accordance with the Specifications and the requirements of this Agreement; (2) provided in a skillful, workmanlike and professional manner and consistent with generally accepted industry practices and procedures in Contractor's particular area of expertise; (3) constructed from new materials, free from defects in material, workmanship and design, and of proper size and quality; and (4) not manufactured and not priced or sold in violation of any federal, state or local law, including without limitation those relating to health and safety. These warranties shall survive acceptance of the Work. Contractor warrants that the Work performed under this Agreement conforms to the requirements of this Agreement and is free of any defect of equipment, material or design furnished, or workmanship performed by the Contractor or any of his subcontractors or suppliers. Such warranties shall continue for a period of one (1) year from the date of final completion of the Work to be performed under the respective Task Order. Under this warranty, the Contractor shall remedy at his own expense any such failure to conform to any such defect. Any work performed on warrantied items by any contractor other than Layne during the warranty period will void all warranties. See specific equipment and labor warranty information detailed in Exhibit 2.

9.1 Exclusive Warranties. The foregoing warranties are exclusive and are in lieu of all other warranties whether written, oral, implied, or statutory. NO IMPLIED OR STATUTORY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL APPLY, AND ARE EXPRESSLY DISCLAIMED. This exclusion shall not apply to Original Equipment Manufacturer ("OEM") warranties associated with components not manufactured by Contractor, which warranties shall be provided to the City.

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

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

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

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

12. CLAIM FOR DAMAGES:

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

13. NOT USED.

14. NOT USED.

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

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

17. TERMINATION:

a.) For Contractor's Default: In the event of a material default by Contractor in the performance of the Work, the City may, with ten (10) days written notice of termination to Contractor, terminate this Agreement unless Contractor within such ten (10) day period cures such default or, if the default cannot be cured in ten (10) days, takes and continues to take substantial steps to cure such default. In no event shall the total combined time to cure any default exceed forty-five (45) days.

b.) For City's Default: The Contractor may, with ten (10) days written notice of termination to City, terminate this Agreement for nonpayment of amounts owed under this Agreement for (60) days or longer after such amounts become due, unless City within such ten (10) day period cures such default or, if the default cannot be cured in ten (10) days, takes and continues to take substantial steps to cure such default. In the event of such termination by Contractor for any reason which is not the fault of Contractor, its subcontractors or their agents or employees or other persons performing portions of the Work under contract with Contractor, Contractor shall be entitled to recover from the

City payment for all Work executed and for costs associated with materials, equipment, tools, and construction equipment and machinery.

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

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

20. NOT USED

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

22. INSURANCE: Contractor shall purchase and maintain such insurance as will protect Contractor and the City from claims which may arise out of or result from Contractor's operations under this Agreement. Such insurance shall be written for not less than the coverage and any limits of liability specified in Schedule C, or by state statute, whichever is greater. By requiring insurance specified herein, the City does not represent that such coverage and limits will necessarily be adequate to protect Contractor and the City, and such coverage and limits shall not be deemed as a limitation on Contractor's liability under the indemnities or warranties of Contractor in this Agreement.

Certificates of Insurance provided by Contractor shall state that they are Primary Insurance and shall be filed with the City Representative prior to the commencement of the Work. These Certificates shall contain a provision that the coverage afforded under the policies will not be canceled until at least thirty (30) days prior written notice has been given to the City. The City shall be named as an additional primary, non-contributory insured on all policies except workers' compensation and errors and omissions (if applicable).

23. BONDS:

(X) Applicable to this Agreement

(p) Not Applicable to this Agreement

To the extent specified in an executed Task Order issued hereunder, the Contractor shall obtain from a surety authorized to do business in the State or Commonwealth of a surety bond and/or a material and labor bond in the form as set forth in Schedule B. Said bond(s) shall be delivered to the City prior to the effective date of a Task Order issued hereunder. Said bond(s) shall be renewed annually in each contract year until such time as the Work as specified in a Task Order issued hereunder is Substantially Complete (sufficiently complete in accordance with the Task Order such that the Work can be occupied and/or utilized for its intended use without undue interference). Neither non-renewal by the surety, nor failure or inability of the Contractor to file a performance bond for subsequent terms under this Agreement shall constitute a loss to the surety recoverable under the bond(s).

