

A-6H

MEMORANDUM

TO: Mark Franz, Village Manager
FROM: Kristen Schrader, Assistant to the Village Manager – ADM
DATE: February 6, 2013
RE: Roosevelt Road TIF District – Consultant Recommendation



Background

At the December 2012 Board Workshop, the Village Board discussed the possibility of determining if a portion of Roosevelt Road was eligible to be designated a TIF District via an eligibility study. Based on discussion and feedback from the Village Board, Village staff moved forward seeking proposals from two firms for TIF District Designation services, including the TIF eligibility study.

Issues

Both Ehlers and Kane McKenna expressed interest in working with the Village on this potential TIF District, and submitted proposals. Below is the breakdown of costs for each firm.

<u>Firm</u>	<u>Feasibility Study</u>	<u>Redevelopment Plan/Adoption of Project</u>	<u>Housing Study</u>	<u>Total</u>
Ehlers	\$14,000	\$14,000	\$10,000	\$38,000
Kane McKenna	\$9,000	\$15,000	\$5,000	\$29,000

Based on these proposal costs, staff recommends approving an agreement with Kane McKenna and Associates for TIF District Adoption Services, at a cost of \$29,000. Should the Board approve the proposed agreement with Kane McKenna, staff would begin working with the firm immediately to conduct the eligibility study. The eligibility study is anticipated to take approximately 1 to 1.5 months to complete. Should the eligibility study determine that this portion of Roosevelt Road is eligible for TIF Designation, the Village would continue working with Kane McKenna on the Redevelopment Plan, Housing Study and final project adoption, which should take approximately 4 to 5 months.

Action Requested

This item will be presented to the Village Board via the consent agenda on February 11, 2013:
Ordinance No. ____, an Ordinance Approving an Agreement between the Village of Glen Ellyn and Kane McKenna and Associates, Inc. for Tax Increment Financing Consultant Services.

Recommendation

It is recommended that the Village Board consider approval of an agreement between the Village and Kane McKenna for Tax Increment Financing Consultant Services.

Attachments

- Proposed TIF District Boundaries
- Proposal
- Proposed Ordinance
- Memo: November 2012, Eligibility Study Consideration, Roosevelt Road TIF District

Roosevelt Road TIF Boundaries



0 250 500 1,000 Feet



Kristen Schrader

Subject: FW: Questions on Proposal

From: Robert Rychlicki [<mailto:rrychlicki@kanemckenna.com>]

Sent: Tuesday, February 05, 2013 3:25 PM

To: Kristen Schrader

Subject: RE: Questions on Proposal

Kristen – as a follow up to our discussion please find our response to the Village questions regarding our proposed fees.

Fixed or not to exceed fees are summarized below:

Task 1	TIF Eligibility Report and Preliminary Financial Projections includes Village staff assistance relating to “in house” information retrieval (code violations, traffic studies, EAV, etc.)	\$9,000
Task 2	Prepare TIF District Redevelopment Plan Assumes Village staff assembly and preparation of all mailing lists and notices. Village staff also assists in preparation of TIF budget and project identification. Village attorney assists in preparation of all notices and ordinances. Assumes 2 JRB meetings and one hearing	\$15,000
Task 2A	Housing Impact Study Village staff assists in retrieval of census data and comparable housing alternatives	\$5,000



**PROPOSAL TO PROVIDE TAX INCREMENT FINANCING
CONSULTING SERVICES**

SUBMITTED TO THE VILLAGE OF GLEN ELLYN

PREPARED BY:

**KANE, MCKENNA AND ASSOCIATES, INC.
150 NORTH WACKER DRIVE
SUITE 1600
CHICAGO, ILLINOIS 60606**

JANUARY, 2013

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SECTION A

Cover Letter



January 10, 2013

Ms. Kristen Schrader
Assistant to the Village Manager
Office of the Village Manager
Glen Ellyn Civic Center
535 Duane Street
Glen Ellyn, Illinois 60137

Dear Ms. Schrader:

Kane, McKenna and Associates, Inc. is pleased to submit its qualifications and proposal to the Village of Glen Ellyn (the "Village"). We understand that the Village wishes to review the area generally bounded by Main Street and Park Boulevard, located along Roosevelt Road for qualification as a potential Tax Increment Finance (TIF) District. We would welcome the opportunity to work with the Village, and we believe that our firm is uniquely structured to perform the scope of work in which the Village is interested.

Since 1984, Kane, McKenna ("KM") has been a leader in: (1) TIF review and designation; (2) the formulation of economic development strategies; (3) the technical evaluation of development proposals; (4) the analysis of the economic implications of the utilization of community resources; and (5) the implementation of appropriate financing strategies.

KM has assisted in various forms of economic development strategies, including Naperville, Lisle, Aurora, Carol Stream, Glendale Heights, Winfield, Downers Grove and Lombard. Included in our array of services to these municipalities have been (a) evaluation of redevelopment strategies for various community sectors and objectives; (b) specific analysis of developer/business proposals; (c) establishment and funding of the TIF Districts; and (d) evaluation and establishment of other types of special economic development districts.

We believe that our experience provides us with a unique perspective on the competing and complementary needs of both the public and private sector. That experience translates into (a) the ability to formulate viable situations acceptable to all stakeholders and (b) the ability to execute said strategies for revitalizing commercial and mixed use areas.

Ms. Kristen Schrader
Page Two
January 10, 2013



Statement of Qualifications – Consultant Experience and RFP Requirements

- Kane, McKenna and Associates employs 10 professional and 3 administrative employees. The firm was founded in 1984 and has, throughout its history, provided financial advisory and economic development consulting services, principally within the State of Illinois.
- KM was a founding member of the ITIA; Mr. McKenna remains a member of the Board of said association.
- KM has been involved in almost 300 TIF Districts, including the formation and designation of over 250 TIF Districts.
- KM is sensitive to the Village's timetable and is prepared to begin immediately.

Mr. Robert Rychlicki, would coordinate the overall Project, assisted by Mr. Charles Biondo and Mr. Nicholas Greifer.

We appreciate this opportunity to present our firm's qualifications and look forward to being able to meet with the Village regarding next steps.

Sincerely,

KANE, MCKENNA AND ASSOCIATES, INC.

Robert Rychlicki
Executive Vice President

SECTION B

Outline of Consultant's Approach

INTRODUCTION

Kane, McKenna and Associates, Inc. (“Kane, McKenna” or “KM” or the “Consultant”) is pleased to prepare this proposal to the Village of Glen Ellyn (the “Village”) for professional services to investigate and recommend strategies for the development of the Village’s proposed redevelopment project area.

KM is a financial consultant with specific expertise in redevelopment related matters and has dealt with virtually every technique possible in Illinois for redevelopment finance – Tax Increment Finance (TIF), Business District (BD), Special Service Areas (SSA), Special Assessments, Sales Tax Sharing, Property Tax Abatement, CDBG funds and county, state and federal grant/loan programs.

Regarding our expertise in producing financing plans for communities incorporating various economic development tools, we believe our record in the industry is unparalleled. Our abilities in creating viable solutions for addressing needs inherent to downtown and mixed-use area revitalization programs are also highly regarded. We can provide dozens of references from community officials who have benefited from our involvement, and we are committed to the same level of professionalism with the Village. Our firm is sensitive to the timing required by the Village and will devote available resources to complete the assignment in an approximate 90 to 120 day period, or within an alternative time frame as approved by the Village.

We are also experienced in the review of private development proposals and requests for municipal assistance, including retail, commercial and mixed use projects. KM has assisted a wide array of municipalities in order to help in structuring redevelopment agreements that meet local goals and objectives.

OUTLINE OF CONSULTANT'S APPROACH

An understanding of our philosophy will not only provide the Village with insight regarding our approach to financial advisory and economic development services, but will provide you with a clear idea of what you can expect from us throughout the process.

When a client requires development related financial analyses, our approach is to explore all of the economic development and financing alternatives available to the Village. Generally, our evaluation of potential methods to meet the objectives of the Village would be based upon the following principal objectives:

- (1) Leveraging current resources of the Village to maximize the benefits of such resources;
- (2) Assist the Village in the preparation of redevelopment agreements;
- (3) Measuring potential for new tax generating development;
- (4) Taking a long-term orientation to assure that beneficiaries, current and future, share and benefit appropriately in the cost of long-term development projects;
- (5) Enhancing the efficiency of providing for a series of projects at one time, to maximize their effectiveness and encourage spin-off development; and
- (6) Leaving the Village with maximum financial flexibility for the future, as well as poised to respond to market changes.

The Consultant's "Outline and Timeline - Scope of Services", included in Section C, illustrates more completely the detailed advisory services which our firm will provide to the Village.

As part of the TIF eligibility phase, we will conduct a review of parcels within the respective designated area(s), to determine TIF eligibility and also provide a basis for the Village's potential funding alternatives for various projects, along with their broader economic impact on each of the areas. In the analyses, the Consultant will examine how physical improvements combined with any need for incentives can create more viable project sites within the proposed area. The Consultant will also consider the timing of development programs and attendant financing requirements for each area as well.

Included in our analyses will be review and documentation of various economic development tools and their applicability, given the specific needs for each, to the area under review.

Finally, the Consultant, at the Village's authorization in future phases, can prepare a realistic Redevelopment Plan that incorporates the Village goals and objectives for the redevelopment area — and recommended financing and economic development strategies, land use strategies, and public improvements.

SECTION C
Scope of Services

SCOPE OF SERVICES

TASK 1: Prepare TIF Eligibility Reports and Preliminary Financing Review

A. Inventory and Financial Options Analysis of Village Proposed TIF District Properties

- 1) The Consultant will assist the Village staff to determine and confirm likely boundaries of the proposed redevelopment area based upon site visits, historic assessed value analysis and results of any analysis presently or previously undertaken by the Village. Village staff may provide assistance relating to GIS maps, land use surveys, and sources of information relating to term of vacancy, utility service, etc.
- 2) Highlight and investigate preliminary “priority areas” (or “priority area”) as identified by the Village for redevelopment within the potential TIF District designation based upon the above analyses. Identify opportunities currently evident and ways to create opportunities where none may be apparent.
- 3) Review with the Village the potential pros and cons and costs and benefits of viable funding options available, including, but not limited to, programs described below.

B. Recommendation of Financing Options for TIF District Designation

- 1) Provide advice and consultation related to appropriate incentive mechanisms or public financing techniques which could be applied to specific project areas within the proposed TIF District. Review any “priority areas” designated by the Village.
- 2) Determine which tool or combination of tools would be best suited to specific “priority” or other important areas, and how the forms of assistance can work with or against the other tools for the TIF District.
- 3) In the event that certain local financing programs or economic development alternatives for redevelopment areas such as business districts (BD), special service areas (SSA), special assessment districts (SAD) or “hybrids” of such alternatives may be applicable, KM would identify the benefits and costs of programs and their condition for use (including State statutes which must be met) by the Village.

C. Review and Documentation of TIF Qualification Factors

- 1) Review with the Village the preliminary boundaries for the area, as well as initial redevelopment goals and objectives specific to the respective redevelopment areas. Boundary review would include “doughnut holes” of certain properties, or other options relating to Village goals.
- 2) Review the characteristics of the proposed TIF site and adjacent properties in order to recommend precise proposed boundaries for a TIF District, and to assess the potential qualification factors (strengths and weaknesses) of any identified area in accordance with the provisions of Illinois law. Review would include site surveys, review of past plans and policy materials, discussions with Village officials and staff, site tours/examination, and County data pertaining to equalized assessed valuation, tax rate, and tax collection trends.
- 3) Prepare Preliminary TIF Qualification Report for the site based upon the presence of eligibility factors required under Illinois law. KM will be available to (a) discuss the findings with the Village prior to completing the report and (b) provide advice with respect to potential changes in the Village’s comprehensive plan and zoning map (to ensure consistencies with land uses proposed for the redevelopment districts).
- 4) Determine whether proposed costs and revenues to be incurred and/or generated from any proposed redevelopment project area are reasonable, feasible and acceptable assumptions for the intended area to be developed.
- 5) Identify for the Village principal strategies for incentives and potential funding mechanisms based upon each potential redevelopment projects’ ability to generate property, and/or other incremental taxes to cover anticipated costs and/or debt service requirements.

D. Provide Preliminary TIF Increment and Cost Projections

- 1) Assist Village staff to prepare the preliminary feasibility analysis of potential redevelopment projects incremental revenue (gross and net) and/or costs in order to summarize the potential funding advantages/ disadvantages of various strategies.
- 2) Identify for the Village principal strategies for incentives and potential funding mechanisms based upon the potential redevelopment projects' ability to generate property, and/or other incremental taxes to cover anticipated costs and/or debt service requirements.
- 3) Identify issues that may exist if Village and Special Service Area (SSA) uses are combined or overlap. Review funding mechanisms and priorities with Village staff.
- 4) Review with the Village staff pros and cons of funding solely public improvements or considering extraordinary cost and gap financing utilization of TIF funding.

E. Attend Staff and Required Board Meetings

- 1) Assist the Village by participating in board meetings to present findings, and attend 1 to 2 meetings with certain affected parties, including taxing districts.

TASK 2: Prepare TIF District Redevelopment Plan

A. Prepare Resolutions of Intent and Interested Parties Registries

- 1) Assist the Village attorney to prepare resolution of intent for the proposed TIF District.
- 2) Attend Village Board meeting to review the purpose of the resolution of intent and respond to questions of officials and/or public.
- 3) Distribute resolutions to affected taxing districts per the requirements of the TIF Act.
- 4) Prepare for Village Board review and adoption documents and systems required to establish Interested Parties Registries for the TIF District.

B. Preparation of TIF Redevelopment Plan

- 1) Review with the Village the preliminary boundaries for the plan as well as redevelopment goals and objectives.
- 2) Prepare draft TIF Redevelopment Plan for the area based upon the presence of qualification factors required under Illinois law. The Consultant will be available to discuss the findings with the Village in meetings prior to completing the report.
- 3) Assist Village to prepare, refine and document the required redevelopment plan and project for the area that satisfy TIF eligibility criteria pursuant to Illinois law.
- 4) In the event that other local financing programs or economic development alternatives may be applicable, KM would identify these programs and their conditions for use by the Village.
- 5) Prepare a TIF Act required Housing Impact Study (HIS), if required, as an exhibit to the TIF Plan.

C. Provide TIF Increment and Cost Projections

- 1) Assist Village staff to prepare the preliminary feasibility analysis of potential redevelopment projects incremental revenue (gross and net) and/or costs in order to summarize the potential funding advantages/ disadvantages of various strategies. Such projections will be prepared separately for the TIF.
- 2) Identify for the Village principal strategies for incentives and potential funding mechanisms based upon the potential redevelopment projects' ability to generate property, and/or other incremental taxes to cover anticipated costs and/or debt service requirements.
- 3) Identify issues that may exist if Village and Special Service Area (SSA) uses are combined or overlap. Review funding mechanisms and priorities with Village staff.
- 4) Review with the Village staff pros and cons of funding solely public improvements or considering extraordinary cost and gap financing utilization of TIF funding.

D. Finalize Redevelopment Project

- 1) In conjunction with Village staff, finalize TIF boundaries for the area, and assist in the process of preparation of legal description which identify the boundaries for the redevelopment area.
- 2) Subsequent to the review of the draft redevelopment plan by the Village Board, Village staff, and other taxing districts (if applicable), revise the redevelopment plan sections in order to add relevant comments and/or corrections.

E. Prepare Public Hearing (and Meeting) Notices

- 1) Assist Village staff to prepare the public hearing resolution and the TIF public notices.
- 2) Prepare mailings for affected taxing districts and distribute notices to the taxing districts and the Illinois Department of Commerce and Economic Opportunity.
- 3) Prepare mailings as required for any public meetings related to housing impact studies (if needed).

F. Coordinate Joint Review Board (JRB) Process

- 1) Provide agenda items, draft TIF ordinances, and other materials as required by the TIF Act.
- 2) Attend JRB meetings as necessary and appropriate.
- 3) Assist Village staff to respond to JRB requests.
- 4) Assist Village Board to prepare JRB resolutions relating to findings.

