

Lake Land College

District #517



Board of Trustees

Agenda and Board Book

February 13, 2017

Regular Meeting #602

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Lake Land College
Board of Trustees
District #517



Regular Meeting #602
Monday, February 13, 2017, 6:00 p.m.
Webb Hall 081, Mattoon
Agenda

I. ROUTINE

A. Call to Order

B. Roll Call

C. Consent Item.

(Any one member may remove an item from the consent item list simply by requesting the Chair to do so. Items removed will be discussed and voted immediately following passage of the consent item.)

1. Approval of minutes of January 9, 2017 regular meeting.
2. Approval of minutes of January 9, 2017 closed session.
3. Approval of agenda of February 13, 2017 Board of Trustees meeting.
4. Bills for payment and travel expenses which will be reviewed by the Finance Committee and presented by College administration for approval with full assurance they have been prepared in good faith to follow all applicable laws and Board policy. For summary and details of bills refer to: http://www.lakeland.cc.il.us/col/board_minutes/download.cfm
5. Destruction of tape recording of August 10, 2015 closed session.

II. HEARING OF CITIZENS/FACULTY/STAFF

III. COMMITTEE REPORTS

A. ICCTA/Legislative	Mr. Mike Sullivan Dr. Robert Luther
B. Resource & Development	Ms. Doris Reynolds
C. Finance	Mr. Dave Storm
D. Buildings & Site	Dr. Robert Luther
E. Student Report	Ms. Jensyn Morrison
F. President's Report	Dr. Josh Bullock

IV. BUSINESS ITEMS

A. Non-Action Items

	Board Book Page Number(s)
1. Faculty focus on advancing student success.	
2. Spring 2017 Tenth Day Enrollment Summary.	
3. Calendar of events.	17-18
4. Correspondence.	19

B. Action Items

	Board Book Page Number(s)
1. Approval of bid for audit services.	20-21
2. Approval of planned retirement requests.	22
3. Approval of recipient of the Distinguished Service Award.	23-25
4. Approval of recipient of the Alumnus Achievement Award.	26
5. Approval of Retiree Wall of Fame Inductees.	27
6. Approval of recipient of the Clem G. Phipps Exemplary Trustee Award.	28-29
7. Approval of proposed revisions to Board Policies:	
a. 05.04.08 – <i>Bereavement Leave</i> .	30-32
b. 06.07 – <i>Baccalaureate/Transfer Program Guarantee</i> .	33-34

Lake Land College Board of Trustees

Agenda – February 13, 2017

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| 8. | Acceptance of reporting of December 2016 Financial Statements. | 35-45 |
| 9. | Approval of revisions to organizational charts for Academic Services and President's Office Units. | 46-47 |
| 10. | Approval of bid for CIM machinery. | 48-49 |
| 11. | Approval of Resolution No. 0217-039 providing for the issue of approximately \$1,330,000 General Obligation Community College Bonds, Series 2017, for the purpose of paying claims against the District, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof. | 50-90 |
| 12. | Approval of Resolution No. 0217-040 to enter into a Guaranteed Energy Savings Contract for the West Building Energy Upgrades Project and the Wind Turbine Remediation Project. | 91-127 |
| 13. | Approval of Human Resources Report. | 128-132 |
| 14. | Adjournment. | |

**Lake Land College
Board of Trustees
District #517**



Regular Board Meeting No. 601
Webb Hall, Room 081, Mattoon, IL
January 9, 2017

Minutes

Call to Order.

Chairman Gary Cadwell called the January 9, 2017 regular meeting of the Lake Land College Board of Trustees to order at 6:00 p.m. in Webb Hall, room 081, Mattoon.

Roll Call.

Trustees Present: Mr. Gary Cadwell, Chairman; Dr. Robert Luther; Ms. Doris Reynolds, Secretary; Mr. David Storm, Vice Chair; Mr. Mike Sullivan and Ms. Jensyn Morrison, Student Trustee.

Trustees Absent: Ms. Ann Deters and Mr. Bruce Owen.

Others Present: Dr. Jonathan Bullock, President; Mr. Jon Althaus, Vice President for Academic Services; Mr. Bryan Gleckler, Vice President for Business Services; Ms. Jean Anne Grunloh, Senior Executive to the President; Dr. Jim Hull, Vice President for Workforce Solutions and Community Education; Dr. Tina Stovall, Vice President for Student Services and members of the staff, community and media.

Approval of Consent Items.

Trustee Luther moved and Trustee Storm seconded to approve the following consent items:

1. Approval of minutes of December 12, 2016 regular meeting.
2. Approval of minutes of December 12, 2016 closed session.
3. Approval of agenda of January 9, 2017 Board of Trustees meeting.
4. Approval of bills for payment and travel expenses which were reviewed by the Finance Committee and presented by the College administration with full

assurance they have been prepared in good faith to follow all applicable laws and Board policy. Summary of bills include:

Education Fund	\$	507,156.68
Building Fund	\$	29,022.08
Site & Construction Fund	\$	336,533.36
Bond & Interest Fund	\$	-
Auxiliary Services Fund	\$	88,530.57
Restricted Purposes Fund	\$	210,058.17
Working Cash Fund	\$	-
Audit Fund	\$	10,800.00
Liability Insurance Fund	\$	20,065.00
Student Accts Receivables	\$	33,253.70
Total	\$	1,235,419.56

5. Destruction of tape recording of July 13, 2015 Resource and Development Committee Closed Session.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Public Hearing Concerning the Intent of the Board of Trustees to Sell \$1,330,000 Funding Bonds for the Purpose of Paying Claims against the District.

At 6:01 p.m., Chair Cadwell announced that the Board of Trustees would conduct a public hearing to receive public comments on the proposal to sell \$1,330,000 Funding Bonds for the purpose of paying claims against the District and explained that all persons desiring to be heard would have an opportunity to present written or oral testimony with respect thereto.

Chair Cadwell opened the discussion and explained that the reasons for the proposed issuance of the Bonds were as follows: To pay the Debt Certificates, Series 2016, of the District, issued to finance energy efficiency, parking and roadway improvements for the District.

Chair Cadwell asked for additional comments from the Trustees. There were none.

Chair Cadwell asked for oral or written testimony or any public comments concerning the proposed issuance of the Bonds. There were none.

Chair Cadwell then announced that all persons desiring to be heard had been given an opportunity to present oral and written testimony with respect to the proposed issuance of the Bonds.

At 6:02 p.m., Trustee Sullivan moved and Trustee Storm seconded the motion that the Hearing be finally adjourned.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Hearing of Citizens, Faculty, and Staff.

Mr. Dave Seiler, History Instructor, asked to address the Board in regards to policy revisions which the Board will be asked to approve later in the meeting. He said he wished to thank Dr. Tina Stovall, Vice President for Student Services, and the administration for including various faculty members in the recent discussions to implement recommended changes to the policies and procedures related to student complaints and grievances. He expressed gratitude for the shared governance in this matter.

There were no additional comments.

Committee Reports

ICCTA/Legislative.

Trustee Mike Sullivan said that if there is no resolution to the state budget impasse by January 10, 2017 then the new state leaders will be sworn in for the 100th General Assembly and the process will start over for approval of a state budget.

Resource & Development.

Committee Chair Ms. Doris Reynolds said the Committee had not met since the last regular Board meeting and she had no report at this time.

Finance.

Committee Chair Mr. Dave Storm said the Finance Committee met recently to review several items that will appear later in the agenda. He said that he will make comments on specific topics when discussion arises per the agenda.

Buildings & Site.

Committee Chair Dr. Robert Luther said the committee had not met since the last regular Board meeting and he had no report at this time.

Student Report.

Student Trustee Ms. Jensyn Morrison highlighted various College athletic statistics and accomplishments, upcoming student events, and recent activities hosted by the student ambassadors and members of the Student Government Association.

President's Report.

Dr. Bullock said:

- Trustee Mike Sullivan has been nominated by the College for the ICCTA Ray Hartstein Trustee Achievement Award. Mr. Sullivan has been a Lake Land College trustee for 30 years—a milestone few college trustees attain. He has served three times as board chairman and has also served on the state-wide ICCTA Legislative Committee for more than 25 years, including two years as chair and one term as ICCTA President.
- As of Monday, January 9th, Full-Time Equivalent (FTE) enrollment for the Spring 2017 semester is up 2.1 percent, while headcount is up 3.1 percent. Kudos to all of the College faculty and staff for their commitment to ensuring every student is afforded the opportunity for a quality education at Lake Land.
- The Illinois Board of Higher Education announced Lake Land College will receive \$428,571.42 in supplemental funding to help support essential operations. This additional financial appropriation brings the total state funding received by Lake Land for FY2017 to 54.2% of FY2015 levels for general operations. This supplemental funding allows Lake Land College to lessen the impact of budgetary reductions that were assumed in balancing this year's budget.

Business Items

Non-Action Items

Faculty Focus on Advancing Student Success.

Mr. Ryan Orrick, Ag Division Chair and Ag Instructor, presented information on a new elective course he has developed for students titled Livestock Merchandising. He said the course offers specific emphasis on digital and social media technologies affecting the field and will utilize guest speakers from throughout the U.S.

Proposed Revisions to Board Policy 05.04.08 – Bereavement Leave.

Mr. Bryan Gleckler, Vice President for Business Services, presented on recommended changes to the above-referenced Policy. Trustees reviewed details of the proposed changes. Mr. Gleckler reported that the proposed revisions are required in order for Lake Land College to be compliant with Public Act 99-0703 which provides a maximum of two weeks (10 work days) of unpaid leave for bereavement of an employee's child. He also said proposed revisions will be submitted to the Board for approval during the February 13, 2017 Board meeting.

Proposed Revisions to Board Policy 06.07 –Baccalaureate/Transfer Program Guarantee.

Dr. Stovall presented on recommended changes to the above-referenced Policy. Trustees reviewed details of proposed revisions. Dr. Stovall said that the Chair for Counseling and Judicial Affairs now serves as the Transfer Coordinator, and proposed revisions to this Policy identify the Transfer Coordinator as the individual with whom a student would work if there is a concern regarding transferability of courses. Dr. Stovall also said that proposed revisions will be submitted to the Board for approval during the February 13, 2017 Board meeting.

Calendar of Events.

Trustees received a calendar of upcoming events.

Correspondence.

Trustee reviewed three items of correspondence.

Action Items

Approval of 2018-2019 and 2019-2020 Academic Calendars.

Dr. Stovall presented the proposed 2018-2019 and 2019-2020 Academic Calendars. Trustees reviewed summaries of both calendars. Dr. Stovall said that the Academic and Enrollment Calendar Committee has completed its work to recommend the calendars and that the calendars comply with relevant Board policies, ICCB requirements, and the Agreement between the Board and the Lake Land College Faculty Association.

Trustee Storm motioned and Trustee Luther seconded to approve the 2018-2019 and 2019-2020 Academic Calendars as presented.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Approval of Proposed Revisions to Board Policies:

- a. 07.06 - Residency.
- b. 07.29 - Concerns and Grievances.
- c. 07.29.01 - Records of Student Complaints.

President Bullock said that Trustees reviewed proposed revisions to the three above-referenced Policies during the December 12, 2016 Board meeting, and the administration has received no questions or requests for changes.

Trustee Sullivan motioned and Trustee Storm seconded to approve revisions as presented to Board Policy 07.06 – *Residency*, Policy 07.29 – *Concerns and Grievances*, and Policy 07.29.01 – *Records of Student Complaints*.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Approval of Faculty Seniority Listing.

Mr. Jon Althaus, Vice President for Academic Services, presented on the proposed Faculty Seniority Listing effective January 9, 2017. He said that Chapter 22 of the Illinois Revised Statutes, paragraph 103B-5, requires each community college district to establish a faculty seniority list no later than February 1 of each year and that this list must then be distributed to appropriate employee representatives.

Trustee Reynolds motioned and Trustee Sullivan seconded to approve the Faculty Seniority Listing effective January 9, 2017 as presented.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Acceptance of Reporting of November 2016 Financial Statements.

Trustees reviewed the November 2016 Financial Statements and a memorandum from Ms. Madge Shoot, Comptroller, highlighting variances for the Statements.

Trustee Storm said the Finance Committee reviewed the November 2016 Financial Statements and the Committee's consensus was to recommend to the Board approval of the Statements as presented.

Trustee Storm moved and Trustee Luther seconded to accept the November 2016 Financial Statements as presented.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Approval of 2017 Schedule of Board of Trustees Meetings.

Trustees reviewed the proposed schedule of regular Board meetings to be held in 2017. Dr. Bullock said that the schedule also includes a special meeting date for the Annual Organizational meeting due to the timing of the Trustee elections. He also said that regular meetings will no longer be held at the Workforce Development Center since the College no longer owns that facility.

Trustee Reynolds motioned and Trustee Sullivan seconded to approve the 2017 Schedule of Board of Trustees Meetings as presented.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Approval of Resolution No. 0117-038 setting forth and describing in detail claims heretofore authorized and allowed for proper community college purposes which are presently outstanding and unpaid, declaring the intention to avail of the provisions of Article 3A of the Public Community College Act of the State of Illinois, as amended, and to issue bonds for the purpose of paying claims against the District, and directing that notice of such intention be published as provided by law.

Trustees reviewed details of the above-referenced Resolution. Chair Cadwell said a hearing was held earlier in the meeting regarding the intent of the College to issue bonds in the amount of \$1,333,000. Mr. Gleckler said this is the next phase in the bond issuance process as approved by the Board during the December 12, 2016 Board meeting for the debt certificates to pay for the West Building Energy Upgrade and Parking Lot/Roadway Repairs.

Trustee Storm said the Finance Committee reviewed this Resolution and the Committee's consensus was to recommend to the Board approval of the Resolution as presented.

Trustee Storm motioned and Trustee Luther seconded to approve Resolution No. 0117-038 as presented setting forth and describing in detail claims heretofore authorized and allowed for proper community college purposes which are presently outstanding and unpaid, declaring the

intention to avail of the provisions of Article 3A of the Public Community College Act of the State of Illinois, as amended, and to issue bonds for the purpose of paying claims against the District, and directing that notice of such intention be published as provided by law. A full and complete copy of the Resolution is attached to and part of these minutes.

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Approval of Human Resources Report.

Dr. Bullock presented on various personnel actions included in the proposed Human Resources Report.

Trustee Reynolds moved and Trustee Sullivan seconded to approve the Human Resources Report as follows:

The following employees are recommended for leave

Browning, Braddi	FMLA	03/28/2017
Wilson-West, Danalyn	FMLA	12/21/2016

Additional Appointments

The following employees are recommended for additional appointments

	Position	Effective Date
Part-time		
Bowling, Emily	Special Needs Note Taker Primary Position is Print Shop Student Asst	12/21/2016
Burrell, Krista	Honors Experience Advisor Primary Position is Academic Counselor	01/03/2017
Frazier, Darrius	Newspaper Editor - Student Newspaper Primary Position is Bookstore Rush Worker	12/09/2016
Holsapple, Sheila	Center for Business and Industry Instr Primary Position is Adjunct Faculty BNA Sub	11/07/2016
Locke, Sarah	Bookstore Rush Worker Primary Position is Peer to Peer-Humanities	12/09/2016
Tingley, Joey	Center for Business and Industry Instr Primary Position is Allied Health BNA CIn Instr	11/07/2016
Warner, Elaine	Center for Business and Industry Instr Primary Position is Allied Health BNA CIn Instr	11/07/2016

End Additional Appointments

The following employees are ending their additional appointment

	Position	Effective Date
Full-time		

Heuerman, Dustin	Honors Experience Advisor	01/02/2017
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Part-time

Bruyn, Shari	Adjunct Faculty Math/Science	12/19/2016
McQueen, Michael	Newspaper Editor	12/01/2016
Repp, Matthew	College Work Study Business	12/19/2016

New Hire-Employees

The following employees are recommended for hire

	Position	Effective Date
Unpaid Volunteer		
Dickerson, Gayla	DOC First Aid/CPR Instructor/Unpaid	11/29/2016
Ford, Ross	DOC First Aid/CPR Instructor/Unpaid	11/29/2016
Garry, John	DOC First Aid/CPR Instructor/Unpaid	11/29/2016
Harmon, Laura	Work and Learn - Humanities	12/09/2016
Hatfield, Elizabeth	DOC First Aid/CPR Instructor/Unpaid	11/29/2016
Koester, Jay	Dual Credit Instructor	12/16/2016
Marshall, Christopher	DOC First Aid/CPR Instructor/Unpaid	11/29/2016
Nead, Kristin	Admissions Unpaid Intern	12/01/2016

Full-time

Winchester, Colleen	Sr. Human Resources Generalist and College Compliance Coordinator	01/10/2017
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Full-time - Grant Funded

Gravatt, Tomi	Associate Dean IYC Harrisburg	12/07/2016
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Part-time

Bampelenga Iyomi, Japhet	International Student Ambassador	12/02/2016
Boulu Lombo, Jonathan	International Student Ambassador	12/02/2016
Carr, Craig	Dual Credit Coordinator	12/13/2016
Daily, Jacob	Fitness Center Specialist	11/01/2016
Gursoy, Nurten Seval	International Student Ambassador	12/12/2016
Kamidi, Gloria	International Student Ambassador	12/12/2016
Luong, Nhu Quynh	International Student Ambassador	12/02/2016
Mabiala, Benjamin	International Student Ambassador	12/12/2016
Mboma, Rayanna	International Student Ambassador	12/02/2016
Mersman, LaurenSpecial	Needs Note Taker	12/15/2016
Moluba Ebali, Geonel	International Student Ambassador	12/12/2016
Moore, Trevor	Bookstore Rush Worker	12/01/2016
Nzuka, Eunice	International Student Ambassador	12/02/2016
Oh, Su Gyeong	International Student Ambassador	12/02/2016
Patel, Poojaben	International Student Ambassador	12/02/2016
Schmidt, Lindy	Kluthe Test Proctor	12/01/2016
St John, Daniel	Police Officer	01/03/2017
Tshilombo Kapinga, Raissa	International Student Ambassador	12/12/2016
Tshilombo Luvungula, Russel	International Student Ambassador	12/12/2016

Tshilombo, Gael	International Student Ambassador	12/12/2016
Wang, Rui	International Student Ambassador	12/02/2016

College Work Studys

Davis, Michael	College Work Study - Business	12/13/2016
Deters, Derrick	College Work Study - Physical Plant	12/12/2016

Terminations/Resignations

The following employees are terminating employment

	Position	Effective Date
Full-time		
Budde, David	Director of EMS (Retiree)	11/30/2016
Harris, Julie	Corr Ofc Asst-Dixon CC	01/04/2017
Hutti, Deborah	Assoc VP for Ed Services (Retiree)	12/31/2016
Reider, Kristina	Dual Credit Specialist (Retiree)	11/30/2016
Schlechte, Dawn	Director of Human Resources (Retiree)	12/31/2016
Weber, Andrew	Corr Ofc Asst - East Moline CC	01/06/2017
Part-time		
Adams, Melanie	Special Needs Note Taker	12/22/2016
Beliz, Barbara	Bookstore Rush Worker	12/21/2016
Kearney, James	Adj Faculty Math/Science	12/20/2016
McDaniel, James	Adj Faculty Math/Science	12/19/2016
Oakley, Melissa	Adj Faculty Math/Science	05/30/2016
Parrish, Linda	Adj Faculty Math/Science	12/31/2013
Reinheimer, Jane	Adj Faculty Social Science	12/21/2016
Rhodes, Tracy	IDOC CPR Instructor	12/19/2016
Rueff, Bailey	Newspaper Ed Student News	09/11/2016
Shirley, Mark	Newspaper Ed Student News	11/06/2016
Stawski, Monika	IDOC CPR Instructor	12/19/2016
Watson, Blaine	Adj Faculty Math/Science	05/30/2014

College Work Studys

Bartels, Melissa	College Work Study-Allied Health	11/23/2015
Spearman, Ryan	College Work Study-Business	12/19/2016
Talley, Andrew	College Work Study Fitness Ctr	12/15/2016
Tribble, Timothy	College Work Study-Women's Bsktball	12/15/2016
Vargas, Stephanie	College Work Study-Business	12/19/2016

There was no further discussion.

Roll Call Vote:

Yes: Trustees Cadwell, Luther, Reynolds, Storm, and Sullivan. No: None.

Absent: Deters and Owen. Student Advisory Vote: Morrison voted yes.

Motion carried.

Adjournment.

Trustee Luther moved and Trustee Strom seconded to adjourn the January 9, 2017 meeting of the Lake Land College Board of Trustees at 6:32 p.m.

Motion carried with unanimous voice vote approval.

Approved By:

Mr. Gary Cadwell, Board Chair

Ms. Doris Reynolds, Board Secretary

*Note – See Board of Trustees web page for any referenced attachments to these minutes.
https://www.lakelandcollege.edu/col/board_minutes/minutes_index.cfm

Calendar of Events

Thursday, February 9, 2017	Finance Committee Meeting 3 p.m. – Webb 081
Monday, February 13, 2017	Resource and Development Committee Meeting 5 p.m. – Webb 081 6 p.m. – Board Meeting – WH 081*
Thursday, February 23, 2017	6 p.m. – Ag Banquet – Field House
Thursday, March 2, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, March 13, 2017	6 p.m. – Board Meeting – WH 081*
Thursday, April 6, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, April 10, 2017	6 p.m. – Board Meeting – WH 081*
Saturday, April 29, 2017	American Heart Association – Heart Walk Time to be announced West Building
Thursday, May 4, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, May 8, 2017	6 p.m. – Board Meeting – WH 081*
Friday, May 12, 2017	50 th Annual Lake Land College Commencement Ceremony 5:30 p.m. Dinner in the West Building Atrium 7:30 p.m. Commencement Ceremony in the Field House
Fridays, May 19 - August 11, 2017	Energy Savings Summer Hours begin and end. College is closed.
Friday-Saturday, June 2-3, 2017	ICCTA Annual Convention – Normal, IL
Thursday, June 8, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, June 12, 2017	6 p.m. – Board Meeting – WH 081*

Thursday, July 6, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, July 10, 2017	6 p.m. – Board Meeting – WH 081*
Thursday, August 10, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, August 14, 2017	6 p.m. – Board Meeting – Kluthe Room 220*
Thursday, September 7, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, September 11, 2017	6 p.m. – Board Meeting – WH 081*
Thursday, October 5, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, October 9, 2017	6 p.m. – Board Meeting – WH 081*
Thursday, November 9, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, November 13, 2017	6 p.m. – Board Meeting – WH 081*
Thursday, December 7, 2017	Finance Committee Meeting 3 p.m. – Webb 081 Resource and Development Committee Meeting 4 p.m. – Webb 081
Monday, December 11, 2017	6 p.m. – Board Meeting – WH 081*

Dear friends:

Thank you so much for
your support while
Rachel was a student &
also for your support
after her death. We
loved the black & red
flower bouquet! We also
appreciated seeing so many
of you at her services.
Please keep praying for us!

Sincerely,

Carl & Neil

We shall always
remember with deep
gratitude your
comforting expression
of sympathy.

The Family of

Rachel M. Dettling

LAKE LAND COLLEGE

MEMO

TO: Dr. Josh Bullock, President
 FROM: Bryan Gleckler, Vice President for Business Services
 DATE: January 20, 2017
 RE: Approval of Audit Firm

In accordance with Board Policy 02.14 (employment of auditing firm) and Board Policy 10.12 (scope of audit), Madge Shoot, Comptroller, and I have extended Requests for Proposals to area accounting firms for the fiscal years 2018, 2019 and 2020 with an option for two 1 year extensions. We advertised in major daily in-district newspapers and mailed proposals to all interested accounting firms.

Below is a listing of the firms who have submitted proposals.

<u>Firm name</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Doehring, Winders & Co. LLP 1601 Lafayette Ave. Mattoon, IL 61938	\$71,600	\$73,500	\$76,000
Rehman, Robson 2330 East Paris Avenue SE Grand Rapids, MI 49516-6547	\$104,400	\$108,300	\$112,300
Clifton, Larsen, Allen 301SW Adams Street, Suite 1000 Peoria, IL 61602	\$67,000	\$69,000	\$71,000
Martin, Hood, Friese & Associates 2507 South Neil Street Champaign, IL 61820	\$55,500	\$57,200	\$58,900

<u>Firm name</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Kemper CPA Group 80 Broadway Ave, Suite 102 Mattoon, IL 61938	\$42,750	\$42,750	\$42,750
Knutte & Associates, P.C. 7900 S. Cass Avenue, Suite 210 Darien, IL 60561	\$69,000	\$70,000	\$71,000

Miller, Cooper & Co. Ltd and West and Company both submitted no bid documentation. Both firms indicated they currently did not have the capacity to perform an audit the size of ours.

The fees of Kemper CPA Group are very competitive. They are also an in-district accounting firm.

It is our recommendation that Kemper CPA Group of Mattoon perform the Lake Land College audit for the next three years. Their firm has previously audited John A Logan Community College and they are currently the audit firm for Community Unit 2 School District. They are also familiar with the Foundation side and would be a good fit for them also.

The Board is not bound by state statutes to accept the lowest proposal of contracts for services of individuals possessing a high degree of professional skill where the ability or fitness of the individual plays an important part (110 ILCS 805/3-27.1), however in this case the lowest bidder is the recommendation.

If you have questions or need further clarification, I am available.

LAKE LAND COLLEGE

MEMO

TO: Dr. Jonathan Bullock, President

FROM: Bryan Gleckler, Vice President for Business Services

CC:

DATE: January 30, 2017

RE: Planned Retirement Requests

The following requests have been received from employees wishing to participate in the Lake Land College Planned Retirement Program:

Faculty (by seniority)	Effective Date
Walter McHenry	August 31, 2021
Peggy Strange	December 31, 2021
David Seiler	September 1, 2021
Terri Fields	August 31, 2021
Helen Hendren	August 15, 2021
Support (by seniority)	Effective Date
Sharon Uphoff	December 31, 2020
Paraprofessional (by seniority)	Effective Date
Marlene Meek	December 31, 2020
Custodial (by seniority)	Effective Date
Don Hardwick	May 30, 2021

All of the above have had noted in all oral and written communication to them that the Planned Retirement Program is not a four-year employment contract and their request must adhere to current Board Policy.

As provided in Article II, Section H of the Faculty Contract, at the direction of the Board of Trustees, the number of resignations accepted in advance may be limited to fifteen percent (15%) of employees qualified. If this option should be invoked, resignations will be accepted on a seniority basis within employee group with Lake Land College.

I recommend the Board of Trustees accept all of the above people into the Planned Retirement Program.

LAKE LAND COLLEGE

MEMO

TO: Members, Board of Trustees
Dr. Josh Bullock, President

FROM: Jean Anne Grunloh, Senior Executive to the President

DATE: January 13, 2017

RE: Distinguished Service Award

The Distinguished Service Award is made annually to honor an individual for outstanding service to Lake Land College. Members of the Distinguished Service Award Selection Committee have completed their review of nominations submitted for consideration of this year's award. The committee is pleased to recommend Mr. Scott Lensink as a posthumous recipient for this year's award. The selection committee is comprised of Dr. Josh Bullock, President; Mr. Mike Sullivan, Trustee; Mr. Gary Cadwell, Trustee; Ms. Jackie Joines, Executive Director for College Advancement; and myself.

Mr. Lensink served as a Lake Land College employee for 20 years, beginning as a business instructor and head coach for the Laker women's basketball team. Most notably, he served as the College's sixth president from July 1, 2007 until his retirement on June 30, 2013. During his tenure as president, Lake Land experienced record enrollment growth and received state and/or national recognition as being a leader in energy sustainability, digital technology, and campus safety. Additionally, the Aspen Institute named Lake Land in the top 10 percent of community colleges in the nation two years in a row during his administration. Please find attached Mr. Lensink's nomination in consideration of the College's Distinguished Service Award as submitted by Mr. Dave Cox, Director of Alumni Relations and Annual Giving. This nomination highlights Mr. Lensink's dedicated service and lasting impact to the Lake Land College community.