24. TAXES: Sales Tax Exemption shall be in accordance with the provisions of Schedule D hereof, if applicable.

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

a) In connection with the performance of the Services under this Agreement, the City may disclose to Contractor certain information which may include, but is not limited to, trade secrets, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, flow charts, data, computer programs, marketing plans, customer names and other technical, financial or business information, such as negotiations between the parties and discussions relating to the structuring of agreements, pricing, values, plans, prospects and assets of the City. b) Such information whether in written, encoded, graphic or other tangible form, or provided orally, shall be deemed to be confidential and proprietary (hereinafter "Confidential Information") unless it is clearly identified by the City prior to such disclosures as not being confidential or proprietary and Contractor shall use reasonable efforts to keep all such information and data strictly confidential and Contractor shall not purposefully divulge or permit its employees to purposefully divulge any information or data so acquired to any third party. Should the City desire transmission of such information or data to any third party, the City shall specify in advance writing the authorized recipient and any pertinent transmission details. Provided, however, Confidential Information shall not include information: (i) previously known to Contractor free of any obligations to keep it confidential; (ii) which becomes publicly known through no act of Contractor; (iii) which

is rightfully received from a third party who is under no obligation of confidence to either the City or Contractor; (iv) which is independently developed by an employee, agent or contractor of Contractor who did not have any direct or indirect access to the information furnished thereunder; or (v) where disclosure is required by law.

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

c) Upon termination of this Agreement, the City, upon request to Contractor, shall be entitled within 30 days of such request to delivery of all tangible information furnished by it, whether contained or stored on tapes, discs, files or otherwise, without cost. Provided, however, Contractor shall be entitled to retain one copy of its files.

d) The confidentiality provisions contained herein shall remain in effect for a period of three (3) years after expiration or termination of the Agreement.

e) Contractor agrees and acknowledges that the City is obligated to comply with the Illinois Freedom of Information Act ("FOIA") and that records may be deemed public records that must be disclosed pursuant to requests, subject to statutory exemptions.

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

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

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

29. ASSIGNMENT: Contractor shall not assign this Agreement, in whole or in part, nor contract with any Subcontractor for the performance of the same or any of its parts, without first

obtaining City's written consent, which consent shall not be unreasonably withheld. In the event the City consents to such assignment to a Subcontractor, nothing contained in this Agreement or such consent shall be construed as creating any contractual relationship between any Subcontractor and the City. Contractor shall be as fully responsible to the City for the acts and omissions of Subcontractors, and of persons employed by it as it is for the acts and omissions of persons directly employed by it. The City's consent shall not be construed as discharging or releasing Contractor in any way from the performance of the work or the fulfillment of any obligation under this Agreement.

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

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

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

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

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

35. THE CITY'S APPROVAL OF PLANS, SPECIFICATIONS AND SCHEDULES: Contractor shall develop and submit for review and approval by the City any procedures, checklists, drawings, specifications and other documentation requested by the City to verify that the Work conforms to this Agreement. Contractor shall not proceed with any part of the Work which requires prior approval by the City until such approval has been obtained.

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

37. NOT USED

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

To the City:
City Administrator
City of Marengo
132 E. Prairie Street
Marengo, IL 60152

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

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

40. CERTIFIED PAYROLL: Contractor shall submit certified payroll for proceeding month by the 10th day of the subsequent month to the City of Marengo.

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

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

43. LAWS; CODES; RULES; REGULATIONS: Contractor and its Subcontractors at their own expense shall obtain all necessary licenses and permits to conduct their businesses and those that are specific to the Work and shall otherwise comply with all applicable federal, state and local laws, statutes, ordinances, codes, rules and regulations relating to performance of the Work, including but not limited to safety, environment, labor standards and workers' compensation. 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 and subcontractors to pay laborers, workers and mechanics performing services on public works projects no less than the current "prevailing rate of wages" (hourly cash wages plus amount for fringe benefits) in the county where the work is performed. The Department publishes the prevailing wage rates on its website at <http://www.state.il.us/agency/idol/rates/rates.HTM>. The Department revises the prevailing wage rates and the contractor/subcontractor has an obligation to check the Department's web site for revisions to prevailing wage rates. For information regarding current prevailing wage rates, please refer to the Illinois Department of Labor's website. All contractors and subcontractors rendering services under this contract must comply with all requirements of the Act, including but not limited to, all wage requirements and notice and record keeping duties.