G. Task H - Preparation of Notices

- 1) Identify taxpayers located within the TIF district and obtain mailing information from the County.
- 2) Assist Village staff in preparing mailings for taxpayers including review of delinquent taxpayers.
- 3) Identify residential units and taxpayers of record for TIF mailings related to 750 feet notice provisions.
- 4) Assist Village staff in coordinating publication of legal notices in local newspapers.

H. Attend Public Hearings and Required Meetings

- 2) Assist the Village by participating in the required public hearing, and meetings with all interested and affected parties, including property owners.
- 2) Work with the Village staff to meet all the requirements of Illinois law.

TASK 3: Financial Analysis

Other Requirements

- 1) Assist Village staff in evaluating and preparing financial projections that relate to the proposed redevelopment area. Evaluation will be conducted on the feasibility of such proposals given factors such as physical improvement requirements, proposed user mix, phased developments, project costs and timetable for implementation.

A strategic planning analysis will be undertaken within the context of related development programs and as to how well any proposed project would address the Village's own development goals for the area. More specifically, the analysis of any proposals will attempt to address questions on behalf of the Village and as suggested within other items listed below. Analysis would include the consideration of SSA or Special Assessment Districts, or other financings (e.g., using Business Districts for sales tax or hotel tax sharing purposes) that may be utilized by Village as well as other local programs or incentives.

- 2) Provide recommendations to the Village for the funding strategies to be evaluated with regard to their likelihood to succeed and to meet Village's economic development goals. Meet with Village to discuss the Report and to obtain Village input prior to formal submission. Make an oral presentation to the Village as deemed appropriate by the Village.
- 3) Assist the Village in finalization of strategies and priorities, and provide professional opinions on alternatives available to the Village in determining the best alternatives available to fund the redevelopment projects to be implemented.
- 4) Advise the Village regarding provisions required that might impact either the proposed financial structure and the Village's ability to deliver economic development funding assistance in a timely manner. Provide the Village with an analysis of proposed tax increment and any other revenue/cost projections and summarize the potential funding advantages/disadvantages of various funding strategies.

5) Make a thorough review of the proposed development strategies to advise the Village of any problems or concerns regarding provisions and/or conditions that might adversely impact any of the proposed financial structures. Such review would consist of the following undertaken in conjunction with Village staff:

A. Pro Forma Analysis of TIF Showing:

- 1) anticipated public costs;
- 2) sources of financing;
- 3) anticipated tax increments; and
- 4) cash flow model showing relationship of costs and revenue over time.

B. Implementation Budget, Including Estimates For:

- 1) administration;
- 2) repayment of planning costs;
- 3) land acquisition and related expenses;
- 4) demolition and site clearance;
- 5) interest costs;
- 6) contingencies; and
- 7) project improvements:
 - (i) infrastructure
 - (ii) streetscape treatment
 - (iii) other treatments

The budget estimates would need to be provided by the Village with Consultant assistance.

C. Financing Plan Showing:

- 1) Timing and sequence of receipt of proposed incremental funds flows;
- 2) Proposed timing and sequence of expenditures of public funds;
- 3) Testing of alternative assumptions of development scenarios (best and worst case); and
- 4) Identified issues associated with retirement of any obligations.

SECTION D

Fees for Services

FEES FOR SERVICES

KM normally bills for services on an hourly fee basis for the services requested. We find this more prudent for the client – since the client can exercise control of KM attendance at meetings, involvement in certain implementation tasks, etc. We also believe that it is more prudent for KM because we can then budget our time and resources most appropriately.

Fees would be charged monthly at the hourly rates set forth below.

Hourly Rate Breakdown:

<u>Personnel</u>	<u>Hourly Rates</u>
President	\$200.00/Hour
Executive Vice President	\$175.00/Hour
Officers	\$150.00/Hour
Associates	\$100.00/Hour
Research	\$ 60.00/Hour
Administrative	\$ 25.00/Hour

All such fees could be reimbursed to the Village through TIF revenues or bonds, if applicable.

Range of fees are summarized below:

Task 1	TIF Eligibility Report and Preliminary Financial Projections	\$7,000 to \$10,500
Task 2	Prepare TIF District Redevelopment Plan	\$15,000 to \$19,500
Task 2A	Housing Impact Study	\$5,000 to \$7,000
Task 3	Financial Analysis	To be determined upon Village authorization

To the extent that Village staff would assist in certain tasks involving data collection or assembly, as well as the preparation of large mailings, it is possible to provide certain cost savings and KM would be willing to discuss such potential reductions to fees above.

SECTION E

Background Information and Qualifications

BACKGROUND INFORMATION AND QUALIFICATIONS

Kane, McKenna and Associates, Inc.

Kane, McKenna and Associates, Inc. is very familiar with the designation of mixed use/commercial TIF Districts. Past and current assignments in DuPage County have included Lisle, Lombard, Winfield, West Chicago, Glendale Heights, Carol Stream and Downers Grove. These assignments have contributed significant project experience with respect to site survey techniques, finance plan components, and the creation of appropriate redevelopment strategies based upon familiarity with DuPage County TIF administration procedures.

Kane, McKenna and Associates, Inc. has a wide range of experience with area redevelopment plans in Illinois, as well as within communities located within the Chicago Metropolitan Area and throughout the State of Illinois. Assignments relating to determining and utilizing various public financing mechanisms, as well as related economic analysis have been undertaken on projects within Aurora, Naperville, Evanston, Skokie, Arlington Heights and Mount Prospect, as well as dozens of other suburban and downstate communities. A list of TIF related assignments and references are included below.

Kane, McKenna has 'hands-on' experience with all aspects of the TIF and other applicable tools. KMA's process ranges from the undertaking of an initial eligibility assessment to the negotiations involved in the structure of a redevelopment agreement and subsequent financing. Rarely have we completed a TIF District or set up another economic development program that did not proceed towards a successful financing of a redevelopment project. KMA-directed redevelopment projects have included downtown expansion or rehabilitation industrial projects, business parks, retail/commercial centers, regional malls, residential developments, and mixed-use projects. Given our wide-range of capabilities, we can assist the Village in the most efficient and expeditious manner. Financial projections, preparation of specific redevelopment plans, and the preparation of the applicable eligibility reports are just some of the components which can be undertaken by KMA. The firm also has experience with the presentation and review of TIF Districts with local taxing bodies, the business community, and developers.

Experience in the establishment of TIF Districts and other appropriate public finance programs and techniques, evaluation and analysis, as well as other economic development incentives, coupled with a sensitivity to the single largest factor in a successful development project – the project's financial and economic feasibility – has allowed Kane, McKenna to develop a unique approach to determining which techniques should ultimately be pursued.

Kane, McKenna and Associates, Inc. believes that a holistic approach to services will best meet the needs of the Village. A tight integration of KM services - data collection and assembly, financial projections, legal research, presentation, market feasibility, and other fundamental procedural aspects related to development within a designated area would be provided to the client. At the same time, these integrated services would be interwoven with concern for the financing of developments which accomplish the Village's objectives.

Kane, McKenna and Associates, Inc. is uniquely qualified for the tasks that the Village has outlined:

- Staff has significant experience in development, planning and financing, specifically in Illinois;
- The firm has been a major contributor to statutory changes in tax increment finance district establishment and related financing techniques;
- The firm benefits from our credibility with developers and businesses to attract and interpret proposals for actual development once a plan has been established;
- KMA has assembled a reputable and credible file of benchmarking data - including financial trends, market research, comparables, and assessment practices in conducting feasibility mechanisms to accomplish redevelopment plan objectives without increased burdens on municipal taxpayers; and
- Staff has established relationships with prominent development and tax assessment specialists who can be utilized on an as needed basis.

Financial Implications of Economic Development Partnerships in Redevelopment Projects

Kane, McKenna and Associates, Inc. offers the Village fresh insight, as well as the benefit of its diverse and extensive experience in economic development finance to help the Village answer the key questions associated with Redevelopment Financing for Project Areas:

1. What combination of financial incentives have been appropriate and feasible for the investments the Village has accomplished and still wishes to attract to the redevelopment areas?
2. Who are the leading potential developers for the project area(s)? What procedures should be used to attract and/or evaluate quality developers to any future redevelopment projects?
3. What criteria should be used to evaluate the financial capability and experience of developers and the economic feasibility of their proposals? How can the Village distinguish between the quality and credibility of various developer plans?

4. How does the Village determine the specific incentives most likely to induce the precise types of developments the municipality desires? Can interest rate write-down provisions of the TIF law, for example, be used to enhance development in lieu of added bond proceeds? What are the benefits of SSA and SAD designations?
5. Have historic private investments been large enough to generate the sales and property tax increments necessary to meet debt service required for new capital improvements? Will the likely private investments generate adequate increments?
6. How can economic development incentives be structured to take advantage of property tax cycles and reassessments?
7. What kind of municipal protection provisions should be included in any economic development-related bond issues or redevelopment agreements?
8. What risks does the Village take under each financing scenario in Federal tax law and Illinois State law? What steps can be undertaken to reduce such risk?
9. What combination of annual payments (interest cost write-down, reimbursement for eligible costs) and up-front funds has been successful and/or would best attract the desired users of the sites?
10. How should the redevelopment of the area be phased so as to best address any problems existing for underutilized properties?
11. What are the best ways to finance needed public improvements – road access, streetscape, utilities, etc. necessary to further stimulate private investment in the redevelopment project areas?
12. What portions of the area should be planned for public or institutional uses, based on the goals of the Village? How much in local taxes would be generated? How do other similar developments nearby impact on a particular site's ability to capture related or adjacent users?

Helping the Village find the best answers to these and other important questions requires an understanding of each transaction from the perspective of each local participant: the Village, property owners, local businesses, developers, banks, the lenders and the bondholders. Kane, McKenna and Associates, Inc. knows the development process and how developers think about financing programs, having served over 175 developers over the last 15 years.

Kane, McKenna and Associates, Inc., by firm or individual, holds memberships in a number of professional organizations, including the National Association of Securities Dealers, American Planning Association, Government Finance Officers Association (National and State), the Illinois Municipal League, the Illinois Association of School Boards, the Urban Land Institute, Chicago Municipal Analysts Society, and the Chicago Association of Commerce and Industry.

Kane, McKenna and Associates, Inc. prides itself in continuing to offer creative approaches to issues that the Village may raise. Work tasks are viewed as continuous; although retained for specific tasks, the firm is available to provide planning, financing and other development-related services as needed.

Experience in Designating Downtown and Mixed Use TIF Districts

In order to implement the most effective redevelopment-financing program, KMA has the capability to help the Village answer key financial and economic questions in a comprehensive manner. Kane, McKenna and Associates, Inc.'s approach is unique because of our extensive experience in economic development strategies, planning and municipal finance. KMA's bond finance subsidiary (Kane, McKenna Capital, Inc.), while not part of this engagement, provides important perspective on what is preferable from a market standpoint. Our understanding of market participants' needs and financial constraints are crucial to maximizing the return on a municipality's investment.

In sum, Kane, McKenna and Associates, Inc. has extensive experience in this area. The firm has assisted numerous nearby municipalities and other governmental entities in structuring and implementing financial incentive and economic development packages, such as with the following:

Sample TIF Redevelopment Plan and Projects

Village of Downers Grove: The Village of Downers Grove retained Kane, McKenna & Associates in 1997 to assist them in implementing a feasibility study and report for the creation of a Central Business District Redevelopment Project Area. The Village's intent for the formation of the RPA was to augment their new Downtown Master Plan. The Village set the redevelopment of the Central Business District as a primary goal in order to stem decline and preserve the importance of the central business function. Some of the primary goals of the RPA are to diversify uses located in the downtown, to capitalize and enhance anchor uses and to maintain an integrated, attractive appearance that is responsive to the needs of residents and users of the downtown. The Village is well positioned to accomplish these goals in that there are several complementary (Village Hall, Library, Park District and Post Office) government offices located in the downtown area. In addition, the locations of the commuter train station, the proximity and relation to adjacent residential uses and other activity generators (such as a theatre, park, and certain local retailers) are seen as a benefit to the Plan.

The Village worked with their Economic Development Commission, the Central Business District Committee, the Chamber of Commerce, Park District, Library, various property owners, businesses and citizens to develop the Master Plan and the subsequent RPA. It was determined that there is a need to strengthen existing business and enhance local business development in an effort to stimulate revitalization of the area. It was further determined that it is essential to provide improved parking to accommodate existing and new uses.

Village of LaGrange: Kane, McKenna assisted the Village to review various redevelopment proposals and finance options relating to the Downtown TIF District. Services included preparation of TIF projections, review of developer proposals, and assistance in financial modeling.

Village of Wheeling: The Village of Wheeling retained Kane, McKenna & Associates to assist them in determining the feasibility of creating a Redevelopment Project Area for an older site along the Milwaukee Avenue and Dundee Road Corridor that would assist them in effecting certain goals and objectives set forth in their recently adopted Comprehensive Plan. The RPA presented specific challenges to development in that there was very little vacant land available for new development, and the vacant land that was present had longstanding flooding issues. The Village wanted to utilize TIF as one of the funding mechanisms to enhance community transit related assets within the Village, to stimulate new growth, and to resolve and mitigate flooding problems. Another goal was to create a core for the community that would serve to attract a mixed-use of residential and commercial development that currently did not exist. However, both the TIF Plan and the Comprehensive Plan indicate that the transformation of the area into a Town Center development was to be principally be driven by redevelopment opportunities connected with the growth in influence and traffic of the Village's Metra station usage and growth that is anticipated to occur as a result of the double tracking of the North Central Metra line. It is to this end that KMA worked in conjunction with the Metra Station Area Planning Study consultant to include and set forth specific goals and objectives with respect to the overall plan.

The Village of Mundelein: The Village retained Kane, McKenna & Associates to assist them in identifying specific parcels and sub-areas for purposes of creating a downtown Redevelopment Project Area. The RPA consists of approximately eighty-three (83) tax parcels and fifty-nine (59) structures and due to the fact that over 55% of the buildings are thirty-five (35) years or more of age, the RPA was established as a conservation TIF District area. The Village's general goals and objectives dovetailed with both the TOD's and the RPA goals and objectives. In particular, the Village was desirous of creating strategies that would encourage positive and feasible redevelopment of vacant and/or underutilized sites and facilities in their Downtown area.

They also wanted to coordinate all redevelopment within the Village in a comprehensive manner, avoiding adjacent land use conflicts and negative community impacts while increasing growth and density near the train stations. Their main objectives throughout the process and going forward were: to coordinate open space design, access and traffic patterns; to improve convenience related to parking; and to coordinate mixed use redevelopment projects including various residential options as well as public uses.

City of Aurora: KM assisted the City in two series of amendments to the Downtown TIF District plan, including meetings with the school districts and other taxing districts in order to obtain approval for a proposed twelve (12) year TIF extension as well as increased budget capacity.

City of West Chicago: KM worked with the City on the designation of two TIF districts that included the Downtown area and a vacant shopping center. The Downtown TIF included the City's commuter rail and mixed use development/residential areas. KM also advised the City on negotiations over a mixed use project in the Downtown (including preparation of TIF projections), structured redevelopment agreement provisions, and assisted City staff in review of proposals.

Mixed Use Downtown Redevelopment Agreement Assignments

Kane, McKenna and Associates, Inc. has represented numerous municipalities in the negotiation and structuring of TIF redevelopment agreements that have involved land transfers, bond issuance, developer note issuance, and multi-phase implementation.

Projects have included:

City of Evanston Downtown TIF: KMA assisted the City to structure an agreement with representatives of the Arthur Hill Company regarding a major downtown redevelopment including retail, cinema, hotel and residential components. The agreement included provisions for land transfer to the developer, as well as provisions for issuance of City bonds relating to the construction of a parking deck that would serve all mixed use components.

City of Champaign Downtown TIF: KMA assisted City staff to structure a large scale housing redevelopment including transfer of the former Burnham Hospital property to a residential developer in phases including limited commercial/retail uses. The agreement provided for staged redevelopment over several years.

