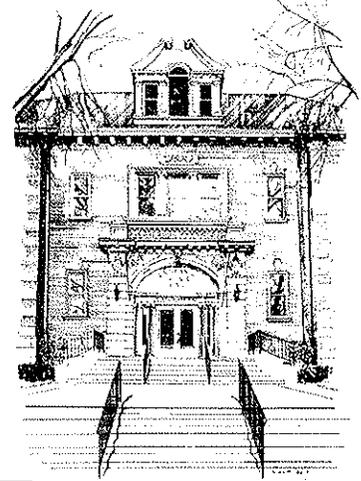


Village of La Grange



VILLAGE BOARD MEETING

MONDAY, APRIL 25, 2011

7:30 p.m.

BOOK 1 of 2

Village Hall Auditorium

53 S. La Grange Road

La Grange, IL 60525

Elizabeth M. Asperger
Village President

Thomas Morsch
Village Clerk

VILLAGE OF LA GRANGE
BOARD OF TRUSTEES REGULAR MEETING

Village Hall Auditorium
53 South La Grange Road
La Grange, IL 60525

AGENDA

Monday, April 25, 2011 – 7:30 p.m.

1. CALL TO ORDER AND ROLL CALL
*President Elizabeth Asperger
Trustee Bill Holder
Trustee Mike Horvath
Trustee Mark Kuchler
Trustee Mark Langan
Trustee Tom Livingston
Trustee James Palermo*

2. PRESIDENT'S REPORT
This is an opportunity for the Village President to report on matters of interest or concern to the Village.

3. PUBLIC COMMENTS REGARDING AGENDA ITEMS
This is the opportunity for members of the audience to speak about matters that are included on this Agenda.

4. OMNIBUS AGENDA AND VOTE
Matters on the Omnibus Agenda will be considered by a single motion and vote because they already have been considered fully by the Board at a previous meeting or have been determined to be of a routine nature. Any member of the Board of Trustees may request that an item be moved from the Omnibus Agenda to Current Business for separate consideration.
 - A. Ordinance – Resubdivision of Lots, 200 South Stone & 201 South Brainard

 - B. Ordinance – Cost Recovery Amendments to the Village Code Regarding (1) Fire Department Plan Review Fees and (2) to Establish a Fee for Extrication Services Provided by the Fire Department

 - C. Engineering Services Agreement – Baxter & Woodman – Detailed Engineering and Design Services for the Maple Avenue Relief Sewer Project – Bluff Avenue to La Grange Road

- D. Engineering Services Agreement – Baxter & Woodman – Detailed Engineering and Design Services for the Poplar Place Drainage Improvements
- E. Engineering Services Agreement – Baxter & Woodman – Street Condition Survey
- F. Furniture and Shade Purchase – Energy Efficiency and Facility Improvement Project – Public Works
- G. Resolution – Village Flexible Spending Account (FSA)
- H. Ordinance – Disposal of Surplus Property
- I. Minutes of the Village of La Grange Board of Trustees Public Hearing and Regular Meeting Monday, April 11, 2011
- J. Consolidated Voucher 1104125

5. CURRENT BUSINESS

This agenda item includes consideration of matters being presented to the Board of Trustees for action.

- A. Contract – Group Health and Life Insurance Renewal: *Referred to Trustee Holder*

6. MANAGER’S REPORT

This is an opportunity for the Village Manager to report on behalf of the Village Staff about matters of interest to the Village.

- A. Policy Discussion – Use of In-Street Pedestrian Crossing Signage
- B. Public Safety Mini-Workshop – Plan and Recommendation to Replace Fire Department Ladder Truck
- C. Technology Mini-Workshop – Geographic Information System

7. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

This is an opportunity for members of the audience to speak about Village related matters that are not listed on this Agenda.

8. EXECUTIVE SESSION

The Board of Trustees may decide, by a roll call vote, to convene in executive session if there are matters to discuss confidentially, in accordance with the Open Meetings Act.

- A. Closed Session – Matters Related to Collective Bargaining

9. TRUSTEE COMMENTS

The Board of Trustees may wish to comment on any matters.

10. ADJOURNMENT

The Village of La Grange is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations so that they can observe and/or participate in this meeting, or who have questions, regarding the accessibility of the meeting or the Village's facilities, should contact the Village's ADA Coordinator at (708) 579-2315 promptly to allow the Village to make reasonable accommodations for those persons.

OMNIBUS VOTE

VILLAGE OF LA GRANGE
Community Development Department

BOARD REPORT

TO: Village President, Board of Trustees
Village Clerk and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Patrick D. Benjamin, Community Development Director
Angela M. Mesaros, Assistant Community Development Director

DATE: April 25, 2011

RE: **ORDINANCE – RESUBDIVISION OF LOTS, 200 SOUTH STONE &
201 SOUTH BRAINARD**

George Jensen and Matt Menna applied for a resubdivision of the two properties located at 200 South Stone Avenue and 201 South Brainard Avenue. The properties are two lots of record located within the R-4 Single Family Residential District. A two-story brick single family residence and detached garage occupies the property at 200 S. Stone and a one-story brick residence occupies the property at 201 S. Brainard.

In order to square off the irregular-shaped lots and to create enough space on the 200 S. Stone property to construct to an addition, the owners of 201 S. Brainard propose to sell a strip of land (9.59 feet x 78.49 feet) at the back of that property to the owners of the 200 S. Stone property. In essence, the sale would move the common rear lot line of the two properties to the west, making the 201 S. Brainard property smaller and the 200 S. Stone property bigger. Both resulting lots would meet applicable size standards.

The relocation of the common rear lot line requires a resubdivision of the lots. (A copy of the proposed Plat of Resubdivision is attached.)

Notably, if the resubdivision is approved, the rear yard for the existing house at 201 S. Brainard will fall below the minimum rear yard required by the Zoning Code. For this reason, an approved plat of resubdivision will not be signed by the Village or recorded until the existing house is demolished. It is the owners' desire to demolish the existing house.

On April 12, 2011, the Plan Commission held a public meeting regarding this application. The Plan Commission found that the proposed resubdivision meets the requirements of all applicable codes, and the Plan Commission unanimously recommended that the Village Board approve the resubdivision as proposed.

Staff concurs with the recommendation of the Plan Commission and has prepared the attached ordinance approving the resubdivision for your consideration.

4-A

VILLAGE OF LA GRANGE

ORDINANCE NO. O-11-_____

AN ORDINANCE APPROVING A PLAT OF RESUBDIVISION
RELATING TO THE PROPERTIES KNOWN AS
200 SOUTH STONE AVENUE AND 201 SOUTH BRAINARD AVENUE

WHEREAS, the owners of the properties at 200 South Stone Avenue and 201 South Brainard Avenue in the Village of La Grange (the "*Properties*") have applied for approval of a plat of resubdivision for the Properties (the "*Plat of Resubdivision*"), allowing them to relocate the common rear lot line between the Properties; and

WHEREAS, the Properties are legally described as follows:

Menna's Resubdivision of Lots 3 and 4 in Brainard Avenue Water Department Resubdivision, being a resubdivision of part of the west half of the southwest ¼ of Section 4, Township 38 North North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois;

and

WHEREAS, the La Grange Plan Commission conducted a public meeting to consider the Plat of Resubdivision and the Plan Commission thereafter recommended that the President and Board of Trustees of the Village of La Grange approved the Plat of Resubdivision; and

WHEREAS, a consequence of the resubdivision is that the rear yard for the existing house on the 201 S. Brainard property will fall below the minimum rear yard required by the Zoning Code if the existing house remains on the property and therefore the existing house must be demolished; and

WHEREAS, the President and Board of Trustees has reviewed the Plat of Resubdivision and have determined that it is consistent with State and Village standards applicable to the proposed resubdivision;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are incorporate into this Ordinance as findings of the President and Board of Trustees.

Section 2. Approval of Plat of Resubdivision. The Plat of Resubdivision is hereby approved in the form attached to, and by this reference incorporated into, this Ordinance as Exhibit A. This approval if subject to the condition stated in Section 3 of this Ordinance.

Section 3. Conditions on Village Signature and Recording. The owners of the Properties agree that the existing house on 201 S. Brainard property must be demolished, and the

4-A.1

property restored, prior to the approved Plat of Resubdivision being signed by the Village and recorded with the Cook County Recorder. The owners of the 201 S. Brainard property have stated their desire to demolish that existing house. Accordingly, no representative of the Village may execute the approved Plat of Resubdivision, and the approved Plat of Resubdivision may not be recorded by the Village, until after the existing house on the 201 S. Brainard property has been demolished and the 201 S. Brainard property has been properly restored, all in compliance with applicable Village codes, ordinances, and regulations.

Section 4. Authorization of Signatures, Recording. The Village President and Village Clerk are hereby authorized to cause the Plat of Resubdivision to be signed by the appropriate Village representatives and recorded with the Office of the Cook County Recorder, but only after the conditions stated in Section 3 of this Ordinance have been satisfied.

Section 5. Effective Date. This Ordinance will be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner required by law.

PASSED this _____ day of _____ 2011.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this _____ day of _____ 2011.

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

4-A.2

STAFF REPORT

RESUBDIVISION CASE #158

TO: Plan Commission

FROM: Patrick D. Benjamin, Community Development Director
Angela M. Mesaros, Assistant Community Development Director

DATE: April 12, 2011

RE: **RESUBDIVISION OF LOTS, 200 SOUTH STONE & 201 SOUTH BRAINARD.**

George Jensen and Matt Menna have applied for a resubdivision of the properties located at 200 South Stone and 201 S. Brainard Avenue. The properties currently consist of two lots of record located within the R-4 Single Family Residential District. A two story brick single family residence and detached garage occupies the property at 200 S. Stone and a one story brick residence occupies the property at 201 S. Brainard.

In order to square off the irregular-shaped lots and construct an addition at 200 S. Stone, the owners propose sale of a north-south parcel on the back of 201 S. Brainard that is 9.59 feet by 78.49 feet to 200 S. Stone. The sale would change the back lot lines of the two properties. This requires a re-subdivision of the lots. (See attached Plat of Re-subdivision.)

This parcel, should it be resubdivided, would yield two conforming lots (see chart below).

BULK, YARD AND SPACE REQUIREMENTS - R-4 DISTRICT			
	Requirement	Proposed Lot #1 (200 S. Stone)	Proposed Lot #2 (201 S. Brainard)
Minimum Lot Area	6,000 ft ²	24,869.59 ft ²	17,023.51 ft ²
Minimum Lot Depth	125 ft.	145.50 ft.	126.32 ft.

If this parcel is subdivided from the lot, the rear yard of the existing house at 201 S. Brainard would not conform to the Zoning Code. The owner plans to demolish the house, which would eliminate this non-conformity; this must be a condition of any approval.

RECOMMENDATION

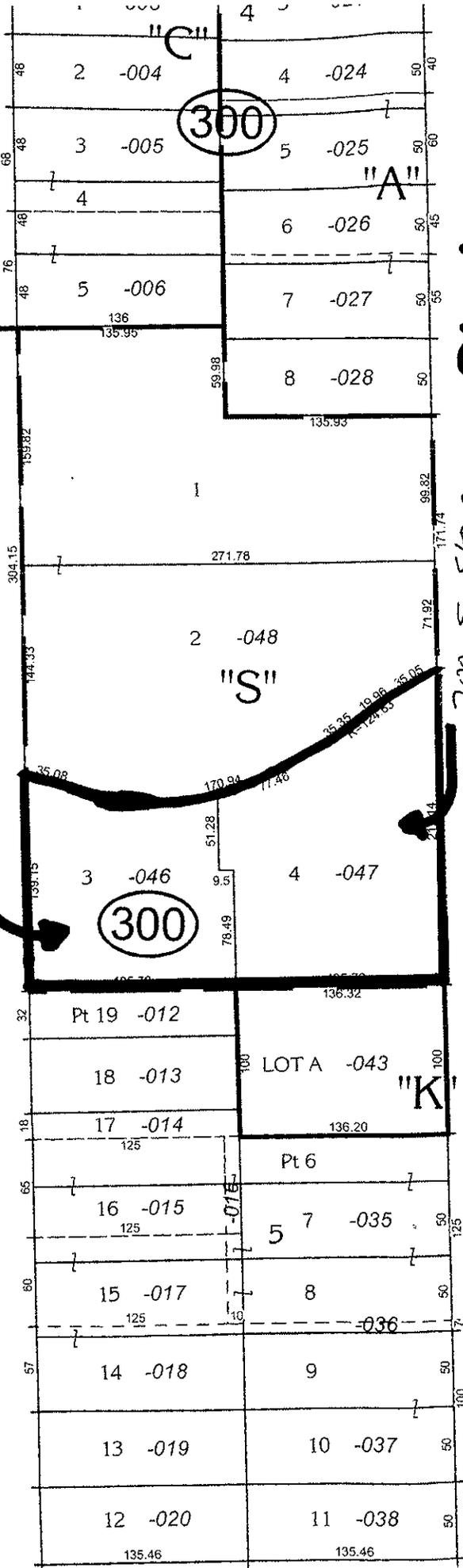
Due to the fact that, with the condition that the existing house at 201 S. Brainard be demolished, the two lots created by this re-subdivision would conform to the current Zoning Code and Subdivision Code, staff finds no reason to deny the application.

4-A,3

lk.

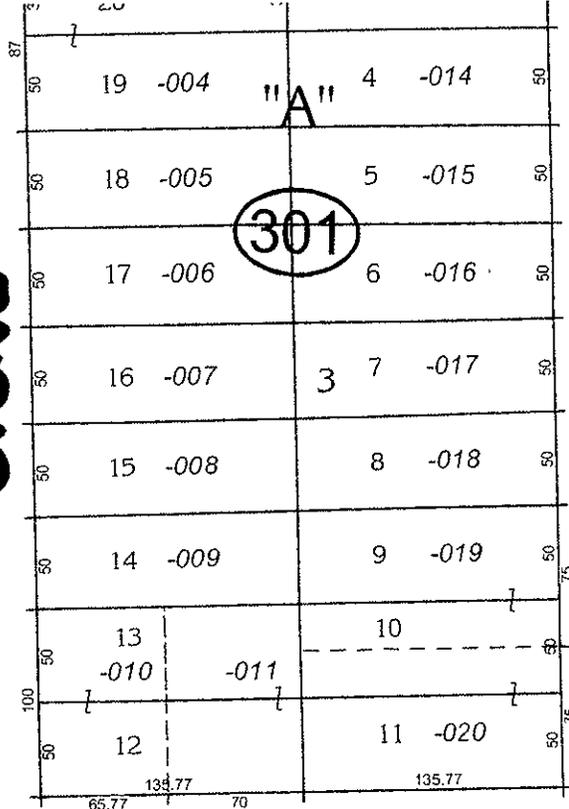
BRANARD

201 S. Brainard

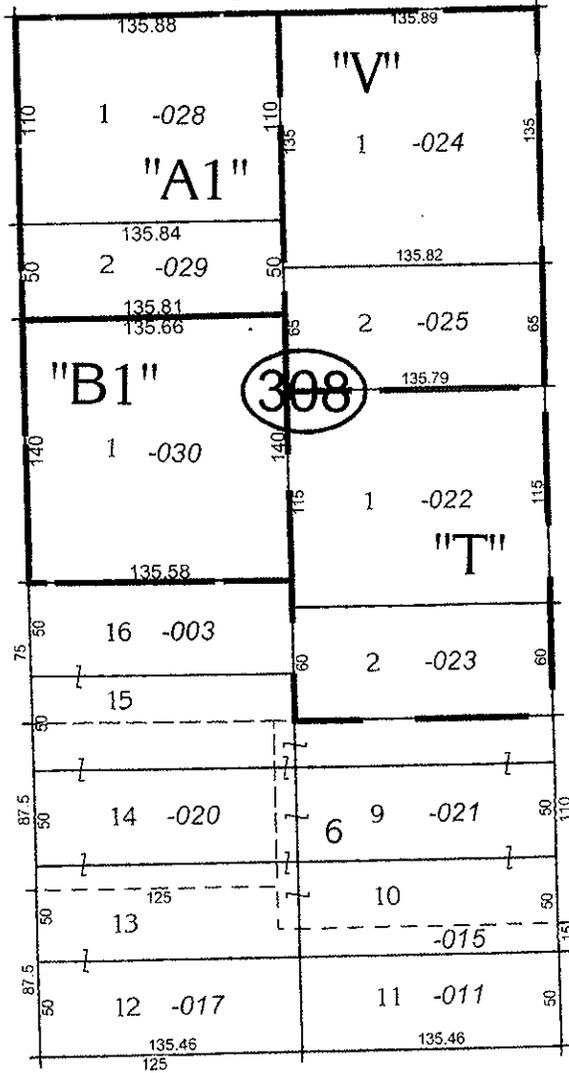


STONE

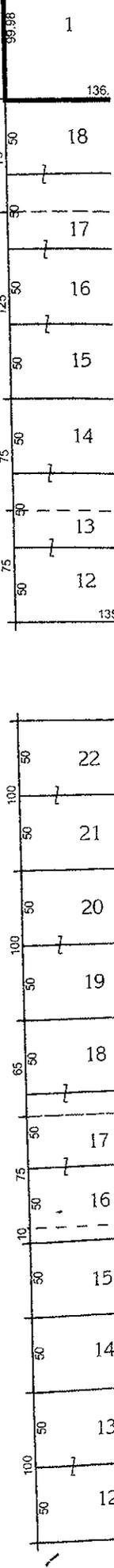
200 S Stone



ELM



WAIOLA



4-A.5

APPLICATION for RESUBDIVISION/CONSOLIDATION of LOTS

Application No.: 158

Date Filed: 4/1/11

TO THE PLAN COMMISSION
VILLAGE OF LA GRANGE, ILLINOIS

GEORGE JENSEN (200 S. STONE AVE)

1. APPLICATION IS HEREBY MADE BY MATT MENNA (201 S. BRANFORD AVE)

2. Address 200 S. Stone JENSEN (708) 267-8078 Phone Work: _____

City LAGRANGE MENNA (708) 588-9755 Home: _____

3. For Property Located at: _____ La Grange, IL

4. Permanent Real Estate Index Number(s):

18-04-300-046-0000 18- _____

18-04-300-047-0000 18- _____

5. Resubdividing Lot Numbers and Dimensions:

A LOT 3 139.82' x 135.91' (SEE PLAT) B LOT 4 212.14 x 135.91 (SEE PLAT)

C _____ D _____

6. To Lot Numbers and Dimensions:

A LOT 1 212.14 x 145.50 x 129.71 B LOT 2 139.82 x 126.32 x 129.71

C _____ D _____

7. Reason for Resubdivision/Consolidation: _____

TO SQUARE OFF THE IRREGULAR N-S LOT LINE AND
TO ALLOW FOR AN ADDITION TO THE 200 S. STONE PROPERTY

THE FOLLOWING MUST BE SUBMITTED WITH THE APPLICATION IN ORDER TO BEGIN THE PROCESS:

- A. Plat of Survey.
- B. Lined Plat of Consolidation/Resubdivision (including consent of mortgagee, if applicable).
- C. If Property is in Trust, letter of direction from Trustee to Trust Company approving resubdivision/consolidation.
- D. Applicable fee - \$50.00

4-A.7

I acknowledge that Village staff will prepare a report with a recommendation to the Plan Commission prior to my hearing. I understand that this report will be available for my viewing the Friday prior to my hearing and it is my responsibility to contact the Village to view this report or obtain a copy.


SIGNATURE

TIMOTHY J. TREMPETER A.I.A.


Courtney Menna

FOR VILLAGE USE ONLY:

Filed with the Community Development Department: _____, _____.

Transmitted to Plan Commission at Meeting Held: _____, _____.

Findings and Recommendations of Plan Commission referred to Village Board at meeting of

_____, _____.

_____ **APPROVED**

_____ **DENIED**

Original Returned to Owner to be Filed with Cook County Recorder of Deeds:

Date: _____, _____.

Copies to Community Development Director, Village Engineer and Village Clerk's Office

Date: _____, _____.

4-A.8

TJT

TIMOTHY J. TROMPETER - ARCHITECT

318 S. Ashland Avenue, LaGrange, IL. (708) 352-7446
fax (708) 352-7446, email: ttromp4@sbcglobal.net

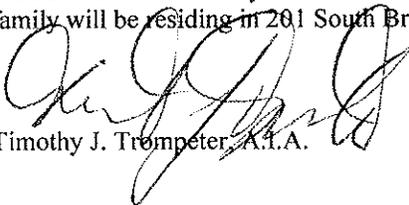
April 6, 2011

Village of LaGrange
Building Department – Angela Mesaros
53 S. LaGrange Road
LaGrange, IL. 60525

Courtney & Matt Menna
200 S. Stone Avenue
LaGrange, IL. 60525
H (708) 588-9755
M Cell (773) 718-2089
W (312) 364-8622
M Email: mmenna@williamblair.com

Re: 201 South Brainard Avenue (Resubdivision), 200 South Stone Avenue

This letter is to document that we intend to demolish the Single Family Residence at 201 South Brainard Avenue shortly after the addition for 200 South Stone Avenue is complete. Until that time the family will be residing in 201 South Brainard Avenue.



Timothy J. Trompeter, A.I.A.

4-A.11

VILLAGE OF LA GRANGE
Fire Department

BOARD REPORT

TO: Village President, Village Clerk, and
Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager and
William J. Bryzgalski, Fire Chief

DATE: April 25, 2011

RE: **ORDINANCE – COST RECOVERY AMENDMENTS TO THE VILLAGE
CODE REGARDING (1) FIRE DEPARTMENT PLAN REVIEW FEES
AND (2) TO ESTABLISH A FEE FOR EXTRICATION SERVICES
PROVIDED BY THE FIRE DEPARTMENT**

PLAN REVIEW FEES

Pursuant to Village Code, the Fire Department has been charging a service fee for plan reviews for fire alarm detection systems, hood and duct, and fire suppression systems including sprinklers and standpipe systems. Since there is a considerable amount of time involved in the plan review process we felt that the Department needed to reevaluate the current fee structure.

After reviewing our fees and comparables to other municipalities, we are recommending a cost increase that is reasonable and one that should not be burdensome for our business partners during these economic times. Our fee structure is considerably lower than our neighbors as indicted below.

Municipality	Fire Alarm/Commercial	Hood & Duct	Fire Sprinkler/Standpipe	Fire Alarms/Residential
La Grange	25.00	25.00	50.00	0*
Western Springs	200.00	390.00	205.00	200.00
Hinsdale	100.00 plus	200.00	100.00 plus	20.00
La Grange Park	110.00	110.00	185.00	110.00
Pleasantview FPD	50.00 minimum .05 per sq ft	50.00 plus	50.00 minimum .05 per sq ft	25.00

* Residential fire alarm plans are not reviewed due to fact they are usually tied to a burglar alarm and installed without consulting the Fire Department. The Village does not collect a permit fee.

As stated earlier we are recommending an increase that will allow us to recapture our cost for the review and initial acceptance test and still not to overwhelm the business community. Based upon our findings we would recommend the following increases.

Board Report – Ordinance – Cost Recovery Amendments to the Village Code Regarding
(1) Fire Department Plan Review Fees and (2) to Establish a Fee for Extrication Services
Provided by the Fire Department – April 25, 2011 – Page 2

- Fire alarm plan reviews from: \$25.00 to \$75.00
- Buildings greater than 10,000 sq. ft. 0.025 to 0.05
- Hood & Duct reviews: \$25.00 to \$75.00
- Sprinkler Plan reviews: \$50.00 to \$75.00
- Standpipe reviews: \$25.00 to \$75.00
- Additional risers: \$25.00 to \$35.00
- Fire pump review and test (new) \$75.00

EXTRICATION SERVICE FEE

The Village renders emergency services to its residents and non-resident persons, businesses and other entities in the performance of its obligation to the public. All such emergency services incur costs to the Village and its residents. It is in the best interest of the Village and its residents is to recapture some of the cost by charging a reasonable fee for service provided.

Many of our neighboring towns already have established fees for service provided for extrication of a person from a vehicle or structure. The fees charged range from \$250.00 up \$750.00 per incident for residents and non residents.

We are proposing to establish a fee for extrication from a vehicle or structure that involves the use of specialized equipment, hydraulic spreaders, cutters, and other equipment used by the Fire Department to remove a person from entrapment.

This fee for service will be charged to the vehicle insurance carrier and not to the medical insurance. Our current billing agency will handle the billing for the extrication fees and collection. Pursuant to Village Board policy, the Village will not attempt to collect from Village residents any unpaid balances not covered by the insurance carrier.

Based upon our analysis we will set our fee at \$400.00 per extrication for residents and non residents. This service charge will be only charged if the specialized equipment has been deployed and utilized.

Attached for your consideration is a consolidated ordinance as prepared by Village Attorney Mark Burkland, which reflects both the proposed increase in fees for plan review services conducted by the La Grange Fire Department, and the establishment of a fee for extrication services provided by the La Grange Fire Department.

4-B.1

Board Report – Ordinance – Cost Recovery Amendments to the Village Code Regarding
(2) Fire Department Plan Review Fees and (2) to Establish a Fee for Extrication Services
Provided by the Fire Department – April 25, 2011 – Page 3

Both of these cost recovery measures were recommended in the proposed budget for implementation in FY 2011-12 and were presented as a concept at the budget workshop on March 12. As no objections or reservations were expressed at that time, staff has brought these items forward for more formal consideration. We also note for the Village Board that implementing and maintaining user fees, as an alternative to property taxes as a source of revenue, is one of the Village's stated financial policies.

It is our recommendation that the ordinance be approved.

4-B.2

VILLAGE OF LA GRANGE

ORDINANCE NO. O-11-_____

AN ORDINANCE AMENDING
CHAPTER 94 OF THE LA GRANGE CODE OF ORDINANCES
RELATED TO FIRE DEPARTMENT REVIEW SERVICES
AND EXTRICATION SERVICES

WHEREAS, the President and Board of Trustees of the Village of La Grange have determined that it is appropriate and in the best interests of the Village and its residents to amend sections of Chapter 94 of the La Grange Code of Ordinances in the manner provided in this Ordinance to adjust the schedule of fees applicable to Fire Department services:

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recital. The foregoing recital is hereby incorporated into this Ordinance as a finding of the President and Board of Trustees.

Section 2. Amendment of Code of Ordinances Sections 94.30 and 94.31. Section 94.30, titled "Definitions," and Section 94.31, titled "Plan Review Fees—New Systems," of the La Grange Code of Ordinances are hereby amended in their entirety so that Section 94.30 and Section 94-31 will hereafter read as follows:

§ 94.30 DEFINITIONS

For purposes of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

ALARM. Any audible or visible signal indicating the existence of a fire or emergency requiring response action of a fire-fighting service, including not only the alarm system or device but also the system or device receiving the alarm.

CONFORMING. Full compliance with all applicable requirements of the BOCA National Fire Prevention Code, this Code, and any other applicable statute, code, ordinance, or regulation.

FIRE SUPPRESSION SYSTEM. An engineered, fixed system, whether automatic or standpipe or other, that is used to suppress a fire.

NON-CONFORMING. Non-compliance or less-than-full compliance with all applicable requirements of the BOCA National Fire Prevention Code, this Code, or any other applicable statute, code, ordinance, or regulation.

§ 94.31 PLAN REVIEW FEES—NEW SYSTEMS

The fees for Fire Department review of fire detection, alarm, and suppression systems required by this Code and newly installed in existing or new commercial or multiple family residential structures are as follows:

4-B.3

(A) The fee for review of a fire detection, alarm, or notification system that covers an area up to 10,000 square feet is \$75.00.

(B) The fee for review of a fire detection, alarm, or notification system that covers an area greater than 10,000 square feet is \$0.05 per square foot of covered area.

(C) The fee for review of each fire detection and suppression system that protects cooking appliances and exhaust extraction equipment (sometimes called "hood & duct" systems) is \$75.00.

(D) The fee for review of a fire suppression system (whether an automatic system or a standpipe system) is \$75.00 for the first riser and \$35.00 for each additional riser.

(E) The fee for review and testing of a fire pump is \$75.00.

Each fee established in this Section 94.31 applies to each system and pump, and each type of system or pump that is subject to the review. Multiple fees will be charged for reviews involving multiple systems or types of systems, or multiple pumps or types of pumps.

Section 3. Addition of New Section 37.33 to Code of Ordinances. Chapter 37, titled "Finance and Revenue," of the La Grange Code of Ordinances is hereby amended to add a new Section 37.33 that will hereafter read as follows:

§ 37.33 EXTRICATION FEE

The fee for Fire Department services to extricate a trapped person from a vehicle or other physical situation by use of hydraulic or other machine-power rescue equipment is \$400.00.

Section 4. Effective Date. This Ordinance will be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this ____ day of _____ 2011.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this ____ day of _____ 2011.

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

4-B.4

VILLAGE OF LA GRANGE
Department of Public Works

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Ryan Gillingham, Director of Public Works

DATE: April 25, 2011

RE: **ENGINEERING SERVICES AGREEMENT – BAXTER &
WOODMAN - DETAILED ENGINEERING AND DESIGN
SERVICES FOR THE MAPLE AVENUE RELIEF SEWER
PROJECT – BLUFF AVENUE TO LA GRANGE ROAD**

The Village operates a combined sewer system where storm water and sanitary sewage are combined into a single sewer pipe. Due to its limited capacity, during heavy rain events the combined sewer system periodically reaches capacity and causes flooding in basements and streets. In order to increase the capacity of the Village's sewer system and reduce the risk of flooding, several relief sewer projects have been identified and are included in the Village's long term capital improvement program.

The Maple Avenue Relief Sewer (MARS) project involves the construction of a relief sewer along Maple Avenue from Bluff Avenue to Peck Avenue. The drainage area that will benefit from the construction of this sewer is roughly from 47th Street to the BNSF railroad and from Bluff Avenue to Gilbert Avenue. The sewer pipe is estimated to range from 60 inches in diameter at Bluff Avenue to 24 inches at Peck Avenue. The relief sewer will intercept drainage from the existing combination sewers crossed in construction, providing relief for the existing Cossitt Avenue sewer. The wet weather flows from MARS would flow directly into the regional deep tunnel system operated by the Metropolitan Water Reclamation District of Greater Chicago (MWRD.)

The first stage of MARS from the connection to the deep tunnel to the intersection of Bluff Avenue and Maple Avenue has been completed as part of the Bluff Avenue Reconstruction Project. Once the reconstruction of Bluff Avenue from Cossitt Avenue to 47th Street is completed later this summer and the sewer segments along this road are connected into MARS, a total of 46 acres will no longer drain to the Cossitt Avenue sewer, but will rather drain to the MARS sewer at Maple and Bluff Avenues.

In order to plan for the next stages of the MARS project, the Village contracted with Heuer and Associates to complete a preliminary engineering design study. This study was completed and transmitted to the Village Board in January 2011. The study quantified the anticipated benefits of MARS, provided a proposed layout for future segments of the project, and provided cost estimates for the project.

4-C

The following are the major findings of the hydraulic analysis by Heuer and Associates:

1. The existing combination sewer can roughly accommodate a one-year storm event before the sewer reaches capacity. The definition of a one-year storm is a storm event which statistically has a one hundred percent probability of occurrence in any given year.
2. The construction of the Maple Avenue Relief Sewer would increase the capacity of the sewer system serving the central area of the Village. If the MARS project were to be constructed, the capacity of the local sewer system would be closer to a ten-year storm event.
3. Even with the addition of MARS, the sewer system will still have a finite capacity that could be exceeded in certain severe rain events.
4. The MARS project will reduce the drainage area tributary to the Cossitt Avenue sewer by about 45%.
5. The MARS project will improve surface flooding conditions such as those that occur at Sunset and Elm by redirecting storm water from flowing north to this intersection.

Due to the significant investment and the importance of the project to the Village, a peer review of this report was performed by Baxter & Woodman, which confirmed the overall design assumptions and anticipated benefits of the project contained in the preliminary engineering study.

Based on the completion of the first segment of MARS and the preliminary engineering study, the FY2011-12 budget includes \$200,000 for the completion of the detailed engineering and design of the next stage of MARS from Bluff Avenue to La Grange Road. This second segment of MARS will connect into the recently completed 60" sewer located at just west of the intersection of Maple Avenue and Bluff Avenue.

Based on past performance, experience in this type of work, and understanding of the MARS project, staff requested a proposal from Baxter & Woodman to complete the detailed engineering and design of the next stage of MARS from Bluff Avenue to La Grange Road. Baxter & Woodman provided a proposal in the not-to-exceed amount of \$189,700 for this project, which is under the budget amount of \$200,000. The scope of services included in the proposal includes the following:

1. Perform a topographic survey of the project area.
2. Develop a subsurface profile and complete a geotechnical engineering report.
3. Coordinate with and obtain approval from the following agencies: IDOT, IEPA, MWRDGC.
4. Design MARS based on preliminary engineering analysis and detailed drainage calculations
5. Develop and complete plans and specifications for bidding purposes.
6. Provide an engineer's opinion of probable cost
7. Assist with bidding as required

4-c.1

Baxter & Woodman proposes to complete the above services within nine months from the approval of the contract (January 31, 2012.) If approved, a task order would be initiated under the master contract with Baxter & Woodman. The task order and proposal are attached to this memorandum for your review.

The overall construction cost of MARS from Bluff Avenue to Peck Avenue is estimated to be \$10.7 million dollars, which includes engineering and construction costs. Included in the five year Capital Improvement Program in FY2013-14 is \$2.1 million dollars for the construction of the next segment of MARS. Based on this funding level, Baxter & Woodman has estimated that MARS can be constructed from roughly Bluff Avenue to Sixth Avenue. However, staff requested that the detailed design for a longer length of MARS be completed from Bluff Avenue to La Grange Road in the event that favorable bid prices are received or grant funding is obtained.

In summary, staff recommends approval of the task order with Baxter & Woodman in the total amount of \$189,700 for the completion of the detailed engineering and design of the next stage of MARS from Bluff Avenue to La Grange Road.

4-C.2

ATTACHMENT A

TASK ORDER NO. 12

In accordance with Section 1.2 of the Master Contract dated April 25, 2011 between the Village of La Grange (the "Village") and Baxter & Woodman, Inc. (the "Consultant"), the Parties agree to the following Task Number 12:

1. Contracted Services:

Baxter & Woodman shall provide the Village with detailed engineering and design services as described in the attached proposal dated April 1, 2011 for the next stage of MARS from Bluff Avenue to La Grange Road. The scope of services shall be as defined in the attached proposal. All terms and conditions of the master task order contract dated April 25, 2011 with the Village of La Grange shall apply.

2. Project Schedule (attach schedule if appropriate):

All services shall be completed prior to Tuesday, January 31, 2012

3. Project Completion Date:

All Contracted Services must be completed on or before January 31, 2012.

4. Project Specific Pricing (if applicable):

Baxter & Woodman shall be compensated on a cost plus fixed fee basis in an amount not to exceed \$189,700.

5. Additional Changes to the Master Contract (if applicable):

N/A

All other terms and conditions remain unchanged.

[signature page follows]

4-C.3

VILLAGE

CONSULTANT

Signature

Signature

Director of Public Works

Name (Printed or Typed)

Date

Date

If greater than, \$2,000, the Village Manager's signature is required.

Signature

Village Manager

Date

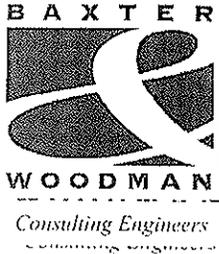
If greater than \$10,000, the Village Board must approve the Task Order in advance and the Village President's signature is required.

Signature

Village President

Date

4-C.4



Mr. Ryan Gillingham, PE
Director of Public Works
Village of La Grange Public Works
320 East Avenue
La Grange, Illinois 60525

April 1, 2011

Subject: Village of La Grange – Maple Avenue Relief Sewer

Dear Mr. Gillingham:

Thank you for this opportunity to submit a proposal to provide design services to install the next phase of the 60-inch relief storm sewer along Maple Avenue and to reconstruct Maple Avenue from Bluff Avenue to La Grange Road.

