

City of Rock Falls

603 W. 10th Street
Rock Falls, IL 61071-2854

Mayor
William B. Wescott
815-380-5333

City Administrator
Robbin D. Blackert
815-564-1366



City Clerk
Eric Arduini
815-622-1104

City Treasurer
Kay Abner
815-622-1100

City Council Agenda Rock Falls Council Chambers June 5th, 2018 6:30 p.m.

Call to Order @ 6:30 p.m.
Pledge of Allegiance
Roll Call

Presentation:

1. Presentation of the \$1000 Groundwater / Electric Scholarship to Hannah Rockwell
2. Comprehensive Site Investigation Report for the Limestone Site - Terracon

Audience Requests:

Community Affairs:

Bethany Bland, President / CEO, Rock Falls Chamber of Commerce.

Consent Agenda:

1. Approval of the Minutes of the May 15th, 2018 Regular Council Meeting.
2. Approval of bills as presented.
3. Approval of the Raffle License for Happy Tails Humane Society.
4. Approval of **Resolution 2018-791** Fiesta Day Parade.
5. Approval of **Resolution 2018-792** Twin Cities Holiday Parade.
6. Approval of the job description for School Resource Officer

Ordinance First Reading

1. Approval of **Ordinance 2018-2379** An Ordinance authorizing and providing for the issuance of not to exceed \$1,200,000 General Obligation Bonds (Waterworks System Alternate Revenue Source) of the City for the purpose of providing certain improvements to the waterworks system of the City, prescribing the details of said bonds and providing for collection, segregation and application of waterworks system revenues to the payment of said bonds and the levy of taxes to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.

2. Approval of **Ordinance 2018-2380** An Ordinance authorizing and providing for the issuance of not to exceed \$1,200,000 General Obligation Bonds (Sewerage System Alternate Revenue Source) of the City for the purpose of providing certain improvements to the sewerage system of the City, prescribing the details of said bonds and providing for collection, segregation and application of sewerage system revenues to the payment of said bonds and the levy of taxes to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.
3. Approval of **Ordinance 2018-2381** An Ordinance authorizing and providing for the issuance of not to exceed \$9,200,000 General Obligation Bonds (Electric System Alternate Revenue Source) of the City for the purpose of providing certain improvements to the electric system of the City, prescribing the details of said bonds and providing for collection, segregation and application of electric system revenues to the payment of said bonds and the levy of taxes to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.
4. Approval of **Ordinance 2018-2382** An Ordinance approving the zoning changes at 1510 Prophet Road.

City Administrator Robbin Blackert:

1. Approval of the partial change order No. 1 from Civil Constructors Inc. 2283 Rt. 20 Freeport IL. for additional road work on West 5th Street in the amount of \$36041.06.
- 2.. Approval of partial change order No. 2 from Civil Constructors Inc. 2283 Rt. 20 Freeport IL. for additional road work on Avenue B in the amount of \$40,491.30.
3. Approval of the Debt Management Policy.
4. Approval of the Intergovernmental agreement with the Board of Education of Rock Falls High School District No. 301, and the Board of Education of Rock Falls Elementary District No. 13 for a School Resource Officer SRO Program.

Information/Correspondence:

Eric Arduini, City Clerk
James Reese, City Attorney
Brian Frickenstein, City Engineer

Department Heads:

Water Reclamation- Ed Cox

1. Approval of the purchase of a 2019 Ford F-250 4x4 Regular Cab from the low bid Prescott Brothers 614 13th Avenue Mendota, IL. in the amount of \$26,705.00
2. Replacement of 180 tertiary filter cloths for banks 1, 2 and 3. These are OEM parts from Aqua- Aerobic Systems Inc. of 6306 N. Alpine Rd. Loves Park, IL. in the amount of \$47,505.00.
3. Approval of the project to go to bid to install a CIP liner to be installed in the 24 inch concrete sanitary sewer main, and all attached manholes on West 1st Street to the Leroy Avenue to the High School and 8th Avenue from West 5th Street to Leroy Ave.

Electric- Dick Simon

- 1. Approval of the Gold SCADA Support plan from Survalent Technologies Inc. 1967 Wehrle Drive Suite 1 Buffalo NY. in the amount of \$15,855.

Police Chief- Chief Tammy Nelson

Fire Chief- Chief Gary Cook

Building Inspector- Mark Searing

Water - Ted Padilla

- 1. Approval of the water service project at 2103 and 2109 Industrial Park Road by Kirby Cable Service Inc. 178842 Sumner Road, Pecatonica, IL in the amount of \$7650.00.
- 2. Approval of the upsized water service at Industrial Overlay from 1.5" to 2" by Kirby Cable Service Inc. 178842 Sumner Road, Pecatonica, IL in the amount of \$7650.00.
- 3. Approval of the repairs to the aeration floor by Westech 600 Arrasmith Trail Ames Iowa in the amount of \$16,193.00.

Street - Larry Spinka

Utility Office - Diane Hatfield

Tourism - Janell Loos

Broadband - Wayne Shafer

Ward Reports:

Ward 1

Ald. Reitzel

Ald. Logan

Ward 2

Ald. Kuhlemier

Ald. Snow

Ward 3

Ald. Schuneman

Ald. Kleckler

Ward 4

Ald. Folsom

Ald. Sobottka

Mayor's Report:

- 1. Approval of the Rock Falls American Legion Special Event Liquor License for Post 902 Bagstravaganza July 4th, 2018.

Executive Session:

Any action taken from Executive Session:

Adjournment:

Next City Council Meeting 06-19-2018

Posted 06-01-2018

Eric Arduini, City Clerk

The City of Rock Falls is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with Disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in the meeting, or who have questions regarding the accessibility of the meeting or the facilities, are requested to contact Mark Searing, ADA Coordinator, at 1-815-622-1108; promptly to allow the City of Rock Falls to make reasonable accommodations within 48 hours of the scheduled meeting.

2018
City of Rock Falls

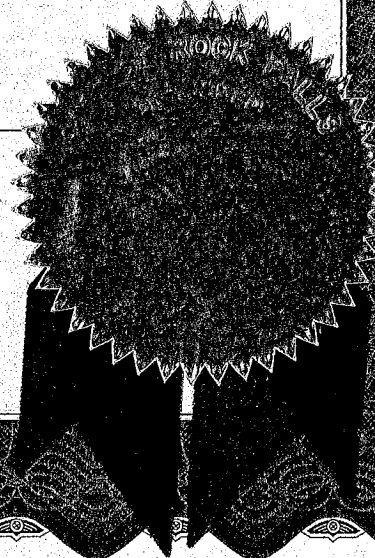
**GROUNDWATER/ELECTRIC
SCHOLARSHIP AWARD**

The Groundwater and Electric Committees
of the City of Rock Falls are pleased to
present the 2018 scholarship award to

Hannah Rockwell

The \$1,000 dollar scholarship is awarded
to allow this student to further her
Educational opportunities following
graduation.

Presented this 14th day of May, 2018



REGULAR MEETING MINUTES OF THE MAYOR AND
ALDERMEN OF THE CITY OF ROCK FALLS

May 15th, 2018

The regular meeting of the Mayor and City Council of Rock Falls, Illinois was called to order by Mayor William B. Wescott at 6:30 p.m. on May 15th, 2018 in the Council Chambers of Rock Falls.

City Clerk Eric Arduini called the roll following the pledge of allegiance. A quorum was present including Aldermen Daehle Reitzel, Brian Snow, Glen Kuhlemier, Jim Schuneman, Rod Kleckler, Lee Folsom, and Violet Sobottka. Alderman George Logan Jr. was absent. In addition City Attorney Jim Reese and City Administrator Robbin Blackert were present.

Mayor Bill Wescott asked for a moment of silence for the family of friends of former Fire Chief George Logan. George Logan who passed away on May 14th served the Rock Falls Fire Department for over 35 years.

Alderman Glen Kuhlemier stated that the City has to recognize George, and he will miss him terribly.

Public Hearing

Mayor Wescott opened the Public Hearing at 6:33pm concerning the intent of the City Council of the City of Rock Falls, Whiteside County, Illinois to sell not to exceed \$9,200,000 General Obligation Bonds (Electric System Alternate Revenue Source), \$1,200,000 General Obligation Bonds (Waterworks System Alternate Revenue Source), and \$1,200,000 General Obligation Bonds (Sewerage System Alternate Revenue Source).

No members of the public spoke in favor or against the issue. City Clerk Arduini stated that his office had received no oral or written comments about the issue.

The Public Hearing was closed at 6:34pm.

Proclamation:

Clerk Arduini read aloud a proclamation for the American Cancer Society - Relay for Life Day in Whiteside County - June 2nd, 2018

Betty Clementz invited the Council to the Relay for Life event at Hinder's Field on June 2nd, 2018 from 6:00pm to 11:00pm. She explained that the first lap is for survivors, and the longest survivor is of 34 years. There will be food, and many activities. If it rains, the event will be moved to Westwood in Sterling. A motion was made by Alderman Folsom, and second by Alderman Snow to approve the proclamation.

Viva Voce Vote, motion carried

Audience Requests:

American Legion Poppy Queen Adalyn Waldschmidt presented poppies to the Mayor, and City Council.

Presentation by Retail Strategies:

Justin Lindsey from Retail Strategies gave a presentation to the Council. He gave a timeline for his company's research and marketing in promoting economic development for the City of Rock Falls.

Consent Agenda:

The consent agenda was read aloud by City Clerk Eric Arduini. A motion to approve consent agenda as read by omnibus designation was made by Alderman Snow and second by Alderman Folsom.

1. Approval of the Minutes of the May 1st, 2018 Regular Council Meeting.
2. Approval of bills as presented.
3. Approval of **Resolution 2018-790** for acceptance of a \$30,000 Abandoned Property Municipal Relief Program Grant.

Vote 7 aye, motion carried

Ordinance Second Reading / Adoption:

A motion was made by Alderman Schuneman, and second by Alderman Kuhlemier for the adoption of **Ordinance 2018-2375** authorizing the issuance of Electric Revenue Bonds of the City of Rock Falls, Whiteside County, Illinois, in an aggregate principal amount not to exceed \$9,200,000, or in lieu thereof, General Obligation Bonds (Electric System Alternate Revenue Source) in an aggregate principal amount not to exceed \$9,200,000 for the purpose of paying the costs of improving the electric system of the City.

Vote 7 aye, motion carried

A motion was made by Alderman Kuhlemier, and second by Alderman Folsom for the adoption of **Ordinance 2018-2376** authorizing the issuance of Sewerage Revenue Bonds of the City of Rock Falls, Whiteside County, Illinois, in an aggregate principal amount of not to exceed \$1,200,000, or in lieu thereof, General Obligation Bonds (Sewerage System Alternate Revenue Source) in an aggregate principal amount not to exceed \$1,200,000 for the purpose of paying the costs of improving the sewerage system of the City.