City of Des Plaines Downtown TIF: KMA assisted City staff over a 24 month period to structure the Metropolitan Square redevelopment agreement. The agreement included City property transfer, the developer's construction of a parking deck on behalf of the City, and City construction of certain off site improvements. The project included retail and commercial uses, residential components and a parking garage.

**TAX INCREMENT FINANCE DISTRICTS
WHICH KANE, McKENNA ASSISTED IN ESTABLISHING OR IMPLEMENTING**

<u>Municipality</u>	<u>Type of TIF**</u>
Addison, IL (4)	Commercial/Residential
Alsip, IL (2)	Commercial/Residential
Antioch (1)	Industrial
Arlington Heights, IL (2)	Mixed Use
Auburn, ME	Retail
Aurora, IL (6)*	Mixed Use/Industrial/Downtown
Bedford Park, IL (5)	Commercial/Hotel/Retail
Bellwood, IL (9)	Industrial
Beloit, WI	Retail
Belvidere, IL	Industrial
Berwyn, IL*	Commercial/Mixed Use
Bloomington, IL	Retail
Blue Island, IL (5)	Commercial/Industrial/Residential
Bolingbrook, IL	Residential
Bradley, IL	Mixed Use
Brookfield, IL (2)	Commercial
Bridgeview, IL	Retail
Broadview, IL	Retail/Industrial
Calumet City, IL	Commercial/Mixed Use
Calumet Park, IL (5)	Retail/Commercial
Carpentersville, IL (2)	Industrial
Carol Stream, IL	Industrial
Cary, IL (2)	Mixed Use/Retail
Champaign, IL	Commercial/Retail
Channahon, IL*	Mixed Use
Chicago, IL (8)	Commercial/Retail, Industrial
Chicago Heights, IL	Industrial
Cicero, IL (4)	Commercial/Industrial
Country Club Hills, IL	Commercial Retail
Crete (3)	Mixed Use
Creve Coeur, IL	Commercial/Industrial
DeKalb, IL	Mixed Uses
Des Plaines, IL (4)	Commercial/Industrial
Dixmoor, IL (2)	Commercial/Retail/Industrial
Dolton(3)	Mixed Use
Downers Grove, IL (2)	Mixed Use, Commercial/Retail*
East St. Louis, IL	Commercial
Elgin, IL*	Commercial/Industrial
Elmwood Park, IL	Mixed Use, Commercial/Retail

* One or more in progress.

** Includes TIFs established through Industrial Jobs Recovery Act.

<u>Municipality</u>	<u>Type of TIF**</u>
Elwood, IL	Industrial
Evanston, IL (6)	Commercial/Industrial/Retail/Mixed Use
Forest Park, IL (4)	Commercial
Fox River Grove, IL	Commercial
Franklin Park, IL (8)	Industrial
Freeport, IL (3)	Mixed Uses/Commercial, Residential
Glendale Heights, IL (3)*	Commercial/Retail
Glenwood, IL	Industrial
Grundy County (2)	EDPA/Industrial
Harvey, IL (2)**	Industrial
Havana, IL	Commercial/Mixed Use
Hazel Crest, IL (5)	Industrial/Commercial
Hodgkins, IL (2)	Retail
Hoffman Estates, IL (2)	Commercial
Homewood, IL (2)	Commercial/Industrial/Mixed Use
Justice, IL (3)	Commercial/Industrial/Mixed Use
LaGrange, IL	Mixed Use
Lansing, IL	Industrial
LeRoy, IL (2)	Commercial
Lexington, IL	Mixed Use
Lincolnshire, IL	Commercial
Lincolnwood, IL (2)	Industrial/Retail
Lockport, IL	Mixed Use/Downtown
Lombard, IL (3)	Commercial
Lynwood, IL	Commercial/Retail
Lyons (3)	Mixed Use
Manteno, IL (1)	Downtown Amendment
Markham, IL (4)**	Retail/Commercial/Industrial
Matteson, IL (4)	Industrial/Retail
Marseilles, IL (4)	Residential/Recreational
Melrose Park, IL (5)	Mixed Use
Minonk, IL (3)	Commercial/Industrial/Mixed Use
Monee, IL (3)	Commercial
Morton Grove, IL	Commercial/Retail
Mount Prospect, IL (1)	Downtown
Mundelein, IL	Downtown/Mixed Use
Muskegon, MI	Commercial/Retail
Niles, IL (3)	Commercial/Industrial
North Chicago, IL (1)*	Mixed Use
North Pekin, IL	Commercial
Northbrook, IL	Mixed Use
Oak Forest, IL (3)	Commercial
Oak Lawn, IL (1)	Retail/Commercial

* One or more in progress.

** Includes TIFs established through Industrial Jobs Recovery Act.

<u>Municipality</u>	<u>Type of TIF**</u>
Orland Hills, IL	Commercial/Retail
Ottawa, IL	Mixed Use
Palatine, IL (2)	Commercial/Retail, Downtown*
Park Forest, IL (2)	Commercial/Mixed Use
Park Ridge, IL	Retail/Commercial
Peru, IL	Retail/Commercial
Phoenix, IL	Mixed Use
Posen, IL (2)	Mixed Use
Richton Park, IL (5)	Commercial/Industrial
River Grove, IL (2)	Retail, Mixed Use
River Forest, IL	Retail
Riverdale, IL (4)	Industrial
Robbins, IL	Commercial
Rockford, IL (12)**	Industrial/Commercial/Residential
Rolling Meadows, IL (3)	Commercial/Retail/Mixed Use/Residential
Romeoville, IL (3)*	Commercial/Industrial
Rosemont, IL (3)	Commercial
Round Lake Beach, IL (3)	Commercial/Retail
St. Louis, MO	Commercial
Savanna, IL	Retail/Mixed Use
Sauget, IL	Industrial
Sauk Village, IL (4)	Commercial/Industrial
Savoy, IL	Mixed Use
Seneca, IL (4)*	Industrial/Intermodal/Downtown
Sherman, IL	Commercial
Skokie, IL (4)	Commercial/Residential
South Chicago Heights, IL (3)*	Commercial
Southern View, IL	Mixed Use
Sparta, IL	Residential
St. Charles, IL	Commercial
Steger, IL	Residential/Senior Housing
Stephenson County, IL	EDPA/Industrial
Stone Park (1)*	Mixed Use
Tinley Park, IL	Commercial
University Park, IL (5)**	Commercial/Industrial
Villa Park, IL	Commercial
Warrenville, IL	Commercial/Residential
West Chicago, IL (2)	Commercial
Wheeling (3)	Mixed Use
Willow Springs, IL	Mixed Use/Residential
Worth, IL	Commercial
Zion, IL (2)	Industrial, Commercial

* One or more in progress.

** Includes TIFs established through Industrial Jobs Recovery Act.

Philip R. McKenna, President

Mr. McKenna was a founding partner of Kane, McKenna and Associates, Inc. in 1984 and has served as President and Chief Executive Officer of both Kane, McKenna and Associates, Inc. and its affiliate, Kane, McKenna Capital, Inc., since 1994. Previously, Mr. McKenna was first vice president and manager of public finance for Van Kampen Merritt Inc., a Naperville, Illinois based investment banking firm. In that role Mr. McKenna was responsible for a full range of tax-exempt financing transactions including General Obligation, Special Service Area, Municipal Revenue Bonds, College and University Revenue Bonds, Health Care Revenue Bonds, Pollution Control Revenue Bonds, and Industrial Revenue Bonds. He was previously the Deputy Head of the Public Finance Department of The First National Bank of Chicago.

Mr. McKenna's expertise encompasses many aspects of public finance and economic development, in particular: municipal general obligation and revenue bond financing; education; urban redevelopment; industrial and commercial development and redevelopment; housing finance; tax increment financing; and other public forms of incentive financing. Mr. McKenna has worked extensively with public officials responsible for municipal finance activities in several midwestern states. He has also served as an advisor to the Chicago Economic Development Commission, the United States Conference of Mayors, and associations of private colleges and universities.

Mr. McKenna currently serves on advisory and/or governing boards within and without the industry including: Illinois Tax Increment Association, Board and Legislative Advisory Committee. He previously served on the Chicago Southland Alliance Board, and the John Marshall Law School adjunct faculty for real estate finance. He has been a frequent speaker on a variety of municipal and development topics.

Mr. McKenna has served on numerous civic, community, and not-for-profit boards and committees, including: Board of Trustees, Saint Mary-of-the-Woods College, Indiana; various United Way monitoring committees; Board of Regional Economic Development Coordinating Board; and Board of Directors, Hinsdale Little League.

Mr. McKenna has also written articles and/or delivered speeches to a number of organizations, including: Illinois GFOA; Chicago Metropolitan GFOA; Illinois Tax Increment Association; Federal Reserve Bank Forums; and Illinois and Indiana Legislative Committees.

A 1970 graduate of the University of Notre Dame, Mr. McKenna also received a Master of Business Administration degree from The University of Chicago in 1978.

Robert Rychlicki, Executive Vice President

Mr. Rychlicki has been with Kane, McKenna and Associates, Inc. (and its predecessor firm) since its inception. With over twenty years of experience, he has structured financings for more than 120 developments and redevelopments in over 70 different communities.

Mr. Rychlicki's experience includes framing local government economic development efforts, including the formation of revolving loan funds, local economic development commissions, and business retention efforts. He has also facilitated the successful development of public/private partnerships, which have included various municipal, state, and federal programs utilized in conjunction with private sector financing (both equity and debt). Along those lines, Mr. Rychlicki has coordinated the creation of numerous tax increment financing districts and associated TIF bond issues, business districts, and sales tax sharing agreements.

Through the above experience, Mr. Rychlicki has developed an understanding of the economics of many types of developments, including industrial, commercial, retail, residential and hotel developments. Utilizing this knowledge, he has assisted in structuring arrangements so that market driven projects are successfully carried out within the framework of the project's parameters.

Mr. Rychlicki completed both his undergraduate and graduate work at the University of Illinois at Chicago, and earned a Master in Administrative Science, a program offered jointly by the business school and the public policy school.

Charles J. Biondo, Senior Vice President

Mr. Biondo joined Kane, McKenna and Associates, Inc. (KMA) in February of 2007. He is working on a variety of economic development projects utilizing tax increment financing, special service areas, business districts and other economic development incentive programs. He is also assisting municipal clients with the structuring of debt financing and the issuance of bonds.

Prior to joining KMA, Mr. Biondo worked for over 34 years in the public sector. Most recently, he served as Village Administrator with the Village of River Forest from 1987 through January of 2007. During which time he assisted the Village Board with major retail development projects, the funding of various public improvements and the issuance of several bonds utilizing Tax Increment Financing and other financing mechanisms. He initiated Special Service Area financing to fund required infrastructure improvements. As Budget Officer he was also responsible for the preparation of the annual budget and capital improvement plan. Mr. Biondo will rely heavily on his past municipal experience as he works with clients in both the public and private sectors.

Mr. Biondo earned a Bachelor of Science degree in Psychology from St. Norbert College and a Master of Science degree in Administration of Public Services from De Paul University.

Nicholas Greifer, Vice President

Mr. Greifer assists KMA clients on a variety of economic development and financial advisory engagements. Completed engagements include: feasibility studies for redevelopment projects, revenue forecasts, long-term financial planning, and TIF and Business District planning and compliance. He works with clients through all phases of the Tax Increment Financing cycle, from planning to execution to annual reporting.

Prior to joining KMA, Mr. Greifer was a manager with the Government Finance Officers Association (GFOA) of the United States and Canada, where he wrote a variety of public finance publications and was editor of *Public Investor*. Among the GFOA publications was *An Elected Official's Guide to Tax Increment Financing*. Additionally, he worked as a legislative analyst with the Northwest Municipal Conference on tax increment and revenue, and other legislation impacting Illinois home rule and non-home rule municipalities. He started his career with the U.S. Government Accountability Office (GAO) in Washington D.C.

Mr. Greifer holds a Master of Public Policy degree from the University of Michigan Gerald Ford School of Public Policy. He obtained his Bachelor of Arts from the University of Michigan.

SECTION G

References

Kane, McKenna and Associates, Inc.
Economic Development Project References

- 1) Mr. Gerald Sprecher
Village Manager
Village of Lisle
925 Burlington Avenue
Lisle, Illinois 60532-1838
Phone: 630/271-4100
- 2) Ms. Marcie J. Schatz
Director of Transportation
City of Naperville
400 South Eagle Street
Naperville, Illinois 60566-7020
Phone: 630/420-6087
- 3) Mr. Brian W. Caputo
Finance Director
City of Aurora
44 East Downer Place
Aurora, Illinois 60507-3302
Phone: 630/844-3613
- 4) Mr. David Hulseberg
Village Manager
Village of Lombard
255 E. Wilson Avenue
Lombard, Illinois 60148-3926
Phone: 630/620-5700
- 5) Mr. Tom Thompson
Economic Development Director
Mr. Robert Nowak
Finance Director
Village of Skokie
5127 Oakton Street
Skokie, Illinois 60077
Phone: 847/673-0500
- 6) Mr. Richard Schnuer
Finance Director
City of Champaign
102 North Neil Street
Champaign, Illinois 61820
Phone: 217/403-8943

Village of Glen Ellyn

Ordinance No. _____

**An Ordinance Approving an Agreement between
the Village of Glen Ellyn and Kane McKenna and Associates, Inc.
for Tax Increment Financing Consultant Services**

**Adopted by the
President and the Board of Trustees
of the Village of Glen Ellyn
DuPage County, Illinois
This ____ Day of _____, 2013.**

Published in pamphlet form by the authority of the
President and Board of Trustees of the Village of
Glen Ellyn, DuPage County, Illinois,
this ____ day of _____, 2013.

Ordinance No. _____

**An Ordinance Approving an Agreement between
the Village of Glen Ellyn and Kane McKenna and Associates, Inc.,
for Tax Increment Financing Consultant Services**

Whereas, the President and Board of Trustees of the Village of Glen Ellyn have determined that it is in the best interest of the Village to consider a Tax Increment Financing District on Roosevelt Road; and

Whereas, the Village received two proposals from qualified consultants to complete a Tax Increment Financing District Feasibility Study to determine if such a district could be established; and

Whereas, a preference for Kane McKenna and Associates was established based upon methodology for project completion, qualifications of the firm and individual staff assigned to the project, experience of the firm and staff on similar projects, cost for services and references.

Now Therefore be it Ordained by the President and Board of Trustees of the Village of Glen Ellyn, DuPage County, Illinois, in the exercise of its home rule powers, as follows:

Section One: That the findings of fact set forth hereinabove are hereby adopted as the findings of the President and Board of Trustees of the Village of Glen Ellyn.

Section Two: That the agreement with Kane McKenna and Associates, Inc. for professional services, pursuant to the copy thereof attached hereto as Exhibit "A", is hereby approved in the amount of \$29,000.

Section Three: That the President and Village Clerk are hereby authorized and directed to enter into said agreement on behalf of the Village of Glen Ellyn and to do all things necessary to carry out the terms of said agreement.

Section Four: This ordinance shall be in full force and effect from and after its passage and approval in the manner provided by law.

Passed by the President and Board of Trustees of the Village of Glen Ellyn, Illinois, this day of _____, 2013.

Ayes:

Nays:

Absent:

Abstentions:

Approved by the Village President of the Village of Glen Ellyn, Illinois, this _____ day of _____, 2013.

Village President of the
Village of Glen Ellyn, Illinois

Attest:

Acting Village Clerk of the
Village of Glen Ellyn, Illinois

A-4

MEMORANDUM

TO: Mark Franz, Village Manager
FROM: Kristen Schrader, Assistant to the Village Manager – ADM 
DATE: November 29, 2012
RE: Proposed Tax Increment Financing District – Roosevelt Road



Background

Tax Increment Financing (TIF) is a tool provided to local governments to assist them in stimulating investments in areas which have difficulty attracting development or redevelopment. The Village created its first TIF District in 2012 in the downtown.