As in the past, we respectfully ask that all publicity be withheld until closer to the College's Commencement at which time Mr. Lensink's legacy of dedicated service to the College will be honored. On behalf of the selection committee, I respectfully request that the Board approve the posthumous selection of Mr. Lensink for the 2017 Distinguished Service Award.

Attachment

From: slaughhunn42647@lakelandcollege.edu [<mailto:slaughhunn42647@lakelandcollege.edu>]

Sent: Tuesday, December 13, 2016 4:31 PM

To: Seirra Laughhunn <slaughhunn42647@lakelandcollege.edu>

Subject: 2016 Distinguished Service Nomination

2016 Distinguished Service Nomination Nominees

Name: Scott Lensink

Maiden Name:

Address:

Phone

Email

Job:

Lake Land College President 2007-2013

If retired, year of retirement: 2013

Describe below the significant contributions benefiting Lake Land College or its affiliated organizations (Foundation, Departments, Advisory Committees, Student Organizations, etc.) the nominee has made:

Lake Land College Distinguished Service Award: “The award is made to an individual for outstanding service to Lake Land College.” For 20 years, Scott Lensink epitomized what it means to answer a calling for service to this institution. Scott came to Lake Land College in 1993, as a business instructor and head coach of the Laker women's basketball team. From that point on he would be forever linked with Lake Land College. He later went on to hold positions of division chair and vice president for academic services. He will be remembered mostly, though, as the sixth president of Lake Land College. During Scott's tenure as president, Lake Land College experienced record enrollment growth and the establishment of a new vision and value system for employees. Lake Land College was named the safest campus in Illinois and also emerged as a national leader in the sustainability field. The Aspen Institute named the College in the top 10 percent of community colleges in the nation two years in a row during President Lensink's administration. Upon his retirement in 2013, Lake Land College Board Chairman Carl Hart said, "President Lensink has been a driving force in the continued success our students, faculty, and staff experience here. Under his leadership, the College has continued to grow and develop despite tough economic times." Scott will forever be remembered at Lake Land College for the impact of his professional career; but just as importantly, he will be remembered by employees and students as a jovial, caring, larger-than-life personality, who inspired us to make an impact at Lake Land College. The footprint he left may be best summarized by what we value most at Lake Land—our students. His lasting impact is demonstrated in their own words: Student testimonials Coach was one of those people I met during my school years that had a

lasting influence on me. He was supportive, easy to talk to, optimistic and challenged me to become a better athlete, a stronger person and a more realistic student. The coolest part of my relationship with coach is that even though it's been almost 20 years since I was a student athlete I still consider him a friend and feel I could talk to him like we speak on a regular basis. – Becky (Beyers) Hutchison ('98) Without Scott Lensink, I wouldn't be the person I am today. He is the reason I am an educator and coach. Scott is a true inspiration and a role model to all. If I had to describe him in one word, it would be "Saint." – Sheri (Adams) McCain ('01) According to John Wooden, "A Good Coach can change a game and a great coach can change a life." Coach Lensink was both a good and great coach as he had a profoundly positive affect on a game that I loved as well as the many roles I have had in my life. – Marcie (DeBlock) Brabender ('98) My journey into adulthood started with [his] unconditional support, wisdom, and unforgettable sense of humor. [He] provided a safe place for a shy girl to grow and develop into the strong leader that I am today. I appreciate you! – Randi (Turner) Paris ('98) Scott Lensink was a huge part of my college career. He was both one of my instructors and my basketball coach. Scott taught us how to enjoy ourselves and laugh through most of life's situations. We also learned that a good pizza and movie night would help fix almost anything. – Jenny (Westendorf) Lange ('98) Thank you for your consideration of naming Scott Lensink as the 2017 Distinguished Service Award recipient. Although posthumous, I am sure we all agree that the legacy President Lensink left at Lake Land College will continue for years to come.

Comments:

Nominated by: David Cox

Address: Director of Alumni Relations and Annual Giving

Telephone: 234-5376

MEMO

TO: President Josh Bullock and members of the Lake Land College Board of Trustees
FROM: David Cox, Director of Alumni Relations and Annual Giving
DATE: January 24, 2017
RE: Alumnus Achievement Award

The Alumnus Achievement Award committee met on campus January 23rd to review this year's nominations. This honor is made annually to a Lake Land College graduate who has attained outstanding success and distinction in his or her field of endeavor. The committee is pleased to recommend Ms. Diane Sterchi (Class of 1975) of New Palestine, IN as the 2017 Alumnus Achievement Award recipient.

Ms. Sterchi has distinguished herself in the field of histotechnology through positions at Eli Lilly and Co, OSIRIS Therapeutic, and Covance Laboratories, Inc. Histology is a specialized science dealing with the structure of cells and their formation into tissues and organs. She currently works part-time for the Veteran's Administration hospital in Indianapolis and in the medical school at Indiana University Purdue University at Indianapolis (IUPUI) where she is involved with curriculum development. Diane has numerous publications and has presented as an expert in the field of histotechnology all over the world including China.

Members of the committee are: Ms. Doris Reynolds and Mr. Mike Sullivan representing the Board of Trustees; Mr. Roger Osthoff and Ms. Hannah Crnkovich representing college alumni; Ms. Kay Foreman and Ms. Terri Fields representing college faculty and Dr. Josh Bullock representing the President's office.

As in the past, we respectfully ask that all publicity be withheld until closer to the College's Commencement at which time Ms. Sterchi will be honored. The committee respectfully asks the Board of Trustees to approve the selection of Ms. Diane Sterchi as the recipient of this year's Alumnus Achievement Award.

Thank you.

MEMO

TO: President Josh Bullock and members of the Lake Land College Board of Trustees
FROM: David Cox, Director of Alumni Relations and Annual Giving
DATE: January 24, 2017
RE: Retiree Wall of Fame Award

The Retiree Wall of Fame committee met on campus January 23rd to review this year's nominations. This honor is made annually to Lake Land College individuals that are retired faculty and staff who have made significant contributions to the College and/or who have made contributions through their profession or community at the local, state, regional, or national level that reflect positively on Lake Land College. The committee is pleased to recommend Dr. Bill Hollada, Mr. Jim Dudley, & Mr. Curt Rincker as this year's recipients of the Retiree Wall of Fame Award.

Members of the committee are: Ms. Doris Reynolds and Mr. Mike Sullivan representing the Board of Trustees; Mr. Roger Osthoff and Ms. Hannah Crnkovich representing the Alumni Association Board of Directors; Mr. Tom Wright & Mr. Alan Fedrigo representing the Foundation Board of Directors and Dr. Josh Bullock representing the President's office.

As in the past, we respectfully ask that all publicity be withheld until closer to the College's Employee Recognition Event at which time the recipients will be honored. The committee respectfully asks the Board of Trustees to approve the selection of Dr. Bill Hollada, Mr. Jim Dudley, & Mr. Curt Rincker as the recipients of the 2017 Retiree Wall of Fame Award.

Thank you.

LAKE LAND COLLEGE

MEMO

TO: Dr. Josh Bullock, President
Members, Board of Trustees

FROM: Jean Anne Grunloh, Senior Executive to the President

DATE: January 17, 2017

RE: Approval of Recipient of Clem G. Phipps Exemplary Trustee Award

On behalf of the Board of Trustees' Clem G. Phipps Exemplary Trustee Award Selection Committee comprised of Trustees Mr. Gary Cadwell, Ms. Doris Reynolds and Mr. Mike Sullivan, President Josh Bullock, and me, ex-officio, it is my pleasure to inform you that Mr. James (Jim) Shaffer of Shelbyville, Illinois, has been selected as an award recipient. This nomination is presented in honor of the College's first Board Chair, Mr. Phipps, and Mr. Shaffer's exemplary leadership and outstanding dedication to the College and Board. Below is a brief summary of Mr. Shaffer's service to the College and community. It is with utmost respect that I ask the announcement of Mr. Shaffer's selection not be made public until a Board meeting later in the year in which we will formally present the award to Mr. Shaffer.

Mr. Shaffer was nominated for this award by Mr. Max Jaeger, former Vice President for Business Services. Mr. Shaffer served as a Lake Land College trustee from 1981-2011. Mr. Jaeger states of Mr. Shaffer, "In addition to 30 years of service, Jim provided a wealth of leadership and quiet impact to fellow trustees, college administrators, program leaders (especially in Agriculture), and to anyone that came in contact with him through the years." Mr. Bob Johnston, former trustee and former Phipps award recipient, said of Mr. Shaffer, "Jim's gifts of time and talent were given selflessly without thought of personal recognition or applause. During his years of service, Jim always put the College ahead of any personal or external issue, seeking to do what was right, and what served the interests of the students."

During his 30-year tenure as a trustee, Mr. Shaffer served on a number of committees and held offices of responsibility including board chairman and board secretary in addition to representing Lake Land as a member of the Illinois Community College Trustee's Legislative Committee. He helped guide the College through many substantial transitions such as the College's significant enrollment growth, use of computers, online courses, distance learning, programs offered through the Illinois Department of Corrections and those in conjunction with the Illinois Department of Transportation, permanent establishments of extension centers, and growth of the College's Agriculture Program – something he avidly supported. According to Mr. Jaeger, Mr. Shaffer kept the Board of Trustees and College administrators apprised of changes in the agriculture industry and how important agriculture was to the economy of east central Illinois.

Besides Mr. Shaffer's outstanding dedication to the Lake Land College community, he was, and still is, an active member of his local community in Shelbyville. He has served as 4-H leader for over 30 years. He has been a member of the Shelbyville Lions Club for 47 years and is a past president. He is a past member and past president of the Shelby County Pork Producers Association and currently serves on the advisory committee for the Shelbyville Vocational Agriculture Fertility Plots. In addition, he has served on the Shelby County Farm Service Agency (FSA) committee for 12 years. He is a member of the United Methodist Church in Shelbyville and has served as past president of the United Methodist Men, as a Sunday school teacher, as past president of the Pastor Parish Committee, and has served as usher coordinator for 15 years.

I respectfully request that Trustees accept the committee's selection of naming Mr. James Shaffer as a recipient of the Clem G. Phipps Exemplary Trustee Award. The award's intent is that it not be an annual award but an award that recognizes the exemplary leadership and dedication of Lake Land College's trustees.



Memo

To: Dr. Josh Bullock, President

From: Bryan Gleckler, Vice President for Business Services

Date: December 19, 2016

Re: Update to Policy 05.04.08 – Bereavement

Public Act 99-0703 established the Child Bereavement Leave Act. The Act provides a maximum of two weeks (10 work days) of unpaid leave for bereavement of an employee's child. A child is defined as an employee's son or daughter who is a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis.

The proposed update to policy 05.04.08 is required in order for Lake Land College to be compliant with the Child Bereavement Leave Act requirement. The existing policy allows for a maximum of five (5) working days or three (3) working days of paid leave for bereavement due to the death of an immediate family member. The proposed revision adds the additional 10 working days of unpaid bereavement leave when the death involves an employee's child or stepchild.

I respectfully recommend the Board approve the revisions to Board Policy 05.04.08 on Bereavement to be compliant with Public Act 99-0703.

05.04.08

Bereavement Leave

Each full-time employee will, in the event of a death in the immediate family, be granted a maximum of five (5) working days of bereavement leave per occurrence with full pay. Immediate family is defined as the spouse, civil union partner, child, step-child, parent, step-parent, grandchild, brother, or sister of the employee.

Bereavement leave with pay will be granted for a maximum of three (3) working days in the event of the death of mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, grandparents, aunts, uncles, or foster parents.

Bereavement leave must be taken within the first five (5) working days of the death of an immediate family member and within the first three (3) working days of the death of all other family members, but need not be taken consecutively. Bereavement leave for any circumstances beyond those specifically mentioned may be authorized by the employee's vice president.

Bereavement leave days granted will not be accumulative from year to year, nor chargeable against any other paid employee leave.

If circumstances require, days needed in addition to the five- and three-day allotments may be charged to personal and/or sick leave balances.

Per the Child Bereavement Leave Act, employees are entitled to a maximum of ten (10) working days of unpaid leave for bereavement due to the death of a child or stepchild. The employee must take any unpaid leave allowed under the Act within 60 days after they are notified of the death of a child.

For Lake Land College employees at correctional centers, when there is a conflict, the Department of Corrections contract shall prevail.

Adopted November 9, 1998
Revised November 11, 2002
Revised June 13, 2011
Revised June 9, 2014

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MEMO

TO: Dr. Josh Bullock, President
FROM: Tina Stovall, Vice President for Student Services
DATE: January 30, 2017
RE: Proposed Revisions to Board Policy 06.07 Baccalaureate/Transfer Program Guarantee

Attached are proposed revisions to Board Policy 06.07 *Baccalaureate/Transfer Program Guarantee*. The proposed revisions identify the college's official Transfer Coordinator as the individual with whom a student would work if there is a concern regarding transferability of courses. The Chair for Counseling and Judicial Affairs Advisement now serves as the Transfer Coordinator. The proposed revisions also update the resources through which transfer articulation is documented and communicated to students.

Lake Land College does not offer an Associate in Arts in Teaching degree and it is no longer necessary to identify a 1994 implementation date in this policy; therefore, reference to both of those have been deleted.

The proposed revisions to Board Policy 06.07 were presented for first reading at the January 9, 2017, meeting of the College Board of Trustees. I have not received any recommendations for changes since that time and would like to present them for approval at the February 13, 2017, Board meeting.

Thank you.

06.07

Baccalaureate/Transfer Program Guarantee

Guarantee

It is the policy of Lake Land College that students graduating with an Associate in Arts degree, ~~Associate in Arts in Teaching~~, Associate in Engineering Science degree, or an Associate in Science degree be guaranteed the transferability of Lake Land articulated credits earned in the degree program and identified in the Illinois Articulation Initiative (IAI), Transferology, or another official articulation agreement ~~Articulation Transfer Guide as transferrable~~ to a baccalaureate degree-granting Illinois public college or university. If an articulated course that was selected from Illinois Articulation Initiative (IAI), Transferology, or another official articulation agreement ~~the Articulation Transfer Guide~~ and successfully completed with a grade of "C" or better within three years of initial enrollment is not accepted for transfer by an Illinois public college or university, Lake Land College will refund tuition paid by the student for said course.

Notification and Conditions

~~This policy shall become effective with new degree-seeking students of the 1994 fall term.~~

To call the guarantee, the student must submit a letter to the Transfer Coordinator ~~Associate Vice President for Educational Services~~, showing evidence of acceptance at and enrollment in the transfer institution and stating which credits did not transfer along with a letter from the transfer institution stating why the course(s) did not transfer. If the College verifies that the course(s) should have transferred according to an articulation through the Illinois Articulation Initiative (IAI), Transferology, or another official articulation agreement ~~the Course Equivalency Guides~~ in effect at the time the course was taken and when the transfer was attempted, and if the College is unable to rectify the problem with the transfer institution, the student's tuition paid for the course(s) will be refunded. No refunds will be issued for tuition paid by a third party.

Adopted November 9, 1998

Revised September 15, 2003

Revised March 14, 2005

Revised March 13, 2006

Revised

LAKE LAND COLLEGE

MEMO

TO: Mr. Bryan Gleckler, Vice President for Business Services

FROM: Ms. Madge Shoot, Comptroller

DATE: January 20, 2017

RE: December 2016 Financial Statement Summary

For the month of December, the overall variance in actual revenues and expenditures compared to the budgeted amounts reflects an unfavorable variance in the amount of \$875,446. For December, operating expenditures reflect a total unfavorable variance in the amount of \$114,957; and total revenues reflect an unfavorable variance of \$599,236.

December year to date, the overall variance in actual revenues and expenditures compared to the budget amounts reflect a favorable variance in the amount of \$4,509,064. Year to date through December, operating expenditures reflect a total favorable variance in the amount of \$606,831; total revenues also reflect a favorable variance of \$3,813,009. This is due to the recording of the WDC sale proceeds, receiving our allocated state funding in one payment rather than throughout the year, and the receipt of the CTE Grant funds.

As far as expenditures are concerned, the noteworthy variances are as follows:

Instructional area - shows a total unfavorable variance of \$16,422 for the month of December with a bulk of this variance being accounted for in salaries and benefits. Year to date the total favorable variance is \$365,344 with the bulk of the variance accounted for in general materials and supplies and travel and meeting expenses.

Academic support – shows a total favorable variance of \$80,507 for December and \$283,941 year to date. The bulk of these variances are reflected in the General Materials and Supplies category.

Student Services - shows a favorable variance of \$67,601 for the month of December. Year to date the variance is favorable \$281,617.

Public Services - shows a favorable variance of \$32,812 for the month of December. Year to date the variance is favorable \$168,743. Year to date the contractual services line is unfavorable in the amount of \$7,331. This is due to offering more classes than anticipated and therefore requiring more consulting. Due to the increased volume, we will also have additional revenue to offset this cost increase.

Operations and Maintenance – shows a total favorable variance of \$29,955 in December. Year to date shows a favorable variance of \$381,797 with the bulk of this variance accounted for in the Contractual Services, Utilities, Capital Outlay and General Materials and Supplies lines.

Institutional Support – shows an overall unfavorable variance of \$89,291 in December. Year to date the variance is unfavorable \$204,090. Contractual Services reflects an unfavorable variance year to date in the amount of \$70,715. This is due to the Iowa Lakes annual DataTel charges being more than projected and the VMWare upgrade being done in December versus February when it was budgeted. Additionally, Materials and Supplies is unfavorable by \$47,301 due to the remainder of the Tech Refresh being spent in FY2017 rather than finishing by June 30th. Finally, fixed charges are unfavorable by \$30,793 due to consulting costs for the implementation of the Recruiter product. All of these unfavorable variances have been covered through other identified favorable variances within the Institutional Support budgets.

Scholarships, Grants, Waivers – this shows an overall unfavorable variance of \$670,971. This is due to recording the offset from tuition revenues accrued for the Dual Credit program given the fact that tuition is not collected for Dual Credit.

Additionally, given the continued uncertain outlook for state funding, supply purchases have been limited only to those that are absolutely necessary. This limitation continues to contribute to the positive variances in the General Materials and Supplies category.

The corresponding monthly financial spreadsheets include a summary of all operational expenditures year to date as compared to budgeted amounts, a salary and benefits summary with FY2017 projected final spending levels, and year to date spending through December 2016 for the College's other funds (Funds 3, 4, 5, 6, 11 and 12).

Please do not hesitate to contact me if you have any questions or need any further clarification on any of these items or have others you would like to discuss.

Current Month	Current Month Budget	Variance		Current YTD Actual	Current YTD Budget	Current YTD Budget Variance	% Current YTD Budget	Previous YTD	Previous YTD Variance	% Previous YTD Variance	FY16 Final Audited Numbers	FY17 Annual Budget
Revenues:												
71,978	309,202	(237,224)	Local Sources	7,805,889	7,815,710	(9,821)	-0.13%	6,751,091	1,054,798	15.62%	6,972,533	8,060,752
-	178,234	(178,234)	iCCB Credit Hour Grant	1,887,282	1,069,404	817,878	76.48%	-	1,887,282	0.00%	1,263,864	2,138,808
-	231,163	(231,163)	iCCB Equalization Grant	2,843,905	1,386,980	1,456,926	105.04%	-	2,843,905	0.00%	1,382,884	2,773,959
18,617	19,161	(543)	Other State Sources	768,193	301,260	466,943	154.34%	182,744	583,449	319.27%	725,454	1,017,044
653,464	710,475	(57,011)	Tuition	11,126,552	11,231,690	(105,138)	-0.94%	9,036,689	2,089,863	23.13%	9,366,709	11,330,268
364,102	335,059	28,043	Fees	3,552,215	3,580,614	(28,399)	-0.79%	3,283,612	268,603	8.18%	4,101,281	4,100,609
178,972	102,076	76,896	Other Revenue	1,912,601	695,981	1,216,620	174.81%	3,646,100	(1,733,999)	-47.54%	4,241,372	1,469,864
1,287,133	1,886,369	(599,236)	Total Revenues	29,894,638	28,081,629	3,813,009	14.62%	22,900,236	6,994,402	30.54%	28,054,097	30,891,304
Expenditures:												
Instructional												
954,347	885,588	(68,779)	Salary and Wages	5,778,065	5,889,606	111,521	1.89%	5,939,631	161,546	2.72%	10,834,407	10,269,748
168,106	155,918	(12,188)	Employee Benefits	985,828	977,260	(8,568)	-0.88%	849,043	(136,785)	-16.11%	1,862,973	1,804,496
23,759	38,305	14,546	Contractual Services	66,914	121,686	54,772	45.01%	130,661	63,748	48.79%	517,170	460,975
24,508	58,995	34,487	General Materials and Supplies	214,802	371,359	156,557	42.16%	216,020	1,218	0.56%	444,295	722,120
3,384	9,466	6,082	Travel and Meeting Expenses	10,917	54,156	43,239	79.84%	28,838	17,921	62.14%	56,020	123,592
-	9,230	9,230	Fixed Charges	1,707	10,195	8,488	0.00%	-	(1,707)	0.00%	59,514	72,025
-	200	200	Capital Outlay	7,375	6,710	(665)	-9.91%	-	(7,375)	0.00%	-	83,246
-	-	-	Other Expenditures	-	-	-	0.00%	-	-	0.00%	-	-
1,174,104	1,157,682	(16,422)	Total Instructional	7,065,628	7,430,972	365,344	4.92%	7,164,193	98,565	1.38%	13,774,380	13,536,202
Academic Support												
38,744	99,945	61,201	Salary and Wages	245,979	454,369	208,390	45.86%	397,059	151,080	38.05%	801,131	1,008,467
9,781	21,918	12,137	Employee Benefits	64,866	97,477	32,611	33.45%	89,315	24,448	27.37%	179,981	228,984
550	1,800	1,250	Contractual Services	808	6,400	5,592	0.00%	2,319	1,511	0.00%	2,819	8,400
30,392	35,038	4,646	General Materials and Supplies	124,500	158,882	34,382	21.64%	120,432	(4,068)	-3.38%	178,385	220,272
87	610	523	Travel and Meeting Expenses	4,270	4,215	(55)	-1.31%	3,923	(348)	0.00%	6,445	58,760
-	750	750	Fixed Charges	4,278	7,300	3,022	41.40%	6,529	2,251	34.48%	7,078	10,300
-	-	-	Capital Outlay	-	-	-	0.00%	-	-	0.00%	9,967	-
-	-	-	Other	-	-	-	0.00%	-	-	0.00%	-	47,510
79,854	160,061	80,507	Total Academic Support	444,702	728,643	283,941	38.97%	619,577	174,875	28.22%	1,185,806	1,583,698
Student Services												
113,115	134,091	20,976	Salary and Wages	708,073	828,821	120,748	14.57%	719,211	11,137	1.55%	1,408,297	1,662,255
33,285	45,471	12,186	Employee Benefits	195,051	240,359	45,308	18.85%	166,545	(28,506)	-17.12%	363,186	512,886
-	-	-	Contractual Services	9,322	832	(8,490)	0.00%	9,322	-	0.00%	9,322	14,632
4,269	37,868	33,599	General Materials and Supplies	36,538	135,819	99,281	73.10%	35,592	(947)	-2.66%	72,742	317,709
1,831	6,420	4,589	Travel and Meeting Expenses	6,035	30,805	24,770	80.41%	37,330	31,295	83.83%	49,637	65,916
3,750	-	(3,750)	Other Expenditures	3,750	-	-	0.00%	4,000	250	0.00%	7,500	17,500
156,249	223,850	67,601	Total Student Services	958,769	1,240,386	281,617	22.70%	971,998	13,229	1.36%	1,910,685	2,590,898
Public Service/Cont Ed												
22,002	53,910	31,908	Salary and Wages	157,492	313,573	156,081	49.77%	176,441	18,948	10.74%	389,139	690,971
5,031	2,853	(2,178)	Employee Benefits	32,424	31,822	(602)	-1.89%	30,669	(1,755)	-5.72%	68,465	48,939
107	2,676	2,570	Contractual Services	18,007	10,676	(7,331)	-68.67%	18,646	640	3.43%	48,925	17,712
3,330	3,752	422	General Materials and Supplies	38,469	48,003	9,534	19.86%	30,974	(7,495)	-24.20%	77,818	99,716
519	592	74	Travel and Meeting Expenses	1,822	8,081	6,259	77.45%	4,791	2,969	61.97%	8,190	11,104
12,843	12,859	16	Fixed Charges	76,024	80,326	4,302	5.36%	95,805	19,782	20.65%	216,091	162,927
-	-	-	Utilities	-	-	-	0.00%	-	-	0.00%	-	-
-	-	-	Capital Outlay	-	-	-	0.00%	-	-	0.00%	-	-
-	-	-	Other	-	500	500	0.00%	415	415	0.00%	678	-
43,830	76,642	32,812	Total Public Service/ Cont Ed	324,238	492,981	168,743	34.23%	357,741	33,503	9.37%	809,307	1,031,369
Operations & Maintenance												
77,704	87,970	10,266	Salary and Wages	479,211	571,806	92,595	16.19%	574,105	94,894	16.53%	1,176,619	1,187,598
27,026	28,600	1,574	Employee Benefits	163,333	171,601	8,268	4.82%	150,329	(13,004)	-8.65%	319,658	355,202
4,369	13,522	9,153	Contractual Services	178,944	219,129	40,635	18.54%	244,533	66,039	27.01%	362,890	293,008
8,654	19,688	11,034	General Materials and Supplies	55,464	110,784	55,320	49.94%	136,152	80,688	59.26%	192,287	213,004
-	-	-	Travel and Meeting Expenses	-	75	75	100.00%	188	188	0.00%	324	150
12,435	1,952	(10,483)	Fixed Charges	69,128	12,613	(56,515)	-448.07%	16,885	(52,243)	-309.40%	106,530	38,125
91,429	99,841	8,412	Utilities	483,511	613,267	129,756	21.16%	418,457	(65,053)	-15.55%	1,126,806	1,200,915
-	-	-	Capital Outlay	-	111,663	111,663	100.00%	5,495	5,495	0.00%	5,495	107,206
221,618	251,573	29,955	Total Operation and Maint	1,429,141	1,810,938	381,797	21.08%	1,546,144	117,004	7.57%	3,290,610	3,395,208
Institutional Support												
235,242	154,315	(80,927)	Salary and Wages	1,414,808	1,231,459	(183,349)	-14.89%	1,382,517	(32,291)	-2.34%	2,911,468	2,238,153
64,418	102,060	37,642	Employee Benefits	400,519	466,506	65,987	14.14%	372,660	(27,859)	-7.48%	880,322	1,067,623
61,952	21,835	(40,117)	Contractual Services	253,621	182,906	(70,715)	-38.66%	222,485	(31,135)	-13.99%	670,421	550,102
17,766	10,866	(6,900)	General Materials and Supplies	369,089	321,788	(47,301)	-14.70%	930,624	561,535	60.34%	2,684,707	625,528
1,996	4,581	2,585	Travel and Meeting Expenses	18,303	32,073	13,770	42.93%	17,435	(868)	-4.98%	40,997	58,115
1,349	575	(774)	Fixed Charges	238,043	207,250	(30,793)	-14.86%	134,663	(103,380)	-76.77%	149,540	214,500
-	-	-	Capital Outlay	-	-	-	0.00%	44,815	44,815	0.00%	1,339,474	-
-	-	-	Contingency Funds	-	-	-	0.00%	-	-	0.00%	-	1,502,017
-	-	-	Other	405,918	454,229	48,311	0.00%	61,032	(344,886)	0.00%	543,861	-
382,723	293,432	(89,291)	Total Institutional Support	3,100,301	2,896,211	(204,090)	-7.05%	3,166,232	65,930	2.08%	9,220,791	6,256,038
329,537	109,417	(220,120)	Scholarships, grants, waivers	1,294,971	624,000	(670,971)	-107.53%	519,822	(775,149)	-149.12%	588,356	1,205,000
2,387,814	2,272,657	(114,957)	Total Expenditures	14,817,750	15,224,131	606,381	3.98%	14,345,707	(272,043)	-1.90%	30,779,934	29,598,413
268,994	107,741	(161,253)	Transfers Out:	556,772	646,446	89,674	13.87%	559,111	2,339	0.42%	1,528,661	1,292,892
Excess of Revenues over Expenditures & Transfers												
(1,369,475)	(494,029)	(875,446)		14,720,116	10,211,052	4,509,064	44.16%	7,995,418	6,724,698	84.11%	(4,254,498)	(1)