Vote 7 aye, motion carried

A motion was made by Alderman Schuneman, and second by Alderman Sobottka for the adoption of **Ordinance 2018-2377** authorizing the issuance of Waterworks Revenue Bonds of the City of Rock Falls, Whiteside County, Illinois, in an aggregate principal amount of \$1,200,000, or in lieu thereof, General Obligation Bonds (Waterworks System Alternate Revenue Source) in an aggregate principal amount not to exceed \$1,200,000 for the purpose of paying the costs of improving the waterworks system of the City.

Vote 7 aye, motion carried

A motion was made by Alderman Schuneman, and second by Alderman Sobottka for the adoption of **Ordinance 2018-2378** amending Section 32-122 Bulk Purchasers of Water; Rates

Vote 7 aye, motion carried

City Administrator, Robbin Blackert:

Administrator Blackert informed the Council that the rockfallsfiber.net website is up, running, and residents can now sign up for fiber internet services.

The City-Wide cleanup is going to be held on Saturday. Fliers are at City Hall, and online explaining what items will be accepted at the cleanup.

Road work is continuing. South 14th Avenue has been ground, and will be re-blacktopped. 13th Avenue has been cored out, the curb work is being done, and it will be blacktopped. West 5th St. work has begun, and work will begin soon on Avenue B.

Administrator Blackert gives her condolences to the Logan family.

Alderman Kleckler asked about the signs that were posted concerning the closure of 12th Avenue. Water Superintendent Ted Padilla informed the Council that the signs pertained to the work that will be done at the intersection of 12th Avenue, and West 5th Street.

Information/Correspondence:

Eric Arduini, City Clerk

Clerk Arduini expressed his condolences to the Logan family.

Department Heads:

Water Reclamation- Ed Cox

A motion was made by Alderman Schuneman, and second by Alderman Folsom for the approval of the low bid from Murray and Sons Excavating Inc. 21304 Mathew Road Sterling, Illinois for the Thomas Street Storm Water Project in the amount of \$43,457.50. Mr. Cox explained the scope of the project to the Council.

Vote 7 aye, motion carried

Electric- Dick Simon

Mayor Wescott informed the Council that he had recently attended a conference representing the Rock Falls Electric Department. Through the hard work of the Electric Department, and Director Dick Simon, the City won two awards. Rock Falls Electric was awarded one of the best public power companies in the country. It is now the only Platinum RP3 Agency in Illinois, and one of 254 in the country. The Department received an American Public Power Association Certification of Excellence for outperforming the national average for electric production and reliability. Mayor Wescott reminded the Council that the citizens are the board of directors and owners of this electric company. The RP3 logo will now be displayed on the Electric Department vehicles.

Administrator Blackert added that Mr. Simon works very hard getting the information to the APPA for the RP3 application.

Fire - Gary Cook

Fire Chief Gary Cook stated that the Fire Department wishes condolences to the Logan family, and some in the department worked under Chief Logan.

Fire Hydrant flow testing is now complete.

Water - Ted Padilla

A motion was made by Alderman Kuhlemier, and second by Folsom for the approval of the quote from Hibbard Builders Inc. PO Box 70 Rock Falls, IL for railings to be installed at the Water Plant in the amount of \$11,735.60.

Vote 7 aye, motion carried

Tourism - Janell Loos

Tourism Director Janell Loos informed the Council that Food Truck Friday will be the first Friday of the month from 10:30 am to 8:00pm. The amount of vendors has now doubled, and the food trucks all ran out of food during the last event.

A motion was made by Alderman Snow, and second by Alderman Folsom for the approval of the Revised RB&W District Application for the Sunkissed Music Festival to be held on June 8th and 9th, 2018. The change in application was needed due to the size of the audience growing to 3000.

Mayor Wescott informed the Council that the Tourism Committee has been working with Mr. Ramsey closely concerning this event. Mr. Ramsey has worked very hard to address the issues brought up. Mason Ramsey explained to the Council that with the larger crowd, a larger dumpster has been procured. There will be 20 regular, and 4 handicapped porta-pots on site, and they will be dumped after the first day.

Vote 6 aye, motion carried (Alderman Reitzel recused himself from this vote)

FiberNet - Wayne Shafer

FiberNet Director Wayne Shafer reported that Pirtano is moving rapidly with the fiber backbone. The final phase of the backbone will be along Route 40.

Mayor Wescott stated that a lot of work has been done. Mr. Shafer has been working hard, and it takes leadership to bring this to Rock Falls. He invites the Council to visit the data center, which now has much more security.

Administrator Blackert explained the Fiberhood model that the City has employed to build out fiber to the home. Residents are encouraged to sign up now to be first to get the fiber internet service.

Mr. Shafer remarked that there have been a good percentage of customers signing up for Gigabit Service.

Ward Reports:

Ward 1:

Alderman Daehle Reitzel hopes that everyone remembers the Logan family in their prayers

Ward 2:

Alderman Glen Kuhlemier asked that thoughts be with the Logan family. He is deeply saddened by the loss of George.

Alderman Snow gave his condolences to the Logan family.

Ward 3:

Alderman Schuneman asked for thoughts for the Logan family.

Ward 4:

Alderman Folsom echoed thoughts for the Logan family.
Alderman Sobottka offers condolences to the Logan family.

Mayor's Report:

A motion was made by Alderman Snow, and second by Alderman Reitzel for the appointment of Eric Arduini as City Collector.

Vote 7 aye, motion carried

Executive Session:

A motion was made by Alderman Sobottka, and second by Alderman Snow to enter executive session at 7:36 pm for Section 2(c)(21) Review of Closed Session Minutes

Vote 7 aye, motion carried

The Council enters executive Session at 7:36 pm

The Council returns to regular session at 7:40 pm

Action taken from Executive Session:

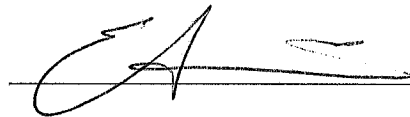
A motion was made by Alderman Snow, and second by Alderman Reitzel for the approval of the reviewed closed session minutes, keeping them all closed.

Vote 7 aye, motion carried

With nothing else for the good of the Council a motion was made by Alderman Folsom and second by Alderman Sobottka to adjourn the meeting at 7:42pm.

Viva Voce Vote, motion carried

Meeting is adjourned at 7:42pm



Eric Arduini, City Clerk

CITY OF ROCK FALLS

Rock Falls, Illinois June 5, 2018

To the Mayor and City Council of the City of Rock Falls, Your Committee on Finance would respectfully report that they have examined the following bills presented against the City, and have found the same correct and would recommend the payment of the various amounts to the several claimants as follows:

Tourism		\$9,674.40
General Fund		\$235,323.02
Industrial Development		\$680.40
Tax Increment Financing		\$0.00
Electric	Electric O & M	\$206,043.62
GIS/IT Fund		\$0.00
Fiber Optic/Broadband (Taxable)		\$2,664.52
Fiber Optic/Broadband (Tax Exempt)		\$253,425.19
Sewer	Sewer Revenue/O & M	\$39,945.01
Water	Water Revenue/O & M	\$23,539.08
Garbage		\$34,358.70
Customer Service Center		\$3,106.47
Customer Utility Deposits		\$351.93
		<u>\$809,112.34</u>

Alderman Kuhlemier
Alderman Logan
Alderman Kleckler

DATE: 05/17/2018
 TIME: 14:06:49
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CITY OF ROCK FALLS
 DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 05/18/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

TOURISM			
05	TOURISM		
5015	CARD SERVICE CENTER		286.39
5227	COMPASS APPS		1,200.00
T0002279	KREIDER SERVICES		500.00
T0004765	JUDY RANDALL		2,695.00
T0004766	NORA RODRIGUEZ		500.00
	TOURISM		5,181.39
GENERAL FUND			
01	ADMINISTRATION		
4331	CIRCUIT CLERK OF LEE COUNTY	600.00	65.00
5015	CARD SERVICE CENTER		422.65
T0004763	ROCK RIVER HOSPICE AND HOME		100.00
	ADMINISTRATION		587.65
02	CITY ADMINISTRATOR		
5015	CARD SERVICE CENTER		200.00
	CITY ADMINISTRATOR		200.00
04	BUILDING		
1472	WARD, MURRAY, PACE & JOHNSON	5,500.00	203.50
1493	WILLIAM & MARY COMPUTER CENTER	48,549.38	192.00
5015	CARD SERVICE CENTER		408.63
837	SHELL		92.00
	BUILDING		896.13
05	CITY CLERK'S OFFICE		
5015	CARD SERVICE CENTER		270.24
	CITY CLERK'S OFFICE		270.24
06	POLICE		

INVOICES DUE ON/BEFORE 05/18/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
06	POLICE		
1414	GALLS, LLC		495.80
1493	WILLIAM & MARY COMPUTER CENTER	48,549.38	1,713.50
1499	ILLINOIS ASSOCIATION OF		558.50
1849	ROCK FALLS PIT STOP		138.00
3014	LYNN PEAVEY COMPANY		249.00
4631	WHITESIDE COUNTY		99,805.68
4692	PANTHER UNIFORMS, INC.		215.30
5015	CARD SERVICE CENTER		5,259.86
5189	MANPOWER	1,320.00	840.00
55	ARAMARK UNIFORM SERVICES, INC.	290.56	67.47
752	ROCK FALLS AREA DOG CONTROL		480.42
837	SHELL		2,748.42
956	UNIFORM DEN INC		125.50
	POLICE		112,697.45
10	STREET		
1493	WILLIAM & MARY COMPUTER CENTER	48,549.38	96.00
837	SHELL		399.99
	STREET		495.99
12	PUBLIC PROPERTY		
1013	WHITESIDE COUNTY COLLECTOR		2,860.80
5015	CARD SERVICE CENTER		250.52
651	NICOR	1,492.17	130.59
	PUBLIC PROPERTY		3,241.91
13	FIRE		
1853	MOORE TIRES INC.		20.80
2050	ANGELO'S PIZZERIA		106.83
4073	JEFF GUINN		133.33
4957	DERICK NEWTON		83.65
5015	CARD SERVICE CENTER		828.32
837	SHELL		1,232.98
852	S.J. SMITH CO INC	100.95	62.00
956	UNIFORM DEN INC		409.35
	FIRE		2,877.26

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CITY OF ROCK FALLS
 DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 05/18/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