From our meeting and review of the *Preliminary Engineering Report of Findings and Recommendations, Maple Avenue Relief Sewer report, dated December 13, 2010*, we understand the project to include the following:

- Design a 60-inch RCP relief storm sewer within the roadway of Maple Avenue starting at the stub at the west side of the intersection of Bluff Avenue, and ending at the west end of the intersection of La Grange Road.
- Design the reconstruction of Maple Avenue from Bluff Avenue to La Grange Avenue.
- Prepare the bidding documents to receive alternate bids for ending between 6th and 7th Avenue. This will allow the Village to maximize its budgeted funding based on the bid prices.
- Prepare final contract plans and specifications and assist the VILLAGE with bidding and awarding the project.

Based on our above understanding of the project, the following is our scope of services and fee to provide design services for the design of the 60-inch storm relief sewer and reconstruction of Maple Avenue from Bluff Avenue to La Grange Road:

Scope of Services

300 Park Boulevard

Suite 355

Itasca, IL 60143

Phone: 630.773.1870

Fax: 630.773.3150

www.baxterwoodman.com

4-C, 51

1. **MANAGE PROJECT** – Plan, schedule, and control the activities that must be performed to complete the PROJECT including budget, schedule, and scope. Confer with VILLAGE staff, from time to time, to clarify and define the general scope, extent and character of the PROJECT and to review available data. Attend a kick-off meeting with the VILLAGE to review the PROJECT and establish PROJECT criteria and clear lines of communication, and up to two progress meetings to review the Plans, Contract Proposal and Opinion of Probable Cost prior to submittal to the VILLAGE.

2. **PRELIMINARY PLANS, SPECIFICATIONS, AND OPINION OF PROBABLE COST**
 - a. **AGENCY COORDINATION** - Meet and coordinate the proposed improvements with the VILLAGE. Notify and coordinate the proposed improvements with utility companies. Coordinate with and obtain permits from IDOT, IEPA and MWRDGC. MWRDGC permitting includes pre-submittal meeting and construction permitting. It is our understanding that the MARS concept has previously been approved by MWRDGC.

 - b. **DATA COLLECTION** – Collect photographs of the existing conditions along the PROJECT route to assist with preparation of design drawings and exhibits. Obtain data of record, including utility atlas pages, to assist with the preparation of design drawings.

 - c. **TOPOGRAPHIC SURVEY** - Perform topographic surveys of natural and manmade features within the roadway right-of-way in order to develop base sheets for cross sections.

 - d. **GEOTECHNICAL REPORT** – Employ the services of a geotechnical subconsultant to take 11 soil borings to determine the composition of the existing sub-base material and to determine rock surface elevation. The geotechnical consultant will provide an analysis of the borings and a soils report with recommendations for open cut construction along Maple Avenue and trenchless construction under La Grange Road.

4-c.6

- e. UTILITY LOCATES - Employ a subsurface utility engineering (SUE) company to horizontally and vertically locate critical utilities at the intersection of LaGrange Road. Coordinate with utilities as required to relocate their facilities such as gas mains.
- f. PRELIMINARY GEOMETRIC PLANS - Prepare the pavement design and geometric plan and profile design for the proposed improvements.
- g. DRAINAGE DESIGN - Prepare Drainage and Utility Plans. Perform drainage calculations to determine the size of storm sewer stubs for future extension to drain areas to the south.
- h. SANITARY SEWER DESIGN – Replace the existing sanitary sewer from the west side of Bluff Avenue, ending approximately 280 lineal feet west of the centerline of 9th Avenue to accommodate the new 60-inch relief storm sewer. Prepare utility plan and profile sheets for the proposed improvements. Determine the proposed location of the sanitary sewer and comply with the requirements of the Illinois Environmental Protection Agency.
- i. PAVEMENT MARKING, SIGNAGE, LIGHTING, AND LANDSCAPING PLANS - Develop a proposed pavement striping and signage plan for the proposed improvements. Design landscape trees and plantings for the replacement of parkway trees removed during construction. Design lighting system replacement where it will be in conflict with the construction.
- j. STREET LIGHTING PLANS – Replace two light poles, designed to VILLAGE residential lighting standards.
- k. PROJECT DETAILS AND STANDARDS – Prepare a Cover Sheet, Typical Sections, Design Details, Summary of Quantities, and VILLAGE Standard Detail sheets. Prepare alignment and ties sheet and set field alignment control.
- l. CROSS SECTION DESIGN - Design roadway cross sections at 100-foot intervals and at all cross streets and driveways. Compute earthwork calculations.

4-C.7



Consulting Engineers

Mr. Ryan Gillingham, PE
Village of La Grange

April 1, 2011
101123.10 • Page 4

- m. MAINTENANCE OF TRAFFIC PLAN - Prepare construction staging notes and details to maintain local traffic flow through the PROJECT construction zones.
 - n. OPINION OF PROBABLE COST - Prepare summary of quantities, schedules of materials and an engineer's opinion of probable cost.
 - o. SPECIAL PROVISIONS – Prepare special provisions in accordance with VILLAGE and Illinois Department of Transportation MFT guidelines.
3. **FINAL PLANS, SPECIFICATIONS, AND OPINION OF PROBABLE COST**
- a. QC/QA – Perform an in-house peer review and constructability review of the pre-final plans, specifications, and opinion of probable cost for the PROJECT.
 - b. FINAL CONTRACT PLANS AND CONTRACT PROPOSAL - Prepare contract documents consisting of Plans, Special Provisions, Contract Proposals, and Engineer's Opinion of Probable Construction Cost and submit these documents to the VILLAGE for the VILLAGE to receive construction bids. Make any necessary changes to the documents as required by the VILLAGE in order to secure approval.
 - c. ASSIST BIDDING – Provide the VILLAGE with a final reproducible set of all bidding documents to allow the VILLAGE to receive bids for the PROJECT. Assist the VILLAGE in solicitation of construction bids from qualified bidders, attend the bid opening and tabulate bid proposals, make an analysis of the bids, and submit recommendations for the award of construction contract.

Engineering Services Fee

Our fee for the above outlined scope of services will be an amount equal to reimbursement of the ENGINEERS' direct labor cost, general and employee overheads, and a fixed fee of \$24,000 for readiness to serve and profit, plus

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Mr. Ryan Gillingham, PE
Village of La Grange

April 1, 2011
101123.10 • Page 5

reimbursement of out-of-pocket expenses including travel costs which total amount will not exceed \$189,700.

Design services will be completed by January 31, 2012.

Very truly yours,

BAXTER & WOODMAN, INC.
CONSULTING ENGINEERS



John V. Ambrose, P.E.
Vice President/Regional Manager

JVA:bjt
Enclosure

VILLAGE OF LA GRANGE

Accepted By: _____

Dated: _____

4-C.9

Village of LaGrange, IL
Maple Avenue Relief Sewer

ROUTE:
LOCAL AGENCY: (Municipality/Township/County) VILLAGE OF LA GRANGE
SECTION:
PROJECT 101123.40
JOB NO.:

* FIRM'S APPROVED RATES ON FILE WITH IDOT'S BUREAU OF ACCOUNTING AND AUDITING	
OVERHEAD RATE (OH)	147%
COMPLEXITY FACTOR (R)	0
CALENDAR DAYS	

METHOD OF COMPENSATION
 COST PLUS FIXED FEE 1 X 14.5% [(DL + R (DL) + OH (DL) +IHDC)
 COST PLUS FIXED FEE 1 14.5% [(DL + R (DL) + 1.4 (DL) + IHDC)
 COST PLUS FIXED FEE 1 14.5% [(2.3 + R) DL + IHDC]
 DIRECT LABOR MULTIPLE [(2.8 + R) DL] + IHDC
 SPECIFIC RATE
 LUMP SUM

COST ESTIMATE OF CONSULTANT SERVICES IN DOLLARS

ELEMENT OF WORK	EMPLOYEE CLASSIFICATION	MAN-HOURS	PAYROLL RATE	PAYROLL COSTS (DL)	OVERHEAD*	SERVICES BY OTHERS	IN-HOUSE DIRECT COSTS (IHDC)	PROFIT	TOTAL
SURVEY									
OFFICE PREP	SURVEYOR	2	\$31.00	\$62.00	\$91.00		\$0.00	\$22.00	\$175.00
FIELD WORK	SURVEYOR	100	\$26.00	\$2,600.00	\$3,822.00		\$127.50	\$950.00	\$7,499.50
TRANSPORTATION - PRELIMINARY DESIGN									
PROJECT MANAGEMENT									
	PRINCIPAL	8	\$70.00	\$560.00	\$823.00			\$201.00	\$1,584.00
	SR ENGINEER IV	24	\$50.00	\$1,200.00	\$1,764.00			\$430.00	\$3,394.00
AGENCY COORDINATION AND PERMITTING									
	ENGINEER II	24	\$36.00	\$864.00	\$1,270.00			\$309.00	\$2,442.00
TOPOGRAPHIC SURVEY - CADD									
	CADD OPER III	24	\$35.00	\$840.00	\$1,235.00			\$301.00	\$2,376.00
PRELIMINARY GEOMETRIC PLANS									
	SR ENGINEER I	8	\$43.00	\$344.00	\$506.00			\$123.00	\$973.00
	ENGINEER II	60	\$36.00	\$2,160.00	\$3,175.00			\$774.00	\$6,109.00
	CADD OPER III	60	\$35.00	\$2,100.00	\$3,087.00			\$752.00	\$5,939.00
DRAINAGE DESIGN									
	SR ENGINEER I	4	\$43.00	\$172.00	\$253.00			\$62.00	\$487.00
	ENGINEER II	40	\$36.00	\$1,440.00	\$2,117.00			\$516.00	\$4,073.00
	CADD OPER III	24	\$35.00	\$840.00	\$1,235.00			\$301.00	\$2,376.00
PLANS									
	ENGINEER III	12	\$40.00	\$480.00	\$706.00			\$172.00	\$1,358.00
	ENGINEER II	32	\$36.00	\$1,152.00	\$1,693.00			\$413.00	\$3,258.00
	CADD OPER III	12	\$35.00	\$420.00	\$617.00			\$150.00	\$1,187.00
PROJECT DETAILS & STANDARDS									
	ENGINEER II	16	\$36.00	\$576.00	\$847.00			\$206.00	\$1,629.00
	CADD OPER III	8	\$35.00	\$280.00	\$412.00			\$100.00	\$792.00
CROSS SECTION DESIGN									
	ENGINEER II	40	\$36.00	\$1,440.00	\$2,117.00			\$516.00	\$4,073.00
	CADD OPER III	40	\$35.00	\$1,400.00	\$2,058.00			\$501.00	\$3,959.00
OPINION OF PROBABLE COST									
	SR ENGINEER I	8	\$43.00	\$344.00	\$506.00			\$123.00	\$973.00
	ENGINEER II	16	\$36.00	\$576.00	\$847.00			\$206.00	\$1,629.00
SPECIAL PROVISIONS									
	ENGINEER II	32	\$36.00	\$1,152.00	\$1,693.00			\$413.00	\$3,258.00
ALTERNATE BID SETUP									
	SR ENGINEER IV	10	\$50.00	\$500.00	\$735.00			\$179.00	\$1,414.00
	ENGINEER III	10	\$40.00	\$400.00	\$586.00			\$143.00	\$1,131.00
	ENGINEER II	10	\$36.00	\$360.00	\$529.00			\$129.00	\$1,018.00
	CADD OPER III	10	\$35.00	\$350.00	\$515.00			\$125.00	\$990.00
MAINTENANCE OF TRAFFIC									
	SR ENGINEER IV	4	\$50.00	\$200.00	\$294.00			\$72.00	\$566.00
	ENGINEER II	40	\$36.00	\$1,440.00	\$2,117.00			\$516.00	\$4,073.00
	CADD OPER III	8	\$35.00	\$280.00	\$412.00			\$100.00	\$792.00
TRANSPORTATION - FINAL DESIGN									
QC/QA									
	SR ENGINEER V	4	\$56.00	\$224.00	\$329.00			\$79.00	\$632.00
	SR ENGINEER IV	4	\$50.00	\$200.00	\$294.00			\$72.00	\$566.00
FINAL CONTRACT PLANS AND CONTRACT PROPOSAL									
	ENGINEER II	40	\$36.00	\$1,440.00	\$2,117.00			\$516.00	\$4,073.00
	CADD OPER III	40	\$35.00	\$1,400.00	\$2,058.00			\$501.00	\$3,959.00
SOIL BORINGS									
SOIL BORINGS - TSC									
				\$0.00	\$0.00	\$9,000.00		\$0.00	\$9,000.00
INFRASTRUCTURE - PRELIMINARY DESIGN									
PROJECT MANAGEMENT									
	SR ENGINEER V	16	\$53.00	\$848.00	\$1,247.00			\$304.00	\$2,399.00
	SR ENGINEER V	4	\$53.00	\$212.00	\$312.00			\$76.00	\$600.00
	ENGINEER I	40	\$32.00	\$1,280.00	\$1,882.00			\$458.00	\$3,620.00
KICK OFF MEETING - CLIENT									
	SR ENGINEER V	5	\$56.00	\$280.00	\$412.00			\$99.00	\$791.00
	SR ENGINEER V	5	\$53.00	\$265.00	\$390.00			\$95.00	\$750.00
	ENGINEER I	8	\$32.00	\$256.00	\$376.00			\$92.00	\$724.00
CADD FOR TOPO - BREAKDOWN AND BASE SHEETS									
	CADD OPER III	40	\$35.00	\$1,400.00	\$2,058.00			\$501.00	\$3,959.00
SITE VISITS FOR DESIGNERS									
	ENGINEER II	8	\$36.00	\$288.00	\$423.00		\$25.50	\$107.00	\$843.50
	SR ENGINEER V	8	\$53.00	\$424.00	\$623.00		\$25.50	\$156.00	\$1,228.50
	ENGINEER I	8	\$32.00	\$256.00	\$376.00		\$25.50	\$95.00	\$752.50

4-C.I.D

ELEMENT OF WORK	EMPLOYEE CLASSIFICATION	MAN-HOURS	PAYROLL RATE	PAYROLL COSTS (DL)	OVERHEAD*	SERVICES BY OTHERS	IN-HOUSE DIRECT COSTS (IHDC)	PROFIT	TOTAL
ENGINEER'S PRELIM. OPINION OF PROBABLE CONST COST	SR ENGINEER V ENGINEER I	4 16	\$53.00 \$32.00	\$212.00 \$512.00	\$312.00 \$753.00			\$76.00 \$183.00	\$600.00 \$1,448.00
PRELIMINARY PLAN SHEETS - ALIGNMENTS	SR ENGINEER V ENGINEER I SR ENGINEER IV	8 24 4	\$53.00 \$32.00 \$50.00	\$424.00 \$768.00 \$200.00	\$623.00 \$1,129.00 \$294.00			\$151.00 \$275.00 \$72.00	\$1,196.00 \$2,172.00 \$566.00
CADD FOR PRELIMINARY DESIGN - ALIGNMENTS	CADD OPER III	24	\$35.00	\$840.00	\$1,235.00			\$301.00	\$2,376.00
MEETINGS WITH VILLAGE STAFF	SR ENGINEER V ENGINEER V ENGINEER I	12 12 16	\$56.00 \$53.00 \$32.00	\$672.00 \$636.00 \$512.00	\$988.00 \$935.00 \$753.00		\$51.00 \$51.00 \$27.00	\$248.00 \$235.00 \$187.00	\$1,959.00 \$1,857.00 \$1,479.00
UTILITIES - CONTACTS AND COORDINATION	SR ENGINEER V ENGINEER I CADD OPER III	8 40 8	\$53.00 \$32.00 \$35.00	\$424.00 \$1,280.00 \$280.00	\$623.00 \$1,882.00 \$412.00			\$152.00 \$458.00 \$100.00	\$1,199.00 \$3,620.00 \$792.00
UTILITIES - SUE LOCATES	SR ENGINEER V ENGINEER I CADD OPER III	2 8 8	\$53.00 \$32.00 \$35.00	\$106.00 \$256.00 \$280.00	\$156.00 \$376.00 \$412.00			\$38.00 \$92.00 \$100.00	\$300.00 \$724.00 \$792.00
SUE Subconsultant				\$0.00	\$0.00	\$4,000.00		\$0.00	\$4,000.00
DETAILED DESIGN									
CADD FOR DETAILED DESIGN	CADD OPER III	80	\$35.00	\$2,800.00	\$4,116.00			\$1,002.00	\$7,918.00
CADD PROJECT DETAILS AND STANDARDS	ENGINEER I CADD OPER III	4 20	\$32.00 \$35.00	\$128.00 \$700.00	\$188.00 \$1,029.00			\$46.00 \$251.00	\$362.00 \$1,980.00
PLANS	SR ENGINEER V ENGINEER I CADD OPER III	4 20 40	\$53.00 \$32.00 \$35.00	\$212.00 \$640.00 \$1,400.00	\$312.00 \$941.00 \$2,058.00			\$76.00 \$229.00 \$501.00	\$600.00 \$1,810.00 \$3,959.00
SANITARY SEWER DESIGN	SR ENGINEER V ENGINEER I	4 24	\$53.00 \$32.00	\$212.00 \$768.00	\$312.00 \$1,129.00			\$76.00 \$275.00	\$600.00 \$2,172.00
STORM SEWER DESIGN - MAIN LINE	SR ENGINEER V ENGINEER I	4 24	\$53.00 \$32.00	\$212.00 \$768.00	\$312.00 \$1,129.00			\$76.00 \$275.00	\$600.00 \$2,172.00
60-INCH RELIEF SEWER DESIGN	SR ENGINEER V ENGINEER I	24 80	\$53.00 \$32.00	\$1,272.00 \$2,560.00	\$1,870.00 \$3,763.00			\$466.00 \$917.00	\$3,598.00 \$7,240.00
SPECIFICATIONS	SR ENGINEER V ENGINEER I SECRETARY	16 60 8	\$53.00 \$32.00 \$25.00	\$848.00 \$1,920.00 \$200.00	\$1,247.00 \$2,822.00 \$294.00			\$304.00 \$688.00 \$72.00	\$2,399.00 \$5,430.00 \$566.00
PEER AND CONSTRUCTABILITY REVIEWS	SR ENGINEER V ENGINEER I SR ENGINEER IV	4 12 8	\$53.00 \$32.00 \$50.00	\$212.00 \$384.00 \$400.00	\$312.00 \$564.00 \$588.00			\$76.00 \$138.00 \$143.00	\$600.00 \$1,086.00 \$1,131.00
ENGINEER'S OPINION OF PROBABLE COST	SR ENGINEER V ENGINEER I	8 16	\$53.00 \$32.00	\$424.00 \$512.00	\$623.00 \$753.00			\$152.00 \$183.00	\$1,199.00 \$1,448.00
AGENCY PERMIT SUBMITTALS									
IEPA	ENGINEER I SECRETARY	8 2	\$32.00 \$25.00	\$256.00 \$50.00	\$376.00 \$74.00			\$92.00 \$18.00	\$724.00 \$142.00
MWRDGC	ENGINEER I SECRETARY	40 2	\$32.00 \$25.00	\$1,280.00 \$50.00	\$1,882.00 \$74.00			\$458.00 \$18.00	\$3,620.00 \$142.00
IDOT	ENGINEER I SECRETARY	16 2	\$32.00 \$25.00	\$512.00 \$50.00	\$753.00 \$74.00			\$183.00 \$18.00	\$1,448.00 \$142.00
PROJECT BID									
ASSISTANCE TO BIDDERS	ENGINEER III ENGINEER I	8 8	\$40.00 \$32.00	\$320.00 \$256.00	\$470.00 \$376.00			\$115.00 \$92.00	\$905.00 \$724.00
ADDENDUMS	SR ENGINEER V ENGINEER III ENGINEER I CADD OPER III SECRETARY	2 8 12 4 6	\$56.00 \$40.00 \$32.00 \$35.00 \$25.00	\$112.00 \$320.00 \$384.00 \$140.00 \$150.00	\$165.00 \$470.00 \$564.00 \$206.00 \$221.00			\$40.00 \$115.00 \$138.00 \$50.00 \$54.00	\$317.00 \$905.00 \$1,086.00 \$306.00 \$425.00
ATTEND BID OPENING	SR ENGINEER V ENGINEER I	6 6	\$56.00 \$32.00	\$336.00 \$192.00	\$494.00 \$282.00		\$38.25 \$38.25	\$126.00 \$74.00	\$994.25 \$586.25
TABULATE BIDS & LETTER OF RECOMMENDATION TO AWARD	SR ENGINEER V SR ENGINEER V ENGINEER I SECRETARY	2 2 8 6	\$56.00 \$53.00 \$32.00 \$25.00	\$112.00 \$106.00 \$256.00 \$150.00	\$165.00 \$156.00 \$376.00 \$221.00			\$40.00 \$38.00 \$92.00 \$54.00	\$317.00 \$300.00 \$724.00 \$425.00
DESIGN SERVICES SUBTOTAL		1718		\$62,311.00	\$91,605.00	\$13,000	\$410.00	\$22,374.80	\$189,700.00

IN-HOUSE DIRECT COSTS (INCLUDED IN TOTAL COST):
VEHICLE EXPENSES - TRAVEL, 804 MI @ \$0.51/MILE

\$410.00

4-C-11

VILLAGE OF LA GRANGE
Department of Public Works

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Ryan Gillingham, Director of Public Works

DATE: April 25, 2011

RE: **ENGINEERING SERVICES AGREEMENT – BAXTER &
WOODMAN - DETAILED ENGINEERING AND DESIGN
SERVICES FOR THE POPLAR PLACE DRAINAGE
IMPROVEMENTS**

Drainage on Poplar Place north of Hillgrove Avenue has been problematic as the existing sewer system that serves the public right-of-way and adjacent properties was not constructed with a proper storm water outfall. In order to better understand the flooding problems within this neighborhood and to identify potential solutions, the Village contracted with Heuer and Associates to perform a preliminary engineering investigation of the area. This report was completed and transmitted to the Village Board in November, 2010.

The following are the major findings of the hydraulic analysis by Heuer and Associates:

1. From the sewer televising work it was determined that there were no collapsed pipes or other maintenance issues that could explain the flooding experienced in this neighborhood.
2. Storm water runoff currently drains into the sanitary sewer, or during larger rainfall events drains overland to the east along Edgewood Avenue.
3. The 8 inch sanitary sewer system serving the area does not have the capacity to convey the storm water generated by the neighborhood.
4. The 10 inch storm sewers within Poplar Place do not have the capacity to convey and contain the drainage, as the pipe sizes, elevations, and gradients are deficient.

A new outlet from this neighborhood is required to stop the overload of the sanitary sewer system, and to obtain a functional storm sewer system that is designed for surface drainage purposes. The report recommended constructing a new storm sewer outlet and storm water detention basin on two vacant lots that would connect into the existing storm sewer on Edgewood Avenue. Although this proposed design provides for a much improved drainage system including the proposed detention facility, additional solutions were sought due to the cost of the proposed improvements (estimated to be approximately \$950,000) and constructability issues associated with right-of-way acquisition and accessibility.

4-D

Staff requested Baxter & Woodman perform a peer review of this project due to the significant investment, importance of the project to the Village, and to determine if a more cost effective solution could be found. Baxter & Woodman confirmed the problems with the existing sewer system as determined in the preliminary engineering study. They recommended that a new 10-inch storm sewer be constructed between Poplar Place and Edgewood Avenue and connect into the existing 10-inch sewer just north of Arlington Street. This proposed solution will require the acquisition of easements from adjacent property owners in order to be able to construct and maintain the proposed sewer. This option will not eliminate the flooding that has occurred on Poplar Place, but will reduce the number of occurrences and provide an outfall for the storm water to drain away from Poplar Place. The estimated cost for this alternative is \$400,000.

Staff recommends pursuing the alternate design described above due to funding and constructability issues noted above. The FY2011-12 budget includes \$25,000 for the completion of the detailed engineering work. Based on past performance, experience in this type of work, and understanding of issues along Poplar Place, staff requested a proposal from Baxter & Woodman to complete the detailed engineering and design. Baxter & Woodman provided a proposal in the not-to-exceed amount of \$25,805, which is slightly over the budgeted amount of \$25,000. The scope of services included in the proposal includes the following:

1. Perform a topographic survey of the project area.
2. Coordinate with and obtain approval IEPA and MWRDGC as required.
3. Design Poplar Place Drainage Improvements based on preliminary engineering analysis, detailed drainage calculations, and routing identified above.
4. Develop and complete plans and specifications for bidding purposes.
5. Provide an engineer's opinion of probable cost
6. Assist with bidding as required

Baxter & Woodman proposes to complete the above services within six months from the approval of the contract (October 31, 2011.) If approved, a task order would be initiated under the master contract with Baxter & Woodman. The task order and proposal are attached to this memorandum for your review.

As previously stated, the estimated construction cost of the alternate design configuration is \$400,000. Included in the five year Capital Improvement Program in FY2012-13 is \$450,000 for this work. Once the detailed engineering plans and specifications are completed a more detailed cost estimate will be provided.

In summary, staff recommends approval of the task order with Baxter & Woodman in the total amount of \$25,805 for the completion of the detailed engineering and design for the Poplar Place Drainage Improvement Project.

4-0-1

ATTACHMENT A

TASK ORDER NO. 13

In accordance with Section 1.2 of the Master Contract dated April 25, 2011 between the Village of La Grange (the "Village") and Baxter & Woodman, Inc. (the "Consultant"), the Parties agree to the following Task Number 13:

1. Contracted Services:

Baxter & Woodman shall provide the Village with detailed engineering and design services as described in the attached proposal dated April 6, 2011 for the Poplar Place Drainage Improvement Project. The scope of services shall be as defined in the attached proposal. All terms and conditions of the master task order contract dated April 25, 2011 with the Village of La Grange shall apply.

2. Project Schedule (attach schedule if appropriate):

All services shall be completed prior to Monday, October 31, 2011

3. Project Completion Date:

All Contracted Services must be completed on or before October 31, 2011.

4. Project Specific Pricing (if applicable):

Baxter & Woodman shall be compensated on a cost plus fixed fee basis in an amount not to exceed \$25,805.

5. Additional Changes to the Master Contract (if applicable):

N/A

All other terms and conditions remain unchanged.

[signature page follows]

4-D.2

VILLAGE

CONSULTANT

Signature

Signature

Director of Public Works

Name (Printed or Typed)

Date

Date

If greater than, \$2,000, the Village Manager's signature is required.

Signature

Village Manager

Date

If greater than \$10,000, the Village Board must approve the Task Order in advance and the Village President's signature is required.

Signature

Village President

Date

4-0.3



Mr. Ryan Gillingham, PE
Director of Public Works
Village of La Grange Public Works
320 East Avenue
La Grange, Illinois 60525

April 6, 2011

Subject: Village of La Grange – Poplar Place Drainage Improvements

Dear Mr. Gillingham:

Thank you for this opportunity to submit a proposal to provide design services to construct a new storm sewer between the cul-de-sac on Poplar Place and Edgewood Avenue as outlined on our memorandum dated, April 1, 2011.

We expect the work to include the following:

- Design a new 10 or 12-inch storm sewer utilizing a trenchless technology method between the properties from Poplar Place to Edgewood Avenue.
- Connect the new storm sewer to the existing storm sewer on Edgewood Drive, north of Arlington Street.
- Extend the new storm sewer to the south to collect storm water at the low point of Poplar Place.
- Plug the existing storm water connection to the sanitary sewer.
- Add storm sewer and inlets to the existing storm sewer on Poplar Place that drains to Drexel Avenue.
- Rerout the existing water main around storm manhole DD 7.1 on Drexel Avenue.
- Resurface Poplar Place from Hillgrove Avenue to the cul-de-sac.
- Prepare final contract plans and specifications and assist the VILLAGE with bidding and awarding the project.

Based on our above understanding of the project, the following is our scope of services and fee to provide design services for the Poplar Place Drainage Improvements:

300 Park Boulevard
Suite 355
Itasca, IL 60143
Phone: 630.773.1870
Fax: 630.773.3150
info@baxterwoodman.com

4-0.4

Scope of Services

1. **MANAGE PROJECT** – Plan, schedule, and control the activities that must be performed to complete the PROJECT including budget, schedule, and scope. Confer with VILLAGE staff, from time to time, to clarify and define the general scope, extent and character of the PROJECT and to review available data. Attend a kick-off meeting with the VILLAGE to review the PROJECT and establish PROJECT criteria and clear lines of communication, and up to two progress meetings to review the Plans, Contract Proposal and Opinion of Probable Cost prior to submittal to the VILLAGE.
2. **PRELIMINARY PLANS, SPECIFICATIONS, AND OPINION OF PROBABLE COST**
 - a. **AGENCY COORDINATION** - Meet and coordinate the proposed improvements with the VILLAGE. Notify and coordinate the proposed improvements with utility companies. Coordinate permit with MWRDGC, if necessary. IEPA permit is not expected since the water main relocation is considered a maintenance activity.
 - b. **SITE VISIT and DATA COLLECTION** – Collect photographs of the existing conditions along the PROJECT route to assist with preparation of design drawings and exhibits. Obtain data of record, including utility atlas pages, to assist with the preparation of design drawings.
 - c. **TOPOGRAPHIC SURVEY** - Perform topographic surveys of natural and manmade features within the roadway right-of-way and between the lots of the proposed trenchless storm sewer location in order to develop base sheets the plans.
 - d. **PRELIMINARY PLANS**- Prepare Drainage and Utility Plans. Provide trenchless storm sewer design that meets objective of the project. Relocate water main around manhole on Drexel Avenue. Easements

4-0.5

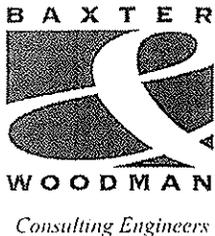
will be identified but preparation of plats are not included in this scope of services.

- e. PROJECT DETAILS AND STANDARDS – Prepare a Cover Sheet, Typical Sections, Design Details, Summary of Quantities, and VILLAGE Standard Detail sheets
- f. OPINION OF PROBABLE COST - Prepare summary of quantities, schedules of materials and an engineer's opinion of probable cost.
- g. SPECIAL PROVISIONS – Prepare special provisions in accordance with VILLAGE and Illinois Department of Transportation MFT guidelines.

3. FINAL PLANS, SPECIFICATIONS, AND OPINION OF PROBABLE COST

- a. QC/QA – Perform an in-house peer review and constructability review of the pre-final plans, specifications, and opinion of probable cost for the PROJECT.
- b. FINAL CONTRACT PLANS AND CONTRACT PROPOSAL - Prepare contract documents consisting of Plans, Special Provisions, Contract Proposals, and Engineer's Opinion of Probable Construction Cost and submit these documents to the VILLAGE for the VILLAGE to receive construction bids. Make any necessary changes to the documents as required by the VILLAGE in order to secure approval.
- c. ASSIST BIDDING – Provide the VILLAGE with a final reproducible set of all bidding documents to allow the VILLAGE to receive bids for the PROJECT. Assist the VILLAGE in solicitation of construction bids from qualified bidders, attend the bid opening and tabulate bid proposals, make an analysis of the bids, and submit recommendations for the award of construction contract.

4-D.6



Mr. Ryan Gillingham, PE
Village of La Grange

April 6, 2011
110048.10 • Page 4

Engineering Services Fee

Our fee for the above outlined scope of services will be an amount equal to reimbursement of the ENGINEERS' direct labor cost, general and employee overheads, and a fixed fee of \$3,263 for readiness to serve and profit, plus reimbursement of out-of-pocket expenses including travel costs which total amount will not exceed \$25,805.

Design services will be completed by October 31, 2011.

Very truly yours,

BAXTER & WOODMAN, INC.
CONSULTING ENGINEERS

A handwritten signature in cursive script, appearing to read "John V. Ambrose".

John V. Ambrose, P.E.
Vice President/Regional Manager

JVA:bjt
Enclosure

VILLAGE OF LA GRANGE

Accepted By: _____

Dated: _____

4-9.7

EXHIBIT C - PRELIMINARY ENGINEERING
Poplar Place Drainage Improvements

ROUTE:
LOCAL AGENCY (Municipality/Township/County) VILLAGE OF LA GRANGE
SECTION:
PROJECT:
JOB NO.:

* FIRM'S APPROVED RATES ON FILE WITH IDOT'S BUREAU OF ACCOUNTING AND AUDITING	
OVERHEAD RATE (OH)	147%
COMPLEXITY FACTOR (R)	0
CALENDAR DAYS	

METHOD OF COMPENSATION
COST PLUS FIXED FEE 1 X 14.5% [(DL + R (DL) + OH (DL) + IHDC)]
COST PLUS FIXED FEE 1 14.5% [(DL + R (DL) + 1.4 (DL) + IHDC)]
COST PLUS FIXED FEE 1 14.5% [(2.3 + R) DL + IHDC]
DIRECT LABOR MULTIPLE [(2.8 + R) DL] + IHDC
SPECIFIC RATE
LUMP SUM

COST ESTIMATE OF CONSULTANT SERVICES IN DOLLARS

ELEMENT OF WORK	EMPLOYEE CLASSIFICATION	MAN-HOURS	PAYROLL RATE	PAYROLL COSTS (DL)	OVERHEAD*	SERVICES BY OTHERS	IN-HOUSE DIRECT COSTS (IHDC)	PROFIT	TOTAL
MANAGE PROJECT									
	PRINCIPAL	2	\$69.57	\$139.00	\$204.00		\$0.00	\$50.00	\$393.00
	SR ENGINEER V	8	\$56.70	\$454.00	\$667.00			\$163.00	\$1,284.00
PRELIMINARY DESIGN									
SITE VISIT and MEETINGS	SR ENGINEER V	11	\$56.70	\$624.00	\$917.00		\$100.00	\$238.00	\$1,879.00
	ENGINEER I	6	\$31.24	\$187.00	\$275.00		\$50.00	\$74.00	\$586.00
TOPOGRAPHIC SURVEY	ENGR. TECH. II	50	\$27.12	\$1,356.00	\$1,993.00		\$150.00	\$506.00	\$4,005.00
	CADD OPER. III	16	\$35.25	\$564.00	\$829.00			\$202.00	\$1,595.00
PRELIMINARY DRAWINGS	SR ENGINEER V	10	\$56.70	\$567.00	\$833.00			\$203.00	\$1,603.00
-Utility Coordination	ENGINEER I	50	\$31.24	\$1,562.00	\$2,296.00			\$559.00	\$4,417.00
	CADD OPER. III	16	\$35.25	\$564.00	\$829.00			\$202.00	\$1,595.00
FINAL DESIGN									
FINAL DETAILS AND DRAWINGS	SR ENGINEER V	4	\$56.70	\$227.00	\$334.00			\$80.00	\$641.00
	ENGINEER I	20	\$31.24	\$625.00	\$919.00			\$224.00	\$1,768.00
	CADD OPER. III	22	\$35.25	\$776.00	\$1,141.00			\$277.00	\$2,194.00
ENGINEER'S PROBABLE ESTIMATE OF COSTS	SR ENGINEER I	2	\$56.70	\$113.00	\$166.00			\$40.00	\$319.00
	ENGINEER II	4	\$31.24	\$125.00	\$184.00			\$45.00	\$354.00
SPECIFICATIONS	SR ENGINEER I	2	\$56.70	\$113.00	\$166.00			\$40.00	\$319.00
	ENGINEER II	8	\$31.24	\$250.00	\$368.00			\$90.00	\$708.00
	CLERICAL	8	\$23.57	\$189.00	\$278.00			\$68.00	\$535.00
ASSIST with BIDDING									
	SR ENGINEER V	0	\$40.00	\$0.00	\$0.00			-\$1.00	-\$1.00
	ENGINEER I	0	\$39.00	\$0.00	\$0.00			\$0.00	\$0.00
	CADD OPER. III	0	\$35.25	\$0.00	\$0.00			-\$1.00	-\$1.00
	SR ENGINEER I	0	\$56.70	\$0.00	\$0.00			\$0.00	\$0.00
	ENGINEER II	0	\$31.24	\$0.00	\$0.00			\$0.00	\$0.00
ASSIST with BIDDING	SR ENGINEER I	5	\$56.70	\$284.00	\$417.00		\$50.00	\$109.00	\$860.00
	ENGINEER II	4	\$31.24	\$125.00	\$184.00			\$45.00	\$354.00
	CLERICAL	6	\$23.57	\$141.00	\$207.00			\$50.00	\$398.00
DESIGN SERVICES SUBTOTAL		254		\$8,985.00	\$13,207.00	\$0	\$350.00	\$3,263.00	\$25,805.00

IN-HOUSE DIRECT COSTS (INCLUDED IN TOTAL COST)
VEHICLE EXPENSES - TRAVEL, 700MI @ \$0.51/MILE

\$350.00

4-0-8

VILLAGE OF LA GRANGE
Department of Public Works

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Ryan Gillingham, Director of Public Works

DATE: April 25, 2011

RE: **ENGINEERING SERVICES AGREEMENT – BAXTER &
WOODMAN - STREET CONDITION SURVEY**

Included in the Capital Projects, FY2011-12 budget is \$30,000 to complete a comprehensive street condition survey to establish the next generation of neighborhood street rehabilitation priorities for the Village. Historically the Village has resurfaced streets on a neighborhood basis in order to spread the costs of resurfacing over multiple years, divide the projects into manageable areas for project management purposes, and limit the frequency of construction disruptions to residents. The past resurfacing programs divided into 15 different neighborhood areas.

