

CITY OF LINCOLN
REGULAR CITY COUNCIL MEETING
AGENDA
AUGUST 19, 2019
CITY HALL COUNCIL CHAMBERS
7:00 pm

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Public Participation**
5. **Consent Agenda by Omnibus Vote**

All items under the Consent Agenda are considered to be routine in nature and/or non-controversial and will be approved by one motion. If any one wishes to have a separate vote on any item, it will be pulled from the Consent Agenda and voted on separately.

- A. Payment of Bills
- B. Approval of minutes July 23, 2019 Public Hearing
- C. Approval of Mayoral Proclamation declaring the week of September 1, 2019 as American Payroll Week in the City of Lincoln.
- D. Approval of request from the Railsplitting Association to use Postville Park and to close various city streets for the Annual Railsplitting Festival from Friday, September 20, 2019 until Monday, September 23, 2019.
- E. Approval of request from the Lincoln Park District to use city sidewalks on the square for sidewalk chalk art on Thursday, September 19, 2019 from 8:30 AM until 8:00 PM.
6. **Ordinance and Resolution**
 - A. Ordinance authorizing the City of Lincoln to borrow funds from the Water Pollution Control Loan program.
 - B. Ordinance amending Section 3-7-5 of the City Code, Liquor Regulations.
 - C. Ordinance approving the sale of property to Illinois American Water Company
7. **Bids**
8. **Reports**
 - A. City Treasurer's Report for July, 2019
 - B. City Clerks Report for July, 2019
 - C. Department Head Reports for July, 2019
9. **New Business/Communications**
 - A. Approval of the hiring a new Police Officer from the Police & Fire Commission list.
 - B. Approval of the appointment of Firefighter James Cosby to the position of Fire Inspector.
 - C. Advise and consent to the appointment of Jonathan Parker to the Historic Preservation Commission.
 - D. Approval of the placement of a Referendum to abolish the Civil Service Commission on the March 17, 2020 election.
 - E. Approval of ETSB/9-1-1 Intergovernmental Agreement between Logan County and the City Of Lincoln.
 - F. Approval of Television Franchise Agreement between the City of Lincoln and Comcast of Ill.Ind./Ohio, LLC for a period of ten-years beginning September1, 2019
 - G. Approval of three-way agreement between the City of Lincoln, Lincoln College and Comcast to provide public broadcast service to the Channel 5 Public Broadcast Station for four (4) City Council meetings per month.
 - H. Approval of the removal of the bike path from the design of the City's portion of the Fifth Street Road Project.
10. **Announcements**
11. **Executive Session – 2(c) 11 Potential Litigation**
12. **Adjournment**

We welcome the participation of persons with disabilities at all City of Lincoln meetings. If auxiliary aid or service is required for most effective participation and communication, please notify the City Clerk's Office at 217-735-2815 or cityclerk@lincoln.il.gov no later than 48 hours prior to the meeting time.

PUBLIC HEARING

Lincoln City Hall, Council Chambers
700 Broadway Street | Lincoln, Illinois

Tuesday, July 23, 2019

A public hearing of the City Council of Lincoln was called to order by Mayor Seth Goodman at 7:02 p.m., with proper notice given. Roll call was taken by City Clerk Peggy Bateman.

Present:

Alderman Steve Parrott, Ward 1
Alderman Kathryn Schmidt, Ward 2
Alderman Sam Downs, Ward 2
Alderman Kevin Bateman, Ward 3
Alderman Ron Keller, Ward 3
Alderman Kathy Horn, Ward 4
Alderman Jeff Hoinacki, Ward 4

Present:

City Administrator Elizabeth Kavelman
Treasurer Chuck Conzo
City Clerk Peggy Bateman
Streets Superintendent Walt Landers
Building and Safety Officer Wes Woodhall
Police Chief Paul Adams
Fire Chief Mark Miller
Fire Chief Bob Dunovsky

Absent:

City Attorney John Hoblit
Alderman Tracy Welch

Presiding:

Mayor Seth Goodman

Discussion:

Mayor Goodman turned things over right away to Alderman Kevin Bateman who led in with the budget and appropriations, saying appropriations are what you propose spending. He said this was his first time dealing with an appropriation type budget.

He said the budget was set at some \$22 million. He said looking at the appropriations, every single line has had something added to it. He said it's a 12.85 percent increase in appropriations.

He said he reached out to all the department heads, saying they all got back to him on what they asked for as far as their appropriations. He used Chief Adams as an example and mentioned overtime items. He said his items increased over \$240,000. He didn't

want to drag the meeting on forever, but he said there are some lines that are huge, with the difference between budgeted and appropriated funds.

He proposed going back and looking at the budget, finding the budgeted line items . . . he wanted to set some numbers back to budgeted numbers. He said instead of passing every single line item . . . why don't we pad the Streets and Alley's budget with an extra \$250,000. He said there are fixed expenses in here . . . and mentioned the Animal Control line item. He said we should live within the budgeted amount of money and if the city has money they wanted to appropriate, they should pick the battles they want to fight.

He mentioned if history would have gone backwards, the city could have been setting aside money for 15 years or so to cover the sewer mandates. He said if we're going to vote tonight, he was going to vote no.

Alderman Parrott said he wanted to try to look at percentage differences in 2018 and 2019 and see what the differences are and see what percentages are, to see where we're going from budget year to budget year. He too said he would be a no vote.

Treasurer Conzo said it would be better to amend this in any way in the voting meeting. He then mentioned the sewer mandate, calling it an enterprise fund, saying you can't just take money and put it back for that.

Adjournment:

Mayor Goodman called for any other public comment, without anything further, the meeting was closed at 7:10 p.m.

Respectfully Submitted By:

Alex Williams, Recording Secretary

PROCLAMATION

2019 - _____

American Payroll Week

WHEREAS: the American Payroll Association and its more than 20,00 members have launched a nationwide public awareness campaign that pays tribute to the nearly 150 million people who work in the United States and the payroll professionals who support the American system by paying wages, reporting worker earnings and withholding federal employment taxes; and

WHEREAS: payroll professionals in Lincoln, Illinois play a key role in maintaining the economic health of Lincoln carrying out such diverse tasks as paying into the unemployment insurance system, providing information for child support enforcement, and carrying out tax withholding, reporting and depositing; and

WHEREAS: payroll departments collectively spend more than \$2.4 trillion annually complying with myriad federal and state wage and tax laws; and Whereas payroll professionals play an increasingly important role ensuring the economic security of American families by helping to identify noncustodial parents and making sure they comply with their child support mandates; and

WHEREAS: payroll professionals have become increasingly proactive in educating both the business community and the public at large about the payroll tax withholding systems; and

WHEREAS: payroll professionals meet regularly with federal and state tax officials to discuss both improving compliance with government procedures and how compliance can be achieved at less cost to both government and businesses; and

WHEREAS: the week in which Labor Day falls has been proclaimed National Payroll Week, I hereby give additional support to the efforts of the people who work in Lincoln, Illinois and of the payroll profession by proclaiming the first full week of September Payroll Week for this City of Lincoln, Illinois.

Signed _____

Mayor, City of Lincoln, Illinois

Date _____

REQUEST TO PERMIT

AUG 02 2019

DATE: 8-2-2019

RECEIVED

We, the undersigned of the City of Lincoln, do hereby respectfully request the Mayor and City Council to permit the Railsplitting Assoc. to use Postville Park for this year's annual Railsplitting Festival Sept. 21-22, 2019. We would like to set up Sept. 20 + have everything removed by Sept. 23.

We would like permission to use the water, electricity, + old voter's building + dig fire pits (replacing sod) so Boy Scouts can cook food, etc.

We would like these streets blocked off during the Festival:
Around Postville Park - 4th St. from S. Main to Washington + S. Main from 5th to 4th St.
Around Postville Courthouse - 6th St. from S. Madison to S. Monroe
S. Madison from 5th to 6th + S. Monroe from 5th to 6th.

If the above request is for use of City property, including streets and/ or alleys, please check one of the two boxes below:

☒ A Certificate of Insurance Liability for the event is attached.

☐ A Certificate of Insurance Liability for the event will be provided to the City no later than _____.

If City property is used, a Certificate of Insurance Liability is required listing the City as an additional insured. The City reserves the right to postpone review and consideration of this Request to Permit until a Certificate of Insurance Liability is provided.

Name: Diana Skelton

Address: 317 N. Sherman St.

Lincoln, IL 62656

Phone: 217 432-6192 Cell: 217 737-9600

Email: skel10@comcast.net

New Policy

Policy ID: 10-2019-1362
A Stock Insurance Company

DECLARATION, Commercial General Liability - Illinois

Mail To:

Logan Railsplitter Association
PO Box 352
Lincoln, IL 62656

Named Insured(s):

Logan Railsplitter Association
PO Box 352
Lincoln, IL 62656

Agency:

Lincoln Logan Insurance Services
dba Lincoln Logan/May Enterprise
Insurance Agency
305A Decatur St.
PO Box 860
Lincoln, IL 62656
Work: (217) 732-4642

Policy Term Effective Date:

03/08/2019, 12:01AM Standard Time

Policy Term Expiration Date:

03/08/2020, 12:01AM Standard Time

The current Declaration replaces all previously issued policy Declarations, if any. The policy effective date and expiration date stated above constitutes the policy period.

This policy applies only to those coverages indicated below for the limit of coverage as shown and for which a premium has been charged. The limit for each coverage shall not be more than the amount stated for such coverage, subject to all the terms and conditions of this policy.

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy. All fees are fully earned and will not be returned if this policy is cancelled.

This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

*** Contained in the limit field indicates either limits do not apply or is included in another coverage limit.

Location #1 Building #1 - 911 S Kickapoo St - Lincoln IL 62656 - Logan County

Property: 1 of 1

	COVERAGE LIMIT	PREMIUM
Per Occurrence Limit	\$1,000,000	\$1,400.00
Personal Injury and Advertising Injury Limit	\$1,000,000	\$0.00
Medical Payments Limit	\$1,000	\$0.00
Fire Legal Liability Limit	\$100,000	\$0.00
Federal Terrorism Risk Insurance Act Coverage	***	Incl.
	COVERAGE LIMIT	PREMIUM
General Aggregate Limit	\$2,000,000	\$0.00

SIGNATURE

* William D. Nelson

DATE

03/08/2019

	COVERAGE LIMIT	PREMIUM
Products/Completed Operations Aggregate Limit	\$2,000,000	\$0.00
	COVERAGE LIMIT	PREMIUM
Additional Insured - Non-Profit Organizations Member, Officials, and Volunteer Workers	***	\$0.00
	COVERAGE LIMIT	PREMIUM
Class Code 1 - Premises/Operations - Final Rate	***	\$1.77
Class Code 1 - Products/Completed Operations - Final Rate	***	Incl.
Policy Fee	***	\$35.00

Coverage Premium: \$1,400.00

Fees: \$35.00

Total: \$1,435.00

SUPPLEMENTAL DECLARATIONS RATING INFORMATION:

■ Premises/Operations Selection

Deductible: *Bodily Injury and Property Damage (Per Occurrence)*

Deductible: \$500.00

■ Class Code 1 - Premises/Operations - Final Rate

Enter Special "a" Rate:

Experience Rating Factor:

Class Code 1: *Clubs – Civic, service, social – No building/ premises owned or leased by insured, except office – Other than Not-For-Profit – Including Products/Completed Work - 23095*

Territory: *All other IL (Territory 014)*

Business Class Locations

Address: *same;*

■ Class Code 1 - Premises/Operations - Premium

Clubs – Civic, service, social – No building/ premises owned or leased by insured, except office – Other than Not-For-Profit – Including Products/Completed Work - 23095: *10.0 Members*

Class Code 1: *Clubs – Civic, service, social – No building/ premises owned or leased by insured, except office – Other than Not-For-Profit – Including Products/Completed Work - 23095*

■ Products/Completed Operations Selection

Deductible: *Bodily Injury and Property Damage (Per Occurrence)*

Deductible: \$500.00

■ Class Code 1 - Products/Completed Operations - Final Rate

Enter Special "a" Rate:

Experience Plan Rating Factor:

Class Code 1: *Clubs – Civic, service, social – No building/ premises owned or leased by insured, except office – Other than Not-For-Profit – Including Products/Completed Work - 23095*

■ Class Code 1 - Products/Completed Operations - Premium

Clubs – Civic, service, social – No building/ premises owned or leased by insured, except office – Other than Not-For-Profit – Including Products/Completed Work - 23095: *Not Required*

Class Code 1: *Clubs – Civic, service, social – No building/ premises owned or leased by insured, except office – Other than Not-For-Profit – Including Products/Completed Work - 23095*

REQUEST TO PERMIT

CITY CLERK
LINCOLN, ILLINOIS

AUG 07 2019

RECEIVED

DATE: 8/7/2019

We, the undersigned of the City of Lincoln, do hereby respectfully request the Mayor and City Council to permit

Sidewalk Chalk Art event on Thursday,

September 19th on the Square from

8:30am - 8:00pm. the theme will be Railer

ride, in celebration of the Homecoming

Parade.

If the above request is for use of City property, including streets and/ or alleys, please check one of the two boxes below:

☒ A Certificate of Insurance Liability for the event is attached.

☐ A Certificate of Insurance Liability for the event will be provided to the City no later than _____

If City property is used, a Certificate of Insurance Liability is required listing the City as an additional insured. The City reserves the right to postpone review and consideration of this Request to Permit until a Certificate of Insurance Liability is provided.