Current Month				Current YTD	Current YTD	Current YTD
Current Month	Budget	Variance		Actual	Budget	Budget
1,441,155.18	1,415,799.00	(25,356.18)	Salary and Wages	8,783,648.34	9,289,634.00	505,985.66
307,646.52	356,820.00	49,173.48	Employee Benefits	1,842,021.54	1,985,025.00	143,003.46
90,736.01	77,338.00	(13,398.01)	Contractual Services	527,165.70	541,629.00	14,463.30
88,918.48	166,207.00	77,288.52	General Materials and Supplies	838,862.06	1,146,635.00	307,772.94
7,815.37	21,669.00	13,853.63	Travel and Meeting Expenses	41,347.44	129,405.00	88,057.56
26,626.53	25,366.00	(1,260.53)	Fixed Charges	389,180.42	317,684.00	(71,496.42)
91,429.03	99,841.00	8,411.97	Utilities	483,510.54	613,267.00	129,756.46
-	200.00	200.00	Capital Outlay	7,375.00	118,373.00	110,998.00
-	-	-	Contingency Funds	-	-	-
3,750.00	-	(3,750.00)	Other Expenditures	409,668.27	458,479.00	48,810.73
2,058,077.12	2,163,240.00	105,162.88	Total	13,322,779.31	14,600,131.00	1,277,351.69

Lake Land College
FY2017 Salary, Wage & Benefits Detail

<i>Salary & Wages</i>	<i>Year to Date</i>			<i>FY2017 Budgeted</i>	<i>FY17 Projections</i>		
	<u>Actual</u>	<u>Budgeted</u>	<u>Variance</u>		<u>Projected Actual</u>	<u>Budgeted</u>	<u>Variance</u>
Salary and Wages - Instructional	\$5,778,084	\$5,889,606	\$111,521	\$10,269,748	\$10,425,621	\$10,269,748	(\$155,873)
Salary and Wages - Acad. Support	\$245,980	\$454,369	\$208,389	\$1,008,467	\$493,484	\$1,008,467	\$514,983
Salary and Wages - Stud. Svcs	\$708,073	\$828,821	\$120,749	\$1,662,255	\$1,470,212	\$1,662,255	\$192,043
Salary and Wages - Public Svc.	\$157,492	\$313,573	\$156,082	\$690,971	\$381,091	\$690,971	\$309,881
Salary and Wages - Maintenance	\$479,211	\$571,806	\$92,595	\$1,187,598	\$1,053,938	\$1,187,598	\$133,660
Salary and Wages - Inst. Support	\$1,414,808	\$1,231,459	(\$183,349)	\$2,238,153	\$2,857,524	\$2,238,153	(\$619,371)
Total Salary and Wages	\$8,783,648	\$9,289,634	\$505,987	\$17,057,192	\$16,681,869	\$17,057,193	\$375,323

<i>Employee Benefits</i>	<i>Year to Date</i>			<i>FY2017 Budgeted</i>	<i>FY17 Projections</i>		
	<u>Actual</u>	<u>Budgeted</u>	<u>Variance</u>		<u>Projected Actual</u>	<u>Budgeted</u>	<u>Variance</u>
Employee Benefits - Instructional	\$985,828	\$977,260	(\$8,568)	\$1,804,496	\$1,861,004	\$1,804,496	(\$56,508)
Employee Benefits - Acad. Support	\$64,866	\$97,477	\$32,611	\$228,984	\$137,949	\$228,984	\$91,035
Employee Benefits - Stud. Svcs	\$195,051	\$240,359	\$45,308	\$512,886	\$396,125	\$512,886	\$116,761
Employee Benefits - Public Svc.	\$32,425	\$31,822	(\$602)	\$48,939	\$63,595	\$48,939	(\$14,656)
Employee Benefits - Maintenance	\$163,332	\$171,601	\$8,268	\$355,202	\$346,933	\$355,202	\$8,268
Employee Benefits - Inst. Support	\$400,519	\$466,506	\$65,988	\$1,067,623	\$823,795	\$1,067,623	\$243,828
Total Employee Benefits	\$1,842,022	\$1,985,025	\$143,004	\$4,018,130	\$3,629,401	\$4,018,129	\$388,728

Dec-16	Operations & Maint Restricted--Fund 03				
	Current YTD Actual	Current YTD Budget	Variance	Previous YTD	Annual Budget
Revenues:					
Local Sources	1,336,715	1,359,893	(23,178)	1,249,197	1,400,000
Bond Proceeds	-	-	-	-	-
Loan Proceeds	1,300,000	-	1,300,000	2,000,000	-
Investment Income	(11,028)	-	(11,028)	3,167	-
Total Revenues	2,625,687	1,359,893	1,265,794	3,252,364	1,400,000
Expenditures:					
Construction Proj : Site Improvemen	210,559	851,000	640,441	(8,509)	1,715,000
PHS Projects : Site Improvements	616,811	-	(616,811)	143,333	258,000
New Site: Site Improvements	-	-	-	-	-
Other	-	-	-	-	-
Total Expenditures	827,370	851,000	23,630	134,824	1,973,000
Excess of Revenues over Expenditures & Transfers	1,798,317	508,893	1,289,424	3,117,541	(573,000)

Dec-16	Bond and Interest--Fund 04				
	Current YTD Actual	Current YTD Budget	Variance	Previous YTD	Annual Budget
Revenues:					
General : Local Taxes	5,975,945	5,947,157	28,788	4,190,059	6,122,555
General : Investment Income	-		-	-	-
General : Transfer from Other Funds	-		-	-	150,914
Total Revenues	5,975,945	5,947,157	28,788	4,190,059	6,273,469
Expenditures:					
Work Cash Bonds : Debt Principal Pa	910,000	910,000	0	3,870,009	910,000
Work Cash Bonds : Interest on Debt	15,117	18,200	3,083	224,618	18,200
Work Cash Bonds : Other Fixed Charg	-	-	-	-	2,000
Funding Bonds : Debt Principal Paym	4,853,110	4,850,000	(3,110)	104,997	4,850,000
Funding Bonds : Interest on Debt	263,259	491,269	228,010	1,921	491,269
Funding Bonds : Other Fixed Charges	426	-	(426)	-	2,000
Total Expenditures	6,041,912	6,269,469	(227,557)	4,201,544	6,273,469
Excess of Revenues over Expenditures & Transfers	(65,967)	(322,312)	256,345	(11,485)	-

Dec-16

Auxillary Enterprise Fund--Fund 05

	Current YTD Actual	Current YTD Budget	Variance	Previous YTD	Annual Budget
Revenues:					
Ag Judging Activity Fees	3,250	3,250	-	-	6,500
Ag Judging Transfer	11,050	11,050	-	-	22,100
Auto Shop	1,201	7,500	(6,299)	842	15,000
Athletics	295,569	295,569	-	-	591,138
Fitness Center	51,103	53,000	(1,897)	47,383	55,000
Bookstore	404,289	813,000	(408,711)	393,287	1,125,400
Print Shop	295,699	270,188	25,511	223,669	532,794
Food Service	11,769	14,780	(3,011)	12,879	27,940
College Farm	86,434	10,000	76,434	52,335	75,000
Comm Choir	5,100	5,100	-	-	5,100
Student Life	68,000	68,000	-	-	251,391
WLKL Radio Activity fees	550	550	-	-	1,100
Transfer for Tuition Waivers	264,055	264,055	-	-	528,110
Total Revenues	1,498,069	1,816,042	(317,973)	730,396	3,236,573
Expenditures:					
Ag Judging	19,010	23,300	4,290	13,832	28,600
Auto Shop	1,141	7,500	6,359	769	15,000
Athletics	258,053	253,910	(4,144)	250,841	482,944
Fitness Center	34,260	58,506	24,246	52,717	109,407
Bookstore	350,867	893,131	542,264	344,695	1,173,179
Print Shop	280,270	303,235	22,965	321,362	580,704
Food Service	5,196	6,121	924	4,073	12,627
College Farm	19,179	41,146	21,966	53,612	92,541
Comm Choir	1,461	2,550	1,089	1,609	5,100
Student Life	101,960	125,608	23,648	113,669	246,391
WLKL Radio	-	700	700	5	1,100
Tuition Waivers	558,515	261,055	(297,460)	560,684	522,110
Total Expenditures	1,629,913	1,976,761	346,848	1,717,869	3,269,703
Excess of Revenues over Expenditures & Transfers	(131,843)	(160,719)	28,876	(987,473)	(33,129)

Dec-16

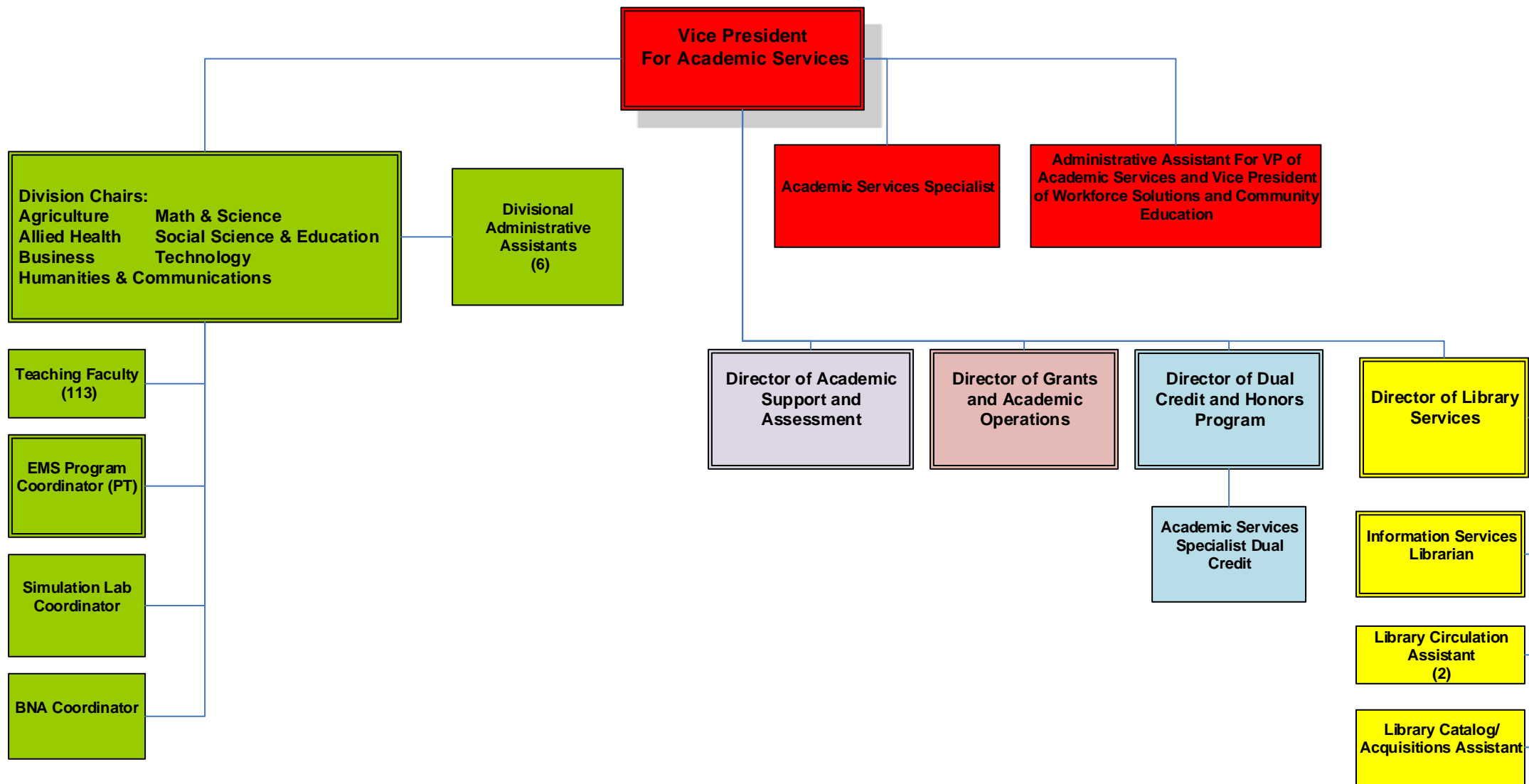
Restricted Purposes Fund--Fund 06

	Current YTD Actual	Current YTD Budget	Variance	Previous YTD	Annual Budget
Revenues:					
Adult Ed	316,050	216,695	99,355	-	449,621
Pathways	112,189	219,913	(107,724)	128,751	447,199
Perkins	101,212	47,405	53,808	45,160	228,973
WIOA	1,458,583	280,900	1,177,683	1,222,165	508,261
College Work Study	23,557	43,597	(20,040)	5,246	87,194
GAST	10,828	2,000	8,828	-	14,000
IL Cooperative Work Study	(3,329)	-	(3,329)	20,744	-
John Deere	122,443	251,077	(128,634)	290,677	251,077
IPRF Grant	18,680	-	18,680	7,088	-
Veterans Services	78,859	60,854	18,006	58,205	424,832
ISAC MAP	-	-	-	(139)	-
Department Of Education	2,755,812	3,616,467	(860,654)	2,956,440	6,849,099
Direct loans	893,575	879,242	14,333	885,177	1,647,761
Corrections	813,870	3,857,743	(3,043,873)	3,359	8,357,183
Privately Funded Grant	147,583	167,717	(20,133)	489,636	167,717
TRIO SSS	124,310	126,148	(1,838)	113,296	157,158
TRIO DC	135,874	166,615	(30,740)	127,870	320,545
Total Revenues	7,110,098	9,936,371	(2,826,274)	6,353,673	19,910,620
Expenditures:					
Adult Ed	297,086	210,447	(86,638)	188,041	449,621
Pathways	212,218	209,581	(2,636)	220,581	447,199
Perkins	89,023	47,069	(41,954)	45,160	228,601
WIOA	1,440,605	280,900	(1,159,705)	1,425,846	508,261
College Work Study	23,557	43,597	20,040	24,644	87,194
GAST	(604)	-	604	-	14,000
IL Cooperative Work Study	3,617	-	(3,617)	12,857	-
John Deere	99,480	251,077	151,597	391,718	251,077
IPRF Grant	4,637	-	(4,637)	1,941	-
Veterans Services	245,480	322,710	77,230	233,121	303,125
ISAC MAP	-	-	-	289,161	-
Department of Education	2,759,504	3,616,467	856,963	3,026,887	6,849,099
Direct loans	899,145	879,242	(19,903)	1,030,185	1,647,761
Corrections	2,755,527	3,858,079	1,102,552	2,889,933	9,318,824
Privately Funded Grant	33,908	78,027	44,118	54,624	167,717
TRIO SSS	108,037	126,148	18,110	113,296	257,158
TRIO DC	114,737	166,615	51,877	127,870	320,545
Total Expenditures	9,085,958	10,089,958	1,004,000	10,075,864	20,850,182
Excess of Revenues over Expenditures & Transfers	(1,975,860)	(153,587)	(1,822,273)	(3,722,191)	(939,562)

Dec-16	Audit Fund--Fund 11				
	Current YTD Actual	Current YTD Budget	Variance	Previous YTD	Annual Budget
Revenues:					
Local Taxes	133,637	132,104	1,533	126,557	136,000
Total Revenues	133,637	132,104	1,533	126,557	136,000
Expenditures:					
Admin Staff Ful	9,597	10,311	714	9,755	21,414
Support Staff F	4,984	6,415	1,431	6,069	13,323
Medical Benefit	3,671	4,391	719	3,539	8,781
Life Insurance	18	20	2	20	41
Audit Services	60,800	61,300	500	50,000	61,300
Printing	9	1,000	991	88	1,000
Total Expenditures	79,080	83,436	4,356	69,471	105,859
Excess of Revenues over Expenditures & Transfers	54,557	48,668	5,889	57,086	30,141

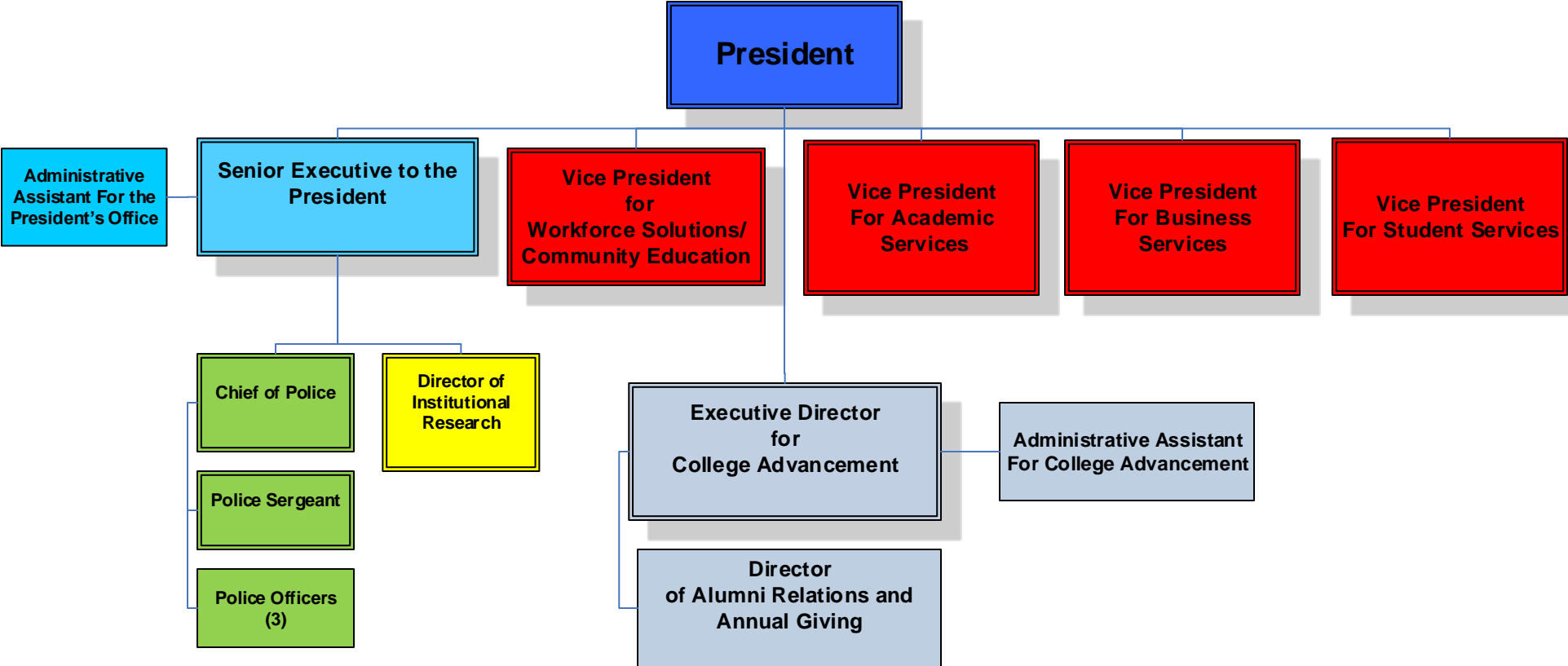
Dec-16	Tort Fund--Fund 12			Previous YTD	Annual Budget
	Current YTD Actual	Current YTD Budget	Variance		
Revenues:					
Local Taxes	1,790,755	1,748,434	42,321	1,488,040	1,800,000
Total Revenues	1,790,755	1,748,434	42,321	1,488,040	1,800,000
Expenditures:					
Student Services	45,997	48,470	2,472	43,967	99,903
Operations and Maintenance	75,200	79,159	3,959	86,275	163,010
Police Dept	196,684	227,595	30,911	196,382	460,755
Institutional Support	46,074	34,117	(11,956)	29,454	70,401
Fixed Charges-ins	528,052	220,836	(307,216)	509,979	745,000
Total Expenditures	892,007	610,177	(281,830)	866,057	1,539,069
Excess of Revenues over Expenditures & Transfers	898,748	1,138,257	(239,509)	621,983	260,931

LAKE LAND COLLEGE ACADEMIC SERVICES ORGANIZATIONAL CHART July 1, 2016



**Board Approved
February 13, 2017**

**LAKE LAND COLLEGE
PRESIDENT'S OFFICE ORGANIZATIONAL CHART
July 1, 2016**



LAKE LAND COLLEGE

MEMO

TO: Jean Anne Grunloh
FROM: Joseph Tillman
DATE: January 24, 2017
RE: Approval of Bid for CIM Machinery Upgrade

The Computer Integrated Manufacturing Program prepares students with skills necessary for employment in several local and international manufacturing firms utilizing modern machine tools. In support of this program, the college recently entertained bids for a production grade CNC Mill. The equipment includes:

Quantity: 1 Fanuc ROBODRILL-D14MiA CNC Mill
with software.

Aidex Corporation from Rossville, IN was the only bidder for the equipment with a bid of \$60,149.00. In view of the equipment specifications and its funding via Perkins, I respectfully request that the Board of Trustees approve this bid and subsequent equipment purchase.

Sincerely,

Joseph Tillman

Joseph Tillman, PE

Division Chair, Technology
Mattoon, IL 61938

Lake Land College

Board of Trustees



RESOLUTION NUMBER: 0217-039

DATE: 2-13-17

RESOLUTION providing for the issue of \$1,330,000 General Obligation Community College Bonds, Series 2017, of Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois, for the purpose of paying claims against said District, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to Midland States Bank.

* * *

WHEREAS, the Board of Trustees (the “*Board*”) of Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois (the “*District*”), has by resolution (the “*Intent Resolution*”) declared its intention to, pursuant to Article 3A of the Public Community College Act of the State of Illinois, as amended (the “*Act*”), issue funding bonds of the District in the aggregate principal amount of \$1,330,000 as therein provided for the purpose of paying outstanding and unpaid claims against the District (the “*Claims*”); and

WHEREAS, pursuant to and in accordance with the provisions of said Article of the Act and the provisions of Section 5 of the Local Government Debt Reform Act of the State of Illinois, as amended, notice of intention to issue said bonds was published in *Journal Gazette-Times Courier*, the same being a newspaper having general circulation within the District, an affidavit evidencing

the publication of such notice of intention, together with a newspaper clipping of such notice as published attached thereto, having heretofore been presented to the Board and made a part of the permanent records of the Board; and

WHEREAS, at least thirty (30) days have expired since the date of the publishing of such notice of intention to issue said bonds, and no petition with the requisite number of valid signatures thereon has been filed with the Secretary of the Board requesting that the proposition to issue said bonds be submitted to the legal voters of the District; and

WHEREAS, the Claims are in not less than the aggregate amount of \$1,330,000, all as identified and set forth in detail in the Intent Resolution heretofore duly adopted by the Board; and

WHEREAS, there are no funds on hand and available to apply toward the payment of any part of the Claims in the aggregate amount of \$1,330,000; and

WHEREAS, the Board hereby finds that it is authorized at this time to issue said bonds in the aggregate amount of \$1,330,000 for the purpose of paying the Claims; and

WHEREAS, the Board deems it advisable, necessary and for the best interests of the District that \$1,330,000 of said bonds be issued at this time; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Chair of the Board, on the 12th day of December, 2016, executed an order calling a public hearing (the "*Hearing*") for the 9th day of January, 2017, concerning the intent of the Board to sell said bonds; and

WHEREAS, notice of the Hearing was given by (i) publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Journal Gazette-Times Courier*, the same being a newspaper of general circulation in the District, and (ii) posting at least 72 hours before the Hearing a copy of said notice at the principal office of the Board, which notice was continuously available for public review during the entire 72-hour period preceding the Hearing; and

WHEREAS, the Hearing was held on the 9th day of January, 2017, and at the Hearing, the Board explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 9th day of January, 2017; and

WHEREAS, it is necessary and in the best interests of the District that the District's outstanding Debt Certificates, Series 2016 (the "*Certificates*"), be called for redemption in advance of their maturity, and it is necessary and desirable to make such call for the redemption of the Certificates on their earliest possible call date, and provide for the giving of proper notice to the registered owners of the Certificates:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Trustees of Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois, as follows:

Section 1. Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

Section 2. Authorization. It is hereby found and determined that the Board has been authorized by law to borrow the sum of \$1,330,000 upon the credit of the District and as evidence of such indebtedness to issue the bonds of the District in said amount, the proceeds of said bonds to be used for paying the Claims, and it is necessary and for the best interests of the District that there be issued at this time \$1,330,000 of said bonds.

Section 3. Bond Details. There be borrowed on the credit of and for and on behalf of the District the sum of \$1,330,000 for the purpose aforesaid; and that bonds of the District (the "*Bonds*") shall be issued in said amount and shall be designated "General Obligation Community College Bonds, Series 2017." The Bonds shall be dated February 27, 2017, and shall also bear the

date of authentication, shall be in fully registered form, shall be in minimum denominations of \$100,000 and integral multiples of \$5,000 in excess thereof (but no single Bond shall represent installments of principal maturing on more than one date), shall be numbered 1 and upward, and the Bonds shall become due and payable serially on December 1 of each of the years, in the amounts and bearing interest per annum as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2017	\$435,000	1.15%
2018	445,000	1.30%
2019	450,000	1.50%

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 1 and December 1 of each year, commencing on December 1, 2017. Interest on each Bond shall be paid by check or draft of Midland States Bank, Effingham, Illinois (the “*Bond Registrar*”), payable upon presentation in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal office of the Bond Registrar.

The Bonds shall be signed by the manual or facsimile signatures of the Chair and Secretary of the Board, and shall be registered, numbered and countersigned by the manual or facsimile signature of the Treasurer of the Board, as they shall determine, and in case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the District and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 4. Registration of Bonds; Persons Treated as Owners. (a) *General.* The District shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Resolution to be kept at the principal office of the Bond Registrar, which is hereby constituted and appointed the registrar of the District. The District is authorized to prepare, and the Bond Registrar or such other authorized person as the officers of the District may designate shall keep custody of, multiple Bond blanks executed by the District for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the District shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized

denominations. The execution by the District of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, *provided, however*, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the District or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 3 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Chair and Secretary of the Board, and the chief business official of the District and the Bond Registrar are each authorized to execute and deliver, on behalf of the District, such letters to or agreements with DTC as shall be necessary

to effectuate such book-entry system (any such letter or agreement being referred to herein as the “*Representation Letter*”), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the District and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The District and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District’s obligations with respect to payment of the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered

owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the District to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this resolution shall refer to such new nominee of DTC.

In the event that (i) the District determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the District, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the District determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the District shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the District may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the District, or such depository's agent or designee, and if the District does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 4(a) hereof.