In addition to evaluating the condition of Village streets, the report will also coordinate the rehabilitation of sewer and water utilities as part of the street condition survey. Priorities for street repairs will be identified by a rating system which takes into consideration street conditions, water and sewer infrastructure data, traffic volumes and life expectancy. Sewer infrastructure information will come from the data collected as part of the Sewer Televising Program, while water infrastructure will be based upon research into water main maintenance.

Several years ago the Village contracted with an engineering firm to complete this work activity. The work was not completed in a timely fashion and therefore the Village requested a proposal from Baxter & Woodman to complete this project. Baxter & Woodman provided a proposal in the amount of \$28,500, which is below the budget amount of \$30,000. If approved, a task order would be initiated under the master contract with Baxter & Woodman. The task order and proposal are attached to this memorandum for your review.

Based on past performance, experience in this type of work, and understanding of the project, staff recommends that Baxter & Woodman complete the street condition survey. The scope of services included in the proposal includes the following:

1. Complete a field survey to determine pavement conditions on all Village streets and alleys.

4-E

2. Recommend pavement improvement strategies based on the identified conditions.
3. Analyze the water main break information and incorporate this information into the report.
4. Analyze the sewer televising summary reports and incorporate this information into the report.
5. Develop a recommended five year management program based on street condition, utility assessment and available budget.

The completion date for this report is August 31, 2011 in order to coincide with the Capital Project budget development process in the fall. Based on the anticipated need to resurface several roadways in the short term, the five year capital improvement plan includes \$400,000 in FY2013-14 and \$1,000,000 in FY2015-16 for neighborhood resurfacing projects based on projected availability of funds.

In summary, staff recommends approval of the task order with Baxter & Woodman in the total amount of \$28,500 for the completion of the comprehensive street condition survey.

4-E.1

ATTACHMENT A

TASK ORDER NO. 11

In accordance with Section 1.2 of the Master Contract dated April 25, 2011 between the Village of La Grange (the "Village") and Baxter & Woodman, Inc. (the "Consultant"), the Parties agree to the following Task Number 11:

1. Contracted Services:

Baxter & Woodman shall perform a street condition survey as described in the attached proposal dated April 18, 2011. The scope of services shall be as defined in the attached proposal. All terms and conditions of the master task order contract dated April 25, 2011 with the Village of La Grange shall apply.

2. Project Schedule (attach schedule if appropriate):

Baxter & Woodman shall complete the final report by Wednesday, August 31, 2011

3. Project Completion Date:

All Contracted Services must be completed on or before August 31, 2011.

4. Project Specific Pricing (if applicable):

Baxter & Woodman shall be compensated on a cost plus fixed fee basis in an amount not to exceed \$28,500.

5. Additional Changes to the Master Contract (if applicable):

N/A

All other terms and conditions remain unchanged.

[signature page follows]

4-E.2

VILLAGE

CONSULTANT

Signature

Signature

Director of Public Works

Name (Printed or Typed)

Date

Date

If greater than, \$2,000, the Village Manager's signature is required.

Signature

Village Manager

Date

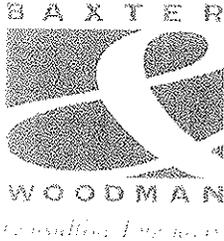
If greater than \$10,000, the Village Board must approve the Task Order in advance and the Village President's signature is required.

Signature

Village President

Date

4-E-3



April 18, 2011

Mr. Ryan Gillingham, P.E.
Director of Public Works
Village of LaGrange
320 East Avenue
LaGrange, Illinois 60525

Subject: Village of La Grange – Capital Improvement Plan Report

Dear Mr. Gillingham:

Enclosed is our proposal to prepare a Capital Improvement Plan that includes a Village wide Pavement Management Report and a Water Main Break Analysis. We will coordinate our analysis of the Village pavement conditions with your existing reports on the condition of the Village sewer system. We intend to schedule sewer system upgrades with point repairs or sewer lining concurrently with the repair of the roadway above each sewer main. We will provide pavement evaluation information (pavement condition, amount of required pavement patching, amount of required curb and gutter replacement, estimated cost for construction, etc.) for each street in the Village's existing pavement network, add information developed from the water main break analysis and sewer condition reports; and develop a Five Year Capital Improvement Plan which will guide the Village's street maintenance efforts for 2012-2016.

The following proposal outlines our Scope of Services and our Engineering Fee to prepare the Capital Improvement Plan.

Scope of Services

1. Organize a project kick-off meeting with Village staff to discuss:
 - Goals and objectives of the project; and
 - Establish clear lines of communication.

2. Update the Village's existing street inventory database for information including pavement condition, pavement width, centerline length, and type of cross section (rural/ urban) for all Village street sections. This item will be performed with assistance from Village staff.

1000 North Dearborn Street
Chicago, Illinois 60610
Tel: 312.231.1000
Fax: 312.231.1001
www.baxterwoodman.com

4-E.4

3. Complete a field survey to determine pavement conditions on all Village streets and alleys (approximately 56 centerline miles). We will identify a general condition rating and estimate percentages of surface and base course failures. In addition, we will identify the general condition of curb and gutter on urban pavements and the condition of shoulders and ditches on rural pavements.
4. Assign pavement improvement strategies for each street section based on its condition rating and develop estimated costs to improve each street section in the Village roadway network.
5. Analyze the water main break history as provided in the Village's water main break excel records. Develop trends for water main breaks and analyze location and year.
6. Evaluate water system operations as a component of the main break analysis. Identify critical water mains.
7. Develop a water main break replacement priority list based on water break frequency and water main criticality.
8. Review existing sewer televising summary reports for information on needed maintenance repairs and incorporate this information as part of the street condition survey.
9. Meet with Village staff to review and approve the method of establishing priorities for accomplishing work on each street.
10. Develop a five (5) year management program by selecting the highest priority street sections whose total estimated cost matches the Village's determined maintenance budget. The total estimated cost will include proposed water main and sewer system repairs for each of the selected street sections.
10. Meet with Village staff to review the program.
11. Provide ten (10) hard copies of the final Capital Improvement Plan to the Village, including a graphical presentation on our Village base map.

4-E.5

Mr. Ryan Gillingham, P.E.
Village of LaGrange

April 18, 2011
110012 • Page 3

Engineering Fee

Our engineering fee for the above outlined Scope of Services shall be a lump sum of \$28,500.

Thank you for the opportunity to submit our proposal for this project. Upon your written authorization to proceed, we will begin working immediately. Please contact me if you should have any questions or need additional information.

Very truly yours,

BAXTER & WOODMAN, INC.
CONSULTING ENGINEERS



Louis D. Haussmann, P.E., PTOE
Vice President

JVA/LDH/csw
Enc.

Accepted By: _____

Date: _____

4-E.6

VILLAGE OF LA GRANGE
Department of Public Works

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Ryan Gillingham, Director of Public Works

DATE: April 25, 2011

RE: **FURNITURE AND SHADE PURCHASE – ENERGY EFFICIENCY
AND FACILITY IMPROVEMENT PROJECT – PUBLIC WORKS**

The Energy Efficiency and Facility Improvement Project at Village Hall and Public Works is well underway. The remodeling of the office spaces within the Public Works Department, calls for new furniture and shades as part of the reconfiguration of the office space. The architectural plans call for new modular workspaces, which includes desks, cabinets and chairs very similar in design to the recently completed renovation within the Community Development Department. Additionally shades are needed to control light through the existing windows. As detailed within the overall budget for the project in the Board Report dated March 14, 2011, \$17,000 was estimated in the budget for these purchases.

The scope of work with the Village's architect for the project, Chicago Design Network, included providing a proposed furniture layout, soliciting quotes from local vendors, reviewing proposals and making a recommendation for award. Based on the reconfigured office space, quotes were requested for furniture and shades from multiple local vendors. The furniture and shades were separated into different bid packages since different vendor lists exist for the furniture and shade purchases. Please note that the bid packages for both the furniture and shades include the cost of installation.

The following table summarizes the quotes received for the furniture and shade purchases:

Furniture Purchase	
Vendor	Quote
Contract Resources	\$13,653.20
OEC	\$14,399.53
Corporate Concepts	\$15,208.70

Shade Purchase	
Vendor	Quote
Contract Resources	\$2,332.00
The CDC Group	\$5,505.79
Corporate Concepts	\$7,196.00

As you will note from the above tables the same vendor provided the low quote for both the furniture and shades. Chicago Design Network recommends selecting Contract Resources for both the furniture and shade purchase based on the low quotes received in the total amount \$15,985.20 and capability to complete the work. Additionally, Chicago Design Network is familiar with this supplier and noted they are capable to complete the work. A detailed comparison of the proposals received for the furniture and shades is included in the architect's recommendation for award, which is attached to this memorandum for your reference.

Based on the low quotes received and recommendation from the Village's architect, staff recommends awarding a contract to Contract Resources for the purchase of furniture and shades for the Public Works facility in the total amount of \$15,985.20, which is below the budgeted amount of \$17,000.

The following table provides an updated overall project budget based on actual costs and bids received to date:

Energy Efficiency and Facility Improvement Project	
Expenses	
Architectural / Engineering / Construction Administration Services	54,000
Asbestos Abatement Contract	21,660
Engineering Services – Asbestos Abatement	4,920
Construction	543,500
Furniture	15,985
Total	640,065
Revenues	
ARRA – EECBG – Metropolitan Mayors Caucus	363,555
Illinois DCEO – Energy Efficiency Program	5,695
ARRA – EECBG – Cook County	72,767
Village – ERF – FY2011-12	200,000
Total	642,017

As detailed in previous reports, additional funding for this project exists within the Equipment Replacement Fund in the approximate amount of \$100,000 due to cost savings from other projects and this project coming in below budget. Please note that the furniture and shade purchase was budgeted as part of the original project, and is not part of the work being contemplated with the additional funding. Staff is currently working with the architect to finalize the details, including cost estimates, for the additional work being considered. Once this information is received we plan to return to the Village Board with a prioritized list for consideration.

4-F.1

Energy Efficiency and Facility Improvements
Equipment Purchase – Public Works
Board Report – April 25, 2011 – Page 3

In summary, staff recommends that the Village Board waive the formal bidding requirements and approve a contract with Contract Resources in the amount of \$15,895.20 for the purchase of furniture and shades for the Public Works facility.

4-F.2

chicago design network

April 18, 2011

Mr. Ryan Gillingham, P.E.
Director of Public Works
Village of La Grange
320 East Avenue
La Grange, Illinois 60525

RE: Contract Award for Public Works Furniture Purchase

Dear Mr. Gillingham,

As part of the current renovation project, Chicago Design Network was contracted by the Village of La Grange to recommend new furniture and shades for the Public Works facility. Bids were solicited for each portion of work. As part of our scope of services, we were asked to review the bids, assess bidder qualifications, and make a recommendation for award. Based on our analysis, it is our recommendation that contracts for the subject project be awarded as follows:

Furniture

Bids were solicited from three reputable furniture dealers. The lowest bidder was Contract Resources with a bid of \$13,653.20. All three were asked to submit a bid for the blinds as well; the other two furniture dealers declined bidding on the blinds.

Summarizing the bids received, from lowest to highest bidder:

- \$13,653.20 Contract Resources
- \$14,399.53 OEC
- \$15,208.70 Corporate Concepts

Roller Shades

Bids were also solicited to replace the existing window shades. Contract Resources was also the lowest bidder for this work with a bid of \$2,332.00.

Summarizing the bids received, from lowest to highest bidder:

- \$2,332.00 Contract Resources
- \$5,505.79 The CDC Group
- \$7,196.00 My Blinds Guy

We have had good experience with Contract Resources in the past, and feel confident they can perform the work required. We therefore recommend a contract be awarded to Contract Resources for a total of \$15,985.20. An estimate of \$17,000 for this work was included in the budget, as noted in the March 14, 2011 Board Report.

Sincerely,



Dorothy McCarty, LEED AP
312-491-3066
dorothy.mccarty@chicagodesignnetwork.com

4-F.3

Furniture Price Comparison			OEC		Contract Resources		Coporate Concepts	
Item	Part Description	Qty	Item Cost	Extended Cost	Item Cost	Extended Cost	Item Cost	Extended Cost
1	Flagship Series Pedestal "A" Pull Mobile B/B/F 23D Standard Random Key Lock Undecided PAINT Option	6	\$216.39	\$1,298.34	\$218.00	\$1,308.00	\$220.14	\$1,320.84
2	30W 2-Drawer "A" Pull Lateral 30W 27 1/4"H 18D Standard Random Key Lock Undecided PAINT Option	6	\$304.84	\$1,829.04	\$306.00	\$1,836.00	\$310.00	\$1,860.00
3	36W 2-Drawer "A" Pull Lateral 36W 27 1/4"H 18D Standard Random Key Lock Undecided PAINT Option	2	\$337.03	\$674.06	\$339.00	\$678.00	\$342.00	\$684.00
4	Guest/Multi purpose;Four Leg Stacking Arm: Fixed Arm Option: Glide Back: Upholstered in-back GRADE: III UPHOLSTERY Undecided FABRIC Option FRAME: Black	2	\$205.65	\$411.30	\$221.50	\$443.00	\$209.27	\$418.54
5	Work Chair; Adj Arms Arm: Adjustable Black CASTER: Hard Back: Upholstered in-back GRADE: III UPHOLSTERY Undecided FABRIC Option Base: Standard Plastic Black FRAME: Black	12	\$428.91	\$5,146.92	\$416.85	\$5,002.20	\$436.36	\$5,236.32
6	42"Round Shaped Laminate Top Undecided EDGE Option No Grommets Undecided LAMINATE Option	1	\$138.67	\$138.67	\$143.00	\$143.00	\$141.00	\$141.00
7	Laminate Cylinder base for 42" Tops Undecided LAMINATE Option	1	\$212.96	\$212.96	\$214.00	\$214.00	\$216.00	\$216.00
8	14.25"D x 68"W x 13"H Stack on Storage - Sliding Undecided LAMINATE Option Undecided COLOR Option Undecided PULL Option Bracket: Wall Bracket	2	\$331.46	\$662.92	\$334.00	\$668.00	\$337.00	\$674.00
9	24"D x 28" End Panel Support Undecided LAMINATE Option	2	\$45.08	\$90.16	\$51.00	\$102.00	\$50.00	\$100.00
10	24"D x 30"W Lateral File Undecided LAMINATE Option Undecided LAMINATE2 Option Undecided PULL Option	2	\$306.55	\$613.10	\$309.00	\$618.00	\$311.00	\$622.00
11	30"D x 28" Box/Box/File Pedestal Support Undecided LAMINATE Option Undecided LAMINATE2 Option Undecided PULL Option	2	\$225.84	\$451.68	\$228.00	\$456.00	\$229.00	\$458.00
12	30"D x 28" End Panel Support Undecided LAMINATE Option	2	\$51.95	\$103.90	\$54.00	\$108.00	\$52.00	\$104.00
13	40"W x 14"H Laminate Modesty Panel Full Width Undecided LAMINATE Option	2	\$54.96	\$109.92	\$56.00	\$112.00	\$55.00	\$110.00
14	24"D x 42" W Rectangle Worksurface Undecided LAMINATE Option Grommets Undecided GROMMET Option	2	\$74.27	\$148.54	\$76.00	\$152.00	\$75.00	\$150.00
15	24"D x 72" W Rectangle Worksurface Undecided LAMINATE Option Grommets Undecided GROMMET Option	2	\$106.90	\$213.80	\$108.00	\$216.00	\$108.00	\$216.00
16	36"D x 72" W Rectangle Worksurface Undecided LAMINATE Option Grommets Undecided GROMMET Option	2	\$166.15	\$332.30	\$169.00	\$338.00	\$169.00	\$338.00
17	Egan Visual Dry Erase Board	1	\$295.92	\$295.92	\$339.00	\$339.00	\$370.00	\$370.00
	Subtotal			\$12,733.53		\$12,733.20		\$13,018.70
18	Install/ Delivery			\$1,519.00		\$760.00		\$2,055.00
19	Tax			\$0.00		\$0.00		\$0.00
20	Freight			\$147.00		\$160.00		\$135.00
	Grand Total			\$14,399.53		\$13,653.20		\$15,208.70
Item	Part Description	Qty	OEC		Contract Resources		Coporate Concepts	

4-F.4

Shades Price Comparison		Contract Resources		The CDC Group		My Blinds Guy	
Item	Description	Qty	Extended Cost	Qty	Extended Cost	Qty	Extended Cost
1	Manual Shades	9	\$1,867.00	22	\$3,336.34	14	\$6,500.00
2	Fixed Shades	1	included above	1	included above	2	included above
3	Measurement		included above		\$337.50		\$150.00
4	AutoCad Drawings *not required		\$0.00		\$168.75		\$0.00
5	Installation		\$465.00		\$1,663.20		\$450.00
6	Shipping/Delivery		\$0.00		\$0.00		\$96.00
	Grand Total		\$2,332.00		\$5,505.79		\$7,196.00
Item	Description	Contract Resources		The CDC Group		My Blinds Guy	

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VILLAGE OF LA GRANGE
Finance Department

BOARD REPORT

TO: Village President, Board of Trustees, Village Clerk and
Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager,
Lou Cipparrone, Finance Director

DATE: April 21, 2011

RE: Resolution - Village Flexible Spending Account (FSA)

For the past several years, Village employees have been able to participate in a Flexible Spending Account (FSA) which allows employees to deduct pre-tax income and transfer those funds to a special account, where under strict IRS regulations, can be used to pay for costs such as unreimbursed medical expenses, dental care, vision, and dependent day care expenses.

Due to the technical and regulated nature of such a benefit, the Village outsources the administration of FSA accounts. We have been notified by our insurance broker, Mercer Administration that based on a recent evaluation of services they have determined that clients would benefit from a change in third party administrators. Mercer has provided the Village with the necessary documents to transition to a new third party administrator, Payflex Systems which will offer enhanced services to Village employees.

Please find attached a restated plan document that includes two items requiring signatures; the document itself, to be signed by the Village Manager or designee and a resolution to be considered by the Village Board confirming the adoption of the restated document. The restated plan document has no changes or revisions from the original plan document, other than the amendment detailed below which is required by the Federal Government.

Also attached is the amendment to be considered by the Village Board due to provisions of the Affordable Care Act of 2010 regarding a change in the definition of a dependent under Flexible Spending Accounts to the year in which a child attains the age of 26.

We recommend the attached resolution restating the Flexible Spending Account plan document and amendment changing the definition of a dependent under a Flexible Spending Account, be approved.

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"4"

VILLAGE OF LAGRANGE HEALTH AND WELFARE PLAN
AND ALL SUPPORTING FORMS HAVE BEEN PRODUCED FOR
PAYFLEX SYSTEMS USA, INC.

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4-G.1

VILLAGE OF LAGRANGE HEALTH AND WELFARE PLAN

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VILLAGE OF LAGRANGE HEALTH AND WELFARE PLAN

INTRODUCTION

The Employer has amended this Plan effective January 1, 2011, to recognize the contribution made to the Employer by its Employees. Its purpose is to reward them by providing benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. This Plan is a restatement of a Plan which was originally effective on February 1, 2006. The Plan shall be known as Village of LaGrange Health and Welfare Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

ARTICLE I DEFINITIONS

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 9.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit"** or **"Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under an Insurance Contract for purposes of coverage under that Contract only or under Code Section 152 (as modified by Code Section 105(b)).

"Dependent" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or under the Health Flexible Spending Account as allowed by reason of the Affordable Care Act.

For purposes of the Health Flexible Spending Account, a Participant's "Child" includes his natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

1.8 **"Effective Date"** means February 1, 2006.

1.9 **"Election Period"** means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 **"Eligible Employee"** means any Employee who has satisfied the provisions of Section 2.1.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

However, any Employee who is a "part-time" Employee shall not be eligible to participate in this Plan. A "part-time" Employee is any Employee who works, or is expected to work on a regular basis, less than 35 hours a week and is designated as a part-time Employee on the Employer's personnel records.

1.11 **"Employee"** means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 **"Employer"** means Village of LaGrange and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. In addition, where appropriate, the term Employer shall include any Participating, Affiliated or Adopting Employer.

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1.13 **"Insurance Contract"** means any contract issued by an Insurer underwriting a Benefit.

1.14 **"Insurance Premium Payment Plan"** means the plan of benefits contained in Section 4.1 of this Plan, which provides for the payment of Premium Expenses.

1.15 **"Insurer"** means any insurance company that underwrites a Benefit under this Plan.

1.16 **"Key Employee"** means an Employee described in Code Section 416(i)(1) and the Treasury regulations thereunder.

1.17 **"Participant"** means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.

1.18 **"Plan"** means this instrument, including all amendments thereto.

1.19 **"Plan Year"** means the 12-month period beginning January 1 and ending December 31. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.20 **"Premium Expenses" or "Premiums"** mean the Participant's cost for the Benefits described in Section 4.1.

1.21 **"Premium Expense Reimbursement Account"** means the account established for a Participant pursuant to this Plan to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant shall be paid or reimbursed. If more than one type of insured Benefit is elected, sub-accounts shall be established for each type of insured Benefit.

1.22 **"Salary Redirection"** means the contributions made by the Employer on behalf of Participants pursuant to Section 3.1. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.23 **"Salary Redirection Agreement"** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.24 **"Spouse"** means "spouse" as defined in an Insurance Contract for purposes of coverage under that Contract only or the legally married husband or wife of a Participant, unless legally separated by court decree.

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ARTICLE II PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder as of his date of employment (or the Effective Date of the Plan, if later). However, any Eligible Employee who was a Participant in the Plan on the effective date of this amendment shall continue to be eligible to participate in the Plan.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the date on which he satisfies the requirements of Section 2.1.

2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate and election of benefits form which the Administrator shall furnish to the Employee. The election made on such form shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his Benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to execute a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured Benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

2.4 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.6;
- (b) **Change in employment status.** The end of the Plan Year during which the Participant became a limited Participant because of a change in employment status pursuant to Section 2.5;
- (c) **Death.** The Participant's death, subject to the provisions of Section 2.7; or

(d) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 10.2.

2.5 CHANGE OF EMPLOYMENT STATUS

If a Participant ceases to be eligible to participate because of a change in employment status or classification (other than through termination of employment), the Participant shall become a limited Participant in this Plan for the remainder of the Plan Year in which such change of employment status occurs. As a limited Participant, no further Salary Redirection may be made on behalf of the Participant, and, except as otherwise provided herein, all further Benefit elections shall cease, subject to the limited Participant's right to continue coverage under any Insurance Contracts. However, any balances in the limited Participant's Dependent Care Flexible Spending Account may be used during such Plan Year to reimburse the limited Participant for any allowable Employment-Related Dependent Care incurred during the Plan Year. Subject to the provisions of Section 2.6, if the limited Participant later becomes an Eligible Employee, then the limited Participant may again become a full Participant in this Plan, provided he otherwise satisfies the participation requirements set forth in this Article II as if he were a new Employee and made an election in accordance with Section 5.1.

2.6 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall be governed in accordance with the following:

(a) **Insurance Benefit.** With regard to Benefits which are insured, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract for which premiums have already been paid.

(b) **Dependent Care FSA.** With regard to the Dependent Care Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment related Dependent Care Expense reimbursements for claims incurred through the remainder of the Plan Year in which such termination occurs and submitted within 90 days after the end of the Plan Year, based on the level of the Participant's Dependent Care Flexible Spending Account as of the date of termination.

(c) **COBRA applicability.** With regard to the Health Flexible Spending Account, the Participant may submit claims for expenses that were incurred during the portion of the Plan Year before the end of the period for which payments to the Health Flexible Spending Account have already been made. Thereafter, the health benefits under this Plan including the Health Flexible Spending Account shall be applied and administered consistent with such further rights a Participant and his Dependents may be entitled to pursuant to Code Section 4980B and Section 11.14 of the Plan.

2.7 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to each specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent. If the Plan is subject to the provisions of Code Section 4980B, then those provisions and related regulations shall apply for purposes of the Health Flexible Spending Account.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 SALARY REDIRECTION

Benefits under the Plan shall be financed by Salary Redirections sufficient to support Benefits that a Participant has elected hereunder and to pay the Participant's Premium Expenses. The salary administration program of the Employer shall be revised to allow each Participant to agree to reduce his pay during a Plan Year by an amount determined necessary to purchase the elected Benefit Options. The amount of such Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection Agreement shall only be applicable from the first day of the pay period following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.2 APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Salary Redirection to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

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3.3 PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year.

ARTICLE IV BENEFITS

4.1 BENEFIT OPTIONS

Each Participant may elect any one or more of the following optional Benefits:

- (1) Health Flexible Spending Account
- (2) Dependent Care Flexible Spending Account

In addition, each Participant shall have a sufficient portion of his Salary Redirections applied to the following Benefits unless the Participant elects not to receive such Benefits:

- (3) Health Insurance Benefit

4.2 HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Health Flexible Spending Account option, in which case Article VI shall apply.

4.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Dependent Care Flexible Spending Account option, in which case Article VII shall apply.

4.4 HEALTH INSURANCE BENEFIT

(a) **Coverage for Participant and Dependents.** Each Participant may elect to be covered under a health Insurance Contract for the Participant, his or her Spouse, and his or her Dependents.

(b) **Employer selects contracts.** The Employer may select suitable health Insurance Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Insurance Contract shall be

determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

4.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **25% concentration test.** It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits which (without regard to this paragraph) are includible in gross income.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination may not occur in violation of Code Section 125, it may, but shall not be required to, reduce contributions or non-taxable Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reduce contributions or non-taxable Benefits, it shall be done in the following manner. First, the non-taxable Benefits of the affected Participant (either an employee who is highly compensated or a Key Employee, whichever is applicable) who has the highest amount of non-taxable Benefits for the Plan Year shall have his non-taxable Benefits reduced until the discrimination tests set forth in this Section are satisfied or until the amount of his non-taxable Benefits equals the non-taxable Benefits of the affected Participant who has the second highest amount of non-taxable Benefits. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Flexible Spending Account Benefits and Dependent Care Flexible Spending Account Benefits, and once all these Benefits are expended, proportionately among insured Benefits. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

ARTICLE V PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form to be provided by the Administrator, which spending account Benefit options he wishes to select. Any such election shall be effective for any Benefit expenses incurred during the Plan Year which follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

(a) A Participant or Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;

(b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year;

(c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

5.3 FAILURE TO ELECT

With regard to Benefits available under the Plan for which no Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for the subsequent Plan Year for such Benefits.

With regard to Benefits available under the Plan for which Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

5.4 CHANGE IN STATUS

(a) **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference.

Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains or loses eligibility for coverage, then a Participant's election under the Plan to cease or decrease coverage for that individual under the Plan corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

- (1) Legal Marital Status: events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;
- (2) Number of Dependents: Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
- (3) Employment Status: Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
- (4) Dependent satisfies or ceases to satisfy the eligibility requirements: An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and

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(5) **Residency:** A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Dependent Care Flexible Spending Account, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and IRS Notice 2010-38, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (SCHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

(1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or

(2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

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(e) **Cost increase or decrease.** If the cost of a Benefit provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit. Alternatively, if the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

(f) **Loss of coverage.** If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.

(g) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(h) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(i) **Change of coverage due to change under certain other plans.** A Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse's, former Spouse's or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse's, former Spouse's or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse's, former Spouse's or Dependent's employer.

(j) **Change in dependent care provider.** A Participant may make a prospective election change that is on account of and corresponds with a change

by the Participant in the dependent care provider. The availability of dependent care services from a new childcare provider is similar to a new benefit package option becoming available. A cost change is allowable in the Dependent Care Flexible Spending Account only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).

(k) **Health FSA cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Flexible Spending Account as a result of a cost or coverage change under any health insurance benefits.

ARTICLE VI HEALTH FLEXIBLE SPENDING ACCOUNT

6.1 ESTABLISHMENT OF PLAN

This Health Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Flexible Spending Account may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Health Flexible Spending Account. Periodic payments reimbursing Participants from the Health Flexible Spending Account shall in no event occur less frequently than monthly.

6.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

(a) **"Health Flexible Spending Account"** means the account established for Participants pursuant to this Plan to which part of their Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents may be reimbursed.

(b) **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:

- (1) one of the 5 highest paid officers;
- (2) a shareholder who owns (or is considered to own applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or
- (3) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).

(c) **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not otherwise used by the Participant as a deduction in determining his tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

Effective January 1, 2011, a Participant may not be reimbursed for the cost of any medicine or drug that is not "prescribed" within the meaning of Code Section 106(f) or is not insulin.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his Spouse or Dependent.

A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).

(d) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Flexible Spending Account.

6.3 FORFEITURES

The amount in the Health Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason, subject to Section 8.2.

6.4 LIMITATION ON ALLOCATIONS

Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum amount that may be allocated to the Health Flexible Spending Account by a Participant in or on account of any Plan Year is \$5,000.

6.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Health Flexible Spending Account not to discriminate in violation of the Code and the Treasury regulations thereunder.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Flexible Spending Account, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and

nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Health Flexible Spending Account by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the next member of the group in whose favor discrimination may not occur pursuant to Code Section 105 who has elected the second highest contribution to the Health Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section or the Code are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

6.6 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Health Flexible Spending Account. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

6.7 HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS

(a) **Expenses must be incurred during Plan Year.** All Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year shall be reimbursed during the Plan Year subject to Section 2.6, even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

(b) **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Flexible Spending Account for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his Spouse or Dependents.

(c) **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable

form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Flexible Spending Account, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.

(d) **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those Medical Expense claims shall not be considered for reimbursement by the Administrator.

ARTICLE VII DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

7.1 ESTABLISHMENT OF ACCOUNT

This Dependent Care Flexible Spending Account is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Dependent Care Flexible Spending Account.

7.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

(a) **"Dependent Care Flexible Spending Account"** means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.

(b) **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.

(c) **"Employment-Related Dependent Care Expenses"** means the amounts paid for expenses of a Participant for those services which if paid by the Participant would be considered employment related expenses under Code Section 21(b)(2). Generally, they shall include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Qualifying Dependents with respect to such

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Participant. Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:

(1) If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment-Related Dependent Care Expenses only if incurred for a Qualifying Dependent as defined in Section 7.2(d)(1) (or deemed to be, as described in Section 7.2(d)(1) pursuant to Section 7.2(d)(3)), or for a Qualifying Dependent as defined in Section 7.2(d)(2) (or deemed to be, as described in Section 7.2(d)(2) pursuant to Section 7.2(d)(3)) who regularly spends at least 8 hours per day in the Participant's household;

(2) If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than 6 individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and

(3) Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid or incurred to a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.

(d) **"Qualifying Dependent"** means, for Dependent Care Flexible Spending Account purposes,

(1) a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;

(2) a Dependent or the Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or

(3) a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).

(e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Flexible Spending Account.

7.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

The Administrator shall establish a Dependent Care Flexible Spending Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Flexible Spending Account benefits.

7.4 INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Dependent Care Flexible Spending Account pursuant to elections made under Article V hereof.

7.5 DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

7.6 ALLOWABLE DEPENDENT CARE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program, and to the extent of the amount contained in the Participant's Dependent Care Flexible Spending Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

7.8 FORFEITURES

The amount in a Participant's Dependent Care Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

7.9 LIMITATION ON PAYMENTS

(a) **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Dependent Care Flexible Spending Account in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$5,000 (\$2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

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7.10 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Dependent Care Flexible Spending Account that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Section 129(d).

(b) **25% test for shareholders.** It is the intent of this Dependent Care Flexible Spending Account that not more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of the stock or of the capital or profits interest in the Employer.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Dependent Care Flexible Spending Account by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Dependent Care Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Dependent Care Flexible Spending Account. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

7.12 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS

The Administrator shall direct the payment of all such Dependent Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an

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independent third party as proof that the expense has been incurred during the Plan Year and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

- (a) The Dependent or Dependents for whom the services were performed;
- (b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;
- (c) The relationship, if any, of the person performing the services to the Participant;
- (d) If the services are being performed by a child of the Participant, the age of the child;
- (e) A statement as to where the services were performed;
- (f) If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;
- (g) If the services were being performed in a day care center, a statement:
 - (1) that the day care center complies with all applicable laws and regulations of the state of residence,
 - (2) that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and
 - (3) of the amount of fee paid to the provider.
- (h) If the Participant is married, a statement containing the following:
 - (1) the Spouse's salary or wages if he or she is employed, or
 - (2) if the Participant's Spouse is not employed, that
 - (i) he or she is incapacitated, or
 - (ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attended such institution.
- (i) **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator.

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**ARTICLE VIII
BENEFITS AND RIGHTS**

8.1 CLAIM FOR BENEFITS

(a) **Insurance claims.** Any claim for Benefits underwritten by Insurance Contract(s) shall be made to the Insurer. If the Insurer denies any claim, the Participant or beneficiary shall follow the Insurer's claims review procedure.

(b) **Dependent Care Flexible Spending Account or Health Flexible Spending Account claims.** Any claim for Dependent Care Flexible Spending Account or Health Flexible Spending Account Benefits shall be made to the Administrator. For the Health Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. For the Dependent Care Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. If the Administrator denies a claim, the Administrator may provide notice to the Participant or beneficiary, in writing, within 90 days after the claim is filed unless special circumstances require an extension of time for processing the claim. The notice of a denial of a claim shall be written in a manner calculated to be understood by the claimant and shall set forth:

- (1) specific references to the pertinent Plan provisions on which the denial is based;
- (2) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such information is necessary; and
- (3) an explanation of the Plan's claim procedure.

(c) **Appeal.** Within 60 days after receipt of the above material, the claimant shall have a reasonable opportunity to appeal the claim denial to the Administrator for a full and fair review. The claimant or his duly authorized representative may:

- (1) request a review upon written notice to the Administrator;
- (2) review pertinent documents; and
- (3) submit issues and comments in writing.

(d) **Review of appeal.** A decision on the review by the Administrator will be made not later than 60 days after receipt of a request for review, unless special circumstances require an extension of time for processing (such as the need to hold a hearing), in which event a decision should be rendered as soon as possible, but in no event later than 120 days after such receipt. The decision of the Administrator shall be written and shall include specific reasons for the decision,

written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based.

(e) **Forfeitures.** Any balance remaining in the Participant's Dependent Care Flexible Spending Account or Health Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a claim for such Plan Year, in writing, which has been denied or is pending; in which event the amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus.

8.2 APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan; nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan.

ARTICLE IX ADMINISTRATION

9.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. An Administrator may resign by delivering a written resignation to the Employer or be removed by the Employer by delivery of written notice of removal, to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- (a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- (d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- (e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;
- (f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;
- (g) To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such shall be paid if the Administrator decides in its discretion that the applicant is entitled to them. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;
- (h) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

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9.2 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

9.3 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

9.4 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

9.5 INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE X AMENDMENT OR TERMINATION OF PLAN

10.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

10.2 TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Insurance Contract.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such fund shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

ARTICLE XI MISCELLANEOUS

11.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.12.

11.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

11.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

11.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

11.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

11.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

11.7 EMPLOYER'S PROTECTIVE CLAUSES

(a) **Insurance purchase.** Upon the failure of either the Participant or the Employer to obtain the insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium(s), if any, that remained unpaid for the period in question and the actual insurance proceeds, if any, received by the Employer or the Participant as a result of the Participant's claim.