Name: Lincoln Park District

Address: 1400 Railer Way

Lincoln, IL 62656

Phone: 217-732-8770 Cell: _____

Email: aneece@lincolnparkdistrict.com

ORDINANCE NO. _____

**AN ORDINANCE AUTHORIZING THE CITY OF LINCOLN TO BORROW FUNDS
FROM THE WATER POLLUTION CONTROL LOAN PROGRAM**

THIS ORDINANCE is made and adopted by the CITY COUNCIL OF THE CITY OF LINCOLN, LOGAN COUNTY, ILLINOIS, at a regular meeting held in the City Council Chambers in said City on the _____ day of _____, 2019, WITNESSETH:

WHEREAS, the City Council of Lincoln, Logan County, Illinois operates its sewerage system ("the System") and in accordance with the provisions of 65 ILCS 5/11-139 and the Local Government Debt Reform Act, 30 ILCS 350/1 (collectively, "the Act"), and

WHEREAS, the City Council of the City of Lincoln ("the Corporate Authorities") have determined that it is advisable, necessary and in the best interests of public health, safety and welfare to improve the System, including the following:

Construction of a New Union Street Pump Station

together with any land or rights in land and all electrical, mechanical or other services necessary, useful or advisable to the construction and installation of the Union Street Pump Station ("the Project"), all in accordance with the plans and specifications prepared by consulting engineers of the City of Lincoln; which Project has a useful life of 20 plus years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial and other related expenses is \$4,500.000, and there are insufficient funds on hand and lawfully available to pay these costs; and

WHEREAS, the loan shall bear an interest rate as defined by 35 Ill. Adm. Code 365, which does not exceed the maximum rate authorized by the Bond Authorization Act, as amended, 30 ILCS 305/0.01 et seq., at the time of the issuance of the loan; and

WHEREAS, the principal and interest payment shall be payable semi-annually, and the loan shall mature in 20 years, which is within the period of useful life of the Project; and

WHEREAS, the costs are expected to be paid for with a loan to the City of Lincoln from the Water Pollution Control Loan Program through the Illinois Environmental Protection Agency, the loan to be repaid from the sewer revenues, specifically the Sewer Operations and Maintenance Fund and the loan is authorized to be accepted at this time pursuant to the Act; and

WHEREAS, in accordance with the provisions of the Act, the City of Lincoln is authorized to borrow funds from the Water Pollution Control Loan Program in the aggregate principal amount of \$4,500,000 to provide funds to pay the costs of the Project;

WHEREAS, the loan to the City of Lincoln shall be made pursuant to a Loan Agreement, including certain terms and conditions, between the City of Lincoln and the Illinois Environmental Protection Agency;

NOW THEREFORE, be it ordained by the Corporate Authorities of the City of Lincoln of Logan County, Illinois, as follows:

SECTION 1. INCORPORATION OF PREAMBLES

The Corporate Authorities hereby find that the recitals contained in the preambles are true and correct, and incorporate them into this Ordinance by this reference.

SECTION 2. DETERMINATION TO BORROW FUNDS

It is necessary and in the best interests of the City of Lincoln to construct the Project for the public health, safety and welfare, in accordance with the plans and specifications, as described; that the System continues to be operated in accordance with the provision of the Act;

and that for the purpose of constructing the Project, it is hereby authorized that funds be borrowed by the City of Lincoln in an aggregate principal amount not to exceed \$4,500,000

SECTION 3. PUBLICATION

This Ordinance, together with a Notice in the statutory form (attached hereto as Exhibit A), shall be published once within ten days after passage in the Courier, a newspaper published and or general circulation in the City of Lincoln and if no petition, signed by electors numbering 10% or more of the registered voters in the City of Lincoln (i.e., 1382) asking that the question of improving the System as provided in this Ordinance and entering into the Loan Agreement therefore be submitted to the electors of the City of Lincoln, is filed with the City Clerk within 30 days after the date of publication of this Ordinance and notice, then this Ordinance shall be in full force and effect. A petition form shall be provided by the City Clerk to any individual requesting one.

SECTION 4. ADDITIONAL ORDINANCES

If no petition meeting the requirements of the Act and other applicable laws is filed during the 30-day petition period, then the Corporate Authorities may adopt additional ordinances or proceedings supplementing or amending this Ordinance providing for entering into the Loan Agreement with the Illinois Environmental Protection Agency, prescribing all the details of the Loan Agreement, and providing for the collection, segregation and distribution of Sewer Revenues from the Sewer Operations and Maintenance Fund so long as the maximum amount of the Loan Agreement as set forth in this Ordinance is not exceeded and there is no material change in the Project or purposes described herein. Any additional ordinances or proceedings shall in all instances become effective in accordance with the Act or other

applicable law. This Ordinance, together with such additional ordinances or proceedings, shall constitute complete authority for entering into the Loan Agreement under applicable law.

However, notwithstanding the above, the City of Lincoln may not adopt additional ordinances or amendments which provide for any substantive or material change in the scope and intent of this Ordinance, including but not limited to interest rate, preference, or priority of any other ordinance with this Ordinance, parity of any other ordinance with this Ordinance, or otherwise alter or impair the obligation of the City of Lincoln to pay the principal and interest due to the Water Pollution Control Loan Program without the written consent of the Illinois Environmental Protection Agency.

SECTION 5. LOAN NOT INDEBTEDNESS OF THE CITY OF LINCOLN

Repayment of the loan to the Illinois Environmental Protection Agency by the City of Lincoln pursuant to this Ordinance is to be solely from the revenue derived from the Sewer Operations and Maintenance Fund and the loan does not constitute an indebtedness of the City of Lincoln within the meaning of any constitutional or statutory limitation.

SECTION 6. APPLICATION FOR LOAN

The Mayor is hereby authorized to make application to the Illinois Environmental Protection Agency for a loan through the Water Pollution Control Loan Program, in accordance with the loan requirements set out in 35 Ill. Adm. Code 365.

SECTION 7. ACCEPTANCE OF LOAN AGREEMENT

The Corporate Authorities hereby authorize acceptance of the offer of a loan through the Water Pollution Control Loan Program, including all terms and conditions of the Loan Agreement as well as all special conditions contained therein and made a part thereof by reference. The Corporate Authorities further agree that the loan funds awarded shall be used

solely for the purposes of the Project as approved by the Illinois Environmental Protection Agency in accordance with the terms and conditions of the Loan Agreement.

SECTION 8. OUTSTANDING BONDS

The City of Lincoln has outstanding bonds, payable from revenues of the system, that are senior to the loan authorized by this Ordinance, and the City of Lincoln establishes an account, coverage, and reserves equivalent to the account(s), coverage(s) and reserve(s) as the senior lien holders in accordance with 35 ILCS 365.350(a)(10)(C)(WPC).

SECTION 9. AUTHORIZATION OF MAYOR TO EXECUTE LOAN AGREEMENT

The Mayor is hereby authorized and directed to execute the Loan Agreement with the Illinois Environmental Protection Agency. The Corporate Authorities may authorize by resolution a person other than Mayor for the sole purpose of authorizing or executing any documents associated with payment requests or reimbursements from the Illinois Environmental Protection Agency in connection with this loan.

SECTION 10. SEVERABILITY

If any section, paragraph, clause or provision of this Ordinance is held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

SECTION 11. REPEALER

All ordinances, resolutions or orders, or parts thereof, which conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

The vote on the adoption of his Ordinance was as follows:

Alderman Parrott _____	Alderman Keller _____
Alderwoman Horn _____	Alderman Welch _____
Alderman Hoinacki _____	Alderwoman Schmidt _____
Alderman Bateman _____	Alderman Downs _____

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____

Passed and approved this ____ day of _____, 2019.

CITY OF LINCOLN,

BY: _____

Seth Goodman, Mayor
City of Lincoln, Logan County, Illinois

ATTEST: _____(SEAL)

City Clerk, City of Lincoln,
Logan County, Illinois

Exhibit A

NOTICE OF INTENT TO BORROW FUNDS AND RIGHT TO FILE PETITION

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance Number _____, adopted on the _____ day of _____, 2019, the City of Lincoln of Lincoln, Logan County, Illinois City, intends to enter into a Loan Agreement with the Illinois Environmental Protection Agency in an aggregate principal amount not to exceed \$4,500,000 and bearing annual interest at an amount not to exceed the maximum rate authorized by law at the time of execution of the Loan Agreement, for the purpose of paying the cost of certain improvement to the sewerage system of the City of Lincoln. A complete copy of the Ordinance accompanies this notice.

NOTICE IS HEREBY FURTHER GIVEN that if a petition signed by 1382 or more electors of the City of Lincoln (being equal to 10% of the registered voters in the City of Lincoln), requesting that the question of improving the sewerage system and entering into the Loan Agreement is submitted to the City Clerk within 30 days after the publication of this Notice, the question of improving the sewerage system of the City of Lincoln as provided in the Ordinance and Loan Agreement shall be submitted to the electors of the City of Lincoln at next consolidated election to be held on March 17, 2020. A petition form is available from the office of the City Clerk.

City Clerk
City of Lincoln
Logan County, Illinois

CERTIFICATION

I, _____, do hereby certify that I am the duly elected, qualified and acting Clerk of the City of Lincoln. I do further certify that the above and foregoing, identified as Ordinance Number _____, is a true, complete and correct copy of an ordinance otherwise identified as An Ordinance Authorizing the City of Lincoln to Borrow Funds from the Water Pollution Control Program passed by the City of Lincoln on the _____ day of _____, 2019, and approved by the Mayor of the City of Lincoln on the same said date, the original of which is part of the books and records within my control as Clerk of the City of Lincoln.

Dated this _____ day of _____, 2019.

NO REFERENDUM CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified, and acting City Clerk of the City of Lincoln, of Logan County, Illinois, and as such officer I am the keeper of the books, records, files and journal of proceedings of the City of Lincoln and of the Mayor and City Council of the City of Lincoln.

I do further certify that Ordinance Number _____, being the Ordinance entitled An Ordinance Authorizing the City of Lincoln to Borrow Funds from the Water Pollution Control Program (the "Ordinance") was presented to and passed by the Mayor and the City Council of the City of Lincoln at its legally convened meeting held on the ____ day of _____, 2019 and signed by the Mayor of the City of Lincoln on said day.

I do further certify that the Ordinance was duly and properly published in the newspaper published and of general circulation within the City of Lincoln, on the ____ day of 2019, being a date within ten days from the date of passage of the Ordinance.

I do further certify that publication of the Ordinance was accompanied by a separate publication of notice of (1) the specific number of voters required to sign the petition requesting the question of constructing improvements to the sewerage system as provided in the Ordinance; (2) the time in which such petition must have been filed; and (3) the date of the prospective referendum.

I do further certify that I did make available and provide to any individual so requesting a petition form, which petition form provided for submission to the electors of the City of Lincoln of the question as set forth therein. Such petition forms were available from me continuously from _____, _____, 2019, up to and including _____, _____, 2019.

I do further certify that no Petition has been filed in my office within days after publication of the Ordinance or as of the time of the signing hereof as provided by statute asking that the question of improving the sewerage system as provided in the Ordinance and the Loan Agreement therefore be submitted to the electors of the City of Lincoln.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the corporate seal of the City of Lincoln of Lincoln, Logan County, Illinois this _____ day of _____ 2019.

City Clerk
City of Lincoln
Logan County, Illinois

(SEAL)

ORDINANCE NO.
AN ORDINANCE AMENDING THE CITY OF LINCOLN'S
LIQUOR REGULATIONS

THIS ORDINANCE is made and adopted by the CITY COUNCIL OF THE CITY OF LINCOLN, LOGAN COUNTY, ILLINOIS, at a regular meeting held in the City Council Chambers in said City on the ____ day of _____, 2019, WITNESSETH:

WHEREAS, the CITY OF LINCOLN is a municipal corporation located in Logan County, Illinois; and

WHEREAS, the CITY OF LINCOLN previously passed Ordinance 2019-892 and at a later date an amendment clarifying certain language; and

WHEREAS, the ordinance that was presented before the Council was a hybrid version of the ordinance that was originally proposed; and

WHEREAS, subsequent to the passage of the previous ordinance the liquor commission has proposed and presented the Lincoln City Council with their recommendation that the Council ratify the version originally presented, mainly dealing with the removal of the reporting requirements of the businesses who opt to participate in gaming; and

WHEREAS, the CITY OF LINCOLN previously consolidated Class B and Class C licenses and removed the cap to the number of liquor licenses to be issued, which this Council desires to retain; and

WHEREAS, the CITY OF LINCOLN believes that businesses should be able to operate their businesses unencumbered by any reporting requirements, and thereby desires to remove 3-7-5(K) in its entirety thereby moving up subsection (L) one letter, removing the reporting requirements of the previous 3-7-5(L), and the stipulations in 3-7-22 dealing with revocation of a liquor license; and

WHEREAS, the CITY OF LINCOLN prefers that businesses have a separate entrance from the outside of the building that acts as a direct ingress and egress to the video gaming, however said preference is not to be a mandatory requirement; and

WHEREAS, the CITY OF LINCOLN acknowledges that rates for the Class B licenses have not raised for quite some time and desires Class B license renewal rates to be the same as Class A renewal rates; and

WHEREAS, the CITY OF LINCOLN believes that it would be in the best interests for the residents of the City of Lincoln if those that participate in gaming pay an additional \$500.00 for their liquor license renewal in January 1, 2020 and pay an additional \$1,000.00 liquor license renewal effective January 1, 2021;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the CITY COUNCIL OF THE CITY OF LINCOLN, as follows:

1. The City of Lincoln will amend Title III Chapter 7 Part 5 Subsection B of the Lincoln City Code thereby increasing the license fee from \$1,125.00 to \$1,250.00 (See below Exhibit).
2. The City of Lincoln will amend Title III Chapter 7 Part 5 Subsection L of the Lincoln City Code removing the reporting requirements for businesses that participate in gaming and adding the additional liquor license fee (See below Exhibit).
3. The City of Lincoln will remove Title III Chapter 7 Part 5 Subsection K of the Lincoln City Code thereby moving Subsection L to Subsection K.
4. The City of Lincoln will amend Title III Chapter 7 Part 22 removing Subsection D as a way to have a liquor license revoked (See below Exhibit).
5. Effective Date. That this Ordinance is effective immediately upon passage of the same.

The vote on the adoption of his Resolution was as follows:

Alderman Parrott	_____	Alderman Keller	_____
Alderwoman Horn	_____	Alderman Welch	_____
Alderman Hoinacki	_____	Alderwoman Schmidt	_____
Alderman Bateman	_____	Alderman Downs	_____

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____

Passed and approved this ____ day of _____, 2019.