Notwithstanding any other provisions of this resolution to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

Section 5. Form of Bond. The Bonds shall be in substantially the following form; *provided, however,* that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, “See Reverse Side for Additional Provisions”, shall be omitted and paragraphs [6] through [9] shall be inserted immediately after paragraph [1]:

(Form of Bond - Front Side)

REGISTERED
NO. _____REGISTERED
\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTIES OF COLES, CHRISTIAN, CLARK, CLAY, CRAWFORD,
CUMBERLAND, DOUGLAS, EDGAR, EFFINGHAM, FAYETTE, JASPER, MACON,
MONTGOMERY, MOULTRIE AND SHELBY

COMMUNITY COLLEGE DISTRICT NO. 517

GENERAL OBLIGATION COMMUNITY COLLEGE BOND, SERIES 2017

See Reverse Side for
Additional ProvisionsInterest Maturity Dated
Rate: ____% Date: December 1, 20__ Date: February 27, 2017 CUSIP: 193810 ____

Registered Owner:

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS, that Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois (the "*District*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing December 1, 2017, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal office of Midland States Bank, Effingham, Illinois, as paying agent and bond registrar (the "*Bond Registrar*").

Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the District are hereby irrevocably pledged.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax sufficient to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

[4] This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

[5] IN WITNESS WHEREOF, said Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois, by its Board of Trustees, has caused this Bond to be signed by the manual or duly authorized facsimile signature of the Chair and Secretary of said Board of Trustees, and to be registered, numbered and countersigned by the manual or duly authorized facsimile signature of the Treasurer of said Board of Trustees, all as of the Dated Date identified above.

SPECIMEN

Chair, Board of Trustees

SPECIMEN

Secretary, Board of Trustees

Registered, Numbered
and Countersigned:

SPECIMEN

Treasurer, Board of Trustees

Date of Authentication: _____, 20__

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:
Midland States Bank, Effingham, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Community College Bonds, Series 2017, of Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois.

MIDLAND STATES BANK,
as Bond Registrar

By _____
SPECIMEN
Authorized Officer

(Form of Bond - Reverse Side)

COMMUNITY COLLEGE DISTRICT NO. 517

**COUNTIES OF COLES, CHRISTIAN, CLARK, CLAY, CRAWFORD,
CUMBERLAND, DOUGLAS, EDGAR, EFFINGHAM, FAYETTE, JASPER, MACON,
MONTGOMERY, MOULTRIE AND SHELBY AND STATE OF ILLINOIS**

GENERAL OBLIGATION COMMUNITY COLLEGE BOND, SERIES 2017

[6] This Bond is one of a series of bonds issued by the District to pay claims against the District, all of which have been duly authorized and allowed for proper community college purposes by the Board of Trustees of the District, in full compliance with the provisions of the Public Community College Act of the State of Illinois, and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and is authorized by said Board of Trustees by resolutions duly and properly adopted for that purpose, in all respects as provided by law.

[7] This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the principal office of the Bond Registrar in Effingham, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing resolution, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[8] The Bonds are issued in fully registered form in minimum denominations of \$100,000 and integral multiples of \$5,000 in excess thereof. This Bond may be exchanged at the principal office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date.

[9] The District and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the District nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

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

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

or its successor as Bond Registrar to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

Section 6. Sale of Bonds. The Bonds hereby authorized shall be executed as in this Resolution provided as soon after the passage hereof as may be, and thereupon be deposited with the Treasurer of the Board, and be by said Treasurer delivered to Midland States Bank, Effingham, Illinois (the "Purchaser"), upon receipt of the purchase price therefor, the same being par, plus accrued interest (if any) to date of delivery; the contract for the sale of the Bonds heretofore entered into (as evidenced by an executed term sheet, the "Purchase Contract") is in all respects ratified, approved and confirmed, it being hereby found and determined that the Bonds have been sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received upon such sale exceed the maximum rate otherwise authorized by Illinois law and that the Purchase Contract is in the best interests of the District and that no person holding any office of

the District, either by election or appointment, is in any manner interested, directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in the Purchase Contract; and the Bonds before being issued shall be registered, numbered and countersigned by said Treasurer, such registration being made in a book provided for that purpose, in which shall be entered the record of the resolution authorizing the Board to borrow said money and a description of the Bonds issued, including the number, date, to whom issued, amount, rate of interest and when due.

The use by the District or the Purchaser of any offering document relating to the Bonds (collectively, the “*Offering Document*”) is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the Board are hereby authorized to take any action as may be required on the part of the District to consummate the transactions contemplated by the Purchase Contract, this Resolution, the Offering Document and the Bonds.

The use by the District of _____ as placement agent for the Bonds (the “*Placement Agent*”) is hereby approved and authorized, and the officers of the Board are hereby authorized to enter into the Placement Agent’s standard form of placement agreement.

Section 7. Tax Levy. In order to provide for the collection of a direct annual tax sufficient to pay the interest on the Bonds as it falls due, and also to pay and discharge the principal thereof at maturity, there be and there is hereby levied upon all the taxable property within the District a direct annual tax for each of the years while the Bonds or any of them are outstanding, in amounts sufficient for that purpose, and that there be and there is hereby levied upon all of the taxable property in the District, the following direct annual tax, to-wit:

FOR THE YEAR:	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
2016	\$454,615.49	for principal and interest up to and including June 1, 2018
2017	454,642.50	for interest and principal
2018	453,375.00	for interest and principal

Principal or interest maturing at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the District, and the fund from which such payment was made shall be reimbursed out of the taxes hereby levied when the same shall be collected.

The District covenants and agrees with the purchasers and the holders of the Bonds that so long as any of the Bonds remain outstanding, the District will take no action or fail to take any action which in any way would adversely affect the ability of the District to levy and collect the foregoing tax levy and the District and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the fund established to pay the principal of and interest on the Bonds.

Section 8. Filing of Resolution. Forthwith upon the passage of this Resolution, the Secretary of the Board is hereby directed to file a certified copy of this Resolution with the County Clerks of The Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby, Illinois (the “*County Clerks*”), and it shall be the duty of said County Clerks to annually in and for each of the years 2016 to 2018, inclusive, ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the District in connection with other taxes levied in each of said years for community college purposes, in order to raise the respective amounts aforesaid and in each of said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the

computation, extension and collection of taxes for general educational purposes of the District, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated “Bond and Interest Fund of 2017” (the “*Bond Fund*”), which taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds; and a certified copy of this resolution shall also be filed with the Treasurer of the Board.

Section 9. Use of Bond Proceeds. The District and the Board hereby covenant that all of the proceeds of the Bonds shall be used in strict compliance with all the requirements of the Act. Accrued interest received on the delivery of the Bonds is hereby appropriated for the purpose of paying first interest due on the Bonds and is hereby ordered deposited into the Bond Fund. The principal proceeds of the Bonds and any premium received on the delivery of the Bonds are hereby appropriated to pay the costs of issuance of the Bonds and for the purpose of paying and canceling the Claims, and that portion thereof not needed to pay such costs shall be used solely and only to pay and cancel the Claims. At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the District from the proceeds of the Bonds.

Section 10. Non-Arbitrage and Tax-Exemption. One purpose of this Section is to set forth various facts regarding the Bonds and to establish the expectations of the Board and the District as to future events regarding the Bonds and the use of Bond proceeds. The certifications, covenants and representations contained herein and at the time of the Closing are made on behalf of the District for the benefit of the owners from time to time of the Bonds. In addition to providing the certifications, covenants and representations contained herein, the District hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the hereinafter defined Code or

would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The District acknowledges that, in the event of an examination by the Internal Revenue Service (the “IRS”) of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the District may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination. The Board and the District certify, covenant and represent as follows:

1.1. Definitions. In addition to such other words and terms used and defined in this Resolution, the following words and terms used in this Section shall have the following meanings unless, in either case, the context or use clearly indicates another or different meaning is intended:

“*Affiliated Person*” means any Person that (a) at any time during the six months prior to the execution and delivery of the Bonds, (i) has more than five percent of the voting power of the governing body of the District in the aggregate vested in its directors, officers, owners, and employees or, (ii) has more than five percent of the voting power of its governing body in the aggregate vested in directors, officers, board members or employees of the District or (b) during the one-year period beginning six months prior to the execution and delivery of the Bonds, (i) the composition of the governing body of which is modified or established to reflect (directly or indirectly) representation of the interests of the District (or there is an agreement, understanding, or arrangement relating to such a modification or establishment during that one-year period) or (ii) the composition of the governing body of the District is modified or established to reflect (directly or indirectly) representation of the interests of such Person (or there is an agreement, understanding, or arrangement relating to such a modification or establishment during that one-year period).

“*Bond Counsel*” means Chapman and Cutler LLP or any other nationally recognized firm of attorneys experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

“*Capital Expenditures*” means costs of a type that would be properly chargeable to a capital account under the Code (or would be so chargeable with a proper election) under federal income tax principles if the District were treated as a corporation subject to federal income taxation, taking into account the definition of Placed-in-Service set forth herein.

“*Claims Proceeds*” means amounts actually or constructively received from the Claims, including (a) amounts used to pay underwriters’ discount or compensation and accrued interest, other than accrued interest for a period not greater than one year before the Claims were issued but only if it is to be paid within one year after the Claims were issued

and (b) amounts derived from the sale of any right that is part of the terms of a Claim or is otherwise associated with a Claim (e.g., a redemption right).

“*Closing*” means the first date on which the District is receiving the purchase price for the Bonds.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Commingled Fund*” means any fund or account containing both Gross Proceeds and an amount in excess of \$25,000 that are not Gross Proceeds if the amounts in the fund or account are invested and accounted for, collectively, without regard to the source of funds deposited in the fund or account. An open-ended regulated investment company under Section 851 of the Code is not a Commingled Fund.

“*Control*” means the possession, directly or indirectly through others, of either of the following discretionary and non-ministerial rights or powers over another entity:

(a) to approve and to remove without cause a controlling portion of the governing body of a Controlled Entity; or

(b) to require the use of funds or assets of a Controlled Entity for any purpose.

“*Controlled Entity*” means any entity or one of a group of entities that is subject to Control by a Controlling Entity or group of Controlling Entities.

“*Controlled Group*” means a group of entities directly or indirectly subject to Control by the same entity or group of entities, including the entity that has Control of the other entities.

“*Controlling Entity*” means any entity or one of a group of entities directly or indirectly having Control of any entities or group of entities.

“*Costs of Issuance*” means the costs of issuing the Bonds, including underwriters’ discount and legal fees.

“*De minimis Amount of Original Issue Discount or Premium*” means with respect to an obligation (a) any original issue discount or premium that does not exceed two percent of the stated redemption price at maturity of the Bonds plus (b) any original issue premium that is attributable exclusively to reasonable underwriter’s compensation.

“*External Commingled Fund*” means a Commingled Fund in which the District and all members of the same Controlled Group as the District own, in the aggregate, not more than ten percent of the beneficial interests.

“*GIC*” means (a) any investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate and (b) any agreement to supply investments on two or more future dates (*e.g.*, a forward supply contract).

“*Gross Proceeds*” means amounts in the Bond Fund and amounts used to pay and cancel the Claims.

“*Net Sale Proceeds*” means amounts actually or constructively received from the sale of the Bonds reduced by any such amounts that are deposited in a reasonably required reserve or replacement fund for the Bonds.

“*Person*” means any entity with standing to be sued or to sue, including any natural person, corporation, body politic, governmental unit, agency, authority, partnership, trust, estate, association, company, or group of any of the above.

“*Placed-in-Service*” means the date on which, based on all facts and circumstances (a) a facility has reached a degree of completion that would permit its operation at substantially its design level and (b) the facility is, in fact, in operation at such level.

“*Prior Project*” means the facilities financed, directly or indirectly with the proceeds of the Claims.

“*Private Business Use*” means any use of the Prior Project by any Person other than a state or local government unit, including as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract or (iii) any other similar arrangement, agreement or understanding, whether written or oral, except for use of the Prior Project on the same basis as the general public. Private Business Use includes any formal or informal arrangement with any person other than a state or local governmental unit that conveys special legal entitlements to any portion of the Prior Project that is available for use by the general public or that conveys to any person other than a state or local governmental unit any special economic benefit with respect to any portion of the Prior Project that is not available for use by the general public.

“*Qualified Administrative Costs of Investments*” means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions but not legal and accounting fees, recordkeeping, custody and similar costs; or (b) all reasonable administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund.

“*Qualified Tax Exempt Obligations*” means (a) any obligation described in Section 103(a) of the Code, the interest on which is excludable from gross income of the owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; (b) an interest in a regulated investment company to the extent that at least ninety-five percent of the income to the holder of the interest is interest which is excludable from gross income under Section 103 of the Code of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55

of the Code; and (c) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. pt. 344.

“*Rebate Fund*” means the fund, if any, identified and defined in paragraph 4.2 herein.

“*Rebate Provisions*” means the rebate requirements contained in Section 148(f) of the Code and in the Regulations.

“*Regulations*” means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

“*Reimbursed Expenditures*” means expenditures of the District paid prior to Closing to which Sale Proceeds or investment earnings thereon are or will be allocated.

“*Reserve Portion of the Bond Fund*” means the portion of the Bond Fund funded in excess of the amount of debt service payable each year.

“*Sale Proceeds*” means amounts actually or constructively received from the sale of the Bonds, including (a) amounts used to pay underwriters’ discount or compensation and accrued interest, other than accrued interest for a period not greater than one year before Closing but only if it is to be paid within one year after Closing and (b) amounts derived from the sale of any right that is part of the terms of a Bond or is otherwise associated with a Bond (e.g., a redemption right).

“*Transferred Proceeds*” means amounts actually or constructively received from the sale of the Claims, plus investment earnings thereon, which have not been spent prior to the date principal on the Claims is discharged by the Bonds.

“*Yield*” means that discount rate which when used in computing the present value of all payments of principal and interest paid and to be paid on an obligation (using semiannual compounding on the basis of a 360-day year) produces an amount equal to the obligation’s purchase price (or in the case of the Bonds, the issue price as established in paragraph 5.1 hereof), including accrued interest.

“*Yield Reduction Payment*” means a rebate payment or any other amount paid to the United States in the same manner as rebate amounts are required to be paid or at such other time or in such manner as the IRS may prescribe that will be treated as a reduction in Yield of an investment under the Regulations.

2.1. *Purpose of the Bonds.* The Bonds are being issued solely and exclusively to pay the Claims in a prudent manner consistent with the revenue needs of the District. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Resolution. Except for any accrued interest on the Bonds used to pay first interest due on the Bonds, no proceeds of the Bonds will be used more than 30 days after the date of issue of the Bonds for the purpose of paying any principal or interest on any issue of bonds, notes,

certificates or warrants or on any installment contract or other obligation of the District or for the purpose of replacing any funds of the District used for such purpose.

2.2. *Bond Fund Investment.* The investment earnings on the Bond Fund will be spent to pay interest on the Bonds, or to the extent permitted by law, investment earnings on amounts in the Bond Fund will be commingled with substantial revenues from the governmental operations of the District, and the earnings are reasonably expected to be spent for governmental purposes within six months of the date earned. Interest earnings on the Bond Fund have not been earmarked or restricted by the Board for a designated purpose.

2.3. *Reimbursement.* None of the Sale Proceeds or investment earnings thereon will be used for Reimbursed Expenditures.

2.4. *Working Capital.* All Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to pay principal of, interest on and redemption premium on (if any) of the Claims, other than the following:

- (a) [Reserved];
- (b) Costs of Issuance and Qualified Administrative Costs of Investments;
- (c) payments of rebate or Yield Reduction Payments made to the United States under the Regulations;
- (d) principal of or interest on the Bonds paid from unexpected excess Sale Proceeds and investment earnings thereon; and
- (e) investment earnings that are commingled with substantial other revenues and are expected to be allocated to expenditures within six months.

2.5. *Consequences of Contrary Expenditure.* The District acknowledges that if Sale Proceeds and investment earnings thereon are spent other than as permitted by paragraph 2.4 hereof, a like amount of then available funds of the District will be treated as unspent Sale Proceeds.

2.6. *Investment of Bond Proceeds.* No portion of the Bonds is being issued solely for the purpose of investing a portion of Sale Proceeds or investment earnings thereon at a Yield higher than the Yield on the Bonds.

2.7. *No Grants.* None of the Sale Proceeds or investment earnings thereon will be used to make grants to any person.

2.8. *Hedges.* Neither the District nor any member of the same Controlled Group as the District has entered into or expects to enter into any hedge (e.g., an interest rate swap, interest rate cap, futures contract, forward contract or an option) with respect to the Bonds or the Claims. The District acknowledges that any such hedge could affect, among other things, the calculation of Bond Yield under the Regulations. The IRS could recalculate

Bond Yield if the failure to account for the hedge fails to clearly reflect the economic substance of the transaction.

The District also acknowledges that if it acquires a hedging contract with an investment element (including *e.g.*, an off-market swap agreement, or any cap agreement for which all or a portion of the premium is paid at, or before the effective date of the cap agreement), then a portion of such hedging contract may be treated as an investment of Gross Proceeds of the Bonds, and be subject to the fair market purchase price rules, rebate and yield restriction. The District agrees not to use proceeds of the Bonds to pay for any such hedging contract in whole or in part. The District also agrees that it will not give any assurances to any Bondholder or any credit or liquidity enhancer with respect to the Bonds that any such hedging contract will be entered into or maintained. The District recognizes that if a portion of a hedging contract is determined to be an investment of gross proceeds, such portion may not be fairly priced even if the hedging contract as a whole is fairly priced.

2.9. IRS Audits. The IRS has not contacted the District regarding the Claims or any other obligations issued by or on behalf of the District. To the best of the knowledge of the District, no such obligations of the District are currently under examination by the IRS.

3.1. Use of Proceeds. (a) The use of the Sale Proceeds and investment earnings thereon and the funds held under this Resolution at the time of Closing are described in the preceding Section of this Resolution. No Sale Proceeds and no investment earnings thereon will be used to pay for goods or services to be received over a period of years prior to the date such goods or services are to be received. No Sale Proceeds and no investment earnings thereon will be used to pay for or otherwise acquire goods or services from the District, any member of the same Controlled Group as the District, or an Affiliated Person.

(b) Only the funds and accounts described in said Section will be funded at Closing. There are no other funds or accounts created under this Resolution, other than the Rebate Fund if it is created as provided in paragraph 4.2 hereof.

(c) Principal of and interest on the Bonds will be paid from the Bond Fund.

(d) Any Costs of Issuance incurred in connection with the issuance of the Bonds to be paid by the District will be paid at the time of Closing.

3.2. Purpose of Bond Fund. The Bond Fund (other than the Reserve Portion of the Bond Fund) will be used primarily to achieve a proper matching of revenues and earnings with principal and interest payments on the Bonds in each bond year. It is expected that the Bond Fund (other than the Reserve Portion of the Bond Fund) will be depleted at least once a year, except for a reasonable carry over amount not to exceed the greater of (a) the earnings on the investment of moneys in the Bond Fund (other than the Reserve Portion of the Bond Fund) for the immediately preceding bond year or (b) 1/12th of the principal and interest payments on the Bonds for the immediately preceding bond year.

The District will levy taxes to produce an amount sufficient to pay all principal of and interest on the Bonds in each bond year. To minimize the likelihood of an insufficiency, the amount extended to pay the Bonds may in most years be in excess of the amount required to pay principal and interest within one year of collection. This over-collection (if any) may cause the Bond Fund as a whole to fail to function as a bona fide debt service fund. Nevertheless, except for the Reserve Portion of the Bond Fund, the Bond Fund will be depleted each year as described above. The Reserve Portion of the Bond Fund will constitute a separate account not treated as part of the bona fide debt service fund. The Reserve Portion of the Bond Fund is subject to yield restriction requirements except as it may otherwise be excepted as provided in 5.2 below. It is also subject to rebate requirements.

3.3. *The Claims.* (a) As of the date hereof, certain Claim Proceeds remain unexpended and such proceeds will become Transferred Proceeds of the Bonds on the date the Claims are discharged with Sale Proceeds of the Bonds to the extent such proceeds are not expended prior to such discharge date.

(b) Except for the Transferred Proceeds of the Bonds described in paragraph 3.3(a) above, no Claims Proceeds or money or property of any kind (including cash) is on deposit in any fund or account, regardless of where held or the source thereof, with respect to the Claims or any credit enhancement or liquidity device relating to the foregoing, or is otherwise restricted to pay the District's obligations.

(c) At the time the Claims were issued, the District reasonably expected to spend at least 85% of the proceeds (including investment earnings) of the Claims to be used for non-refunding purposes for such purposes within three years of the date the Claims were issued and such proceeds were so spent. Not more than 50% of the proceeds of the Claims to be used for non-refunding purposes was invested in investments having a substantially guaranteed Yield for four years or more.

(d) The Claims will be called on the first optional redemption date of the Claims.

3.4. *No Other Gross Proceeds.* (a) Except for the Bond Fund and except for investment earnings that have been commingled as described in paragraph 2.2 and any credit enhancement or liquidity device related to the Bonds, after the issuance of the Bonds, neither the District nor any member of the same Controlled Group as the District has or will have any property, including cash, securities or any other property held as a passive vehicle for the production of income or for investment purposes, that constitutes:

(i) Sale Proceeds;

(ii) amounts in any fund or account with respect to the Bonds (other than the Rebate Fund);

(iii) Transferred Proceeds;

(iv) amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the Bonds were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus);

(v) amounts in a debt service fund, redemption fund, reserve fund, replacement fund or any similar fund to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Bonds or any amounts for which there is provided, directly or indirectly, a reasonable assurance that the amount will be available to pay principal of or interest on the Bonds or any obligations under any credit enhancement or liquidity device with respect to the Bonds, even if the District encounters financial difficulties;

(vi) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the Bondholders or any credit enhancement provider, including any liquidity device or negative pledge (e.g., any amount pledged to pay principal of or interest on an issue held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of holders of the Bonds or a guarantor of the Bonds); or

(vii) amounts actually or constructively received from the investment and reinvestment of the amounts described in (i) or (ii) above.

(b) No compensating balance, liquidity account, negative pledge of property held for investment purposes required to be maintained at least at a particular level or similar arrangement exists with respect to, in any way, the Bonds or any credit enhancement or liquidity device related to the Bonds.

(c) One hundred twenty percent of the average reasonably expected remaining economic life of the Prior Project is at least 3 years. The weighted average maturity of the Bonds does not exceed 3 years and does not exceed 120 percent of the average reasonably expected economic life of the Prior Project. The maturity schedule of the Bonds (the “*Principal Payment Schedule*”) is based on an analysis of revenues expected to be available to pay debt service on the Bonds. The Principal Payment Schedule is not more rapid (i.e., having a lower average maturity) because a more rapid schedule would place an undue burden on tax rates and cause such rates to be increased beyond prudent levels, and would be inconsistent with the governmental purpose of the Bonds as set forth in paragraph 2.1 hereof.

4.1. Compliance with Rebate Provisions. The District covenants to take such actions and make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the Rebate Provisions applicable to the Bonds. The District will make, or cause to be made, rebate payments with respect to the Bonds in accordance with law.

4.2. *Rebate Fund.* The District is hereby authorized to create and establish a special fund to be known as the Rebate Fund (the “*Rebate Fund*”), which, if created, shall be continuously held, invested, expended and accounted for in accordance with this Resolution. Moneys in the Rebate Fund shall not be considered moneys held for the benefit of the owners of the Bonds. Except as provided in the Regulations, moneys in the Rebate Fund (including earnings and deposits therein) shall be held in trust for payment to the United States as required by the Rebate Provisions and by the Regulations and as contemplated under the provisions of this Resolution.

4.3. *Records.* The District agrees to keep and retain or cause to be kept and retained for the period described in paragraph 7.9 adequate records with respect to the investment of all Gross Proceeds and amounts in the Rebate Fund. Such records shall include: (a) purchase price; (b) purchase date; (c) type of investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation.

If any investment becomes Gross Proceeds on a date other than the date such investment is purchased, the records required to be kept shall include the fair market value of such investment on the date it becomes Gross Proceeds. If any investment is retained after the date the last Bond is retired, the records required to be kept shall include the fair market value of such investment on the date the last Bond is retired. Amounts or investments will be segregated whenever necessary to maintain these records.

4.4. *Fair Market Value; Certificates of Deposit and Investment Agreements.* The District will continuously invest all amounts on deposit in the Rebate Fund, together with the amounts, if any, to be transferred to the Rebate Fund, in any investment permitted under this Resolution. In making investments of Gross Proceeds or of amounts in the Rebate Fund the District shall take into account prudent investment standards and the date on which such moneys may be needed. Except as provided in the next sentence, all amounts that constitute Gross Proceeds and all amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable, and no amounts may be held as cash or be invested in zero yield investments other than obligations of the United States purchased directly from the United States. In the event moneys cannot be invested, other than as provided in this sentence due to the denomination, price or availability of investments, the amounts shall be invested in an interest bearing deposit of a bank with a yield not less than that paid to the general public or held uninvested to the minimum extent necessary.

Gross Proceeds and any amounts in the Rebate Fund that are invested in certificates of deposit or in GICs shall be invested only in accordance with the following provisions:

- (a) Investments in certificates of deposit of banks or savings and loan associations that have a fixed interest rate, fixed payment schedules and substantial penalties for early withdrawal shall be made only if either (i) the Yield on the certificate of deposit (A) is not less than the Yield on reasonably comparable direct obligations of the United States and (B) is not less than the highest Yield that is published or posted by the provider to be currently available from the provider on

reasonably comparable certificates of deposit offered to the public or (ii) the investment is an investment in a GIC and qualifies under paragraph (b) below.

(b) Investments in GICs shall be made only if

(i) the bid specifications are in writing, include all material terms of the bid and are timely forwarded to potential providers (a term is material if it may directly or indirectly affect the yield on the GIC);

(ii) the terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to reduce the yield on the GIC);

(iii) all bidders for the GIC have equal opportunity to bid so that, for example, no bidder is given the opportunity to review other bids (a last look) before bidding;

(iv) any agent used to conduct the bidding for the GIC does not bid to provide the GIC;

(v) at least three of the providers solicited for bids for the GIC are reasonably competitive providers of investments of the type purchased (*i.e.*, providers that have established industry reputations as competitive providers of the type of investments being purchased);

(vi) at least three of the entities that submit a bid do not have a financial interest in the Bonds;

(vii) at least one of the entities that provided a bid is a reasonably competitive provider that does not have a financial interest in the Bonds;

(viii) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the District or any other person (whether or not in connection with the Bonds) and that the bid is not being submitted solely as a courtesy to the District or any other person for purposes of satisfying the federal income tax requirements relating to the bidding for the GIC;

(ix) the determination of the terms of the GIC takes into account the reasonably expected deposit and drawdown schedule for the amounts to be invested;

(x) the highest-yielding GIC for which a qualifying bid is made (determined net of broker's fees) is in fact purchased; and

(xi) the obligor on the GIC certifies the administrative costs that it is paying or expects to pay to third parties in connection with the GIC.

(c) If a GIC is purchased, the District will retain the following records with its bond documents until three years after the Bonds are redeemed in their entirety:

(i) a copy of the GIC;

(ii) the receipt or other record of the amount actually paid for the GIC, including a record of any administrative costs paid, and the certification under subparagraph (b)(xi) of this paragraph;

(iii) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and

(iv) the bid solicitation form and, if the terms of the GIC deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

Moneys to be rebated to the United States shall be invested to mature on or prior to the anticipated rebate payment date. All investments made with Gross Proceeds or amounts in the Rebate Fund shall be bought and sold at fair market value. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction. Except for investments specifically described in this Section and United States Treasury obligations that are purchased directly from the United States Treasury, only investments that are traded on an established securities market, within the meaning of regulations promulgated under Section 1273 of the Code, will be purchased with Gross Proceeds. In general, an "established securities market" includes: (i) property that is listed on a national securities exchange, an interdealer quotation system or certain foreign exchanges; (ii) property that is traded on a Commodities Futures Trading Commission designated board of trade or an interbank market; (iii) property that appears on a quotation medium; and (iv) property for which price quotations are readily available from dealers and brokers. A debt instrument is not treated as traded on an established market solely because it is convertible into property which is so traded.