(b) **Validity of insurance contract.** The Employer shall not be responsible for the validity of any Insurance Contract issued hereunder or for the failure on the part of the Insurer to make payments provided for under any Insurance Contract. Once insurance is applied for or obtained, the Employer shall not be liable for any loss which may result from the failure to pay Premiums to the extent Premium notices are not received by the Employer.

11.8 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

11.9 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.10 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.11 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of Illinois.

11.12 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

11.13 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

11.14 CONTINUATION OF COVERAGE (COBRA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in Code Section 4980B, and related regulations. This Section shall only apply if the Employer employs at least twenty (20) employees on more than 50% of its typical business days in the previous calendar year.

11.15 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

11.16 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

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11.17 UNIFORM SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

11.18 COMPLIANCE WITH HIPAA PRIVACY STANDARDS

(a) **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.

(b) **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.

(c) **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care. Genetic information will not be used or disclosed for underwriting purposes.

(d) **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

(1) An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.

(2) In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the

Plan's privacy officer. The privacy officer shall take appropriate action, including:

- (i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
- (ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
- (iii) mitigation of any harm caused by the breach, to the extent practicable; and
- (iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

(e) **Certification.** The Employer must provide certification to the Plan that it agrees to:

- (1) Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;
- (2) Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
- (3) Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;
- (4) Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
- (5) Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;
- (6) Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
- (7) Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;

(8) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;

(9) If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and

(10) Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

11.19 COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

(a) **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.

(b) **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.

(c) **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Section 11.18.

11.20 MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act and ERISA Section 712.

11.21 GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

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11.22 WOMEN'S HEALTH AND CANCER RIGHTS ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

11.23 NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

IN WITNESS WHEREOF, this Plan document is hereby executed this
_____ day of _____.

Village of LaGrange

By _____
EMPLOYER

WITNESSES AS TO EMPLOYER

4-6-38

ADOPTING RESOLUTION

The undersigned Principal of Village of LaGrange (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Cafeteria Plan including a Dependent Care Flexible Spending Account and Health Flexible Spending Account effective January 1, 2011, presented to this meeting is hereby approved and adopted and that the duly authorized agents of the Employer are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

RESOLVED, that the Administrator shall be instructed to take such actions that are deemed necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan.

RESOLVED, that the duly authorized agents of the Employer shall act as soon as possible to notify the employees of the Employer of the adoption of the Cafeteria Plan by delivering to each employee a copy of the summary description of the Plan in the form of the Summary Plan Description presented to this meeting, which form is hereby approved.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of Village of LaGrange Health and Welfare Plan as amended and restated and the Summary Plan Description approved and adopted in the foregoing resolutions.

Principal

Date: _____

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"B"

VILLAGE OF LAGRANGE HEALTH AND WELFARE PLAN
SUMMARY PLAN DESCRIPTION

4-6-40

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XI
SUMMARY

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VILLAGE OF LAGRANGE HEALTH AND WELFARE PLAN

INTRODUCTION

We have amended the "Flexible Benefits Plan" that we previously established for you and other eligible employees. Under this Plan, you will be able to choose among certain benefits that we make available. The benefits that you may choose are outlined in this Summary Plan Description. We will also tell you about other important information concerning the amended Plan, such as the rules you must satisfy before you can join and the laws that protect your rights.

One of the most important features of our Plan is that the benefits being offered are generally ones that you are already paying for, but normally with money that has first been subject to income and Social Security taxes. Under our Plan, these same expenses will be paid for with a portion of your pay before Federal income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save.

Read this Summary Plan Description carefully so that you understand the provisions of our amended Plan and the benefits you will receive. This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. Also, if there is a conflict between an insurance contract and either the Plan document or this Summary Plan Description, the insurance contract will control. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This SPD describes the current provisions of the Plan which are designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or other federal agencies. We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Administrator (or other plan representative). The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About the Plan."

I ELIGIBILITY

1. When can I become a participant in the Plan?

Before you become a Plan member (referred to in this Summary Plan Description as a "Participant"), there are certain rules which you must satisfy. First, you must meet the eligibility requirements and be an active employee. After that, the next step is to actually join the Plan on the "entry date" that we have established for all employees. The "entry date" is defined in Question 3 below. You will also be required to complete certain application forms before you can enroll in the Health Flexible Spending Account or Dependent Care Flexible Spending Account.

2. What are the eligibility requirements for our Plan?

You will be eligible to join the Plan as of your date of hire with us. Of course, if you were already a participant before this amendment, you will remain a participant.

3. When is my entry date?

You can join the Plan on the day you meet the eligibility requirements.

4. Are there any employees who are not eligible?

Yes, there are certain employees who are not eligible to join the Plan. They are:

-- Employees who are part-time. A part-time employee is someone who works, or is expected to work, less than 37.5 hours a week.

5. What must I do to enroll in the Plan?

Before you can join the Plan, you must complete an application to participate in the Plan. The application includes your personal choices for each of the benefits which are being offered under the Plan. You must also authorize us to set some of your earnings aside in order to pay for the benefits you have elected.

However, if you are already covered under any of the insured benefits, you will automatically participate in this Plan to the extent of your premiums unless you elect not to participate in this Plan.

**II
OPERATION**

1. How does this Plan operate?

Before the start of each Plan Year, you will be able to elect to have some of your upcoming pay contributed to the Plan. These amounts will be used to pay for the benefits you have chosen. The portion of your pay that is paid to the Plan is not subject to Federal income or Social Security taxes. In other words, this allows you to use tax-free dollars to pay for certain kinds of benefits and expenses which you normally pay for with out-of-pocket, taxable dollars. However, if you receive a reimbursement for an expense under the Plan, you cannot claim a Federal income tax credit or deduction on your return. (See the Article entitled "General Information About Our Plan" for the definition of "Plan Year.")

III CONTRIBUTIONS

1. How much of my pay may the Employer redirect?

Each year, we will automatically contribute on your behalf enough of your compensation to pay for the insurance coverage provided unless you elect not to receive any or all of such coverage. You may also elect to have us contribute on your behalf enough of your compensation to pay for any other benefits that you elect under the Plan. These amounts will be deducted from your pay over the course of the year.

2. What happens to contributions made to the Plan?

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year. Later, they will be used to pay for the expenses as they arise during the Plan Year.

3. When must I decide which accounts I want to use?

You are required by Federal law to decide before the Plan Year begins, during the election period (defined below). You must decide two things. First, which benefits you want and, second, how much should go toward each benefit.

If you are already covered by any of the insured benefits offered by this Plan, you will automatically become a Participant to the extent of the premiums for such insurance unless you elect, during the election period (defined below), not to participate in the Plan.

4. When is the election period for our Plan?

You will make your initial election on or before your entry date. (You should review Section I on Eligibility to better understand the eligibility requirements and entry date.) Then, for each following Plan Year, the election period is established by the Administrator and applied uniformly to all Participants. It will normally be a period of time prior to the beginning of each Plan Year. The Administrator will inform you each year about the election period. (See the Article entitled "General Information About Our Plan" for the definition of Plan Year.)

5. May I change my elections during the Plan Year?

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections. You are permitted to change elections if you have a "change in status" and you make an election change that is consistent with the change in status. Currently, Federal law considers the following events to be a change in status:

-- Marriage, divorce, death of a spouse, legal separation or annulment;

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-- Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;

-- Any of the following events for you, your spouse or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;

-- One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and

-- A change in the place of residence of you, your spouse or dependent that would lead to a change in status, such as moving out of a coverage area for insurance.

In addition, if you are participating in the Dependent Care Flexible Spending Account, then there is a change in status if your dependent no longer meets the qualifications to be eligible for dependent care.

There are detailed rules on when a change in election is deemed to be consistent with a change in status. In addition, there are laws that give you rights to change health coverage for you, your spouse, or your dependents. If you change coverage due to rights you have under the law, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the Administrator.

If the cost of a benefit provided under the Plan increases or decreases during a Plan Year, then we will automatically increase or decrease, as the case may be, your salary redirection election. If the cost increases significantly, you will be permitted to either make corresponding changes in your payments or revoke your election and obtain coverage under another benefit package option with similar coverage, or revoke your election entirely.

If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, then you may revoke your elections and elect to receive on a prospective basis coverage under another plan with similar coverage. In addition, if we add a new coverage option or eliminate an existing option, you may elect the newly-added option (or elect another option if an option has been eliminated) and make corresponding election changes to other options providing similar coverage. If you are not a Participant, you may elect to join the Plan. There are also certain situations when you may be able to change your elections on account of a change under the plan of your spouse's, former spouse's or dependent's employer.

These rules on change due to cost or coverage do not apply to the Health Flexible Spending Account, and you may not change your election to the Health Flexible Spending Account if you make a change due to cost or coverage for insurance.

You may not change your election under the Dependent Care Flexible Spending Account if the cost change is imposed by a dependent care provider who is your relative.

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6. May I make new elections in future Plan Years?

Yes, you may. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. If you do not make new elections during the election period before a new Plan Year begins, we will assume you want your elections for insured benefits only to remain the same and you will not be considered a Participant for the non-insured benefit options under the Plan for the upcoming Plan Year.

**IV
BENEFITS**

1. What benefits are offered under the Plan?

Under our Plan, you can choose to receive your entire compensation or use a portion to pay for the following benefits or expenses during the year.

2. Health Flexible Spending Account

The Health Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by insurance and save taxes at the same time. The Health Flexible Spending Account allows you to be reimbursed by the Employer for out-of-pocket medical, dental and/or vision expenses incurred by you and your dependents.

Drug costs, including insulin, may be reimbursed. Beginning January 1, 2011, you may be reimbursed for "over the counter" drugs only if those drugs are prescribed for you. You may not, however, be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

The most that you can contribute to your Health Flexible Spending Account each Plan Year is \$5,000. In order to be reimbursed for a health care expense, you must submit to the Administrator an itemized bill from the service provider. Amounts reimbursed from the Plan may not be claimed as a deduction on your personal income tax return. Reimbursement from the fund shall be paid at least once a month. Expenses under this Plan are treated as being "incurred" when you are provided with the care that gives rise to the expenses, not when you are formally billed or charged, or you pay for the medical care.

Newborns' and Mothers' Health Protection Act: Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Women's Health and Cancer Rights Act: This plan, as required by the Women's Health and Cancer Rights Act of 1998, will reimburse up to plan limits for benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Contact your Plan Administrator for more information.

3. Dependent Care Flexible Spending Account

The Dependent Care Flexible Spending Account enables you to pay for out-of-pocket, work-related dependent day-care cost with pre-tax dollars. If you are married, you can use the account if you and your spouse both work or, in some situations, if your spouse goes to school full-time. Single employees can also use the account.

An eligible dependent is someone for whom you can claim expenses on Federal Income Tax Form 2441 "Credit for Child and Dependent Care Expenses." Children must be under age 13. Other dependents must be physically or mentally unable to care for themselves. Dependent Care arrangements which qualify include:

- (a) A Dependent (Day) Care Center, provided that if care is provided by the facility for more than six individuals, the facility complies with applicable state and local laws;
- (b) An Educational Institution for pre-school children. For older children, only expenses for non-school care are eligible; and
- (c) An "Individual" who provides care inside or outside your home: The "Individual" may not be a child of yours under age 19 or anyone you claim as a dependent for Federal tax purposes.

You should make sure that the dependent care expenses you are currently paying for qualify under our Plan.

The law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Generally, your reimbursements may not exceed the lesser of: (a) \$5,000 (if you are married filing a joint return or you are head of a household) or \$2,500 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed earned income (a spouse who is a full time student or incapable of caring for himself/herself has a monthly earned income of \$250 for one dependent or \$500 for two or more dependents).

Also, in order to have the reimbursements made to you from this account be excludable from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider on your tax form for the year, as well as the amount of such expense as proof that the expense has been incurred. In addition, Federal tax laws permit a tax credit for certain dependent care expenses you may be paying for even if you are not a Participant in this Plan. You may save more money if you take advantage of this tax credit rather than using the Dependent Care Flexible Spending Account under our Plan. Ask your tax adviser which is better for you.

4. Premium Expense Account

A Premium Expense Account allows you to use tax-free dollars to pay for certain premium expenses under various insurance programs that we offer you. These premium expenses include:

-- Health care premiums under our insured group medical plan.

Under our Plan, we will establish sub-accounts for you for each different type of insurance coverage that is available. Also, certain limits on the amount of coverage may apply.

The Administrator may terminate or modify Plan benefits at any time, subject to the provisions of any insurance contracts providing benefits described above. We will not be liable to you if an insurance company fails to provide any of the benefits described above. Also, your insurance will end when you leave employment, are no longer eligible under the terms of any insurance policies, or when insurance terminates.

Any benefits to be provided by insurance will be provided only after (1) you have provided the Administrator the necessary information to apply for insurance, and (2) the insurance is in effect for you.

If you cover your children up to age 26 under your insurance, you can pay for that coverage through the Plan.

V BENEFIT PAYMENTS

1. When will I receive payments from my accounts?

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. The Administrator will provide you with acceptable forms for submitting these requests for reimbursement. If the request qualifies as a benefit or expense that the Plan has agreed to pay, you will receive a reimbursement payment soon thereafter. Remember, these reimbursements which are made from the Plan are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes. Requests for payment of insured benefits should be made directly to the insurer. You will only be reimbursed from the Dependent Care Flexible Spending Account to the extent that there are sufficient funds in the Account to cover your request.

2. What happens if I don't spend all Plan contributions during the Plan Year?

Any monies left at the end of the Plan Year will be forfeited. Obviously, qualifying expenses that you incur late in the Plan Year for which you seek reimbursement after the end of such Plan Year will be paid first before any amount is forfeited. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Because it is possible that you might forfeit amounts in the

Plan if you do not fully use the contributions that have been made, it is important that you decide how much to place in each account carefully and conservatively. Remember, you must decide which benefits you want to contribute to and how much to place in each account before the Plan Year begins. You want to be as certain as you can that the amount you decide to place in each account will be used up entirely.

3. Family and Medical Leave Act (FMLA)

If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for health insurance and the Health Flexible Spending Account. If your coverage in these benefits terminates, due to your revocation of the benefit while on leave or due to your non-payment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return. For the Health Flexible Spending Account, you may continue your coverage or you may revoke your coverage and resume it when you return. You can resume your coverage at its original level and make payments for the time that you are on leave. For example, if you elect \$1,200 for the year and are out on leave for 3 months, then return and elect to resume your coverage at that level, your remaining payments will be increased to cover the difference - from \$100 per month to \$150 per month. Alternatively your maximum amount will be reduced proportionately for the time that you were gone. For example, if you elect \$1,200 for the year and are out on leave for 3 months, your amount will be reduced to \$900. The expenses you incur during the time you are not in the Health Flexible Spending Account are not reimbursable.

If you continue your coverage during your unpaid leave, you may pre-pay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to "catch up" your payments when you return.

4. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, you may have special rights to health care coverage under your Health Flexible Spending Account under the Uniformed Services Employment and Reemployment Rights Act of 1994. These rights can include extended health care coverage. If you may be affected by this law, ask your Administrator for further details.

5. What happens if I terminate employment?

If you terminate employment during the Plan Year, your right to benefits will be determined in the following manner:

(a) You will remain covered by insurance, but only for the period for which premiums have been paid prior to your termination of employment.

(b) You will still be able to request reimbursement for qualifying dependent care expenses for the remainder of the Plan Year from the balance remaining in your dependent care account at the time of termination of employment. However, no further salary redirection contributions will be made on your behalf after you terminate. You must submit claims within 90 days after the end of the Plan Year in which termination occurs.

(c) For health benefit coverage and Health Flexible Spending Account coverage on termination of employment, please see the Article entitled "Continuation Coverage Rights Under COBRA." Upon your termination of employment, your participation in the Health Flexible Spending Account will cease, and no further salary redirection contributions will be contributed on your behalf. However, you will be able to submit claims for health care expenses that were incurred before the end of the period for which payments to the Health Flexible Spending Account have already been made. Your further participation will be governed by "Continuation Coverage Rights Under COBRA."

6. Will my Social Security benefits be affected?

Your Social Security benefits may be slightly reduced because when you receive tax-free benefits under our Plan, it reduces the amount of contributions that you make to the Federal Social Security system as well as our contribution to Social Security on your behalf.

**VI
HIGHLY COMPENSATED AND KEY EMPLOYEES**

1. Do limitations apply to highly compensated employees?

Under the Internal Revenue Code, highly compensated employees and key employees generally are Participants who are officers, shareholders or highly paid. You will be notified by the Administrator each Plan Year whether you are a highly compensated employee or a key employee.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Federal tax laws state that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under our Plan.

Plan experience will dictate whether contribution limitations on highly compensated employees or key employees will apply. You will be notified of these limitations if you are affected.

**VII
PLAN ACCOUNTING**

1. Periodic Statements

The Administrator will provide you with a statement of your account periodically during the Plan Year that shows your account balance. It is important to read these statements carefully so you understand the balance remaining to pay for a benefit. Remember, you want to spend all the money you have designated for a particular benefit by the end of the Plan Year.

VIII
GENERAL INFORMATION ABOUT OUR PLAN

This Section contains certain general information which you may need to know about the Plan.

1. General Plan Information

Village of LaGrange Health and Welfare Plan is the name of the Plan.

Your Employer has assigned Plan Number 501 to your Plan.

The provisions of your amended Plan become effective on January 1, 2011. Your Plan was originally effective on February 1, 2006.

Your Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1 and ends on December 31.

2. Employer Information

Your Employer's name, address, and identification number are:

Village of LaGrange
53 S. LaGrange Road
LaGrange, Illinois 60525
366005955

3. Plan Administrator Information

The name, address and business telephone number of your Plan's Administrator are:

Village of LaGrange
53 S. LaGrange Road
LaGrange, Illinois 60525
(708) 579-2300

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about our Plan. You may contact the Administrator for any further information about the Plan.

4. Service of Legal Process

The name and address of the Plan's agent for service of legal process are:

Village of LaGrange
53 S. LaGrange Road
LaGrange, Illinois 60525

5. Type of Administration

The type of Administration is Employer Administration.

6. Claims Submission

Claims for expenses should be submitted to:

PayFlex Systems USA, Inc.
PO Box 3039
Omaha, NE 68103

**IX
ADDITIONAL PLAN INFORMATION**

1. Claims Process

You should submit all reimbursement claims during the Plan Year. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Any claims submitted after that time will not be considered.

Claims that are insured will be handled in accordance with procedures contained in the insurance policies. All other general requests should be directed to the Administrator of our Plan. If a dependent care or medical expense claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 60 days after denial, you or your beneficiary may submit a written request for reconsideration of the denial to the Administrator.

Any such request should be accompanied by documents or records in support of your appeal. You or your beneficiary may review pertinent documents and submit issues and comments in writing. The Administrator will review the claim and provide, within 60 days, a written response to the appeal. (This period may be extended an additional 60 days under certain circumstances.) In this response, the Administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. The Administrator has the exclusive right to interpret the appropriate plan provisions. Decisions of the Administrator are conclusive and binding.

**X
CONTINUATION COVERAGE RIGHTS UNDER COBRA**

Under federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), certain employees and their families covered under health benefits under this Plan will be entitled to the opportunity to elect a temporary extension of health coverage (called "COBRA continuation coverage") where coverage under the Plan would otherwise end. This

notice is intended to inform Plan Participants and beneficiaries, in summary fashion, of their rights and obligations under the continuation coverage provisions of COBRA, as amended and reflected in final and proposed regulations published by the Department of the Treasury. This notice is intended to reflect the law and does not grant or take away any rights under the law.

The Plan Administrator or its designee is responsible for administering COBRA continuation coverage. Complete instructions on COBRA, as well as election forms and other information, will be provided by the Plan Administrator or its designee to Plan Participants who become Qualified Beneficiaries under COBRA. While the Plan itself is not a group health plan, it does provide health benefits. Whenever "Plan" is used in this section, it means any of the health benefits under this Plan including the Health Flexible Spending Account.

1. What is COBRA continuation coverage?

COBRA continuation coverage is the temporary extension of group health plan coverage that must be offered to certain Plan Participants and their eligible family members (called "Qualified Beneficiaries") at group rates. The right to COBRA continuation coverage is triggered by the occurrence of a life event that results in the loss of coverage under the terms of the Plan (the "Qualifying Event"). The coverage must be identical to the coverage that the Qualified Beneficiary had immediately before the Qualifying Event, or if the coverage has been changed, the coverage must be identical to the coverage provided to similarly situated active employees who have not experienced a Qualifying Event (in other words, similarly situated non-COBRA beneficiaries).

2. Who can become a Qualified Beneficiary?

In general, a Qualified Beneficiary can be:

(a) Any individual who, on the day before a Qualifying Event, is covered under a Plan by virtue of being on that day either a covered Employee, the Spouse of a covered Employee, or a Dependent child of a covered Employee. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

(b) Any child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, and any individual who is covered by the Plan as an alternate recipient under a qualified medical support order. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

The term "covered Employee" includes any individual who is provided coverage under the Plan due to his or her performance of services for the employer sponsoring the Plan.

However, this provision does not establish eligibility of these individuals. Eligibility for Plan coverage shall be determined in accordance with Plan Eligibility provisions.

An individual is not a Qualified Beneficiary if the individual's status as a covered Employee is attributable to a period in which the individual was a nonresident alien who received from the individual's Employer no earned income that constituted income from sources within the United States. If, on account of the preceding reason, an individual is not a Qualified Beneficiary, then a Spouse or Dependent child of the individual will also not be considered a Qualified Beneficiary by virtue of the relationship to the individual. A domestic partner is not a Qualified Beneficiary.

Each Qualified Beneficiary (including a child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage) must be offered the opportunity to make an independent election to receive COBRA continuation coverage.

3. What is a Qualifying Event?

A Qualifying Event is any of the following if the Plan provided that the Plan participant would lose coverage (i.e., cease to be covered under the same terms and conditions as in effect immediately before the Qualifying Event) in the absence of COBRA continuation coverage:

- (a) The death of a covered Employee.
- (b) The termination (other than by reason of the Employee's gross misconduct), or reduction of hours, of a covered Employee's employment.
- (c) The divorce or legal separation of a covered Employee from the Employee's Spouse. If the Employee reduces or eliminates the Employee's Spouse's Plan coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a Qualifying Event even though the Spouse's coverage was reduced or eliminated before the divorce or legal separation.
- (d) A covered Employee's enrollment in any part of the Medicare program.
- (e) A Dependent child's ceasing to satisfy the Plan's requirements for a Dependent child (for example, attainment of the maximum age for dependency under the Plan).

If the Qualifying Event causes the covered Employee, or the covered Spouse or a Dependent child of the covered Employee, to cease to be covered under the Plan under the same terms and conditions as in effect immediately before the Qualifying Event, the persons losing such coverage become Qualified Beneficiaries under COBRA if all the other conditions of COBRA are also met. For example, any increase in contribution that must be paid by a covered Employee, or the Spouse, or a Dependent child of the covered Employee, for coverage under the Plan that results from the occurrence of one of the events listed above is a loss of coverage.

The taking of leave under the Family and Medical Leave Act of 1993 ("FMLA") does not constitute a Qualifying Event. A Qualifying Event will occur, however, if an Employee does not

return to employment at the end of the FMLA leave and all other COBRA continuation coverage conditions are present. If a Qualifying Event occurs, it occurs on the last day of FMLA leave and the applicable maximum coverage period is measured from this date (unless coverage is lost at a later date and the Plan provides for the extension of the required periods, in which case the maximum coverage date is measured from the date when the coverage is lost.) Note that the covered Employee and family members will be entitled to COBRA continuation coverage even if they failed to pay the employee portion of premiums for coverage under the Plan during the FMLA leave.

4. What factors should be considered when determining to elect COBRA continuation coverage?

You should take into account that a failure to continue your group health coverage will affect your rights under federal law. First, you can lose the right to avoid having pre-existing condition exclusions applied by other group health plans if there is more than a 63-day gap in health coverage and election of COBRA continuation coverage may help you avoid such a gap. Second, if you do not elect COBRA continuation coverage and pay the appropriate premiums for the maximum time available to you, you will lose the right to convert to an individual health insurance policy, which does not impose such pre-existing condition exclusions. Finally, you should take into account that you have special enrollment rights under federal law (HIPAA). You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your Spouse's employer) within 30 days after Plan coverage ends due to a Qualifying Event listed above. You will also have the same special right at the end of COBRA continuation coverage if you get COBRA continuation coverage for the maximum time available to you.

5. What is the procedure for obtaining COBRA continuation coverage?

The Plan has conditioned the availability of COBRA continuation coverage upon the timely election of such coverage. An election is timely if it is made during the election period.

6. What is the election period and how long must it last?

The election period is the time period within which the Qualified Beneficiary must elect COBRA continuation coverage under the Plan. The election period must begin no later than the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event and ends 60 days after the later of the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event or the date notice is provided to the Qualified Beneficiary of her or his right to elect COBRA continuation coverage. If coverage is not elected within the 60 day period, all rights to elect COBRA continuation coverage are forfeited.

Note: If a covered Employee who has been terminated or experienced a reduction of hours qualifies for a trade readjustment allowance or alternative trade adjustment assistance under a federal law called the Trade Act of 2002, and the employee and his or her covered dependents have not elected COBRA coverage within the normal election period, a second opportunity to elect COBRA coverage will be made available for themselves and certain family members, but only within a limited period of 60 days or less and only during the six months immediately after their group health plan coverage ended. Any person who qualifies or thinks

that he or she and/or his or her family members may qualify for assistance under this special provision should contact the Plan Administrator or its designee for further information.

The Trade Act of 2002 also created a tax credit for certain TAA-eligible individuals and for certain retired employees who are receiving pension payments from the Pension Benefit Guaranty Corporation (PBGC) (eligible individuals). Under the new tax provisions, eligible individuals can either take a tax credit or get advance payment of 65% of premiums paid for qualified health insurance, including continuation coverage. Recent changes in the law increased this assistance temporarily to 80%, and temporarily extended the period of COBRA continuation coverage for eligible individuals. If you have questions about these new tax provisions, you may call the Health Coverage Tax Credit Consumer Contact Center toll-free at 1-866-628-4282. TTD/TTY callers may call toll-free at 1-866-626-4282. More information about the Trade Act is also available at www.doleta.gov/tradeact.

7. Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event?

The Plan will offer COBRA continuation coverage to Qualified Beneficiaries only after the Plan Administrator or its designee has been timely notified that a Qualifying Event has occurred. The Employer (if the Employer is not the Plan Administrator) will notify the Plan Administrator or its designee of the Qualifying Event within 30 days following the date coverage ends when the Qualifying Event is:

- (a) the end of employment or reduction of hours of employment,
- (b) death of the employee,
- (c) commencement of a proceeding in bankruptcy with respect to the Employer, or
- (d) enrollment of the employee in any part of Medicare.

IMPORTANT:

For the other Qualifying Events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you or someone on your behalf must notify the Plan Administrator or its designee in writing within 60 days after the Qualifying Event occurs, using the procedures specified below. If these procedures are not followed or if the notice is not provided in writing to the Plan Administrator or its designee during the 60-day notice period, any spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage. You must send this notice to the Plan Administrator or its designee.

NOTICE PROCEDURES:

Any notice that you provide must be ***in writing***. Oral notice, including notice by telephone, is not acceptable. You must mail, fax or hand-deliver your notice to the person, department or firm listed below, at the following address:

Village of LaGrange
53 S. LaGrange Road
LaGrange, Illinois 60525

If mailed, your notice must be postmarked no later than the last day of the required notice period. Any notice you provide must state:

- the **name of the plan or plans** under which you lost or are losing coverage,
- the **name and address of the employee** covered under the plan,
- the **name(s) and address(es) of the Qualified Beneficiary(ies)**, and
- the **Qualifying Event** and the **date** it happened.

If the Qualifying Event is a **divorce or legal separation**, your notice must include **a copy of the divorce decree or the legal separation agreement**.

Be aware that there are other notice requirements in other contexts, for example, in order to qualify for a disability extension.

Once the Plan Administrator or its designee receives *timely notice* that a Qualifying Event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each Qualified Beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage for their spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each Qualified Beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that plan coverage would otherwise have been lost. If you or your spouse or dependent children do not elect continuation coverage within the 60-day election period described above, the right to elect continuation coverage will be lost.

8. Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights?

If, during the election period, a Qualified Beneficiary waives COBRA continuation coverage, the waiver can be revoked at any time before the end of the election period. Revocation of the waiver is an election of COBRA continuation coverage. However, if a waiver is later revoked, coverage need not be provided retroactively (that is, from the date of the loss of coverage until the waiver is revoked). Waivers and revocations of waivers are considered made on the date they are sent to the Plan Administrator or its designee, as applicable.

9. Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare?

Qualified Beneficiaries who are entitled to elect COBRA continuation coverage may do so even if they are covered under another group health plan or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a Qualified Beneficiary's COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare or becomes covered under other group health plan coverage (but only after any applicable preexisting condition exclusions of that other plan have been exhausted or satisfied).

10. When may a Qualified Beneficiary's COBRA continuation coverage be terminated?

During the election period, a Qualified Beneficiary may waive COBRA continuation coverage. Except for an interruption of coverage in connection with a waiver, COBRA continuation coverage that has been elected for a Qualified Beneficiary must extend for at least the period beginning on the date of the Qualifying Event and ending not before the earliest of the following dates:

- (a) The last day of the applicable maximum coverage period.
- (b) The first day for which Timely Payment is not made to the Plan with respect to the Qualified Beneficiary.
- (c) The date upon which the Employer ceases to provide any group health plan (including a successor plan) to any employee.
- (d) The date, after the date of the election, that the Qualified Beneficiary first becomes covered under any other Plan that does not contain any exclusion or limitation with respect to any pre-existing condition, other than such an exclusion or limitation that does not apply to, or is satisfied by, the Qualified Beneficiary.
- (e) The date, after the date of the election, that the Qualified Beneficiary first enrolls in the Medicare program (either part A or part B, whichever occurs earlier).
- (f) In the case of a Qualified Beneficiary entitled to a disability extension, the later of:
 - (1) (i) 29 months after the date of the Qualifying Event, or (ii) the first day of the month that is more than 30 days after the date of a final determination under Title II or XVI of the Social Security Act that the disabled Qualified Beneficiary whose disability resulted in the Qualified Beneficiary's entitlement to the disability extension is no longer disabled, whichever is earlier; or
 - (2) the end of the maximum coverage period that applies to the Qualified Beneficiary without regard to the disability extension.

The Plan can terminate for cause the coverage of a Qualified Beneficiary on the same basis that the Plan terminates for cause the coverage of similarly situated non-COBRA beneficiaries, for example, for the submission of a fraudulent claim.

In the case of an individual who is not a Qualified Beneficiary and who is receiving coverage under the Plan solely because of the individual's relationship to a Qualified Beneficiary, if the Plan's obligation to make COBRA continuation coverage available to the Qualified Beneficiary ceases, the Plan is not obligated to make coverage available to the individual who is not a Qualified Beneficiary.

11. What are the maximum coverage periods for COBRA continuation coverage?

The maximum coverage periods are based on the type of the Qualifying Event and the status of the Qualified Beneficiary, as shown below.

(a) In the case of a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period ends 18 months after the Qualifying Event if there is not a disability extension and 29 months after the Qualifying Event if there is a disability extension.

(b) In the case of a covered Employee's enrollment in the Medicare program before experiencing a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period for Qualified Beneficiaries other than the covered Employee ends on the later of:

(1) 36 months after the date the covered Employee becomes enrolled in the Medicare program; or

(2) 18 months (or 29 months, if there is a disability extension) after the date of the covered Employee's termination of employment or reduction of hours of employment.

(c) In the case of a Qualified Beneficiary who is a child born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, the maximum coverage period is the maximum coverage period applicable to the Qualifying Event giving rise to the period of COBRA continuation coverage during which the child was born or placed for adoption.

(d) In the case of any other Qualifying Event than that described above, the maximum coverage period ends 36 months after the Qualifying Event.

12. Under what circumstances can the maximum coverage period be expanded?

If a Qualifying Event that gives rise to an 18-month or 29-month maximum coverage period is followed, within that 18- or 29-month period, by a second Qualifying Event that gives rise to a 36-months maximum coverage period, the original period is expanded to 36 months, but only for individuals who are Qualified Beneficiaries at the time of and with respect to both Qualifying Events. In no circumstance can the COBRA maximum coverage period be expanded

to more than 36 months after the date of the first Qualifying Event. The Plan Administrator must be notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

13. How does a Qualified Beneficiary become entitled to a disability extension?

A disability extension will be granted if an individual (whether or not the covered Employee) who is a Qualified Beneficiary in connection with the Qualifying Event that is a termination or reduction of hours of a covered Employee's employment, is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage. To qualify for the disability extension, the Qualified Beneficiary must also provide the Plan Administrator with notice of the disability determination on a date that is both within 60 days after the date of the determination and before the end of the original 18-month maximum coverage. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

14. Does the Plan require payment for COBRA continuation coverage?

For any period of COBRA continuation coverage under the Plan, Qualified Beneficiaries who elect COBRA continuation coverage may be required to pay up to 102% of the applicable premium and up to 150% of the applicable premium for any expanded period of COBRA continuation coverage covering a disabled Qualified Beneficiary due to a disability extension. Your Plan Administrator will inform you of the cost. The Plan will terminate a Qualified Beneficiary's COBRA continuation coverage as of the first day of any period for which timely payment is not made.

15. Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments?

Yes. The Plan is also permitted to allow for payment at other intervals.

16. What is Timely Payment for COBRA continuation coverage?

Timely Payment means a payment made no later than 30 days after the first day of the coverage period. Payment that is made to the Plan by a later date is also considered Timely Payment if either under the terms of the Plan, covered Employees or Qualified Beneficiaries are allowed until that later date to pay for their coverage for the period or under the terms of an arrangement between the Employer and the entity that provides Plan benefits on the Employer's behalf, the Employer is allowed until that later date to pay for coverage of similarly situated non-COBRA beneficiaries for the period.

Notwithstanding the above paragraph, the Plan does not require payment for any period of COBRA continuation coverage for a Qualified Beneficiary earlier than 45 days after the date on which the election of COBRA continuation coverage is made for that Qualified Beneficiary. Payment is considered made on the date on which it is postmarked to the Plan.

If Timely Payment is made to the Plan in an amount that is not significantly less than the amount the Plan requires to be paid for a period of coverage, then the amount paid will be deemed to satisfy the Plan's requirement for the amount to be paid, unless the Plan notifies the Qualified Beneficiary of the amount of the deficiency and grants a reasonable period of time for payment of the deficiency to be made. A "reasonable period of time" is 30 days after the notice is provided. A shortfall in a Timely Payment is not significant if it is no greater than the lesser of \$50 or 10% of the required amount.

17. Must a Qualified Beneficiary be given the right to enroll in a conversion health plan at the end of the maximum coverage period for COBRA continuation coverage?

If a Qualified Beneficiary's COBRA continuation coverage under a group health plan ends as a result of the expiration of the applicable maximum coverage period, the Plan will, during the 180-day period that ends on that expiration date, provide the Qualified Beneficiary with the option of enrolling under a conversion health plan if such an option is otherwise generally available to similarly situated non-COBRA beneficiaries under the Plan. If such a conversion option is not otherwise generally available, it need not be made available to Qualified Beneficiaries.

18. How is my participation in the Health Flexible Spending Account affected?

You can elect to continue your participation in the Health Flexible Spending Account for the remainder of the Plan Year, subject to the following conditions. You may only continue to participate in the Health Flexible Spending Account if you have elected to contribute more money than you have taken out in claims. For example, if you elected to contribute an annual amount of \$500 and, at the time you terminate employment, you have contributed \$300 but only claimed \$150, you may elect to continue coverage under the Health Flexible Spending Account. If you elect to continue coverage, then you would be able to continue to receive your health reimbursements up to the \$500. However, you must continue to pay for the coverage, just as the money has been taken out of your paycheck, but on an after-tax basis. The Plan can also charge you an extra amount (as explained above for other health benefits) to provide this benefit.

IF YOU HAVE QUESTIONS

If you have questions about your COBRA continuation coverage, you should contact the Plan Administrator or its designee. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at www.dol.gov/ebsa.

KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

XI SUMMARY

The money you earn is important to you and your family. You need it to pay your bills, enjoy recreational activities and save for the future. Our flexible benefits plan will help you keep more of the money you earn by lowering the amount of taxes you pay. The Plan is the result of our continuing efforts to find ways to help you get the most for your earnings.