CITY OF LINCOLN,

BY: _____

Seth Goodman, Mayor
City of Lincoln, Logan County, Illinois

ATTEST: _____ (SEAL)

City Clerk, City of Lincoln,
Logan County, Illinois

EXHIBIT A

3-7-5: **CLASSIFICATION OF LICENSES; HOURS AND FEES:** Licenses to sell alcoholic liquors at retail shall be of the following classes:

- (A) Class A: Class A package licenses shall entitle the licensee to sell alcoholic beverages in the original package with sales at retail not for consumption on the premises. The license fee for a class A license shall be one thousand two hundred fifty dollars (\$1,250.00) per annum, paid in advance. The hours are to be seven o'clock (7:00) A.M. to twelve o'clock (12:00) midnight on all days except Sundays. Sunday hours shall be eleven o'clock (11:00) A.M. to twelve o'clock (12:00) midnight. (Ord. 250, 12-7-1987; amd. Ord. 547, 6-17-2202)
- (B) Class B: Class B (restaurants, taverns, bar, saloon, lounge, bowling alley, pub) shall entitle licensee to sell alcoholic liquor at retail for consumption on or off the premises. The license fee for a class B license shall one thousand two hundred fifty dollars (\$1,250.00) per annum, paid in advance. The hours of a class B license shall be seven o'clock (7:00) A.M. to two o'clock (2:00) A.M. on weekdays and Saturdays. Sunday hours for a Class B license shall be eleven o'clock (11:00) A.M. to twelve o'clock (12:00) midnight, except New Year's Eve hours shall be extended to two o'clock (2:00) A.M. All patrons will be asked to leave the premises one-half (1/2) hour after closing, at which time only the employees will be allowed to be in the establishment, and no other persons on the licensed premises one-half (1/2) hour after closing shall consume alcoholic beverages. The city police will enforce this regulation by being free to enter the premises after hours. (in regards to restaurants Ord. 628, 2-21-2006)
- (C) Class C: Class C (wine cellar, craft beer, and spirits) shall entitle the licensee to sell wine by the glass or carafe for consumption on the premises and by the bottle for consumption on or off the premises, craft or microbrew beer by the glass for consumption on the premises, craft beer for consumption on or off the premises, and craft spirits by the bottle for consumption on or off the premises. The licensee shall prohibit anyone from leaving the licensed premises with a partial bottle of alcohol that has been opened on the licensed premises. The license fee for a class C license shall be seven hundred dollars (\$700.00), payable in advance. The hours of a class C license shall be seven o'clock (7:00) A.M. to twelve o'clock (12:00) midnight weekdays and Saturdays. The Sunday hours for a class C license shall be eleven o'clock (11:00) A.M. to twelve o'clock (12:00) midnight, except New Year's Eve hours shall be extended to two o'clock (2:00) A.M. (Ord. 2015-833, 6-1-2015; amd. Ord. 2016-847, 1-19-2016)
- (D) Class D: Class D licenses shall be known as a microbrewery and brewpub license and shall authorize the manufacture by a microbrewery or brewpub of less than fifty thousand (50,000) gallons of beer, and the storage and sale of such beer, per year to distributors, retailers, and to nonlicensees, in accordance with the provisions of 235 Illinois Compiled Statutes 5/1-1 et seq., cited as the liquor

control act. Said licensee to receive one retailer's license for the premises in which he actually conducts such business, permitting only the sale of beer manufactured on such premises, but no such person shall be entitled to more than one retailer's license¹. The annual fee for such a license shall be six hundred fifty dollars (\$650.00), paid in advance. The hours for such a license shall be seven o'clock (7:00) A.M. to twelve o'clock (12:00) midnight on all days except Sundays. Sunday hours shall be eleven o'clock (11:00) A.M. to twelve o'clock (12:00) midnight, except New Year's Eve hours shall be extended to two o'clock (2:00) A.M. (Ord. 547, 6-17-2002; amd. Ord. 2016-847, 1-19-2016)

- (E) Class E: Class E (caterers) shall be known as a caterer license and shall authorize the sale of alcoholic liquors for consumption on the licensed premises and shall be limited to serving of invited guests at private catered functions. Such licenses shall be issued only to individuals or entities defined as "caterers", which shall mean individuals or entities preparing and serving meals or food items for consumption on the licensed premises for private functions, such as weddings, receptions, dinners, and banquets, and which are not open to the general public at regularly established business hours. Additionally, to qualify as a "caterer", the license holder must have a minimum of sixty five percent (65%) of their sales revenues from the sale of food. The service of alcoholic liquor by a person holding a class F license shall be by employees of the licensed caterer only and shall be served only on the premises licensed to conduct such catered functions. The service of alcoholic liquor shall only take place during a catered function at the licensed premises. If such licensed premises, in any licensed year, from May 1 through April 30, serves alcohol at more than twenty five (25) catered functions, then such licensee shall be required to obtain a class B license as set forth under this section for the following year, commencing the following May 1. The license fee for a class E license shall be five hundred dollars (\$500.00) per annum, paid in advance. The hours of a class F license shall be seven o'clock (7:00) A.M. to two o'clock (2:00) A.M. weekdays and Saturdays. The Sunday hours for a class E license shall be between eleven o'clock (11:00) A.M. to twelve o'clock (12:00) midnight, except New Year's Eve hours shall be extended to two o'clock (2:00) A.M. All patrons will be asked to leave the premises one-half ($\frac{1}{2}$) hour after closing, at which time only the employees of the caterer will be allowed to be in the establishment, and no persons on the licensed premises one-half ($\frac{1}{2}$) hour after closing shall consume alcoholic beverages. The city police will enforce this regulation by being free to enter the premises after hours. Alcoholic liquor may only be served by a class E license holder during a catered function, and a caterer shall not be permitted to maintain a bar or offer alcohol for sale at retail except during such catered functions. (Ord. 653, 9-4-2007)
- (F) Class F: Class F (recurring event) shall be known as a recurring event license and shall authorize the sale of beer only, for consumption on the licensed premises, and shall be limited to serving of individuals attending such recurring events. A class F license shall be applicable only to individuals or entities that conduct recurring events of at least ten (10) during the license year of May 1 through April

30, but not more than fifty (50) such events, all of which must be open to the public. To qualify for a recurring event license, the license holder must establish that it holds recurring events on the licensed premises as herein set forth, and the holder shall be authorized to serve beer only to the patrons of such events, only on the days of the events, with the beer to be served only by employees of the licensee. The license fee for a class F license shall be five hundred dollars (\$500.00) per annum, paid in advance for recurring events numbering at least ten (10), but not more than twenty five (25) per license year, and seven hundred fifty dollars (\$750.00) per annum, paid in advance for recurring events numbering at least twenty six (26), but not more than fifty (50), per license year. Such fee shall be paid at the time of the application, at which time the applicant must disclose the number of anticipated recurring events and pay the appropriate fee. If an individual or entity applies for a license and pays the annual fee for up to twenty five (25) events but, during the license year, goes over twenty five (25) events, such licensee shall immediately pay the additional license fee of two hundred fifty dollars (\$250.00) to the city of Lincoln, which must be paid prior to the twenty sixth such recurring event. The hours of a class F license shall be only the days of a scheduled recurring event from one o'clock (1:00) P.M. on the day of the event until twelve o'clock (12:00) midnight on the day of said event when such events occur on a day other than Sunday. When such recurring event is on a Sunday, the hours during which they will be permitted to sell beer will be from one o'clock (1:00) P.M. until eleven o'clock (11:00) P.M. on the day of the event. All patrons attending such recurring events shall be required to leave the licensed premises one-half ($\frac{1}{2}$) hour after the expiration of the time for authorized sales of beer, at which time only the employees of the license holder will be allowed to be on the licensed premises, and no person on the licensed premises shall be permitted to consume beer or any other alcoholic beverages after one-half ($\frac{1}{2}$) hour following the time for sales of beer to cease. No beer or other alcoholic beverage may be brought onto the licensed premises at any recurring event, and only beer purchased from the licensee shall be permitted on the licensed premises during such recurring events. Beer may only be sold by a class F license holder during a recurring event, during the hours as herein set forth, and a class F license holder shall not be permitted to maintain a bar or serve alcohol or beer for sale at retail except during such recurring event during the hours as herein set forth. The city police of the city of Lincoln will enforce the hours and the terms of this license by being free to enter upon the licensed premises, both during and after the allowable hours of sale. (Ord. 671, 3-17-2008)

- (G) Temporary Permit: The liquor commissioner shall have the discretionary power to issue a temporary permit for the sale of beer and wine only, and only during the hours allowed under a license as in this chapter allowed; provided, such beer and wine shall be consumed on the premises of any banquet, bazaar, fair, or any similar private or public assembly where food or drink is sold, served or dispensed, except that wine sold at such events by wine growers or vineyards may be sold in its original package, only as to those wines produced by such wine growers or vineyards, in addition to the serving of such wine on the premises.

Such temporary permit shall be issued upon written application containing the same information required in an application for a license hereunder. Such temporary permit shall be for a period of not more than ten (10) days. The liquor commissioner can refuse, upon good cause, to issue any such temporary permit in his or her sole discretion. The fee for such temporary permit shall be twenty dollars (\$20.00) for each day or fraction thereof of the period for which such permit is issued and shall be paid at the time the application is made. The applicant shall execute and file with the application a bond to the city in the penal sum of one thousand dollars (\$1,000.00), conditioned as required in the bond for a license hereunder. The liquor commissioner shall have the power to revoke for cause any or all temporary permits issued under the terms of this chapter. The temporary permits shall not be subject to the provisions of section 3-7-6 or 3-7-12 of this chapter. (Ord. 563, 4-7-2003; amd. Ord. 653, 9-4-2007; Ord. 671, 3-17-2008)

- (H) Club Permits: Any "club", as defined in this chapter, shall be entitled to obtain a permit and not a license for the sale of alcoholic liquors for consumption only, on premises permanently occupied by any such club. All clubs desiring such a permit shall pay an annual permit fee of three hundred fifty dollars (\$350.00) per annum.
- (I) Separate Application For Each Class Of Liquor Licenses: Separate applications must be filed for separate classes of licenses by any applicant desiring to carry on more than one licensed business, and a separate license or permit must be obtained for such location by applicant desiring to carry on a licensed business at more than one location.
- (J) Expiration: All such licenses and permits shall expire on April 30 next following the date of issue, but in any case where the period from the date of issue to April 30 next following is less than one full year, the license and permit fee shall be reduced in proportion to the full calendar months which have expired in the license year prior to the issuance of such license. (Ord. 250, 12-7-1987; amd. Ord. 547, 6-17-2002; Ord. 653, 9-4-2007; Ord. 671, 3-17-2008)

(K) Yearly Sales Summary: Upon a clear articulable request of the Liquor Commission anyone holding a license pursuant to any of the previous subsections of this section shall, on or before January 30 of each year, submit to the city of Lincoln liquor commission, without request by said liquor commission, a detailed summary of its sales for the preceding calendar year itemizing the amount of sales from liquor and the amount of sales from food at such licensed premises. If the information provided to the city of Lincoln liquor commission pursuant to this section indicates that the license holder currently holds an incorrect license, based on the prior year's sales, such license holder shall be required to obtain the correct license during the application process for any license to be effective as of May 1 of such year. (Ord. 628, 2-21-2006; amd. Ord. 653, 9-4-2007; Ord. 671, 3-17-2008)

- (L) **Video Gaming Terminals:** There are no yearly reporting requirements with respect to this municipality. It is preferred, but not required, that a business who participates in video gaming have an entrance/exit installed that gives direct access to the gaming area from the outside of the building. There is no charge for the first year of operation of gaming, but every year subsequent to the first year there is an additional \$500.00 for the renewal of the liquor license effective January 1, 2020 and \$1,000.00 for a renewal of the liquor license effective January 1, 2021. The rate of \$1,000.00 shall be flat as of January 1, 2021.

3-7-22: REVOCATION OF LICENSE:

The Mayor shall have power to grant licenses and to revoke for cause any or all licenses issued to persons for the sale of alcoholic liquors within the City, and he shall revoke any retail liquor dealer's license for any violation of any of the provisions of this chapter or for any violation of any State law pertaining to the sale of alcoholic liquor.

Any license issued under this chapter may be suspended or revoked by the Local Liquor Commissioner for any one of the following reasons:

- (A) Violation of the laws of the State or of the United States, or of any of the provisions of this chapter.
- (B) The willful making of any false statement as to a material fact in application for a license.
- (C) Permitting any illegal, disorderly or immoral practices upon licensed premises.

Upon the filing of any written complaint against a licensee alleging any of the aforesaid causes for revocation, the Local Liquor Control Commissioner may cause such licensee to appear before the Local Liquor Control Commissioner and may examine witnesses in regard to the complaint, and in the event of such a hearing, the licensee may appear and bring in witnesses to testify thereon.

The Mayor as Local Liquor Control Commissioner may suspend for not more than thirty (30) days, as provided in 235 Illinois Compiled Statutes 5/4-4, or revoke for cause any liquor dealer's license for any violation of any provision pertaining to the sale of alcoholic liquor, as provided and in the manner provided in 235 Illinois Compiled Statutes 5/7-5.

Any appeals taken to the Illinois State Liquor Control Commission from decisions made by the Lincoln Liquor Control Commission shall be heard by the Illinois State Liquor Control Commission strictly on the record, pursuant to 235 Illinois Compiled Statutes 5/7-9. (Ord. 2019-892, 1-7-2019)



LETTER OF INTENT TO PURCHASE

Date: August 06, 2019

To: City of Lincoln
Attn: Mayor Seth Goodman & City Administrator Beth Kavelman

Re: Limit Street Property to Illinois American Water Co. - +/-0.73 Acres

Dear Mr. Mayor Goodman & Ms. Kavelman:

The following is a summary of the basic terms and conditions under which Illinois American Water Company proposes to purchase the real property referenced below pursuant to a real estate sales contract to be entered into between the parties:

Purchaser:	Illinois American Water Company
Seller:	City of Lincoln, Illinois
Property:	Part of PIN 08-031-041-51 Limit Street Property (Behind IAWC Operations at 311 Limit Street)
Purchase Price:	\$8,900
Due Diligence Period:	Purchaser will have thirty (30) days following the date of a fully executed "Contract" (defined below) to inspect the Property and the "Property Information" (defined below) and to confirm that the Property is capable of being used for Purchaser's intended purposes. Purchaser will also coordinate and pay for an updated title commitment for the amount of the purchase price within 15 days of fully executed Contract. A current ALTA survey will be at the Purchaser's discretion to complete during the Due Diligence Period and will be at the Purchaser's expense.