An investment of Gross Proceeds in an External Commingled Fund shall be made only to the extent that such investment is made without an intent to reduce the amount to be rebated to the United States Government or to create a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the rebate or Yield restriction requirements not been relevant to the District. An investment of Gross Proceeds shall be made in a Commingled Fund other than an External Commingled Fund only if the investments made by such Commingled Fund satisfy the provisions of this paragraph.

A single investment, or multiple investments awarded to a provider based on a single bid may not be used for funds subject to different rules relating to rebate or yield restriction.

The foregoing provisions of this paragraph satisfy various safe harbors set forth in the Regulations relating to the valuation of certain types of investments. The safe harbor provisions of this paragraph are contained herein for the protection of the District, who has covenanted not to take any action to adversely affect the tax-exempt status of the interest on the Bonds. The District will contact Bond Counsel if it does not wish to comply with the provisions of this paragraph and forego the protection provided by the safe harbors provided herein.

4.5. Arbitrage Elections. The Chair, Secretary and Treasurer of the Board are hereby authorized to execute one or more elections regarding certain matters with respect to arbitrage.

4.6. Six Month Exception. The District expects that at least 95% of the proceeds of the Bonds will be expended within six months from the date of Closing and that 100 percent of the proceeds of the Bonds will be expended within one year from the date of Closing. Accordingly, the District expects that the Bonds will be exempt from Rebate as a result of the six month spending exception. The District will monitor expenditures to determine if the six month expenditure test is met. If it is not met, the District will rebate arbitrage profits on the Bonds.

5.1. Issue Price. For purposes of determining the Yield on the Bonds, the purchase price of the Bonds is equal to the price being paid to the District by the Purchaser. The Purchaser is buying the Bonds as an investment for its own account with no intention to resell the Bonds. The purchase price of each of the Bonds is not less than the fair market value of the Bond as of the date the Purchaser agreed to buy the Bonds.

5.2. Yield Limits. Except as provided in paragraph (a) or (b), all Gross Proceeds shall be invested at market prices and at a Yield (after taking into account any Yield Reduction Payments) not in excess of the Yield on the Bonds.

The following may be invested without Yield restriction:

(a)(i) amounts on deposit in the Bond Fund (except for capitalized interest and any Reserve Portion of the Bond Fund) that have not been on deposit under the Resolution for more than 13 months, so long as the Bond Fund (other than the Reserve Portion of the Bond Fund) continues to qualify as a bona fide debt service fund as described in paragraph 3.3 hereof;

(ii) amounts that are reasonably expected to be used to pay the Claims for 30 days after Closing;

(b)(i) An amount not to exceed the lesser of \$100,000 or five percent of the Sale Proceeds;

(ii) amounts invested in Qualified Tax Exempt Obligations (to the extent permitted by law and this Resolution);

(iii) amounts in the Rebate Fund;

(iv) all amounts other than Sale Proceeds for the first 30 days after they become Gross Proceeds; and

(v) all amounts derived from the investment of Sale Proceeds or investment earnings thereon for a period of one year from the date received.

5.3. *Reserved.*

5.4. *Continuing Nature of Yield Limits.* Except as provided in paragraph 7.10 hereof, once moneys are subject to the Yield limits of paragraph 5.2 hereof, such moneys remain Yield restricted until they cease to be Gross Proceeds.

5.5. *Federal Guarantees.* Except for investments meeting the requirements of paragraph 5.2(a) hereof, investments of Gross Proceeds shall not be made in (a) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank, as amended (*e.g.*, Refcorp Strips)); or (b) federally insured deposits or accounts (as defined in Section 149(b)(4)(B) of the Code). Except as otherwise permitted in the immediately prior sentence and in the Regulations, no portion of the payment of principal or interest on the Bonds or any credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof), including a lease, incentive payment, research or output contract or any similar arrangement, agreement or understanding with the United States or any agency or instrumentality thereof. No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof). Neither this paragraph nor paragraph 5.5 hereof applies to any guarantee by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association or the Bonneville Power Administration pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984.

5.6. *Investments After the Expiration of Temporary Periods, Etc.* After the expiration of the temporary period set forth in paragraph 5.2(a)(ii) hereof, amounts to be used to pay Claims may not be invested in (i) federally insured deposits or accounts (as defined in Section 149(b)(4)(B) of the Code) or (ii) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended (*e.g.*, Refcorp Strips)). Any other amounts that are subject to the yield limitation in paragraph 5.2 hereof because paragraph 5.2(a) hereof is not applicable and amounts not subject to yield restriction only because they are described in paragraph 5.2(b) hereof, are also subject to the limitation set forth in the preceding sentence.

6.1. *Payment and Use Tests.* (a) No more than five percent of the proceeds of each issue of the Claims and investment earnings thereon were used, directly or indirectly, in whole or in part, in any Private Business Use. The District acknowledges that, for purposes of the preceding sentence, Gross Proceeds used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) or invested in a reserve or replacement fund must be ratably allocated among all the purposes for which Gross Proceeds are being used.

(b) The payment of more than five percent of the principal of or the interest on the Bonds or on each issue of the Claims considered separately will not be, directly or indirectly (i) secured by any interest in (A) property used or to be used in any Private Business Use or (B) payments in respect of such property or (ii) on a present value basis, derived from payments (whether or not to the District or a member of the same Controlled Group as the District) in respect of property, or borrowed money, used or to be used in any Private Business Use.

(c) No more than the lesser of \$5,000,000 or five percent of the sum of the proceeds of each issue of the Claims and investment earnings thereon were used, and no more than the lesser of \$5,000,000 or five percent of the sum of the Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to make or finance loans to any persons. The District acknowledges that, for purposes of the preceding sentence, Gross Proceeds used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) or invested in a reserve or replacement fund must be ratably allocated among all the purposes for which Gross Proceeds are being used.

(d) No user of the Prior Project other than a state or local governmental unit will use more than five percent of such facilities, considered separately, on any basis other than the same basis as the general public.

6.2. *I.R.S. Form 8038-G.* The information contained in the Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, is true and complete. The District will file Form 8038-G (and all other required information reporting forms) in a timely manner.

6.3. *Bank Qualification.* (a) The District hereby designates each of the Bonds as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the District hereby certifies that (i) none of the Bonds will be at anytime a “private activity bond” (as defined in Section 141 of the Code), (ii) as of the date hereof in calendar year 2017, other than the Bonds, no tax-exempt obligations of any kind have been issued (x) by or on behalf of the District, (y) by other issuers any of the proceeds of which have been or will be used to make any loans to the District or (z) any portion of which has been allocated to the District for purposes of Section 265(b) of the Code and (iii) not more than \$10,000,000 of obligations of any kind (including the Bonds) issued (x) by or on behalf of the District, (y) by other issuers any of the proceeds of which have been or will be used to make any loans to the District or (z) any portion of which has been allocated to the District for purposes of

Section 265(b) of the Code during calendar year 2017 will be designated for purposes of Section 265(b)(3) of the Code.

(b) The District is not subject to Control by any entity, and there are no entities subject to Control by the District.

(c) On the date hereof, the District does not reasonably anticipate that for calendar year 2017 it will issue, have another entity issue on behalf of the District, borrow the proceeds of or have allocated to the District for purposes of Section 265(b) of the Code more than \$10,000,000 Section 265 Tax-Exempt Obligations (including the Bonds). “Section 265 Tax-Exempt Obligations” are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code. The District will not, in calendar year 2017 issue, permit the issuance on behalf of it or by any entity subject to Control by the District (which may hereafter come into existence), borrow the proceeds of or have allocated to it for purposes of Section 265(b) of the Code Section 265 Tax-Exempt Obligations (including the Bonds) that exceed the aggregate amount of \$10,000,000 during calendar year 2017 unless it first obtains an opinion of Bond Counsel to the effect that such issuance, borrowing or allocation will not adversely affect the treatment of the Bonds as “qualified tax-exempt obligations” for the purpose and within the meaning of Section 265(b)(3) of the Code.

(d) The Bonds have not been sold in conjunction with any other obligation.

7.1. Termination; Interest of District in Rebate Fund. The terms and provisions set forth in this Section shall terminate at the later of (a) 75 days after the Bonds have been fully paid and retired or (b) the date on which all amounts remaining on deposit in the Rebate Fund, if any, shall have been paid to or upon the order of the United States and any other payments, if any, required to satisfy the Rebate Provisions of the Code have been made to the United States. Notwithstanding the foregoing, the provisions of paragraphs 4.3, 4.4(c) and 7.9 hereof shall not terminate until the third anniversary of the date the Bonds are fully paid and retired.

7.2. Separate Issue. Since a date that is 15 days prior to the date of sale of the Bonds by the District to the Purchaser, neither the District nor any member of the same Controlled Group as the District has sold or delivered any tax-exempt obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds. Neither the District nor any member of the same Controlled Group as the District will sell or deliver within 15 days after the date of sale of the Bonds any tax-exempt obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds.

7.3. No Sale of the Prior Project. (a) Other than as provided in the next sentence, neither the Prior Project nor any portion thereof has been, is expected to be, or will be sold or otherwise disposed of, in whole or in part, prior to the earlier of (i) the last date of the reasonably expected economic life to the District of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity date of the Bonds. The District may dispose

of personal property in the ordinary course of an established government program prior to the earlier of (i) the last date of the reasonably expected economic life to the District of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity of the Bonds, provided: (A) the weighted average maturity of the Bonds financing the personal property is not greater than 120 percent of the reasonably expected actual use of that property for governmental purposes; (B) the District reasonably expects on the issue date that the fair market value of that property on the date of disposition will be not greater than 25 percent of its cost; (C) the property is no longer suitable for its governmental purposes on the date of disposition; and (D) the District deposits amounts received from the disposition in a commingled fund with substantial tax or other governmental revenues and the District reasonably expects to spend the amounts on governmental programs within six months from the date of the commingling.

(b) The District acknowledges that if property financed with the Claims is sold or otherwise disposed of in a manner contrary to (a) above, such sale or disposition may constitute a “deliberate action” within the meaning of the Regulations that may require remedial actions to prevent the Bonds from becoming private activity bonds. The District shall promptly contact Bond Counsel if a sale or other disposition of Bond-financed property is considered by the District.

7.4. Purchase of Bonds by District. The District will not purchase any of the Bonds except to cancel such Bonds.

7.5. Final Maturity. The period between the date of Closing and the final maturity of the Bonds is not more than 10-1/2 years.

7.6. Registered Form. The District recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon be exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the District agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

7.7. First Amendment. The District acknowledges and agrees that it will not use, or allow the Prior Project to be used, in a manner which is prohibited by the Establishment of Religion Clause of the First Amendment to the Constitution of the United States of America or by any comparable provisions of the Constitution of the State of Illinois.

7.8. Future Events. The District acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein. The District shall promptly contact Bond Counsel if such changes do occur.

7.9. Records Retention. The District agrees to keep and retain or cause to be kept and retained sufficient records to support the continued exclusion of the interest paid on the Bonds from federal income taxation, to demonstrate compliance with the covenants in this Resolution and to show that all tax returns related to the Bonds submitted or required to be submitted to the IRS are correct and timely filed. Such records shall include, but are not

limited to, basic records relating to the Bond transaction (including this Resolution and the Bond Counsel opinion); documentation evidencing the expenditure of Bond proceeds; documentation evidencing the use of Bond-financed property by public and private entities (*i.e.*, copies of leases, management contracts and research agreements); documentation evidencing all sources of payment or security for the Bonds; and documentation pertaining to any investment of Bond proceeds (including the information required under paragraphs 4.3 and 4.4 hereof and in particular information related to the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts and documentation of any bidding procedure related thereto and any fees paid for the acquisition or management of investments and any rebate calculations). Such records shall be kept for as long as the Bonds are outstanding, plus three (3) years after the later of the final payment date of the Bonds or the final payment date of any obligations or series of obligations issued to refund directly or indirectly all or any portion of the Bonds.

7.10. Permitted Changes; Opinion of Bond Counsel. The Yield restrictions contained in paragraph 5.2 hereof or any other restriction or covenant contained herein need not be observed or may be changed if such nonobservance or change will not result in the loss of any exemption for the purpose of federal income taxation to which interest on the Bonds is otherwise entitled and the District receives an opinion of Bond Counsel to such effect.

7.11. Successors and Assigns. The terms, provisions, covenants and conditions of this Section shall bind and inure to the benefit of the respective successors and assigns of the Board and the District.

7.12. Expectations. The Board has reviewed the facts, estimates and circumstances in existence on the date of issuance of the Bonds. Such facts, estimates and circumstances, together with the expectations of the District as to future events, are set forth in summary form in this Section. Such facts and estimates are true and are not incomplete in any material respect. On the basis of the facts and estimates contained herein, the District has adopted the expectations contained herein. On the basis of such facts, estimates, circumstances and expectations, it is not expected that Sale Proceeds, investment earnings thereon or any other moneys or property will be used in a manner that will cause the Bonds to be arbitrage bonds within the meaning of the Rebate Provisions and the Regulations. Such expectations are reasonable and there are no other facts, estimates and circumstances that would materially change such expectations.

The District also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.

The Board hereby authorizes the officials of the District responsible for issuing the Bonds, the same being the Chair, Secretary and Treasurer of the Board, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest in the Bonds will be exempt from federal income taxation. In connection therewith, the District and the Board further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the District in such compliance.

Section 11. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 12. Duties of Bond Registrar. If requested by the Bond Registrar, the Chair and Secretary of the Board are authorized to execute the Bond Registrar's standard form of agreement between the District and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

(a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;

(b) to maintain a list of Bondholders as set forth herein and to furnish such list to the District upon request, but otherwise to keep such list confidential;

[(c) to give notice of redemption of Bonds as provided for herein;]

(d) to cancel and/or destroy Bonds which have been paid at maturity [or upon redemption prior to maturity] or submitted for exchange or transfer;

(e) to furnish the District at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(f) to furnish the District at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 13. Call of the Certificates. In accordance with the redemption provisions of the resolution authorizing the issuance of the Certificates, the District by the Board does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Bonds) all of the outstanding Certificates for redemption on February 27, 2017. The certificate registrar for the Certificates is hereby authorized and directed to give timely notice of the call for redemption of the Certificates. The form and time of the giving of such notice regarding the redemption of the Certificates shall be as specified in the resolution authorizing the issuance of the Certificates.

Section 14. Record-Keeping Policy and Post-Issuance Compliance Matters. On November 11, 2013, the Board adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the District, the interest on which is excludable from “gross income” for federal income tax purposes or which enable the District or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Board and the District hereby reaffirm the Policy.

Section 15. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 16. Repeal. All resolutions or parts thereof in conflict herewith be and the same are hereby repealed and this Resolution shall be in full force and effect forthwith upon its adoption.

Adopted February 13, 2017.

Chair, Board of Trustees

Secretary, Board of Trustees

STATE OF ILLINOIS)
) SS
 COUNTY OF COLES)

CERTIFICATION OF MINUTES AND RESOLUTION

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Trustees of Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois (the “*Board*”), and as such official I am the keeper of the records and files of the Board.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Board held on the 13th day of February, 2017, insofar as same relates to the adoption of a resolution entitled:

RESOLUTION providing for the issue of \$1,330,000 General Obligation Community College Bonds, Series 2017, of Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois, for the purpose of paying claims against said District, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to Midland States Bank.

a true, correct and complete copy of which said resolution as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Board on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was called and held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Board at least 72 hours in advance of the holding of said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, that at least one copy of said agenda was continuously available for public review during the entire 72-hour period preceding said meeting, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Public Community College Act of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Acts and with all of the procedural rules of the Board.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 13th day of February, 2017.

Secretary, Board of Trustees

STATE OF ILLINOIS)
) SS
 COUNTY OF COLES)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting Treasurer of the Board of Trustees of Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois, and as such official I do further certify that on the 13th day of February, 2017, there was filed in my office a duly certified copy of a resolution entitled:

RESOLUTION providing for the issue of \$1,330,000 General Obligation Community College Bonds, Series 2017, of Community College District No. 517, Counties of Coles, Christian, Clark, Clay, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby and State of Illinois, for the purpose of paying claims against said District, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to Midland States Bank.


duly adopted by the Board of Trustees of said Community College District on the 13th day of February, 2017, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 13th day of February, 2017.

Treasurer, Board of Trustees

LAKE LAND COLLEGE

MEMO

TO: Dr. Josh Bullock, President 

FROM: Bryan Gleckler, Vice President for Business Services

DATE: February 2, 2017

RE: Recommendation for Guaranteed Energy Savings Contract

The college recently solicited bids for a guaranteed energy savings contract for the purpose of proceeding with the West Building energy upgrade project and wind turbine remediation. While the solicitation process only generated a response from one bidder, CTS Group, this process did result in lowering the estimated costs for these projects.

At the November 14, 2016 Board of Trustees meeting, the College estimated the total combined costs for these two projects to be \$973,000 (\$943,000 for the West Building upgrades and \$30,000 for the wind turbine remediation project). Based on the proposal received from CTS Group, the total cost for these projects is \$927,697. This represents a cost reduction of \$45,303 compared to our original estimates. CTS Group did include an unforeseen cost allowance of \$30,000 for any unforeseen costs associated with the Wind Turbine remediation. In the event that this unforeseen cost allowance is necessary, this costs would be split between CTS Group and Lake Land College.

The timeline for the work to be done is as follows:

- West Building upgrade work will begin during the week of Spring Break in March. Work will resume after spring semester concludes in May and project will be complete by the end of July 2017. As discussed when this project was approved by the Board of Trustees in November, the estimated payback for doing these energy upgrades is approximately 7 years.
- The Wind Turbine remediation will occur sometime between April – June. While the actual work to completely remove the north turbine and remove the blades from the south turbine will only take around 5-7 days, the scheduling of the remediation is dependent on the weather conditions. Therefore, this work will be scheduled based on the weather forecast sometime between April – June 2017.

The contract has been reviewed by our attorney, Howard Metz of Robbins-Schwartz law firm. I recommend approval by the Board of Trustees for this contract. I am available should you have any questions or concerns.

**CTS
AGREEMENT**

CUSTOMER NAME: **Lake Land College**
DATE OF SUBMISSION: **February 13, 2017**

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ATTACHMENT A	THE WORK (SCOPE-OF-WORK)
ATTACHMENT B	THE INSTALLATION SCHEDULE
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Note Regarding Modifications Made to this Agreement: Provisions in the printed document that are not to be included in the agreement may be deleted by striking through the word, sentence or paragraph to be omitted. It is recommended that unwanted provisions not be made illegible. The parties should be clearly aware of the material deleted from the standard form. **Do not make any modifications to this Agreement unless approval to do so has been granted. Changes may be made only by deletion as explained above, or, by addendum.**

ARTICLE 1**GENERAL PROVISIONS**

1.1 This Agreement, including all Attachments, Exhibits, and Schedules referenced herein (hereinafter the "Agreement") is made this 13th day of February, 2017 (the "Effective Date") by and between CTS ("CTS"), a Missouri Corporation, with a principal place of business at 15933 Clayton Road, Suite 110, Saint Louis, MO 63011, and **Lake Land College, District 517**, ("CUSTOMER") with a principal place of business at 5001 Lake Land Boulevard, Mattoon, IL 61938 (collectively the "Parties").

1.2 **EXTENT OF AGREEMENT:** This Agreement, including all attachments and exhibits hereto, represents the entire agreement between CUSTOMER and CTS and supersedes all prior negotiations, representations or agreements. This Agreement shall not be superseded by any provisions of the documents for construction and may be amended only by written instrument signed by both CUSTOMER and CTS. None of the provisions of this Agreement shall be modified, altered, changed or voided by any subsequent Purchase Order issued by CUSTOMER, which relates to the subject matter of this Agreement.

1.3 As used in this Agreement, the term "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by CTS to fulfill CTS's obligations, as described in Attachment A and otherwise set forth in the Contract Documents. The Work may constitute the whole or a part of the Project. The Work specifically excludes certain design and construction, which are the subject of separate agreements between CUSTOMER and parties other than CTS.

1.4 The Project is the total construction of which the Work performed by CTS under this Agreement may be the whole or a part.

1.5 The Contract Documents consist of this Agreement, its attachments, exhibits, schedules, and addenda.

1.6 Support Services means those services and obligations to be undertaken by CTS in support of CUSTOMER as set forth in Attachment C.

1.7 Installation Schedule means that schedule set out in Attachment B describing the Parties' intentions respecting the times by which the components or aspects of the Work therein set forth shall be installed and/or ready for acceptance or beneficial use by CUSTOMER.

ARTICLE 2**CTS'S RESPONSIBILITIES****2.1 CTS Services**

2.1.1 CTS shall be responsible for construction of the Project.

2.1.2 CTS will assist in securing permits necessary for the Work. CUSTOMER shall pay such proper and legal fees to public officers and others as may be necessary to the due and faithful performance of the Work and which may arise incidental to the fulfilling of these specifications.

2.2 Responsibilities with Respect to the Work

2.2.1 CTS will provide construction supervision, inspection, labor, materials, tools, construction equipment and subcontracted items necessary for the execution and completion of the Work. CTS represents that it is qualified to furnish all such services outlined in the scope of services set forth in Attachment A. CTS shall provide such services in a good and workman like manner in accordance with the standards of a company so experienced.

2.2.2 CTS shall keep the premises in an orderly fashion and free from unnecessary accumulation of waste materials or rubbish caused by its operations. If CTS damages property not needed for the Work, CTS shall repair the property to its pre-existing condition unless CUSTOMER directs otherwise. At the completion of the Work, CTS shall remove waste material supplied by CTS under this Agreement as well as all its tools, construction equipment, machinery and surplus material. CTS shall dispose of all waste materials or rubbish including hazardous waste caused by its operations; provided, that unless otherwise specifically agreed to in this Agreement, CTS shall not be responsible for disposal of toxic or hazardous materials removed from the facilities, such as fluorescent lights, potential polychlorinated biphenyl containing light ballasts and mercury-containing controls.

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2.2.3 CTS shall give all notices and comply with all laws and ordinances legally enacted as of the date of execution of the Agreement governing the execution of the Work. Provided, however, that CTS shall not be responsible nor liable for the violation of any code, law or ordinance caused by CUSTOMER or existing in CUSTOMER's property prior to the commencement of the Work.

2.2.4 **CTS shall be entirely responsible for site safety during the Project.** CTS shall comply with all applicable federal, state and municipal laws and regulations that regulate the health and safety of its workers while providing the Work, and shall take such measures as required by those laws and regulations to prevent injury and accidents to other persons on, about or adjacent to the site of the Work. It is understood and agreed, however, that CTS shall have no responsibility for elimination or abatement of health or safety hazards created or otherwise resulting from activities at the site of the Work carried on by persons not in a contractual relationship with CTS, including CUSTOMER, CUSTOMER's contractors or subcontractors, CUSTOMER's tenants or CUSTOMER's visitors. CUSTOMER agrees to cause its contractors, subcontractors and tenants to comply fully with all applicable federal, state and municipal laws and regulations governing health and safety and to comply with all reasonable requests and directions of CTS for the elimination or abatement of any such health or safety hazards at the site of the work.

2.3 **Patent Indemnity**

2.3.1 CTS shall, at its expense, defend or, at its option, settle any suit that may be instituted against CUSTOMER for alleged infringement of any United States patents related to the hardware manufactured and provided by CTS, provided that: 1. Such alleged infringement consists only in the use of such hardware by itself and not as part of, or in combination with, any other devices, parts or software not provided by CTS hereunder; 2. CUSTOMER gives CTS immediate notice in writing of any such suit and permits CTS, through counsel of its choice, to answer the charge of infringement and defend such suit; and 3. CUSTOMER gives CTS all needed information, assistance and authority, at CTS's expense, to enable CTS to defend such suit.

2.3.2 If such a suit has occurred, or in CTS's opinion is likely to occur, CTS may, at its election and expense: obtain for CUSTOMER the right to continue using such equipment; or replace, correct or modify it so that it is

not infringing; or remove such equipment and grant CUSTOMER a credit therefore, as depreciated.

2.3.3 In the case of a final award of damages in any such suit, CTS will pay such award. CTS shall not, however, be responsible for any settlement made without its written consent.

2.3.4 This article states CTS's total liability and CUSTOMER's sole remedy for any actual or alleged infringement of any patent by the hardware manufactured and provided by CTS hereunder. In no event shall CTS be liable for any indirect, special or consequential damages resulting from any such actual or alleged infringement, except as set forth in this section 2.3.

2.4 **Warranties and Completion**

2.4.1 CTS warrants CUSTOMER good and clear title to all equipment and materials furnished to CUSTOMER pursuant to this Agreement (except licensed software, which shall be governed exclusively by the terms and conditions of the Software License Agreement that will be provided), free and clear of liens and encumbrances. CTS hereby warrants that all such equipment and materials shall be of good quality and shall be free from defects in materials and workmanship, including installation and setup, for a period of one (1) year from the date of beneficial use or substantial completion of the equipment or portion of the Work in question, provided that no repairs, substitutions, modifications, or additions have been made, except by CTS or with CTS's written permission, and provided that after delivery such equipment or materials have not been subjected by non-CTS personnel to accident, neglect, misuse, or use in violation of any instructions supplied by CTS.

2.4.2 In addition to the warranty set forth in Section 2.4.1 above, CTS shall, at CUSTOMER's request, assign to CUSTOMER any and all manufacturer's or installer's warranties for equipment or materials not manufactured by CTS and provided as part of the Work, to the extent that such third-party warranties are assignable and extend beyond the one (1) year limited warranty set forth in Section 2.4.1.

2.4.3 The warranties set forth herein are exclusive, and CTS expressly disclaims all other warranties, whether written or oral, implied or statutory, including but not limited to, any warranties of merchantability and fitness for a particular purpose, with respect to the equipment and materials provided hereunder. CTS shall not be liable for any special, indirect, incidental or

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consequential damages arising from, or relating to, this limited warranty or its breach.

2.5 Hazardous Materials

2.5.1 If, during the performance of the Work, except as set forth in attachment A, the presence of hazardous materials is discovered or reasonably suspected, CTS shall notify CUSTOMER of such discovery or suspicion and shall be permitted to immediately cease all work which requires contact with or exposure to such hazardous materials, until the CUSTOMER has made arrangements for the removal of the same. CTS shall be entitled to an extension of the Contract Time for ceasing work pursuant to this Section.

2.5.2 CUSTOMER shall indemnify, defend, and hold CTS and its respective officers, directors, employees, agents and subcontractors (collectively the "Indemnified Parties"), harmless from, against, and in respect of any and all rights, claims, demands, liabilities, obligations, orders, assessments, interest, penalties, fines, settlement payments, costs, expenses and damages, including, without limitation, reasonable legal fees and out-of-pocket expenses ("Damages") imposed upon or incurred by any Indemnified Party and that arise from negligent acts or omissions of CUSTOMER.

2.5.3 Unless prior to the execution of this Agreement, CTS received written notification from CUSTOMER of the existence of Hazardous Materials on the site, and said notice included a description of the Hazardous Materials, and the quantity and location of the Hazardous Materials, CUSTOMER is hereby representing to CTS that CUSTOMER is not aware of any Hazardous Materials present at the site.

ARTICLE 3

CUSTOMER'S RESPONSIBILITIES

3.1 CUSTOMER shall provide CTS full information in its possession regarding the requirements for the Work.

3.2 CUSTOMER shall designate a representative who shall be fully acquainted with the Work, and who has authority to approve changes in the scope of the Work and render decisions promptly.

3.3 CUSTOMER shall furnish to CTS all information in its possession regarding legal limitations,

utility locations and other information reasonably pertinent to this Agreement, the Work and the Project.