The Village recently identified a portion of Roosevelt Road that may also benefit from the creation of a TIF District. The area is generally bounded by those commercial and multifamily residential properties fronting the north side of Roosevelt Road located between Main Street to the east and Park Boulevard to the west along with those commercial properties between Park Boulevard and Route 53 generally situated between Roosevelt Road and Taft Avenue. It does not include most of the commercial district that has been redeveloped over the last 20 years. The included area may be considered for a TIF District as it has struggled with a lack of private development over the years, creating a variety of deficiencies with business and structural investment. The creation of a TIF District may assist in remedying these deficiencies with public/private partnerships, and will also assist the Village in continuing its proactive economic development efforts.

Issues

An initial review of these boundaries by Ehlers (Downtown TIF Consultant) indicates that it should qualify as a TIF District, conservation area. This is confirmed with the attached preliminary parcel list demonstrating key conditions for TIF qualification: at least 50% of structures are over 35 years in age (actual over 75%), and a trend of declining equalized assessed value. Please see the attached document on "What conditions must exist for an area to be designated TIF?" for further detail on TIF required conditions.

In order to officially determine if this area is TIF eligible however, a feasibility study should be conducted by a TIF consultant. The cost to conduct a feasibility study should be approximately \$20,000 (considered a TIF eligible expense) and would be funded through the Village's Economic Development budget in FY 13/14.

If the area is generally considered eligible to be designated as a TIF District, the consultant would recommend final TIF District boundaries, and the Village could move forward with the TIF designation process including the redevelopment plan and eligibility report.

Action Requested

The Board is asked to consider if Village staff should move forward with seeking proposals to conduct a TIF feasibility study for a portion of Roosevelt Road.

Recommendation

Village staff recommends moving forward with seeking proposals to complete a TIF feasibility study for the proposed portion of Roosevelt Road. If directed to seek proposals, staff will also reach out to the appropriate taxing districts to discuss the Village's initial interest in considering a TIF District.

Attachments

- Proposed TIF District Boundaries
- Document: "What conditions must exist for an area to be designated TIF?"
- Preliminary Parcel List

Roosevelt Road TIF Boundaries



What conditions must exist for an area to be designated for TIF?

Illinois law includes three sets of conditions for qualifying areas as TIFs:

- blighted conditions
- conservation conditions
- Industrial park conservation conditions

To be designated as a **blighted area**:

Improved property (land that is not vacant) must contain at least 5 of 14 factors that make it detrimental to the public safety, health or welfare of the community. These factors must be present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that each factor is clearly present and reasonably distributed throughout the improved part of the area. These factors are:

- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Structures below minimum code standards
- Excessive land coverage and overcrowding of structures and community facilities
- Lack of ventilation, light or sanitary facilities
- Inadequate utilities
- Excessive land coverage
- Deleterious land use or layout
- Environmental clean-up
- Declining equalized assessed value, and
- Lack of community planning

Vacant land must have at least two of the following six factors that impair sound growth of the area, using comparable standards of evidence as for Improved areas:

- Obsolete platting
- Diversity of ownership
- Tax and special assessment delinquencies
- Environmental contamination
- Declining equalized assessed value
- Deterioration of structures or site improvements on adjacent land

In addition, there are six other types of vacant land that can be designated for TIF. They include land that was blighted before becoming vacant; unused quarries, mines, or strip mine ponds; unused rail yards, rail tracks or railroad right-of-way; chronic flooding that adversely impacts on property in the area and is caused by improvements recently constructed in the area; unused or illegal disposal sites; large areas that have been previously designated as a town center and meet other requirements.

To be designated as an **industrial park conservation area**:

The municipality must have had a relatively high unemployment rate and the area to be designated must be located within the municipality or within 1.5 miles of the municipal boundaries and be annexed to the municipality; be zoned industrial prior to the establishment of the TIF and contain vacant land suitable for an industrial park and a blighted or conservation area contiguous to the vacant land.

To be designated as a **conservation area**:

- At least 50% of the structures in the Improved area must be 35 years old; and
- Three of the 14 factors for designation of a blighted area and another factor entitled "excessive vacancies" must be present.

Source: Illinois Tax Increment Association

VILLAGE OF GLEN ELLYN
Roosevelt Road TIF - Preliminary Parcel List

Parcel Number	TAX YEAR						Tax Year 2012 (Twp Est)	Imprv over 35 yrs
	2006	2007	2008	2009	2010	2011		
0514312016	164,740	185,530	204,910	204,910	197,230	176,060	164,650	1
0514312019	200,090	177,900	340,870	324,700	312,530	290,573	272,160	0
0514312020	59,700	79,160	82,960	88,930	95,220	93,428	87,480	1
0514312022	165,230	202,120	211,820	211,820	203,880	182,055	179,820	1
0514312023	176,240	233,690	244,910	292,130	281,180	274,602	257,110	1
0514312024	2,150,170	2,280,000	2,389,440	1,966,670	2,289,840	2,166,670	2,649,400	1
0514314005	202,270	230,590	241,660	200,000	192,500	168,432	157,710	1
0514314006	202,260	230,580	241,660	200,000	192,500	168,430	157,700	1
0514314013	237,490	278,190	292,490	292,490	256,540	243,544	228,030	1
0514314015	178,380	207,590	217,550	217,550	209,390	187,246	184,680	1
0514314016	21,800	29,040	30,430	30,430	29,280	37,313	34,940	1
0514314017	22,720	30,130	31,580	37,680	36,250	42,569	39,860	1
0514314018	135,800	174,830	114,320	62,340	54,530	88,888	100,070	1
0514314019	112,840	128,930	135,120	135,120	130,060	114,085	106,830	1
0514314021	160,380	177,770	186,310	186,310	179,320	159,460	159,460	1
0514314022	151,640	166,160	178,230	178,230	169,620	169,782	149,600	1
0514314024	202,270	230,590	241,660	200,000	192,500	168,430	157,710	1
0514314025	202,270	230,590	241,660	200,000	192,500	168,430	157,700	1
0514314026	202,260	230,580	241,660	200,000	192,500	168,430	157,700	1
0514314030	5,370	11,100	11,640	11,640	11,200	11,568	13,790	1
0514314031	32,710	43,370	46,730	46,730	44,880	48,403	55,350	1
0514314032	346,410	384,100	413,020	413,020	397,540	374,483	350,830	1
0514314033	251,140	281,290	294,800	323,370	311,240	293,186	274,510	1
0514315001	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315002	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315003	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315004	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315005	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315006	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315007	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315008	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315008	39,180	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315010	39,160	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315011	39,180	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315012	39,160	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315013	39,180	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315014	39,180	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315015	39,160	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315016	39,160	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315017	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315018	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315019	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315020	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315021	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315022	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315023	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315024	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315025	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315026	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315027	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315028	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315029	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315030	44,010	47,750	56,250	56,250	54,140	47,605	44,570	1
0514315031	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315032	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514315033	39,180	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315034	39,160	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315035	39,160	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315036	39,180	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315037	39,180	42,490	44,530	44,530	42,860	38,507	36,050	1
0514315038	39,160	42,490	44,530	44,530	42,860	38,507	36,050	1

VILLAGE OF GLEN ELLYN
Roosevelt Road TIF - Preliminary Parcel List

Parcel Number	TAX YEAR						Tax Year 2012 (Twp Est)	Imprv over 35 yrs
	2006	2007	2008	2009	2010	2011		
0514316039	38,180	42,490	44,530	44,530	42,860	38,607	36,050	1
0514316040	38,180	42,490	44,530	44,530	42,860	38,607	36,050	1
0514316041	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514316042	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514316043	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514316044	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514316045	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514316046	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514316047	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514316048	49,470	53,670	56,250	56,250	54,140	47,605	44,570	1
0514316049	38,020	41,250	43,230	43,230	41,610	38,507	36,050	1
0514316050	38,020	41,250	43,230	43,230	41,610	38,507	36,050	1
0514316051	38,020	41,250	43,230	43,230	41,610	38,507	36,050	1
0514316052	38,020	41,250	43,230	43,230	41,610	38,507	36,050	1
0514316053	38,020	41,250	43,230	43,230	41,610	38,507	36,050	1
0514316054	38,020	41,250	43,230	43,230	41,610	38,507	36,050	1
0514316055	38,020	41,250	43,230	43,230	41,610	38,507	36,050	1
0514316056	38,020	41,250	43,230	43,230	41,610	38,507	36,050	1
0514419012	144,050	162,510	170,310	170,310	163,920	154,413	144,580	1
0514419043	42,970	56,880	102,810	122,400	117,610	94,835	88,690	1
0514419046	79,910	94,000	99,510	99,510	94,820	89,320	83,630	1
0514419048	157,040	186,870	195,630	217,850	209,690	197,528	184,940	0
0514419049	251,190	282,490	298,050	276,280	265,910	266,529	249,550	1
0523200002	41,210	50,890	53,330	53,330	51,330	42,371	46,380	1
0523200005	112,540	126,100	132,160	147,760	142,220	133,971	126,440	1
0523200012	218,720	246,180	258,000	258,000	248,330	389,441	364,640	1
0523200016	168,280	182,860	191,630	191,630	184,450	61,605	57,370	1
0523200018	257,240	318,880	334,280	334,280	321,750	298,303	319,440	1
0523200019	168,650	191,260	200,440	200,440	192,920	161,731	170,160	0
0523200020	243,380	188,820	185,880	195,890	188,550	188,381	180,890	0
0523200021	84,540	83,420	87,910	87,910	84,240	45,207	42,330	1
0523201002	308,640	301,120	315,570	315,570	303,740	268,000	268,030	0
0523201007	160,020	176,820	185,310	185,310	178,360	186,374	174,500	1
0523201008	38,210	51,990	54,490	65,000	62,560	62,040	58,090	1
0523201024	103,240	130,470	138,740	158,680	152,740	147,478	138,080	1
0523201028	283,550	328,100	344,900	344,900	331,970	318,688	298,890	1
0523201027	23,090	30,620	32,090	38,250	36,820	36,032	33,730	1
0523201028	116,160	154,030	161,420	182,530	185,310	147,122	137,750	1
0523201031	235,660	586,500	1,448,680	1,274,880	1,227,070	858,654	858,760	0
0523201032	188,240	813,640	857,490	857,490	821,590	868,138	812,840	0
0523202003	88,850	110,500	115,800	148,380	142,820	134,538	125,960	1
0523202008	131,140	168,360	178,450	208,630	164,820	129,365	129,370	1
0523202018	484,080	451,133	472,780	513,280	253,970	228,906	228,930	1
0523202028	862,340	935,477	980,390	1,087,130	537,690	367,446	367,480	1
0523202029	740,140	719,483	754,030	808,130	371,840	311,717	311,760	1
0523202033	1,111,130	1,080,123	1,131,970	1,131,970	546,540	311,853	311,990	1
0523202034	160,650	179,970	223,860	301,700	290,380	273,538	256,120	0
0523205022	67,450	89,440	70,310	70,310	58,790	76,424	78,430	1
0523205023	1,349,280	1,311,627	1,374,590	1,446,190	483,950	399,625	399,670	1
0523205024	1,248,310	1,210,553	1,268,660	1,397,510	738,310	728,759	728,840	0
Total Redevelopment Project Area EAV	17,844,830	20,068,318	22,023,830	21,878,109	18,212,440	18,337,823	16,233,430	88
Percent Change		12.41%	9.80%	-0.66%	-16.76%	-10.26%		
Village Wide EAV	1,286,898,442	1,388,804,314	1,479,870,993	1,486,447,478	1,432,936,963	1,324,205,107	111	
Balance of Village Wide EAV	1,239,153,912	1,388,845,988	1,457,847,123	1,464,568,378	1,414,724,523	1,307,887,284	76.50%	
Percent Change		10.47%	6.50%	0.46%	-3.40%	-7.55%		
CPI		2.8%	3.8%	-0.4%	1.6%	3.2%		

X

% of buildings over 35 yrs in age

*NOTE: Tax Year 2012 Parcel EAV is Tentative; not Final with County.
 Source of Parcel EAV and Improvement Age: Milton Township Assessor
 Source of Village EAV: DuPage County Clerk

MEMORANDUM

TO: Mark Franz, Village Manager
FROM: Julius Hansen, Public Works Director
DATE: February 6, 2013
SUBJECT: Sewer Televising Equipment Purchase & Van Conversion

**Background:**

The Public Works Department currently does not have the ability to televise sewer pipes without calling a contractor. Contractor assistance for all sewer televising needs is expensive at \$1.85 per foot and contractor response to emergencies can be slow. The average emergency cost is \$500 per hour costing about \$2,000 per occurrence. In 2012, over \$13,000 was spent utilizing a contractor for emergencies. Having the ability to televise sewers utilizing public works employees will reduce costs and improve service to residents with a quick response. The cost to purchase a sewer televising van outfitted with equipment to do the job would cost \$150,000. The village can convert an existing van to perform sewer televising and save \$40,000 in capital. In addition, a reduction in contractor services will save over \$10,000 annually while providing better service.

Issues:

Televising sewer pipes is needed for different specific purposes. Sewer pipe cleaning is an important public works function to ensure sewers are functioning to the maximum effective capacity as designed. Televising should be performed in conjunction with routine sewer cleaning to improve the effectiveness of the annual sewer cleaning operation. Currently public works cleans sewer without televising. The crew relies on the assumption that sewers are cleaned properly without the ability to confirm the cleaning was successful with a televised inspection while performing sewer cleaning operations.

Another purpose of sewer televising is troubleshooting emergencies when sewer pipes are not functioning as designed. These emergency situations need immediate attention so citizens are not vulnerable because a main sewer pipe failure. Contractors will not respond to these emergencies as quickly as public works employees.

Another purpose for sewer televising is to inspect suspect sewer pipe in a proactive manner to avoid emergencies from taking place. Sewer pipe that is inspected and found to be lacking structural integrity can be repaired in a cost effective scheduled maintenance program.

Recommendation:

- Award of a contract to Standard Equipment
- Award of a contract to Sauber Manufacturing

Action Requested:

- A. Motion to approve award of a contract to Standard Equipment in the amount of \$69,991 for the purchase of a sewer televising equipment to be expensed Sanitary Sewer funds.
- B. Motion to approve award of a contract to Sauber Manufacturing in an amount not to exceed \$26,000 for the conversion of a van to be utilized for sewer televising to be expensed Sanitary Sewer funds.

Attachments:

- Memo and attachments from Bob Greenberg, Utility Superintendent

MEMORANDUM

TO: Julius Hansen, Public Works Director

FROM: Bob Greenberg, Utilities Superintendent

DATE: February 11, 2013



RE: Award contracts to purchase sewer televising equipment and retrofit televising van

Background

Public Works for many years has awarded annual contracts to televise sanitary and storm sewers to provide information to Engineering firms prior to project identification and design. In addition, Public Works had also contracted sewer TV firms to identify problem sewers that need immediate attention and subsequent emergency repairs, as well as, documenting the causes of sanitary sewer overflows (SSO's) that require a detailed report to the IEPA within five days.

To streamline these processes Public Works proposes the purchase of a mobile sewer televising system capable of providing detailed digital video reports that are consistent with industry standards and in a format compatible with viewing software.

The second part of this memo is a request to retrofit a recently purchased van from the Police Department to make it compatible as a Sewer Televising Van to house the considerable electronic components required to support the sewer televising equipment.

Recommendation

Public Works staff has researched four separate manufactures and has found two suitable matches for our needs. Rausch Electronics quoted \$84,367 for a mobile televising system and Standard Equipment quoted \$69,691 for a comparable system. \$80,000 provided for in FY12/13 budget.

For the work required to retrofit the sewer TV van, Sauber Manufacturing has quoted \$22,820. Per a recommendation from Frank Frasco we have only one quote for the conversion as Sauber is the only truck body fabricator in the area capable of doing the needed custom work. \$30,000 provided for in FY12/13 budget.

Action Requested

I request that the Village Board award a contract to Standard Equipment of Chicago, Illinois in the amount of \$69,991 for the purchase of an EnviroSight Rover X sewer TV system.