44. NON-DISCRIMINATION IN EMPLOYMENT: The City, Contractor and Contractor's Subcontractors (if any) agree to comply fully with the terms, provisions and obligations of the following clauses, as amended and supplemented from time to time, which are incorporated by reference into this Agreement: The Equal Opportunity Clause required by Executive Order 11246, as amended; Affirmative Action for Disabled Veterans of Vietnam Era Clause as required by the Vietnam Era Veterans Readjustment Assistance Act, Affirmative Action for Handicapped Workers Clause or regulations issued pursuant to the foregoing, unless exempted by the Secretary of Labor, the Illinois Human Rights Act, as amended, the American with Disabilities Act, as amended, and Title VII of the Civil Rights Act of 1964, as amended.

45. NO CONTINGENT FEE WARRANTY: Contractor hereby warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an

agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business. In the event of a breach of this warranty, the City shall have the right to annul this contract without liability or in its discretion to deduct from the moneys due Contractor under this Agreement the full amount of such commission, percentage, brokerage or contingent fee.

46. GOVERNING LAW; JURISDICTION: This Agreement shall be governed by, construed in accordance with and enforced under the laws of the State of Illinois, without reference to the choice of law principles thereof. Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the Twenty-second Judicial Circuit, McHenry County, Illinois.

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

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

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

- Schedule A – Partial description of services
- Schedule B - Price/Compensation/Rates
- Schedule C – Insurance requirements and example
- Schedule D – Sales Tax Exemption
- Schedule E – Special Conditions
- Exhibit 1 - Task Order
- Exhibit 2 - Layne Qualifications and Services

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

City of Marengo, IL
Layne Christensen Company Professional Services Agreement
November __, 2016

provision, Contractor shall notify the City to confer and extend the City with an opportunity to address the conditions, mitigate the same, assess the feasibility of moving forward with the Task Order, and any evaluate resolution of Contractor's concerns.

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

City of Marengo, IL	Layne Christensen Company
Print Name:	Print Name:
Title:	Title:
Signature:	Signature:
Attest:	Attest:
Date:	Date:

SCHEDULE A

DESCRIPTION OF WORK/SPECIFICATIONS

Projects to Include but not limited to:

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

SCHEDULE B

Labor and Equipment Rates XX/XX/XX through XX/XX/XX to be annually submitted to the City at the time of extension of the Agreement.

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

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

Remarks:

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

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

SCHEDULE C

INSURANCE REQUIREMENTS

Example certificates furnished below to include the City of Marengo as a Certificate Holder.

CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 5/1/2013 4/9/2012					
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.							
IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).							
PRODUCER Lockton Companies, LLC-1 Kansas City 444 W. 47th Street, Suite 900 Kansas City 64112-1906 (816) 960-9000	CONTACT NAME: _____ PHONE (A/C No., Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: _____ INSURER(S) AFFORDING COVERAGE: _____ NAIC # _____ INSURER A: Old Republic Insurance Company 24147 INSURER B: _____ INSURER C: _____ INSURER D: _____ INSURER E: _____						
INSURED LAYNE WESTERN, a division of 426 Layne Christensen Company 721 W. ILLINOIS AVENUE AURORA IL 60506							
COVERAGES LAYIN01 FK CERTIFICATE NUMBER: 10546959 REVISION NUMBER: XXXXXXXX THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR LTR	TYPE OF INSURANCE	ADOL INSR	INSUR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTUAL <input checked="" type="checkbox"/> X.C.U. COVERAGE GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	Y	N	MWZY 59644	5/1/2012	5/1/2013	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$	N	N	MWTB 21603	5/1/2012	5/1/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in 18) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	MWC 11748000 STOPGAP(ND,OH,WA,WY)	5/1/2012	5/1/2013	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 5,000,000 E.L. DISEASE - EA EMPLOYEE \$ 5,000,000 E.L. DISEASE - POLICY LIMIT \$ 5,000,000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required) JOB LOCATION: GENERAL WELL AND PUMP PROJECTS. CITY OF AURORA IS AN ADDITIONAL INSURED AS RESPECTS GENERAL LIABILITY COVERAGE, WHICH IS ON A PRIMARY, NON-CONTRIBUTORY BASIS, ONLY AS REQUIRED BY CONTRACT, SUBJECT TO THE TERMS AND CONDITIONS OF THE POLICY.							
CERTIFICATE HOLDER				CANCELLATION			
10546959 CITY OF AURORA 44 E. DOWNER PLACE AURORA IL 60507				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 			

ACORD 25 (2010/05)

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SCHEDULE D

SALES TAX EXEMPTION

The City of Marengo is Tax Exempt and will furnish a Tax Exempt Certificate to the Contractor as a condition of this contract.