BUILDING CODE DEMOLITION FUND			
12	BUILDING CODE DEMOLITION FUND		
1472	WARD, MURRAY, PACE & JOHNSON	5,500.00	2,144.84
	BUILDING CODE DEMOLITION FUND		2,144.84
INDUSTRIAL DEVELOPMENT FUND			
14	INDUSTRIAL DEVELOPMENT		
1013	WHITESIDE COUNTY COLLECTOR		570.40
	INDUSTRIAL DEVELOPMENT		570.40
EMPLOYEE GROUP INSURANCE			
15	EMPLOYEE GROUP INS		
4383	GRAINGER	482.58	179.33
	EMPLOYEE GROUP INS		179.33
ELECTRIC FUND			
20	OPERATION & MAINTENANCE		
1052	SAUK VALLEY MEDIA	5,279.53	36.40
1853	MOORE TIRES INC.		241.50
194	GRUMMERT'S HARDWARE - R.F.	287.62	77.72
4383	GRAINGER	482.58	278.41
4392	WILLIAM B WESCOTT	40.00	92.97
440	ILLINOIS MUNICIPAL UTILITIES		500.00
4544	UPS		14.27
4730	FLETCHER-REINHARDT CO	3,685.73	693.00
4938	MICHLIG ENERGY LTD	31,852.40	12,161.80
5015	CARD SERVICE CENTER		2,160.93
5022	AIMS MECHANICAL, LLC	3,480.00	53,260.00
5208	KALEEL'S	509.00	104.00
5226	HUPP TOYOTALIFT		145.73
651	NICOR	1,492.17	97.88
837	SHELL		1,869.65
T0004482	PERDUE MARINE & STORAGE INC		521.00
T0004764	HANNAH ROCKWELL		500.00
	OPERATION & MAINTENANCE		72,755.26

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CITY OF ROCK FALLS
 DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 05/18/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

FIBER OPTIC	BROADBAND/TAXABLE		
23	FIBER OPTIC BROADBAND/TAXABLE		
194	GRUMMERT'S HARDWARE - R.F.	287.62	21.56
5015	CARD SERVICE CENTER		128.23
5018	USIC LOCATING SERVICES LLC		410.63
5216	CLOUD NINE COMMUNICATIONS		790.00
837	SHELL		268.82
	FIBER OPTIC BROADBAND/TAXABLE		1,619.24
FIBER OPTIC	BROADBAND/TXEXEMPT		
24	FIBER OPTIC BROADBAND/TXEXEMPT		
5217	MI-TECH SERVICES INC		1,526.00
	FIBER OPTIC BROADBAND/TXEXEMPT		1,526.00
SEWER FUND			
30	SEWER		
4996	LAI, LTD		7,000.00
	SEWER		7,000.00
38	OPERATION & MAINTENANCE		
1013	WHITESIDE COUNTY COLLECTOR		1,997.44
1052	SAUK VALLEY MEDIA	5,279.53	36.40
200	COM ED		42.65
2301	STERLING NAPA		179.80
2606	MIKE'S REPAIR SERVICE		142.25
4210	NCL OF WISCONSIN		214.15
423	AT&T	67.66	633.35
651	NICOR	1,492.17	2,166.05
837	SHELL		441.74
	OPERATION & MAINTENANCE		5,853.83
WATER FUND			
40	WATER		
5171	POLLARD WATER		3,972.27
	WATER		3,972.27


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CITY OF ROCK FALLS
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 05/18/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

WATER FUND			
48	OPERATION & MAINTENANCE		
1052	SAUK VALLEY MEDIA	5,279.53	36.40
1466	ALARM DETECTION SYSTEMS, INC.		2,677.20
1740	VIKING CHEMICAL CO		476.00
2939	FURR EXCAVATING, INC.		635.00
4707	KIMBALL MIDWEST		370.12
5015	CARD SERVICE CENTER		84.36
631	MURRAY & SONS EXCAVATING, INC		4,800.00
837	SHELL		444.68
T0004764	HANNAH ROCKWELL		500.00
	OPERATION & MAINTENANCE		10,023.76
GARBAGE FUND			
50	GARBAGE		
4446	MORING DISPOSAL, INC.	900.00	33,901.20
	GARBAGE		33,901.20
CUSTOMER SERVICE CENTER			
51	CUSTOMER SERVICE CENTER		
5015	CARD SERVICE CENTER		30.87
	CUSTOMER SERVICE CENTER		30.87
CUSTOMER UTILITY DEPOSITS			
75	CUSTOMER UTILITY DEPOSITS		
T0004494			96.53
	CUSTOMER UTILITY DEPOSITS		96.53
	TOTAL ALL DEPARTMENTS		266,121.55

INVOICES DUE ON/BEFORE 05/25/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

TOURISM			
05	TOURISM		
172	CITY OF ROCK FALLS		7.12
200	COM ED	42.65	25.53
2528	LAMAR ADVERTISING COMPANY	1,392.00	1,392.00
2727	HALO BRANDED SOLUTIONS INC		385.92
4815	TDG COMMUNICATIONS INC		270.00
5032	COMCAST	214.85	4.76
5118	SIKICH, LLP		320.00
5178	COMCAST BUSINESS		18.84
T0001859	WHITESIDE COUNTY FARM BUREAU		250.00
T0004772	AMERICAN MUSIC CONCEPTS LLC		1,450.00
	TOURISM		4,124.17
GENERAL FUND			
01	ADMINISTRATION		
172	CITY OF ROCK FALLS		8.08
4331	CIRCUIT CLERK OF LEE COUNTY	665.00	100.00
4333	CIRCUIT CLERK OF OGLE COUNTY	300.00	375.00
5032	COMCAST	214.85	4.76
5118	SIKICH, LLP		3,200.00
5178	COMCAST BUSINESS		18.84
	ADMINISTRATION		3,706.68
02	CITY ADMINISTRATOR		
172	CITY OF ROCK FALLS		0.94
5032	COMCAST	214.85	2.38
5178	COMCAST BUSINESS		18.84
	CITY ADMINISTRATOR		22.16
04	BUILDING		
172	CITY OF ROCK FALLS		40.89
1853	MOORE TIRES INC.	262.30	22.75
350	GISI BROS. INC.		50.00
5032	COMCAST	214.85	9.51
5178	COMCAST BUSINESS		37.73
795	SBM BUSINESS EQUIPMENT CENTER	818.52	84.39
	BUILDING		245.27

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CITY OF ROCK FALLS
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INVOICES DUE ON/BEFORE 05/25/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
05	CITY CLERK'S OFFICE		
172	CITY OF ROCK FALLS		170.01
2985	WALMART COMMUNITY/SYNCB		29.88
5032	COMCAST	214.85	9.51
5178	COMCAST BUSINESS		37.71
795	SBM BUSINESS EQUIPMENT CENTER	818.52	88.00
	CITY CLERK'S OFFICE		335.11
06	POLICE		
1493	WILLIAM & MARY COMPUTER CENTER	50,550.88	80.00
172	CITY OF ROCK FALLS		22.66
1853	MOORE TIRES INC.	262.30	805.16
194	GRUMMERT'S HARDWARE - R.F.	386.90	4.48
2183	PILLARS REPAIR INC	168.05	159.94
2985	WALMART COMMUNITY/SYNCB		32.51
350	GISI BROS. INC.		52.74
4796	VERIZON WIRELESS		319.81
5032	COMCAST	214.85	73.63
5109	ELISE DUSEK		100.76
5178	COMCAST BUSINESS		81.78
5189	MANPOWER	2,160.00	960.00
5228	FIRST RESPONDERS		400.00
55	ARAMARK UNIFORM SERVICES, INC.	358.03	67.47
651	NICOR	3,886.69	85.98
795	SBM BUSINESS EQUIPMENT CENTER	818.52	126.86
T0004769	MOBRE COUNSELING SERVICES LLC		550.00
	POLICE		3,923.78
07	CODE HEARING DEPARTMENT		
172	CITY OF ROCK FALLS		115.96
5213	THOMAS A SKOREPA PC		650.00
	CODE HEARING DEPARTMENT		765.96
10	STREET		
194	GRUMMERT'S HARDWARE - R.F.	386.90	3.58
2606	MIKE'S REPAIR SERVICE	142.25	60.25

INVOICES DUE ON/BEFORE 05/25/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
10	STREET		
2771	WINDSTREAM		79.87
2985	WALMART COMMUNITY/SYNCB		26.33
323	HOLLAND AND SONS, INC		66.62
4207	O'REILLY AUTOMOTIVE INC	185.02	50.70
4773	QUALITY CHEMICAL CO MIDWEST		470.10
4796	VERIZON WIRELESS		63.42
4868	O'BRIEN CIVIL WORKS, INC.		50,000.00
5032	COMCAST	214.85	4.76
5178	COMCAST BUSINESS		18.84
55	ARAMARK UNIFORM SERVICES, INC.	358.03	249.41
T0003571	COLE'S COMPLETE TREE SERVICE		900.00
	STREET		51,993.88
12	PUBLIC PROPERTY		
1095	TURNROTH SIGN CO, INC.	308.05	170.00
423	AT&T	701.01	310.93
5121	ROD KLECKLER		111.47
	PUBLIC PROPERTY		592.40
13	FIRE		
1622	C.O.P.S. TESTING SERVICE, INC.		2,160.00
172	CITY OF ROCK FALLS		7.01
2985	WALMART COMMUNITY/SYNCB		57.70
4543	CRIS BOUWENS		55.20
5032	COMCAST	214.85	36.54
5178	COMCAST BUSINESS		56.53
651	NICOR	3,886.69	257.93
T0003294	MOBILE ELECTRONICS, INC		530.00
	FIRE		3,160.91
BUILDING CODE DEMOLITION FUND			
12	BUILDING CODE DEMOLITION FUND		
172	CITY OF ROCK FALLS		2.84
	BUILDING CODE DEMOLITION FUND		2.84

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VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