On or before the expiration of the Due-Diligence Period, Purchaser shall notify Seller of one of the following:

Managing Broker: Donald E. Bailey
301 N. Main Street
Flora, IL 62839

Office: (618) 662-5200
www.buyafarm.com



- (i) Purchaser elects to terminate the Contract at Purchaser's sole discretion and receive a full refund of any Earnest Money.
- (ii) Purchaser elects to purchase the Property and any Earnest Money shall be non-refundable and credited toward the Purchase Price.

Closing/Possession: Upon Purchaser successfully obtaining all required local, state and federal project building permits for the project. All closing costs will be paid for by Purchaser. Purchaser will pay for any non-loan related escrow costs, if escrow is chosen.

Earnest Money: No Earnest Monies will be deposited for this transaction. (the "Escrow").

Property Information: Within five (5) business days after the full execution of the Contract, Seller (to the extent it possesses same) will forward to Purchaser copies of vendor contracts, leases, environmental reports, previous surveys, any notices received from any governmental authority or third parties, and any other documentation or information pertaining to the condition or the use (existing or intended by Purchaser) of the Property.

Contract: Seller and Purchaser agree to use their "good faith" efforts in negotiating and executing a Contract for sale/purchase of the Property within fifteen (15) business days following the execution of this Letter of Intent. The Real Estate Sales Contract from Buy A Farm is attached hereto and will be used for the sales contract.

As-Is: Purchaser will be acquiring the Property in As-Is, Where-Is condition, with all mineral rights to transfer from seller to purchaser.

Real Estate Commissions: Sole responsibility of the Purchaser.

Time for Acceptance: If Seller fails to return a fully executed and dated copy of this Letter of Intent to Purchaser by 10/01/2019, then this Letter of Intent will be deemed null and void.

Managing Broker: Donald E. Bailey
301 N. Main Street
Flora, IL 62839

Office: (618) 662-5200
www.buyafarm.com



Financing:

Purchaser's obligation to purchase the Property is not contingent upon financing approval

It is understood that this Letter of Intent is not intended to be a purchase agreement and does not create any obligation between the parties until the Contract may be fully executed; provided, however, that during the 60 business day period after this Letter of Intent has been fully executed, Seller agrees not to communicate with any third party concerning the sale or lease of the Property. This Letter of Intent is merely an outline of the terms under which the parties desire to enter into the Contract.

If the foregoing terms are acceptable to Seller, please timely execute and date this Letter of Intent where indicated below and return a fully executed and dated copy to Purchaser.

Sincerely,

A handwritten signature in cursive script that reads "Devin Birch".

Devin Birch
Broker, Buy A Farm Land and Auction Co.

PURCHASER:	
By:	Date: <u>8-6</u> , 2019
Print Name: Gabriel A. Bowden,	
Title: Operations Superintendent Illinois American Water Company	

ACCEPTED AS OF _____, 2019

Managing Broker: Donald E. Bailey
301 N. Main Street
Flora, IL 62839

Office: (618) 662-5200
www.buyafarm.com



SELLER:

By: _____

Print

Name: _____

Title: _____

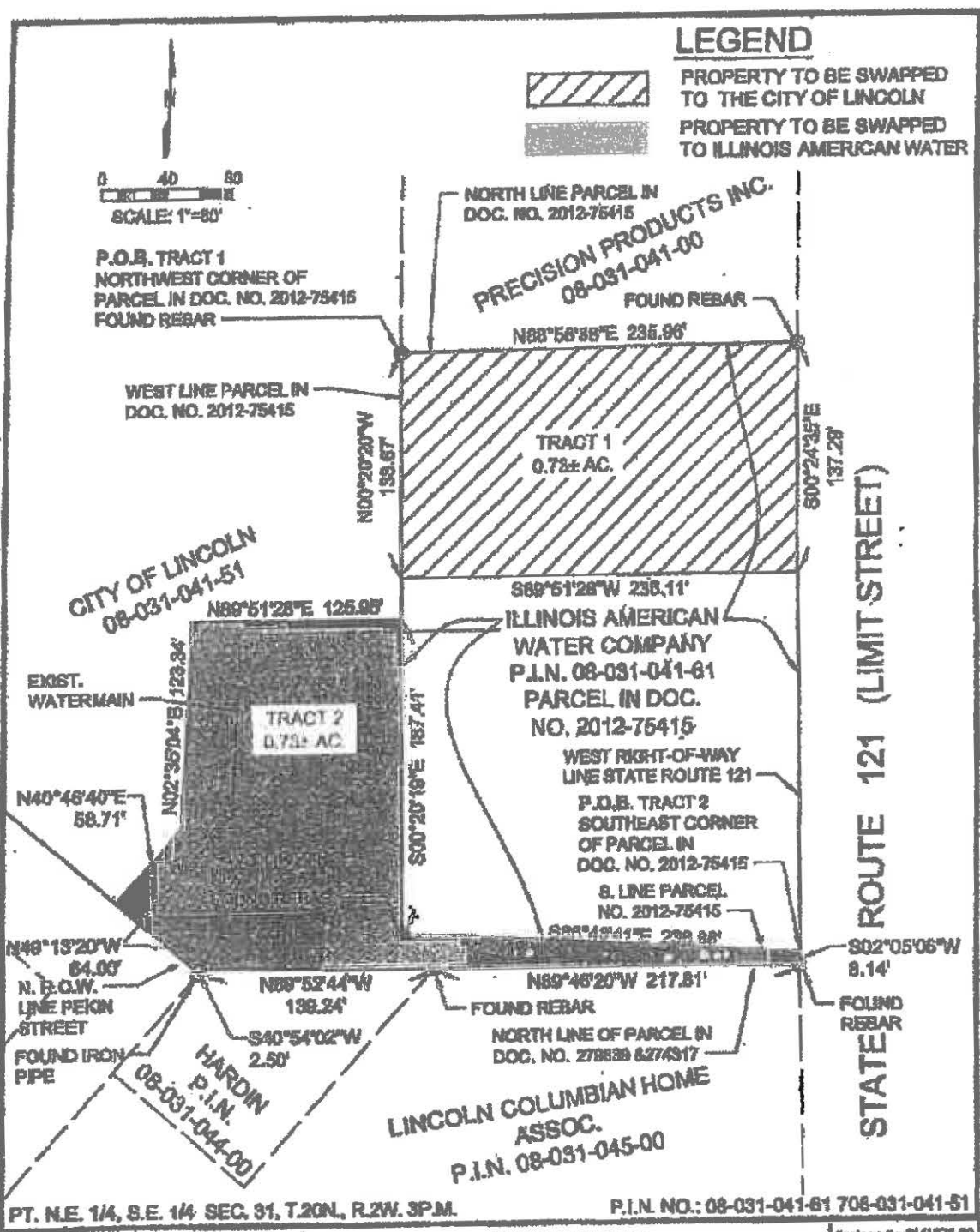
City of Lincoln, IL

_____, 2019

Managing Broker: Donald E. Bailey
301 N. Main Street
Flora, IL 62839

Office: (618) 662-5200
www.buyafarm.com

Drawn by: J. 1/2015 10:55:33.00 - City of Lincoln Streets Dep New Facility Survey 07 Drawings\Lincoln Garage Swap.dwg 1/24/2017 11:44 AM



Farnsworth GROUP
100 WALNUT STREET, SUITE 200
PEORIA, ILLINOIS 61602
(309) 695-9888 / (309) 689-9820 Fax

**CITY OF LINCOLN
PARCEL SWAP
NEW CITY GARAGE PROJECT**

Project No: 8141876.00
Book No:
Drawn by: DJM
Reviewed: JJB
Date: 1/24/14
1 OF 2



EXAMPLE CONTRACT

REAL ESTATE SALES CONTRACT FOR ILLINOIS

Seller Information

Name(s) _____

Address: _____

Telephone: _____

Buyer Information

Name(s) _____

Address: _____

Is this a Dual Agency situation? ☐ Yes ☐ No If yes, complete section below.

Acknowledgment of Dual Agency. Each of the undersigned parties do hereby confirm that, after full disclosure and explanation by _____ ("Agent"), such party has consented to Agent acting as a dual agent in providing representation to and on behalf of Buyer and Seller. Each of the undersigned further specifically consent to Agent acting as a dual agent in regard to the transaction contemplated by this Contract.

SELLER INITIALS _____

BUYER INITIALS _____

1. Offer to Purchase. Buyer submits the following offer on _____, 20____, to purchase the Property, as hereinafter described and defined, subject to Seller's approval. This offer shall automatically expire at 5 p.m. CST on _____, 20____ unless otherwise accepted in writing by Seller prior thereto. Time is of the essence as to Seller's response.

- ☐ This box is checked if the Property has been sold at an auction sale. For an auction sale, this Real Estate Sales Contract is made to confirm and set forth the terms of the Buyer's bid, which has been accepted at the auction sale, including any terms announced on the date of the auction sale. The parties intend this Real Estate Sales Contract to be binding upon execution thereof.

2. Legal Description. Buyer, hereby agrees to purchase the following described property ("Property"), under terms and conditions set forth herein, having a common address of _____

_____, with Seller's current vesting legal description, or a survey if herein agreed upon, to govern. The parties agree that the Property consists of approximately acres _____ (+/-). The parties acknowledge and agree that unless otherwise agreed to in Addendum A, no survey of the Property will be performed or obtained and that the acreage and descriptions as set forth or referred to herein shall govern. Buyer hereby acknowledges and understands that the Property, including improvements situated thereon, if any, is being sold on an "as is, where is" basis. Addendum A - Agreement as to Survey is attached hereto if this box is checked. ☐

3. **Purchase Price and Method of Payment.** The Property shall be sold (check one box only):

☐ by the acre, with the purchase price to be the total sum of _____ Dollars (\$ _____) per acre,

☐ in gross, with the total purchase price for the Property shall to be the sum of _____ Dollars (\$ _____),

which price is hereby accepted by Seller. The entire purchase price, less any earnest money hereby paid, shall be due and payable upon closing, plus or minus pro-rations, additions or changes, in the form of cash or certified, cashier's or bank check, or, as may be required by law, in readily available wire transfer funds. Time is of the essence as to the payment of the purchase price. Buyer shall and does hereby pay to Agent the sum of _____ Dollars (\$ _____) to serve as earnest money, which shall be deposited and held without interest in _____ escrow account and applied to the purchase price upon closing unless otherwise specified herein.

4. **Closing.** Closing shall be not later than _____, 20____, or at such other time as the parties may mutually agree in writing. Time is of the essence as to closing and the payment of expenses hereinafter set forth. Closing shall take place at the office of _____. Seller and Buyer agree that all expenses are to be paid as follows prior to or at the closing or as otherwise herein established:

(a) **Seller's Expenses.** Seller agrees to pay: (i) all costs and expenses for releasing any existing loans and/or recording releases thereof; (ii) unless otherwise agreed to by the parties on Addendum H-Special Agreements, one-half of the closing fee charged by closing agent; (iii) the cost of any owner's title insurance policy premium; (iv) the cost for the preparation of deed and Real Estate Transfer Declaration (P-Tax 203); (v) by credit against the purchase price the Sellers obligation for real estate taxes as pro-rated pursuant to paragraph 11 below; (vi) all transfer taxes; (vii) the cost of recording any mortgage or lien releases as to the Property; (viii) any other expenses stipulated to be paid by Seller under other provisions of this Contract; and (ix) if applicable, Seller's broker's commission. Addendum H-Special Agreements is attached hereto if this box is checked. ☐

(b) **Buyer's Expenses.** Buyer agrees to pay: (i) all expenses incident to any Buyer loan (including but not limited to, points, loan commitment fees, loan closing fees, preparation of note, mortgage, and other loan documents, recording fees, title examinations, mortgage title insurance policy premium, pre-payable interest, credit reports); (ii) unless otherwise agreed to by the parties on Addendum H-Special Agreements, one-half of the closing fee charged by closing agent; (iii) the cost of any copies of documents pertaining to restriction, easements, or conditions affecting the Property; (iv) the cost of recording the deed from Seller to Buyer; (v) any expenses stipulated to be paid by Buyer under other provisions of this Contract; and (vi) if applicable, Buyer's broker's commission. Addendum H-Special Agreements is attached hereto if this box is checked. ☐

5. **Conveyance.** Buyer shall direct Seller as to how Buyer will elect to take title. Unless Buyer directs otherwise, conveyance of the Property shall be to Buyer as herein listed by recordable Warranty Deed with release of homestead rights. Unless otherwise agreed in Addendum B - Reservation of Minerals, Seller is reserving no mineral, coal, gas, oil or other right, title or interest of any nature in the Property. Addendum B - Reservation of Minerals is attached hereto if this box is checked. ☐

6. **Evidence of Title.** Seller shall furnish at Seller's expense a title insurance policy insuring title to the real estate in Buyer for the amount of the purchase price. Permissible exceptions shall include, but not limited to: (a) rights or claims of parties in possession not shown by the public records; (b) easements or claims of easements not shown by the public records; (c) encroachments, overlaps; boundary line disputes or other matters which would be disclosed by an accurate survey or inspection of the Property; (d) any lien or right of lien for services, labor or material heretofore or hereinafter furnished, imposed by law and not shown by the public record; (e) taxes or special assessments which are not shown as existing liens; (f) any water, mineral or other rights already granted or reserved by Seller or other parties, including but not limited to any mineral leases; (g) the rights of any current tenants in possession of the Property; (h) such easements, covenants, restrictions, conditions and other matters, if any, identified in the title commitment, (i) those exceptions referred to on Seller's deed to

the real property, and (j) the usual printed exceptions in such title insurance policies. At least _____ days prior to closing, Seller shall provide Buyer with a commitment for such title insurance. After receipt of the title commitment, Buyer shall have three (3) business days to provide written objections to Seller. If Buyer does not timely deliver a written objection to Seller regarding the title commitment, the contents of the title commitment shall be deemed approved by Buyer. If Buyer provides timely written objections to Seller, Buyer and Seller shall have three (3) business days after Seller's receipt of Buyer's objections (the "Title Response Period") in which to agree in writing upon the manner of resolving Buyer's objections. Seller may, but shall not be required to, resolve Buyer's objections. If Buyer and Seller do not agree in writing upon the manner of resolving Buyer's objections, Buyer may cancel this Contract by providing written notice to Seller no later than three (3) business days after expiration of the Title Response Period, whereupon any earnest money shall be released to Buyer. If the Contract is not timely canceled by Buyer, Buyer's objections regarding the contents of the title commitment shall be deemed waived by Buyer and the parties shall proceed to closing. If the objection process herein provided for is undertaken, the closing deadline as set forth in the Contract shall be automatically extended for a period of not less than: (a) thirty (30) days, (b) that period of time as agreed to by the parties in resolving Buyer's objections, or (c) such other period as Buyer and Seller may agree to in writing.