SCHEDULE E

SPECIAL CONDITIONS

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

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

Exhibit 1
 Task Order

Date	
Project Name	
Project Scope (provide attachment as required)	
Schedule / timeline	
Additional Information	
City of Marengo, IL	Layne Christensen Company
Print Name:	Print Name:
Title:	Title:
Signature:	Signature:
Attest:	Attest:

Date:	Date:
-------	-------

Exhibit 2

Layne Capabilities and Experience

1. HISTORY

A. Layne Christensen Company

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

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

Originally known as Layne-Western Company, our Illinois office was organized in May of 1924 with an 8' x 10' office, one well rig, and four employees. The Aurora, Illinois District has been part of this long standing organization for the last 90+ years with previous offices in Chicago, Illinois.

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

The Layne Christensen Great Lakes Group continues to be one of the top operations in the Water Resources Division of Layne Christensen Company. Support is also available as necessary from other Layne offices such as St. Louis, Missouri; Milwaukee, Wisconsin; Lansing, Michigan; etc.

B. Layne/City of Marengo, Illinois Relationship

The relationship between Layne and the City of Marengo began in 1955. Our relationship has remained and grown almost continuously since and has included well construction, well rehabilitation, pump repair, testing, troubleshooting, etc. The City currently utilizes premium Christensen Pumps

bowl assembly in Well No. 6. Layne Christensen Company is the Sole Service Representative for Christensen Water Well pumps.

C. Emergency Response

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

We currently utilize an answering machine at the Aurora, Illinois District office that details three phone numbers Layne Christensen employees' after-hours phone numbers if there is no answer.

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

2. Contractor Personnel

A. Professional Engineering Staff

We utilize a professional engineering staff of Account and Project Managers to handle all project coordination with the Client.

B. Field Crew Operations

Our field crew operations are coordinated by Jason Gerwing, our Operations Manager. He is supported by four Field Superintendents in an effort to coordinate the field service with the engineering staff/Client.

C. Emergency Contact Information, in order of contact

radium, iron, manganese, arsenic, and nitrates. Layne has treatment capabilities to address all contaminants that could be encountered while developing a potable water supply.

* Layne Hydro

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

* Other Layne Districts (Great Lakes Group)

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

3. Aurora, Illinois Facility

A. Machine Shop

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

B. Sandblasting and Coating Work

A large portion of the yard is utilized for all needed sandblasting and coating work. Air compressors, sandblasting pots, and all necessary safety equipment

are housed in an adjacent warehouse building. The pipe and oil tube coating work can be applied either by roller or airless sprayer equipment. Pipe coating work will normally include the use of PPG Aquapon LT NSF 61 epoxy coating.

C. Pipe Threading/Repair

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

D. Available Inventory

We normally stock approximately \$800,000.00 (\pm) worth of Byron Jackson submersible pumping equipment and Layne and Bowler lineshaft pumping equipment components, parts, etc. in our Aurora, Illinois yard. The decision to maintain such a high level of inventory was made many years ago so that we are able to expedite any emergency repairs that may arise.

5. Project Costs

A. Layne Task Order Form

Well rehabilitation and pump repair work is normally performed on a time and material basis.. Work performed pursuant to this Agreement shall be pursuant to the rates, terms and conditions in the applicable Task Order.

B. Professional Engineer Cost

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

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

C. Various Well Treatment Methods

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

1. 2000 Gallon C.T.U.

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

D. Rate Increases

Layne currently has a contract through October 2016 with the International Union of Operating Engineers Local 150. This contract includes nominal increases each year for our service men. In addition to these increases our standard Labor and Equipment Rates form may be updated periodically to account for changes in fuel pricing, equipment configurations, etc. In the case of this Professional Services Agreement we would propose to furnish the City a new Labor and Equipment Rates form, along with any changes in the Well Treatment lump sums, for review and approval whenever changes are made.

E. Exclusive Well Contract Term

We propose to enter into this agreement with the City for a period of XXX years. At the end of the initial contract term the City will have the option of renewing the contract for varying length intervals.

F. Warranties

All labor, workmanship, and new materials would be provided with a one (1) year guarantee or warranty on all workmanship and new Flowserve/Byron Jackson equipment and materials. Should a problem develop with any of these items within the warranty period, the City would not be charged for any work to remedy the situation. However, if overtime is required to expedite the repair, the difference between the overtime and standard hourly rates would be chargeable.