EMPLOYEE GROUP INSURANCE			
15	EMPLOYEE GROUP INS		
2985	WALMART COMMUNITY/SYNCB		125.88
	EMPLOYEE GROUP INS		125.88
ELECTRIC FUND			
20	OPERATION & MAINTENANCE		
1224	AIRGAS USA LLC	98.31	402.99
172	CITY OF ROCK FALLS		28.31
2140	MCMASTER-CARR SUPPLY		223.51
2451	MENARDS	41.47	152.82
2771	WINDSTREAM		171.36
283	ANIXTER INC		511.50
2985	WALMART COMMUNITY/SYNCB		39.52
4207	O'REILLY AUTOMOTIVE INC	185.02	191.55
4215	POWER LINE SUPPLY	1,913.25	5,917.85
423	AT&T	701.01	121.39
4383	GRAINGER	940.32	316.75
440	ILLINOIS MUNICIPAL UTILITIES	500.00	1,569.00
4626	ENGEL ELECTRIC CO.		913.23
4730	FLETCHER-REINHARDT CO	4,378.73	1,993.24
4795	WESTWOOD MACHINE & TOOL CO		988.00
4796	VERIZON WIRELESS		443.62
5008	POWER SYSTEM ENGINEERING INC	8,005.00	2,225.00
5022	AIMS MECHANICAL, LLC	56,740.00	56,200.00
5032	COMCAST	214.85	23.78
5118	SIKICH, LLP		1,280.00
5178	COMCAST BUSINESS		37.73
795	SBM BUSINESS EQUIPMENT CENTER	818.52	53.50
T0003142	[REDACTED]		16.48
T0004729	[REDACTED]		505.22
T0004751	YOURMEMBERSHIP.COM		215.00
T0004771	[REDACTED]		14.59
	OPERATION & MAINTENANCE		74,555.94
FIBER OPTIC BROADBAND/TAXABLE			
23	FIBER OPTIC BROADBAND/TAXABLE		
172	CITY OF ROCK FALLS		0.47
194	GRUMMERT'S HARDWARE - R.F.	386.90	30.70
2451	MENARDS	41.47	297.45

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VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

FIBER OPTIC 23	BROADBAND/TAXABLE FIBER OPTIC BROADBAND/TAXABLE		
4796	VERIZON WIRELESS		575.67
771	PINNEY PRINTING CO	239.00	60.00
	FIBER OPTIC BROADBAND/TAXABLE		964.29
FIBER OPTIC 24	BROADBAND/TXEXEMPT FIBER OPTIC BROADBAND/TXEXEMPT		
5200	WALKER & ASSOCIATES, INC.	152,188.24	560.69
	FIBER OPTIC BROADBAND/TXEXEMPT		560.69
SEWER FUND 38	OPERATION & MAINTENANCE		
172	CITY OF ROCK FALLS		5.52
194	GRUMMERT'S HARDWARE - R.F.	386.90	17.06
200	COM ED	42.65	173.09
2985	WALMART COMMUNITY/SYNCB		62.98
4446	MORING DISPOSAL, INC.	34,801.20	750.00
4796	VERIZON WIRELESS		226.57
5032	COMCAST	214.85	16.64
5118	SIKICH, LLP		640.00
5178	COMCAST BUSINESS		18.84
641	NEENAH FOUNDRY COMPANY		3,691.60
	OPERATION & MAINTENANCE		5,602.30
WATER FUND 40	WATER		
4361	FERGUSON WATERWORKS #2516	4,945.50	289.12
	WATER		289.12
48	OPERATION & MAINTENANCE		
172	CITY OF ROCK FALLS		1.41
194	GRUMMERT'S HARDWARE - R.F.	386.90	6.74
2771	WINDSTREAM		78.04

INVOICES DUE ON/BEFORE 05/25/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

WATER FUND			
48	OPERATION & MAINTENANCE		
4141	JEFF BEHRENS EXCAVATING		1,200.00
4361	FERGUSON WATERWORKS #2516	4,945.50	235.55
4528	MODERN SHOE SHOP		197.99
5032	COMCAST	214.85	11.89
5118	SIKICH, LLP		640.00
5131	METROPOLITAN INDUSTRIES, INC.	350.00	214.00
5178	COMCAST BUSINESS		18.84
55	ARAMARK UNIFORM SERVICES, INC.	358.03	94.25
724	RANDY'S TRUCK REPAIR, INC.		530.21
774	ROCK RIVER READY MIX		272.88
T0001317	BOB BURGER		420.00
	OPERATION & MAINTENANCE		3,921.80
GARBAGE FUND			
50	GARBAGE		
4446	MORING DISPOSAL, INC.	34,801.20	82.50
5118	SIKICH, LLP		320.00
	GARBAGE		402.50
CUSTOMER SERVICE CENTER			
51	CUSTOMER SERVICE CENTER		
172	CITY OF ROCK FALLS		73.06
5032	COMCAST	214.85	16.64
5178	COMCAST BUSINESS		37.73
688	PITNEY BOWES INC		74.47
689	PITNEY BOWES GLOBAL		1,710.00
	CUSTOMER SERVICE CENTER		1,911.90
CUSTOMER UTILITY DEPOSITS			
75	CUSTOMER UTILITY DEPOSITS		
1289	CITY OF ROCK FALLS UTILITIES	49,621.32	50.00
T0003142			50.00
T0004768			34.20
T0004770			1.73
	CUSTOMER UTILITY DEPOSITS		135.93
	TOTAL ALL DEPARTMENTS		157,343.51

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VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

TOURISM			
05	TOURISM		
4434	ILLINOIS INSTITUTE FOR		350.00
5178	COMCAST BUSINESS	402.25	18.84
	TOURISM		368.84
GENERAL FUND			
01	ADMINISTRATION		
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	3,630.00
4331	CIRCUIT CLERK OF LEE COUNTY	765.00	650.00
4392	WILLIAM B WESCOTT	132.97	40.00
4861	CIRCUIT CLERK OF WHITESIDE CO	550.00	350.00
5178	COMCAST BUSINESS	402.25	18.84
753	ROCK FALLS CHAMBER OF COMMERCE	500.00	500.00
	ADMINISTRATION		5,188.84
02	CITY ADMINISTRATOR		
4972	ROBBIN BLACKERT	40.00	40.00
5178	COMCAST BUSINESS	402.25	18.84
	CITY ADMINISTRATOR		58.84
03	PLANNING/ZONING		
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	55.00
	PLANNING/ZONING		55.00
04	BUILDING		
2797	MARK SEARING	40.00	40.00
5178	COMCAST BUSINESS	402.25	37.73
5220	TECHNOLOGY FINANCE CORP	1,186.94	30.43
	BUILDING		108.16
05	CITY CLERK'S OFFICE		

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INVOICES DUE ON/BEFORE 06/01/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
05	CITY CLERK'S OFFICE		
5178	COMCAST BUSINESS	402.25	37.71
	CITY CLERK'S OFFICE		37.71
06	POLICE		
1448	IL DEPT OF CENTRAL MGMT SERV		398.43
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	220.00
1499	ILLINOIS ASSOCIATION OF	558.50	595.00
295	PAM ERBY	100.00	50.00
350	GISI BROS. INC.	102.74	33.00
5178	COMCAST BUSINESS	402.25	75.43
5189	MANPOWER	3,120.00	980.00
T0004412	PHYSICIANS IMMEDIATE CARE		186.00
	POLICE		2,537.86
10	STREET		
1023	WILLETT, HOFMANN & ASSOCIATES	6,741.45	20,471.70
1773	ATCO INTERNATIONAL		154.45
194	GRUMMERT'S HARDWARE - R.F.	449.46	12.96
2379	STANDARD EQUIPMENT COMPANY	282.44	2,288.06
2451	MENARDS	491.74	119.00
325	FOSTER COACH SALES		44.20
337	GARAGE DOOR SPECIALISTS		850.00
4207	O'REILLY AUTOMOTIVE INC	427.27	4.17
4651	MOST PLUMBING & MECHANICAL LLC	120.00	217.50
4866	LOESCHER	4,913.55	154.50
5178	COMCAST BUSINESS	402.25	18.84
5220	TECHNOLOGY FINANCE CORP	1,186.94	243.47
55	ARAMARK UNIFORM SERVICES, INC.	769.16	119.62
774	ROCK RIVER READY MIX	272.88	22.91
852	S.J. SMITH CO INC	162.95	7.50
	STREET		24,728.88
12	PUBLIC PROPERTY		
1023	WILLETT, HOFMANN & ASSOCIATES	6,741.45	3,052.35
1165	COMPLETE ELECTRICAL CONTR. INC	51,926.84	7,540.00
	PUBLIC PROPERTY		10,592.35

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INVOICES DUE ON/BEFORE 06/01/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
13	FIRE		
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	220.00
2050	ANGELO'S PIZZERIA	106.83	30.64
295	PAM ERBY	100.00	50.00
3173	MUNICIPAL EMERGENCY SERVICES	444.00	2,906.75
4385	DINGES FIRE COMPANY	2,600.00	73.87
4396	GARY COOK	40.00	40.00
4796	VERIZON WIRELESS	1,629.09	131.92
5178	COMCAST BUSINESS	402.25	56.53
603	BILL MILBY	40.00	40.00
	FIRE		3,549.71
INDUSTRIAL DEVELOPMENT FUND			
14	INDUSTRIAL DEVELOPMENT		
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	110.00
	INDUSTRIAL DEVELOPMENT		110.00
ELECTRIC FUND			
20	OPERATION & MAINTENANCE		
1052	SAUK VALLEY MEDIA	5,388.73	637.00
1224	AIRGAS USA LLC	501.30	38.75
1255	VERMEER SALES & SERVICE OF	3,300.24	522.51
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	770.00
1493	WILLIAM & MARY COMPUTER CENTER	50,630.88	540.00
156	BARNHART		10,190.00
194	GRUMMERT'S HARDWARE - R.F.	449.46	13.03
2451	MENARDS	491.74	11.00
2557	ASPLUNDH TREE EXPERT CO.		10,426.40
34	ALTORFER INC.	9,861.38	4,036.67
364	GRUMMERTS HARDWARE - STERLING		98.87
4148	BHMG ENGINEERS	2,319.86	1,250.00
4207	O'REILLY AUTOMOTIVE INC	427.27	12.99
4215	POWER LINE SUPPLY	7,831.10	7,080.00
4626	ENGEL ELECTRIC CO.	913.23	2,222.08
5022	AIMS MECHANICAL, LLC	112,940.00	13,830.00
5107	J F BRENNAN CO INC	12,400.00	6,200.00
5127	JM TEST SYSTEMS		288.73
5178	COMCAST BUSINESS	402.25	37.73
5220	TECHNOLOGY FINANCE CORP	1,186.94	517.39

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INVOICES DUE ON/BEFORE 06/01/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