The undersigned parties acknowledge and agree that neither Agent nor Buy A Farm Land and Auction Company, LLC assumes any responsibility for providing evidence of marketable title, examination of the title, curing title defects or for any closing delays caused thereby.

In the event the Property has been sold at an auction sale, any announcements made at the auction sale or agreements of the parties which modify or amend the terms of this paragraph 6 are set forth on Addendum H – Special Agreements. Addendum H – Special Agreements is attached hereto if this box is checked. ☐

7. **Possession.** Except for leases of any interest in coal, oil, gas or other minerals which is a part of the Property and which leases are of record prior to the date of this Real Estate Sales Contract, all leases as to the Property shall be terminated by Seller prior to closing. Seller shall deliver possession of the Property to Buyer upon closing free and clear of any such leases except for any leases of any interest in coal, oil, gas or other minerals of record prior to the date of this Real Estate Sales Contract and except as set forth on Addendum C - Lease Disclosure to this Contract. Addendum C - Lease Disclosure is attached hereto if this box is checked. ☐

8. **Agreement to Continue Certain Contracts.** Buyer acknowledges that all or some portion of the Property may currently be subject to certain state and/or federal government programs as set forth on Addendum D - Agreement as to Government Programs to this Contract. Addendum D - Agreement as to Government Programs is attached hereto if this box is checked ☐.

9. **Buyer Contingencies.** The offer of Buyer as set forth herein is contingent upon the following if checked by Buyer:
☐ Addendum E - Contingency on Financing as attached hereto.
☐ Addendum F - Contingency on Sale and Close of Buyers Property as attached hereto.

In the event the Property has been sold at an auction sale, the parties agree that the foregoing contingencies are not applicable. The parties acknowledge that Buyer's auction bid has been accepted and is not contingent on Buyer financing or the sale of any other property by Buyer.

10. **Compliance.** Seller and Buyer agree to provide all information necessary to complete and execute all documents and perform all actions necessary to comply with the following, when applicable and as amended: a) Real Estate Settlement Procedures Act of 1974; b) Internal Revenue Service Form 1099S; c) Section 1445 of the Internal Revenue Code (which relates to tax reporting based upon the citizenship status of Seller); d) a mutually agreeable summary of the closing transaction; and e) all laws, statutes, ordinances, rules and regulations applicable to the transaction.

11. **Proration of Real Estate Taxes.** (Check one box only)

☐ **Option 1:** Real estate taxes which are due and payable shall be paid before or at closing by Seller. Real estate taxes that are a lien on the property but not yet due and payable shall be prorated to the date of closing based on one hundred percent (100%) of the most recent annual ascertainable taxes. Buyer shall receive the credit at closing for an

amount equal to the Seller's share of prorated real estate taxes and Buyer shall be responsible for payment of all real estate taxes becoming due and payable after the date of closing.

☐ **Option 2:** Real estate taxes which are due and payable shall be paid before or at closing by Seller. Real estate taxes that are a lien on the property but not yet due and payable shall be prorated as follows:

Seller will pay _____% of real estate taxes for tax year _____ and _____% of real estate taxes for tax year _____.

Buyer will pay _____% of real estate taxes for tax year _____ and _____% of real estate taxes for tax year _____.

Taxes shall be prorated as provided above based on one hundred percent (100%) of the most recent annual ascertainable taxes. Buyer shall receive a credit at closing for an amount equal to Seller's share of prorated real estate taxes and Buyer shall be responsible for payment of all real estate taxes becoming due and payable after the date of closing.

☐ **Option 3:** The parties have agreed on the terms for allocation of the real estate taxes and for proration of such taxes as set forth in Addendum H-Special Agreements. Addendum H - Special Agreements is attached hereto if this box is checked. ☐

12. Limitation on Warranty and Representations. Buyer acknowledges that a full inspection of the Property and all related information, including this Contract, was made prior to Buyer's execution of this Contract, and that Buyer is satisfied in all respects with the condition of the Property and all matters pertaining thereto. The Buyer acknowledges that the Seller has not made, will not make and hereby disclaims any and all representations and warranties concerning the environmental condition of the Property. Buyer further acknowledges and agrees that, except as may otherwise be expressly set forth in this Contract, neither Seller nor any agent or representative of Seller, has made or shall be deemed to have made any oral or written representation or warranty concerning any matter relating to the Property to be sold and conveyed to Buyer hereunder or concerning any other matter connected with or related to the purchase and sale hereunder, and that the Property is being sold "as-is" as of the date of this Contract. All warranties for workmanship, habitability or fitness for a particular purpose are hereby expressly disclaimed by Seller and waived by Buyer.

13. 1031 Exchange. Seller and Buyer agree to cooperate with each other, if requested, for purposes of effecting and structuring, in conjunction with the sale of the Property, a like-kind exchange of real property, whether a simultaneous or deferred exchange, pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended, (the "Code") and the Treasury Regulations promulgated thereunder. Upon request of Buyer and/or Seller (the "Exchanging Party"), the other party (the "Cooperating Party") agrees to execute any and all documents, and take any and all acts, reasonably required, to effectuate such exchange, whether on a concurrent or deferred basis (including through a third-party qualifying intermediary) as are reasonable necessary to implement such an exchange; provided that Exchanging Party; (i) shall provide Cooperating Party with notice of its desire to enter into the exchange and of all acts and documents requested of or to be executed by the Exchanging Party in connection with the exchange; (ii) shall be solely responsible for assuring that the structure of any proposed exchange is effective for its own tax purposes and for paying all costs and expenses associated with the proposed exchange; and (iii) shall indemnify, protect, defend and hold the Cooperating Party and any of its partners, officers, directors, shareholders, members, managers, attorneys and agents harmless from and against any and all liability, including, but not limited to, costs and attorneys' fees, caused by or resulting from their participation in the exchange. Cooperating Party agrees that Exchanging Party may assign this Agreement and any of its rights or obligations hereunder, in whole or in part, as necessary or appropriate in furtherance of effectuating a Section 1031 like-kind exchange for the Property, provided that such assignment shall not serve to relieve Exchanging Party of any liability for Exchanging Party's obligations hereunder. Notwithstanding the foregoing, the scheduled closing shall not in any way be postponed or be subject to rescission or be contingent upon completion of the exchange; and Cooperating Party: (a) shall not be required to incur any liability or expense in connection with its participation in the Exchanging Party's exchange; (b) shall not be required to hold or otherwise acquire, or be entitled to, any property other than the Property; (c) shall not be required to execute any document creating any liability on its part by reason of the Exchanging Party's exchange; (d) makes no representation or warranty to Exchanging Party that such exchange will qualify for tax deferral or other tax treatment, whether pursuant to the Code or otherwise

14. Residential Property. If the Property, or any part thereof, is residential property, Addendum G - Residential Addendum shall be applicable. Buyer further acknowledges receipt of the Real Property Disclosure Report, Lead Based Paint Disclosure, Mold Disclosure, and Radon Disclosure, all of which shall be deemed incorporated herein by reference. Addendum G - Residential Addendum is attached hereto if this box is checked ☐.

15. Insurance. If all or a material part of the Property is destroyed without fault of the Buyer or is taken by eminent domain, the Buyer may elect to terminate this Real Estate Sales Contract by written notice to Seller and Buyer shall be entitled to a refund of the earnest money deposit. Seller shall assume the risk of loss from damage or destruction to the premises prior to closing and may maintain such casualty or other insurance as Seller may elect. From and after closing, Buyer shall assume and bear the risk of loss from damage or destruction of the property. Each party may maintain such liability insurance coverage as the party may elect.

16. Parties. The covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators and assigns of the parties.

17. Modifications. Any modification of this Contract must be signed by all parties.

18. Date. The date and time of this Contract shall be the latest date in the space above the Seller's and Buyer's signatures.

19. Default. If Buyer defaults as to any term or obligation required by this Contract, Buyer shall be deemed to be in default and: (a) Seller may seek specific performance notwithstanding any common law to the contrary, or seek any other remedy provided by law or equity; or (b) Seller may treat this Contract as being terminated and receive the earnest money as liquidated damages. Seller shall be entitled to recover from Buyer all of Seller's costs and expenses (including, without limitation, reasonable attorneys' fees) in enforcing any of the provisions of this Contract. If Seller breaches this Contract and is found to be in default, then and only then shall the earnest money be returned to Buyer. In the event earnest deposit is to be paid out or refunded other than for closing, Seller and Buyer agree to execute an authorization for release thereof, and if Seller and Buyer cannot agree, the earnest money will be held until the holder thereof is directed by a court to make distribution of such.

20. Choice of Law. This Contract is being executed and delivered in the State of _____ and shall be governed by and construed and enforced in accordance with the laws of the State of _____.

21. Waiver. The waiver by either party of the breach of any provision of this Contract by the other party shall not operate or be construed as a waiver of any subsequent breach.

22. Assignment. Except as otherwise provided within this Contract, neither party hereto may transfer or assign this Contract without prior written consent of the other party.

23. Legally Binding. The undersigned each represent that such party: (a) has read this Contract; (b) intends this to be a legally binding contract with substantial legal implications when fully signed; (c) has had the opportunity to consult with an attorney before signing this Contract; and (d) by signing does knowingly and voluntarily accept the terms herein.

24. SELLER UNDERSTANDS IT IS ILLEGAL FOR EITHER SELLER OR BROKER TO REFUSE TO SELL OR DISCRIMINATE AGAINST ANY PERSON BECAUSE OF THE PERSON'S RACE, COLOR, SEX, RELIGION, NATIONAL ORIGIN, ANCESTRY, AGE, FAMILY STATUS, HANDICAP, OR UNFAVORABLE DISCHARGE FROM THE MILITARY SERVICE, AS THOSE TERMS ARE DEFINED IN EITHER THE ILLINOIS HUMAN RIGHTS ACT OR THE FEDERAL FAIR HOUSING ACT OR ANY OTHER APPLICABLE FEDERAL, STATE, COUNTY OR LOCAL STATUTE OR ORDINANCE.

25. Is there a Licensed Real Estate Agent Interest? ☐ Yes ☐ No If yes, complete the rest of this section and initial below. Pursuant to 225 ILCS 454/10-27, you are notified that _____ is a licensed real

estate agent/broker and has an interest, direct or indirect, as the Seller or Buyer of the Property that is the subject of this transaction.

____ (Buyer)

____ (Seller)

26. Incorporation of Exhibits by Reference. The following, if checked by the parties hereto, are made a part of and incorporated into this Contract by reference:

- ☐ Addendum A - Agreement as to Survey
- ☐ Addendum B - Reservation of Minerals
- ☐ Addendum C - Lease Disclosure
- ☐ Addendum D - Agreement as to Government Programs
- ☐ Addendum E - Contingency as to Buyer's Financing
- ☐ Addendum F - Contingency on Sale and Closing of Buyer's Property
- ☐ Addendum G - Residential Addendum
- ☐ Addendum H - Special Agreements
- ☐ Residential Real property Disclosure Report
- ☐ Lead Base Paint Disclosure
- ☐ Mold Disclosure
- ☐ Radon Disclosure

Buyer

Date: _____

Buyer

Date: _____

Designated Agent _____

Contact Phone # _____

Designated Agent License Number _____

Brokerage Office Address _____

Brokerage Office License Number _____

Brokerage Office Telephone _____

(Check one)

- ☐ Seller hereby accepts the terms of this Contract.
- ☐ Seller presents a counteroffer attached as Addendum I - Counteroffer.
- ☐ Seller rejects the Contract.

Seller

Date: _____

Seller

Date: _____

Designated Agent _____

Contact Phone # _____

Designated Agent License Number _____

Brokerage Office Address _____

Brokerage Office License Number _____

Brokerage Office Telephone _____

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Sales Contract

Seller(s) Initials _____

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Buyer(s) Initials _____

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE COUNTY OF LOGAN, ILLINOIS
AND
THE CITY OF LINCOLN, ILLINOIS

This intergovernmental agreement between the County of Logan, Illinois, a body corporate and politic on its own behalf and on behalf of the Emergency Telephone System Board of Logan County and the City of Lincoln, Illinois, a municipal corporation ("Participant").

RECITALS

WHEREAS, the County of Logan ("County"), Illinois is a unit of local government and a body corporate and politic, organized and existing pursuant to the Illinois Counties Code; and

WHEREAS, the Participant is a unit of local government and a municipal corporation organized and existing pursuant to the Illinois Municipal Code comprised of territory located within the geographical boundaries of Logan County; and

WHEREAS, the Constitution of the State of Illinois, the Intergovernmental Cooperation Act, and other provisions of Illinois law authorized units of local government to contract or otherwise associate among themselves, to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or by ordinance, and to use their credit, revenues, and other resources to pay costs and to service debt related to intergovernmental activities; and

WHEREAS, the County and the Participant desire to cooperatively work together to insure that an emergency 9-1-1 system continues to provide emergency 9-1-1 services consistent with the laws and regulations of the State of Illinois; and

WHEREAS, the County and the Participant agree that it is in the best interest of all parties to this Intergovernmental Agreement to memorialize in writing the terms and conditions by which the County and the Participant shall continue to support the operations of an emergency 9-1-1 system and shall continue to cooperatively work together to provide an emergency 9-1-1 system.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the County and the Participant hereto hereby agree as follows:

ARTICLE I. GENERAL PROVISIONS

Section 1.1 Recitals Incorporated. The recitals set forth above are incorporated and made a part of this Intergovernmental Agreement ("Agreement") as if fully as if fully contained herein.