If you have any questions, please contact the Administrator.

2010 HEALTH CARE REFORM PROVISIONS AMENDMENT 1
For Section 125 Cafeteria Plans
Changing the Definition of a Dependent Under the Health Flexible Spending Account

ARTICLE I
PREAMBLE

- 1.1 **Adoption and effective date of amendment.** The Employer adopts this Amendment to Village of LaGrange Health and Welfare Plan ("Plan") to reflect certain provisions of the Affordable Care Act of 2010 (the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act. The sponsor intends this Amendment as good faith compliance with the requirements of these provisions. This Amendment shall be effective on or after the date the Employer elects in Section 2.1 or 2.2 below.
- 1.2 **Supersession of inconsistent provisions.** This Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any reference to "Section" in this Amendment refers only to sections within this Amendment, and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to any Plan article, section or other numbering designations.

ARTICLE II
MISCELLANEOUS PROVISIONS

- 2.1 **Dependent.** The Health Flexible Spending Account's definition of "Dependent" is amended by the addition of the following:

"**Dependent**" shall include any child of a Participant who is covered under an Insurance Contract, as defined in the Contract, as allowed by reason of the Affordable Care Act.

A Participant's "Child" includes his natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. An Employee's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Participant or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Participant of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

- 2.2 **Dependent.** The Plan's Change in Status provisions are amended by the addition of the following:

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child up to the end of the year in which a child attains age 26, as allowed under Code Sections 105(b) and 106 and IRS Notice 2010-38, shall qualify as a change in status.

This amendment has been executed this _____ day of _____, _____.

Name of Employer: Village of LaGrange _____

By: _____
EMPLOYER

4-6-65

Village of La Grange



VILLAGE BOARD MEETING

MONDAY, APRIL 25, 2011

7:30 p.m.

BOOK 2 of 2

Village Hall Auditorium

53 S. La Grange Road

La Grange, IL 60525

Elizabeth M. Asperger
Village President

Thomas Morsch
Village Clerk

VILLAGE OF LA GRANGE
Police Department

BOARD REPORT

TO: Village President, Village Clerk,
Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager and
Michael A. Holub, Chief of Police

DATE: April 25, 2011

RE: **ORDINANCE-DISPOSAL OF SURPLUS PROPERTY**

The Police Department routinely becomes the custodian of a wide variety of property that is lost, mislaid, abandoned, forfeited, or of no further evidentiary value. As the Police Department currently has several such items, it would be appropriate at this time to dispose of these items as surplus property.

State law allows the Village to sell surplus property in a manner that is best for the Village. All unclaimed/recovered property is being disposed of in compliance with the Illinois State Statutes, which requires property to be held for at least six (6) months and after all reasonable efforts have been made to return the property to the rightful owner.

We have found through experience over the past several years that private auction houses and on-line auction services are a cost-effective method of disposal and reach a broader audience of prospective bidders.

This property disposal request consists of five (5) vehicles forfeited to the La Grange Police Department over a lengthy period of time. These vehicles were forfeited to the Police Department due to violations of the Illinois Controlled Substances Act, Violations of the Illinois Cannabis Act, and violations of Driving While Under The Influence Of Drugs/Alcohol. All vehicles have undergone asset forfeiture proceedings through the Cook County State's Attorney's Office and have been ultimately awarded to La Grange. The statutory appeals time has lapsed on all of the vehicles and the Police Department now holds title to all of them. The attached list is an inventory of vehicles to be sold through eBay or another auction mechanism as determined by the Police Department.

We recommend that the Village Board authorize staff to dispose of the forfeiture vehicles as provided for in the attached ordinance.

4-H

VILLAGE OF LA GRANGE

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING DISPOSAL OF PERSONAL PROPERTY OWNED BY THE VILLAGE OF LA GRANGE

WHEREAS, in the opinion of the corporate authorities of the Village Of La Grange, it is no longer necessary, useful, or in the best interests of the Village to retain ownership of the personal property described in this Ordinance; and

WHEREAS, it has been determined by the President and the Board Of Trustees of the Village Of La Grange to dispose of said personal property in the manner described in this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are hereby incorporated into this Ordinance as findings of the President and Board of Trustees.

Section 2. Disposal of Surplus Property. The President and Board Of Trustees find that the personal property described in Exhibit A attached to this Ordinance and by this reference incorporated into this Ordinance (the "Surplus Property") is no longer necessary or useful to the Village, and thus the Village Manager for the Village Of La Grange is hereby authorized to direct the sale or disposal of the Surplus Property in the manner most appropriate to the Village. The Surplus Property shall be sold or disposed of in "as is" condition.

Section 3. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this ____ day of _____ 2011.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this ____ day of _____ 2011.

By: _____
Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

4-H.1

Village of La Grange

Disposal Of Surplus Property – Forfeited Vehicles: April 2011

Exhibit 'A'

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>VIN #</u>	<u>Auction Place</u>
1991	Chevrolet	S-10 Pickup	1GCCS14Z7M8149521	eBay
1999	Lincoln	Towncar	1LNFM82W8XY602554	eBay
2000	Dodge	Caravan	2B4GP2435YR752043	eBay
1997	Cadillac	Seville	1G6KY5295VU836965	eBay
2001	Oldsmobile	Silhouette	1GHDX03E41D300407	eBay

* If one auction is unavailable, the Police Department may choose to sell the vehicles through another auction means.

MINUTES

VILLAGE OF LA GRANGE

PUBLIC HEARING AND BOARD OF TRUSTEES REGULAR MEETING

Village Hall Auditorium
53 South La Grange Road
La Grange, IL 60525

Monday, April 11, 2011 - 7:30 p.m.

1. CALL TO ORDER AND ROLL CALL

The Board of Trustees of the Village of La Grange public hearing and regular meeting was called to order at 7:34 p.m. by President Asperger. On roll call, as read by Village Clerk Thomas Morsch, the following were:

PRESENT: Trustees Holder, Horvath, Kuchler, Langan, Livingston, and Palermo with President Asperger presiding.

ABSENT: None

OTHERS: Village Manager Robert Pilipiszyn
Assistant Village Manager Andrianna Peterson
Village Attorney Mark Burkland
Community Development Director Patrick Benjamin
Assistant Community Development Dir. / Planner Angela Mesaros
Finance Director Lou Cipparrone
Public Works Director Ryan Gillingham
Police Chief Mike Holub
Fire Chief Bill Bryzgalski

President Asperger explained that there would be a public hearing prior to the regular Village Board meeting this evening.

2. PUBLIC HEARING – FY 2011-12 Operating and Capital Improvements Budget:
Referred to President Asperger

President Asperger indicated that notice of this Public Hearing had been posted and published according to State Statute and that the budget document has been available for inspection at the Village Hall and the La Grange Public Library as well as posted on the Village website. President Asperger noted the public hearing represents the conclusion of the process by which public input has been solicited throughout the development of the budget document and asked if anyone in the audience had any oral or written comments or questions on the FY 2011-12

4-I

Operating and Capital Improvements Budget. There being none, President Asperger inquired of Village Manager Robert Pilipiszyn if any written comments had been received and was informed none specific to this hearing. However, Village Manager Pilipiszyn noted that citizen comments received relative to capital improvements and public safety were distributed to the Village Board for consideration.

At 7:38 p.m. with no additional oral or written comments the public hearing was closed and the Village Board meeting was convened, with the same Village Officials as the Public Hearing being in attendance.

3. PRESIDENT'S REPORT

A. Proclamation – Arbor Day

President Asperger stated that the Village of La Grange has been named a Tree City USA by the National Arbor Day Foundation for the 28th consecutive year and proclaimed April 29, 2011 as Arbor Day. President Asperger invited the public to celebrate Arbor Day with the planting of a tree at the Ogden Avenue Elementary School. President Asperger recommended that the Proclamation declaring April 29, 2011 as Arbor Day in La Grange be approved. It was moved by Trustee Langan to approve the proclamation, seconded by Trustee Horvath and approved by voice vote.

4. PUBLIC COMMENTS REGARDING AGENDA ITEMS

Katie Cannizzaro who resides in the vicinity of Catherine and 52nd Street feels the need for additional parking at Spring Avenue and Gurrie Schools (item 6-A), however is not in favor of replacing green space with concrete.

Jim Bergschneider, 920 S. Spring Avenue expressed concerns with the proposed improvements for parking at Spring Avenue and Gurrie Schools and suggested several alternatives.

Steve Metsch, 1055 S. Catherine added his concerns with the loss of green space and his opposition to the proposed variation. Mr. Metsch suggested parking on the street as an alternative.

Sterling Topol, 641 S. Sixth Avenue expressed his opposition to paving over the tennis courts.

Evelina Springer, 741 S. Waiola Avenue as President of the Parent Teacher Organization at Spring Avenue School expressed her support of the proposal.

Kathy Gibbons, Seventh Avenue as President of the Parent Teacher Organization at Gurrie School, also expressed her support of the proposal.

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Rose Naseef, 911 S. Stone Avenue expressed grave concerns at the loss of green space and suggested shared parking as an option. Ms. Naseef would also like to see further study of the matter and hopefully a better solution.

Mark Smith, School Board President for School District 105 expressed his support for the proposed set back variance. Mr. Smith noted working with Village staff; the Police Department; architects; and engineers to consider the best plan and solution for the parking issue with the least impact on the schools and citizens.

Red Weller, 134 S. Sixth Avenue requested the Board approve the proposed variance. Mr. Weller noted negative repercussions to little league baseball fields if the variance were denied.

Frank and Kathy Mungo, 525 S. Waiola expressed numerous concerns with the proposed Village Budget. Mrs. Mungo noted her belief in the need for public safety and the utilization of funds for additional staffing in the Police Department and presented her suggestions.

Lynn Petrak, suggested the planting of a tree at Spring Avenue and Gurrie Schools and President Asperger noted that each year a different school is chosen to receive the Arbor Day tree.

5. OMNIBUS AGENDA AND VOTE

- A. Engineering Services Agreements – KLOA – Pedestrian Safety Enhancements:
 - 1) Crosswalk Safety Enhancements – 47th Street Adjoining Waiola Park
 - 2) Crosswalk Safety Enhancements – La Grange Road and 52nd Street
 - 3) Crosswalk Safety Enhancements – 47th Street and 9th Avenue
 - 4) Pedestrian Push Button Relocation Project – La Grange Road
- B. Budget Amendments (#R-11-05) – Fiscal Year Ending April 30, 2011
- C. Material Purchase – Public Works / 2011 Spring Tree Planting Program & Resolution (#R-11-06) – Public Works / Suburban Tree Consortium
- D. Open Meetings Act – Review of Closed Session Minutes
- E. Consolidated Voucher 110328 (\$569,709.51)
- F. Consolidated Voucher 110411 (\$574,807.10)
- G. Minutes of the Village of La Grange Board of Trustees Regular Meeting, Monday, March 14, 2011

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It was moved by Trustee Langan to approve items A, B, C, D, E, F, and G of the Omnibus, seconded by Trustee Holder.

Omnibus items approved by roll call vote.

Ayes: Trustees Holder, Horvath, Kuchler, Langan, Livingston
Palermo, and President Asperger
Nays: None
Absent: None

6. CURRENT BUSINESS

- A. Ordinance (#O-11-07) – Variation – Front and Corner Side Yards, Spring-Gurrie Schools, 1001 S. Spring Avenue, School District 105: Referred to Trustee Kuchler

Trustee Kuchler explained that La Grange School District 105 has applied for a variation from front and corner side yards in order to remove, rebuild and expand an existing parking lot at Gurrie and Spring Avenue Schools.

Trustee Kuchler detailed the need for additional parking to accommodate increased staff due to growth in student population. Noting citizen concerns relating to parking; safety issues; and parked cars along with adjoining tennis courts owned by the Park District and highly utilized baseball fields, the School District has been working with Village staff for the past two years to develop a parking plan.

Trustee Kuchler added that the requested variation falls within the authorized limits of the Zoning Code and on February 24, 2011 the Zoning Board of Appeals held a public hearing on this matter. The motion to recommend that the variation be granted failed by a five to two roll call vote with all of the Commissioners present, at least four aye votes are required to decide in favor of any application.

Trustee Kuchler added that in accordance with State Statute, the approval of any proposed variation which fails to receive the approval of the Zoning Board of Appeals will not be passed except by the favorable vote of two-thirds majority vote by roll call of all Trustees (four out of six Trustees) currently holding office.

It was moved by Trustee Kuchler to approve the ordinance for a variation of front and corner side yards for Spring-Gurrie Schools located at 1001 S. Spring Avenue, School District 105, seconded by Trustee Langan.

President Asperger invited Dr. Glenn Schlichting, Superintendent of School District 105 to speak.

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Dr. Schlichting detailed the background and numerous issues and citizen concerns regarding the additional parking for teachers. Although there is no perfect plan, Dr. Schlichting indicated his belief and that of the School Board that the proposed variance before the Board is the best possible solution for student safety.

Trustee Kuchler inquired what the school district would do to encourage the teaching staff to utilize the proposed parking lot. Dr. Schlichting noted that teachers are excited about the proposal and he is confident it will be utilized.

Trustee Holder inquired if this plan would enlarge the existing parking area and if the baseball fields would remain the same. Dr. Schlichting responded affirmatively.

Trustee Langan inquired if the additional parking spaces would be enough to accommodate the added teaching staff and was informed yes.

Trustee Palermo expressed concerns about the safety measures to separate parked cars from the baseball fields and requested information of Village staff to compare and contrast between the on-street and diagonal parking space solutions. Assistant Village Manager Andrianna Peterson was asked to respond and clarify.

Trustee Langan noted his support of this proposal. Trustee Langan believes the School District has made careful and thoughtful considerations on the effects of residents and the Park District while focusing on safety.

Trustee Horvath concurred with Trustee Langan and believes the School District is making the best compromise while keeping student safety as their goal.

Trustee Holder indicated his support and believes this is a good plan for solving a tough problem. Trustee Holder expressed his gratitude to all involved for their thoughtful deliberation.

Trustee Kuchler expressed his support for this item and noted his appreciation for the commissioners in their deliberations.

President Asperger clarified that the ordinance before the Board this evening is the revised plan for 32 spaces and not 56 spaces as was presented to the Zoning Board of Appeals.

Approved by roll call vote.

Ayes: Trustees Holder, Horvath, Kuchler, Langan, Livingston, and Palermo

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Nays: None
Absent: None

B. Resolution (#R-11-07) – Approving the FY 2011-12 Operating and Capital Improvements Budget: Referred to Trustee Holder

Trustee Holder explained that this item has evolved over several workshops which were conducted in the last six months and a public hearing which was conducted earlier this evening to accept any oral or written public comments. Trustee Holder indicated this five-year budget is used as a guideline for financial, administrative and operational purposes, however only the FY2011-12 operating and capital improvement budget is required to be adopted.

Trustee Holder noted that although a struggling economy has challenged the budget process, the Village has taken steps to reduce operating and personnel expenses. The Village continues to observe conservative financial management practices, recognizing the downward pressure on its financial means, while being sensitive to financial challenges being experienced by taxpayers, yet at the same time maintaining community vitality.

Trustee Holder detailed the Village's changes in funding and financial assumptions reflected in the FY2011-12 budget and noted financial discipline by adhering closely to its five-year financial plan.

Trustee Holder noted the Village Boards commitment to adequately fund pensions based upon independent actuarial valuations of the funds.

It was moved by Trustee Holder to adopt the Resolution approving the Fiscal Year 2011-12 Operating and Capital Improvements Budget, seconded by Trustee Langan.

Trustee Horvath expressed concerns with financial challenges and explained his reasoning to reallocate funds to augment police staffing.

Trustee Horvath moved to amend the FY 2011-12 Operating and Capital Improvements Budget and to place \$50,000 back into the Part-time Police Officer Program, seconded by Trustee Palermo.

Trustee Langan inquired where the funds would be transferred from.

Trustee Horvath noted possibilities being TIF surplus funds or utilize funds which will become available when state funds are used for pedestrian crosswalk improvements.

4 - I, 5

President Asperger clarified that grant funds for the crosswalks have not yet been received.

Trustee Langan is not in favor of utilizing TIF funds.

Trustee Kuchler expressed concerns with the timing of this proposed amendment, after the matter had already been discussed in detail by the Village Board.

Trustee Livingston expressed his support for law enforcement and public safety however is most opposed to the use of TIF funds. Trustee Livingston noted his comfort with adopting the budget as is, adding that line items can be revisited.

Trustee Holder concurred with Trustee Livingston and is not in favor of amending the budget.

Trustee Palermo noted he would support the amendment to the budget.

It had been moved and seconded to amend the FY 2011-12 Operating and Capital Improvements Budget.

Motion failed by a 4 to 2 roll call vote.

Ayes: Trustees Horvath and Palermo
Nays: Trustees Holder, Langan, Livingston, and Kuchler
Absent: None

It had been moved and seconded to approve the FY 2011-12 Operating and Capital Improvements Budget as presented.

Trustee Palermo noted difficult economic conditions and expressed his views and grave concerns regarding Pension funding. Trustee Palermo suggested that more personnel expense reductions and service reductions may be required in the future, as well as revenue enhancements.

Trustee Kuchler is not in favor of a tax increase to enhance revenues and noted that the Village has consistently made its annual required contributions to its pension funds.

President Asperger requested the Board to focus on the motion to adopt the budget.

Approved by a 5 to 1 roll call vote.

Ayes: Trustees Holder, Kuchler, Langan, Livingston and Palermo

4-11-11

Nays: Trustee Horvath
Absent: None

President Asperger noted previous comments from Mr. and Mrs. Mungo relating to the budget. President Asperger expressed her concurrence with Trustee Holder with staff's dedication and shared sacrifice. President Asperger noted extensive analysis and dialogue by the Village Board involving the proposed Village budget. President Asperger added that all aspects of the budget are important in their own way and the Village Board recognizes that by looking at the document as a whole.

C. Ordinance (#O-11-08) – Water Rate Increase: Referred to Trustee Holder

Trustee Holder explained that the Water Fund was established as an enterprise fund to finance the cost of operating, maintaining and replacing the Village's water distribution system. In order to maintain sufficient reserves for operating expenses incurred, to replace water meters and water mains, and to rehabilitate the pumping station, a 10 percent increase each year for the next two years effective May 1, 2011 is being proposed. The estimated increase in cost to homeowners is approximately \$65 annually. Trustee Holder noted that the increase in the water rate does not affect sewer revenues.

It was moved by Trustee Holder to approve the ordinance for a 10 percent water rate increase from \$5.286 per one hundred cubic feet to \$5.815 per one hundred cubic feet, seconded by Trustee Langan.

Trustee Kuchler noted his reluctance to support this increase.

Trustee Horvath inquired about meter replacement and Public Works Director Ryan Gillingham responded.

Trustee Langan reminded the Board that for several years the Village had absorbed previous water rate increases passed along by Mc Cook due to water rates charged by the City of Chicago.

Trustee Palermo inquired as to when the Village absorbed the water rate increase and Finance Director Lou Cipparrone responded.

Trustee Horvath expressed his concerns with water accountability and increased efficiency to be gained by new water meters, leading him to indicate his unfavorable position on this item.

Trustee Livingston noted his support and the importance of public health.

Approved by a 4 to 2 roll call vote.

4-11-11

Ayes: Trustees Holder, Kuchler, Langan, and Livingston
Nays: Trustees Horvath and Palermo
Absent: None

7. MANAGER'S REPORT

Village Manager Robert Pilipiszyn stated that there will be extended hours at Village Hall for renewal of vehicle and animal licenses. In addition, he informed residents of the scheduled increase in refuse and yard waste stickers. Information was provided regarding the upcoming Lyons Township High School computer recycling event and lastly Mr. Pilipiszyn noted that Village Hall will be closed on Friday, April 22 for a Spring Holiday, however a full complement of public safety personnel will be available in the event of an emergency.

8. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

None

9. EXECUTIVE SESSION

10. TRUSTEE COMMENTS

None

11. ADJOURNMENT

At 9:57 p.m. it moved by Trustee Langan to adjourn, seconded by Trustee Palermo. Approved by voice vote.

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

Approved Date

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VILLAGE OF LA GRANGE

Disbursement Approval by Fund

April 25, 2011

Consolidated Voucher 110425

<u>Fund No.</u>	<u>Fund Name</u>	<u>04/25/11 Voucher</u>	<u>04/15/11 Payroll</u>	<u>Total</u>
01	General	86,335.40	265,533.58	351,868.98
21	Motor Fuel Tax			0.00
22	Foreign Fire Insurance Tax	148.56		148.56
24	ETSB			0.00
40	Capital Projects	8,016.50		8,016.50
50	Water	5,350.57	37,869.46	43,220.03
51	Parking	1,087.16	23,353.39	24,440.55
60	Equipment Replacement	112,956.00		112,956.00
70	Police Pension			0.00
75	Firefighters' Pension			0.00
80	Sewer	848.38	8,829.06	9,677.44
90	Debt Service			0.00
91	SSA 4A Debt Service			0.00
93	SAA 269			0.00
94	SAA 270			0.00
		<u>214,742.57</u>	<u>335,585.49</u>	<u>550,328.06</u>

We the undersigned Manager and Clerk of the Village of La Grange hereby certify that, to the best of our knowledge and belief, the foregoing items are true and proper charges against the Village and hereby approve their payment.

Village Manager

Village Clerk

President

Trustee

Trustee

Trustee

Trustee

Trustee

Trustee

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CURRENT BUSINESS

VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees, and Village Attorney

FROM: Robert Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager

DATE: April 25, 2011

RE: **CONTRACT - GROUP HEALTH AND LIFE INSURANCE RENEWAL**

The Village provides group health insurance coverage as a benefit to its full-time employees. Coverage is provided under the Blue Advantage Entrepreneur (BAE) plan or the HMO-Illinois program through Blue Cross/Blue Shield of Illinois. Our current health insurance contract with Blue Cross expires on April 30, 2011.

The Village experienced a period of stable health insurance premiums throughout a majority of the 1990's. Starting in 2000, the Village began to incur an upward trend in its health insurance costs consistent with other groups. In response, the Village implemented several plan design changes in 2001, 2002 and 2004 which had the result of mitigating, to some extent, the considerable premium increases which were experienced. The financial burden was shared with employees in the form of both new and increased co-payments.

Due to lower costs as a result of the plan design changes; general downward cost trend in the health care industry; and decreases in benefit utilization by employees, the Village enjoyed two consecutive years (2005 and 2006) without any increase in health insurance premiums. After substantial analysis, in 2007, the Village agreed to a renewal increase of 15% which had a net effect of a 5% increase each year over the three year period. In 2008, the Village negotiated an 8.8% renewal; in 2009 it was 3.5%; and in 2010 it was 7.0%.

Having effectively managed our group health insurance expenses over the past decade, we did not anticipate a 25.5% initial renewal proposal that was presented to us by Blue Cross / Blue Shield. We recognized that not only would a renewal at this level exceed budget, it would also upset our cost containment plan. Typically, we would rely on our broker, Mercer Health and Benefits, to negotiate the best possible renewal terms for the Village. However, given the magnitude of the proposed renewal, Assistant Village Manager Andrianna Peterson worked together with our broker in scrutinizing reports regarding utilization.

Although the proposed increase was primarily due to an increase in claims experience, there appeared to be other, more general variables and assumptions (such as uncertainty regarding the cost of health care reform calculated into their administrative fees), which Blue Cross / Blue Shield

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factored into the renewal. It appeared that Blue Cross / Blue Shield processed our initial renewal using automated rather than manual underwriting techniques. Mercer discussed the exceptions taken with Blue Cross / Blue Shield and manual underwriting resulted in an additional adjustment, bringing the renewal to 18.6%.

We were still not satisfied with the result and pressed our broker to negotiate more aggressively. Blue Cross / Blue Shield was not willing to further reduce the proposed renewal. Mercer advised us, however, that Blue Cross / Blue Shield would be willing to reduce the proposed renewal down to approximately 7.5% if the Village agreed to implement a series of plan design changes, notably increased co-payments for office visits, emergency room visits and the prescription drug program.

Once again, we were not satisfied with the response from Blue Cross / Blue Shield because we felt that the underlying premium could be reduced further before considering plan changes. At our behest, a meeting with our Blue Cross / Blue Shield representative was requested to directly express our disappointment with the renewal amount and to fashion a compromise solution. At the meeting, Blue Cross / Blue Shield was not willing to further refine their underwriting assumptions. We took great pains to explain: our current and future financial condition; how the proposed renewal would upset the Village's financial stabilization efforts under the cost-containment plan; and how the Village was already shifting part of the financial burden of group health insurance onto employees with this renewal through increased employee contributions. Blue Cross / Blue Shield was not sympathetic to our internal affairs and repeated its offer of 18.6%. We countered with a proposal whereby Blue Cross / Blue Shield would reduce the renewal amount to 7.5% effective May 1, 2011 if the Village agreed to implement plan design changes within a 4-6 month grace period, in order to explain to Village employees the need and scope of anticipated plan design changes.

The Blue Cross / Blue Shield representative did not have a response, as they were not prepared to consider such a concept. The representative did agree however to discuss the proposal with appropriate decision-makers at Blue Cross / Blue Shield. Over the past two weeks, we have anxiously awaited a decision as several divisional directors at Blue Cross / Blue Shield were consulted by our representative.

On Wednesday, April 20 we learned that Blue Cross / Blue Shield would not agree to our proposal and their renewal offer of 18.6% was final.

The proposed 18.6% renewal is significantly higher than our budget allocation of 7.5%. The impact on the Village's FY 2011-12 Budget is about an additional \$115,000 per year, of which \$98,000 is attributable to the General Fund.

To address the budgetary issue in the immediate short term, the Village will be required to analyze several plan design options including changes to the prescription drug program; changing the

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program from a two-tiered to a four-tiered rate; increasing office visit and emergency room co-pays; and other similar options.

Analysis of the plan design changes will occur over the next 60-90 days. If certain plan design changes are implemented, Blue Cross / Blue Shield will agree to a mid-term reduction in premiums. In addition to these changes, we will explore other options to further reduce the cost of group health insurance to the Village.

Given the additional time required to negotiate the renewal this year, Blue Cross / Blue Shield has agreed to adjust the open enrollment period from May 1, 2011 to May 31, 2011.

Our group life insurance is provided by Fort Dearborn Life through Blue Cross/Blue Shield. Because of continued good claims history, we have negotiated a one-year agreement with Fort Dearborn Life with no increase in premiums.

We recommend that the contract with Blue Cross/Blue Shield for group health insurance and Fort Dearborn for group life insurance, effective May 1, 2011 be approved and that the Village Manager be authorized to execute the contract documents.

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MANAGER'S REPORT

VILLAGE OF LA GRANGE
Department of Public Works

MEMORANDUM

TO: Robert Pilipiszyn
FROM: Ryan Gillingham *RG*
DATE: January 20, 2011
RE: Policy on In-Street Pedestrian Crossing Signs

As part of the Village's strategic goal of improving pedestrian safety throughout the Village, in-street pedestrian crossing signs (see Figure 1) have been installed at various pedestrian crossings to improve driver awareness and enhance pedestrian safety. These signs provide motorists with a visual reference within the roadway that pedestrians may be present. The increased use of these in-street signs throughout many communities including La Grange coincides with acceptance of these signs as approved devices in federal traffic sign standards, changes in State law, and heightened awareness of pedestrian safety issues. The federal standards and guidance for these signs contained within the 2009 Manual on Uniform Traffic Control Devices for Streets and Highways (MUTCD) is attached to this memorandum for your reference. Additionally the recently passed State law that states motorists must stop for pedestrians within the crosswalk, rather than just yielding, is also attached to this memorandum for your reference.



Figure 1

The Village first started deploying these in-street pedestrian crossing signs within the Central Business District as this area tends to have the greatest number of pedestrian and vehicle interactions. Specifically these signs have been deployed during weekends in the spring, summer and fall so as not to conflict with snow plowing operations. Additional in-street pedestrian crossing signs have been installed, such as at the intersection of Brainard Avenue and Burlington Avenues, based on requests by the Police Department and residents. Since use of the in-street pedestrian crossing signs with a STOP sign insert is in conflict with locations controlled by traffic signals, the Village has modified the current signs used at signalized locations to simply state "watch for pedestrians" without the STOP sign element to the sign.

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Memorandum – In-Street Pedestrian Crossing Signs

January 20, 2011

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The current locations of the in-street pedestrian signs include the following:

Location	Deployment	Type
47 th Street / 9 th Avenue – Mid-block crossing	All times from April 1 to November 30	R1-6a – Stop For Pedestrians
La Grange Road at Cossitt Avenue	Weekends from April 1 to November 30	Watch For Pedestrians
La Grange Road at Harris Avenue	Weekends from April 1 to November 30	Watch For Pedestrian
La Grange Road at Calendar Avenue	Weekends from April 1 to November 30	R1-6a – Stop For Pedestrians
La Grange Road at Burlington Avenue	Weekends from April 1 to November 30	Watch For Pedestrians
La Grange Road at Hillgrove Avenue	Weekends from April 1 to November 30	Watch For Pedestrians
Burlington Avenue and Brainard Avenue	All times from April 1 to November 30	R1-6a – Stop For Pedestrians
Brainard Avenue at Bell Avenue	All times from April 1 to November 30	R1-6a – Stop For Pedestrians
Burlington Avenue at Stone Avenue Station	All times from April 1 to November 30	R1-6a – Stop For Pedestrians
Parking Garage Entrances on 6 th Avenue	All times	R1-6a – Stop For Pedestrians

In addition to the use of the in-street pedestrian crossing signs shown in the picture above, school crossing guards for the Village also utilize similar but portable/collapsible in-street minicades on a daily basis to warn motorists of children crossing the street.

In order to provide a consistent application of these in-street pedestrian signs throughout the Village, and to avoid the over-deployment which could result in motorist desensitization to these signs, a proposed policy for the implementation of these signs is provided below.

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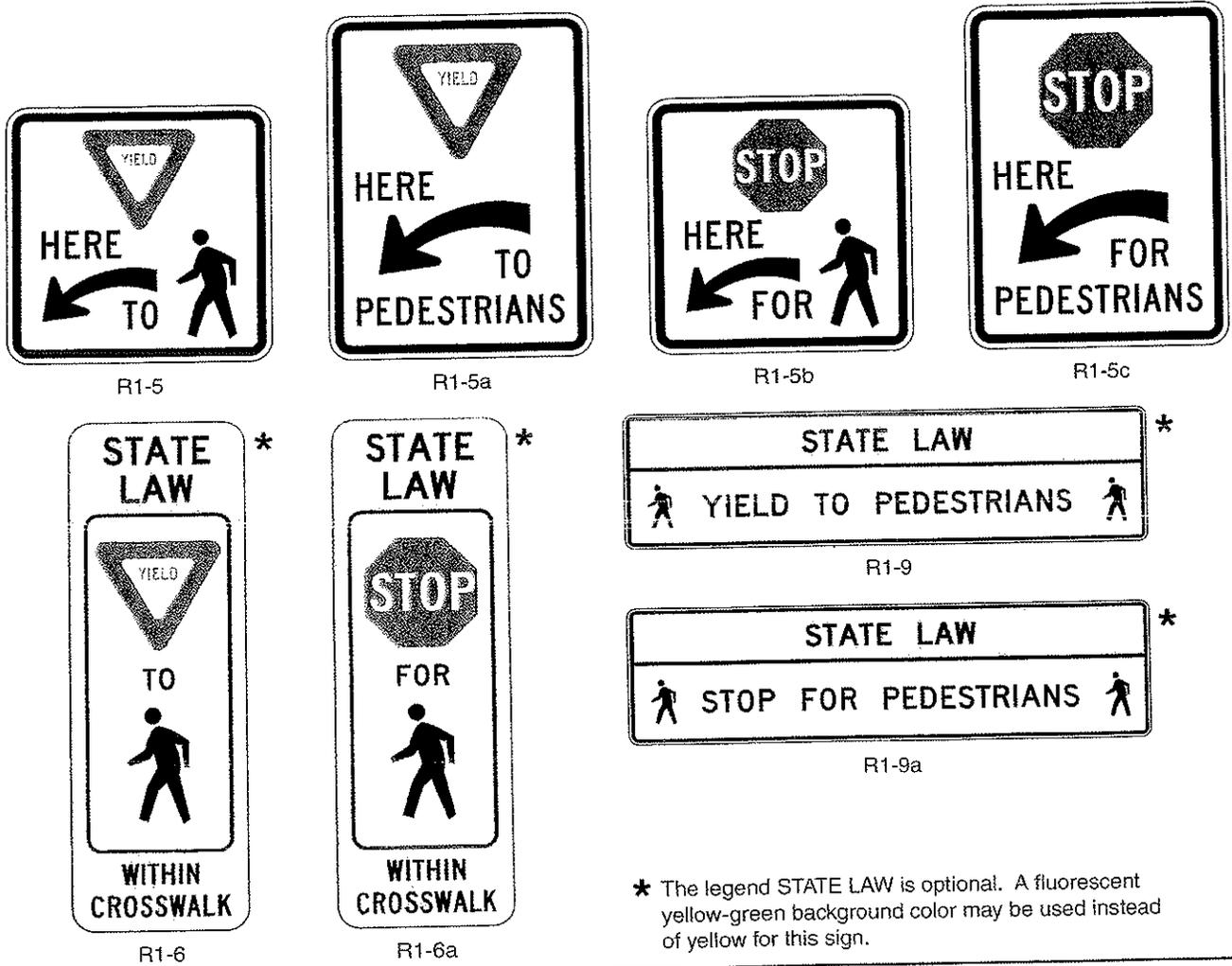
Proposed Policy

The following guidelines shall be used by staff for the deployment of In-Street Pedestrian Crossing Signs (R1-6b) throughout the Village:

1. The provisions of the Manual on Uniform Traffic Control Devices (MUTCD) shall be followed. The particular sections of this code are attached to this memorandum for reference.
2. Relevant speed, volumes, accident records, pedestrian counts, sight obstructions and demographic analysis shall be reviewed when considering In-Street Pedestrian Crossing Sign installations.
3. The sign should only be used at key locations, such as high pedestrian volume crosswalks, to avoid overuse.
4. The sign shall only be used at existing crosswalk locations.
5. The sign shall only be used as an in-street sign, not on the outside shoulder or parking lane. When installed, the sign shall not impede or obstruct any traffic movement including through or turning movements. The preferred location is on the center line or the median island of the roadway.
6. The sign shall be used seasonally due to safety issues with the use of the sign during the winter and to prevent damage during the winter because of plowing operations.
7. The sign shall only be used on streets that are classified as collectors or arterials.
8. The use of in-street minicades within school zones will be allowed provided that the school agrees to be responsible for installing and removing the signs on a daily basis on school days only. Additionally the signs cannot be deployed during Village snow plowing operations.
9. In-street pedestrian crossing signs or minicades can be temporarily deployed during special events such the Hometown Holiday event.

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Figure 2B-2. Unsignalized Pedestrian Crosswalk Signs



* The legend STATE LAW is optional. A fluorescent yellow-green background color may be used instead of yellow for this sign.

05 A Pedestrian Crossing (W11-2) warning sign may be placed overhead or may be post-mounted with a diagonal downward pointing arrow (W16-7P) plaque at the crosswalk location where Yield Here To (Stop Here For) Pedestrians signs have been installed in advance of the crosswalk.

Standard:

06 If a W11-2 sign has been post-mounted at the crosswalk location where a Yield Here To (Stop Here For) Pedestrians sign is used on the approach, the Yield Here To (Stop Here For) Pedestrians sign shall not be placed on the same post as or block the road user's view of the W11-2 sign.

Option:

07 An advance Pedestrian Crossing (W11-2) warning sign with an AHEAD or a distance supplemental plaque may be used in conjunction with a Yield Here To (Stop Here For) Pedestrians sign on the approach to the same crosswalk.

08 In-Street Pedestrian Crossing signs and Yield Here To (Stop Here For) Pedestrians signs may be used together at the same crosswalk.