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

warranty projects with any other submersible motors. Since the City almost exclusively utilizes Byron Jackson Type H submersible motors this typically will not be an issue.

G. Other – Miscellaneous Fees

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

6. Pump Manufacturer Representation

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

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

The submersible pumps utilized by the City mostly use the Byron Jackson Type H submersible motor. The pumps are of both all-bronze and cast iron bronze fitted construction and are either Layne and Bowler or Byron Jackson submersible pumps. While non-genuine parts could be available from other manufacturers, we would be able to provide the genuine repair parts at the lowest cost available. We also maintain an extensive inventory of replacement parts that allows our machine shop to expedite typical pump repairs.

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

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

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

7. General Scope of Work

A. Lead Account Manager Duties

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

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

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

B. Field Crews

The field service crews would be responsible for contacting the appropriate City representative prior to arrival in City and discuss all facets of the project before proceeding with any work. Daily operations would include all measures necessary to efficiently carry out the work needed at the specific well(s). During any project the City will be furnished with a mobile contact number for our crew foreman. Should notification and/or approval of any changes in the scope of work be necessary, the City would be contacted immediately.

C. Typical Pump Repair

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

All safety measures would be undertaken to properly set up the pump service rig, support equipment, etc. Assuming the pump is pulled in a typical fashion without fishing for its retrieval due to a pipe separation, etc.;

each well pump would be pulled and transported to our machine shop for disassembly and inspection.

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

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

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

The well would be disinfected with any bacteriological samples collected and analyzed by the City.

D. Layne/Flowserve Motor Service Center

As the City is aware, the Illinois Legislation that bans the "sale and distribution of certain mercury-added products" will be effective July 1, 2012 and will have an impact on our clients that utilize the Flowserve Byron Jackson type H mercury sealed submersible motor. This legislation does not affect the existing type H installations but has a serious impact on new submersible motor installations and also replacement motors. Existing type H motors can continue to be utilized and serviced on a routine basis as long as the mercury seal is functional and operating as

designed. This will allow us to continue the typical maintenance project outline above.

All new Flowserve / Byron Jackson motors will have the Type M design. This motor has two wearing mechanical seals that will need replacement as part of a typical preventative maintenance program. Flowserve Byron Jackson's type M double mechanical sealed motors have been manufactured since the late 1970s as specialized units and offered as a standard product since 1990. Layne will provide a reference list or installation list for these Type M motor upon request. Additional information regarding these motors can be found at the Flowserve website:

<http://www.flowserve.com/files/Files/Literature/ProductLiterature/Pumps/fpd-1361-ea4.pdf>

In order to provide an increased level of service and value to our clients, Layne and Flowserve have begun preparation to open a Motor Service Center in Aurora, IL. The service center will be located at Layne's facility and will have the ability to provide mechanical seal replacements, filter changes, oil changes, balance line replacements, motor reservoir can replacements, along with the standard diagnostic and inspection services that Layne has provided historically.

Layne's motor technicians are Flowserve trained and authorized. Standard warranties will apply to all repairs, workmanship, and new materials. Only Flowserve genuine parts will be utilized in all motor servicing.

This service center will add to Layne's current capabilities and its proximity to our clients will provide a significant benefit in repair time and a reduction in freight cost.

This will allow us to continue to offer the expedited motor servicing that the City has become accustomed to as Type M motors are installed in the future.

8. Key Subcontractors/Suppliers

A. Flowserve/Byron Jackson – Taneytown, Maryland

Layne Christensen is the exclusive representative for all Flowserve/Byron Jackson submersible pumping equipment in the state of Illinois. Motor repairs that cannot be completed in Aurora and motor seal conversions will be conducted at the Flowserve facility in Taneytown. Any motor seal conversions will be accompanied by a certification that the mercury has been 99.9% removed from the motor prior to conversion. To our knowledge this certification is not provided by any other motor repair shops in the United States. Repair items from our stock including flat cables, submersible motors, bowl castings and impellers are original equipment produced by Flowserve/Byron Jackson.

B. K&K Supply Company – Conroe, Texas

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

C. Water Systems Engineering

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

9. Well Rehabilitation Methods

A. Traditional Chemical Treatments

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

- Super-chlorination: We would typically use sodium hypochlorite for any super chlorination project, in concentrations that would vary depending upon the situation.
- Acid Treatment: Hydrochloric acid and water is mixed to make a 15% muriatic acid solution. This is the traditional acid treatment solution.