In addition, I request that the Village of Glen Ellyn award to Sauber Manufacturing Company a contract in the not to exceed amount of \$26,000. This includes a 15% contingency beyond the quoted amount of \$22,820.

Attachments : Standard Equipment, Rausch Electronics and Sauber quotes. Budget footnote.



Mr. Bob Greenberg
Utilities Superintendent
Village of Glen Ellyn
30 S. Lambert Rd.
Glen Ellyn, IL 60137

January 30, 2013

Dear Mr. Greenberg,

Standard Equipment Company is pleased to present the following quote of an Envirosight Rover X mainline sewer inspection system with equipment per your request. Please note that this quote is valid for 30 days from today's date.

Envirosight Rover X Mainline Camera to include:

6 wheel steerable crawler
Pitch sensor
8" screen pendant controller
Digital video and still image recording
1000' cable
4 medium rubber wheels
4 large rubber wheels
Dual lasers
(2) two inch tiger tails
Top manhole roller
Onsite operator/maintenance training

Inclination
Sonde transmitter
Text generation
Automatic cable reel
6 small rubber wheels
4 medium grease wheels
RCX90 Pan, zoom and tilt camera
Shipping case for camera
Cable re-termination kit
FOB Glen Ellyn
Payment upon delivery

FOR THE AMOUNT OF:

\$69,691.00

Thanks you for the opportunity to quote you for your sewer televising needs. Please contact me at (312) 208-6377 if you have any questions.

Best Regards,

STANDARD EQUIPMENT COMPANY

Jim Miller
Sales Representative



4757 Innovation Way
Chambersburg, PA 17201

Phone # 717-709-1005 Fax # 717-709-1009

System Quote

Date	Quote #
1/26/2013	13-012

Name / Address
City of Glen Ellyn, Illinois Mr. Bob Greenburg

E-mail
reusa@rauschtv.com

P.O. No.	FOB	Rep	Project
	Chambersburg		

Item	Description	Qty
	Equipment ONLY for customer self-installation: mainline system. All other equipment to be provided by customer. This is a SPECIAL OFFER!	
US8048 110927 US9137 EB2597	Control Unit-Eco-Star 400 ECO-Star Integration Kit Connection for cable drum ELKA600 to ECO-Star300 EcoStar, System Control Unit, complete with all accessories.	1 1 1
US8053 110492 110494 110493	Cable Drum, Alpha-150 Alpha150 Cable drum VTS 110V Alpha150 Cable drum kit external operation	1 1 1
EW1203 EB1824 EB2487	Main Camera Cable RAU 9.1 1x75 Ohm, 8x1 4x0,25, per foot C-plug EX RAU 9.1,20 pole digital Round plug-type connector 17-pole (pins) mounted on RAU 9.1 Alpha150 Cable Reel, complete, to be floor mounted	500 1 1
US8056 110848 110847 HG9437 110688	Wheel, Aggressive 6-8" L135 3-3/4" x 3/4" (95mm x 21mm) Wheel, Aggressive 6" L100C/L135 3"x 3/4" (75mm x 19mm) Tires 210/65, pneumatic Modular Tractor L135, steerable, CNC-machined, pressurized, heavy-duty & cardanic C-connector, no exposed wires, quick-connect system to modules.	4 4 4 1
110696	Lift, Electric L135 VTS	1

- Quote valid for 30 days.
- 30% down with purchase order
- All prices in US \$, Net FOB Chambersburg, PA unless stated otherwise.
- All REUSA's Sales and Warranty conditions apply.
- PA Sales Tax 6%, if applicable.

Net FOB

Signature _____



4757 Innovation Way
Chambersburg, PA 17201

Phone # 717-709-1005 Fax # 717-709-1009

System Quote

Date	Quote #
1/26/2013	13-012

Name / Address
City of Glen Ellyn, Illinois Mr. Bob Greenburg

E-mail
reusa@rauschtv.com

P.O. No.	FOB	Rep	Project
	Chambersburg		

Item	Description	Qty
110708	Hook, Lifting/Lowering Hook L135/SAT135	1
110845	Wheel, Rubber L135 Stackable 3 1/2 x 1/2(93mm x 17mm) L135 Steerable Tractor, complete with wheel sets and accessories for pipe diameter 6 to 60 inch	4
US8055		
HG2921	Deflection Pulley cable 800mm, diameter	1
110862	Camera, KS135NTSC (120:1 zoom, homing, manual & auto focus, infinite rotation, pressurized, etc.) Module M150 ML, Mainline inspection camera system; up to 18 inch pipe diameter	1
US8049		
US9147	Rackmount CPU, video kit plus configuration (POSM) PC in 19" Industrial Grade. Intel, Core Duo 2x1, 4 GB RAM, 160GB solid state HD, DVD/CD	1
10001-US	Wireless keyboard w/ wireless mouse	1
US9133	Software, POSM full version, adapted to RAUSCH system	1
SW1060	Software library IMEDIA for Macros	1
US9148	POSM Pro 1 year support from POSM Computer Unit, consisting of rackmount industrial grade PC with all accessories, POSM Pro inspection software, 1-year free software support by POSM.	1
New Equipment...	1-Year Limited Manufacturer's Warranty on parts & labor (please refer to our warranty conditions)	1
Training	Training at customer's location, 2-3 days ***** OPTIONS: 1. ELKA600 cable reel with 1,000ft cable: add \$21,200 to base quote (includes rack, drawer, slides, integrated telescopic swivel crane with electric chain hoist). Weight: approx. 450lbs	1

- Quote valid for 30 days.
- 30% down with purchase order
- All prices in US \$, Net FOB Chambersburg, PA unless stated otherwise.
- All REUSA's Sales and Warranty conditions apply.
- PA Sales Tax 6%, if applicable.

Net FOB

Signature _____



4757 Innovation Way
Chambersburg, PA 17201

Phone # 717-709-1005 Fax # 717-709-1009

System Quote

Date	Quote #
1/26/2013	13-012

Name / Address
City of Glen Ellyn, Illinois Mr. Bob Greenburg

E-mail
reusa@rauschtv.com

P.O. No.	FOB	Rep	Project
	Chambersburg		

Item	Description	Qty
	2. Laptop PC instead of rack-mounted PC: subtract \$1,200 from base quote. 3. Quadtro300 cable reel with 1,000ft cable: add \$7,100 to base quote. FLOOR MOUNTED IMPORTANT: Both cable reels ELKA & Quadtro can be fully utilized for a later upgrade to lateral launch. *****	

- Quote valid for 30 days.
 - 30% down with purchase order
 - All prices in US \$, Net FOB Chambersburg, PA unless stated otherwise.
 - All REUSA's Sales and Warranty conditions apply.
 - PA Sales Tax 6%, if applicable.

Net FOB \$84,367.00

Signature _____



10 North Sauber Road
Vincennes, IL 60151-1000

Phone 630.365.6600

Fax 630.365.6610

Sales Quote

Sales Quote Number: SQ105425

Date: 01/23/13

Page: 1

Sell

To: Glen Ellyn Public Works
Frank F
30 South Lambert Road
Glen Ellyn, IL 60137

Shipping

To: Glen Ellyn Public Works
30 South Lambert Road
Glen Ellyn, IL 60137

Ship Via Customer Pickup
Terms Net 30 Days
FOB Origin

Customer ID 11945
SalesPerson Justin Farr

Item No.	Description	Unit	Quantity	Unit Price	Total Price
11616	Custom Camera Van Up-Fit	Each	1	22,820.00	22,820.00
R1010	Remove (2) Under Cabinet Florecent Lights LS	Hour	0.5		
R1010	Remove (2) Under Cabinet Florecent Lights RS	Hour	0.5		
18736	Sunstrip LED Waterproof Strip Light 18"L	Each	4		
R1010	Install Sunstrips Under Cabinets Where Florecent Were Removed	Hour	4		
R1010	Remove Tall Upright Cabinet LS Rear	Hour	3		
R1010	Remove Floor Bin Cabinet LS Rear	Hour	3		
R1010	Inspect Roof Top Ac/Heater Unit Operation	Hour	0.5		
R1010	Remove Sink	Hour	1		
#OPM	Stainless Drop In Sink	Each	1		
R1010	Install Sink	Hour	3		
#OPM	2EB Roll Up Door 32"Wx52"H	Each	1		
R1010	Install Roll Up Door RS Rear Cabinet	Hour	6		
R1010	Remove Dome Lights (3)	Hour	1		
18736	Sunstrip LED Waterproof Strip Light 18"L	Each	3		
R1010	Install Sunstrips On Ceiling Centered	Hour	3.5		
#OPM	Work Bench - Drawer Housing 113"W 42"Hx25-1/2"D 3/16" Steel Top w/4" Back Splash 1" Front Down Lip Structural Legs; Bracing & CTech Bracing Unit To Accept (2) C-Techs Just Under Work Bench	Each	1		
18150	C-Tech Custom Drawer Unit Overall: 36"W x 38"H x 22"D (7) Drawers - Unhoused (insert) w/No Top Shelf w/ Side Filler Panels To Match Drawer Fronts Drawer Liners Drawer Heights Top To Bottom: 3-4-4-4-6-8-8	Each	1		
R1010	Instal CTech Under Work Bench - Right End	Hour	3		
#OPM	FRP Boards 4x8 White	Each	3		
18111	Steel Shelf Unit - 30"Lx25-1/2"Dx42"H w/ (2) Adjustable Shelves w/ 2.5" Lip - 1.5" O/C Rear Wall Offset for 1/4" Truss Fastener Access 14 Ga. Uprights & Shelves - Galvanized 16433 Vinyl Diamond Plate Mat Shelf Lining Includes Installation @ LS Van - LS Of CTech	Each	1		
18111	Steel Shelf Unit - 42"Lx24"Dx72"H	Each	1		



10 North Sauber Road
Virdi, IL 60151-1000

Phone 630.365.6600

Fax 630.365.6610

Sales Quote

Sales Quote Number: SQ105425

Date: 01/23/13

Page: 2

Item No.	Description	Unit	Quantity	Unit Price	Total Price
16624	w/ (1) Adjustable Shelf w/ 2.5" Lip - 1.5" O/C Rear Wall Offset for 1/4" Truss Fastener Access 14 Ga. Uprights & Shelves - Galvanized 16433 Vinyl Diamond Plate Mat Shelf Lining Includes Installation @ LS- Left End Work Bench	Each	2		
#OPM	Aluminum Tool Box w/ Single Door 36"Lx18"Dx18"H	Each	1		
#OPM	55 Gal Water Tank 18Lx18"Wx44"H	Each	1		
#OPM	DP5835 OLP Reel Low Pressure Water Hose 1/2"	Each	1		
#OPM	Water Pump 12V	Each	1		
#OPM	2EB Roll Up Door 15"Wx30"T	Each	1		
#OPM	Slide Out Rear Cable Box Drawer - w/ Poly Lining and Footman Loops & Bungie Cords AL Angle Sides On Shelf Above Hose Reel To Slide Out Into Isle	Each	1		
#OPM	2EB Roll Up Door	Each	2		
#OPM	Dell 20" Monitor 320-4687	Each	2		
#OPM	S-Video Cord 12'	Each	2		
#OPM	Monitor Wall Mounts	Each	2		

Total Before Tax:

22,820.00

13. Equipment: (FY11-12 Budget - \$46,500)

- \$1,000 toward purchase of cut-off saws to be used by Operations Personnel
- \$8,000 toward purchase of a trench box
- \$43,000 to reconfigure the control panel at the South Park lift station to gain better access

Equipment: (FY12-13 Budget - \$137,500)

- \$12,500 toward purchase of 30" pavement saw and trailer to be used by Operations Personnel (50% funding from water budget)
- \$7,500 toward the purchase of a backhoe mounted hydraulic pavement breaker (50% funding from water)
- \$7,500 toward purchase of a portable trench box (50% funding from water)
- □ \$80,000 toward purchase of a steerable crawler camera with accessories; system capable of producing CD inspection reports
- □ \$30,000 toward the conversion of the PD Command vehicle into a sewer televising vehicle.

A-6K

MEMORANDUM

TO: Mark Franz, Village Manager

FROM: Julius Hansen, Public Works Director
Bob Minix, Professional Engineer

DATE: February 5, 2013

SUBJECT: Braeside Area Localized Drainage Improvements Project –
Recommendation for Approval of Three Resolutions for Policies and
Procedures in Accordance with IKE-PI Grant Agreement Requirements



In May 2011 the Village was awarded \$570,000 in Disaster Recovery “IKE” – Public Infrastructure Program funds for a project to improve drainage in rear-yard areas in the Braeside Subdivision, located north of Roosevelt Road and east of I-355. The federal grant was awarded and is administered by the Illinois Department of Commerce and Economic Opportunity (DCEO).

The **Braeside Area Localized Drainage Improvements Project** was developed to install storm sewers, inlets and other types of connections, and perform grading in the rear-yard utility easements between Surrey Drive and Heather Lane, Heather Lane and Londonberry Lane, and Londonberry Lane and Brighton Place. In September 2012, the Board awarded a contract to Apollo Trenchless, Inc. of Lombard in the amount of \$601,328 for project construction. Project work is currently about 90% complete with essentially various restorations to be performed this spring.

On January 25, 2013 representatives from the consulting firm retained by DCEO to administer and oversee the grant program throughout the state visited the Village to review project files and various Village procedures. The consultant examined Public Works and Village Clerk files and met with Engineering and Finance Department personnel, as well as the construction engineering team from Civiltech. The consultant also visited the construction site with the Civiltech field engineers. It is my impression that the grant administration team was generally satisfied with the state of the project and was particularly pleased with the Village financial procedures and protocols.

Some deficiencies were noted in the area of needed policies associated with the grant program. The use of federal funds typically engenders a variety of requirements on recipients including, among others, policies or plans for Fair Housing, Code of Conduct, Equal Employment Opportunity, Excessive Force, Procurement, Sexual Harassment, Residential Anti-Displacement, and Citizen Participation. The Village has received numerous Community Development Block Grants in the recent past that are essentially similar in nature to the Ike Disaster Recovery Program funds, so existing Village policies were thought to be in substantial compliance. The review team recommended that policies in the areas of procurement, anti-displacement and citizen participation be upgraded/updated for this project and formally adopted by the Village Board, using the model form of resolutions developed by the grant administration team.

To satisfy the grant requirements, three resolutions were developed that are specific to this project, and are enclosed herewith. The format for each is basically the same, with similar preambles and be-it-resolved sections, with the specific model language attached as an exhibit.

- Procurement Policy – The existing Village policy is quite comprehensive, but lacked the desired language regarding the procurement of professional architectural/engineering (A/E) services.
- Anti-Displacement Policy – Although no dwellings will be impacted by the Braeside project – and certainly no displacements will take place—adoption of the policy is a project necessity.
- Citizen Participation Plan – A written plan is required to be on file for the project.

The grant team will be providing a formal letter containing the full results / outcomes / recommendations of their January 25 visit, as well as any additional comments that result from the follow-up review of the paperwork obtained that day. These three resolutions are known needs; there is a possibility that some additional adoptions will be required. The review results letter will be issued sometime this month.

AGENDA ITEM(S) DESCRIPTION

The Braeside Area Localized Drainage Improvements Project will upgrade rear-yard drainage for residences in the neighborhood surrounded by Surrey Drive, Briar Street and Brighton Place. The Village is the recipient of a \$570,000 IKE – PI Disaster Relief Fund grant for project construction. As part of the grant requirements, the Village must adopt certain policies in strict compliance with federal government guidelines. Based on a review of project files and procedures by the grant administration team in January 2013, three resolutions dealing with procurement, anti-displacement plan and citizen participation plan need to be adopted.