3.4 CUSTOMER shall secure and pay for all necessary approvals, easements, assessments, permits and charges required for the construction, use or occupancy of permanent structures or for permanent changes in existing facilities, including charges for legal and auditing services.

3.5 If CUSTOMER becomes aware of any fault or defect in the Work, CUSTOMER shall give prompt written notice thereof to CTS. In lieu of giving written notice thereof to CTS, CUSTOMER may notify CTS of the fault or defect at the next job meeting following the discovery of said fault or defect.

3.6 The services and information required by the above paragraphs shall be furnished with reasonable promptness at CUSTOMER's expense and CTS shall be entitled to rely upon the accuracy and the completeness thereof.

3.7 CTS shall be entitled to rely on the accuracy of the information furnished by CUSTOMER. The CUSTOMER shall furnish information and services required of CUSTOMER by the Contract Documents with reasonable promptness.

ARTICLE 4

SUBCONTRACTS

4.1 CTS may subcontract some or all of the Work or Support Services with CUSTOMER'S approval, such approval not to be unreasonably withheld. Any contract entered into by CTS and any other contractor or subcontractor who performs any element of the Work contained in this contract must expressly require compliance with the terms of this contract.

4.2 A Subcontractor is a person or entity who has a direct contract with CTS to provide work, labor and materials in connection with the Work. The term Subcontractor does NOT include any separate contractors employed by CUSTOMER or such separate contractors' subcontractors.

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4.3 For the purposes of this Agreement, no contractual relationship shall exist between CUSTOMER and any Subcontractor, without CTS approval and this should not be reasonably withheld by CTS. CTS shall be responsible for the management of its Subcontractors in their performance of their Work.

ARTICLE 5

INSTALLATION AND ACCEPTANCE

5.1 The Work to be performed under this Agreement shall be commenced and substantially completed as set forth in the Installation Schedule attached hereto as Attachment B.

5.2 If CTS is delayed at any time in the progress of performing its obligations under this Agreement by any act of neglect of CUSTOMER or of any employee or agent of CUSTOMER or any contractor employed by CUSTOMER; or by changes ordered or requested by CUSTOMER in the Work performed pursuant to this Agreement; or by labor disputes, fire, unusual delay in transportation or deliveries, adverse weather conditions or other events or occurrences which could not be reasonably anticipated; or unavoidable casualties; or any other problem beyond CTS's reasonable control (an "Excusable Delay"), then the time for performance of the obligations affected by such Excusable Delay shall be extended by the period of any delay actually incurred as a result thereof. If any delay, or cumulative delays, within CUSTOMER's control, extends beyond 45 days, CUSTOMER shall reimburse CTS for all additional costs resulting there from; provided that, as set forth in Section 7.1 of this Agreement, an increase in the Contract Price shall not cause the Contract Price to exceed the guaranteed energy savings.

5.3 CTS shall provide Delivery and Acceptance Certificates in a form acceptable to CUSTOMER and CTS (the "Delivery and Acceptance Certificates") for the Work provided pursuant to the Schedule identified in Attachment G. Upon receipt of each Delivery and Acceptance Certificate, CUSTOMER shall promptly inspect the Work performed by CTS identified therein and execute each such Delivery and Acceptance Certificate as soon as reasonably possible, but in no event later than thirty (30) days after delivery of the same by CTS, unless CUSTOMER provides CTS with a written statement identifying specific material performance deficiencies that it wishes CTS to correct. CTS will use reasonably diligent efforts to correct all such material deficiencies and will give written notice to CUSTOMER when all such items have been

corrected. The Parties intend that a final Delivery and Acceptance Certificate will be executed for the Work as soon as all Work is installed and operating. Execution and delivery by CUSTOMER of such final Delivery and Acceptance Certificate with respect to the Work shall constitute "Final Acceptance" of such Work performed by CTS pursuant to the Installation Schedule.

ARTICLE 6

PRICE AND PAYMENT

6.1 Price

6.1.1 The price for the Work is set forth in Attachment A. It is understood that the work will be performed in phases over a number of years. These prices are established for budgetary purposes and are subject to the adjustments set forth in Articles 5, 7 and 13. Before each phase of the project, Customer shall authorize CTS to perform various services necessary to deliver a revised price prior to performing the work. If the Customer chooses not to proceed with the Work in whole or in part, Customer shall reimburse CTS for the engineering cost of the services for preparing the revised price.

6.1.2 The license fees for all licensed software identified in Attachment A are included in the price to be paid by CUSTOMER as identified in this Article 6.

6.1.3 The Contract Price does not include the items of work specifically excluded in Attachment A. If CUSTOMER requests CTS to perform any of the work expressly excluded in said Attachment, the cost for this additional work, plus CTS's overhead and profit, shall be added to the Contract Price.

6.1.4 The price is based upon laws, codes and regulations in existence as of the date this Agreement is executed. Any changes in or to applicable laws, codes and regulations affecting the cost of the Work shall be the responsibility of CUSTOMER and shall entitle CTS to an equitable adjustment in the price and schedule.

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6.2 Payment

6.2.1 Upon execution of this Agreement, CUSTOMER shall pay or cause to be paid to CTS the price for the Work reflected in Attachment A. The project shall be invoiced on a monthly basis for the work completed and equipment ordered for the project. These progress invoices shall be submitted on the last day of each month. A mobilization fee will be due upon contract execution for 10% of the contract price. Payment shall be made net thirty (30) days of invoice date. CUSTOMER shall withhold a ten percent (10%) retainage from each payment. CUSTOMER shall pay the final payment, including all retainage, to CTS upon Final Acceptance of the Work.

6.2.2 Payments due and unpaid shall bear interest in accordance with the Illinois Prompt Payment Act.

ARTICLE 7

CHANGES IN THE PROJECT

7.1 A Change Order is a written order signed by CUSTOMER and CTS authorizing a change in the Work or adjustment in the price, or a change to the Installation Schedule described in Attachment B. Each change Order shall describe the change in the work, the amount of adjustment, if any, to the Contract Price, and the extent of any adjustment to the completion date. In no event shall any Change Order cause the total contract price to exceed the total guaranteed savings amount reflected in Attachment G.

7.2 CUSTOMER may request CTS to submit proposals for changes in the Work. Following receipt by CTS of CUSTOMER's request to submit proposals for changes in the Work, CTS shall notify CUSTOMER of the amount of any charge for CTS to prepare said proposal for Work. If CTS is directed by CUSTOMER to proceed with preparation of the proposal and CUSTOMER chooses not to proceed with said extra Work, CUSTOMER shall issue a Change Order to reimburse CTS for any and all costs incurred in preparing the proposal.

7.3 Claims for Concealed or Unknown Conditions

The Contract Price has been based on normal site conditions, without allowance for any additional work that might be caused by unanticipated site conditions. If conditions are encountered at the site that are (1) subsurface or otherwise concealed physical conditions

which differ materially from those indicated in the Contract Documents, or (2) unknown physical conditions of an unusual nature, which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, then notice by the observing party shall be given to the other party promptly before conditions are disturbed and in no event later than twenty-one (21) days after first observance of the conditions, and, if appropriate, an equitable adjustment to the Installation Schedule shall be made by a Change Order. If agreement cannot be reached by the Parties, the party seeking an adjustment in the Price or Installation Schedule may assert a claim in accordance with Paragraph 7.4. In no event shall any Change Order cause the total contract price to exceed the total guaranteed savings amount reflected in Attachment G.

7.4 If CTS wishes to make a claim for an increase in the Contract Price or an extension in the Installation Schedule it shall give CUSTOMER written notice thereof within a reasonable time after the occurrence of the event giving rise to such claim. This notice shall be given by CTS before proceeding to execute the Work, except in an emergency endangering life or property, in which case CTS shall have the authority to act, in its discretion, to prevent threatened damage, injury or loss. Claims arising from delay shall be made within a reasonable time after the delay. Increases based upon design and estimating costs with respect to possible changes requested by CUSTOMER shall be made within a reasonable time after the decision is made not to proceed with the change. No such claim shall be valid unless so made. Customer and CTS will make every attempt to agree on the amount of the adjustment in the Price, or the Installation Schedule. If CUSTOMER and CTS cannot agree on the amount of the adjustment in the Price, or the Installation Schedule, it shall be determined pursuant to the provisions of Article 12. Any change in the Installation Schedule resulting from such claim shall be authorized by Change Order. In no event shall any Change Order cause the total contract price to exceed the total guaranteed savings amount reflected in Attachment G.

7.5 Emergencies

In any emergency affecting the safety of persons or property, CTS shall act, at its discretion, to prevent threatened damage, injury or loss. Any increase in the Price or extension of time claimed by CTS on account of emergency work shall be determined as provided in Section 7.4.

7.6 Minor Changes

CTS shall, with CUSTOMER's designated representatives approval, have the authority to make minor changes in the Work so long as they do not result in a material alteration or modification or cause an adjustment to the Contract Price or an extension of Contract Time.

ARTICLE 8**INSURANCE, INDEMNITY, WAIVER OF SUBROGATION, AND LIMITATION OF LIABILITY****8.1 Indemnity**

8.1.1 CTS agrees to indemnify and hold CUSTOMER, and CUSTOMER's consultants, agents and employees harmless from all claims damages, liabilities, expenses, costs and fees, including but not limited to attorney's fees to the extent such claims result from or arise under CTS's breach of any terms of this Agreement, or CTS's negligent actions or willful misconduct in its performance of the Work or the Support Services. Except as otherwise provided herein, CTS's obligation, if any, to indemnify the CUSTOMER does not extend to losses sustained as a result of the CUSTOMER's (or its agent's) reckless, negligent or intentional acts or omissions. The indemnification obligation under this paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable under Worker's Compensation Acts, Disability Benefits Acts or Employee Benefit Acts.

8.1.2 CUSTOMER agrees to indemnify and hold CTS, and CTS' consultants, agents and employees harmless from all claims damages, liabilities, expenses, costs and fees, including but not limited to attorney's fees to the extent such claims result from or arise under CUSTOMER's breach of any terms of this Agreement. Except as otherwise provided herein, CUSTOMER's obligation, if any, to indemnify the CTS does not extend to losses sustained as a result of the CTS' (or its agent's) reckless, negligent or intentional acts or omissions.

8.1.3 CUSTOMER shall require any other contractor who may have a contract on this project with CUSTOMER to perform work in the areas where Work will be performed under this Agreement to agree to indemnify CUSTOMER and CTS and hold them harmless from all claims for bodily injury and property

damage [other than property insured under Paragraph 8.4] that may arise from that contractor's operations. Such provisions shall be in a form satisfactory to CTS.

8.1.4 Notwithstanding anything to the contrary herein, if a portion of the Work involves the installation, maintenance, monitoring and/or testing of systems associated with security and/or the detection of and/or reduction of risk of loss associated with fire, the terms and conditions listed below herein will apply and govern that portion of the Work.

The parties agree that CTS is not an insurer; that the fire and/or security system and/or Service purchased herein is designed only to reduce the risk of loss; that CUSTOMER chose such system and/or Service from several levels of protection offered by CTS; that CTS will not be held liable for any loss, whether in tort or contract, which may arise from the failure of the system and/or Service; and that customer will indemnify, defend and save CTS harmless from any and all loss, claims, actions, causes of actions or expense, including attorneys' fees, arising from the actual or alleged malfunction or nonfunction of the system and/or service. The parties further agree that this Agreement shall not confer any rights on the part of any person or entity not a party hereto, whether as a third-party beneficiary or otherwise.

Because it is extremely difficult to assess actual damages arising from the failure of a system and/or service, the parties agree that if any liability is imposed on CTS for damages or personal injury to either customer or any third party, such liability shall be limited to an aggregate amount not to exceed the value of General Liability Insurance Coverage listed on 8.2.3 (a). This sum shall be paid either as (i) liquidated damages and not as a penalty, or (ii) a limitation of liability agreed upon by the parties. No suit or action shall be brought against CTS more than one (1) year after the accrual of the cause of action thereof.

8.2 Contractor's Liability Insurance

8.2.1 CTS shall purchase and maintain such insurance as will protect it from claims that may arise out of or result from CTS's operations under this Agreement. All listed insurance policies shall name CUSTOMER as an additional insured and CTS shall provide CUSTOMER with a certificate of insurance providing that CUSTOMER shall receive a sixty (60) day written notice prior to the cancellation or alteration of the policies.

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8.2.2 The Commercial General Liability Insurance shall include premises-operations (including explosion, collapse and underground coverage), elevators, independent contractors, completed operations, and blanket contractual liability on all written contracts, all including broad form property damage coverage.

8.2.3 CTS's Commercial General and Automobile Liability Insurance, as required by Subparagraphs 8.2.1 and 8.2.2, shall be written for not less than limits of liability as follows:

- (a) **Commercial General Liability**
 Combined Single Limit
 \$ 1,000,000 Each Occurrence

 \$ 2,000,000 Product & Completed Operations
 Aggregate

 \$ 2,000,000 General Aggregate
 Other Than Products & Completed Operations
- (b) **Commercial Automobile Liability**
 Combined Single Limit
 \$ 1,000,000 Each Occurrence
- (c) **Umbrella Excess Liability**
 \$10,000,000
- (d) **Professional Liability**
 \$2,000,000

8.2.4 CTS shall maintain at all times during the performance of the Work and Services hereunder, Workman's Compensation Insurance in accordance with the laws of the State in which the Work is performed.

8.3. CUSTOMER's Liability Insurance

8.3.1 CUSTOMER shall be responsible for purchasing and maintaining its own liability insurance and, at its option, may purchase and maintain such insurance as will protect it against claims that may arise from operations under this Agreement.

8.4 Insurance to Protect Project

8.4.1 CUSTOMER shall purchase and maintain all risk full cost replacement property insurance in a form acceptable to CTS for the length of time to complete the Project. This insurance shall include as named additional insureds CTS and CTS's Subcontractors and Sub-subcontractors and shall include, at a minimum,

coverage for fire, windstorm, flood, earthquake, theft, vandalism, malicious mischief, transit, collapse, testing, and damage resulting from defective design, workmanship, or material. CUSTOMER will increase limits of coverage, if necessary, to reflect estimated replacement costs. CUSTOMER will be responsible for any co-insurance penalties or deductibles. If the Work covers an addition to or is adjacent to an existing building, CTS and its Subcontractors and Sub-subcontractors shall be named additional insureds under CUSTOMER's Property Insurance covering such building and its contents.

8.4.1.1 If CUSTOMER finds it necessary to occupy or use a portion or portions of the Facilities prior to Substantial Completion thereof, such occupancy shall not commence prior to a time mutually agreed to by CUSTOMER and CTS and to which the insurance company or companies providing the property insurance have consented by endorsement to the policy or policies. This insurance shall not be canceled or lapsed on account of such partial occupancy. Consent of CTS and of the insurance company or companies to such occupancy or use shall not be unreasonably withheld.

8.4.2 CUSTOMER shall purchase and maintain such insurance as will protect CUSTOMER and CTS against loss of use of CUSTOMER's property due to those perils insured pursuant to Subparagraph 8.4.1. Such policy will provide coverage for expenses of expediting materials, continuing overhead of CUSTOMER and CTS, necessary labor expense including overtime, loss of income by CUSTOMER and other determined exposures. Exposures of CUSTOMER and CTS shall be determined by mutual agreement and separate limits of coverage fixed for each item.

8.4.3 CUSTOMER shall provide Certificate(s) of Insurance to CTS before work on the Project begins. All insurance coverage(s) must be with a carrier rated A or better by one of the National Insurance Rating Agencies such as A.M. Best. CTS will be given sixty (60) days notice of cancellation, non-renewal, or any endorsements restricting or reducing coverage.

8.5 Property Insurance Loss Adjustment

8.5.1 Any insured loss shall be adjusted with CUSTOMER and CTS and made payable to CUSTOMER and CTS as trustees for the insureds, as their interests may appear, subject to any applicable mortgagee clause.

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8.5.2 Upon the occurrence of an insured loss, monies received will be deposited in a separate account and the trustees shall make distribution in accordance with the agreement of the parties in interest, or in the absence of such agreement, in accordance with an arbitration award pursuant to Article 12. If the trustees are unable to agree between themselves on the settlement of the loss, such dispute shall also be submitted to arbitration pursuant to Article 12.

8.6 Waiver of Subrogation

8.6.1 To the extent allowed by CUSTOMER'S insurance policies and provided that CUSTOMER is not penalized in any way as a result, CUSTOMER and CTS waive all rights against each other, Architects and Engineers, Subcontractors and Sub-subcontractors for damages caused by perils covered by insurance provided under Paragraph 8.4, except such rights as they may have to the proceeds of such insurance held by CUSTOMER and CTS as trustees. CTS may require similar waivers from all Subcontractors and Sub-subcontractors.

8.6.2 To the extent allowed by CUSTOMER'S insurance policies and provided that CUSTOMER is not penalized in any way as a result, CUSTOMER and CTS waive all rights against each other, Architects and Engineers, Subcontractor and Sub-subcontractors for loss or damage to any equipment used in connection with the Project, which loss is covered by any property insurance. CTS may require similar waivers from all Subcontractors and Sub-subcontractors.

8.6.3 If the policies of insurance referred to in this Paragraph 8.6 require an endorsement to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed.

8.7 Limitation of Liability

8.7.1 In no event shall CTS be liable for any special, incidental, indirect, speculative, remote, or consequential damages arising from, relating to, or connected with the work, equipment, materials, or any goods or services provided hereunder. The CUSTOMER waives claims against CTS for consequential damages arising out of or relating to this Agreement. This waiver includes damages incurred by CUSTOMER for income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons. The limitation of liability contained in this paragraph shall

not apply to CTS's indemnification obligations contained in Section 8.1 of this Agreement.

ARTICLE 9

TERMINATION OF THE AGREEMENT

9.1 If CTS defaults in, or fails or neglects to carry forward the Work in accordance with this Agreement, CUSTOMER may provide notice in writing of its intention to terminate this Agreement to CTS. If CTS, following receipt of such written notice, neglects to cure or correct the identified deficiencies within thirty (30) days, CUSTOMER may terminate this Agreement and take possession of the site together with all materials thereon, and move to complete the Work itself expeditiously. If the unpaid balance of the contract sum exceeds the expense of finishing the Work, the excess shall be paid to CTS, but if the expense exceeds the unpaid balance, CTS shall pay the difference to CUSTOMER.

9.2 If CUSTOMER fails to make payments as they become due, or otherwise defaults or breaches its obligations under this Agreement, CTS may give written notice to CUSTOMER of CTS's intention to terminate this Agreement. If, within thirty (30) days following receipt of such notice, CUSTOMER fails to make the payments then due, or otherwise fails to cure or perform its obligations, CTS may, by written notice to CUSTOMER, terminate this Agreement and recover from CUSTOMER payment for Work executed and for losses sustained for materials, tools, construction equipment and machinery, including but not limited to, reasonable overhead, profit and applicable damages.

9.3 CUSTOMER shall have the right to terminate this Agreement for convenience at any time by providing CTS with thirty (30) days written notice. Upon such termination for convenience, CUSTOMER shall be liable to pay CTS for all work executed as of the termination date as well as any costs and expenses incurred prior to the termination date.

ARTICLE 10**ASSIGNMENT AND GOVERNING LAW**

10.1 This Agreement shall be governed by the law of the State where the Work is performed.

10.2 Neither party to the Agreement shall assign this Agreement or sublet it as a whole without the written consent of the other party. Such consent shall not be reasonably withheld, except that CTS may assign to another party the right to receive payments due under this Agreement. CTS may enter into subcontracts for the Work without obtaining CUSTOMER's consent.

ARTICLE 11**MISCELLANEOUS PROVISIONS**

11.1 The Table of Contents and headings in this Agreement are for information and convenience only and do not modify the obligations of this Agreement.

11.2 Confidentiality. As used herein, the term "CONFIDENTIAL INFORMATION" shall mean any information in readable form or in machine readable form, including software supplied to CUSTOMER by CTS, that has been identified or labeled as "Confidential" and/or "Proprietary" or with words of similar import. CONFIDENTIAL INFORMATION shall also mean any information that is disclosed orally and is designated as "Confidential" and/or "Proprietary" or with words of similar import at the time of disclosure and is reduced to writing, marked as "Confidential" and/or "Proprietary" or with words of similar import, and supplied to the receiving party within ten (10) days of disclosure.

All rights in and to CONFIDENTIAL INFORMATION and to any proprietary and/or novel features contained in CONFIDENTIAL INFORMATION disclosed are reserved by the disclosing party; and the party receiving such disclosure will not use the CONFIDENTIAL INFORMATION for any purpose except in the performance of this Agreement and, to the extent allowed by law, will not disclose any of the CONFIDENTIAL INFORMATION to benefit itself or to damage the disclosing party. This prohibition includes any business information (strategic plans, etc.) that may become known to either party.

Each party shall, upon request of the other party or upon completion or earlier termination of this Agreement,

return the other party's CONFIDENTIAL INFORMATION and all copies thereof.

Notwithstanding the foregoing provisions, neither party shall be liable for any disclosure or use of information disclosed or communicated by the other party if the information:

- (a) is publicly available at the time of disclosure or later becomes publicly available other than through breach of this Agreement; or
- (b) is known to the receiving party at the time of disclosure; or
- (c) is subsequently rightfully obtained from a third party on an unrestricted basis; or
- (d) is approved for release in writing by an authorized representative of the disclosing party.

The obligation of this Article shall survive any expiration, cancellation or termination of this Agreement.

11.3 If any provision is held illegal, invalid or unenforceable, the remaining provisions of this Agreement shall be construed and interpreted to achieve the purposes of the Parties.

11.4 Risk of loss for all equipment and materials provided by CTS hereunder shall transfer to CUSTOMER upon delivery to CUSTOMER's Facilities and title shall pass upon final acceptance or final payment by CUSTOMER to CTS, whichever occurs later.

11.5 Final notice or other communications required or permitted hereunder shall be sufficiently given if personally delivered to the person specified below, or if sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

To CTS:

CTS
15933 Clayton Rd., Suite 110, Ellisville, MO 63011

To CUSTOMER:

5001 Lake Land Boulevard
Mattoon, IL 61938

11.6 Waiver. Either party's failure to insist upon the performance or fulfillment of any of the other party's obligations under this Agreement shall not be deemed or construed as a waiver or relinquishment of the future performance of any such right or obligation hereunder.

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11.7 If any provision of this Agreement or the application thereof to any circumstances shall be held to be invalid or unenforceable, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected hereby and shall be valid and enforceable to the fullest extent permitted by law.

11.8 Performance/Payment Bond. CTS shall furnish a performance bond and payment bond covering the construction of the work in an amount equal to the contract price and prior to commencement of work in a form acceptable to CUSTOMER.

11.9 This bond covers only the performance and payment exposure associated with the performance of the construction portion of the work. The energy savings, additional savings, guaranteed savings, savings shortfalls are not under any circumstances covered under this bond or an obligation that the surety is responsible for.

11.10 Ambiguities. The parties have each had the opportunity to review and negotiate the terms of this Agreement, and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

11.11 Headings. The section headings contained herein are intended for convenience and reference only, and are not a part of this Agreement.

11.12 Authority to Enter into this Contract. The persons signing the Agreement on behalf of the parties are authorized to execute and accept contracts of this nature.

11.13 CUSTOMER Representations. To the extent applicable, the CUSTOMER warrants that it has the necessary power and authority to enter into this Agreement and this Agreement has been duly authorized by its duly elected representatives. This Agreement is a legal, valid and binding obligation of the CUSTOMER.

11.14 Illinois Prevailing Wage. CTS shall observe Illinois Public Act 77-1552 and the Illinois Department of Human Rights and Illinois Human Rights Commission rules pertaining to Equal Employment Opportunity as provided for in 775 ILCS 5/2-101 et seq and comply with 30 ILCS 560/3 (2005) concerning the employment of citizens of the State of Illinois and shall

fully comply with 820 ILCS 130/1 et seq. as amended, know as the Prevailing Wage Act, as issued by the Illinois Department of Labor. CTS shall provide certified payroll records with each application for payment as a pre-condition for CUSTOMER's obligation to make such payment.

11.15 Applicable State Laws. CTS shall comply with applicable state laws, municipal ordinances, and the rules and regulations of all authorities having jurisdiction over the Work shall apply to the Contract throughout.

CTS signatures shall be construed as acceptance of and willingness to comply with all provisions of the acts of the General Assembly of the State of Illinois relating to the Department of Human Rights Act, previously the Illinois Fair Employment Practices Act, Prevailing Wage Act for Workers in our area, preference to citizens of the United States and residents of the State of Illinois, and discrimination and intimidation of employees. Provisions of said acts are hereby incorporated by reference and become a part of this proposal and specification.

ARTICLE 12

ARBITRATION

12.1 All claims, disputes and other matters in question involving amounts in dispute of less than \$100,000 between CTS and the Customer arising out of, or relating to the Contract Documents or the Breach thereof shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association as modified herein, unless the parties mutually agree otherwise. Claims, disputes and other matters in question involving amounts in dispute of \$100,000 or more may be submitted to arbitration only with the Customer's written consent. The arbitrator shall have authority to decide all issues between the parties including, but not limited to, claims for extras, delay and liquidated damages, matters involving defects in the Work, rights to payment, and whether the necessary procedures for arbitration have been followed. The foregoing agreement to arbitrate and any other agreement to arbitrate with an additional person or persons duly consented to by the parties to this Agreement shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

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This Agreement shall be governed by the laws of the State of Illinois. The location for any arbitration or litigation shall be the location of the project, unless the parties mutually agree otherwise.

Notice of the demand for arbitration shall be filed in writing with the other party to the arbitration and with the American Arbitration Association. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

Unless otherwise agreed in writing, all parties shall carry on the work and perform their duties during any arbitration proceedings.

If any proceeding is brought to contest the right to arbitrate and it is determined that such right exists, the losing party shall pay all costs and attorneys' fees incurred by the prevailing party.

In addition to the other rules of the American Arbitration Association applicable to any arbitration hereunder, the following shall apply:

- (a) Promptly upon the filing of the arbitration each party shall be required to set forth in writing and to serve upon each other party a detailed statement of its contentions of fact and law;
- (b) All parties to the arbitration shall be entitled to the discovery procedures and to the scope of discovery applicable to civil actions under Illinois law, including the provisions of the Civil Practice Act and Illinois Supreme Court rules applicable to discovery. Such discovery shall be noticed, sought and governed by those provisions of Illinois law;
- (c) The arbitration shall be commenced and conducted as expeditiously as possible consistent with affording reasonable discovery as provided herein;
- (d) These additional rules shall be implemented and applied by the arbitrator(s).

In the event of any litigation or arbitration between the parties hereunder, all attorneys' fees and other costs incurred shall be borne by the party determined to be at fault and, in the event that more than one party is

determined to be at fault, shall be allocated equitably by the court or arbitrator.

ARTICLE 13
PURSUANT PHASES OF WORK

13.1 Additions and modifications to this Agreement may be made upon the mutual agreement of both parties in writing. The parties contemplate that such modifications may include but are not limited to the installation of additional improvement measures, energy conservation measures, facility improvement measures, and operational efficiency improvements or furnishing of additional services within the identified facilities, as well as other facilities owned and operated by the Customer.

If the Work is divided into phases or individual projects for which individual prices have been negotiated, then separate Commencement Dates shall apply to each phase or individual project. These projects, modifications, and modifications may take the form of additional phases of work modifications to the original scope of Work or Services and may be included as addendums to this Master Agreement.

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APPROVALS:

The parties hereby execute this Agreement as of the date first set forth herein by the signatures of their duly authorized representatives:

CTS

Lake Land College

By _____
Name _____
Title _____
Date _____

By _____
Name _____
Title _____
Date _____

ATTACHMENT A
SCOPE OF WORK

It is the intent of both parties for CTS to be the Life Cycle Infrastructure Program Manager for planned campus infrastructure renovations and energy conservation measures. The Life Cycle Infrastructure Program Management Services may include repair or modernization of existing environmental systems and extend to capital improvements of planned building renovations.