ELECTRIC FUND			
20	OPERATION & MAINTENANCE		
795	SBM BUSINESS EQUIPMENT CENTER	1,171.27	9.27
	OPERATION & MAINTENANCE		58,732.42
FIBER OPTIC BROADBAND/TAXABLE			
23	FIBER OPTIC BROADBAND/TAXABLE		
194	GRUMMERT'S HARDWARE - R.F.	449.46	80.99
	FIBER OPTIC BROADBAND/TAXABLE		80.99
FIBER OPTIC BROADBAND/TXEXEMPT			
24	FIBER OPTIC BROADBAND/TXEXEMPT		
5003	PIRTANO		247,922.50
5224	TACHYON FIBER DESIGN LLC	39,762.02	3,416.00
	FIBER OPTIC BROADBAND/TXEXEMPT		251,338.50
SEWER FUND			
30	SEWER		
5136	AQUA-AEROBIC SYSTEMS INC		14,756.53
	SEWER		14,756.53
38	OPERATION & MAINTENANCE		
1052	SAUK VALLEY MEDIA	5,388.73	932.75
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	220.00
2517	PRAIRIE HILL RDF	1,103.12	1,690.42
4119	USA BLUE BOOK	881.93	388.71
4686	BRENNTAG MID-SOUTH, INC.		2,510.50
4796	VERIZON WIRELESS	1,629.09	76.02
4978	CROP PRODUCTION SERVICES INC		112.50
5178	COMCAST BUSINESS	402.25	18.84
5220	TECHNOLOGY FINANCE CORP	1,186.94	182.61
641	NEENAH FOUNDRY CO MUNICIPAL	3,691.60	600.00
	OPERATION & MAINTENANCE		6,732.35

INVOICES DUE ON/BEFORE 06/01/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

WATER FUND			
40	WATER		
194	GRUMMERT'S HARDWARE - R.F.	449.46	34.57
631	MURRAY & SONS EXCAVATING, INC	4,800.00	680.00
	WATER		714.57
48	OPERATION & MAINTENANCE		
1052	SAUK VALLEY MEDIA	5,388.73	746.20
1165	COMPLETE ELECTRICAL CONTR. INC	51,926.84	125.80
1208	ILLINOIS RURAL WATER ASSOC		491.62
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	220.00
1493	WILLIAM & MARY COMPUTER CENTER	50,630.88	180.00
423	AT&T	1,133.33	426.57
4707	KIMBALL MIDWEST	370.12	213.01
4796	VERIZON WIRELESS	1,629.09	114.03
5131	METROPOLITAN INDUSTRIES, INC.	564.00	68.00
5178	COMCAST BUSINESS	402.25	18.84
5220	TECHNOLOGY FINANCE CORP	1,186.94	213.04
55	ARAMARK UNIFORM SERVICES, INC.	769.16	302.45
631	MURRAY & SONS EXCAVATING, INC	4,800.00	1,498.00
	OPERATION & MAINTENANCE		4,617.56
GARBAGE FUND			
50	GARBAGE		
1472	WARD, MURRAY, PACE & JOHNSON	7,848.34	55.00
	GARBAGE		55.00
CUSTOMER SERVICE CENTER			
51	CUSTOMER SERVICE CENTER		
4107	H.H.H. INCORPORATED		391.97
5178	COMCAST BUSINESS	402.25	37.73
5189	MANPOWER	3,120.00	734.00
	CUSTOMER SERVICE CENTER		1,163.70

CUSTOMER UTILITY DEPOSITS




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VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

CUSTOMER UTILITY DEPOSITS			
75	CUSTOMER UTILITY DEPOSITS		
T0004773			39.68
T0004774			50.00
T0004775			29.79
	CUSTOMER UTILITY DEPOSITS		119.47
	TOTAL ALL DEPARTMENTS		385,647.28



CITY OF ROCK FALLS
RAFFLE LICENSE APPLICATION

Name of Organization Happy Tails Humane Society
Address 1408 McNeil Rd City Rock Falls State IL
Phone 815-626-2994

Type of Organization: Charitable Educational Fraternal Labor
 Nonprofit Religious Veterans

Is your organization incorporated? Yes No

If yes, Date of Incorporation 9/87 State of Incorporation IL/INOIS

Presiding Officer Mark Law
Address 1408 McNeil Rd City Rock Falls State IL
Phone 815-499-4078 Date of Birth 11-14-68

Raffle Manager/Treasurer ~~Scott~~ John R. Mowrey
Address 701 1/2 2nd Ave City Staley State IL
Phone 815-499-1844 Date of Birth 2/10/64

Have any members listed:

Been convicted of a felony? Yes No

Participated in professional gambling or been a gambling promoter? Yes No

Will anyone associated with the operation or conduct of this raffle profit or receive personal gain in Connection with this raffle? Yes No

Purpose of Raffle benefits: Support operations of Happy Tails

Aggregate retail value of all prizes to be awarded: \$5,000

Maximum retail values of each prize to be awarded: \$5,000

Happy Tails Humane Society

Board of Directors

5/17/18

Happy Tails Board of Directors through electronic vote. Agree to not have a Bond as per the requirement for raffles in the city of Rock Falls IL. Happy Tails will take responsibility for the motorcycle raffle tickets.

A majority vote was cast per electronic vote. Dave Suarez, John Mowrey, Mark Razo, and Charlie Kinsella. *Members present, voted UNANIMOUSLY.*

Recorder *MR*

Mark Razo

HAPPY TAILS HUMANE SOCIETY PRESENTS
MOTORCYCLE



RAFFLE

PURCHASE A TICKET FOR A CHANCE TO WIN

2010 HONDA NT700V MOTORCYCLE

**CONTACT HAPPY TAILS OR
DOUGLAS & FRYE TO PURCHASE TICKETS**

BIKE CAN BE SEEN AT DOUGLAS & FRYE DAILY OR ANY HAPPY TAILS EVENT

**TICKETS AVAILABLE FOR SALE UNTIL DRAW DATE OF AUGUST 12
PENDING ALL TICKETS SOLD**

TICKET PRICE \$5 EACH

ALL PROCEEDS GO TO HAPPY TAILS HUMANE SOCIETY

RETAIL VALUE APPROX \$5,000

RESOLUTION 2018 - 791

2018 Fiesta Day Parade

WHEREAS, the Twin Cities Fiesta Committee is sponsoring a Parade in the City of Rock Falls which event constitutes a public purpose;

WHEREAS, this parade will require the temporary closure of Route 40, a State Highway in the City of Rock Falls from First Street to Eleventh Street, and said temporary closure as designated, is requested of the Department of Transportation.

NOW, THEREFORE, BE IT RESOLVED BY THE City Council of the City of Rock Falls, Illinois that permission to close off Route 40 as above designated, be requested of the Department of Transportation.

BE IT FURTHER RESOLVED, that this closure shall occur during the approximate time period between 11:30 a.m. to 3:30 p.m. on Saturday, September 15, 2018.

BE IT FURTHER RESOLVED, that this closure is for the public purpose of a Parade.

BE IT FURTHER RESOLVED, that traffic from that closed portion of the highway shall be detoured over routes with an all weather surface that can accept the anticipated traffic, which will be maintained to the satisfaction of the Department and which is conspicuously marked for the benefit of traffic diverted from the State highway. (The parking of vehicles shall be prohibited on the detour routes to allow an uninterrupted flow of traffic.) The detour route shall be as follows:

West on 12th Street to 8th Avenue, North on 8th Avenue to West 2nd Street, West on West 2nd Street to 12th Avenue, North on 12th Avenue and across the bridge into Sterling, Illinois.

BE IT FURTHER RESOLVED, that the City of Rock Falls assumes full responsibility for the direction, protection and regulation of the traffic during the time the detour is in effect.

BE IT FURTHER RESOLVED, that the police officers or authorized flaggers shall be at the expense of the City and shall be positioned at each end of the closed section and at other points (such as intersections) as may be necessary to assist in directing traffic through the detour.

BE IT FURTHER RESOLVED, that all debris shall be removed by the City of Rock Falls prior to the reopening of the State Highway.

BE IT FURTHER RESOLVED, that such signs, flags, barricades, etc., shall be used by the City as may be approved by the Illinois Department of Transportation. These items shall be provided by the City.

BE IT FURTHER RESOLVED, that the closure and detour shall be marked according to the Illinois Manual on Uniform Traffic Control Devices.

BE IT FURTHER RESOLVED, that an occasional break shall be made in the procession so that traffic may pass through. In any event, adequate provisions shall be made for traffic on intersecting highways pursuant to conditions noted above. (Note: This paragraph is applicable when the Resolution pertains to a Parade or when no detour is required.)

BE IT FURTHER RESOLVED, that the City hereby agrees to assume all liabilities and pay all claims for any damage which shall be occasioned by closing described above.

BE IT FURTHER RESOLVED, that the City of Rock Falls shall provide a comprehensive general liability insurance policy or an additional insured endorsement in the amount of \$100,000 per person and \$500,000 aggregate which as the Illinois Department of Transportation and its officials, employees and agents as insured and which protects them from all claims arising from the requested road closing.

BE IT FURTHER RESOLVED, that a copy of the Resolution be forwarded to the Department of Transportation to serve as a formal request for the permission sought in this Resolution and to operate as part of the conditions of said permission.

Adopted by the City Council of the City of Rock Falls on this 5th day of June, 2018.

William B. Wescott, Mayor

ATTEST:

Eric Arduini, City Clerk

RESOLUTION 2018-792
Twin City Holiday Parade

WHEREAS, the Rock Falls Chamber of Commerce is sponsoring a Twin City Holiday Parade in the Cities of Rock Falls and Sterling which event constitutes a public purpose;

WHEREAS, this parade will require the temporary closure of Route 40, a State Highway in the City of Rock Falls from the 1st Avenue Bridge south to 5th Street, and said temporary closure as designated, be requested of the Department of Transportation.

BE IT FURTHER RESOLVED that this closure shall occur during the approximate time period between 12:00 p.m. to 3:00 p.m. on Saturday, November 17th, 2018.

BE IT FURTHER RESOLVED that this closure is for the public purpose of a Parade.

BE IT FURTHER RESOLVED, that traffic from that closed portion of highway shall be detoured over routes with an all-weather surface that can accept the anticipated traffic, which will be maintained to the satisfaction of the Department and which is conspicuously marked for the benefit of traffic diverted from the State highway. (The parking of vehicles shall be prohibited on the detour routes to allow an uninterrupted flow of traffic.)* The detour route shall be as follows:

Northbound – Will be diverted as follows;

Westbound on West 10th Street to 12th Avenue.

* To be used when appropriate.

BE IT FURTHER RESOLVED that the City of Rock Falls assumes full responsibility for the direction, protection, and regulation of the traffic during the time the detour is in effect.

BE IT FURTHER RESOLVED that the police officers or authorized flaggers shall at the expense of the City be positioned at each end of the closed section and at other points (such as intersections) as may be necessary to assist in directing traffic through the detour.

BE IT FURTHER RESOLVED, that all debris shall be removed by the City of Rock Falls prior to reopening the State Highway.

BE IT FURTHER RESOLVED, that such signs, flags, barricades, etc., shall be used by the City as may be approved by the Illinois Department of Transportation. These items shall be provided by the City.