- A. Resolution 13-xx, A Resolution Establishing a Procurement Policy in Accordance with Requirements of IKE Public Infrastructure Grant No. 08-354068 for the Braeside Area Localized Drainage Improvements Project.
- B. Resolution 13-xx, A Resolution Establishing a Residential Anti-Displacement and Relocation Assistance Plan in Accordance with Requirements of IKE Public Infrastructure Grant No. 08-354068 for the Braeside Area Localized Drainage Improvements Project.
- C. Resolution 13-xx, A Resolution Establishing a Citizen Participation Plan in Accordance with Requirements of IKE Public Infrastructure Grant No. 08-354068 for the Braeside Area Localized Drainage Improvements Project.

cc: Kristen Schrader, Assistant to the Village Manager – Administration
Jeff Perrigo, Civil Engineer
Stewart Diamond, Village Attorney
Mike Mikulka, Illinois Disaster Recovery Program

Resolution No. _____

**A Resolution Establishing a Procurement Policy
In Accordance with Requirements of IKE Public Infrastructure Grant No. 08-354068
For the Braeside Area Localized Drainage Improvements Project**

Whereas, the Illinois Department of Commerce and Economic Opportunity (DCEO) has awarded a \$570,000 grant to the Village of Glen Ellyn (Village) as part of the Illinois IKE Disaster Recovery Program (IDRP); and

Whereas, the IDRP grant funds will be used solely to defray construction costs associated with the Braeside Area Localized Drainage Project (Project); and

Whereas, the Village and DCEO have entered into a signed Grant Agreement (Agreement) dated June 23, 2011 for Grant No. 08-354068; and

Whereas, the use of IDRP grant funds requires adherence to certain policies and regulations as defined in the Agreement; and

Whereas, the recommended form and content of required policies and regulations have been provided by the grant management team; and

Whereas, it is necessary that a Procurement Policy be adopted in conformance with Agreement requirements for the Project.

Now, therefore be it resolved by the President and Board of Trustees of the Village of Glen Ellyn, DuPage County, Illinois, in the exercise of its home rule powers as follows:

Section One: The proposed form and content of the Project Procurement Policy is attached as Exhibit A.

Section Two: This Resolution shall be in full force and effect from and after its passage and approval.

Passed by the President and Board of Trustees of the Village of Glen Ellyn, Illinois, this _____ day of _____, 2013.

Ayes:

Nays:

Absent:

Approved by the Village President of the Village of Glen Ellyn, Illinois, this _____ day of _____, 2013.

Village President of the Village of Glen Ellyn, Illinois

Attest:

Acting Village Clerk of the Village of Glen Ellyn, Illinois

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**BRAESIDE AREA LOCALIZED DRAINAGE IMPROVEMENTS PROJECT
IKE PUBLIC INFRASTRUCTURE GRANT NO. 08-354068**

PROCUREMENT POLICY

PURPOSE

The purpose of this Procurement Policy is to ensure that sound business judgment is utilized in all procurement transactions and that supplies, equipment, construction, and services are obtained efficiently and economically and in compliance with applicable federal law and executive orders and to ensure that all procurement transactions will be conducted in a manner that provides full and open competition.

APPLICATION

This policy applies to the procurement of all supplies, equipment, construction, and services of and for the Village of Glen Ellyn related to the implementation and administration of the CDBG award. All procurement will be done in accordance with 24 CFR; Part 85.36.

POLICY

Methods of Procurement

Procurement under grants shall be made by one of the following methods, as described herein: (a) small purchase procedures; (b) sealed bids (formal advertising); (c) competitive proposals; (d) noncompetitive proposals.

- A. Small purchase procedures are relatively simple and informal procurement methods that are sound and appropriate for the procurement of services, supplies, or other property, costing in aggregate not more than \$100,000. If small purchase procedures are used for a procurement under a grant, price or rate quotations shall be obtained from an adequate number of qualified sources.
- B. In sealed bids (formal advertising), sealed bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all of the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bids method is the preferred method for procuring construction.
 1. In order for formal advertising to be feasible, appropriate conditions must be present, including, at a minimum, the following:
 - (a) A complete, adequate and realistic specification or purchase description is available.
 - (b) Two or more responsible bidders are willing and able to compete effectively for Village of Glen Ellyn business; and

- (c) The procurement lends itself to a firm-fixed-price contract, and the selection of the successful bidder can be made principally on the basis of price.
 2. When sealed bids are used for a procurement under a grant, the following requirements apply:
 - (a) A sufficient time prior to the date set for opening of bids, bids shall be solicited (publicly advertised) from an adequate number of known suppliers.
 - (b) The invitation for bids, including specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the invitation for bids.
 - (c) All bids shall be opened publicly at the time and place stated in the invitation for bids.
 - (d) A firm-fixed-price contract award shall be made by written notice to that responsible bidder whose bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine low bid when prior experience of the Village of Glen Ellyn indicates that such discounts are generally taken.
 - (e) Any or all bids may be rejected if there are sound documented business reasons in the best interest of the program.
- C. Procurement by competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursable type contract is awarded, as appropriate. Competitive proposals are generally used when conditions are not appropriate for the use of sealed bids. If the competitive proposals method is used for a procurement under a grant, the following requirements apply:
 1. Requests for Proposals shall be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical.
 2. Requests for Proposals shall be solicited from an adequate number of qualified sources.
 3. The Village of Glen Ellyn shall have a method for conducting evaluations of the proposals received and for selecting awardees.
 4. Awards will be made to the responsible offeror whose proposal will be most advantageous to the procuring party, with price (other than architectural/engineering) and other factors considered. Unsuccessful offerors will be promptly notified in writing.
 5. The Village of Glen Ellyn may use competitive proposal procedures for qualification-based procurement of architectural/engineering (A/E) professional services whereby competitor's

qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in the procurement of A/E professional services. It cannot be used to procure other types of services (e.g., administration professional services) even though A/E firms are a potential source to perform the proposed effort.

- D. Noncompetitive proposals is procurement through solicitation of a proposal from only one source, or after solicitation from a number of sources, competition is determined inadequate. Noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids (formal advertising), or competitive proposals. Circumstances under which a contract may be awarded by noncompetitive proposals are limited to the following:
1. The item is available from only a single source;
 2. After solicitation of a number of sources, competition is determined inadequate;
 3. A public exigency or emergency exists when the urgency for the requirement will not permit a delay incident to competitive solicitation; and
 4. The Department of Commerce and Economic Opportunity (DCEO) authorizes noncompetitive proposals. (Sole source procurement for supplies, equipment, construction, and services valued at \$25,000 or more must have prior approval of DCEO).
- E. The Village of Glen Ellyn will provide, to the greatest extent possible, that contracts be awarded to qualified small and minority firms, women business enterprises, and labor surplus area firms whenever they are potential sources.
- F. Any other method of procurement must have prior approval of the DCEO.

Contract Pricing

- A. The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used.
- B. The Village of Glen Ellyn shall perform some form of cost/price analysis for every procurement action, including modifications, amendments or change orders.

Procurement Records

The Village of Glen Ellyn shall maintain records sufficient to detail the significant history of a procurement, including the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Resolution No. _____

**A Resolution Establishing a Citizen Participation Plan
In Accordance with Requirements of IKE Public Infrastructure Grant No. 08-354068
For the Braeside Area Localized Drainage Improvements Project**

Whereas, the Illinois Department of Commerce and Economic Opportunity (DCEO) has awarded a \$570,000 grant to the Village of Glen Ellyn (Village) as part of the Illinois IKE Disaster Recovery Program (IDRP); and

Whereas, the IDRP grant funds will be used solely to defray construction costs associated with the Braeside Area Localized Drainage Project (Project); and

Whereas, the Village and DCEO have entered into a signed Grant Agreement (Agreement) dated June 23, 2011 for Grant No. 08-354068; and

Whereas, the use of IDRP grant funds requires adherence to certain policies and regulations as defined in the Agreement; and

Whereas, the recommended form and content of required policies and regulations have been provided by the grant management team; and

Whereas, it is necessary that a Citizen Participation Plan be adopted in conformance with Agreement requirements for the Project.

Now, therefore be it resolved by the President and Board of Trustees of the Village of Glen Ellyn, DuPage County, Illinois, in the exercise of its home rule powers as follows:

Section One: The proposed form and content of the Project Citizen Participation Plan is attached as Exhibit A.

Section Two: This Resolution shall be in full force and effect from and after its passage and approval.

Passed by the President and Board of Trustees of the Village of Glen Ellyn, Illinois, this _____ day of _____, 2013.

Ayes:

Nays:

Absent:

Approved by the Village President of the Village of Glen Ellyn, Illinois, this _____ day of _____, 2013.

Village President of the Village of Glen Ellyn, Illinois

Attest:

Acting Village Clerk of the Village of Glen Ellyn, Illinois

**BRAESIDE AREA LOCALIZED DRAINAGE IMPROVEMENTS PROJECT
IKE PUBLIC INFRASTRUCTURE GRANT NO. 08-354068**

CITIZEN PARTICIPATION PLAN

The Village of Glen Ellyn will adopt the following Citizen Participation Plan to provide for the involvement of all residents of the community in the composition, implementation and assessment of its Illinois "Ike" Disaster Recovery Program (IDRP) grant. A copy of this plan will be made available to the public upon request.

As part of the citizen participation requirements and to maximize citizen interaction, the Village of Glen Ellyn shall:

1. Provide citizens with reasonable and timely access to local meetings, information and records relating to the proposed IDRP project.
2. Provide for and encourage citizen participation with particular emphasis on participation by persons of low and moderate income in areas in which funds are proposed to be used.
3. Provide for a procedure for responding to citizens' complaints regarding activities carried out utilizing IDRP funds. A written response to every citizen complaint will be sent within 15 working days of the complaint.
4. Identify how the needs of non-English speaking residents and persons with disabilities will be met in the case of public hearings.
5. Maintain a record of all complaints, written responses, Public Hearing notices and minutes, and any other Citizen Participation documentation.

Resolution No. _____

**A Resolution Establishing a Residential Anti-Displacement and Relocation Assistance Plan
In Accordance with Requirements of IKE Public Infrastructure Grant No. 08-354068
For the Braeside Area Localized Drainage Improvements Project**

Whereas, the Illinois Department of Commerce and Economic Opportunity (DCEO) has awarded a \$570,000 grant to the Village of Glen Ellyn (Village) as part of the Illinois IKE Disaster Recovery Program (IDRP); and

Whereas, the IDRP grant funds will be used solely to defray construction costs associated with the Braeside Area Localized Drainage Project (Project); and

Whereas, the Village and DCEO have entered into a signed Grant Agreement (Agreement) dated June 23, 2011 for Grant No. 08-354068; and

Whereas, the use of IDRP grant funds requires adherence to certain policies and regulations as defined in the Agreement; and

Whereas, the recommended form and content of required policies and regulations have been provided by the grant management team; and

Whereas, it is necessary that a Residential Anti-Displacement and Relocation Assistance Plan be adopted in conformance with Agreement requirements for the Project.

Now, therefore be it resolved by the President and Board of Trustees of the Village of Glen Ellyn, DuPage County, Illinois, in the exercise of its home rule powers as follows:

Section One: The proposed form and content of the Project Residential Anti-Displacement and Relocation Assistance Plan is attached as Exhibit A.

Section Two: This Resolution shall be in full force and effect from and after its passage and approval.

Passed by the President and Board of Trustees of the Village of Glen Ellyn, Illinois, this _____ day of _____, 2013.

Ayes:

Nays:

Absent:

Approved by the Village President of the Village of Glen Ellyn, Illinois, this _____ day of _____, 2013.

Village President of the Village of Glen Ellyn, Illinois

Attest:

Acting Village Clerk of the Village of Glen Ellyn, Illinois

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**BRAESIDE AREA LOCALIZED DRAINAGE IMPROVEMENTS PROJECT
IKE PUBLIC INFRASTRUCTURE GRANT NO. 08-354068**

**RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION
ASSISTANCE PLAN UNDER SECTION 104(d) OF THE HOUSING
AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED**

The Village of Glen Ellyn will replace all occupied and vacant occupiable low/moderate-income (LMI) dwelling units demolished or converted to a use other than as LMI housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended as described in 24 CFR 570.606(b)(1). The Village of Glen Ellyn Anti-Displacement contact person is the Planning and Development Director who can be reached at (630) 469-5000.

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the Village of Glen Ellyn will notify the public and submit to the Illinois Department of Commerce and Economic Opportunity the following information in writing:

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than LMI dwelling units as a directly result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units;
and
6. The basis for concluding that each replacement dwelling unit will remain in a LMI unit for at least 10 years from the date of initial occupancy.

The Village of Glen Ellyn will provide relocation assistance, as described in 24 CFR 570.606(b) (2), to each LMI household displaced by the demolition of housing or by the conversion of a LMI dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the Act, the Village of Glen Ellyn will take the following steps to minimize the displacement of persons from their homes:

1. All public facilities projects (water, sewer, gas, etc.) will be designed so that there will be no displacement of any residences or businesses;
2. No homes will be demolished that can be rehabilitated; and
3. There will be no displacement of any residential or business occupants on CDBG projects.

MEMORANDUM

TO: Mark Franz, Village Manager
FROM: Matt Pekarek, Recreation Director *Matt Pekarek*
DATE: February 6, 2013
RE: Purchase of Restaurant Furniture



Background

The Village Links clubhouse is being expanded with a new restaurant and bar.

PPK Architects identified bar stools, dining room chairs, and banquet chairs that would meet our needs and fit in with the clubhouse interior design.

In November 2012, a meeting was held to review the clubhouse interior and furniture. Attendees included members of the Recreation Commission, the sub-committee Guidance Group on Aesthetics, staff, PPK Architects and their interior design consultant. The group had a very positive reaction to the interior design and selected furniture.

The selected furniture was considerably more expensive than the \$25,000 we had budgeted for furniture at the start of the project. We had established that budget by checking on line prices for generic bar stools, chairs and tables. The furniture specified by PPK was a higher quality commercial grade of furniture. The wood was a higher quality. Wood members were more substantial. Construction was sturdier. The furniture offered more options for finish and upholstery.

Issues

We advertised a Request for Proposal for the purchase of restaurant tables and chairs for the dining room, bar, and banquet room, using quantities and specifications provided by PPK Architects. We expressed our willingness to consider proposals for alternate tables and chairs both to foster competition and to help identify products that could help lower our costs.

We received 13 proposals from 7 different furniture vendors. After evaluating the original proposals and sample chairs, we asked vendors who had submitted some of the most favorable proposals to provide further pricing and/or furniture samples so we could more accurately compare the various proposals. The result was a total of 17 proposals.

We compared the furniture by key specifications including type of wood or metal, seat size, weight, etc. We evaluated items with respect to price, aesthetics, comfort, projected durability, projected

maintenance costs, man power handling requirements, and warranty. We conducted side by side comparisons. We identified the furniture that provides us with the best value.

We also reviewed how the furniture would be used and the space that it would occupy. We decided to slightly increase the number of tables in the bar area and to increase the number of bar stools at the bar. We also decided to add 12 bar stools and tables in the unused space looking out onto the banquet patio. In total, this increased the seating plan by 24 bar stools and 5 tables.

Our recommendation is to purchase restaurant furniture at a cost of \$71,100. This is much more than what we planned to spend at the start of the project because the proposed furniture is higher quality and because we are purchasing more units. This expenditure fits within the \$695,000 budget for project items being purchased by owner, because we have contingency funds for unanticipated expenditures and because there are other project purchases are coming in under budget. The project budget continues to be in a strong position with a total of more than \$200,000 in contingency funds available for unidentified expenses.

The recommended \$71,100 furniture purchase includes \$6,900 for banquet tables. We have not yet which banquet tables to purchase from which vendor. We will purchase banquet tables in the near future.

Restaurant Furniture	
Summary of Recommended Purchases	
Kayhan International Ltd.	
Bar Stools, Dining Chairs, & Wood Tables	\$ 36,013
Estimated Freight	\$ 3,000
Total	\$ 39,013
US Foods	
Banquet Chairs	\$ 18,261
Booth Seats	\$ 4,351
Estimated Freight	\$ 2,600
Total	\$ 25,212
Future purchase(s)	
Banquet Tables	\$ 6,400
Banquet Tables	\$ 500
Total	\$ 6,900
Total	\$ 71,125

Recommendation

I recommend that the Village Board approve a motion to purchase Restaurant Furniture as follows, to be charged to the Recreation Fund Budget, Account #55 700 580 100:

Kayhan International Ltd. - \$39,013
 US Foods - \$25,212

Action Requested

Approve a Motion to waive competitive bidding and approve the purchase of Restaurant Furniture.