Section 2B.12 In-Street and Overhead Pedestrian Crossing Signs (R1-6, R1-6a, R1-9, and R1-9a)

Option:

01 The In-Street Pedestrian Crossing (R1-6 or R1-6a) sign (see Figure 2B-2) or the Overhead Pedestrian Crossing (R1-9 or R1-9a) sign (see Figure 2B-2) may be used to remind road users of laws regarding right-of-way at an unsignalized pedestrian crosswalk. The legend STATE LAW may be displayed at the top of the R1-6, R1-6a, R1-9, and R1-9a signs, if applicable. On the R1-6 and R1-6a signs, the legends STOP or YIELD may be used instead of the appropriate STOP sign or YIELD sign symbol.

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02 Highway agencies may develop and apply criteria for determining the applicability of In-Street Pedestrian Crossing signs.

Standard:

03 If used, the In-Street Pedestrian Crossing sign shall be placed in the roadway at the crosswalk location on the center line, on a lane line, or on a median island. The In-Street Pedestrian Crossing sign shall not be post-mounted on the left-hand or right-hand side of the roadway.

04 If used, the Overhead Pedestrian Crossing sign shall be placed over the roadway at the crosswalk location.

05 An In-Street or Overhead Pedestrian Crossing sign shall not be placed in advance of the crosswalk to educate road users about the State law prior to reaching the crosswalk, nor shall it be installed as an educational display that is not near any crosswalk.

Guidance:

06 If an island (see Chapter 3I) is available, the In-Street Pedestrian Crossing sign, if used, should be placed on the island.

Option:

07 If a Pedestrian Crossing (W11-2) warning sign is used in combination with an In-Street or an Overhead Pedestrian Crossing sign, the W11-2 sign with a diagonal downward pointing arrow (W16-7P) plaque may be post-mounted on the right-hand side of the roadway at the crosswalk location.

Standard:

08 The In-Street Pedestrian Crossing sign and the Overhead Pedestrian Crossing sign shall not be used at signalized locations.

09 The STOP FOR legend shall only be used in States where the State law specifically requires that a driver must stop for a pedestrian in a crosswalk.

10 The In-Street Pedestrian Crossing sign shall have a black legend (except for the red STOP or YIELD sign symbols) and border on a white background, surrounded by an outer yellow or fluorescent yellow-green background area (see Figure 2B-2). The Overhead Pedestrian Crossing sign shall have a black legend and border on a yellow or fluorescent yellow-green background at the top of the sign and a black legend and border on a white background at the bottom of the sign (see Figure 2B-2).

11 Unless the In-Street Pedestrian Crossing sign is placed on a physical island, the sign support shall be designed to bend over and then bounce back to its normal vertical position when struck by a vehicle.

Support:

12 The Provisions of Section 2A.18 concerning mounting height are not applicable for the In-Street Pedestrian Crossing sign.

Standard:

13 The top of an In-Street Pedestrian Crossing sign shall be a maximum of 4 feet above the pavement surface. The top of an In-Street Pedestrian Crossing sign placed in an island shall be a maximum of 4 feet above the island surface.

Option:

14 The In-Street Pedestrian Crossing sign may be used seasonably to prevent damage in winter because of plowing operations, and may be removed at night if the pedestrian activity at night is minimal.

15 In-Street Pedestrian Crossing signs, Overhead Pedestrian Crossing signs, and Yield Here To (Stop Here For) Pedestrians signs may be used together at the same crosswalk.

Section 2B.13 Speed Limit Sign (R2-1)

Standard:

01 Speed zones (other than statutory speed limits) shall only be established on the basis of an engineering study that has been performed in accordance with traffic engineering practices. The engineering study shall include an analysis of the current speed distribution of free-flowing vehicles.

02 The Speed Limit (R2-1) sign (see Figure 2B-3) shall display the limit established by law, ordinance, regulation, or as adopted by the authorized agency based on the engineering study. The speed limits displayed shall be in multiples of 5 mph.

03 Speed Limit (R2-1) signs, indicating speed limits for which posting is required by law, shall be located at the points of change from one speed limit to another.

Public Act 096-1165

HB0043 Enrolled

LRB096 03462 AJT 13486 b

AN ACT concerning transportation.

Be it enacted by the People of the State of Illinois,
represented in the General Assembly:

Section 5. The Illinois Vehicle Code is amended by changing Sections 11-1002 and 11-1002.5 as follows:

(625 ILCS 5/11-1002) (from Ch. 95 1/2, par. 11-1002)

Sec. 11-1002. Pedestrians' right-of-way at crosswalks. (a) When traffic control signals are not in place or not in operation the driver of a vehicle shall stop and yield the right-of-way, ~~slowing down or stopping if need be to so yield,~~ to a pedestrian crossing the roadway within a crosswalk when the pedestrian is upon the half of the roadway upon which the vehicle is traveling, or when the pedestrian is approaching so closely from the opposite half of the roadway as to be in danger.

(b) No pedestrian shall suddenly leave a curb or other place of safety and walk or run into the path of a moving vehicle which is so close as to constitute an immediate hazard.

(c) Paragraph (a) shall not apply under the condition stated in Section 11-1003 (b).

(d) Whenever any vehicle is stopped at a marked crosswalk or at any unmarked crosswalk at an intersection to permit a pedestrian to cross the roadway, the driver of any other vehicle approaching from the rear shall not overtake and pass such stopped vehicle.

(e) Whenever stop signs or flashing red signals are in place at an intersection or at a plainly marked crosswalk between intersections, drivers shall yield right-of-way to pedestrians as set forth in Section 11-904 of this Chapter. (Source: P.A. 79-857.)

(625 ILCS 5/11-1002.5)

Sec. 11-1002.5. Pedestrians' right-of-way at crosswalks; school zones.

(a) For the purpose of this Section, "school" has the meaning ascribed to that term in Section 11-605.

On a school day when school children are present and so close thereto that a potential hazard exists because of the close proximity of the motorized traffic and when traffic control signals are not in place or not in operation, the driver of a vehicle shall stop and yield the right-of-way, ~~slowing down or stopping if need be to so yield,~~ to a pedestrian crossing the roadway within a crosswalk when the pedestrian is upon the half of the roadway upon which the vehicle is traveling, or when the pedestrian is approaching so closely from the opposite half of the roadway as to be in danger.

For the purpose of this Section, a school day shall begin at seven ante meridian and shall conclude at four post

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meridian.

This Section shall not be applicable unless appropriate signs are posted in accordance with Section 11-605.

(b) A first violation of this Section is a petty offense with a minimum fine of \$150. A second or subsequent violation of this Section is a petty offense with a minimum fine of \$300.

(c) When a fine for a violation of subsection (a) is \$150 or greater, the person who violates subsection (a) shall be charged an additional \$50 to be paid to the unit school district where the violation occurred for school safety purposes. If the violation occurred in a dual school district, \$25 of the surcharge shall be paid to the elementary school district for school safety purposes and \$25 of the surcharge shall be paid to the high school district for school safety purposes. Notwithstanding any other provision of law, the entire \$50 surcharge shall be paid to the appropriate school district or districts.

For purposes of this subsection (c), "school safety purposes" has the meaning ascribed to that term in Section 11-605.

(Source: P.A. 95-302, eff. 1-1-08.)

Section 99. Effective date. This Act takes effect upon becoming law.

Effective Date: 07/22/2010

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VILLAGE OF LA GRANGE
Fire Department

EXECUTIVE COMMITTEE REPORT

TO: Village President, Village Clerk,
Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager and
William Bryzgalski, Fire Chief

DATE: April 25, 2011

RE: **PUBLIC SAFETY MINI-WORKSHOP — PLAN AND
RECOMMENDATION TO REPLACE FIRE DEPARTMENT LADDER
TRUCK**

OVERVIEW

The functional consolidation of core (public safety) services was identified as a long-term complex strategic goal by the Village Board during its strategic planning session in January 2010. At that time, former Fire Chief David Fleege announced that the department was investigating the feasibility of replacing the truck company (ladder truck) with a different type of vehicle that would better serve the department's needs, as there seemed to be adequate truck company resources available from adjacent departments should an incident require that specialized piece of apparatus.

Chief Fleege subsequently retired and no further action was taken until a successor was appointed. As part of his performance goals, recently-appointed Fire Chief William Bryzgalski completed an internal review of the matter including departmental input, and has developed a proposed plan and recommendation for presentation to the Village Board.

ANALYSIS

The Fire Department's 1993 Pierce truck company is scheduled to be replaced in FY 2013-14. The estimated cost of replacement is approximately \$1.0 million.

In conducting our evaluation, we looked at the cost associated in maintaining the truck, and the response record for the apparatus over the past four years. Between 2005 and January 2011, the department has spent \$70,372.22 on repairs and maintenance on Co. 1119. A vehicle survey was completed by Global Fire Equipment in the fall of 2010 for repairs that most likely will be

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required during the course of the next fiscal year. Global estimates that just over \$18,000 in preventative maintenance will be required to keep the apparatus operational.

Chief Bryzgalski also notes that in recent years, maintenance costs for the fire apparatus has risen dramatically. Chief Bryzgalski is of the professional opinion that replacing the ladder truck at this time would be more cost effective rather than maintaining it. Chief Bryzgalski also believes that the ladder truck is at or near its peak resale value. Finally, Chief Bryzgalski notes that timely replacement of equipment reduces down time and maintains equipment reliability which is critically important when providing emergency services.

In January 2011, BP Apparatus from Aurora, IL performed an appraisal on Co. 1119. The appraisal ranged from \$110,000 — \$140,000. The broker is confident that our truck would sell within that range.

The second analysis was an evaluation of the incident responses made by Co. 1119 for a four-year period between January 1, 2007 and December 31, 2010. During that period of time, the truck responded to 581 alarms. The “Out of District” Mutual Aid responses totaled 498. The remaining 83 responses were within the Village. In reviewing the 83 responses, many of them were due to Co. 1119 being on the street returning from a mutual aid call or out for training purposes. That averages to 20.75 responses within the Village per year, or 1.73 responses per month.

When we look at our annual statistics by type of response between 2007 — 2010, 56% of our calls are for EMS. In contrast, actual fire responses are only 4.7% of our total call volume. All other calls for service, such as false alarms and hazardous conditions, fall in between.

For all of these reasons, we recommend that the Village sell the ladder truck and sell it as soon as practical.

Chief Bryzgalski has confirmed that the elimination of the ladder truck from the Fire Department’s fleet will not impact La Grange’s standing within the mutual aid system, nor will it negatively affect mutual aid response requests for a ladder truck from surrounding jurisdictions.

REPLACEMENT VEHICLE

Multi-Purpose Use — The fire service is steeped in tradition. However, the fire service also needs to remain efficient and effective so that traditional values can be carried on. The La Grange Fire Department has given much thought to the concept of relinquishing the ladder truck, and, as a group, has reached the conclusion that maintaining the ladder truck in its fleet is not in the department’s best interest from an operational perspective, and thus, nor is it in the best interest of La Grange taxpayers.

We propose that the Village replace the ladder truck with a vehicle that has a multi-purpose use.

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The new vehicle needs to be cost efficient and has to fit within our budget. With our current staffing level and response procedures within the Village, we need to design our next vehicle to meet the needs of our day-to-day operations. In effect, we need a “tool box” on every call which can carry our personnel and equipment to the scene.

The fire apparatus manufacturers today are being asked to build a vehicle that is more versatile and they have responded. With concerns over the economy and staffing, many departments are leaning towards a multi-purpose vehicle. This vehicle is built utilizing every inch of space to carry equipment used to perform virtually every task on an incident scene.

As a brief primer on current resource deployment, the La Grange Fire Department currently has five emergency response vehicles and a command vehicle. (The Chief’s car can also serve as a command vehicle when he is available to respond to an incident). We have two ambulances, two pumpers and the ladder truck. As we operate under a minimum manning standard of five, we can only take two vehicles out the door at a time for safety and efficient incident management. Those two vehicles are the ambulance and the engine/pumper as these vehicles are the two most effective pieces of emergency response equipment in our fleet as of today. However, the engine/pumper is not capable of functioning as a “tool box” as our needs require because it is not designed to carry the necessary capacity of equipment. (The second ambulance and second pumper are used to provide coverage when the primary vehicles are in service.)

A multi-purpose vehicle would address this deficiency. It would be a first response vehicle and, like the ambulance, would run all the time. (A pumper is still necessary because: (i) it is a useful second line apparatus under a multi-purpose vehicle operating model; and (ii) it would be the Village’s mutual aid response vehicle, unless an ambulance or the multiple-purpose vehicle was requested.)

Consolidation Study — We recognize that the consolidation study is still in progress. However, preliminary indications are that the consultant will emphasize opportunities for equipment and facility sharing to realize long-term cost savings rather than through personnel expense reductions as the staffing models between the three participating communities are dissimilar. One of the notable redundancies is that each of the three study participants possesses a ladder truck.

We recommend proceeding with replacing the ladder truck with a multi-purpose apparatus, parallel to the outcome of the consolidation study because: (1) we do not need a ladder truck; (2) we are in a position to be the first to discontinue the use of its ladder truck; while our neighbors are situated differently, (3) we have received the impression from adjacent fire service professionals that a multi-purpose vehicle in the La Grange fleet (in lieu of a replacement ladder truck) would be well received; and (4) we still need this “all-in-one” vehicle to operate fire and emergency services effectively.

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Depending on the substance and course of recommendations within the pending consolidation study, and a commitment by the governing bodies of each study participant to initiate implementation of its recommendations, we can always visit cost sharing of the multi-purpose vehicle at that time. We do not believe that making a purchasing decision now weakens that objective. In contrast, delaying a decision on the purchase of a replacement vehicle pending the outcome of the study, or in general, would reduce current service delivery standards as: (i) there is no guarantee that the study recommendations will be wholly and equally implemented; (ii) we do not know the timeframe in which such decisions, including those by others, will be made; and (iii) in the interim, the La Grange Fire Department would be operating under a scenario with less resources available to it, than exists today. It is precisely for this reason, that the Fire Department began a strategic evaluation of the ladder truck in 2009; it acknowledged the limitations and under-performance of the ladder truck and began investigating a more effective and forward looking emergency service delivery platform. Stated alternatively, an ambulance - pumper delivery platform for the long term would not be effective and would functionally approach the very obsolescence we are attempting to eliminate today.

FINANCIAL IMPACT

We anticipate that we will be able to fund this vehicle purchase within our existing financial resources. First, we estimate net proceeds from the sale of the ladder truck to be \$100,000. Second, accumulated reserves in the Equipment Replacement Fund (ERF) for the purchase of a replacement ladder truck currently total \$425,000. Combined resources for this proposed purchase are estimated at \$525,000.

Chief Bryzgalski has performed some preliminary research and estimates that the cost of a multi-purpose vehicle is in the range of \$500,000 — \$600,000.

He also notes that manufacturers appear to be willing to offer aggressive pricing due to current market conditions, including financing incentives.

In summary, the purchase of the multi-purpose vehicle is expected to be budget neutral in the General Fund (maintenance) and in ERF (future replacement). We will also continue to evaluate apparatus needs in the future, especially in the context of the pending consolidation study. The multi-purpose vehicle is expected to facilitate consolidation of equipment needs.

RECOMMENDATION

It is our recommendation to sell the ladder truck at this time and replace it with a multi-purpose vehicle.

Tonight, we are asking for your concurrence with the proposed plan as described above.

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If there is consensus support from the Village Board to authorize the Fire Department to move forward with this proposal, the next steps would be as follows:

- ✓ Secure our mutual aid agreements to maintain a truck response within our Village.
- ✓ Declare Co. 1119 as surplus property and authorize its sale utilizing a broker.
- ✓ Establish a committee to plan and write the specifications for a multi-purpose/rescue pumper.
- ✓ Research other possible financial incentives which are available such as, zero interest, 50% down and 1-year free financing, discount for lump sum payment, etc.

We will re-evaluate this plan once the results of the consolidation study become available to determine if any adjustments are necessary or appropriate, and advise you of our assessment accordingly. Thereafter, we will proceed with a competitive proposal process to obtain the best possible pricing for the Village. The Village Board reserves final decision-making throughout the process up to and including the actual purchase.

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VILLAGE OF LA GRANGE
Department of Public Works

EXECUTIVE COMMITTEE REPORT

TO: Village President, Village Clerk,
Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Ryan Gillingham, Public Works Director
Lou Cipparrone, Finance Director

DATE: April 25, 2011

RE: **TECHNOLOGY MINI-WORKSHOP — GEOGRAPHIC INFORMATION
SYSTEM (GIS)**

OVERVIEW

The creation and adoption of an organization-wide technology plan was identified as a short-term complex strategic goal by the Village Board during its strategic planning session in January 2010.

In July 2010, the Village's management team participated in a workshop discussion with the Village Board to comprehensively review the Village's current uses of technology and future technology needs. At the conclusion of the workshop, the Village Board expressed confidence in the current state of affairs. In the absence of funding for an organization-wide technology plan, the Village Board directed staff to: (i) continue to identify specific areas of need; (ii) consult with third party sources to assist in meeting technological needs in those areas; and (iii) to do so in an economical manner.

With input from Department Heads, we subsequently identified three organization-wide areas of technological needs as follows:

- (i) information and records management;
- (ii) information sharing and mapping; and
- (iii) technical support.

In August 2010, we advised the Village Board of these strategic areas of concentration going forward, and that the Village's management team will continue to pursue operational technologies within respective domains of responsibility through the Village's goal setting and budget development processes.

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In November 2010, we provided the Village Board with a status update specific to the information sharing and mapping technology objective. Current departmental mapping costs were aggregated. It was determined that the Village spends on average \$20,000 per year on mapping, primarily water and sewer work, and each capital improvement project. The challenge for the Village is that we have the data, but not the software to manipulate the data, thus relying on (engineering) consultants to manage our information.

An analysis was conducted between the cost of current operations (\$20,000) and the cost of moving towards a GIS-based business model (\$40,000 — \$50,000). It was estimated that the net increased cost to the Village for implementing GIS would be in the range of \$20,000 — \$25,000. We were of the opinion, however, that the increased cost of implementing GIS would be offset by gains in: staff efficiency (time to complete a task), staff productivity (more time to perform other tasks) and accuracy.

At that time, we also advised the Village Board that we would develop a reasonable apportionment of the estimated cost of GIS between various special and enterprise funds, the impact of which would be diminimus on the General Fund. We advised the Village Board of our intent to carry this concept forward into the budget development process to ascertain the financial implications with the proposal.

At the budget workshop in March, we discussed both the need and funding for GIS as part of the proposed budget for FY 2011-12. At that time, the Village Board agreed to earmark funds for the concept, but reserved judgment on need, requesting more information before making any further decisions.

The purpose of this workshop is four-fold: First, introduce the concept of GIS technology and provide a demonstration of the technology. Second, discuss existing mapping operations and specific benefits to each Village Department of an integrated GIS system. Third, discuss staff efficiencies and effectiveness as a result of the implementation of a GIS program. And finally, provide direction to Village Staff on the course of GIS within the Village.

GEOGRAPHICAL INFORMATION SYSTEM (GIS)

Put simply, GIS is the marrying of maps and data. Many functions performed by municipal government are related to location including addresses, streets, water mains, sewers, zoning, police and fire districts, etc. GIS provides the ability to capture, store, analyze and present data that are linked to locations. GIS is utilized in every Village department. It is important to note that GIS is a “system,” not a specific software.

The Village currently has several independent “mini-GIS” systems in use. These include the 911 Call Center mapping functions in the Police Department, water and sewer atlases in Public Works, and zoning maps in Community Development. All of the current GIS systems reside on different platforms and do not actively share common information such as addresses, street

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center lines, property line boundaries, etc. The current model / process requires the management of separate systems containing the same information on multiple software platforms.

To further explain GIS and its application to municipal government operations, we have asked Tom Thomey, President of Municipal GIS Partners, Inc. (MGP), to give a presentation and demonstration on this topic. As a brief background, MGP is the service provider to the GIS Consortium (GISC), which is a public entity consisting of 17 different municipalities in the Chicagoland area that work collectively to achieve the benefits of GIS and related technologies. Information concerning this organization will also be part of the presentation with additional detail provided below. A hard copy of the presentation is attached to this memorandum for your reference as Attachment A.

STAFF EFFICIENCY AND EFFECTIVENESS

As part of the assessment of implementing a Village wide GIS system, staff sought to determine the existing costs of GIS throughout the organization. The following table provides a breakdown of both current and anticipated future expenses for mapping activities, such as the next generation mapping required for the 911 mapping system.

	Current Expense	Additional Future Expense	Total
Administration	3,000		3,000
Community Development	4,000		4,000
Police / ETSB		7,000	7,000
Fire			0
Public Works	2,000	3,000	5,000
Water	5,000		5,000
Sewer	5,000		5,000
Parking	2,000	5,000	7,000
Total	21,000	15,000	36,000

If a Village wide GIS system were to be implemented, the above expenses would be transferred to specific GIS line items within the budget. Please note that these estimated expenses are only for existing GIS operations and do not include costs associated with efficiencies that may be gained from a Village wide system.

Through the implementation of GIS, certain efficiencies will be gained through the use of this technology in daily operations. Examples of these efficiencies include the ability to quickly look up utility information, develop address notification lists (i.e. notify all proprietaries within 200')

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and perform field measurements without having to go to the site. Quantifying the anticipated efficiencies created by a GIS system within La Grange is challenging since a new system would be a different business model. As a comparison, other municipalities within the GIS Consortium have sought to quantify these cost savings by assessing the daily operations and use of a system wide GIS within the individual communities.

Staff believes that La Grange’s efficiency experience would be similar to the other communities in the Consortium of similar size. Attached for your reference are two studies that discuss the value of the efficiencies created by GIS (1) Valuing Geographic Information Systems: A Decision Maker’s Perspective (Attachment B) and (2) Village of Riverside: 2010 Community Cost Savings Overview. From the charts provided in these reports the efficiencies created for La Grange could be valued at \$70,000. It is important to note that the value of the efficiencies created are operational in nature (rather than lower expenses from a budgetary standpoint) and would allow staff the ability to perform other work functions.

GIS SERVICE PROVIDERS

The Village currently relies on a collection of outside vendors to provide GIS services on differing platforms. These firms and organizations include Cook County, Heuer and Associates, Municipal GIS Partners, and Hancock Engineering. Typically municipalities rely on consulting engineering firms, GIS specific technology companies, in-house staff and/or partnerships of municipalities such as the GIS Consortium (GISC) to provide these types of services. Although this approach has benefited the Village, there is an opportunity to create efficiencies by eliminating duplication and standardizing these services into a single GIS solution.

For a preliminary understanding of the costs, additional information is being provided as part of this workshop on the GISC so that an understanding of the expected costs for implementing a GIS system are known. The GIS Consortium (GISC) was formed in 1999 as a way to implement GIS technology without incurring full time staffing costs. GISC member communities share in staffing expenses, hardware and software costs, and the development of GIS technology for municipal services. The organization has grown to 17 Chicagoland municipalities, and includes the following:

GISC Member Communities		
City of Highland Park	Village of Morton Grove	Village of Wheeling
Village of Glencoe	Village of Winnetka	Elk Grove Village
City of Park Ridge	Village of Skokie	Village of Riverside
Village of Lincolnshire	Village of Lincolnwood	Village of Oak Brook
City of Des Plaines	Village of Glenview	City of Lake Forest
Village of Deerfield	Village of Norridge	

As previously stated, one of the primary aspects of the GISC is the staff sharing model that the consortium operates under. Each member community is assigned a staff allocation (between 20% and 100%), based on their geographic size. Smaller communities, such as La Grange, are

6-C.3

assigned a lower allocation (between 20% and 50%), which would allow them to have a GISC staff member in the community between 1-3 days a week. Given its size and population, the GISC recommends La Grange for a 20% allocation, which would mean that a GISC staff member / technician would be working in the Village one (1) day a week. This type of third party staffing model has served the Village well in several key departments (Village Engineer, Village Attorney and Information Technology.) In addition to staffing, through municipal collaboration La Grange would have access to existing and future GIS technologies and innovations created by anyone of the member communities.

Additionally, Village staff from Police, Fire, Finance, and Public Works visited Riverside to observe their GIS system and ask questions concerning their participation in the GIS Consortium. After the visit, all of the attendees indicated this model would work for the Village should the Board recommend implementation of the technology. The estimated budget for the Consortium model is roughly \$45,000 per year and is provided for your reference as Attachment D. While not a direct comparison since the existing and proposed systems are different, the Village's existing expenses noted above are roughly \$36,000. Staff believes the additional net increased cost is offset by gains in (1) staff efficiency (2) staff productivity and (3) accuracy.

FUNDING

As staff advised in November, we have carried this thought process for GIS into the budget development process. Should the Board provide direction to pursue a Village wide GIS system, staff has proposed funding in the FY2011-12 budget as follows, which is based on the estimated utilization of GIS across the different department and funds:

FY2011-12 – Proposed GIS Budget	
General Fund – Community Development	5,000
ETSB Fund	10,000
Water Fund	10,000
Sewer Fund	10,000
Parking Fund	10,000
Total	45,000

Please note that the impact to the general fund based on the proposed funding above is \$5,000. As a comparison, adding full-time IT staff dedicated to GIS would be significantly more than the estimated costs of joining the GISC.

6-C.4

SUMMARY

Staff believes that the implementation of a Village wide GIS system is the most cost effective way to accomplish the Village's strategic technology goal of information sharing and mapping. The benefits of changing from the current model include the following:

1. Standardization of data throughout the organization
2. Reduction in redundant data collection initiatives
3. Increased accuracy of data through the collective use and checking of the information throughout the organization and public
4. Elimination of outside consultants to provide services for current GIS mapping systems
5. Provides the ability for enhanced data analysis through shared information across all Departments
6. Changes the data storage model from consultants to Village. Currently data retrieval and analysis, data correction or map creation requires staff to request and reimburse consultants for each request since the data and software to support this data resides on systems outside the Village
7. Supports the existing services provided by the Village
8. Provides the potential for additional mapping layers such as tree inventories, sign inventories, fire pre-plan data all within the costs of the anticipated GIS budget.
9. Delivers enhanced technology at a fraction of the cost compared to a full time IT department including hardware and software.
10. Provides easily accessible, useful data to realtors and developers to "market" the Village and eliminates contacts to Village staff for same information
11. Provides enhanced service to Village residents and businesses through the use of technology

Staff requests consensus direction from the Village Board as either (a) proceed with further planning efforts and provide a recommendation to the Village Board for implementation of a Village wide GIS system or (b) continue to provide mapping services through existing consultant services.

Should the direction be to implement a Village wide GIS system, the next steps would be to apply for membership to the GISC, develop agreements with the GISC and MGP for Board consideration, and develop a transitional plan from existing mapping functions to a new system. Should the direction be to continue with the existing mapping services model, no further action is required; each Village department would continue to procure mapping services on an as needed basis. For example, the Police Department would need to contract separately with a GIS service provider to update mapping information for the 911 system, and Public Works would most likely continue to rely on Heuer and Associates for management of the utility atlases.



Village of La Grange

Geographic Information Systems

April 25, 2011

6-2-11

Tom Thomey, Owner & Senior Consultant

Municipal GIS Partners, Inc.

- GIS Industry since 1985
- City of Highland Park, GIS Manager, 1994-1997
- Created MGP Inc in 1998
- Founder of the GIS Consortium (www.GISConsortium.org)

6-6.11

Formed in 1998

Local government and GIS focus

GIS Consortium architect

Staff proficiencies

- 12 GIS Specialists
- 2 Application developers
- 1 GIS Analyst
- 1 GIS Coordinator
- 1 GIS Manager

6-6-8

www.MGPInc.com



GIS and Local Government

Demonstration – MapOffice™ Advanced

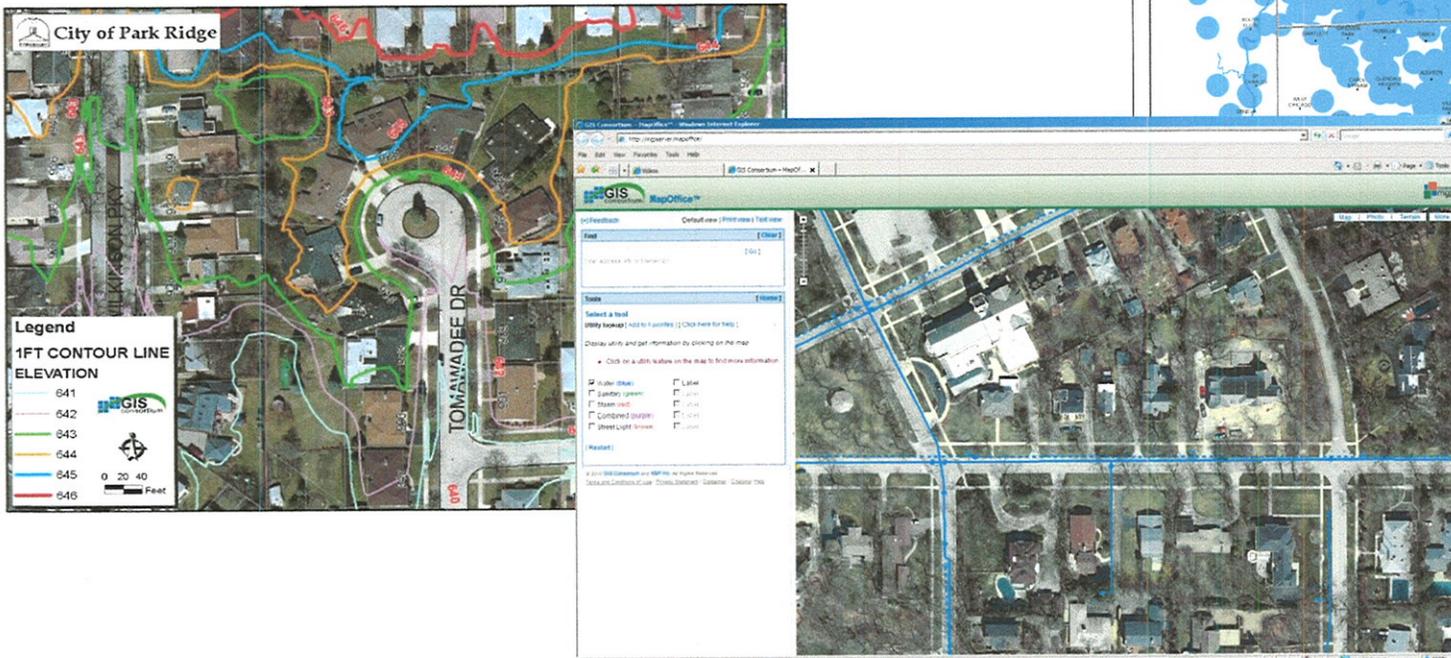
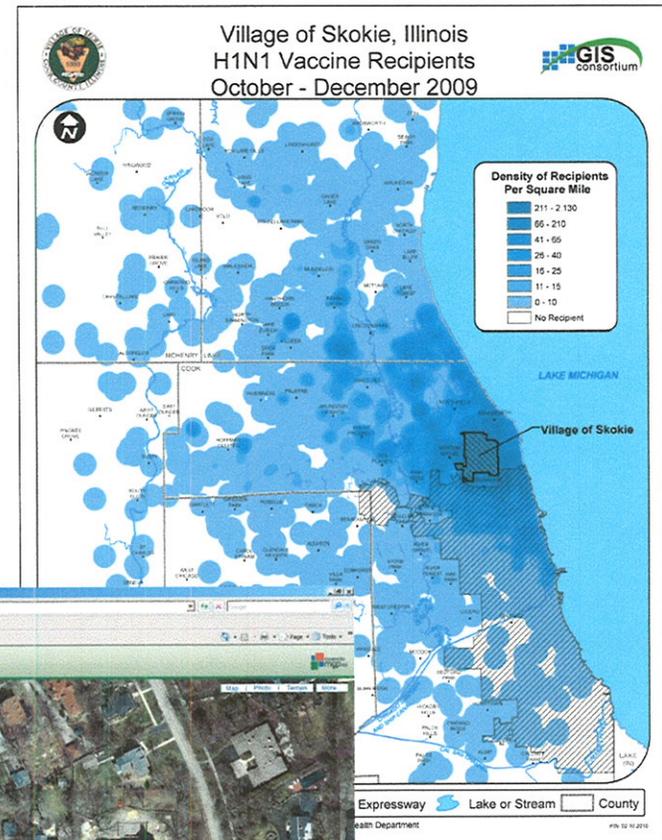
GIS Consortium overview

Discussion

6-019

Smart maps

- Organizes geographic and descriptive information
- Defines how points are bound, how lines are connected, and what areas are contiguous
- Enables spatial and descriptive querying, reporting, analysis and mapping



6-0-10

Operational efficiency

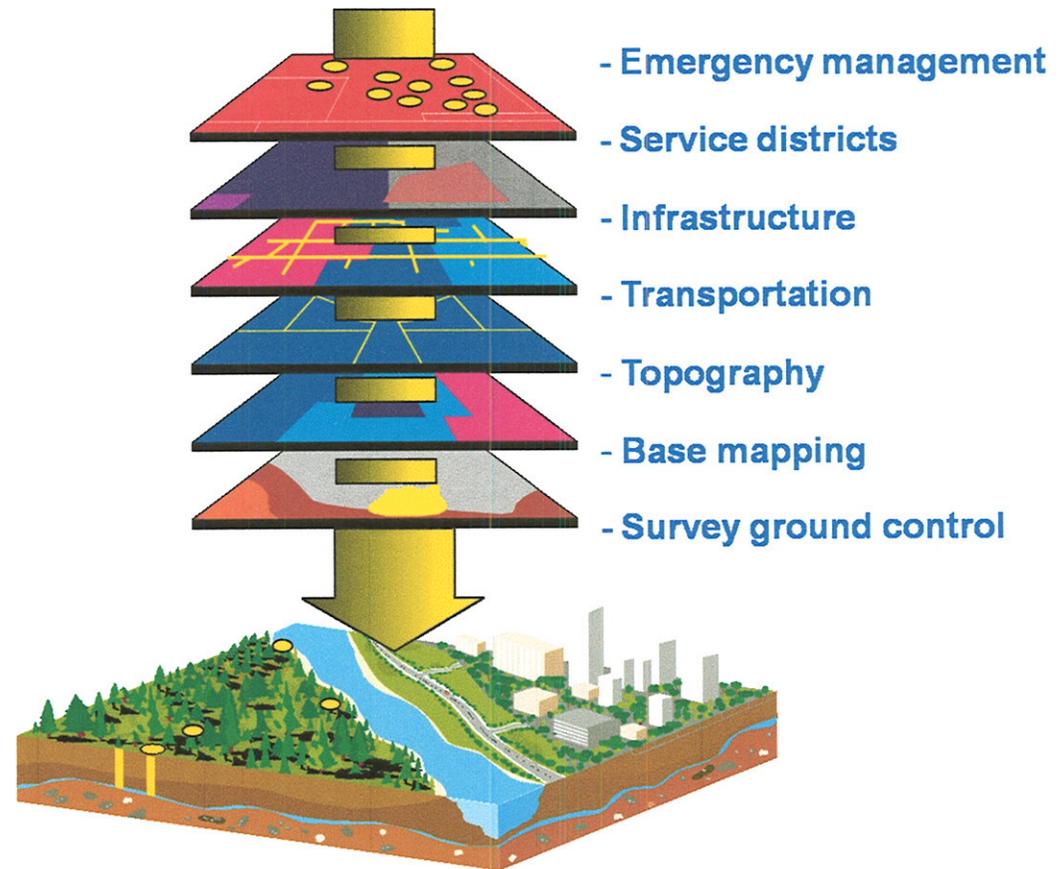
Evolving workforce

Analysis

Presentation

Enterprise model

Flexibility



6-2-11



6-C.12

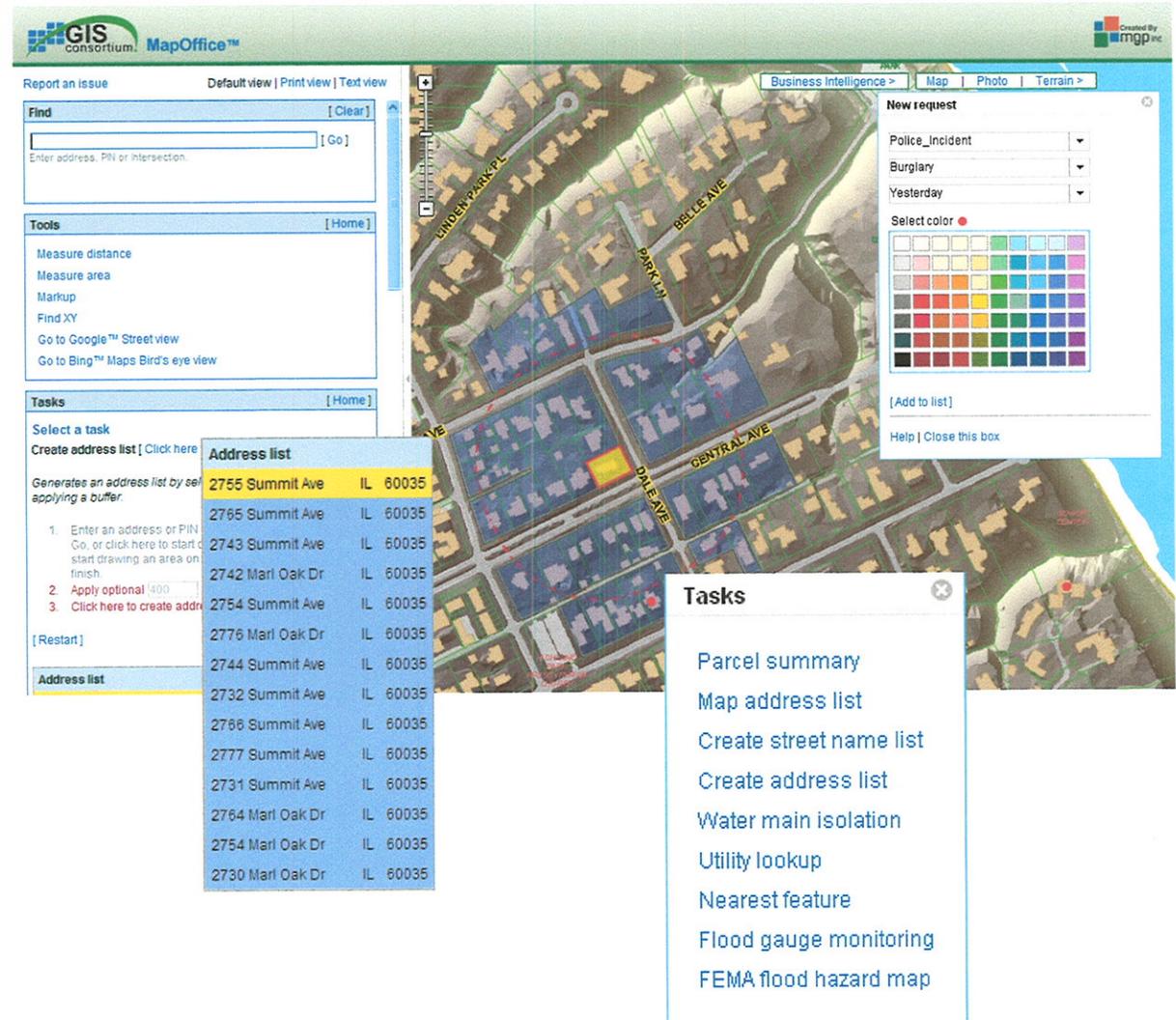
Reduce complexity

Local government business processes

Engage staff

Connect workflows

Expedite tasks



The screenshot displays the MapOffice™ Advanced GIS interface. The main map shows a residential area with streets like Linden Park Pl, Belle Ave, Dale Ave, and Central Ave. A yellow highlighted area on the map is associated with an 'Address list' table.