As Life Cycle Infrastructure Program Manager, CTS will provide single source responsibility for contracted infrastructure improvements and building renovations. Driving design development, CTS will provide energy modeling simulations that help CUSTOMER balance up-front capital costs with the ongoing operational expenses created by the various equipment and control options. CTS will guarantee construction budgets and operation outcomes.

DELIVERABLES:

CTS to provide the full range of construction services including A&E consultants for each project implemented.

CTS to provide preliminary LEED and Sustainability assessment of each planned campus project to determine the viability of integrating these initiatives within construction design.

CTS full construction services will include solicitation of competitive bids for subcontractors and work with the CUSTOMER to select subcontractors. CTS to execute subcontracts for services.

CTS to provide an on-site project manager that will be supported by our home office in St. Louis. CUSTOMER will be given the opportunity to meet with and approve the Project Manager assigned to each project.

The CUSTOMER intends to consider and/or implement capital infrastructure improvements in phases, as they become aligned with the CUSTOMER's strategic facility plans. However, the CUSTOMER reserves the right to not go forward with the Implementation Agreement and the Financing Agreement, and to use someone other than CTS as Life Cycle Infrastructure Program Manager on future projects.

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The tenth phase of the project will involve phase II renovations to the West Building, specifically the replacement of electric reheat VAV boxes with geothermal hot water reheat coils. This phase will also include the remediation of the North and South Bora Wind Turbines. The planned services have been identified below and will be presented to College's Buildings and Site Committee and proposed to the Board of Trustees at the February, 2017 meeting. Implementation of these projects will commence March 6, 2017 and carry over through the following summer with substantial completion of the West Building renovations no later than August 1, 2017.

General Requirements

CTS will meet the CUSTOMER's intention to have a complete turnkey installation. The Scope of Work will be installed in a neat and workmanlike manner following all applicable building and seismic codes. CTS will provide owner training on systems installed. CTS will handle local permits and work with the CUSTOMER on any required ICCB documentation.

Shop Drawings & Submittals

- A. For all equipment, systems and materials, CTS shall furnish submittals to LLC personnel. Before submitting, CTS shall check same against project conditions which may vary from dimensions on the drawings. Submittals shall bear evidence of having been checked by CTS prior to submission.
- B. Architectural equipment, systems and materials can be transmitted in *pdf* format to the College.
- C. LLC personnel will review shop drawings and submittals to see that they conform to the original drawings and specifications, but it shall be the responsibility of CTS to see that work complies with the Contract Documents, and fits to project conditions and to material installed later. CTS shall be responsible for dimensions and quantities.
- D. Fabrication or installation of equipment, systems or materials shall not proceed until each respective submittal bears evidence of review by LLC personnel.

As-Built Drawings

CTS shall, during progress of the work, record any and all changes or deviations from the original drawings and layout of the work and record critical dimensions of buried or concealed work. At the completion of the project CTS shall deliver to LLC one marked up set of "As-Built" drawings. CTS to provide AutoCAD architectural, mechanical, electrical and plumbing drawings.

West Building Renovations:

Construction to be consistent with **WRF Engineers Construction Set of Drawings and Schedule**. The below listing is specific to the work as identified on the contract documents above.

CTS will furnish and install the mechanical, electrical, and temperature control systems associated with the following scope items.

- Remove existing electrical VAV boxes and dispose of properly.
 - Scope includes the Electrical Alternate 1: Removal of existing 480 volt wiring above the ceilings in lieu of abandoning above ceilings. Existing conduit to remain with pull strings for future use.
- Furnish & Install new Hot Water VAV boxes. VAV boxes to have added box on unit for use by control contractor (DCI).
- All associated duct work required for final connections will be provided.
- All electrical and piping required and as shown on drawings including valves, pumps, drains, DP sensor piping system, branch transformers, etc. Piping system to be ProPress system on main floor area. 1" insulation required on all piping and fittings.
 - Decision has been made to not include the Mechanical Alternate 1: Installation of a header system with two ECM pumps in lieu of the one connection double pump specified. The latest decision is to proceed with (1) system and with (2) ECM pumps per schedule on M5. Credit up to \$4,693 will be given to College if this remains the case during final construction.
- Piping to be grooved schedule 40 pipe for above 2" and copper ProPress for 2" and less.
- All required wall penetrations and final sealing of wall penetrations between piping and opening in wall.
- Removal and Reinstallation of light fixtures and acoustical ceilings as noted in the drawings.
- Test and balance of water systems within mechanical room included. Test and balance of air systems at new VAVs only included. Entire building test and balance is not included only new systems installed.
- Clean piping system and install inhibitor as required.
- Start-Up, Functional testing and commissioning of new HVAC systems.

Any damage caused by contractor or sub-contractor to existing equipment or infrastructure within the course of the project will be repaired or replaced by contractor, per Article 2.2.2

Sequence of Operation:

All building systems not listed in the sequence of operation are assumed to keep the existing sequences.

Air Terminal Unit with Hot Water Reheat Sequence of Operation

It is our intent to provide the College with a VAV box control sequence consistent with the existing VAV boxes on campus. We will provide with the sequence that Lake Land College and DCI have standardized.

Final system training will be provided for the College staff, where all contractors will be present to ensure system operation as designed.

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Project Clean Up:

CTS and our Contractors will be responsible for daily and weekly cleanup of any item resulting from their work. CUSTOMER will notify CTS if they are delinquent on the clean-up of their items. If CTS' Contractors does not immediately comply, CUSTOMER will have their debris cleaned up and deduct the costs for this work from their contract.

Exclusions:

1. We understand that there is no glycol in the existing chilled water, hot water, or geothermal systems in this building, and it is Lake Land Colleges desire to keep these systems glycol free. We specifically exclude glycol from this contract. There are control sequences in place to help protect against freezing, but these sequences alone do not protect against freezing in all situations.
2. Balancing of existing systems is not included. We have included air and water balance of the new systems installed as part of this contract within the boundary of the building section built in 2008.

Wind Turbine Remediation:

Demo both Bora Turbines and Towers

Description:

Tower 1 (North Turbine)

- Complete removal of the entire Bora assembly Turbine #1, including removal and disposal of blades, nacelle, and tower (nacelle to be left on grounds).
- Install cap on Bora imbedded base assembly.

Tower 2 (South Turbine)

- Removal of blades from the Bora assembly, leaving the nacelle atop existing tower as working lab for students.
- Blades to be left on premises to be utilized for educational training purposes.

Services include:

- disabling /disconnecting existing electrical,
- disconnecting pitch / hydraulic systems,
- drain nacelle,
- lower miscellaneous items from nacelle,
- Crane services, rigging, and iron workers to lower blades, Tower 1 nacelle and tower,
- Site Restoration

Exclusions:

1. No material included with electrical. Man-hours based on (2) electricians at (3) days per turbine per Joe Tillman e-mail of 8/31/16.
2. No decommissioning of controls included.
3. No transformers or invertors.
4. No account for weather issues. Bad weather may impact labor hours.

Price for FY 2017 projects:	\$927,697
Unforeseen Cost Allowance for WTG Dismantle:	\$ 30,000*
Total Construction Budget:	\$957,697

* Unforeseen Cost will be split 50% between the College and CTS

ATTACHMENT B
INSTALLATION SCHEDULE

CTS will release subcontracts by the end of February, 2017. The Project Team will mobilize in March, 2017. Final operation of the HVAC renovations for the West Building will be substantially completed by August 8, 2017. Mobilization and installation of projects are to minimize interruptions to classes and college activities.

Overall, key milestone dates are highlighted below, but will be altered to accommodate college activities as we proceed through the installation of the Scope of Work.

Calendar Year 2018 or 2019 Projects

- *Administration Building Space Heating and Domestic Hot Water from new Geothermal Systems*

Calendar Year 2020 or 2021 Projects

- *Neal Hall Space Heating and Domestic Hot Water from new Geothermal Systems*

ATTACHMENT C
SUPPORT SERVICES

CTS shall provide following Services at no additional cost in accordance with attached work scope documents and terms and conditions, which form a part of this Agreement.

The Support Services will include the Measurement and Verification Plan (M&V Plan) as defined in Attachment F – Schedule of Savings. CTS will measure and monitor campus wide electric billing demand (KW) and natural gas consumption (therms) throughout the installation of the projects. An updated report will be provided to the CUSTOMER 12 months after each phase of campus renovations. The costs for these services have been included in the Price for the Work (Section 6.1.1).

The CUSTOMER has elected not to include any additional on-going Support Services and Maintenance within this Agreement.

ATTACHMENT E
ENERGY GUARANTEE

1. DEFINITIONS

When used in this Agreement, the following capitalized words shall have the meanings ascribed to them below:

"Baseline Period" is the period of time which defines the Baseline Usage and is representative of the facilities' operations, consumption, and usage that is used as the benchmark for determining cost avoidance.

"Baseline Usage or Demand" the calculated or measured energy usage (demand) by a piece of equipment or a site prior to the implementation of the ECMs. Baseline physical conditions, such as equipment counts, nameplate date, and control strategies, will typically be determined through surveys, inspections, and/or metering at the site.

"Covered Systems and Equipment" means the systems and equipment identified as being covered by the Support Services to be performed by CTS pursuant to this Agreement.

"Cost Adjustments" means for each year following the first year of the Support Services, CTS may, in its sole discretion, increase the annual Operational Cost Savings and the monthly amounts charged by CTS for Support Services. The U.S. City Average Consumer Price Index/Service Price Index (CPI/SPI) will normally be used for the purpose of calculating adjustments to the agreed Operational Cost Savings and the fees for the Support Services provided herein. For CPI/SPI increases, the amounts as set forth in this Attachment shall be multiplied by a fraction, the numerator of which is the average CPI/SPI for the twelve-month period immediately preceding the Guarantee Year in which such an adjustment is to become effective, and the denominator of which is the average CI/SPI for the twelve-month period immediately preceding the First Guarantee Year.

"Energy and Operational Cost avoidance Guarantee Practices" are those practices identified in Attachment F, intended to achieve avoided costs in energy and/or operating expenses.

"Energy Costs" may include the cost of electricity and fuels to operate HVAC equipment, facility mechanical and lighting systems, and energy management systems, and the cost of water and sewer usage, as applicable.

"ECM" the Energy Conservation Measure (ECM) is the installation of equipment or systems, or modification of equipment or systems as described in Attachment A.

"Facilities" shall mean those buildings where the energy and operational cost savings will be realized.

"F.E.M.P." shall mean the Federal Energy Management Program of the U.S. Department of Energy and its Measurement and Verification Guidelines for Federal Energy Projects (DOE/GO-10096-248, February 1996, or later versions). The F.E.M.P. guidelines classify measurement and verification approaches as Option A, Option B, Option C, and Option D. The F.E.M.P. guidelines is based on the International Performance Measurement and Verification Protocol (I.P.M.V.P.) and was written to be fully consistent with it. It is intended to be used by Federal procurement teams consisting of contracting and technical specialists. The focus of F.E.M.P. guidelines is on choosing the M&V option and method most appropriate for specific projects.⁷

"Financing Document" refers to that document executed between CUSTOMER and a third-party financing entity providing for payments from CUSTOMER to third-party financing entity.

"Final Project Acceptance" refers to the CUSTOMER acceptance of the installation of the ECMs as described in Attachment A.

"First Guarantee Year" is defined as the period beginning on the first (1st) day of the month following the date of Final Retrofit Acceptance of the Work installed and ending on the day prior to the first (1st) anniversary thereof.

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"Guarantee Period" is defined as the period beginning on the first (1st) day of the First Guarantee Year and ending on the last day of the final Guarantee Year.

"Guarantee Year" is defined as the First Guarantee Year and each of the successive twelve (12) month periods commencing on the anniversary of the commencement of the First Guarantee Year throughout the Term of this Agreement.

"Guaranteed Savings" is defined as the amount of avoided Energy and Operational Costs necessary to pay for the cost of the Work and Support Services incurred by CUSTOMER in each Guarantee Year (as identified in Section 3.1 hereof).

"I.P.M.V.P." International Performance Measurement and Verification Protocol (July 1997, or later version) provides an overview of current best practice techniques available for measurement and verification of performance contracts. This document is the basis for the F.E.M.P. protocol and is fully consistent with it. The techniques are classified as Option A, Option B, Option C, and Option D.

"Measurement and Verification Plan" (M&V Plan) is defined as the plan providing details on how the Guarantee Savings will be verified.

"Operational Costs" shall include the cost of operating and maintaining the facilities, such as, but not limited to, the cost of inside and outside labor to repair and maintain Covered Systems and Equipment, the cost of custodial supplies, the cost of replacement parts, the cost of deferred maintenance, the cost of lamp and ballast disposal, and the cost of new capital equipment.

"Option A" is a verification approach that is designed for projects in which the potential to perform needs to be verified, but the actual performance can be stipulated based on the results of the "potential to perform and generate savings" verification and engineering calculations. Option A involves procedures for verifying that:

- Baseline conditions have been properly defined; and
- The equipment and/or systems that were contracted to be installed have been installed; and
- The installed equipment components or systems meet the specifications of the contract in terms of quantity, quality, and rating; and
- The installed equipment is operating and performing in accordance with the specifications in the contract and meeting all functional tests; and
- The installed equipment components or systems *continue, during the term of the contract*, to meet the specifications of the contract in terms of quantity, quality and rating, and operation and functional performance.

"Option B" is for projects in which the potential to perform and generate Savings needs to be verified; and actual performance during the term of the contract needs to be measured (verified). Option B involves procedures for verifying the same items as Option A plus verifying actual achieved energy savings during the term of the contract. Performance verification techniques involve engineering calculations with metering and monitoring.

"Option C" is also for projects in which the potential to perform needs to be verified and actual performance during the term of the contract needs to be verified. Option C involves procedures for verifying the same items as Option A plus verifying actual achieved energy savings during the term of the contract. Performance verification techniques involve utility whole building meter analysis and/or computer simulation calibrated with utility billing data.

"Option D" is a verification technique where calibrated simulations of the baseline energy use and/or calibrated simulations of the post-installation energy consumption are used to measure Savings from the Energy Conservation Measures. Option D can involve measurements of energy use both before and after the Retrofit for specific equipment or energy end use as needed to calibrate the simulation program. Periodic inspections of the equipment may also be warranted. Energy consumption is calculated by developing calibrated hourly simulation models of whole-building energy use, or equipment sub-systems in the baseline mode and in the post-installation mode and comparing the simulated annual differences for either an average year or for conditions that correspond to the specific year during either the baseline or post-installation period.

"Retrofit and Support Costs" are the sum of the (i) the financing payments required to be made by CUSTOMER pursuant to the Financing Document and (ii) the payments required to be made by CUSTOMER for Support Services.

"Retrofit" is the work provided by CTS as defined by the "ECMs".

"Savings" is defined as avoided, defrayed, or reallocated costs.

"Support Services" is defined as the services to be provided by CTS and described in Attachment C.

"Term" shall have the meaning as defined in Section 2 hereof.

"Total Guarantee Year Savings" is defined as the summation of avoided Energy and Operational Costs realized by facilities in each Guarantee Year as a result of the Retrofit and Support Services provided by CTS as well as Excess Savings, if any, carried forward from previous years.

2. TERM AND TERMINATION

2.1 Guarantee Term. The Term of this Guarantee Period shall commence on the first (1st) day of the month following the date of Final Project Acceptance of the Work installed pursuant to this agreement and shall terminate at the end of the Guarantee Period unless terminated earlier as provided for herein. The Term of this Guarantee Period is defined in Section 1 of Attachment F.

2.2 Guarantee Termination. Should this Agreement be terminated (including, as applicable, the Support Services Agreement and/or the Technical Resource Management Support Services) in whole or in part for any reason prior to the end of the Term, the Guaranteed Savings for the Guarantee Year in which such termination becomes effective shall be prorated as of the effective date of such termination, with a reasonable adjustment for seasonal fluctuations in Energy and Operational Costs, and the Guaranteed Savings for all subsequent Guarantee Years shall be null and void.

3. SAVINGS GUARANTEE

3.0 Savings Guarantee - Adjustments to guaranteed energy savings. In the event that the parties agree to a modification or change in the project scope, resulting in a change to the energy guarantee, the energy guarantee shall be adjusted accordingly. The adjustment may be an increase or decrease depending on the actual change or modification of the project scope. In the event that the parties agree to change or modify the project scope, as set forth in this Section 3.0, then prior to the commencement of said work, the parties shall execute a written change order setting forth the change or modification in the project scope and setting forth the adjustment to the energy guarantee.

3.1 Guaranteed Savings. CTS guarantees to CUSTOMER that the identified Facilities will realize the total energy and operational cost avoidance through the combined value of all ECMs over the Term of the contract as defined in Section 1 of Attachment F. In no event shall the savings guarantee provided herein exceed the total installation, maintenance, and financing costs for the Work under this Agreement. Notwithstanding any other provision of this Agreement required savings reconciliation or verification, the Total Guarantee Year Savings in each Guarantee Year are stipulated and agreed to by both parties to this Agreement to equal the Energy Costs and Operational Cost Avoidance amounts set forth in Attachment F (Schedule of Savings).

3.1.1 Additional Savings. Additional energy and/or operational cost avoidance that can be demonstrated as a result of CTS's efforts that result in no additional costs to CUSTOMER beyond the costs identified in this Agreement will be included in the guarantee savings reconciliation report for the applicable Guarantee Years(s).

3.1.2 Savings Prior to Final Retrofit Acceptance. All energy and operational cost avoidance realized by CUSTOMER that result from activities undertaken by CTS prior to Final Project Acceptance, including any utility rebates or other incentives earned as a direct result of the installed Energy Conservation Measures, will be applied toward the Guaranteed Savings for the First Guarantee Year.

3.1.3 Cumulation of Savings. The Guaranteed Savings in each Guarantee Year are considered satisfied if the Total Guarantee Year Savings for such Guarantee Year equals or exceeds the Retrofit and Support Costs for such Guarantee Year or the amount identified in Section 1 of Attachment F hereto.

3.1.4 Excess Savings. In the event that the Total Guarantee Year Savings in any Guarantee Year exceed the Guaranteed Savings required for that Guarantee Year, such Excess Savings shall be billed to CUSTOMER (up to any amounts previously paid by CTS for a Guaranteed Savings shortfall pursuant to Section 3.1.5), which amount shall be payable within thirty (30)

days after the amount of such Total Guarantee Year Savings has been determined and any remaining Excess Savings shall be carried forward and applied against Guaranteed Savings shortfalls in any future Guarantee Year.

3.1.5 Savings Shortfalls. In the event that the Total Guarantee Year Savings in any Guarantee Year is less than the Guaranteed Savings required for that Guarantee Year, after giving credit for any Excess Savings carried forward from previous Guarantee Years pursuant to Section 3.1.4. CTS shall, upon receipt of written demand from CUSTOMER, compensate CUSTOMER the amount of any such shortfall, limited by the value of the guarantee, within thirty (30) days. Resulting compensation shall be CTS's sole liability for any short fall in the Guaranteed Savings.

3.2 Savings Reconciliation Documentation. CTS will provide CUSTOMER with a guarantee savings reconciliation report after the first Guarantee Year. CUSTOMER will assist CTS in generating the savings reconciliation report by providing CTS with copies of all bills pertaining to Energy Costs within two (2) weeks following the CUSTOMER's receipt thereof, together with access to relevant records relating to such Energy Costs. CUSTOMER will also assist CTS by permitting access to any maintenance records, drawings, or other data deemed necessary by CTS to generate the said report. Data and calculations utilized by CTS in the preparation of its guarantee cost savings reconciliation report will be made available to CUSTOMER along with such explanations and clarifications as CUSTOMER may reasonably request.

3.2.1 Acceptance of Guarantee Reconciliation. At the end of the first Guarantee Year the CUSTOMER will have forty-five (45) days to review the guarantee savings reconciliation report and provide written notice to CTS of non-acceptance of the Guarantee Savings for that Guarantee Year. Failure to provide written notice within forty-five (45) days of the receipt of the guarantee savings reconciliation report will deem it accepted by CUSTOMER. If the annual guarantee savings have been met after the first year, the guarantee will be deemed realized for the entire guarantee term.

3.2.2 Guarantee Savings Reconciliation. Guarantee Savings will be determined in accordance with the methodology(s), operating parameters, formulas, and constants as described below and/or defined in Attachment F and/or additional methodologies defined by CTS that may be negotiated with CUSTOMER at any time.

For reconciliation of Guarantee Savings employing the method of utility bill analysis consistent with F.E.M.P. Option C.

Energy usage for the Facilities for such Guarantee Year will be summarized and compared with the adjusted Baseline Period energy usage for the Facilities through the use of energy accounting software. The difference between the adjusted Baseline Period energy usage and the Guarantee Year energy usage will be multiplied by the applicable energy rate as defined in Attachment F, to calculate the Energy Cost avoidance. Energy Cost avoidance may also include, but are not limited to, Savings from demand charges, power factor correction, taxes, ratchet charges, rate changes and other utility tariff charges that are reduced as a result of the CTS involvement. A Baseline Period will be specified (Section 1 of Attachment F) for the purpose of utility bill analysis.

AND/OR for those energy audits employing the method consistent with I.P.M.V.P. and/or F.E.M.P. Options A and/or B:

For each ECM, CTS will employ an M&V Plan which may be comprised of any or all of the following elements:

1. Pre-retrofit model of energy consumption or demand
2. Post-retrofit measured energy consumption
3. Post-retrofit measured demand and time-of-use
4. Post-retrofit energy and demand charges
5. Sampling plan
6. Stipulated Values

The value of the energy savings will be derived from the measured data and engineering formulae included herein, and the applicable energy charges during each Guarantee Year. In some cases, energy usage and/or demand will be calculated from measured variables that directly relate to energy consumption, demand or cost, such as, but not limited to, measured flow, temperature, current, voltage, enthalpy or pressure.

AND/OR for those energy audits employing the method consistent with I.P.M.V.P. and/or F.E.M.P. Option D:

For each Energy Conservation measure, CTS will employ an M&V Plan which may be comprised of any or all of the following elements:

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1. Pre-retrofit model of energy consumption or demand
2. Post-retrofit model of energy consumption or demand
3. Post-retrofit measured energy consumption
4. Post-retrofit measured demand and time-of-use
5. Post-retrofit energy and demand charges
6. Sampling Plan
7. Stipulated values

The value of the energy savings will be derived from a calibrated simulation of either the whole building or of sub-systems in the building to determine the difference in the performance of the specific equipment being replaced. This method may entail as needed one-time measurements of the performance of the energy consuming systems in the building in order to calibrate the simulation model. Energy usage for the Facilities for such Guarantee Year will be derived through the use of simulation programs.

The value of the energy savings will be derived from a calibrated simulation of either the whole building or of sub-systems in the building to determine the difference in the performance of the specific equipment being replaced. This method may entail as needed one-time measurements of the performance of the energy consuming systems in the building in order to calibrate the simulation model. Energy usage for the Facilities for such Guarantee Year will be derived through the use of simulation programs.

3.3 Operational Cost Avoidance. The agreed-upon Operational Cost Avoidance as described in Attachment F (Schedule of Savings) will be deemed realized upon execution of this Agreement and will begin to accrue on the date of the completion and acceptance of each Retrofit improvement. These Savings are representative of information provided by the CUSTOMER consisting of either whole or partial budgeted operational costs and as such, it is hereby understood and agreed that the CUSTOMER is wholly responsible for assuring that these budgeted Operational Costs are accurate and achievable. Implementation of CTS's Comprehensive Technical Services Agreement and Support Services allows for the reallocation or defrayal of such budgeted Operational Costs.

3.4 Base Year Adjustments. Baseline Period shall be adjusted to reflect: changes in occupied square footage; changes in energy-consuming equipment; changes in the Facilities; changes in Energy and Operational Cost Avoidance Guarantee Practices adversely affecting energy consumption and/or demonstrated operational changes; changes in weather between the Baseline Period and the Guarantee Year; and documented or otherwise conclusively established metering errors for the Baseline Period and/or any Guarantee Year adversely affecting energy usage measurement.

3.4.1 Facility Operational Changes. Except in the case of emergencies CUSTOMER agrees it will not, without the consent of an Authorized Representative of CTS: make any significant deviations from the applicable Energy and Operational Cost Avoidance Guarantee Practices; put any system or item of equipment in a permanent "on" position, if the same would constitute a deviation from the applicable Energy and Operational Cost Avoidance Guarantee Practices; or assume manual control of any energy management system or item of equipment, if the same would constitute a deviation from the applicable Energy and Operational Cost Avoidance Guarantee Practices.

3.4.2 Hours and Practices. To achieve these energy savings, CTS and CUSTOMER agree upon the operating practices listed in Attachment F.

3.4.3 Activities and Events Adversely Impacting Savings. CUSTOMER shall promptly notify CTS of any activities known to CUSTOMER which adversely impact: CTS's ability to realize the Guaranteed Savings and CTS shall be entitled to reduce its Guaranteed Savings by the amount of any such adverse impact to the extent that such adverse impact is beyond CTS's reasonable control.

3.5 Guarantee Adjustment. CTS's Guaranteed Savings obligations under this Agreement are contingent upon: (1) CUSTOMER following the Energy and Operational Cost Avoidance Guarantee Practices set forth herein and in Attachment F; (2) no alterations or additions being made by CUSTOMER to any of the Covered systems and Equipment without prior notice to and agreement by CTS; (3) CUSTOMER sending all current utility bills to CTS within two (2) weeks after receipt by CUSTOMER, if CUSTOMER fails to provide current utility bills for a period of time in excess of six (6) months CTS may, at its sole discretion, deem the Guarantee Savings obligation met during that period and any successive periods, and (4) CTS's ability to render services not being impaired by circumstances beyond its control. To the extent CUSTOMER defaults in or fails to perform fully any of its obligations under this Agreement, CTS may, in its sole discretion, adjust its Guaranteed

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Savings obligation; provided, however, that no adjustment hereunder shall be effective unless CTS has first provided CUSTOMER with written notice of CUSTOMER's default(s) or failure(s) to perform and CUSTOMER has failed to cure its default(s) to perform within thirty (30) days after the date of such notice.

ATTACHMENT F
SCHEDULE OF SAVINGS

1. Schedule of Savings

The original Master Agreement total energy and operational cost avoidance over the Term of the contract is equal to or greater than \$1,760,449 as defined in the following:

- Annual Energy Savings are not less than \$71,722 as listed in 1.1.
- Total Operational Cost Savings are not less than \$326,009 as listed in 1.2 and 1.3.3

or the sum of the Retrofit and Support Costs for such Guarantee Year, whichever is less.

Provided further, in no event shall the savings guarantee provided herein exceed the total installation, maintenance, and financing costs for the Work under this Agreement.

The Term of this contract is for 20 years from the date of Final Project Acceptance. The Baseline Period is defined as July 2006-June 2008.