BE IT FURTHER RESOLVED, that the closure and detour shall be marked according to the Illinois Manual on Uniform Traffic Control Devices.

BE IT FURTHER RESOLVED that an occasional break shall be made in the procession so that traffic may pass through. In any event, adequate provisions shall be made for traffic on intersecting highways pursuant to conditions noted above. (Note: This paragraph is applicable when the Resolution pertains to a Parade or when no detour is required.)

BE IT FURTHER RESOLVED that the City hereby agrees to assume all liabilities and pay all claims for any damage which shall be occasioned by the closing described above.

BE IT FURTHER RESOLVED, that the City of Rock Falls shall provide a comprehensive general liability insurance policy or an additional insured endorsement in the amount of \$100,000 per person and \$500,000 aggregate which as the Illinois Department of Transportation and its officials, employees, and agents as insured and which protects them from all claims arising from the requested road closing.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to the Department of Transportation to serve as a formal request for the permission sought in this resolution and to operate as part of the conditions of said permission.

Approved by the Mayor of the City of Rock Falls this 5th day of June, 2018.

Mayor

ATTEST:

Municipal Clerk

Aldermen Voting Aye

Alderman Voting Nay

ROCK FALLS POLICE DEPARTMENT /
RF HIGH SCHOOL DISTRICT 301 AND RF ELEMENTARY DISTRICT 13

SCHOOL RESOURCE OFFICER JOB DESCRIPTION

Job Title: School Resource Officer

Employment: The School Resource Officer shall be a sworn police officer employed by the Rock Falls Police Department assigned to District 301 and District 13.

Qualifications: The School Resource Officer requires a minimum of 2 years experience as defined in the job description of Patrol Officer. Experience, training, performance standards and other qualifications for this position may be established by the Chief of Police at his/her discretion.

Professional Standards: The School Resource Officer must conduct himself in a positive and professional manner and must maintain a high level of respect and integrity within the school and public community. As a Juvenile Officer, the School Resource Officer must maintain a caring attitude towards the students and must remain sensitive to the problems of students and staff in the school environment.

Attire: The School Resource Officer shall normally be dressed in uniform, however plain clothes will be permitted when necessary, provided such dress would meet the established standards of the investigative division.

Reports to: The School Resource Officer is first and foremost a police officer and as such is at all times under the command of police command superiors. During such times in which the officer is assigned to the Rock Falls High School the School Resource Officer shall report daily to the Principals of both the Rock Falls Middle School and the Rock Falls High School. When the officer is not functioning as a School Resource Officer he will report to his immediate supervisor at the Rock Falls Police Department.

General Duties: The position of School Resource Officer is considered an integral component of the student affairs office of the Rock Falls Middle School and Rock Falls High School. While functioning as a School Resource Officer, the officer's duties fall under the authority and responsibility of the respective school principals.

The School Resource Officer shall not be exclusively responsible for the enforcement of middle school, high school, or district office policy, but he shall assist the staff of

said enforcement when requested to do so. This action includes but is not limited to the reporting of school policy violations to appropriate administrative staff and assisting staff with the investigation of reports and observations regarding the same.

Specific Duties: The following denotes specific duties of the Rock Falls School Resource Officer:

- 1) Establish pro-active partnerships to prevent criminal activity on school grounds. This function includes the development of programs aimed to protect the personal safety of students and staff to provide a safe and secure environment for teaching and learning. This duty requires the School Resource Officer to patrol the school buildings, school grounds, on campus and off campus parking areas, and streets used to access said properties. The prevention of violence, property crimes, loitering, substance abuse, sexual harassment and the enforcement of trespass laws are included in the function.
- 2) Conduct and or coordinate police investigations of incidents involving the Rock Falls Middle School and Rock falls High School, its staff and students. The officer will also conduct follow-up investigations and perform other duties as assigned by his immediate police supervisor.
- 5) Develop and maintain familiarity with trouble spots, trends, youth related problems and national and local delinquency patterns. This function requires the officer to hold meetings with class officers to identify and discuss pressing current issues and related problem-solving strategies. Additionally, a method of providing a means for students to anonymously report criminal activity and or troubling matters to the officer must be established.
- 6) Pro-actively and reactively coordinate with administrators, deans, counselors, staff members and probation officers concerning individuals, families, and neighborhoods impacted by anti-social, aberrant, and or delinquent behavior that is likely to carry over onto school property.
- 7) Maintain accessibility to students and parents to provide appropriate advice, guidance and referrals to community services.
- 8) Assist school staff in the prevention of truancy, processing truancy cases, and engaging in home visits when required.
- 9) Assist school staff in the supervision of extra-curricular activities when requested, as scheduling permits. This function includes coordinating prevention and enforcement efforts with other police agencies in cases of home and away sporting events. As

circumstances dictate, the School Liaison Officer may encounter situations whereby his presence at an away athletic event may be advantageous to the hosting community.

- 10) Assist the administrative and teaching staff in matters concerning conduct and discipline.
- 11) Plan adult education programs for the staff and community groups on current delinquency trends, substance abuse issues, gang awareness, domestic violence, sexual abuse or any other relevant trends or activities requiring such attention.
- 12) Serve as a resource to government and health instructional staff.
- 13) Assist school personnel in the transition planning of students graduating from middle school and entering high school.
- 14) Work directly with identified students involved in remediation programs.
- 15) Engage in staff writing for school publications to educate and promote current programs and intensify issue awareness.
- 16) Actively participate in physical education classes to promote positive police/student relationships in a non-crisis atmosphere.
- 17) Maintain accurate activity records for data correlation and future needs assessment.
- 18) Perform other duties as may be determined by administrative authorization.

ORDINANCE NO. 2018-2379

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$1,200,000 General Obligation Bonds (Waterworks System Alternate Revenue Source) of the City of Rock Falls, Whiteside County, Illinois, for the purpose of paying the costs of improving the waterworks system of said City, prescribing the details of said bonds and providing for collection, segregation and application of waterworks system revenues to the payment of said bonds and the levy of taxes sufficient to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.

* * *

WHEREAS, the City of Rock Falls, Whiteside County, Illinois (the "*City*"), is a duly organized and existing municipality incorporated and existing under the provisions of the laws of the State of Illinois, is now operating under the provisions of the Illinois Municipal Code, as amended (the "*Municipal Code*"), and for many years has owned and operated a municipally-owned waterworks system (the "*System*" as more completely defined and described herein) as set forth in Division 129 of Article 11 of the Municipal Code; and

WHEREAS, the City Council of the City (the "*Council*") have determined that it is advisable, necessary and in the best interests of the public health, safety and welfare of the City to construct certain improvements to the System (the "*Project*"), all in accordance with the estimate of costs therefor on file in the office of the City Clerk of the City (the "*City Clerk*"); and

WHEREAS, the estimated costs of the Project, including legal, financial, bond discount, printing and publication costs and other expenses is not less than \$1,200,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, pursuant to and in accordance with the provisions of the Municipal Code, the City is authorized to issue its waterworks revenue bonds for the purpose of providing funds to pay the costs of the Project; and

WHEREAS, as provided in Section 15 of the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended (the "*Debt Reform Act*"), whenever revenue bonds have been authorized to be issued pursuant to the Municipal Code, the City may issue its general obligation bonds in lieu of such revenue bonds as authorized, and such general obligation bonds may be referred to as "*alternate bonds*"; and

WHEREAS, for the purpose of providing funds to pay the costs of the Project and in accordance with the provisions of the Debt Reform Act, the Council, on the 15th day of May, 2018, adopted Ordinance No. 2018-2377 (the "*Authorizing Ordinance*"), authorizing the issuance of waterworks revenue bonds, being bonds payable from the revenues derived from the operation of the System authorized pursuant to Division 129 of Article 11 of the Municipal Code (the "*Revenue Bonds*"), in the aggregate principal amount of \$1,200,000 or in lieu thereof, authorizing the issuance of General Obligation Bonds (Waterworks System Alternate Revenue Source) (the "*Alternate Revenue Bonds*"), as provided in the Debt Reform Act, in an aggregate principal amount of \$1,200,000, for the purpose of paying the costs of the Project; and

WHEREAS, on the 18th day of May, 2018, the Authorizing Ordinance, together with a separate notice in statutory form, was published in the *Daily Gazette*, the same being a newspaper of general circulation in the City, and an affidavit evidencing the publication of the Authorizing Ordinance and said notice of intent have heretofore been presented to the Council and made a part of the permanent records of the Council; and

WHEREAS, more than thirty (30) days have expired since the date of publication of the Authorizing Ordinance and said notice, and no petition with the requisite number of valid

signatures thereon has been filed with the City Clerk requesting that the question of the issuance of the Revenue Bonds or the Alternate Revenue Bonds be submitted to referendum; and

WHEREAS, the Project constitutes a lawful corporate purpose within the meaning of the Debt Reform Act; and

WHEREAS, the Council hereby determines that (i) the City is authorized to issue the Revenue Bonds to the amount of \$1,200,000, or, in lieu thereof, the Alternate Bonds to the amount of \$1,200,000 in accordance with the provisions of the Debt Reform Act and the Municipal Code, (ii) none of the Revenue Bonds or the Alternate Revenue Bonds have heretofore been issued and (iii) it is necessary and advisable that there be issued at this time not to exceed \$1,200,000 of the Alternate Revenue Bonds so authorized to pay costs of the Project (the "*Bonds*"); and

WHEREAS, the Bonds will be payable from the Pledged Revenues and the Pledged Taxes (each as hereinafter defined); and

WHEREAS, the only outstanding obligations of the City payable from the Pledged Revenues are the Current IEPA Loans (as hereinafter defined); and

WHEREAS, the Bonds will be issued on parity, and will share ratably and equally in the Pledged Revenues, with the Current IEPA Loans; and

WHEREAS, the Council has heretofore and it is hereby determined that the Pledged Revenues will be sufficient to provide or pay in each year to final maturity of the Bonds all of the following (1) Operation and Maintenance Costs (as hereinafter defined), but not including depreciation, (2) debt service on any outstanding revenue bonds payable from the Revenues (as hereinafter defined), (3) all amounts required to meet any fund or account requirements with respect to any outstanding revenue bonds, (4) other contractual or tort liability obligations, if any,

payable from the Revenues, and (5) in each year, an amount not less than 1.25 times debt service of the Bonds and the Current IEPA Loans; and

WHEREAS, the determination of the sufficiency (the “*Determination of Sufficiency*”) of the Pledged Revenues, as required by the Debt Reform Act, is supported by the most recent audit of the City (the “*Audit*”), which Audit is for a fiscal year ending not earlier than 18 months previous to the time of issuance of the Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Mayor, on the 1st day of May, 2018, executed an Order calling a public hearing (the “*Hearing*”) for the 15th day of May, 2018, concerning the intent of the Council to sell the Bonds; and

WHEREAS, notice of the Hearing was given (i) by publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Daily Gazette*, and (ii) by posting at least 96 hours before the Hearing a copy of said notice at the principal office of the Council; and

WHEREAS, the Hearing was held on the 15th day of May, 2018, and at the Hearing, the Council explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 15th day of May, 2018:

NOW THEREFORE, Be It Ordained by the City Council of the City of Rock Falls, Whiteside County, Illinois, as follows:

Section 1. Definitions. The words and terms used in this Ordinance shall have the meanings set forth and defined for them herein unless the context or use clearly indicates another or different meaning is intended, including the words and terms as follows:

A. The following terms are defined in the preambles:

Alternate Revenue Bonds
Audit
Authorizing Ordinance
Bonds
City
City Clerk
Council
Debt Reform Act
Determination of Sufficiency
Hearing
Municipal Code
Project
Revenue Bonds
System

B. The following terms are defined as set forth:

“*Accounts*” means, collectively, the accounts within the Waterworks Fund, namely, the Operation and Maintenance Account, any account created pursuant to a Future Bond Ordinance, the Depreciation Account and the Surplus Account.