Section 1.2 Purpose. The Parties have entered this Agreement for the purpose to provide for the long-term operation and maintenance of a county-wide emergency 9-1-1 system.

Section 1.3 Scope. The Parties intend that this Agreement shall in all respects govern or provide for the salaries and benefits of 9-1-1 personnel.

Section 1.4 Definitions. As used in this Agreement,

- (a) "County" means the County of Logan, Illinois and all departments, agencies and instrumentalities thereof under the direct supervision and control of the County Board. The term "County" does not include the ETSB, the Circuit Clerk, the State's Attorney, the Judiciary or the elected County Officers;
- (b) "Benefits Costs" means costs associated with salary benefits and employment including but not limited to IMRF (Illinois Municipal Retirement Fund), FICA (Federal insurance Contributions Act) tax, Workers Compensation, insurance, and dispatch certificates.
- (c) "Circuit Clerk" means the Clerk of the Circuit Court of the Eleventh Judicial Circuit, Logan County, Illinois;
- (d) "ETSB" means the Emergency Telephone System Board of Logan County;
- (e) "Participant" means an entity contracting with the County to participate in the system in accordance with the provisions of this Agreement;
- (f) "Participant Usage" means the percentage of the 9-1-1 services used by the participant of the total 9-1-1 services used OR as otherwise agreed by the Parties;
- (g) "Parties" means the County and the Participant collectively;
- (h) "Party" means a party to this agreement, e.g. the County or the Participant;
- (i) "Sheriff" means the Logan County Sheriff;
- (j) "State's Attorney" means the Logan County State's Attorney;
- (k) "Treasurer" means the Logan County Treasurer;

Section 1.5 Agreement Non-Exclusive. The Participant acknowledges and understands that the County will enter into similar Agreements with other municipalities and units of local government for the purposes and objectives set forth in the Recitals and the duties owed to the Participant by the remaining Parties are not exclusive.

ARTICLE II. RESPONSIBILITIES OF THE COUNTY

Section 2.1 Generally. The County shall administer the emergency 9-1-1 system on behalf of the Participant.

Section 2.2 Staff. The County shall employ such staff persons as the Sheriff deem necessary to maintain and manage the emergency 9-1-1 system, including its operating system, system

software, database management software and other hardware and software components necessary to operate and manage the emergency 9-1-1 system. The portion of the cost of the salary and benefits of such persons which are directly attributable to their work on the emergency 9-1-1 system shall be paid from the Logan County Sheriff's budget.

ARTICLE III. RESPONSIBILITIES OF THE PARTICIPANT

Section 3.1 Payment. The Participant shall make annual payments to the County for purposes set forth in this Agreement in accordance with the schedule adopted by the County in Section 4.3.

Section 3.2 Amount. The Sheriff shall calculate the total cost attributable to salaries and benefits of 9-1-1 personnel using the following formula:

$$\text{AMOUNT} = \frac{(((S + C) - \text{ETSB}) - \text{PTR})}{\text{Participant Usage}}$$

S = Total Salaries of Telecommunicators and Operations Managers
C = Benefits Costs
ETSB = ETSB Payment (30%)
PTR = Part-Time Reimbursement from EM-COM

ARTICLE IV. FINANCE

Section 4.1 Initial Cost Allocation. Pursuant to Section 3.2, the Participant's initial cost is \$221,812.35.

Section 4.2 Cost Attributable to Salaries and Benefits of 9-1-1 Personnel. The following costs are deemed attributable to salaries and benefits of 9-1-1 personnel: the full salary, benefits, and related expenses of County personnel devoting 100% of their duties to the maintenance or operating of the system.

Section 4.3 Invoice Schedule. The County, through the Sheriff's Office, shall annually invoice the Participant for cost attributable to salaries and benefits of 9-1-1 personnel. Each Participant shall pay such invoices in accordance with the provisions of the Local Government Prompt Payment Act, 50 ILCS 505.

ARTICLE V. TERM AND TERMINATION

Section 5.1 Effective Date. This Agreement shall become effective on **[INSERT DATE]**, or upon the date it is executed by the Parties, whichever occurs first. Thereafter, the obligations of the respective Parties as set forth in this Agreement shall be immediately binding on the Parties.

Section 5.2 Term of Agreement. The Initial Term of this Agreement shall be from the Effective Date until **[INSERT DATE]**. Thereafter, the Agreement shall renew for successive one (1) year terms commencing on **[INSERT DATE]**, unless a Party terminates the Agreement as set forth in Section 5.3 or the Parties agree in writing to a longer extension.

Section 5.3 Termination by Election of Parties. A Party may terminate this Agreement for any reason by notifying the other in writing prior to **[INSERT DATE]** in the year immediately preceding a renewal of a successive term of the Agreement as provided in Section 5.2. One Party shall not terminate this Agreement during its Initial Term without the consent of the other.

ARTICLE VI. MISCELLANEOUS TERMS

Section 6.1 No Joint Venture. This Agreement shall not be construed in such a way that any Party is or is deemed to be, the representative, agent, employee, partner, or joint venture of the other. The Parties shall neither have the authority to enter into any agreement, nor to assume any liability, on behalf of any other Party, nor to bind or commit the other Party in any manner, except as expressly provided herein.

Section 6.2 Notice. All notices required to be given pursuant to this Agreement shall be in writing and addressed to the Parties at their respective addresses set forth below. All such notices shall be deemed duly given if personally delivered, or if deposited in the United States mail, registered or certified return receipt requested, or upon receipt of facsimile transmission. Notice given as provided herein does not waive service of summons or process.

If to the County, to:	/	If to the Participant, to:
	/	
Attention: Logan County	/	
c/o Logan County Board	/	
601 Broadway Street	/	
Lincoln, Illinois 62656	/	

Section 6.3 Entire Agreement. This Agreement constitutes the entire agreement with respect to the subject matter hereof and supersedes all other prior and contemporary agreements, understandings, representations, negotiations, and commitments between the Parties with respect to the subject matter hereof.

Section 6.4 Approval Required and Binding Effect. This Agreement shall not become effective unless authorized by each Party's respective corporate authorities or governing body. This Agreement constitutes a legal, valid and binding agreement, enforceable against the Parties.

Section 6.5 Representations. Each Party represents that it has the authority to enter into this Agreement and undertake the duties and obligations contemplated by this Agreement and that it has taken or caused to be taken all necessary action to authorize the execution and delivery of this Agreement.

Section 6.6 Covenant Not to Sue. The Parties hereby covenant and agree that each shall not sue, institute, cause to be instituted or permit to be instituted on its behalf, or by or on behalf of its past, present or future officials, officers, employees, attorneys, agents or assigns, any proceeding or other action with or before any local, state and/or federal agency, court or other tribunal, against the other Party, its board members, officers, commissioners, employees, attorneys, agents or assigns, arising out of, or from, or otherwise relating, directly or indirectly, to this Agreement to the extent authorized by law, provided that the County, with the consent of the ETSB, may bring an action against the Participant to enforce Participant's financial obligations under this Agreement.

Section 6.7 Indemnification. The Parties hereby release and agree that each shall indemnify and hold harmless the other Party and all of its present, former and future officers, including board members, commissioners, employees, attorneys, agents and assigns from and against any and all losses, liabilities, damages, claims, demands, fines, penalties, causes of action, costs, present or future, known or unknown, sounding in law or equity that arise out of or from or otherwise relate, directly or indirectly, to this Agreement to the extent authorized by law, including, but not limited to any injury or damage caused by the failure of the system to function properly, the quality of the data contained in the system, or the failure of the system to operate as designed. This Section is an agreement between local public entities to allocate or share liability from an injury resulting from their joint undertaking of a shared function under Article VII of the Local Government and Governmental Employees Tort Immunity Act, 745 ILCS 10/7.

Section 6.8 Appropriations. The Parties hereby agree that the duties imposed on by this Agreement contemplate the appropriate of funds required to perform such duties. To the extent authorized by law, the Parties agree to appropriate when necessary, and in the manner provided by law, such funds as may be required to perform their respective duties under the Agreement.

Section 6.9 Amendments. This Agreement may be amended upon the written agreement of the Parties.

WHEREFORE, the Parties have signed and executed this Agreement as of the date written below in the County of Logan, State of Illinois.

**CABLE TELEVISION FRANCHISE AGREEMENT
BY AND BETWEEN
The
CITY OF LINCOLN
And
COMCAST OF ILLINOIS/INDIANA/OHIO, LLC.**

This Franchise Agreement (hereinafter, the "Agreement" or "Franchise Agreement") is made between the City of Lincoln, Illinois (hereinafter, the "City") and Comcast of Illinois/Indiana/Ohio, LLC., (hereinafter, "Grantee") this ____ day of _____, _____ (the "Effective Date").

The City, having determined that the financial, legal, and technical abilities of the Grantee are reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the community, desires to enter into this Franchise Agreement with the Grantee for the construction, operation and maintenance of a Cable System on the terms and conditions set forth herein.

This Agreement is entered into by and between the parties under the authority of and shall be governed by the Cable Act, and the Illinois Municipal Code, as amended from time to time; provided that any provisions of the Illinois Municipal Code that are inconsistent with the Cable Act shall be deemed to be preempted and superseded.

SECTION 1: Definition of Terms

For the purpose of this Franchise Agreement, capitalized terms, phrases, words, and abbreviations shall have the meanings ascribed to them in the Cable Act, unless otherwise defined herein.

"Cable Act" or "Act" means the Cable Communications Policy Act of 1984, as amended by the Cable Consumer Protection and Competition Act of 1992 and the Telecommunications Act of 1996, 47 U.S.C. §§ 521 et seq., as the same may be amended from time to time.

"Cable Operator" means any Person or group of Persons who provides Cable Service over a Cable System and directly or through one or more affiliates owns a significant interest in such Cable System; or who otherwise controls or is responsible for, through any arrangement, the management and operation of such a Cable System.

"Cable Service" or "Service" means the one-way transmission to Subscribers of Video Programming or Other Programming Service and Subscriber interaction, if any, which is required for the selection or use of such Video Programming or Other Programming Service.

"Cable System" or "System," has the meaning set forth in 47 U.S.C. § 522 of the Cable Act, and means Grantee's facilities, consisting of a set of closed transmission paths and associated signal generation, reception and control equipment, that is designed to provide Cable

Service which includes Video Programming and which is provided to multiple Subscribers within the Franchise Area, but such term does not include (i) a facility that serves only to re-transmit the television signals of one or more television broadcast stations; (ii) a facility that serves Subscribers without using any public right-of-way, (iii) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act of 1934, as amended, except that such a facility shall be considered a Cable System (other than for purposes of section 621(c) of the Cable Act) to the extent such facility is used in the transmission of Video Programming directly to Subscribers, unless the extent of such use is solely to provide Interactive On-Demand Services; (iv) an open video system that complies with section 653 of the Cable Act; or (v) any facilities of any electric utility used solely for operating its electric utility systems.

"Channel" or "Cable Channel" means a portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television channel as a television channel is defined by the Federal Communications Commission by regulation.

"Customer" or "Subscriber" means a Person who lawfully receives and pays for Cable Service with the Grantee's express permission.

"FCC" means the Federal Communications Commission or successor governmental entity thereto.

"Franchise" means the initial authorization, or renewal thereof, issued by the City, whether such authorization is designated as a franchise, agreement, permit, license, resolution, contract, certificate, ordinance or otherwise, which authorizes the construction or operation of the Cable System.

"Franchise Agreement" or "Agreement" shall mean this Agreement and any amendments or modifications hereto.

"Franchise Area" means the present legal boundaries of the City as of the Effective Date, and shall also include any additions thereto, by annexation or other legal means as provided in this Agreement.

"Grantee" shall mean Comcast of Illinois/Indiana/Ohio, LLC.

"Gross Revenue" means the Cable Service revenue received by the Grantee from the operation of the Cable System in the Franchise Area to provide Cable Services, calculated in accordance with generally accepted accounting principles. Cable Service revenue includes monthly Basic Cable Service, cable programming service regardless of Service Tier, premium and pay-per-view video fees, advertising and home shopping revenue, installation fees and equipment rental fees. Gross revenues shall also include such other revenue sources from Cable Service delivered over the Cable System as may now exist or hereafter develop, provided that such revenues, fees, receipts, or charges may be lawfully included in the gross revenue base for purposes of computing the City's permissible franchise fee under the Cable Act, as amended from time to time. Gross Revenue shall not include refundable deposits, bad debt, investment income, programming launch support payments, third party advertising sales commissions and

agency fees, nor any taxes, fees or assessments imposed or assessed by any governmental authority. Gross Revenues shall include amounts collected from Subscribers for Franchise Fees pursuant to *City of Dallas, Texas v. F.C.C.*, 118 F.3d 393 (5th Cir. 1997), and amounts collected from non-Subscriber revenues in accordance with the Court of Appeals decision resolving the case commonly known as the "Pasadena Decision," *City of Pasadena, California et. al., Petitions for Declaratory Ruling on Franchise Fee Pass Through Issues*, CSR 5282-R, *Memorandum Opinion and Order*, 16 FCC Rcd. 18192 (2001), and *In re: Texas Coalition of Cities for Utility Issues v. F.C.C.*, 324 F.3d 802 (5th Cir. 2003).

"Initial Franchise Service Area" means that portion of the Franchise Area served by the Grantee's Cable System as of the Effective Date of this Franchise Agreement.

"Person" means any natural person or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not-for profit, but shall not mean the City.