Year	Avoided Increase in Utility Operating Costs (FEMPA)	Secured Grants and Utility Incentives	Long Term Operating Costs Savings	Guaranteed Savings
1	\$ 71,722	TBD	\$ 326,009	\$ 397,731
2	\$ 71,722	\$ -	\$ -	\$ 71,722
3	\$ 71,722	\$ -	\$ -	\$ 71,722
4	\$ 71,722	\$ -	\$ -	\$ 71,722
5	\$ 71,722	\$ -	\$ -	\$ 71,722
6	\$ 71,722	\$ -	\$ -	\$ 71,722
7	\$ 71,722	\$ -	\$ -	\$ 71,722
8	\$ 71,722	\$ -	\$ -	\$ 71,722
9	\$ 71,722	\$ -	\$ -	\$ 71,722
10	\$ 71,722	\$ -	\$ -	\$ 71,722
11	\$ 71,722	\$ -	\$ -	\$ 71,722
12	\$ 71,722	\$ -	\$ -	\$ 71,722
13	\$ 71,722	\$ -	\$ -	\$ 71,722
14	\$ 71,722	\$ -	\$ -	\$ 71,722
15	\$ 71,722	\$ -	\$ -	\$ 71,722
16	\$ 71,722	\$ -	\$ -	\$ 71,722
17	\$ 71,722	\$ -	\$ -	\$ 71,722
18	\$ 71,722	\$ -	\$ -	\$ 71,722
19	\$ 71,722	\$ -	\$ -	\$ 71,722
20	\$ 71,722	\$ -	\$ -	\$ 71,722
Total	\$ 717,220		\$ 326,009	\$ 1,760,449

1.1 Energy Savings. The annual guarantee of energy cost avoidance is the sum of the below listed ECMs. The savings are based on the listed Energy and Operational Cost Avoidance Guarantee Practices contained in Section 1.3 herein.

ECM Group #1 – FEMP Option A M&V Approach

Conversion of West Building New Addition Electric Reheat VAV Boxes with Geothermal Hot Water Reheat Coils

FEMP Option A energy audit procedure will be utilized to determine the natural gas and electric savings resulting from extending the geothermal HVAC systems at the West Building. CTS has evaluated a couple energy initiatives in the West Building Addition that will lower energy consumption and improve the load balance on the campus diversification loop. The strategy of adding heating loads to the campus geothermal condenser loop will increase the well field's capacity to serve campus cooling loads in the summer by lowering the well field temperatures in the winter. The efficiencies in the cooling loop will reflect in cooling tower and chiller savings as well.

1.2 Operational Cost Savings. The annual guarantee of operational cost avoidance strategies are listed below. The Savings are based on the listed Energy and Operational Cost Avoidance Guarantee practices contained in Section 1.3 herein. The operational cost savings identified in the Schedule of Savings are deemed satisfied upon contract execution.

1.2.2 Secured Grants and Renewable Energy Credits. CTS will work with the CUSTOMER to apply for energy efficient building design and renewable energy grants and market the Renewable Energy Credits (Green and White Tags). This would include applicable grants available through the Illinois Clean Energy Community Foundation and the Illinois Department of Commerce and Economic Opportunity, as well as other similar Federal grants. Buildings owned and operated by tax-exempt local public schools can receive grants as incentives to implement energy conservation strategies within planned building renovations and new construction. CTS currently does not attribute any of the potential grants or RECs towards the projected operational savings, but any grants or RECs secured will be included in the aggregated Savings.

1.3 Energy and Operational Cost Avoidance Guarantee Practices:

1.3.1 BASELINE Operating Parameters: are the facility(s) and system(s) operations measured and/or observed before commencement of the Work. The date summarized will be used in the calculation of the baseline energy consumption and/or demand and for calculating baseline adjustments for changes in facility operation that occur during the Guarantee Period. CTS and CUSTOMER agree that the operating parameters specified in this section are representative of equipment operating characteristics during the Base Year specified in this Agreement.

HVAC and lighting systems operation in the CUSTOMER's facilities operated during the base year as needed up to 24 hours per day. Building temperatures were observed to be 72° - 80°F 24 hours per day during the heating season and 68-72 in the cooling season.

1.3.2 PROPOSED Operating Parameters of the facility(s) and system(s) after completion of Work. The data summarized will be used in the calculation of the post-retrofit energy consumption and/or demand. CTS and CUSTOMER agree that the proposed operating parameters specified in this section are representative of equipment operating characteristics during the Guarantee Period specified in this Agreement.

Proposed Operating Parameters on which each ECM will rely for achieving energy savings:

Geothermal System – Mechanical systems operation will be controlled by the Building Automation System. The operating temperature of the building during occupied hours shall be kept at 68-70°F (winter) and 74-76°F (summer) and turned off when unoccupied the setback temperatures will be 65°F (winter) and 90°F (summer). Summer operation will be kept to a minimum for offices and summer activities.

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1.3.3 Operational Cost Avoidance. Replacement of mechanical and electrical systems that have reached or are past the expected useful life of that system or systems will provide the CUSTOMER with cost avoidance for the future replacement of these systems during the term of this agreement. These cost avoidances are equal to the cost of the system or systems replacement and shall be considered fulfilled upon contract execution. This includes related building renovations for each phase of the project as building wide asbestos abatement and classroom renovations are interrelated with HVAC modifications in each phase of the master agreement.

Phase II of West Building renovations involves replacing the (37) electric reheat VAV boxes with geothermal hot water reheat coils. The existing VAV boxes were installed in 2008 and have roughly 5 years of useful life remaining. CTS has evaluated a couple energy initiatives in the West Building Addition that will lower energy consumption and improve the load balance on the campus diversification loop. This would include converting the newer addition's electric reheat coils on the VAVs to geothermal hot water reheat coils and adding frequency drives on supply pumps. The strategy of adding heating loads to the campus geothermal condenser loop will increase the well field's capacity to serve campus cooling loads in the summer by lowering the well field temperatures in the winter.

Planned Capital Expenditure Assessment

Project Description: *Replace 37 VAV Boxes in West Building - Phase II*

Replacement Cost of Electric VAV Boxes	\$ 244,644
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Average Expected ASHRAE Useful Life	15 Years
Average Current Equipment Age	10 Years
Inflation Factor	3%

Future Planned Expenditures	\$ 326,009
<small>Includes A&E Fees and Construction Management</small>	
Salvage Value of Existing Equipment	\$ -

1.4 Guarantee Savings Measurement and Verification Plan

1.4.1 Measurement and Verification Methodology(s)

Energy Conservation Measure	Electric Savings Verification Method	Fuel Savings Verification Method	Projected Annual Energy Savings
ECM #1 West Building II	Option A	Option A	\$71,772

1.4.2 Energy Cost Avoidance: The following describes the Measurement and Verification procedures, formulas, and stipulated values which may be used in the calculation of the energy cost avoidance. The calculation of energy cost avoidance is based upon the utility rate paid during the Guarantee Year, or the Baseline Period utility rate, whichever is higher and/or as defined heretofore. Energy cost avoidance may also include, but is not limited to, Savings from demand charges, power factor correction, taxes, ratchet charges, rate changes and other utility tariff charges that are reduced as a result of the CTS involvement.

Further Explanation of Energy Calculations for West Building HVAC Modifications Phase II

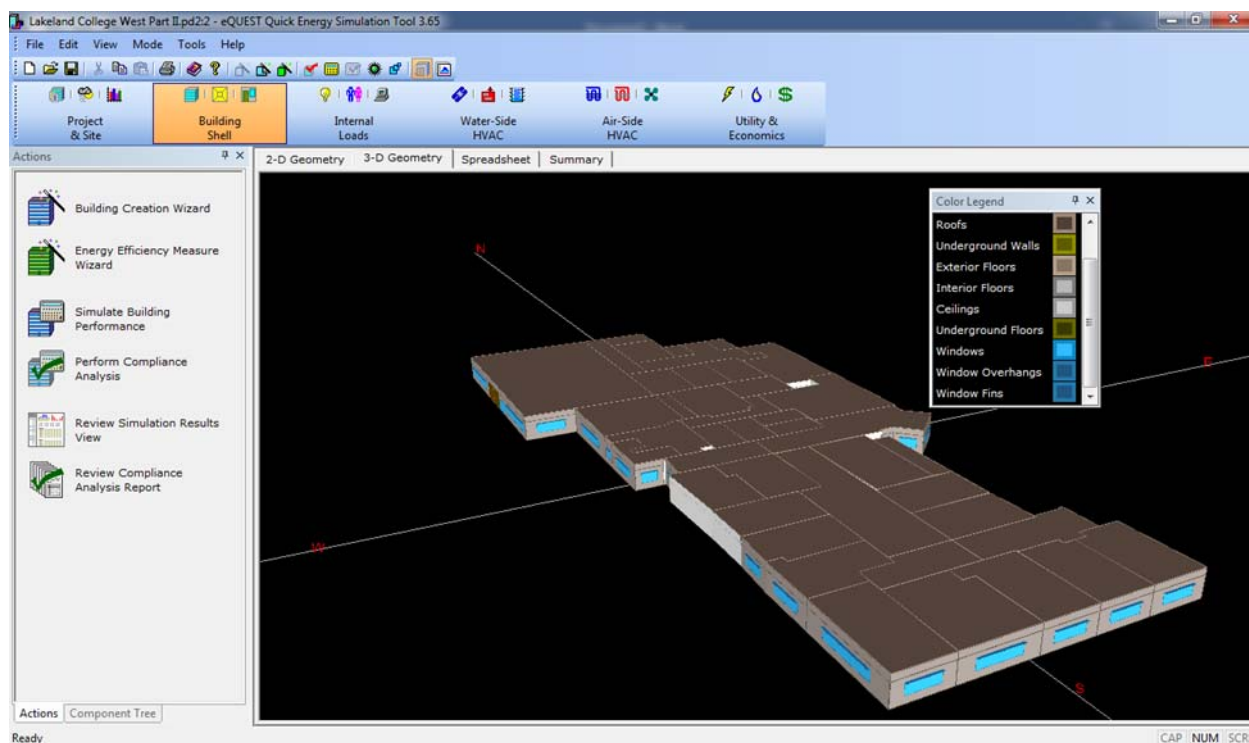
The following calculations were used to project the impact of the improvements to the HVAC system can be referenced during annual verification reporting to the College.

Energy Calculations for West Building ECMs

eQUEST Energy Model Overview

The eQUEST model covers the zones affected by the VAV box replacement. However, given the large plug loads and other HVAC loads (GEO RTU loop pump, exhaust fans, Green House, and other process loads), the model's energy usage does not scale up to the total building usage. The model focuses on the effect of VAV changeover, which allows for more accuracy in savings calculations.

Therefore, each zone within the scope of the project of the existing facility was modeled in eQUEST. The model accounts for lighting loads, room's loads (such as hair dryers, curling irons, computers, etc), ventilation requirements, infiltration, and exterior weather loads.

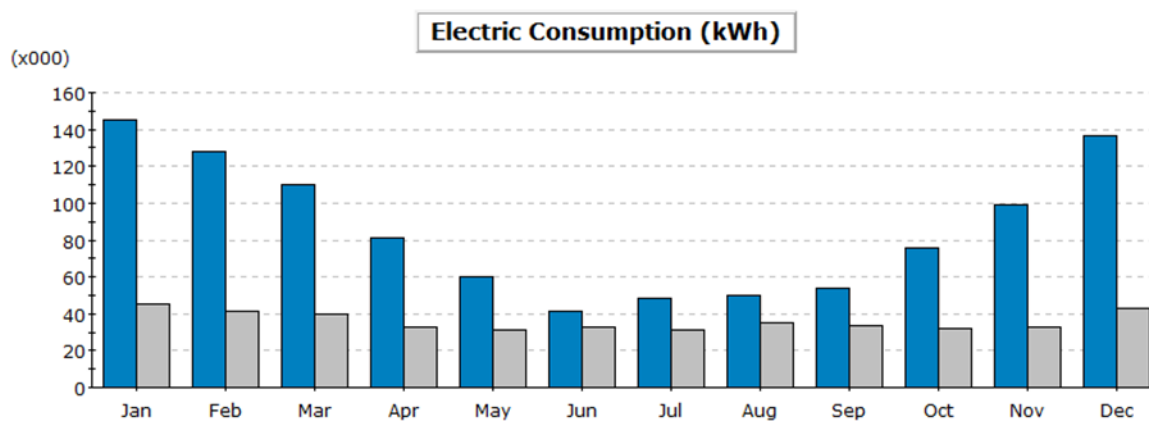


Energy Analysis

To estimate the amount of energy savings from the conversion to hot water reheat, two methods were utilized. The first method utilizes eQUEST, a commonly used open source energy modeling software tool. The second method utilizes a proprietary engineering tool developed by professional engineers.

1. eQUEST:

The below graphs illustrates the savings from changing over from VAV with electric reheat (Baseline) to VAV with HW Reheat (Note: The y-axis unit of kWh is shown in 1,000 kWh.)



The yearly difference is 1,028,500 kWh – 430,400 kWh. This savings amounts to 598,100 kWh. At roughly \$0.12/kWh, the savings is equal to \$71,772/year.

In terms of energy addition, the additional load on the existing Multistack water to water heat pump should improve its operation. Furthermore, allowing the campus loop to both run its cooling tower and chiller less by having an outlet for heat rejection through the VAV boxes results in campus wide energy savings. To conservatively quantify this effect, the cooling source at West Building has a 5% efficiency gain.

The total estimate savings is therefore:

Total Estimated Savings = \$71,722

ATTACHMENT G
PROJECT ACCEPTANCE

CTS

FINAL DELIVERY AND ACCEPTANCE CERTIFICATE

Project Name _____

Agreement Effective Date: _____

Scope-of-Work (SOW) Item/Energy Conservation Measure (ECM): _____

To: CTS

Reference is made to the above listed Agreement between the undersigned and CTS, Inc. and to the Scope of Work as defined in Attachment A herein. In connection therewith, we confirm to you the following:

1. The Scope of Work (SOW) Item/ Energy Conservation Measure (ECM) referenced above and also listed in Attachment A of the Agreement has been demonstrated to the satisfaction of the Owner’s Representative as being substantially complete, including all punch list items generated during the Project Acceptance Procedure.
2. All of the Work has been delivered to and received by the undersigned and that said Work has been examined and /or tested and is in good operating order and condition and is in all respects satisfactory to the undersigned and as represented, and that said Work has been accepted by the undersigned and complies with all terms of the Agreement. Consequently, you are hereby authorized to invoice for the Final Payment, as defined in Section 6.2.1, The Payment Schedule.

Owner Name: _____

By: _____

(Authorized Signature)

(Printed Name and Title)

(Date)

LAKE LAND COLLEGE

NOTICE

Lake Land College, Mattoon, Illinois, intends to enter into a Guaranteed Energy Savings Contract with CTS Group as defined by the Public Community College Act (110 ILCS 805/5A-35). The Lake Land College Board of Trustees intends to take action on the Contract at its regular meeting scheduled for 7:00 PM, Monday February 13th, 2017.

The purpose of the contract is to provide the implementation of energy equipment and repair, modernization, maintenance and training services in District buildings on a performance contracting basis as defined by the Public Community College Act (110 ILCS 805/5A-5 et. seq.). Additionally, this contract will include the complete remediation of the north wind turbine and partial remediation of the south wind turbine on campus.

Eastern Region Center
224 South Sixth St.
Marshall, Illinois 62441
217-826-8490

**The Kluthe Center for Higher
Education and Technology**
1204 Network Center Blvd.
Effingham, Illinois 62401
217-540-3555

Lake Land College
5001 Lake Land Blvd.
Mattoon, Illinois 61938
217-234-5253
lakelandcollege.edu

Western Region Center
600 East First St.
Pana, Illinois 62557
217-562-5000

**Workforce
Development Center**
305 Richmond Ave. East
Mattoon, Illinois 61938
217-235-2222

Lake Land College Board of Trustees



RESOLUTION NUMBER: 0217-040

DATE: 2-13-17

RESOLUTION TO ENTER INTO GUARANTEED ENERGY SAVINGS CONTRACT

WHEREAS, the Board of Trustees of Lake Land College #517, Mattoon, Illinois (The Board) has authority to enter into a guaranteed energy savings contract with a qualified provider experienced in the design, implementation, or installation of energy conservation measures in accordance with the provisions of Article 5A of The Community College Act, 110 ILCS, 805/5A-5 et.seq.; and

WHEREAS, CTS, a Missouri Corporation, (CTS), being such a qualified provider, has analyzed the feasibility of and has recommended implementing certain energy conservation measures and improvements in the facilities of Lake Land College at a total cost of \$957,697; and

WHEREAS, CTS has proposed to enter into a guaranteed energy savings contract with Lake Land College to implement such energy conservation measures; and

WHEREAS, it would serve the best interest of Lake Land College to enter into such agreement with CTS.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Lake Land College #517, Mattoon, Illinois, as follows:

Section 1. The above Preamble recitals are incorporated in and made a part of this resolution.

Section 2. The Board hereby finds that the amount it would spend on the energy conservation measures recommended in the proposal of CTS would not exceed the amount to be saved in energy costs and energy-related operational costs within a 20 year period from the date of installation, if the recommendations of said proposal are followed.

Section 3. The Board hereby approves, pending final review and approval by legal counsel, entering into that guaranteed energy savings contract with CTS which provides for the purchase and installation of certain energy retrofits and repairs, building management systems, building improvements, and lighting retrofits in identified Lake Land College facilities. A draft copy of said guarantee energy savings contract is attached as Exhibit A to this resolution and made a part hereof.

Section 4. The Board hereby authorizes Mr. Bryan Gleckler, Vice President for Business Services, to execute said guaranteed energy savings Contract on the Board's behalf upon final review and approval by legal counsel. Mr. Gleckler is further authorized to execute all such related documents as may be needed or expedient to accomplish the purpose of this resolution.

Section 5. This Resolution shall be in full force and effect immediately upon its passage.

Adopted this 13th day of February, 2017 by the following vote:

AYES:

NAYS:

ABSENT:

Chair, Board of Trustees

ATTEST:

Secretary, Board of Trustees

**LAKE LAND COLLEGE
BOARD OF TRUSTEES
HUMAN RESOURCES REPORT
February 13, 2017**

The following employees are approved for Family Medical Leave:

Althaus, Jon	FMLA	01/31/2017
Dogwiler, Greg	FMLA	01/12/2017
Iverson, Mary Beth	FMLA	12/06/2016
Thomason, Deborah	FMLA	01/06/2017
Wood, Nancy	FMLA	01/10/2017

Additional Appointments

The following employees are recommended for additional appointments

	Position	Effective Date
Unpaid Volunteer		
Davis, Michael	Work and Learn - Business Primary Position is CWS Business	01/09/2017
Davis, Michael	Tech Team Volunteer Primary Position is CWS Business	01/17/2017
Ervin, Ryan	Dual Credit Instructor Primary Position is Adj Faculty Social Science	12/22/2016
Part-time		
Ali, Iffat	Adjunct Faculty Math and Science Sub Primary Position is Chemistry Instructor	01/09/2017
Earl, Arthur	Adjunct Faculty Math and Science Primary Position is Adj Faculty Technology	01/09/2017
Hjort, Carol	Enhanced Lab Instr Dental Hygiene Primary Position is Allied Health Den Cln Hrly	01/09/2017
Lotfdar, Saghi	Print Shop Student Assistant Primary Position is Bookstore Rush Worker	01/23/2017
Lytle, Brianna	Tutor-Disability Services - Bachelor Primary Position is Tutor-Bachelor's LAC	01/23/2017
Marasinghe, Gishanthi	Adjunct Faculty Math and Science Primary Position is Adj Faculty Math/Science	01/09/2017
Oliver, Steven	Newspaper Editor - Student Newspaper Primary Position is Work N Learn Technology	01/09/2017
Patel, Palak	Tutor-Disability Services - Student Primary Position is Tutor - Student LAC	01/03/2017
Patel, Palak	Tutor-Student Community Education Primary Position is Tutor - Student LAC	01/03/2017

Probst, Melissa	Dental Hygiene - Substitute	02/02/2017
	Primary Position is Adjunct Faculty Dental	
Stolz, Cheryl	Tutor-Disability Services - Bachelor	01/17/2017
	Primary Position is Adj Faculty Humanities	
Stolz, Cheryl	Tutor - Bachelor's Degree - LAC	01/17/2017
	Primary Position is Adj Faculty Humanities	
Tshilombo, Gael	Tutor-Disability Services - Student	01/09/2017
	Primary Position is International Stu Ambassador	
Tshilombo, Gael	Tutor - Student LAC	01/09/2017
	Primary Position is International Stu Ambassador	
Voronina, Daria	Tutor-Disability Services - Student	01/23/2017
	Primary Position is Tutor – Student LAC	
Wilson, Sheila	Enhanced Lab Instr Dental Hygiene	01/09/2017
	Primary Position is Allied Health Den Cln Hrly	
Yantis, Jeannene	Enhanced Lab Instr- Dental Hygiene	01/09/2017
	Primary Position is Allied Health Den Cln Hrly	

Part-time - Grant Funded

Davis-Long, Tasha	Adjunct DOC College Funded Instr	01/09/2017
	Primary Position is Associate Dean St. Charles	
Davison, Larry	Adult Education Adjunct Faculty	01/09/2017
	Primary Position is CBI Instructor	
Groennert, Harvey	Adjunct DOC College Funded Instr	01/03/2017
	Primary Position is Associate Dean Southwestern	
Guyette, Samuel	Perkins Test Proctor	01/18/2017
	Primary Position is Test Proctor	
Hoelscher, Ben	Tutor - Associate's TRIO	01/23/2017
	Primary Position is Tutor - Student LAC	
Hoelscher, Ben	Tutor - Associate Carl Perkins	01/23/2017
	Primary Position is Tutor - Student LAC	
Lytle, Brianna	Tutor - Bachelor's TRIO	01/23/2017
	Primary Position is Tutor-Bachelor's LAC	
Lytle, Brianna	Tutor - Bachelor's Carl Perkins	01/31/2017
	Primary Position is Tutor-Bachelor's LAC	
Patel, Palak	Tutor-Student Carl Perkins	01/03/2017
	Primary Position is Tutor - Student LAC	
Patel, Palak	Tutor-Student TRIO	01/03/2017
	Primary Position is Tutor - Student LAC	
Stolz, Cheryl	Tutor - Bachelor's Carl Perkins	01/17/2017
	Primary Position is Adj Faculty Humanities	
Stolz, Cheryl	Tutor - Bachelor's TRIO	01/17/2017
	Primary Position is Adj Faculty Humanities	
Tshilombo, Gael	Tutor-Student TRIO	01/09/2017
	Primary Position is International Stu Ambassador	
Tshilombo, Gael	Tutor-Student Carl Perkins	01/09/2017
	Primary Position is International Stu Ambassador	

Voronina, Daria	Tutor-Student TRIO Primary Position is Tutor - Student LAC	01/23/2017
Voronina, Daria	Tutor-Student Carl Perkins Primary Position is Tutor - Student LAC	01/23/2017
Woolworth, Wendy	Perkins Test Proctor Primary Position is Tutor - Assoc Comm Ed	01/18/2017

End Additional Appointments

The following employees are ending their additional appointment

	Position	Effective Date
Full-time		
Bales, Thomas	Intl Studies Program Assistant	01/12/2017
Part-time		
Graziano, Amy	Tutor	12/31/2015
Hall, Sarah	Tutor	12/01/2016

New Hire-Employees

The following employees are recommended for hire

	Position	Effective Date
Unpaid Volunteer		
Barnett, Daniel	Dual Credit Instructor	01/12/2017
Oliver, Steven	Work and Learn - Technology	01/09/2017
Setzer, Richard	College Work Study - Veteran's Affairs	01/09/2017
Shain, Alicia	Work and Learn - Print Shop	01/23/2017
Shaw, Cody	College Work Study - Veteran's Affairs	01/09/2017
Sims, Gara	Work and Learn-Bookstore	01/04/2017
Wright, Jesse	Tech Team Volunteer	01/25/2017
Full-time		
Musselman, Shelby	Custodian (return from layoff)	01/03/2017
Full-time - Grant Funded		
Pontious, Samantha	WIOA Financial and Operations Analyst	02/01/2017
Part-time		
Altman, Galen	Adjunct Faculty Technology	01/06/2017
Armstrong, Zachary	Bookstore Rush Worker	01/09/2017
Bear, Savannah	Admin Asst to College Advancement	01/04/2017
Crisman, Jeffrey	Adjunct Faculty Math and Science	01/09/2017
Desouza, Nathalya	Print Shop Student Assistant	01/05/2017
Garretson, Deborah	Mailroom Assistant	01/03/2017
Hall, Ashley	Adjunct Faculty Math and Science	01/09/2017
Hoelscher, Ben	Tutor - Student LAC	01/23/2017
Lytle, Brianna	Tutor - Bachelor's Degree - LAC	01/23/2017
Moomaw, Jodi	Allied Health EMS Adjunct Faculty	01/09/2017

Patel, Palak	Tutor - Student LAC	01/03/2017
Penberthy, Jennifer	Bookstore Rush Worker	01/09/2017
Penberthy, Jennifer	Bookstore Rush Worker	01/09/2017
Thompson, Philip	Adjunct Faculty Humanities	01/09/2017
Voronina, Daria	Tutor - Student LAC	01/23/2017

Part-time - Grant Funded

Humphreys, Laura	Pathways Classroom Assistant	02/01/2017
Landstrom, Anna	Perkins Student Worker-Agriculture	01/09/2017

College Work Studys

Albritton, Kathy	College Work Study - Business	01/09/2017
Fulk, India	College Work Study - Counseling	01/09/2017

Terminations/Resignations

The following employees are terminating employment

	Position	Effective Date
Full-time		
Crossland, Misti	Corr Career Tech Instr - IL River CC	01/27/2017
Harris, Julie	Corr Ofc Asst - Dixon CC	01/04/2017
Hill, Robert	Custodian	12/31/2016
Ingle, Katrina	WIOA Financial/Operation Analyst	02/08/2017
Moyers, Brian	Corr Cust Maint Instr - Vienna CC	12/30/2016
Moyers, Ronna	Corr Cosmetology Inst - Vienna CC	12/30/2016
Weber, Andrew	Corr Ofc Asst – East Moline CC	01/06/2017
Wilson-West, Danalyn	Corr Career Tech Instr - Big Muddy CC	01/27/2017
Part-time		
Armstrong, Zachary	Bookstore Rush Worker	09/01/2016
Balingibiso, Julie	International Stu Ambassador	12/30/2016
Blumer, Lorraine	Kluth Center Adm Asst	08/31/2016
Brown, William	Adult Ed Adjunct Faculty	06/29/2016
Finks, Patricia	Adj Faculty Humanities	12/31/2015
Fox, Rachel	Tutor - Student LAC	12/09/2016
Gursoy, Mehmetcan	Print Shop Student Asst	12/22/2016
Hagen, Abby	Tutor - Student LAC	12/20/2016
Karpus, Benjamin	Tutor-Disability Services Student	09/01/2016
Kearney, James	Adj Faculty Math/Science	12/20/2016
Kelly, Leah	Newspaper Ed Student News	01/08/2017
Klyczek, John	Adj Reading Instructor	02/02/2017
McQueen, Michael	Tutor - Student LAC	12/30/2016
Moore, Brenda	IDOC CPR Instructor	02/01/2017
Quance, Christiana	Perkins Student Worker Ag	12/07/2016
Reinheimer, Jane	Adj Faculty Social Science	12/21/2016
Repp, Matthew	Tutor-Disability Services Student	12/01/2016

Smaligo, Nicholas	Adj Doc College Funded Instr	05/30/2016
Surdyk, Jacquelyn	Adj Reading Instructor	12/31/2015
Uphoff, Samuel	Print Shop Student Asst	01/13/2017
Wilkins, Michelle	Adj Faculty Technology	12/31/2015
Wilkinson, Tiffany	Kluth Test Proctor	10/31/2016

College Work Studys

Oleko, Jonathan	College Work Study-Printshop	12/22/2016
Scogins, Jacob	College Work Study-Printshop	01/12/2017

Transfers/Promotions

The following employees are recommended for a change in position

	Position	Effective Date
Full-time		
Bear, Savannah	Administrative Assistant to College Advancement (FT) Transferring From Adm Asst to College Advancement (PT)	01/30/2017
Full-time - Grant Funded		
Overstreet, Desiree	Adult/Alternative Education Program Coordinator (FT) Transferring From Pathways Special Projects Advisor (PT)	01/17/2017