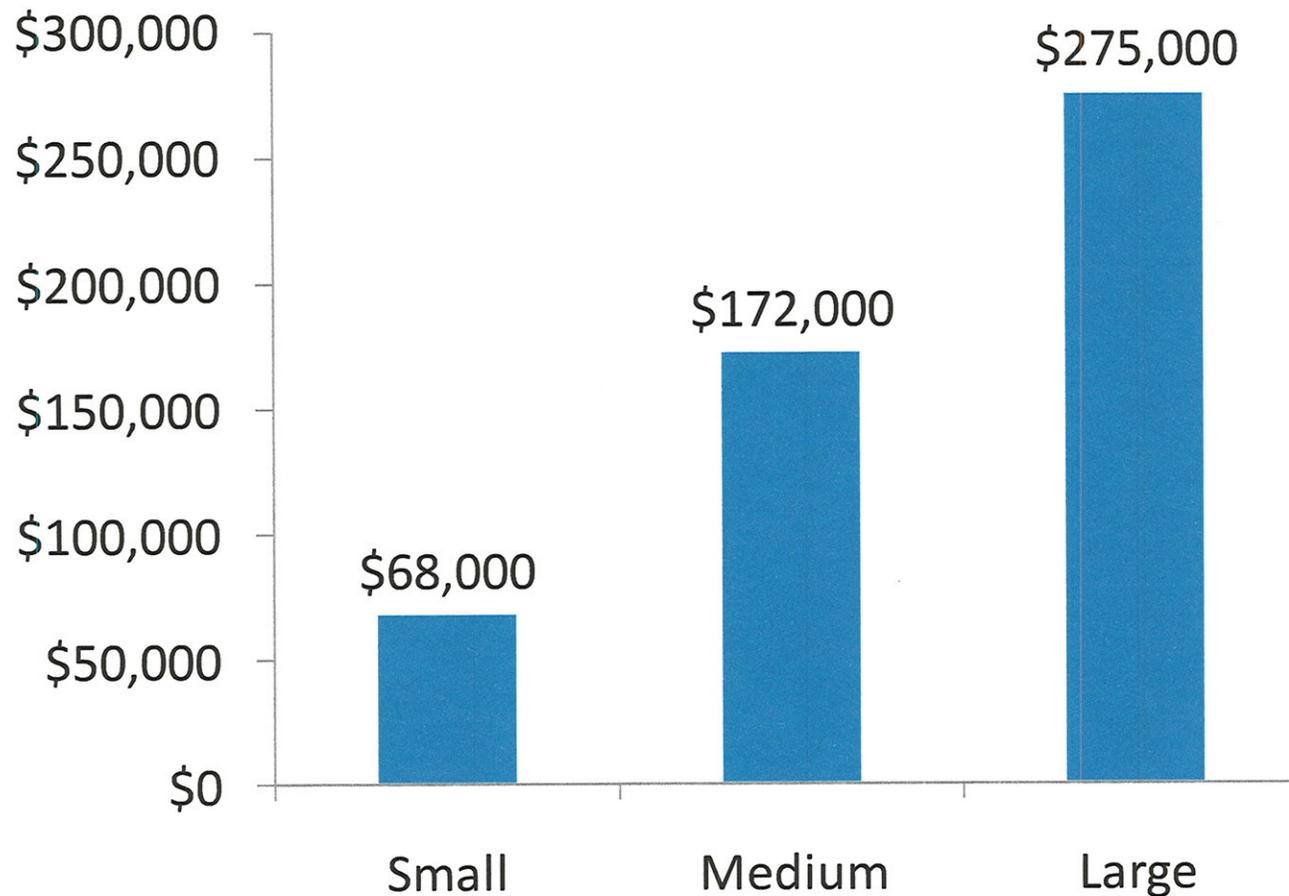
Address list	Address	City	Zip
1	2755 Summit Ave	IL	60035
2	2765 Summit Ave	IL	60035
3	2743 Summit Ave	IL	60035
4	2742 Marl Oak Dr	IL	60035
5	2754 Summit Ave	IL	60035
6	2776 Marl Oak Dr	IL	60035
7	2744 Summit Ave	IL	60035
8	2732 Summit Ave	IL	60035
9	2786 Summit Ave	IL	60035
10	2777 Summit Ave	IL	60035
11	2731 Summit Ave	IL	60035
12	2764 Marl Oak Dr	IL	60035
13	2754 Marl Oak Dr	IL	60035
14	2730 Marl Oak Dr	IL	60035

On the right side, there is a 'New request' panel with dropdown menus for 'Police_Incident', 'Burglary', and 'Yesterday', along with a color selection palette. Below the map, a 'Tasks' panel lists various actions:

- Parcel summary
- Map address list
- Create street name list
- Create address list
- Water main isolation
- Utility lookup
- Nearest feature
- Flood gauge monitoring
- FEMA flood hazard map

6-C-113

Efficiency Savings by Community Size

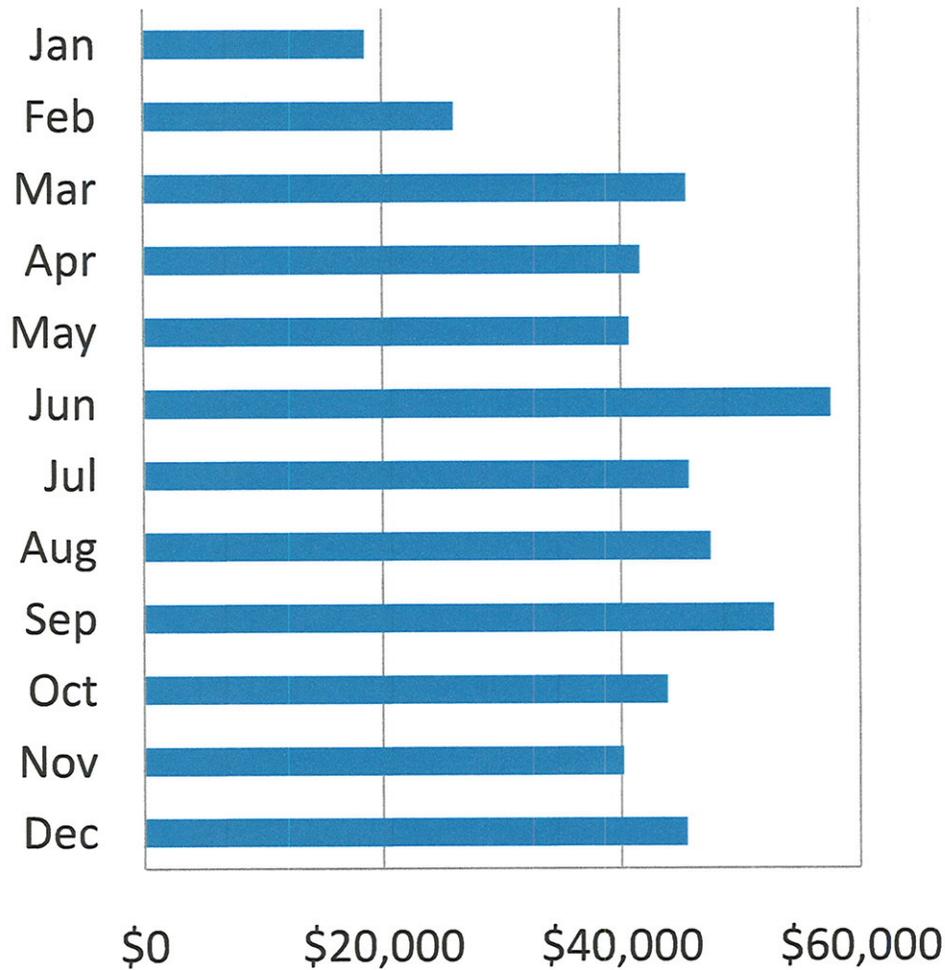


6-0114

Community	Total GIS Cost Efficiencies	Repetitive Business Processes	Special Projects
Des Plaines	\$601,075	\$505,100	\$95,975
Elk Grove	\$396,762	\$348,700	\$48,062
Glenview	\$615,975	\$534,550	\$81,425
Skokie	\$212,450	\$183,300	\$29,150
Wheeling	\$219,675	\$159,350	\$60,325
Winnetka	\$433,675	\$352,250	\$81,425

67-C.157

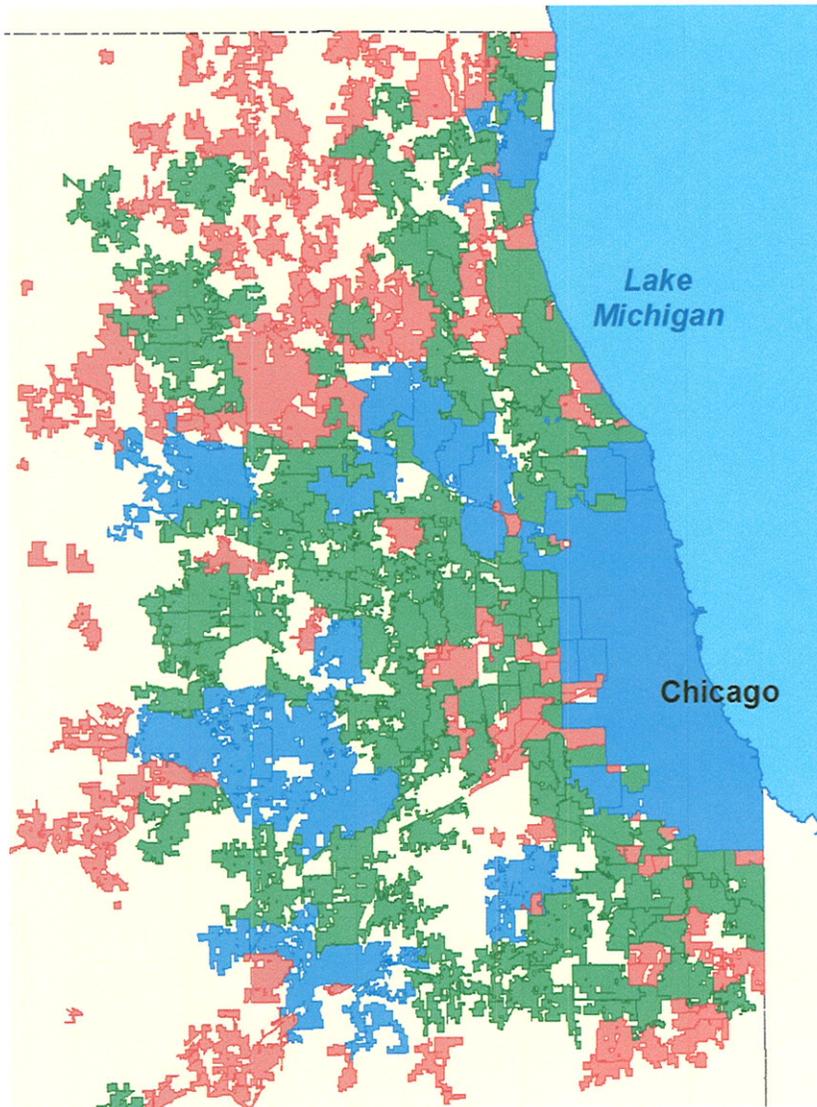
Repetitive Business Processes (MapOffice™)



Sample Special Projects

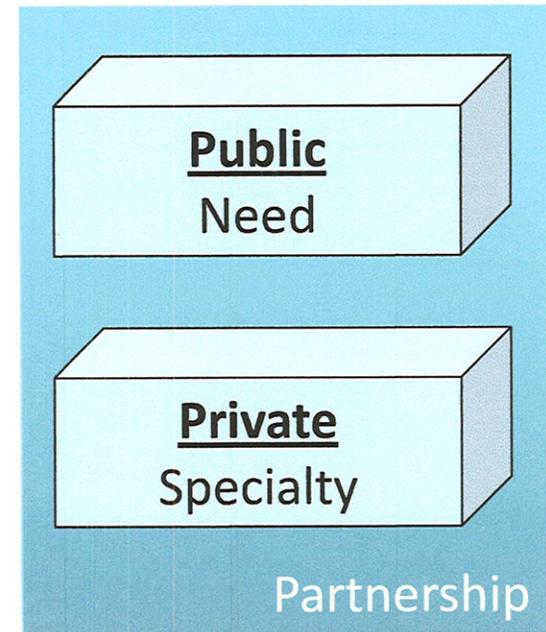
Name	Cost Savings
Model Community Grant	\$4,087
City Sticker Fee Collections	\$2,925
ComEd City Facility Billing Review	\$2,800
Safe Routes to School	\$1,537
Sign Management and Inventory	\$1,012
Downtown Parking Inventory	\$725
Lady of Guadalupe Celebration	\$537
Three Day Cancer Walk	\$412

6-C-19



Population

- 50,000+
- 10,000 - 49,999
- Less than 10,000



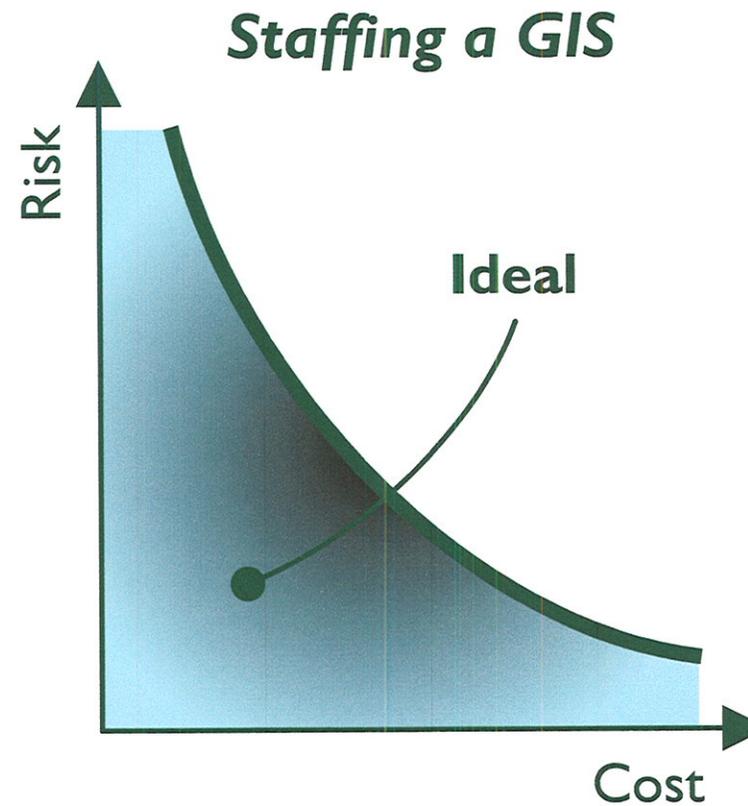
6-C.17

Multiple specializations

High risk factor

Cost prohibitive

Long-term liability



81-0-18

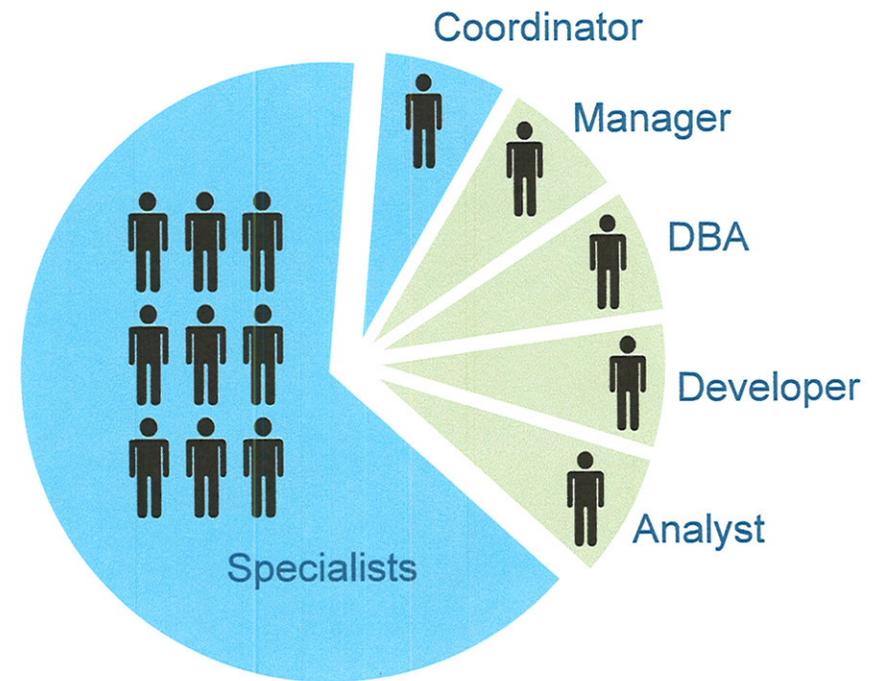
Addresses staffing challenge

Access without fulltime cost

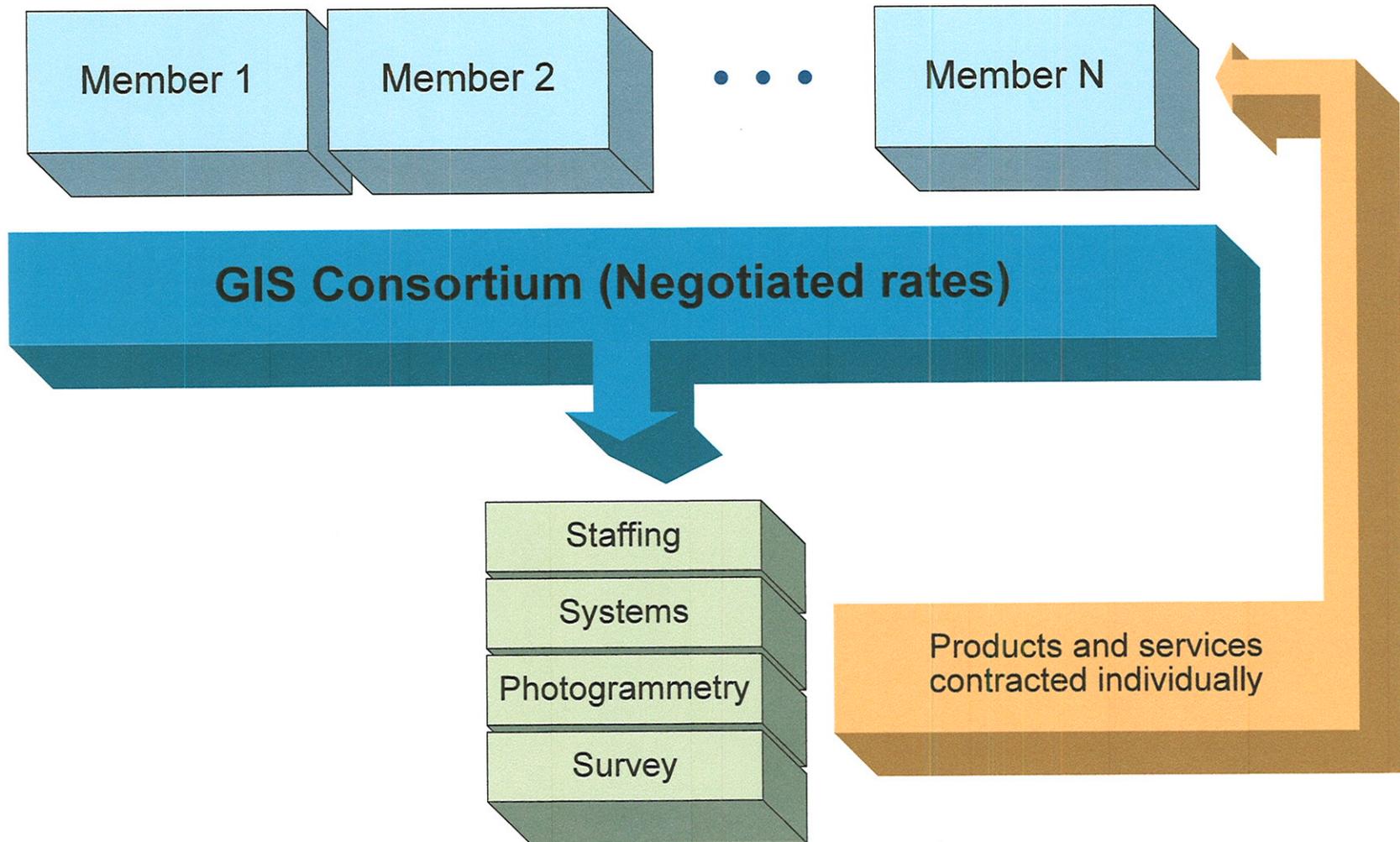
Rates based on service

Accountability

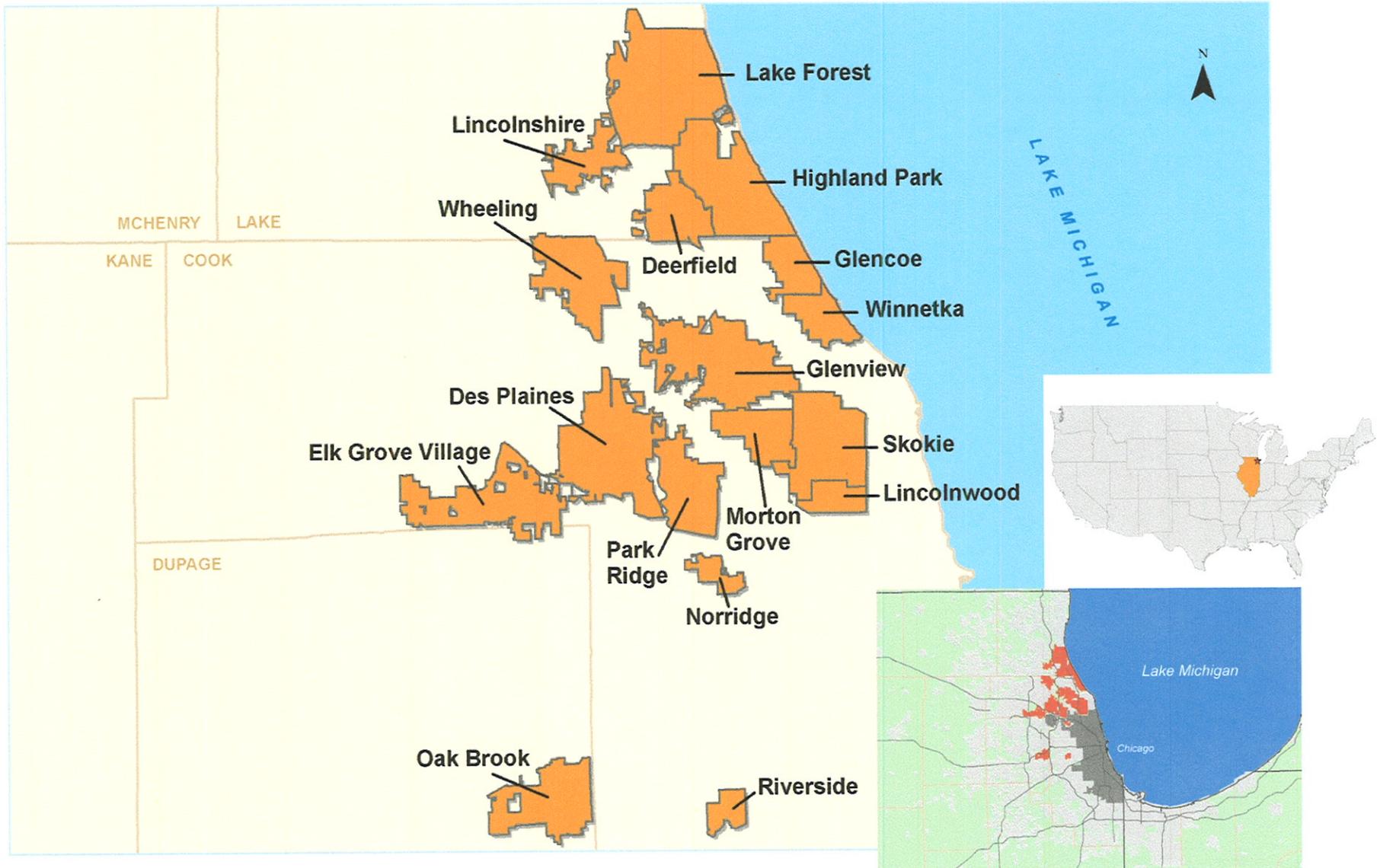
Shared staffing model



6-11-19



6-20



6-2-11



GIS Consortium – Membership statistics

Members	Since	Population	Parcels	Area (Sq. Mi.)
City of Highland Park	2000	31,365	11,230	12.26
Village of Glencoe	2000	8,762	3,658	3.81
City of Park Ridge	2000	37,775	13,388	7.12
Village of Lincolnshire	2000	7,038	2,358	4.56
City of Des Plaines	2002	58,720	18,635	14.36
Village of Deerfield	2002	18,420	6,288	5.43
Village of Winnetka	2003	12,419	4,470	3.86
Village of Morton Grove	2003	22,451	8,959	5.09
Village of Skokie	2005	63,348	22,723	10.06
Village of Lincolnwood	2005	12,359	5,301	2.69
Village of Glenview	2006	41,847	14,415	14.07
Village of Norridge	2007	14,582	3,750	2.00
Village of Wheeling	2008	34,469	6,966	8.35
Village of Riverside	2008	8,895	3,307	1.97
Elk Grove Village	2008	34,727	10,687	11.04
Village of Oak Brook	2008	8,702	3,401	8.16
City of Lake Forest	2010	20,990	7,528	16.96
TOTAL Buying Power		436,869	147,064	131.79

6-6-22

- Formed in 1999
- Initiation fee (\$4,000 - \$20,000)
- There are no annual membership fees
- Joint initiative costs are distributed
- Each member has one-vote
- Community owns its equipment, software, and data
- All members have equal rights to intellectual properties
- Data-sharing among members is required
- Service providers are evaluated annually
- The GIS Consortium has never lost a member



www.GISConsortium.org

6-2-2011

2010 Excellence Award



GITA
Geospatial Information Technology Association

2007 Management Innovation Award



APWA
American Public Works Association
Chicago Metro Chapter

6-24



Village of La Grange

Thank you for your time today

6-11-25

GIS Consortium

Valuing Geographic Information Systems (GIS) A Decision Maker's Perspective

November 2009
Second Edition

Provided By:

GIS Consortium
Board of Directors

MGP, Inc.
Service provider



Recipient of the 2007 Management Innovation Award, APWA Chicago Metro Chapter

Geographic Information System Consortium
www.GISConsortium.org

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6-C.27

Executive summary

Mapping and local government have a long history together. The first community boundaries were documented using map diagrams and legal descriptions. We can find map products of various scale and content in every local government department. Some examples include zoning maps, utility plats, flood plain maps, police beats, redevelopment plans, fire response districts, and tax plats. Almost every local government business process has a location. It is not surprising therefore, that geographic information systems (GIS) have been part of local government since the 1980s. A GIS integrates hardware, software, and data for capturing, managing, analyzing, and displaying all forms of geographically referenced information.

Organizations implement a GIS program with the goal of providing multiple solutions to local government problems. GIS when implemented has as much value as a phone system or word-processing software. A fully integrated GIS has value to every department in local government aiding them in realizing cost-savings.

This paper analyzes GIS from this cost-savings perspective. That is, what cost-savings can accrue to the organization with a GIS program? Cost-savings is derived by comparing business process efficiency in an organization with (and without) a GIS program. The estimates provided use conservative assumptions. The results represent a reasonable and supportable basis for demonstrating cost-savings with GIS. The first edition of this document outlined eight general areas where the introduction of a GIS could save communities money and improve efficiency. In the second edition we outline two additional areas for communities to save with the implementation of a GIS.

Scope

Two fundamental issues exist that pertain to this discussion. These issues are beyond the scope of this document. The first is public mandates for GIS. The second is maintenance of institutional knowledge. While public mandates often do not specifically mention GIS technology, they essentially require it by requiring increasingly detailed information. These mandates include E9-1-1 Phase II mobile mapping, GASB (Governmental Accounting Standards Board) and NPDES (National Pollutant Discharge Elimination System). These mandates are difficult to achieve without a GIS. Organizations often address these mandates independently of each other and without consideration of a GIS program that could meet multiple needs. In addition, it is reasonable to anticipate that more mandates will require this technology specifically in areas such as Homeland Security, environmental impacts, and general public services.

The second issue is the preservation of institutional knowledge. Local government is facing an information-crisis of attrition. The older workforce made up of 20 to 30 year career employees are leaving local government, taking with them the knowledge of the systems that the community is responsible for maintaining. This group is being replaced with a more transient workforce (and perhaps outsourced) that will not have the benefit of the experience of their predecessors. Although the modern workforce may be more technologically advanced, they will require the necessary information to be more efficient. GIS plays a major role in filling this void.

Conclusion

GIS saves money, the degree to which it does, varies by organization. This paper illustrates that cost-savings is directly proportional to the utilization of the program. The more the system is used the more value it generates. For this to occur there needs to be a top-down incentive to utilize the system. This includes maintaining a reliable system and providing the necessary resources and training to support that system. In addition to supporting traditional local government processes in a more efficient automated format, GIS can generate significant cost-savings and value to the organization.

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Overview

This section examines the most basic uses of GIS within local government. The business processes presented here are a fraction of the many possible applications of this technology. The intent of this analysis is to identify the most common uses of GIS and provide a framework for understanding the cost-savings that GIS can offer.

Cost-savings estimate

This analysis compares the costs of performing local government business processes with a GIS to one without. The following assumptions were used in order to perform this analysis:

- The GIS implementation is similar in scale to the GIS Consortium model.
- Multiple approaches exist to performing these processes without a GIS for the purpose of this study selects the most common method.
- As a baseline, the hourly rate was standardized.

Business processes

This analysis represents a fraction of the local government business processes supported by GIS. In fact, many of the large cost-savings projects are not included here. Rather we focused on the processes that occur with frequency and can be completed by many community employees, not just GIS professionals.

Summary

Basic GIS capabilities generate significant cost-savings. The efficiencies revealed here are compelling because they represent a relatively small set of the business processes that GIS supports. As a means of comparison, the report provides two examples. The first column identifies the general GIS use case. The second represents the savings for a small community with a size of two square miles and a population of 3,000. The third column-collection provides the same analysis for a large community with a size of 15 square miles and a population 60,000.

General GIS Uses	Small Community			Large Community		
	Frequency	Annual	Savings	Frequency	Annual	Savings
Utility lookup	100 per month	1200	\$14,000	100 per week	5200	\$60,667
Ad hoc map	25 per month	300	\$13,750	25 per week	1300	\$59,583
Data sharing	1 per quarter	4	\$15,958	1 per month	12	\$47,958
Address mapping	5 per month	60	\$9,900	5 per week	260	\$42,900
Property lookup	50 per month	600	\$7,000	50 per week	2600	\$30,333
Utility updating	5 per month	60	\$1,500	5 per week	260	\$6,500
Field measurement	2 per month	24	\$1,180	2 per week	104	\$5,113
Address list	1 per month	12	\$570	1 per week	52	\$2,470
Enterprise integration	1 per month	12	\$1,150	1 per week	52	\$4,983
Community statistics	1 per month	12	\$2,850	5 per month	60	\$14,250
	Annual		\$67,858	Annual		\$274,758

A community that can develop a GIS to support these basic business process can recognize cost-savings. The savings comes in the form of efficiencies realized either monetarily or operationally. In addition, utilizing a system for more specialized processes to meet mandates can accrue additional value.

The following pages describe the general business processes in more detail that support the analysis provided.

6-C, 29

Utility lookup

A utility lookup is a process by which staff, residents, developers, real estate professionals, and other utility organizations verify the location, dimensions, condition and type of facility. Utility lookups are required for many local government processes including:

- JULIE locates
- Redevelopment
- Improvements
- Building permits
- Fire protection
- Storm water management
- Basement back ups
- Service locates
- Water main breaks
- Sewer lining

GIS:

Because the information is centralized, updates to the utility information are more timely and accurate. The information available therefore from the GIS is more accurate and detailed than the manual method of looking up the paper versions.

Other:

This analysis assumes that there is a reasonably accurate manual utility plat system. In addition, the analysis does not account for contacting other departments or transferring the caller.