“*Additional Bonds*” means any Alternate Bonds or other obligations of the City issued in the future on a parity with and sharing ratably and equally in the Pledged Revenues with the Bonds.

“*Alternate Bonds*” means any Outstanding bonds issued as alternate bonds under and pursuant to the provisions of the Debt Reform Act and payable from the Pledged Revenues, and includes, expressly, the Bonds.

“*Bond and Interest Subaccount*” means the Bond and Interest Account of the Waterworks Fund described in Section 13 of this Ordinance.

“*Bond Fund*” means the 2018 Alternate Bond Fund established hereunder and further described in Section 16 of this Ordinance.

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

"County Clerk" means the County Clerk of The County of Whiteside, Illinois.

"Current IEPA Loans" means the loans from the IEPA to the City outstanding on the date hereof, namely the loans made pursuant to the following loan agreements: L17-1390, L17-5023 and L17-2650.

"Depreciation Account" means the Depreciation Account of the Waterworks Fund described in Section 13 of this Ordinance.

"Designated Representatives" means the Mayor, the City Clerk, the Treasurer, and the City Administrator.

"Expense Fund" means the fund established hereunder and further described in Section 21 of this Ordinance.

"Fiscal Year" means that twelve-calendar month period beginning on May 1 of the calendar year and ending on the next succeeding April 30.

"Future Bond Ordinances" means the ordinances of the City authorizing the issuance of bonds or other obligations payable from the Revenues, but not including this Ordinance or any other ordinance authorizing the issuance of Additional Bonds.

"IEPA" means the Illinois Environmental Protection Agency.

"Mayor" means the Mayor of the City.

"Operation and Maintenance Account" means the Operation and Maintenance Account of the Waterworks Fund described in Section 13 of this Ordinance.

"Operation and Maintenance Costs" means all costs of operating, maintaining and routine repair of the System, including wages, salaries, costs of materials and supplies, power, fuel, insurance, purchase of water treatment services (including all payments by the City pursuant to long term contracts for such purpose) and all reasonable administrative fees and expenses; but excluding debt service, depreciation, or any reserve requirements and any costs of

extending or enlarging the System or engineering expenses in anticipation thereof or in connection therewith; and otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

“Outstanding” when used with reference to the Bonds, Current IEPA Loans and Additional Bonds means any of those bonds which are outstanding and unpaid; *provided, however,* such term shall not include any one or more of such Bonds or Additional Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise properly available, sufficient to pay all principal or redemption price thereof, or (ii) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal or redemption price of and interest on the Bonds or Additional Bonds.

“Pledged Moneys” means the Pledged Revenues and the Pledged Taxes, collectively.

“Pledged Revenues” means moneys to the credit of the Bond and Interest Subaccount within the Surplus Account of the Waterworks Fund, said Surplus Account consisting of the funds remaining in the Waterworks Fund after the required monthly deposits and credits have been made to the Operation and Maintenance Account, the Depreciation Account and any other accounts as may be created in the future, of said Waterworks Fund.

“Pledged Taxes” means the ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount, pledged hereunder by the City as security for the Bonds, as set forth in Section 15 of this Ordinance.

“Project Fund” means the Waterworks Project Fund established hereunder and further described in Section 21 of this Ordinance.

“Purchaser” means Robert W. Baird & Co., Incorporated, Naperville, Illinois.

“Revenues” means all income from whatever source derived from the System, including (i) investment income; (ii) connection, permit and inspection fees and the like; (iii) penalties and delinquency charges; (iv) capital development, reimbursement, or recovery charges and the like; and (v) annexation or pre-annexation charges insofar as designated by the Council as paid for System connection or service; but excluding expressly (a) non-recurring income from the sale of property of the System; (b) governmental or other grants; (c) advances or grants made from the City; and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

“Surplus Account” means the Surplus Account of the Waterworks Fund described in Section 13 of this Ordinance.

“System” refers to all property, real, personal or otherwise owned or to be owned by the City or under the control of the City, and used for waterworks purposes, including the construction, additions and improvements constituting a part of the Project and any and all further extensions, improvements and additions to the System.

“Tax-exempt” means, with respect to the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations.

“Treasurer” means the City Treasurer of the City.

“Waterworks Fund” or *“Fund”* means the Waterworks Fund of the City, the existence of which is continued in Section 12 of this Ordinance.

Section 2. Incorporation of Preambles. The Council hereby finds that the recitals contained in the preambles to this Ordinance are true, correct and complete and does hereby incorporate them into this Ordinance by this reference.

Section 3. Determination to Issue Bonds; Determination of Sufficiency. It is necessary and in the best interests of the City for the City to undertake the Project for the public health, safety and welfare of the City, all as described above, and that the System continue to be operated as a waterworks system, all in accordance with the provisions of the Municipal Code and the Debt Reform Act.

Section 4. Determination of Useful Life; Acceptance of Audit. The Council does hereby determine that the period of usefulness of the System is not less than 25 years from the date hereof. The Determination of Sufficiency and the Audit are hereby approved by the Council.

Section 5. Bond Details. For the purpose of providing for the Project, the Bonds may be issued and sold in an aggregate principal amount of not to exceed \$1,200,000; and shall be designated "General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2018B" with such additional series designations and descriptions as may be necessary to describe the Bonds, as set forth in the Bond Notification (as hereinafter defined). The Bonds shall be dated the date of the issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each and authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date) or such other denominations as set forth in the Bond Notification, and shall be numbered 1 and upward.

The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on October 1 of each of the years (not later than 2033), bearing interest at the rates per annum (not exceeding 7.00% per annum) and in the amounts (not exceeding \$145,000 per year) all as set forth in the Bond Notification.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds

is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually commencing with the first interest payment date as set forth in the Bond Notification, and on April 1 and October 1 of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent, which shall be a bank or trust company as set forth in the Bond Notification (the "*Bond Registrar*"), payable upon presentation in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal office of the Bond Registrar.

The Bonds shall be signed by the manual or duly authorized facsimile signature of the Mayor, and shall be attested by the manual or duly authorized facsimile signature of the City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar, as authenticating agent of the City for the Bonds and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if

signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 6. Registration of Bonds; Persons Treated as Owners. (a) General. The City shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, *provided, however*, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

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

payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

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

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 5 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Mayor, City Clerk and Treasurer of the City and the Bond Registrar are each authorized to execute and deliver, on behalf of the City, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the

“*Representation Letter*”), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

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

sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 6 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the City, or such depository's agent or designee, and if the City does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 6(a) hereof.

Notwithstanding any other provisions of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to

principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

Section 7. Redemption. (a) *Optional Redemption.* All or a portion of the Bonds, if any, due on and after the date, if any, specified in the Bond Notification, shall be subject to redemption prior to maturity at the option of the City from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification, if any, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification shall be subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date, on the dates of the years, if any, and in the principal amounts, if any, as indicated in the Bond Notification.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Council shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least forty-five (45) days prior to any optional

redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Bond Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 8. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,

(3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar, and

(6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date

shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 9. Form of Bond. The Bonds shall be in substantially the following form; provided, however, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, "See Reverse Side for Additional Provisions", shall be omitted and paragraphs [6] through [16] shall be inserted immediately after paragraph [1]:

[Form of Bond - Front Side]

REGISTERED
NO. _____

REGISTERED
\$ _____

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF WHITESIDE
CITY OF ROCK FALLS
GENERAL OBLIGATION BOND
(WATERWORKS SYSTEM ALTERNATE REVENUE SOURCE)
SERIES 2018B**

See Reverse Side for
Additional Provisions

Interest Rate: _____% Maturity Date: April 1, 20__ Dated Date: _____, 2018 CUSIP: _____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

[1] KNOW ALL PERSONS BY THESE PRESENTS that the City of Rock Falls, Whiteside County, Illinois, a municipality and political subdivision of the State of Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above, and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above, such interest to be payable on _____, 20__, and semiannually thereafter on April 1 and October 1 of each year until the Principal Amount is paid. The Principal Amount of this Bond is payable in lawful money of the United States of America upon presentation at the principal corporate trust office of _____, as bond registrar and paying agent (the "Bond Registrar"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration

books of the City maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

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

[3] It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been done and have happened and have been performed in regular and due form of law; that the indebtedness of the City, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; that provision has been made for the collection of the Pledged Revenues, the levy and collection of the Pledged Taxes, and the segregation of all Pledged Moneys to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the City hereby covenants and agrees that it will properly account for the Pledged Moneys and will comply with all the covenants of and maintain the funds and accounts as provided by the Bond Ordinance. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the City are hereby irrevocably pledged.

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

[5] IN WITNESS WHEREOF, said City of Rock Falls, Whiteside County, Illinois, by its City Council, has caused this Bond to be signed by the manual or duly authorized facsimile signature of the Mayor of the City, and to be attested by the manual or duly authorized facsimile

signature of the City Clerk of the City and its corporate seal or a facsimile thereof to be imprinted or reproduced hereon, all as of the Dated Date identified above.