"Public Way" shall mean, pursuant and in addition to the City's Right of Way Ordinance (3-13-7), the surface of, and the space above and below, any street, alley, other land or waterway, dedicated or commonly used for pedestrian or vehicular traffic or other similar purposes, including, but not limited to, public utility easements and other easements dedicated for compatible uses, now or hereafter held by the City in the Franchise Area, to the extent that the City has the right and authority to authorize, regulate, or permit the location of facilities other than those of the City. Public Way shall not include any real or personal City property that is not specifically described in this definition and shall not include City buildings, fixtures, and other structures and improvements, regardless of whether they are situated in the Public Way.

"Standard Installation" means those installations to Subscribers that are located up to one hundred twenty-five (125) feet from the existing distribution system (Cable System).

"City" means the City of Lincoln, Illinois or the lawful successor, transferee, designee, or assignee thereof.

"Video Programming" or "Programming" means programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

SECTION 2: Grant of Authority

2.1. Pursuant to Section 621(a) of the Cable Act, 47 U.S.C. § 541 (a), and 65 ILCS 5/11-42-11(a) of the Illinois Municipal Code, and Ordinance No. _____ approving and authorizing the execution of this Agreement, the City hereby grants to the Grantee a nonexclusive Franchise authorizing the Grantee to construct and operate a Cable System in the Public Ways within the Franchise Area, and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain, or retain in any Public Way such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, pedestals, amplifiers, appliances, attachments, and other related property or equipment as may be necessary or appurtenant to the Cable System, and to provide such services over the Cable System as may be lawfully allowed.

2.2. Term of Franchise. The term of the Franchise granted hereunder shall be ten (10) years from the Effective Date, unless the Franchise is renewed or is lawfully terminated in accordance with the terms of this Franchise Agreement and/or applicable law. From and after the Effective Date of this Franchise Agreement, the Parties acknowledge that this Franchise Agreement is intended to be the sole and exclusive Franchise Agreement between the Parties pertaining to the Grantee's Franchise for the provision of Cable Service.

2.3. Renewal. Any renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, as amended, and any applicable State law which may exist at the time of renewal and which is not superseded by the Cable Act.

2.4. Police Powers. Nothing in this Franchise Agreement shall be construed as an abrogation by the City of any of its police powers to adopt and enforce generally applicable ordinances deemed necessary for the health, safety, and welfare of the public, and the Grantee shall comply with all generally applicable laws and ordinances enacted by the City pursuant to such police power.

2.5. Reservation of Authority. Nothing in this Franchise Agreement shall (A) abrogate the right of the City to perform any public works or public improvements of any description, (B) be construed as a waiver of any codes or ordinances of general applicability promulgated by the City, or (C) be construed as a waiver or release of the rights of the City in and to the Public Ways.

2.6. Competitive Equity.

2.6.1. In the event the City grants an additional Franchise to use and occupy any Public Way for the purposes of operating a Cable System, the additional Franchise shall only be granted in accordance with the Illinois Level Playing Field Statute, 65 ILCS 5/11-42-11.

2.6.2. In the event an application for a new cable television franchise or other similar authorization is filed with the City proposing to serve the Franchise Area, in whole or in part, the City shall to the extent permitted by law promptly notify the Grantee, or require the Grantee to be notified, and include a copy of such application.

2.6.3. Provided that appropriate vehicle safety markings have been deployed, Grantee's vehicles shall be exempt from parking restrictions of the City while used in the course of installation, repair and maintenance work on the Cable System.

SECTION 3: Construction and Maintenance of the Cable System

3.1. Except as may be otherwise provided in this Franchise Agreement, Grantee shall comply with all generally applicable provisions of Title/Chapter 3-13-7, entitled "Conditions of Street Occupancy," of the Municipal Code of the City of Lincoln as may be amended from time to time.

3.2. Aerial and Underground Construction. At the time of Cable System construction, if all of the transmission and distribution facilities of all of the respective public or municipal utilities in any area of the Franchise Area are underground, the Grantee shall place its Cable

Systems' transmission and distribution facilities underground, provided that such underground locations are actually capable of accommodating the Grantee's cable and other equipment without technical degradation of the Cable System's signal quality. In any region(s) of the Franchise Area where the transmission or distribution facilities of the respective public or municipal utilities are both aerial and underground, the Grantee shall have the discretion to construct, operate, and maintain all of its transmission and distribution facilities or any part thereof, aerially or underground. Nothing in this Section shall be construed to require the Grantee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, pedestals, or other related equipment.

3.3. Undergrounding and Beautification Projects.

3.3.1. In the event the City requires users of the Public Way who operate aerial facilities to relocate such aerial facilities underground, Grantee shall participate in the planning for relocation of its aerial facilities, if any, contemporaneously with such users. Grantee shall be reimbursed its relocation costs from public or private funds allocated for the project to the same extent as such funds are made available to other users of the Public Way, if any, provided that any utility's exercise of authority granted under its tariff to charge consumers for the said utility's cost of the project that are not reimbursed by the City shall not be considered to be public or private funds.

3.3.2. The Grantee shall not be required to relocate its facilities unless it has been afforded at least sixty (60) days notice of the necessity to relocate its facilities. Upon adequate notice the Grantee shall provide a written estimate of the cost associated with the work necessary to relocate its facilities. In instances where a third party is seeking the relocation of the Grantee's facilities or where the Grantee is entitled to reimbursement pursuant to the preceding Section, the Grantee shall not be required to perform the relocation work until it has received payment for the relocation work.

SECTION 4: Service Obligations

4.1. Initial Service Obligations. As of the Effective Date of this Agreement, Grantee's Cable System has been designed to provide, and is capable of providing, Cable Service to residential Customers throughout the Initial Franchise Service Area. The Grantee shall continue to make Cable Service available in the Initial Service Area throughout the term of this Agreement and Grantee shall extend its Cable System and provide service consistent with the provisions of this Franchise Agreement.

4.2. General Service Obligation. The Grantee shall make Cable Service available beyond the Initial Franchise Service Area to every residential dwelling unit within the Franchise Area where the minimum density is at least thirty (30) dwelling units per linear Cable System network mile as measured from the existing Cable System's technically feasible connection point. Subject to the density requirement, Grantee shall offer Cable Service to all new homes or previously unserved homes located within one hundred twenty-five (125) feet of the Grantee's distribution cable (e.g., a Standard Installation).

4.2.1. The Grantee may elect to provide Cable Service to areas not meeting the above density and distance standards. The Grantee may impose an additional charge in excess of its regular installation charge for any service installation requiring a drop or line extension in excess of a Standard Installation. Any such additional charge shall be computed on a time plus materials basis plus a reasonable rate of return.

4.3. Programming. The Grantee agrees to provide cable programming services in the following broad categories:

Children	General Entertainment	Family Oriented
Ethnic/Minority	Sports	Weather
Educational	Arts, Culture and Performing Arts	News & Information

Pursuant and subject to federal law, all Video Programming decisions, excluding PEG Access Programming, are at the sole discretion of the Grantee.

4.4. Technical Standards. The Grantee shall comply with all applicable technical standards of the FCC as published in 47 C.F.R., Part 76, Subpart K, as amended from time to time. The Grantee shall cooperate with the City in conducting inspections related to these standards upon reasonable prior written request from the City based on a significant number of Subscriber complaints.

4.5. Annexations and New/Planned Developments. In cases of annexation the City shall provide the Grantee written notice of such annexation. In cases of new construction, planned developments or property development where undergrounding or extension of the Cable System is required, the City shall provide or cause the developer or property owner to provide notice of the same. Such notices shall be provided at the time of notice to all utilities or other like occupants of the City's Public Way. If advance notice of such annexation, new construction, planned development or property development is not provided, the Grantee shall be allowed an adequate time to prepare, plan and provide a detailed report as to the timeframe for it to construct its facilities and provide the services required under this Franchise Agreement.

4.6. Service to School Buildings and Governmental Facilities.

4.6.1. The City and the Grantee acknowledge the provisions of 220 ILCS 5/22-501(f), whereby the Grantee shall provide complimentary Basic Cable Service and a free Standard Installation at one outlet to all eligible buildings as defined in said state statute. Eligible buildings shall not include buildings leased to non-governmental third parties or buildings such as storage facilities at which government employees are not regularly stationed.

4.6.2. Long Drops. The Grantee may impose an additional charge in excess of its regular installation charge for any service installation requiring a drop or line extension in excess of a Standard Installation. Any such additional charge shall be computed on a time plus materials basis to be calculated on that portion of the installation that exceeds a Standard Installation.

4.7. Emergency Alerts. At all times during the term of this Franchise Agreement, the Grantee shall provide and maintain an "Emergency Alert System" ("EAS") consistent with applicable Federal law and regulation – including 47 C.F.R., Part 11 and the "State of Illinois Emergency Alert System State Plan" – as may be amended from time to time. Should the City become qualified and authorized to activate the EAS, the Grantee shall provide instructions on the access and use of the EAS by the City to the City on an annual basis. The City agrees to indemnify and hold the Grantee harmless from any damages or penalties arising out of the negligence of the City, its employees or agents in using such system.

4.8. Customer Service Obligations. The City and Grantee acknowledge that the customer service standards and customer privacy protections are set forth in the Cable and Video Customer Protection Law, 220 ILCS 5/22-501 *et seq.* Enforcement of such requirements and standards and the penalties for non-compliance with such standards shall be consistent with the Cable and Video Customer Protection Law, 220 ILCS 5/22-501 *et seq.*

SECTION 5: Oversight and Regulation by City

5.1. Franchise Fees. The Grantee shall pay to the City a Franchise Fee in an amount equal to five percent (5%) of annual Gross Revenues received from the operation of the Cable System to provide Cable Service in the Franchise Area; provided, however, that Grantee shall not be compelled to pay any higher percentage of fees than any other video service provider, under state authorization or otherwise, providing service in the Franchise Area. The payment of Franchise Fees shall be made on a quarterly basis and shall be due forty-five (45) days after the close of each calendar quarter. If mailed, the Franchise Fee shall be considered paid on the date it is postmarked. Each Franchise Fee payment shall be accompanied by a report prepared by a representative of the Grantee showing the basis for the computation of the franchise fees paid during that period. Any undisputed Franchise Fee payment which remains unpaid in whole or in part, after the date specified herein shall be delinquent. For any delinquent Franchise Fee payments, Grantee shall make such payments including interest at the prime lending rate as quoted by JP Morgan Chase & Company or its successor, computed from time due until paid. Any undisputed overpayments made by the Grantee to the City shall be credited upon discovery of such overpayment until such time when the full value of such credit has been applied to the Franchise Fee liability otherwise accruing under this Section.

5.1.1. The Parties acknowledge that, at present, the Cable Act limits the City to collection of a maximum permissible Franchise Fee of five percent (5%) of Gross Revenues. In the event that a change in the Cable Act would allow the City to increase the Franchise Fee above five percent (5%), and the City actually proposes to increase the Franchise Fee in exercise of such authority, the City may amend the Franchise Fee percentage. Following the determination to increase the Franchise Fee and enactment of an ordinance enabling the same, the City shall notify the Grantee of its intent to collect the increased Franchise Fee, and Grantee shall have a reasonable time (not to be less than ninety (90) days from receipt of notice from the City) to effectuate any changes necessary to begin the collection of such increased Franchise Fee. In the event that the City increases said Franchise Fee, the Grantee shall notify its Subscribers of the City's decision to increase said fee prior to the implementation of the collection of said fee from Subscribers as required by law.

5.1.2. In the event a change in state or federal law requires the City to reduce the franchise fee percentage that may be collected, the parties agree the Grantee shall reduce the percentage of franchise fees collected to the lower of: i) the maximum permissible franchise fee percentage; or ii) the lowest franchise fee percentage paid by any other Cable Operator granted a Cable Franchise by the City pursuant to the Cable Act, and Section 11-42-11 of the Illinois Municipal Code; provided that: (a) such amendment is in compliance with the change in state or federal law; (b) the City approves the amendment by ordinance; and (c) the City notifies Grantee at least ninety (90) days prior to the effective date of such an amendment.

5.1.3. Taxes Not Included. The Grantee acknowledges and agrees that the term "Franchise Fee" does not include any tax, fee, or assessment of general applicability (including any such tax, fee, or assessment imposed on both utilities and Cable Operators on their services but not including a tax, fee, or assessment which is unduly discriminatory against Cable Operators or Cable Subscribers).

5.2. Franchise Fees Subject to Audit. The City and Grantee acknowledge that the audit standards are set forth in the Illinois Municipal Code at 65 ILCS 5/11-42-11.05 (Municipal Franchise Fee Review; Requests For Information). Any audit shall be conducted in accordance with generally applicable auditing standards.

5.2.1 In accordance with 65 ILCS 5/11-42-11.05 (k), the City shall provide on an annual basis, a complete list of addresses within the corporate limits of the City. If an address is not included in the list or if no list is provided, the Grantee shall be held harmless for any franchise fee underpayments (including penalty and interest) from situsing errors.

5.3. Proprietary Information. Notwithstanding anything to the contrary set forth in this Agreement, the Grantee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature, with the exception of the information directly related to an audit of Franchise Fees as set forth in Section 5.2. The City agrees to treat any information disclosed by the Grantee as confidential and only to disclose it to those employees, representatives, and agents of the City that have a need to know in order to enforce this Franchise Agreement and who agree to maintain the confidentiality of all such information. For purposes of this Section, the terms "proprietary or confidential" include, but are not limited to, information relating to the Cable System design, customer lists, marketing plans, financial information unrelated to the calculation of Franchise Fees or rates pursuant to FCC rules, or other information that is reasonably determined by the Grantee to be competitively sensitive. Grantee may make proprietary or confidential information available for inspection but not copying or removal by the Franchise Authority's representative. In the event that the City has in its possession and receives a request under the Illinois Freedom of Information Act (5 ILCS 140/1 *et seq.*), or similar law for the disclosure of information the Grantee has designated as confidential, trade secret or proprietary, the City shall notify Grantee of such request and cooperate with Grantee in opposing such request. Grantee shall indemnify and defend the City from and against any claims arising from the City's opposition to disclosure of any information Grantee designates as proprietary or confidential. Compliance by the City with an opinion or directive from the Illinois Public Access Counselor or the Illinois Attorney General under the Illinois Freedom of Information Act, 5 ILCS 140/1 *et seq.*, or with a decision or order of a court with jurisdiction over the City, shall not be a violation of this Section.