- Non-Polyphosphate treatments can be performed in the rare cases where sands or silts are a problem. We tend to stay away from polyphosphate treatments due to the fact that they are food for bacteria.
- Stiles-Kem products, such as their Bio-Purge or WD-3100 chemicals have been utilized to enhance the results from our Surge and Purge and BoreBlast well treatment methods.

As mentioned previously, our Chemical Treatment Unit can be utilized in any of the above cases to help the injection of the chemical solution; surging of the solution while in the well during reaction; and neutralization during the discharge process.

B. BoreBlast™

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

C. QC-21® Well Cleaner

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

D. Miscellaneous

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

10. Safety

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

Supervisor's Accident Prevention Manual

Safety Practices Manual

Hazard Communication Manual

Fleet Manual

Emergency Response Plans

Site Specific Health and Safety Plan

Auditing Forms and Procedures

Mentoring Program

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

11. Sustainability

In 2011 Layne became the first American company in our industry to respond to the Global Reporting Initiative (GRI). Layne's fiscal year 2014 report follows the GRI G3.1 guidelines and is Layne's second annual report on sustainability. The full report is available as a downloadable PDF at www.layne.com/sustainability.



Marengo Police Department
142 E Prairie St.
Marengo, IL 60152

I respectfully submit the following report
SEPTEMBER 2016

General Cases

Incident Reports: 238
Assist Other Agency: 49
Open Doors Found: 5
Alarm Responses: 11

Arrests

Criminal Complaints: 10
DUI: 0
Warrants: 3
Total Arrests: 7

Citations Issued

Traffic Stops: 110
Traffic Citations: 78
Verbal and Written Warnings: 61
Parking Tickets: 25
City Ordinance Violations: 5

NTA's: 11

Traffic Accidents

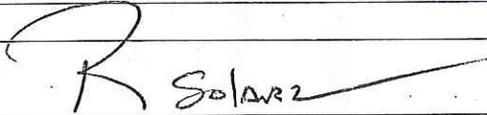
Property Damage: 9
With Injury: 2
Total Accidents: 11

Finances

Fines Collected: \$4,357.58
Received from Circuit Clerk: \$419.00
Drug Fines: \$250.00
City Ordinance Fines: \$650.00
Bail/Bond Admin Fees: \$0
Total Collected: \$5,676.58

Total Squad Miles: 17,189

Miscellaneous:



Chief of Police



Marengo Police Department
142 E Prairie St.
Marengo, IL 60152

I respectfully submit the following report
OCTOBER 2016

General Cases

Incident Reports: 236
Assist Other Agency: 47
Open Doors Found: 1
Alarm Responses: 10

Arrests

Criminal Complaints: 13
DUI: 2
Warrants: 3
Total Arrests: 11

Citations Issued

Traffic Stops: 108
Traffic Citations: 77
Verbal and Written Warnings: 71
Parking Tickets: 19
City Ordinance Violations: 5

NTA's: 11

Traffic Accidents

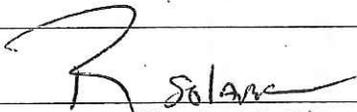
Property Damage: 18
With Injury: 2
Total Accidents: 20

Finances

Fines Collected: \$5,172.87
Received from Circuit Clerk: \$645.00
Drug Fines: \$0
City Ordinance Fines: \$775.00
Bail/Bond Admin Fees: \$60.00
Total Collected: \$6,652.87

Total Squad Miles: 15,602

Miscellaneous:



Chief of Police

MARENGO POLICE DEPARTMENT
 VEHICLE MILEAGE REPORT
 OCTOBER 2016

Vehicle	M-1 Det. Car 2007 Impala	M-2 2002 Blazer	M-4 Chief 2007 Impala	M-5 2014 Impala	M-6 K-9 2012 Impala	M-7 2013 Impala	M-8 2016 Ford	M-9 2012 Impala	M-11 Unmarked	M-10 SUV 2015 Ford
Ending Mileage	118651	129945	138918	68474	107510	91771	380	107076	142707	30738
Starting Mileage	117436	129809	137330	65399	106088	89612	59	105145	140618	29072
TOTAL MILEAGE FOR MONTH	1215	136	1588	3075	1422	2159	321	1931	2089	1666
TOTAL MILEAGE FOR SQUADS =	15602									

Submitted by: Denise Westland