Attachments

Proposal Recap and Evaluation
Request For Proposal

Bar Stools, Dining Chairs, and Wood Tables

We recommend the purchase of Gar® Bar Stools, Dining Chairs, and Wood Tables from Kayhan International in the amount of \$36,013 plus an estimated \$3,000 shipping.

We considered the Bar Stools, Dining Chairs, and Wood Tables by group, so that all styles, upholstery, and wood colors/finishes will match.

PPK specified a high quality wood commercial chair/ bar stool by Gar Products®. The specifications included a Dymetrol® seat upholstered with vinyl. Dymetrol® is a webbing material that provides a more comfortable seat cushion. Dining chairs would have a custom fabric upholstered back, with the window pane frame of the chair back visible from the rear. The pattern of the custom fabric would be matched to appear in the same configuration on each chair. The matching bar stools would have the same Dymetrol®/ vinyl seats, but the backs would be bare wood.

The specifications called for a UV finish to be selected from standard color choices. The UV finish is cured using ultraviolet light, providing a more durable finish that will resist showing the edge wear that becomes visible over time with furniture that has a standard lacquer finish.

The Gar Products® furniture is clearly higher quality than the other furniture proposed. The seats are larger and more comfortable. The wood components are larger and heavier duty. Construction is sturdier. The Dymetrol® seat was a good value at a cost of \$9 per chair. The UV finish was a desirable feature, but at a cost of \$142 per dining chair, was evaluated as too expensive for the value received. We save \$9,800 by foregoing the UV finish.

We considered an alternate proposal by US Foods for furniture by Grand Rapids Chair Company. We evaluated that the \$5,500 we would save by purchasing Grand Rapids furniture was not enough to offset the significant decrease in quality.

Wood Chairs, Bar Stools and Tables		Proposal Recap														
Vendor	Brand	Stool / Chair Type	64		50		Table Type	5		10		10		4		Group Total
			Bar Stool Unit Price	Extended	Dining Chair Unit Price	Extended		Wood 24"x36" Dining Table Unit Price	Extended	Wood 36"x36" Dining Table Unit Price	Extended	Wood 36"x36" Hi-Top Table Unit Price	Extended	Wood 30"x60" Booth Table Unit Price	Extended	
Andersen - A	Gar®	Dymetrol; UV	253.00	16,192	366.00	18,300	Gar - solid plank	295.00	1,475	377.00	3,770	414.00	4,140	563.00	2,252	46,129
Andersen - B	Community®	Laquer	209.00	13,376	297.00	14,850	Gar - solid plank	295.00	1,475	377.00	3,770	414.00	4,140	563.00	2,252	39,863
Anderson - C	Community®	Laquer	209.00	13,376	297.00	14,850	Gar - solid plank	163.00	815	211.00	2,110	245.00	2,450	304.00	1,216	34,817
Anderson - D	Gar®	Laquer	194.00	12,416	320.00	16,000	Gar - solid plank	295.00	1,475	377.00	3,770	414.00	4,140	563.00	2,252	40,053
Anderson - E	Gar®	Dymetrol; Laquer	203.00	12,992	329.00	16,450	0	295.00	1,475	377.00	3,770	414.00	4,140	563.00	2,252	41,079
Kayhan - A	Gar®	Dymetrol; UV	232.66	14,890	399.59	19,980	Gar - solid plank	280.97	1,405	355.21	3,552	367.70	3,677	577.31	2,309	45,813
Kayhan - B	Gar®	Laquer	186.23	11,919	242.51	12,126	Gar - Laminate	158.22	791	236.89	2,369	236.89	2,369	329.33	1,317	30,890
Kayhan - C	Gar®	Laquer, No	186.23	11,919	209.79	10,490	Gar - Laminate	158.22	791	236.89	2,369	236.89	2,369	329.33	1,317	29,254
Kayhan - D	Gar®	Laquer	186.23	11,919	209.79	10,490	Gar - solid plank	280.97	1,405	355.21	3,552	367.70	3,677	577.31	2,309	33,351
Kayhan - E	Gar®	Dymetrol; Laquer	195.23	12,495	251.51	12,576	Gar - solid plank	280.97	1,405	355.21	3,552	367.70	3,677	577.31	2,309	36,013
OEC - A	Furniture Lab®		171.20	10,957	275.87	13,794		359.51	1,798	431.90	4,319	463.21	4,632	567.89	2,272	37,771
OEC - B	Furniture Lab®		171.20	10,957	275.87	13,794		401.08	2,005	469.57	4,696	500.87	5,009	640.27	2,561	39,021
OEC - C	Furniture Lab®		171.20	10,957	275.87	13,794		403.04	2,015	466.14	4,661	497.45	4,975	606.03	2,424	38,826
Schwepes Seating Experts	Grand Rapids®		205.00	13,120	210.00	10,500		225.00	1,125	310.00	3,100	345.00	3,450	455.00	1,820	33,115
Selected Furniture	Selected Furniture®		94.00	6,016	74.00	3,700		192.00	960	221.00	2,210	233.00	2,330	303.00	1,212	16,428
US Foods	Grand Rapids®		95.20	6,093	152.00	7,600	Grand Rapids	143.70	719	186.00	1,860	191.00	1,910	286.20	1,145	19,326
			188.10	12,038	192.81	9,641	Grand Rapids	206.91	1,035	289.20	2,892	319.77	3,198	420.87	1,683	30,487

Recommended Purchase In Red

Metal Stackable Banquet Chairs

We recommend the purchase of 155 Senova® Stackable Banquet Chairs from US Foods at a cost of \$18,261 plus an estimated \$1,100 shipping.

PPK specified a banquet chair from MTS, Bolero®. The MTS Bolero® chair does not look like the typical banquet chair. We found that to be an attractive feature, because we anticipate using the banquet room for overflow dining at times.

We gave strong consideration to two alternates. Selected Seating proposed to manufacture a custom chair that similar in style to the MTS Bolero®. US Foods proposed a Senova® metal chair that was attractive, functional and durable at a cost that would be \$2,000 more expensive than the Selected Seating custom chair, but almost \$10,000 less than the MTS Bolero®.

We recommend the Senova® chair as an economical alternative to the specified Bolero®, and because the Senova® chair is less bulky than the MTS Bolero® and will make the banquet room appear more spacious when showing it to prospective banquet customers.

Stackable Banquet Chairs		Qty= 155	
Vendor	Brand	Banquet Chair Unit Price	Banquet Chair Extended
Andersen - A	Comfortech	71.00	11,005
Kayhan - A	MTS Bolero	206.84	32,060
Kayhan - B	Kay Lang	153.70	23,824
Kayhan - C	Omega	105.42	16,340
OEC - A	MTS Bolero	188.35	29,194
Schweppes	Senova	120.00	18,600
Seating Experts		79.00	12,245
Selected Furniture	Custom	105.00	16,275
US Foods	Senova	117.81	18,261

Recommended Purchase In Red

Booth Seats

We recommend the purchase of Carolina Custom® Booth Seats for four 60” booths from US Foods at a cost of \$4,351 plus an estimated \$1,300 shipping.

This four booth package consists of three back-to-back center units and two single end units.

PPK specified Furniture Lab Titan® booths. The Carolina Custom® booths will save about \$3,000.

Booth Seats - 4 Booths		
Vendor	Brand	Booth Seats
Andersen - A	Furn. Lab Titan	8,384
Andersen - B	Robertson	7,882
Kayhan - A	Avis	4,843
OEC - A	Furn. Lab Titan	7,338
Schweppes	Carolina Custom	4,430
Seating Experts		3,070
Selected Furniture	Custom	4,654
US Foods	Carolina Custom	4,351

Recommended Purchase In Red

Banquet Tables

In the coming weeks we expect to purchase nineteen 60-inch diameter round banquet tables at a cost of about \$5,100 and six 48-inch diameter round tables at a cost of about \$1,300. We sought proposals for these, but are not prepared to make a final recommendation as part of this larger furniture purchase.

The nineteen 60-inch banquet tables will accommodate 152 guests in a banquet configuration.

The six 48-inch round tables will provide flexibility, providing overflow dinner seating for parties of 2-4 guests in the banquet room when needed.

REQUEST FOR PROPOSALS

Restaurant Furniture

Village of Glen Ellyn Recreation Department
Village Links of Glen Ellyn
Glen Ellyn, Illinois

The Village of Glen Ellyn Recreation Department will accept proposals for 300 pieces of Restaurant Furniture, including tables, chairs and booths.

Proposals must be received at the Village Links of Glen Ellyn, 485 Winchell Way, Glen Ellyn, Illinois 60137, no later than 10:30 a.m. on Monday January 28, 2013.

Proposal and specification packets can be obtained from Food Service Manager Mike Atkins, 485 Winchell Way, Glen Ellyn, Illinois, 630-469-5550, or via email at purchasing@villagelinksgolf.com.

The Village of Glen Ellyn is an equal opportunity employer M/F.

Restaurant Furniture

Village of Glen Ellyn Recreation Department
Village Links of Glen Ellyn
Glen Ellyn, Illinois

INSTRUCTIONS TO PROPOSERS

1. It is not the intent nor the purpose of these specifications to prohibit a vendor from bidding or securing a contract for the proposed Restaurant Furniture. However, the specifications do outline the necessary requirements for the Restaurant Furniture best suited to the needs of the Village of Glen Ellyn Recreation Department.
2. All proposals shall be submitted on the attached proposal form. If an alternate product is proposed, other than the specified product, the vendor should note the manufacturer and model number of the proposed alternate on the proposal form.
3. All proposals shall be delivered to the Village Links of Glen Ellyn, 485 Winchell Way, Glen Ellyn, Illinois 60137, on or before 10:30 AM, Monday January 28, 2013. Proposals may be submitted by email to purchasing@villagelinksgolf.com.
4. Proposers shall be required to fill all specifications and requirements of the Village of Glen Ellyn Recreation Department as stated herein. The Village reserves the right to accept the proposal that best meets its needs, and may waive any provision contained within the specifications.
5. A specific brand and model number is listed for each item. The Village will consider other brands/models that provide equal or greater value to the listed model.
6. By Illinois State Law, municipalities, such as the Village of Glen Ellyn, are exempt from retail Sales Tax. The Sales Tax Exemption I. D. Number of the Village of Glen Ellyn is E9997 4452 06.
7. It is anticipated that the award of the Restaurant Furniture will be made on Monday, February 11, 2013.

REQUIREMENTS

1. INTENT - These Requirements cover all things necessary or proper for, or incidental to the furnishing and delivery of said Restaurant Furniture.
2. ALTERNATES - Alternates will be considered. The vendor must list the manufacturer and model number of any proposed alternate item.
3. ASSEMBLY - All chairs are to be fully assembled and ready for use. Alternate chairs that require assembly will be considered. The vendor is to note if assembly is required.
4. AWARD - Each specified Restaurant Furniture item will be awarded to the lowest responsible proposer. The vendor should be aware that each item will be awarded individually, based upon the lowest cost, operating cost and value to the Village of Glen Ellyn. The Village will in all cases make the determination that is in its best interest, without exception.
5. DELIVERY - Within ten (10) days after receiving an order, the vendor shall notify the Food Service Manager when and how he intends to deliver the specified Restaurant Furniture items. All of the Restaurant Furniture items shall be delivered F.O.B. 485 Winchell Way, Glen Ellyn, Illinois no later than April 15, 2013.

SPECIFICATIONS

Restaurant Furniture

Village of Glen Ellyn Recreation Department
Village Links of Glen Ellyn
Glen Ellyn, Illinois

Item #1 - Wood Stool - Bar Height

Quantity: 42

Seat Back: UV Finish

Seat Fabric: CF Stinson Avant®, color Gunmetal (Grade 7)

Frame: UV Finish (wood color to be determined, and to match other wood furniture in this purchase)

Nylon Glides, Dymetrol® Seat

Dimensions: 45.25"H x 21.75"L x 18.75"W

Product that meets these specifications: Gar Products® Model #CC117 PS BAR UV

Item #2 - Wood Dining Room Chair

Quantity: 50

Seat Back: UV Finish

Seat Fabric: CF Stinson Avant®, color Gunmetal (Grade 7)

Back Fabric: Momentum Audubon®, color Sumie (Grade 28), pattern repeat match requires extra fabric so that the same fabric pattern appears identical on each chair.

Frame UV Finish (wood color to be determined, and to match other wood furniture in this purchase)

Nylon Glides, Dymetrol® Seat

Dimensions: 35.25"H x 22.25"L x 18.5"W

Product that meets these specifications: Gar Products® Model #CC118 PSPB SIDE UV

Item #3 - Metal Stackable Banquet Chair

Quantity: 155

Frame: Smooth Aluminum

Powder Coat Frame Finish (color to be selected)

Fabric: (to be selected)

Glides: Premium Cushioned Metal Glides

Dimensions: 37.25"H x 23.75"L x 20" W

Product that meets these specifications: MTS Seating Burgess Bolero® Model #80/5

Item #4 - Plastic Top Folding Banquet Tables

Quantity: 19

440 Series Folding Table, round top, 60" dia., 29"H, thermoplastic honeycomb core with ABS plastic top, black PVC molding edge, wishbone style legs, spring-bolt locking leg braces

Product that meets these specifications: MTS Seating® Model #440-60 RDWL

Item #5 - Wood Laminate Top Folding Banquet Tables

Quantity: 6

410 Series Folding Table, round top, 42" dia., 29"H, laminate top (Note: ABS plastic top also acceptable), black PVC molding edge, wishbone style legs, spring-bolt locking leg braces

Product that meets these specifications: MTS Seating® Model #410-42 RDWL

Item #6 - Wood 24" x 36" Dining Tables (Standard Height)

Quantity: 5

Table Top: 24"x 36" Table, 1-3/4" thick, solid plank wood, straight edge
(wood color to be determined, and to match other wood furniture in this purchase)

Base: Metal, Black Finish, Standard Height, Cross Base with Self Adjusting Glides

Product that meets these specifications: Gar Products® 24"X36" Plank Wood Table with standard base

Item #7 - Wood 36" x 36" Dining Tables (Standard Height)

Quantity: 10

Table Top: 36"x36" Table, 1-3/4" thick, solid plank wood, straight edge
(wood color to be determined, and to match other wood furniture in this purchase)

Base: Metal, Black Finish, Standard Height, Cross Base with Self Adjusting Glides

Product that meets these specifications: Gar Products® 36"X36" Plank Wood Table with standard base

item #8 - Wood 36" x 36" Dining Tables (Bar Height)

Quantity: 5

Table Top: 36"x 36" Table, 1-3/4" thick, solid plank wood, straight edge
(wood color to be determined, and to match other wood furniture in this purchase)

Base: Metal, Black Finish, Bar Height Cross Base with Self Adjusting Glides

Product that meets these specifications: Gar Products® 36"X36" Plank Wood Table with bar height base

Item #9 - Wood 30" x 60" Dining Tables for Booths (Standard Height)

Quantity: 4

Table Top: 30"x 60" Table, 1-3/4" Thick, Solid Plank Wood, straight edge
(wood color to be determined, and to match other wood furniture in this purchase)

Base: (2) Metal, Black Finish, Standard Height, Single Bases with Self Adjusting Glides

Product that meets these specifications: Gar Products® 30"X60" Plank Wood Table with standard base

Item #10 - Group of Four 6-Seat Booths

Quantity: 1 Group includes 3 Double Back-to-Back Booth Seats and and 2 Single Booth Seat End Units

Wooden Frame with Upholstered Seat and Upholstered Seat Back and Black Base

3 Double Back-to-Back Booth Seats and 2 Single Booth Seat End Units

All exposed wood surfaces including outside backs of End Units to be finished to match table (Item #9).