Analysis

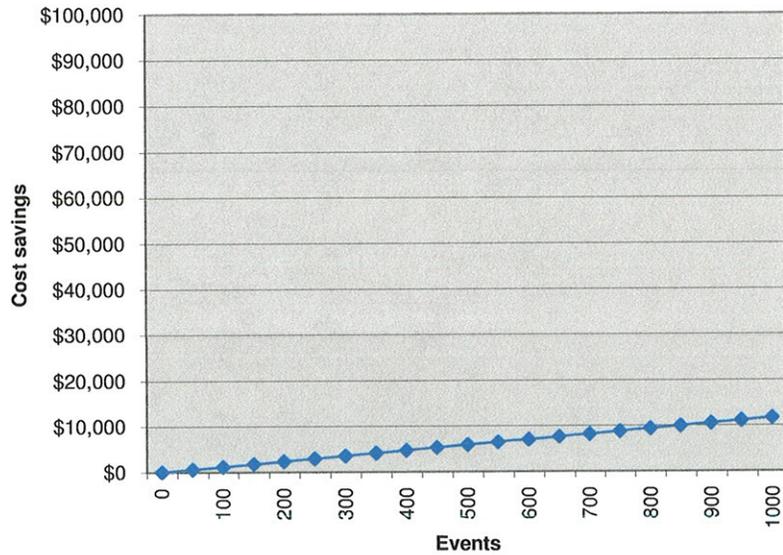
Baseline: \$50.00 per hour

Methods

GIS 1.00 minute(s) / event
 Other 15.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$583
100	\$1,167
150	\$1,750
200	\$2,333
250	\$2,917
300	\$3,500
350	\$4,083
400	\$4,667
450	\$5,250
500	\$5,833
550	\$6,417
600	\$7,000
650	\$7,583
700	\$8,167
750	\$8,750
800	\$9,333
850	\$9,917
900	\$10,500
950	\$11,083
1000	\$11,667



6-0.30

Ad hoc mapping

Creating quick maps within a GIS is the most often used capability. These maps take advantage of the underlying data model and allow the user to create most maps within minutes. While staff creates most of these products, the GIS professional creates some of these products as well. The following is a shortlist of maps that are commonly created on-the-fly:

- Zoning variance
- Site planning
- Business district
- Special event planning
- Mailing inserts
- Meeting presentations
- TIF districts
- Field check maps

GIS:

All community data is available and easily accessible through multiple GIS applications. GIS can quickly publish and electronically deliver many of the Community maps used by staff members.

Other:

This analysis assumes that the only viable alternative to the GIS process is to copy images from a commercial site such as Google™ and overlay layers of information that would typically be stored in the GIS. This approach is viable, but the accuracy of the overlays is questionable and not reusable.

Analysis

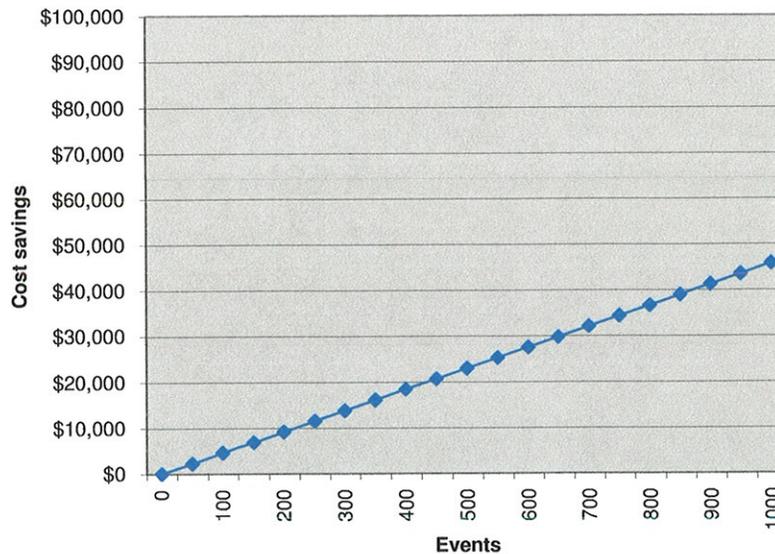
Baseline: \$50.00 per hour

Methods

GIS 5.00 minute(s) / event
 Other 60.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$2,292
100	\$4,583
150	\$6,875
200	\$9,167
250	\$11,458
300	\$13,750
350	\$16,042
400	\$18,333
450	\$20,625
500	\$22,917
550	\$25,208
600	\$27,500
650	\$29,792
700	\$32,083
750	\$34,375
800	\$36,667
850	\$38,958
900	\$41,250
950	\$43,542
1000	\$45,833



6-c.31

Data sharing

Quality base mapping is the starting point for development and capital improvement projects. Developers and consulting engineers routinely request this information from local government. If this data is not currently available, they are required to conduct an independent survey to capture planimetric, topographic, and utility information. With a GIS system, data is readily available and shared among users to ensure the efficiency. This increases the number of potential projects because of the ease of starting the planning process. Projects that most frequently require this data included:

- Road resurfacing
- Bridge replacement
- Property re-development
- New subdivisions
- Environmental impact studies
- Flood control
- 10 year plan
- Utility designs and upgrades
- Intergovernmental data studies
- Hydrology distribution

GIS:

Distribution of data is flexible, can occur in multiple formats and not effected by size of the area.

Other:

This analysis assumes that the designer would have to perform a full topographic based survey. This survey would have to meet or exceed the 1"=50' specifications of the GIS and would include a 1-foot contour surface, full planimetric, and utility locations. Using a quote from a survey company it was estimated that collection without a GIS would be approximately \$4,000 per one (1) acre. This quote was used as the baseline.

Analysis

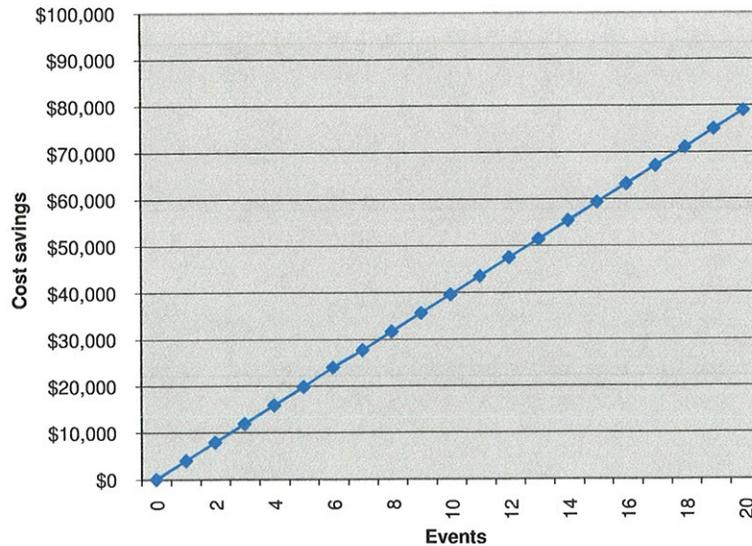
Baseline: \$50.00 per hour

Methods

GIS \$50 cost / event
 Other \$4,000 cost / event

Cost savings schedule

Event	Savings
0	\$0
1	\$3,950
2	\$7,900
3	\$11,850
4	\$15,800
5	\$19,750
6	\$23,958
7	\$27,650
8	\$31,600
9	\$35,550
10	\$39,500
11	\$43,450
12	\$47,400
13	\$51,350
14	\$55,300
15	\$59,250
16	\$63,200
17	\$67,150
18	\$71,100
19	\$75,050
20	\$79,000



6-c.32

Address Mapping

Address mapping is one of the most common reoccurring processes within a community. It consists of mapping department databases to geography for the purpose of uncovering unseen relationships. Any department that maintains a records database can take advantage of this process, including:

- Police incident mapping
- Fire incident mapping
- Work order history
- Tree locations
- Basement flooding
- Employee ride sharing
- Water usage
- Vehicle registration
- Sidewalk repairs
- Building permits

GIS:

This analysis assumes that all addresses are confirmed, located within the community, and available in an electronic format. The displaying of any information associated with a location and the size of the address list does not affect the GIS approach.

Other:

The size and complexity of the address list influences the time it takes using the manual. The larger the address list; the longer it will take to map out each address. This analysis uses a 200-address example, a number difficult to map manually. Address lists of this size would probably necessitate a reduced scope or a cancelling of the project.

Analysis

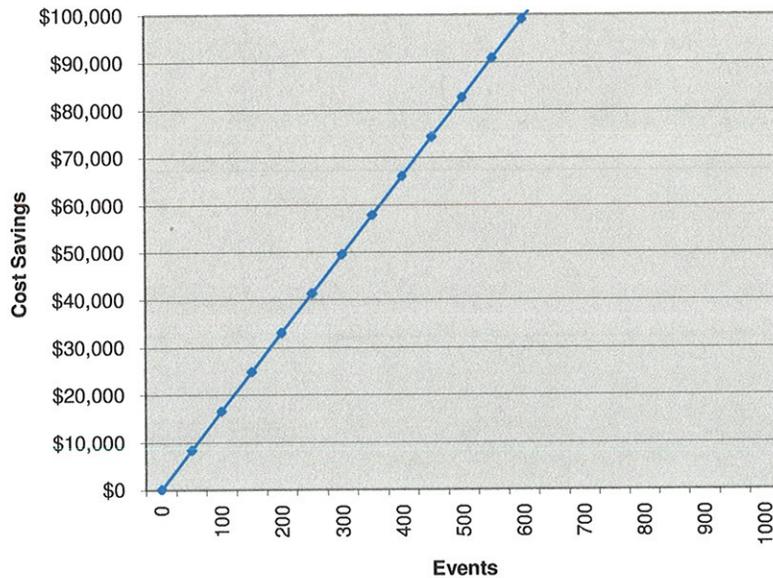
Baseline: \$50.00 per hour

Methods

GIS 2.00 minute(s) / event
 Other 200.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$8,250
100	\$16,500
150	\$24,750
200	\$33,000
250	\$41,250
300	\$49,500
350	\$57,750
400	\$66,000
450	\$74,250
500	\$82,500
550	\$90,750
600	\$99,000
650	\$107,250
700	\$115,500
750	\$123,750
800	\$132,000
850	\$140,250
900	\$148,500
950	\$156,750
1000	\$165,000



6-c.33

Property lookup

One of the primary responsibilities of local government is maintain property records. Having accurate address data is important for public, private and internal business processes. Local government provides information in regards to properties in the community to residents, police, fire and real estate professionals for example. Typically, the request pertains to the property zoning classification, fire district, police beats or services provided by the community for a particular address. Other information may include:

- County assessor information
- Floodplain risk
- Garbage pickup days
- Lot size
- Property configuration
- School districts
- Township
- Voting locations
- Zoning (Mentioned above)

GIS:

Property information is available from several GIS applications with a simple navigate and click. The GIS approach assumes that all data has been previously into the GIS. The event covers the look up of a single item, however with GIS one can look up multiple pieces of information with little additional time spent.

Other:

This analysis assumes that without a GIS staff would be required to leave their workstation and reference several documents including paper maps. This analysis is based on in-person or phoned inquiries and does not consider the efficiency of the GIS Consortium web application that allows requesters to obtain this information without interaction with staff.

Analysis

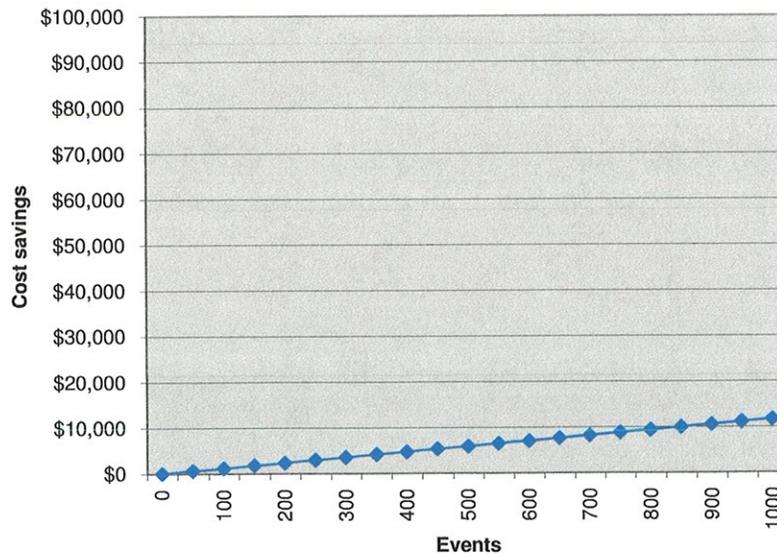
Baseline: \$50.00 per hour

Methods

GIS 1.00 minute(s) / event
 Other 15.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$583
100	\$1,167
150	\$1,750
200	\$2,333
250	\$2,917
300	\$3,500
350	\$4,083
400	\$4,667
450	\$5,250
500	\$5,833
550	\$6,417
600	\$7,000
650	\$7,583
700	\$8,167
750	\$8,750
800	\$9,333
850	\$9,917
900	\$10,500
950	\$11,083
1000	\$11,667



6-6.34

Utility updates

Utilities represent the largest dataset within the GIS data model. These systems consist of water distribution, sanitary sewer, storm sewer, and in some cases electric and lighting systems. Maintenance of utility databases centrally located within the GIS allowing for distribution to staff to support many of the community processes. Additionally, GIS utility systems reference community base mapping, enabling them to be combined and displayed with other community datasets to support planning and decision-making. There are a number of ways in which utility information is utilized, including:

- As-Builts
- Development projects
- Engineering designs
- Field crew updates
- Fire hydrant flushing
- General operations
- Sewer televising
- Utility plats

GIS:

The GIS model provides a comprehensive data model to enter both graphic and non-graphic database information. GIS combines graphic information showing the physical location of utilities in relation to buildings and road edge with non-graphical information like pipe depth and size for example. Users of an integrated GIS based utility system will instantly see changes and updates entered into to the utility network.

Other:

This analysis assumes that the alternative approach for updating utilities is a paper/mylar based process. Staff updates the master copy then copies and distributes it to other departments.

Analysis

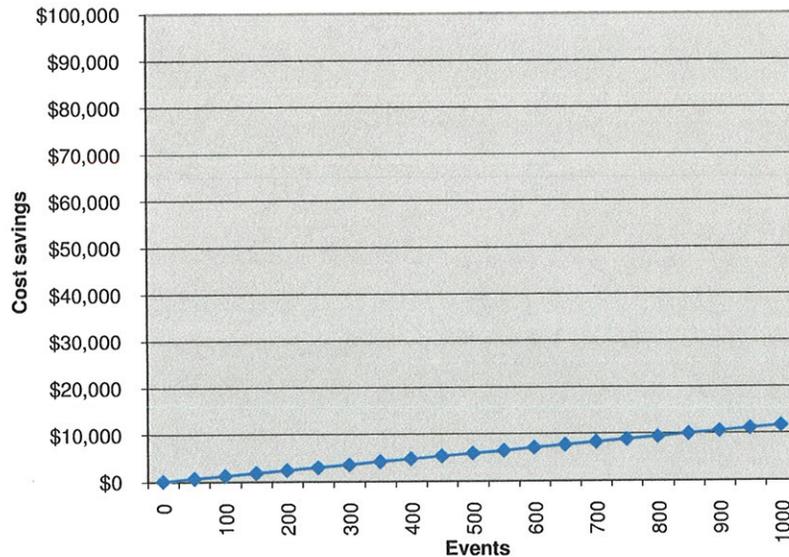
Baseline: \$50.00 per hour

Methods

GIS 1.00 minute(s) / event
 Other 15.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$583
100	\$1,167
150	\$1,750
200	\$2,333
250	\$2,917
300	\$3,500
350	\$4,083
400	\$4,667
450	\$5,250
500	\$5,833
550	\$6,417
600	\$7,000
650	\$7,583
700	\$8,167
750	\$8,750
800	\$9,333
850	\$9,917
900	\$10,500
950	\$11,083
1000	\$11,667



6-C.35

Field measurement

Field measurement is a common practice in local government. Department staff is often required to measure length and area of existing facilities or locations. These measurements provide a basis for determining replacement cost, feasibility of a proposed site, and inventory estimates. The following is a list of field measurement purposes:

- Asset inventory
- Available green space
- Capital project estimating
- Fire accreditation
- Impervious surface area
- Parade route distances
- Parking area capacity
- Safety zones
- Site redevelopment
- Special event location feasibility
- Tree preservation

GIS:

The GIS method allows repeated measurements without significant impact on the number of cases considered. The size and complexity does not affect the time that it takes to make a measurement.

Other:

This analysis assumes that staff is using a measuring-wheel or tape measure to estimate length and area. While the staff person must make at least one trip per measurement, it is more likely that several trips per project occur to obtain all of the criteria in the initial assessment.

Analysis

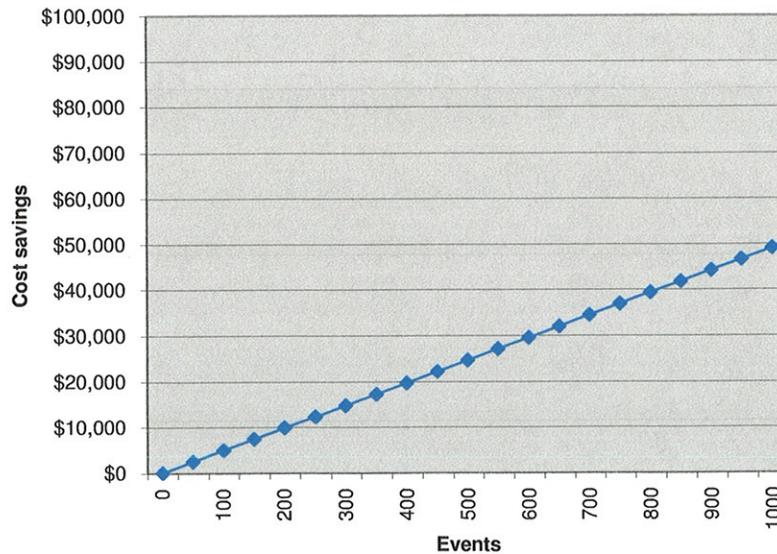
Baseline: \$50.00 per hour

Methods

GIS 1.00 minute(s) / event
 Other 60.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$2,458
100	\$4,917
150	\$7,375
200	\$9,833
250	\$12,292
300	\$14,750
350	\$17,208
400	\$19,667
450	\$22,125
500	\$24,583
550	\$27,042
600	\$29,500
650	\$31,958
700	\$34,417
750	\$36,875
800	\$39,333
850	\$41,792
900	\$44,250
950	\$46,708
1000	\$49,167



6-C-36

Address list generation

Communities are required to generate mailing lists for a number of different business processes. For example, local ordinances require communities to provide notice to properties within a certain distance of a zoning variance petition. Other address list requirements include:

- Affordable housing
- Business notifications
- Capital improvement project notification
- Fire hydrant flushing
- Floodplain notifications
- Health notices
- Newsletters
- Pest control
- Reverse 911 dispatch
- Sex offender notices
- Special events
- Special needs housing
- Surveys
- Zoning variance (Mentioned above)

GIS:

GIS provides the capability of using a geographic feature such a parcel or road to initiate an address list. The size and complexity of the address list does not affect the time required to perform this function.

Other:

This analysis assumes that no automated method exists for generating address lists using geographic processes and therefore a manual process is required. The size and complexity of the address list affects the time required to perform the task.

Analysis

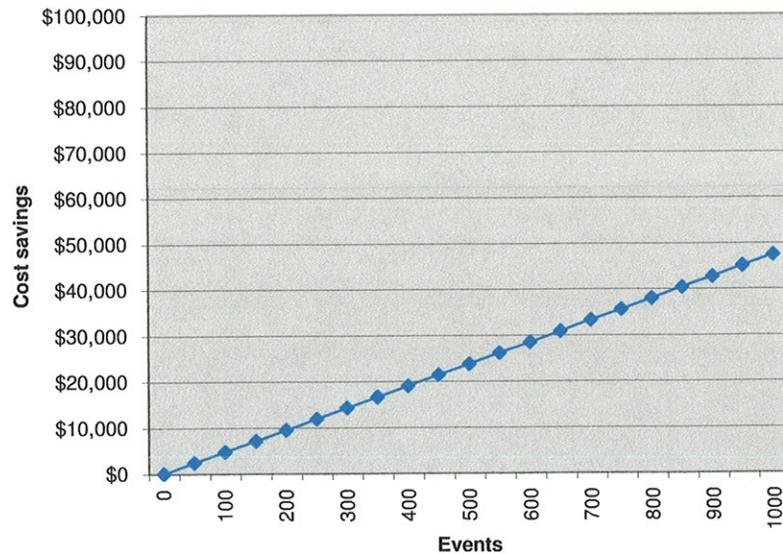
Baseline: \$50.00 per hour

Methods

GIS 3.00 minute(s) / event
 Other 60.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$2,375
100	\$4,750
150	\$7,125
200	\$9,500
250	\$11,875
300	\$14,250
350	\$16,625
400	\$19,000
450	\$21,375
500	\$23,750
550	\$26,125
600	\$28,500
650	\$30,875
700	\$33,250
750	\$35,625
800	\$38,000
850	\$40,375
900	\$42,750
950	\$45,125
1000	\$47,500



6-C.37

Enterprise integration

The emergence of technology has dictated that local government stores more and more files and documents electronically. The last ten years has seen the emergence of enterprise systems that support a range of functions from permitting, emergency dispatch, reporting and finance. Each of these systems relies on addresses for record keeping. Instead of having multiple sources for possible address information GIS allows for the integration of all these systems pointing to a single accurate address source. Without GIS enterprise integration, these systems are difficult to demonstrate geographically and keep coordinated.

- Permits and inspections
- Fire incident mapping
- Police incident mapping
- Water billing
- Voter registration
- Crime analysis
- Taxpayer information
- Collection of taxes and fees
- Business licensing
- Event tracking

GIS:

Having a single accurate and reliable source for address data is critical for enterprise systems. An address update in the GIS updates that address in multiple enterprise systems. The integration of these systems also allows for the placement of local government records on a map improving work order management, public relations and identifying trends.

Other:

This analysis assumes that without a GIS, staff would be required to; (1) update addresses in multiple enterprise systems, and (2) plot points on a paper map.

Analysis

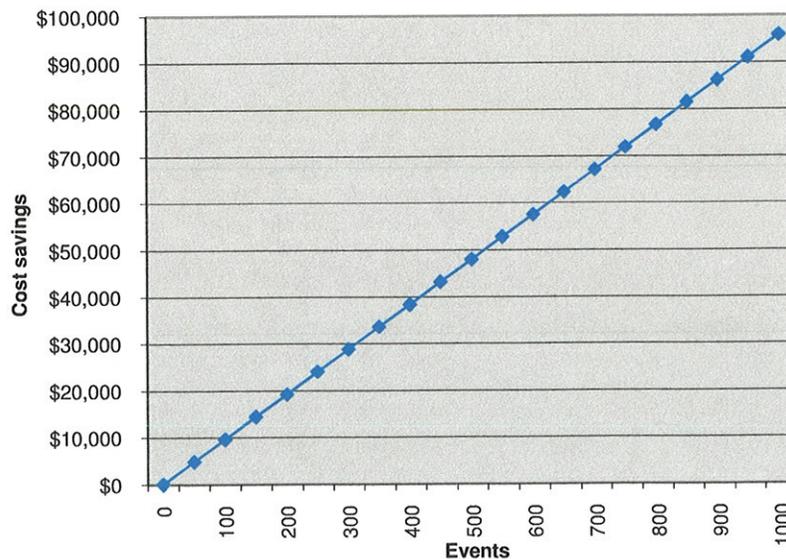
Baseline: \$50.00 per hour

Methods

GIS 5.00 minute(s) / event
 Other 120.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$4,792
100	\$9,583
150	\$14,375
200	\$19,167
250	\$23,958
300	\$28,750
350	\$33,542
400	\$38,333
450	\$43,125
500	\$47,917
550	\$52,708
600	\$57,500
650	\$62,292
700	\$67,083
750	\$71,875
800	\$76,667
850	\$81,458
900	\$86,250
950	\$91,042
1000	\$95,833



6-C-38

Community statistics

With the use of GIS, the gathering of statistics and creation of reports is quick and efficient. A range of statistics is stored in the GIS, from age of the population, to homes in the floodplain, to spending habits of consumers to the footage of community owned water mains. Having a quick way to generate statistics results in lower response times for Federal programs mandates like GASB (Governmental Accounting Standards Board) and NPDES (National Pollutant Discharge Elimination System).

- Customer spending habits
- Demographics
- Site suitability
- FEMA
- Household expenditures
- Drive times
- Traffic counts
- Voting patterns

GIS:

The GIS provides for an integrated system of report generation, analysis, statistic summation and mapping. Creating reports and the generation of statistics from the GIS does not require travel and the size of the request do not affect the time it takes to generate.

Other:

This analysis assumes that the alternative approach for the creation of such reports and statistic reporting would be to gather the information for a the Census Bureau or other type of paper records and load them into a spreadsheet run the calculations and then use a paper map to display the results. This example is for a single report.

Analysis

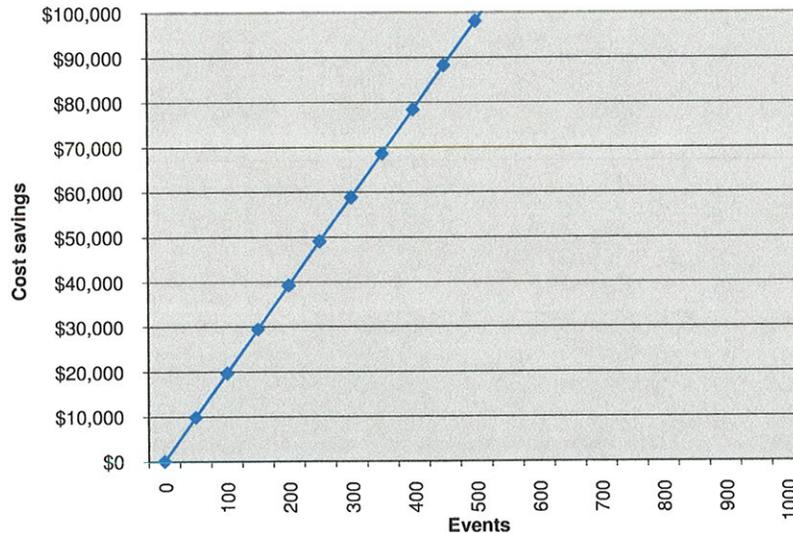
Baseline: \$50.00 per hour

Methods

GIS 5.00 minute(s) / event
 Other 240.00 minute(s) / event

Cost savings schedule

Events	Savings
0	\$0
50	\$9,792
100	\$19,583
150	\$29,375
200	\$39,167
250	\$48,958
300	\$58,750
350	\$68,542
400	\$78,333
450	\$88,125
500	\$97,917
550	\$107,708
600	\$117,500
650	\$127,292
700	\$137,083
750	\$146,875
800	\$156,667
850	\$166,458
900	\$176,250
950	\$186,042
1000	\$195,833



6-C.39

Village of Riverside

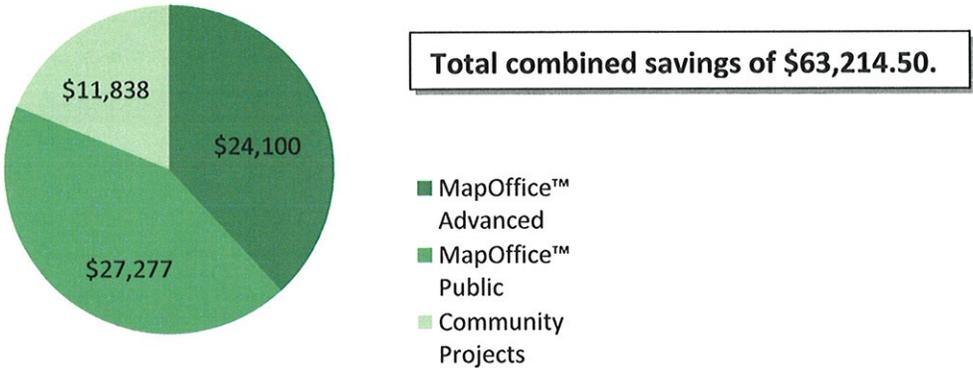
2010 Community Cost Savings Overview

Summary

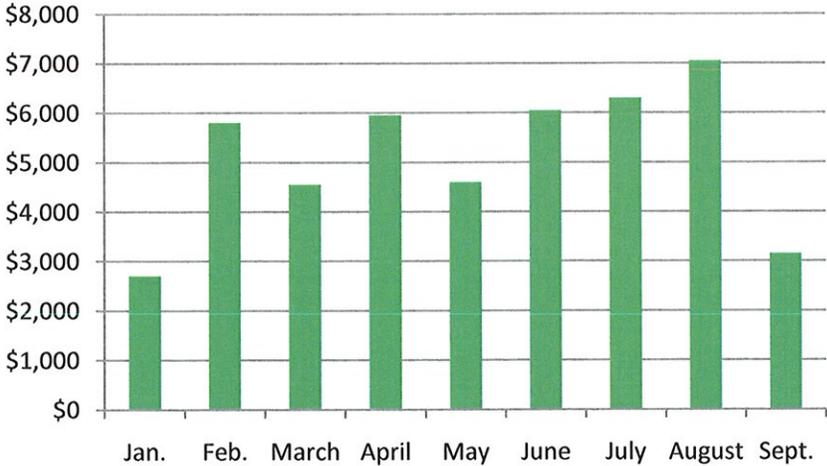
This report outlines the cost savings for the Village of Riverside for 2010. There are two components to this savings: community projects tracked by the GIS Specialist and the tracking of use of MapOffice™ by the Village.

To date, a cost savings of \$63,214.50 has been estimated. This estimate is a combination of tracked uses for MapOffice™ Advanced used on the local network by community staff, MapOffice™ Public which is used by the residents of Riverside, and community GIS projects that have are completed or ongoing for 2010. The chart below shows a summary of all costs savings by Riverside from January 1st to September 30, 2010. The details behind these numbers are included in the tables on pages 2-5.

Combined cost savings for Riverside



MapOffice Use™



le-c.40

MapOffice™ Advanced Cost Savings

USE CASE NAME	COUNT	COST SAVINGS
FEMA flood hazard map	25	\$250.00
Go to Google Maps Street View	85	\$600.00
Go to Microsoft Bing Maps Bird's eye View	24	\$150.00
Utility lookup	140	\$3,250.00
Water main isolation	70	\$3,350.00
Create address list	28	\$600.00
Create Pdf	20	\$200.00
Create street name list	11	\$250.00
Custom overlay	143	\$6,550.00
Export to graphic	40	\$100.00
Feedback	7	\$100.00
Find and Go	55	\$600.00
Map address list	20	\$450.00
Measure area	14	\$300.00
Measure distance	37	\$850.00
Parcel summary	195	\$4,700.00
Photo view	58	\$400.00
Print	53	\$1,250.00
Terrain view	22	\$150.00
TOTAL	1,047	\$24,100.00

MapOffice™ Public Cost Savings

USE CASE NAME	COUNT	COST SAVINGS
Measure distance	147	\$3,552.50
Measure area	48	\$1,160.00
Parcel summary	406	\$9,811.67
Google Maps Street View	122	\$915.00
Microsoft Bing Maps Bird's eye View	85	\$637.50
Create PDF	16	\$160.00
Export to graphic	31	\$77.50
Find and Go	504	\$5,880.00
Photo view	311	\$2,332.50

60-0.41

USE CASE NAME	COUNT	COST SAVINGS
Print	74	\$1,788.33
Terrain view	124	\$930.00
Mark up map	3	\$32.50
TOTAL	1,871	\$27,277.50

2010 Community Projects

PROJECT NAME	DESCRIPTION	COST SAVINGS
Control Point Map	Downloaded control point information as provided by Ayres and Associates that were used for the Aerial Data Collection process. Entered the location information into a spreadsheet, incorporated it into the GIS and provided a map and the original PDF documents to Community Development.	\$50.00
Central Business District Comparisons	Information was gathered for Illinois communities with similar characteristics to Riverside as identified by an NIU student study. Business Analyst reports were run on these communities to gather additional retail information to facilitate comparison. TIF information and land use plans were collected.	\$1,400.00
Registered Vehicles	A comparative assessment between registered vehicles and purchased vehicle stickers as of interest to the village Finance Department.	\$1,700.00
Impervious Surface Calculation	Impervious surface calculations were conducted throughout the village utilizing the new planimetric data in the GIS.	\$0.00
Planter bed map	Data creation and map product highlighting planned planter bed improvements.	\$1,900.00
Address and PIN list	Provided a list of addresses and their PINs for Public Works related to a water main abandonment.	-\$12.50
Traffic Restriction Map	Created a traffic restriction map for a road construction project area.	\$12.50
Street Inventory	Existing pavement spreadsheets were brought into the GIS for Public Works to have a quick reference for information and the ability to query and map improvements or improvement plans...later an overlay.	\$62.50
Race Map	A map product was created as requested by the Public Works department from basic sketched information for a race event taking place in Riverside.	-\$225.00

PROJECT NAME	DESCRIPTION	COST SAVINGS
Art Fair Map	A map product was created for the Managers Office similar to the previous year, but along a different city-center street due to construction.	\$112.50
Park Tree Inventory Map	Created a park tree inventory map to be printed in a large format to facilitate landscape meeting discussions.	\$75.00
MABAS Map	Created a regional mutual aid map for Fire services.	\$100.00
Riverside Arts Fair Address list creation	Created an address list of residences affected by the Arts Fair event.	\$0.00
Proposed bike rack and bench location map	Created a map of proposed bike facility locations for presentation at a meeting.	\$12.50
Address Map	An address map was created to be used as a lookup reference when in the field by village staff.	\$62.50
Address Map Prints	Made two map prints (South half and North half) of the Riverside Address Map on 11x17 for Fire Department use.	-\$62.50
Roadway Statistics	Provided traffic counts and roadway condition information for E. Burlington St.	\$25.00
Historic Landmark Locations	A map was created listing the location of 60 landmark structures for which sidewalk stamps exist and would need to be replaced upon new sidewalk.	\$87.50
Forestry Management Support	Creation and maintenance of data and/or products with the purpose of work being primarily focused on the community's forestry management including the tree inventory.	\$1,375.00
Pavement Management Support	Inventory pavement condition throughout the village on village owned streets as a support to pavement management decisions.	\$2,475.00
Property Images	Obtain Cook County property images as provided in the 2010 parcel update request and redistribute as needed to the Historical Commission.	\$1,837.50
Business Licenses	Geocode (address match) a list of business license holders as provided by the Manager's Office and potentially creates a KML for the village website.	\$887.50
TOTAL		\$11,837.50

6-C.43

Village of La Grange, IL
GIS Budget - RAS Alternative

	2011	2012	2013	2014	2015
PROGRAM STAFFING (GISC)	Budget	Budget	Budget	Budget	Budget
GISC Manager	2,844	2,986	3,136	3,292	3,457
GISC Data Administrator	2,844	2,986	3,136	3,292	3,457
GISC Developer	2,844	2,986	3,136	3,292	3,457
GISC Coordinator	2,732	2,869	3,012	3,163	3,321
GISC Analyst	2,277	2,391	2,510	2,636	2,768
GISC Specialist	21,865	22,958	24,106	25,312	26,577
SUB-TOTAL	35,407	37,177	39,036	40,988	43,037
CONTRACTED DATABASES					
Photogrammetric Mapping					
Rapid conversion					
SUB-TOTAL					
HARDWARE					
Thin-client (procured by community)	1,200				
GIS (RAS) Workstation	1,152	1,152	1,152	1,152	1,152
GIS Server					
Plotter/printer					
SUB-TOTAL	2,352	1,152	1,152	1,152	1,152
SOFTWARE					
Arc/Info & Extensions (ESRI)					
ArcView Licenses (ESRI)	3,150				
ArcGIS Server (ESRI)					
GISC Shared Initiatives	646	751	720	753	593
SUB-TOTAL	3,796	751	720	753	593
MAINTENANCE & LICENSES					
<u>Hardware</u>					
GIS Workstation					
GIS Server					
Plotter/printer					
SUB-TOTAL					
<u>Software</u>					
Arc/Info & Extensions (ESRI)					
ArcView Licenses (ESRI)		700	700	700	700
ArcGIS Server (ESRI)					
SUB-TOTAL		700	700	700	700
SUB-TOTAL		700	700	700	700
OTHER EXPENSES					
Supplies & Materials & Postage	750	1,000	1,000	1,000	1,000
Furniture & Fixtures	600				
GISC Initiation Fee	4,000				
SUB-TOTAL	5,350	1,000	1,000	1,000	1,000
TOTAL GIS PROGRAM					
TOTAL	46,904	40,780	42,607	44,593	46,482

11/28/2010

6-C.44

EXECUTIVE SESSION

VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village Clerk, Board of Trustees and
Village Attorney

FROM: Elizabeth M. Asperger, Village President

DATE: April 25, 2011

RE: **CLOSED SESSION — MATTERS RELATED TO COLLECTIVE
BARGAINING**

We are planning to have the Village Board meet in closed session during the April 25 meeting to discuss matters related to collective negotiating between the Village and its employees.

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