SECTION 6: Transfer of Cable System or Franchise or Control of Grantee

6.1. Neither the Grantee nor any other Person may transfer the Cable System or the Franchise without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed.

6.2. No transfer of control of the Grantee, defined as an acquisition of fifty-one percent (51%) or greater ownership interest in Grantee, shall take place without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed.

6.3. No consent shall be required, however, for (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or in the Cable System in order to secure indebtedness, or (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast Corporation.

6.4. The Grantee, and any proposed transferee under this Section 6, shall submit a written application to the City containing or accompanied by such information as is required in accordance with applicable law and FCC regulations, specifically including a completed Form 394 or its successor, and in compliance with the processes established for transfers under FCC rules and regulations, including Section 617 of the Cable Act, 47 U.S.C. §537. Within thirty (30) days after receiving a request for consent, the City shall, in accordance with FCC rules and regulations, notify the Grantee in writing of the additional information, if any, it requires to determine the legal, financial and technical qualifications of the transferee or new controlling party. If the City has not taken final action on the Grantee's request for consent within one hundred twenty (120) days after receiving such request, consent shall be deemed granted. As a condition to granting of any consent, the City may require the transferee to agree in writing to assume the obligations of the Grantee under this Franchise Agreement.

6.5. Any transfer of control resulting from or after the appointment of a receiver or receivers or trustee or trustees, however denominated, designated to take over and conduct the business of the grantee, whether in a receivership, reorganization, bankruptcy or other action or proceeding, unless such receivership or trusteeship shall have been vacated prior to the expiration of a one hundred twenty (120) day period, shall be treated as a transfer of control pursuant to 47 U.S.C. §537 and require the City's consent thereto in the manner described in Section 6 above.

SECTION 7: Insurance and Indemnity

7.1. **Insurance.** Throughout the term of this Franchise Agreement, the Grantee shall, at its own cost and expense, maintain such insurance and provide the City certificates of insurance in accordance with Title "Indemnification of the City"/Chapter 3-13-15 (B) of the Lincoln Municipal Code.

7.2. **Indemnification.** The Grantee shall indemnify, defend and hold harmless the City, its officers, employees, and agents (the "Indemnitees") from and against any injuries, claims, demands, judgments, damages, losses and expenses, including reasonable attorney's fees and costs of suit or defense (the "Indemnification Events"), arising in the course of the Grantee

constructing and operating its Cable System within the City. The Grantee's obligation with respect to the Indemnitees shall apply to Indemnification Events which may occur during the term of this Agreement, provided that the claim or action is initiated within the applicable statute of limitations, notwithstanding that the claim may be made or action filed subsequent to the termination or expiration of this Agreement. The City shall give the Grantee timely written notice of its obligation to indemnify and defend the City after the City's receipt of a claim or action pursuant to this Section. For purposes of this Section, the word "timely" shall mean within a time period that does not cause prejudice to the respective positions of the Grantee and/or the City. If the City elects in its own discretion to employ additional counsel, the costs for such additional counsel for the City shall be the responsibility of the City.

7.2.1. The Grantee shall not indemnify the City for any liabilities, damages, costs or expense resulting from any conduct for which the City, its officers, employees and agents may be liable under the laws of the State of Illinois.

7.2.2. Nothing herein shall be construed to limit the Grantee's duty to indemnify the City by reference to the limits of insurance coverage described in this Agreement.

SECTION 8: Public, Educational and Governmental (PEG) Access

8.1. **PEG Capacity.** The Grantee shall provide capacity for the City's noncommercial Public, Educational and Governmental Access ("PEG") Programming through one Channel (the "Channel") on the Grantee's Cable System. Unless otherwise agreed to by the City and the Grantee to the extent required by applicable law, the Channel may be carried on the Grantee's basic digital service tier. The City's PEG Access Programming shall be provided consistent with Section 611 of the Cable Act, as amended from time to time.

8.2. **Rules and Procedures for Use of the PEG Access Channel.** The City shall be responsible for establishing, and thereafter enforcing, rules for the non-commercial use of the PEG Access Channel.

8.3. **Allocation and Use of the PEG Access Channel.** The Grantee does not relinquish its ownership of the Channel by designating it for PEG use. However, the PEG Access Channel are, and shall be, operated by the City.

8.4. **Editorial Control.** Grantee shall not exercise any editorial control over any use of the PEG Access Channel except as permitted by 47 U.S.C. §531(e).

8.5. **Origination Point.** Grantee shall maintain throughout the life of this Franchise the current return line that is in place as of the Effective Date from City Hall to Grantee's headend facility in order to enable the distribution of PEG access programming to Grantee's residential customers, unless the location is no longer used by City to transmit programming. At such time that the City determines that it wants to establish capacity to allow its residents who subscribe to Grantee's Cable Service to receive PEG Access Programming originated from Schools and/or City facilities (other than those having a signal point of origination at the time of the execution of this Agreement); or at such time that the City determines that it wants to change or upgrade a location from which PEG Access Programming is originated; the City will give the Grantee

written notice detailing the point of origination and the capability sought by the City. The Grantee agrees to submit a cost estimate to implement the City's plan within a reasonable period of time. After an agreement to reimburse the Grantee for its expenditure within a reasonable period of time, the Grantee will implement any necessary system changes within a reasonable period of time.

8.6. PEG Signal Quality. Provided the PEG signal feed is delivered by the City to the designated signal input point without material degradation, the PEG Channel delivery system from the designated signal input point shall meet the same FCC technical standards as the remainder of the Cable System set forth in this Agreement.

8.7. Grantee Use of Unused Time. Because the City and Grantee agree that a blank or underutilized PEG Access Channel is not in the public interest, in the event the City does not completely program a Channel, Grantee may utilize the Channel for its own purposes. Grantee may program unused time on the Channel subject to reclamation by the City upon no less than sixty (60) days' notice. Except as otherwise provided herein, the programming of the PEG Access Channel with text messaging, or playback of previously aired programming shall not constitute unused time. Text messaging containing out of date or expired information for a period of thirty (30) days shall be considered unused time. A programming schedule that contains playback of previously aired programming that has not been updated for a period of ninety (90) days shall be considered unused time. Unused time shall be considered to be a period of time, in excess of six (6) hours, where no community produced programming of any kind can be viewed on a PEG Access Channel. Unused time shall not include periods of time where programming cannot be viewed that are caused by technical difficulties, transition of broadcast media, signal testing, replacement or repair of equipment, or installation or relocation of facilities.

SECTION 9: Enforcement of Franchise

9.1. Notice of Violation or Default. In the event the City believes that the Grantee has not complied with a material term of the Franchise, it shall notify the Grantee in writing with specific details regarding the exact nature of the alleged noncompliance or default.

9.2. Grantee's Right to Cure or Respond. The Grantee shall have thirty (30) days from the receipt of the City's written notice: (A) to respond to the City, contesting the assertion of noncompliance or default; or (B) to cure such default; or (C) in the event that, by nature of the default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the City of the steps being taken and the projected date that the cure will be completed.

9.3. Enforcement. Subject to applicable federal and state law, and following notice and an opportunity to cure and respond pursuant to the provisions of Section 9.2 above, in the event the City determines that the Grantee is in default of any material provision of the Franchise, the City may:

9.3.1. seek specific performance of any provision that reasonably lends itself to such remedy or seek other relief available at law, including declaratory or injunctive relief; or

9.3.2. in the case of a substantial or frequent default of a material provision of the Franchise, declare the Franchise Agreement to be revoked in accordance with the following:

(i) The City shall give written notice to the Grantee of its intent to revoke the Franchise on the basis of a pattern of noncompliance by the Grantee. The notice shall set forth with specificity the exact nature of the noncompliance. The Grantee shall have ninety (90) days from the receipt of such notice to object in writing and to state its reasons for such objection. In the event the City has not received a response from the Grantee or upon receipt of the response does not agree with the Grantee's proposed remedy or in the event that the Grantee has not taken action to cure the default, it may then seek termination of the Franchise at a public hearing. The City shall cause to be served upon the Grantee, at least ten (10) days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to request termination of the Franchise.

(ii) At the designated hearing, the City shall give the Grantee an opportunity to state its position on the matter, present evidence and question witnesses, after which the City shall determine whether or not the Franchise shall be terminated. The public hearing shall be on the record. A copy of the transcript shall be made available to the Grantee at its sole expense. The decision of the City shall be in writing and shall be delivered to the Grantee in a manner authorized by Section 10.2. The Grantee may appeal such determination to any court with jurisdiction within thirty (30) days after receipt of the City's decision.

9.4. Remedies Not Exclusive. In addition to the remedies set forth in this Section 9, the Grantee acknowledges the City's ability pursuant to Section 4.8 of this Franchise Agreement to enforce the requirements and standards, and the penalties for non-compliance with such standards, consistent with the Illinois Cable and Video Customer Protection Law; and, pursuant to Section 3.1 of this Franchise Agreement and Title Conditions of Street Occupancy/Chapter 3-13-7 of the Lincoln Municipal Code, to enforce the Grantee's compliance with the City's requirements regarding "Construction of Utility Facilities in the Rights-Of-Way." Notwithstanding the foregoing, nothing in this Agreement shall be interpreted to permit the City to exercise such rights and remedies in a manner that permits duplicative recovery from, or payments by, the Grantee. Such remedies may be exercised from time to time and as often and in such order as may be deemed expedient by the City.

SECTION 10: Miscellaneous Provisions

10.1. Force Majeure. The Grantee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by strike, riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, failure of utility service necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond the Grantee's ability to anticipate or control. This provision also covers

work delays caused by waiting for utility providers to service or monitor their own utility poles on which the Grantee's cable or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary. Non-compliance or default shall be corrected within a reasonable amount of time after force majeure has ceased.

10.2. Notice. Any notification that requires a response or action from a party to this franchise within a specific time-frame, or that would trigger a timeline that would affect one or both parties' rights under this franchise, shall be in writing and shall be sufficiently given and served upon the other party by hand delivery, first class mail, registered or certified, return receipt requested, postage prepaid, or by reputable overnight courier service and addressed as follows:

To the City:

City of Lincoln
700 Broadway Street
Lincoln, IL. 62656
ATTN: Mayor

To the Grantee:

Comcast of Illinois/Indiana/Ohio, LLC.
1500 McConnor Parkway
Schaumburg, Illinois 60173
ATTN: Director of Government Affairs

Recognizing the widespread usage and acceptance of electronic forms of communication, emails and faxes will be acceptable as formal notification related to the conduct of general business amongst the parties to this contract, including but not limited to programming and price adjustment communications. Such communication should be addressed and directed to the person of record as specified above. Either party may change its address and addressee for notice by notice to the other party under this Section.

10.3. Entire Agreement. This Franchise Agreement embodies the entire understanding and agreement of the City and the Grantee with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and communications, whether written or oral. Except for ordinances adopted pursuant to Sections 2.4 and 2.5 of this Agreement, all ordinances or parts of ordinances related to the provision of Cable Service that are in conflict with or otherwise impose obligations different from the provisions of this Franchise Agreement are superseded by this Franchise Agreement.

10.3.1. The City may adopt a cable television/video service provider regulatory ordinance that complies with applicable law, provided the provisions of any such ordinance adopted subsequent to the Effective Date of this Franchise Agreement shall not apply to the Grantee during the term of this Franchise Agreement.

10.4. Severability. If any section, subsection, sentence, clause, phrase, or other portion of this Franchise Agreement is, for any reason, declared invalid, in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect. If any material provision of this Agreement is made or found to be unenforceable by such a binding and final decision, either party may notify the other in writing that the Franchise has been materially altered by the change and of the election to begin

negotiations to amend the Franchise in a manner consistent with said proceeding or enactment; provided, however, that any such negotiated modification shall be competitively neutral, and the parties shall be given sufficient time to implement any changes necessitated by the agreed-upon modification.

10.5. Governing Law. This Franchise Agreement shall be deemed to be executed in the State of Illinois, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of the State of Illinois and/or Federal law, as applicable.

10.6. Venue. Except as to any matter within the jurisdiction of the federal courts or the FCC, all judicial actions relating to any interpretation, enforcement, dispute resolution or any other aspect of this Agreement shall be brought in the Circuit Court of the State of Illinois, Logan County, Illinois. Any matter brought pursuant to the jurisdiction of the federal court shall be brought in the United States District Court of the Central District of Illinois.

10.7. Modification. Except as provided in Sections 5.1.1 and 5.1.2, no provision of this Franchise Agreement shall be amended or otherwise modified, in whole or in part, except by an instrument, in writing, duly executed by the City and the Grantee, which amendment shall be authorized on behalf of the City through the adoption of an appropriate ordinance or resolution by the City, as required by applicable law.

10.8. No Third-Party Beneficiaries. Nothing in this Franchise Agreement is intended to confer third-party beneficiary status on any person, individual, corporation or member of the public to enforce the terms of this Franchise Agreement.

10.9. No Waiver of Rights. Nothing in this Franchise Agreement shall be construed as a waiver of any rights, substantive or procedural, Grantee may have under Federal or state law unless such waiver is expressly stated herein.

10.10. Validity of Franchise Agreement. The parties acknowledge and agree in good faith on the validity of the provisions, terms and conditions of this Franchise Agreement, in their entirety, and that the Parties have the power and authority to enter into the provisions, terms, and conditions of this Agreement.

10.11. Authority to Sign Agreement. Grantee warrants to the City that it is authorized to execute, deliver and perform this Franchise Agreement. The individual signing this Franchise Agreement on behalf of the Grantee warrants to the City that s/he is authorized to execute this Franchise Agreement in the name of the Grantee.

IN WITNESS WHEREOF, this Franchise Agreement has been executed by the duly authorized representatives of the parties as set forth below, as of the date set forth below:

For the City of Lincoln:

For Comcast of Illinois/Indiana/Ohio, LLC.:

Name: _____

Name: John Crowley

Name: _____

Name: John Crowley

Title: _____

Title: Regional Senior Vice-President

Date: _____

Date: _____