Height: 42", Length: 60", Depth: 24.5"

Seat Height: 19", Base Height: 6"

Wood Finish: color to be selected

Back Fabric: to be selected

Seat Fabric: to be selected

Product that meets these specifications: Furniture Lab® Model #: The Titan® with Padded Seat and Back

MEMORANDUM

TO: Mark Franz, Village Manager
FROM: Matt Pekarek, Recreation Director *Matt Pekarek*
DATE: February 6, 2013
RE: Purchase of 87 Golf Carts



Background

We have 87 Yamaha® gasoline golf carts that we rent to golf customers. Purchased in 2008, these carts have been used for five years. We propose to replace these carts with 87 new gasoline golf carts.

Golf carts are an important customer amenity. Last year nearly half of all Village Links golfers used a cart. Cart fees generated \$460,000.

Our existing 87 Yamaha® carts are mechanically sound, but they are aesthetically worn. Several seats are torn; bodies have scrapes and cracks. Operating costs have escalated now that the carts are aging and are no longer under warranty.

Replacing carts every four years keeps operating costs down. The Yamaha® carts that we propose to purchase have a 4-Year Limited Warranty that generally limits maintenance costs to the replacement of routine consumable items like belts and batteries.

More significantly, these carts retain about half of their trade-in value after four years. The result is that we can provide our customers with new carts every four years at the same effective annual cost that we incurred when we replaced carts after eight years of use.

When we were replacing carts on an eight year cycle, our mechanical maintenance costs were more than \$20,000 per year. In the last five years under the shorter replacement schedule those costs have averaged less than \$5,000 per year.

Every year that we keep the carts, the trade-in value declines. After year four, the decline in trade-in value of our fleet appears to be \$25,000 to \$30,000 per year.

Proposal Process

We sought proposals from dealers of each of the three national golf cart manufacturers. Each of these dealers has a protected sales territory giving them exclusive rights to sell their brand of golf cart in our area.

We sought proposals for the purchase of 87 new gasoline golf carts, plus the trade-in of our existing 87 carts. We expressed a willingness to consider alternate proposals for a lease or lease with a purchase option, if the vendor felt that such an alternate proposal would result in the lowest total cost over the life of the carts.

We also requested that proposals include a couple of new optional features that we do not have on our existing carts: a smaller cooler for bottled beverages and a pull-down protective golf club cover. Both options will be appreciated by many of our customers.

Proposals Received

We received 5 proposals for an outright purchase with trade-in from the 3 golf cart dealers.

We also received some proposals for a lease or lease with purchase option, but each of the lease proposals was more costly than the outright purchase.

Brand	Club Car	EZ-GO	EZ-GO	YAMAHA	YAMAHA
Model	Precedent	TXT	RXT	YDRA	YDRA-EFI
Base Price	4,293	4,032	4,232	3,880	4,315
Cooler	64	50	50	35	35
Bag Protector	218	130	130	100	100
Total Price Per Cart	4,574	4,212	4,412	4,015	4,450
Trade-In Per Cart	2,000	2,000	2,000	2,200	2,200
Net Price Per Cart	2,574	2,212	2,412	1,815	2,250
Total - 87 carts	223,973	192,444	209,844	157,905	195,750
Freight	10,440	-	-	-	-
Total Cost	\$234,413	\$192,444	\$209,844	\$157,905	\$195,750

The addition of the beverage cooler and golf club cover increased the Yamaha® proposals by just under \$12,000.

Evaluation of Golf Carts

Based on our experience and familiarity with the golf carts on the market, we considered the Yamaha YDRA® to be comparable to the gasoline carts available from Club Car® and E-Z-GO®. These carts all have carburetor engines. The proposal to provide 87 Yamaha YDRA® carts is the best proposal submitted for a cart with a carburetor engine.

We were not familiar with the Yamaha YDRA-EFI®, a recently released cart with an electronic fuel injection (EFI) engine. Yamaha® proposes to sell us this electronic fuel injection cart for \$37,800 more than their cart with a carburetor engine, an additional cost of \$435 per cart.

We conducted a demo comparison of the two Yamaha® carts and found that the electronic fuel injection engine operates slightly quieter than the conventional carburetor engine cart. This would be a minor benefit to customers that, on its own, would not warrant the additional cost involved.

The EFI cart does not require an engine choke. This would provide limited operating savings, as we replace about ten choke cables per year at a cost of about \$50 each. The absence of a choke cable would be a significant benefit for customers, especially for customers who are not familiar with the choke on a gas cart. Customers struggle operating the choke thousands of times each year.

Yamaha® commissioned independent research on the fuel efficiency and emission performance of each of their two gasoline carts and the other carts on the market. That research showed that the Yamaha® EFI cart was 13% more fuel efficient than their conventional carburetor cart. The Village Links cart fleet uses 3,500 gallons of gasoline per year. We would expect to lower that by 455 gallons a year. At an anticipated cost of \$3.25 per gallon we would lower our fuel costs by just under \$1,500 per year. Additionally, we should see a small reduction in labor cost as a result of not needing to fuel carts as frequently.

Their research showed that the Yamaha® EFI cart is the most fuel efficient and lowest exhaust emission cart on the market. In their study Yamaha® got 21% to 34% better mileage than their competition and emitted 62% to 76% fewer hydrocarbons than the other carts on the market.

Our Yamaha® dealer anticipates that after four years of use, the EFI cart will have \$200 to \$300 greater trade-in value than the conventional carburetor engine cart. At the conservative end, that would be worth an additional \$20,000 at that time.

The combination of added trade-in value, lower fuel cost, and reduced choke cable replacement costs would offset about \$28,000 of the \$37,800 incremental cost increase of purchasing EFI carts.

We feel that the other benefits of customer convenience and environmental friendliness warrant the remaining additional cost.

We also recognize that there is some advantage to continue to operate a Yamaha® fleet, because of familiarity with maintenance needs and a small inventory of repair parts on hand.

Delivery

We would intend to order the new golf carts for delivery after the new concrete paving has been completed around the golf course clubhouse. We expect this would result in delivery around May 1, 2013.

Budget Amendment

We budgeted to replace these golf carts in the FY 2011-12 when the carts would have been four years old. We deferred that purchase due to uncertainty over possible changes to the Village Links clubhouse site that could have possibly included switching to electric carts.

The decision to continue with gasoline carts was not made until late in 2012. Funds for this purchase remain unspent in the Recreation Fund cash reserves. The replacement purchase of golf carts was included in cash flow projections submitted to the Finance Commission and Village Board in 2012.

I recommend that the Village Board approve a budget amendment for the FY 2012-13 Recreation Fund Budget, using cash reserves to increase the budget for Capital Expenditure - Equipment - 55 700 - 580 110 in the amount of \$196,000.

Recommendations

I recommend that the Village Board approve an amendment to the FY 2012-13 Recreation Fund Budget increasing the budget for Capital Expenditure – Equipment # 55 700 580 110 in the amount of \$196,000.

I recommend that the Village Board of Trustees waive competitive bidding and approve a motion to purchase 87 Yamaha YDRA-EFI® gasoline golf carts from Harris Golf Cars Inc. of Sugar Grove, Illinois at a cost of \$195,570 plus the trade-in of 87 used 2008 Yamaha golf cars, to be expensed to the FY 2012-13 Recreation Fund.

Action Requested

Approve a Motion to increase the FY 2012-13 Recreation Fund Budget for Capital Expenditures – Equipment in the amount of \$196,000.

Waive Competitive Bidding and approve a Motion to purchase 87 Yamaha YDRA-EFI® gasoline golf carts from Harris Golf Cars Inc. of Sugar Grove, Illinois at a cost of \$195,570 plus the trade-in of 87 used 2008 Yamaha golf cars, to be expensed to the FY 2012-13 Recreation Fund.



Iowa Location:
 9875 Kapp Court
 Pocsia, IA 52068
 Phone: (563) 582-7390
 Fax: (563) 582-6863

Illinois Location:
 549 Heartland Drive, Suite A
 Sugar Grove, IL 60554
 Phone: (630) 466-5239
 Fax: (630) 466-5266

Wisconsin Location:
 13900 Leetebir Road
 Sturtevant, WI 53177
 Phone: (262) 886-2816
 Fax: (262) 886-1803



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www.harrisgolfcars.com

PURCHASE PROPOSAL

<u>DESCRIPTION</u>	<u>FLEET VALUE</u>
PURCHASE: 87 – 2013 Yamaha EFI Gas Fleet Cars (Per Spec)	\$598,995.00
Yamaha Fleet Discount	<\$150,000.00>
Harris Municipal Volume Discount	<\$ 61,845.00>
TRADE-IN: 87 – 2008 Yamaha Gas Fleet Cars (Per Spec)	<\$191,400.00>
Delivered Cost:	\$195,750.00

Warranty: Four Year Limited Factory Warranty on Golf Cars (Copy Attached)

Service: Harris Golf Cars Warranty Inspection Service included at no additional charge.

Special Considerations: Replacement vehicles and Special Event fleet service is available with Harris Golf Car Lease.

Prices and rates are effective as of this date and guaranteed for 30 days subject to authorized acceptance and credit approval. Prices and rates do not include Federal, State or Local taxes unless otherwise indicated. Trade-in vehicles are to be in fleet operating condition with all accessories and free of any liens. Model and year of manufacturer will determine value of trade-in carts.

Accepted: _____

Proposed: Steve Olken - Field Sales Mgr.

Business: _____

Business: HARRIS GOLF CARS

Date: _____

Date: 2/5/2013

CONFIDENTIALITY NOTICE: This proposal, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential, privileged or other information, protected by law. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender and destroy all copies of the original.



Iowa Location:
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Phone: (630) 468-5299
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Wisconsin Location:
13900 Leetsville Road
Sturtevant, WI 53177
Phone: (262) 888-2818
Fax: (262) 888-1803



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Golf Car Fleet Purchase Proposal

Date: 2/5/2013

Customer:

VILLAGE LINKS OF GLEN ELLYN

485 Winchell Way

Glen Ellyn, IL. 60137

Contact:

Jeff Vesevik

Voice:

630-469-8194

Fax:

Prepared By: TW

Fleet Information: QTY
87

YAMAHA – YDRA 2013 EFI GAS CARS

Standard Accessories: 100% Greaseless HybriCore Chassis, Drive Center Ergonomics, 11.4HP Yamaha Engine Rack and Pinion Steering (Maintenance Free), ClimaGuard Top with Dual Rain Gutters Maintenance Free Cast Aluminum Accelerator and Brake Pedals, Sentry Wraparound Protection System, 5 MPH Energy Absorbing Bumpers (Front and Rear), EnduraDrive Transaxle w/Internal Disc Brake System, Built-In Transaxle Impact Protection, Dual Splash Guards, Thermoplastic Olefin Flexible, Durable Body Panels, TRU-TRAK II Fully Independent Front Suspension, Premium Tread Tires, Sweater Basket, Extra Large Contour Seat, Color- Glacier White, Stone Seat, Top & Wheels

Optional Accessories:

<input checked="" type="checkbox"/> Sun Top	<input checked="" type="checkbox"/> Wheel Covers	<input checked="" type="checkbox"/> Fleet Numbers
<input checked="" type="checkbox"/> Info Holders	<input checked="" type="checkbox"/> Windshield/Hinged	<input checked="" type="checkbox"/> Club Protector
<input checked="" type="checkbox"/> Sand & Seed Bottles	<input checked="" type="checkbox"/> Beverage Cooler	<input type="checkbox"/> Club & Bail Washer
<input checked="" type="checkbox"/> Electronic Fuel Injection	<input type="checkbox"/> Fuel Gauge/Hour Meter	<input type="checkbox"/> 12V Power Adaptor
<input type="checkbox"/> Scuff Guards	<input type="checkbox"/> Spike Cleaners	<input checked="" type="checkbox"/> Custom Logo

Optional Colors:

<input checked="" type="checkbox"/> Tanzanite	<input checked="" type="checkbox"/> Garnet	<input checked="" type="checkbox"/> Emerald
<input type="checkbox"/> Anthracite	<input type="checkbox"/> Sandstone	<input type="checkbox"/> Onyx

Trade-In Description:

87/2008 YAMAHA PREMIUM GAS FLEET CARS @ \$191,400.00 APPLIED TO REDUCE COST OF NEW FLEET.



2013 Models

For USA & Canada

LIMITED 4-YEAR GOLF CAR LIMITED WARRANTY

Yamaha Golf-Car Company hereby warrants that any new YDRA gas or YDRE electric Yamaha golf car purchased from an authorized Yamaha golf car dealer in the United States will be free from defects in material and workmanship for FOUR years from date of purchase, subject to the stated limitations.

DURING THE PERIOD OF WARRANTY any authorized Yamaha golf car dealer will, free of charge, repair or replace, at Yamaha's option, any part adjudged defective by Yamaha due to faulty workmanship or material from the factory. Parts used in warranty repairs will be warranted for the balance of the vehicle's warranty period. All parts replaced under warranty become property of Yamaha Golf-Car Company.

GENERAL EXCLUSIONS from this warranty shall include any failures caused by:

- a. Abnormal strain, neglect, or abuse, including lack of proper maintenance, and use contrary to the Owner's/Operator's Manual instructions.
- b. Accident or collision damage.
- c. Installation of parts or accessories that are not original equipment.
- d. Fading, rust, or deterioration due to exposure or ordinary wear and tear.
- e. Modifications or alterations that affect the car's condition, operation, performance, or durability, or which makes the car serve a purpose other than use as a two-person, golf course vehicle.
- f. Damage due to improper transportation.
- g. Acts of God, i.e. lightning, hail damage, flooding, fire, etc.

WARRANTY COVERAGE:

- Year 1:** The first year of warranty shall cover the entire vehicle except for the Specific Exclusions below.
- Year 2:** The second year exclusions are the YDRA battery, body parts, seats, mats, bumper assembly, bag carrier, scorecard holder, trim, and the Specific Exclusions below.
- Year 3:** The third year exclusions include the second year exclusions, plus the control cables and electrical system (except electronic speed controller, battery charger, and electric motor), and the Specific Exclusions below.
- Year 4:** The fourth year of the warranty covers only the electric motor, speed controller, battery charger, and transaxle on the YDRE and the engine, clutch system (except drive belt), and transaxle on the YDRA.

SPECIFIC EXCLUSIONS: Specific exclusions from this warranty shall include the following:

- Electric car batteries, which are covered under a separate warranty.
- Any parts replaced due to normal wear or routine maintenance, including oil and air filter elements, tire wear, spark plugs, starter and clutch drive belts.
- Any charges incurred in transporting a golf car or charger to and from an authorized Yamaha golf car dealer for service or in performing field service are also excluded from this warranty.
- Gasoline powered golf car starting batteries on vehicles equipped with a golf course GPS device, or any other device with a parasitic current draw, unless the vehicle is equipped from the factory with an optional deep cycle starting battery.

THE CUSTOMER'S RESPONSIBILITY under this warranty shall be to:

1. Operate and maintain the golf car and charger as specified in the appropriate Owner's/Operator's Manual;
2. Give notice to an authorized Yamaha golf car dealer of any and all apparent defects within ten (10) days after discovery, and make the vehicle or charger available at that time for inspection and repairs by the dealer's authorized representative.

WARRANTY TRANSFER: Any transfer of warranty must take place within the first three years of the original in-service date of the vehicle. The vehicle must be re-registered by an authorized Yamaha Golf-Car Dealer within 30 days of transfer. A fee may be charged for the transfer of the warranty.

YAMAHA GOLF-CAR COMPANY MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED. ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH EXCEED THE OBLIGATIONS AND TIME LIMITS STATED IN THIS WARRANTY ARE HEREBY DISCLAIMED BY YAMAHA GOLF-CAR COMPANY AND EXCLUDED FROM THIS WARRANTY.

SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU. ALSO EXCLUDED FROM THIS WARRANTY IS ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING LOSS OF USE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE EXCLUSION MAY NOT APPLY TO YOU.

THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS, WHICH VARY, FROM STATE TO STATE.

Yamaha Golf-Car Company, NEWNAN, GEORGIA 30265-1320
EFFECTIVE DATE: 6/1/12

LIT-13710-01-12

10-15