[SEAL]

Mayor, City of Rock Falls,
Whiteside County, Illinois

ATTEST:

City Clerk, City of Rock Falls,
Whiteside County, Illinois

Date of Authentication: _____, 20__

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2018B, of the City of Rock Falls, Whiteside County, Illinois.

as Bond Registrar

By _____
Authorized Officer

[Form of Bond - Reverse Side]

**CITY OF ROCK FALLS, WHITESIDE COUNTY, ILLINOIS
GENERAL OBLIGATION BOND
(WATERWORKS SYSTEM ALTERNATE REVENUE SOURCE)
SERIES 2018B**

[6] This Bond and the bonds of the series of which it forms a part (“*Bond*” and “*Bonds*” respectively) are of an authorized issue of \$1,200,000, of like dated date and tenor except as to maturity and rate of interest,. The Bonds are issued pursuant to the Local Government Debt Reform Act of the State of Illinois (the “*Debt Reform Act*”) and Division 129 of Article 11 of the Illinois Municipal Code (the “*Municipal Code*”), each as supplemented and amended, for the purpose of paying the costs of improving the waterworks system of the City (the “*System*”). The Bonds are issued pursuant to an original authorizing ordinance passed by the City Council of the City (the “*Council*”) on the 15th day of May, 2018, and by a bond ordinance passed by the Council on the 19th day of June, 2018 (the “*Bond Ordinance*”), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the Registered Owner by the acceptance of this Bond assents.

[7] Under the Municipal Code and the Bond Ordinance, the Revenues, as defined, from the operation of the System shall be deposited into the Waterworks Fund of the City which shall be used only and has been pledged for paying Operation and Maintenance Costs, paying the principal of and interest on all bonds of the City that are payable by their terms from the revenues of the System, providing an adequate depreciation fund, and in making all payments required to maintain the accounts established under the Bond Ordinance. The City may issue future waterworks revenue bonds, which bonds may have a prior lien on the Revenues, or additional alternate bonds or other obligations on a parity with the Bonds, in each case pursuant to the terms of the Bond Ordinance.

[8] The Bonds are payable from (a) together with the Current IEPA Loans (as defined in the Bond Ordinance), moneys to the credit of the Bond and Interest Subaccount within the

Surplus Account of the Waterworks Fund (the “*Pledged Revenues*”), said Surplus Account consisting of the funds remaining in the Waterworks Fund after the required monthly deposits and credits have been made under the Bond Ordinance or future revenue bond ordinances to the various accounts of the Waterworks Fund and (b) ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount (the “*Pledged Taxes*”) (the Pledged Revenues and the Pledged Taxes being collectively called the “*Pledged Moneys*”), all in accordance with the provisions of the Debt Reform Act and the Municipal Code.

[9] Under the Debt Reform Act and the Bond Ordinance, the Pledged Revenues shall be deposited into and segregated in the Bond and Interest Subaccount of the Surplus Account, and the Pledged Taxes shall be deposited into and segregated in the 2018 Alternate Bond Fund, each as created by the Bond Ordinance. Moneys on deposit in said Subaccount and said Fund shall be used first and are pledged for paying the principal of and interest on the Bonds and then for any further purposes as provided by the terms of the Bond Ordinance.

[10] This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, unless the Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the Bonds then outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year.

[11] The outstanding Bonds are co-equal as to the lien on the Pledged Revenues for their payment and share ratably, without any preference, priority, or distinction, the one over the other, as to the source of or method of payment from the Pledged Revenues.

[12] The Bonds due on and after October 1, 20___, shall be subject to redemption prior to maturity at the option of the City as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on October 1, 20___, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[13] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

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

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

such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

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

(ASSIGNMENT)

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

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 10. Sale of Bonds. Any two of the Designated Representatives, one of whom shall be an elected official, are hereby authorized to proceed not later than December 15, 2018, without any further authorization or direction from the Council, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon

be deposited with the Treasurer. After authentication of the Bonds by the Bond Registrar, the Treasurer shall deliver the Bonds to the Purchaser upon receipt of the purchase price therefor, the same being not less than 96.0% of the principal amount of the Bonds (exclusive of original issue discount), plus accrued interest, if any, to date of delivery, it being hereby found and determined that the sale of the Bonds to the Purchaser is in the best interests of the City. The Designated Representatives shall find and determine in the Bond Notification that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the sale of the Bonds to the Purchaser.

Prior to the sale of the Bonds, any of the Designated Representatives is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale of the Bonds, which shall include the pertinent details of sale as provided herein (the "*Bond Notification*"). In the Bond Notification, the Designated Representatives shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law. The Bond Notification shall be entered into the records of the City and made available to the Council at the next regular meeting thereof; but such action shall be for information purposes only, and the

Council shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Notification.

Upon the sale of the Bonds, as evidenced by the execution and delivery of the Bond Notification, the Designated Representatives and any other officers of the City, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, any contracts for the sale of the Bonds between the City and the Purchaser (the "*Purchase Contract*").

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "*Official Statement*") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the Council are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the Official Statement and the Bonds.

Section 11. Treatment of Bonds As Debt. The Bonds shall be payable from the Pledged Moneys and do not and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes shall be extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in Section 15 hereof, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shall show that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year, in accordance with the Debt Reform Act.

Section 12. Continuation of Waterworks Fund; Purpose of Fund. Upon the issuance of the Bonds, the System shall continue to be operated on a Fiscal Year basis. All of the Revenues shall be set aside as collected and be deposited into that certain separate fund and in an account

in a bank designated by the Council, which fund has heretofore been created and is hereby continued and is designated as the "Waterworks Fund" of the City, which shall constitute a trust fund for the sole purpose of carrying out the covenants, terms, and conditions of this Ordinance and any Future Bond Ordinance, and shall be used only in paying Operation and Maintenance Costs, providing an adequate depreciation fund, paying the principal of and interest on all bonds and other obligations of the City which by their terms are payable from the Revenues, and providing for the establishment of and expenditure from the respective accounts as described in this Ordinance.

Section 13. Flow of Funds. There shall be and there are hereby created separate accounts in the Waterworks Fund to be known as the "*Operation and Maintenance Account*," such other accounts as may be established under any Future Bond Ordinances, the "*Depreciation Account*," and the "*Surplus Account*," to which there shall be credited on or before the first day of each month by the financial officer of the City, without any further official action or direction, in the order in which said accounts are hereinafter mentioned, all moneys held in the Fund, in accordance with the following provisions:

(a) *Operation and Maintenance Account:* There shall be credited to or retained in the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in the Operation and Maintenance Account, to establish or maintain a balance to an amount not less than the amount considered necessary to pay Operation and Maintenance Costs for the then current month.

(b) *Accounts Created Pursuant to Future Bond Ordinances:* Future Bond Ordinances may create additional accounts in the Fund for the payment and security of waterworks revenue bonds that hereafter may be issued by the City. Amounts in the Fund shall be credited to and transferred from said accounts in accordance with the terms of the Future Bond Ordinances.

(c) *Depreciation Account:* Beginning the month after the delivery of the Bonds, there shall be credited to the Depreciation Account and held, in cash and investments, such sum as the City may deem necessary in order to provide an adequate depreciation fund for the System. In Future Bond Ordinances, the City may covenant to make specific monthly deposits to said Depreciation Account and to accumulate funds therein.

Amounts to the credit of said Depreciation Account shall be used for (i) the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies, the payment for which no other funds are available, in order that the System may at all times be able to render efficient service, (ii) for the purpose of acquiring or constructing improvements and extensions to the System, and (iii) the payment of principal of or interest and applicable premium on any Outstanding Bonds at any time when there are no other funds available for that purpose in order to prevent a default. Future Bond Ordinances may provide for additional deposits to said Depreciation Account and additional uses and transfers of the funds on deposit in said Depreciation Account.

(d) *Surplus Account:* All moneys remaining in the Fund, after crediting the required amounts to the respective accounts hereinabove provided for, and after making up any deficiency in said accounts, shall be credited to the Surplus Account. Funds in the Surplus Account shall first be used to make up any subsequent deficiencies in any of said accounts and then shall be deposited to a separate and segregated account hereby created and designated the "Bond and Interest Subaccount of the Surplus Account" (the "*Bond and Interest Subaccount*"), as follows:

A. There shall be paid into the Bond and Interest Subaccount in each month after the required payments have been made into the Accounts above described, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Bonds, Current IEPA Loans and Additional Bonds and a fractional amount of the principal becoming due on the next succeeding principal maturity date of all Outstanding Bonds, Current IEPA Loans and Additional Bonds until there shall have been accumulated in the Bond and Interest Subaccount on or before the month preceding such maturity date of interest or principal, an amount sufficient to pay such principal or interest, or both, of all Outstanding Bonds, Additional Bonds and Current IEPA Loans.

B. In computing the fractional amount to be set aside each month in said Bond and Interest Subaccount, the fraction shall be so computed that sufficient funds will be set aside in said Subaccount and will be available for the prompt payment of such principal of and interest on all Outstanding Bonds, Additional Bonds and Current IEPA Loans as the same will become due and shall be not less than one-fifth of the interest becoming due on the next succeeding interest payment date and not less than one-tenth of the principal becoming due on the next succeeding principal payment date on all Outstanding Bonds, Additional Bonds and Current IEPA Loans until there is sufficient money in said Subaccount to pay such principal or interest or both.

C. Credits to the Bond and Interest Subaccount may be suspended in any Fiscal Year at such time as there shall be a sufficient sum, held in cash and investments, in said Subaccount to meet principal and interest requirements in said Subaccount for the balance of such Fiscal Year, but such credits shall be resumed at the beginning of the next Fiscal Year.

D. All moneys in said Subaccount shall be used only for the purpose of paying interest on and principal of Bonds, Additional Bonds and Current IEPA Loans.

E. Any funds remaining in the Surplus Account after making the aforesaid deposits to the credit of the Bond and Interest Subaccount, at the discretion of the Council, shall be used, first, to make up any subsequent deficiencies in any of the accounts hereinabove named; and then, for the remainder of all surplus Revenues, at the discretion of the Council, for one or more of the following purposes without any priority among them, provided, however, that the Council may provide for further priority among all or any of such purposes in the future by adoption of an ordinance of the City so specifying such priority:

1. For the purpose of constructing or acquiring repairs, replacements, improvements or extensions to the System; or

2. For making transfers to the Fund generally to be applied and treated as Revenues when transferred; or

3. For the purpose of calling and redeeming Outstanding Bonds, Current IEPA Loans or Additional Bonds payable from the System which are callable at the time; or

4. For the purpose of purchasing Outstanding Bonds, Additional Bonds or Current IEPA Loans payable from the System; or

5. For the purpose of paying principal of and interest on any subordinate bonds or obligations issued for the purpose of acquiring or constructing repairs, replacements, improvements or extensions to the System, including loans from the State of Illinois, acting through the IEPA, other than the Current IEPA Loans which are on parity with the Bonds with respect to the Pledged Revenues; or

6. For any purpose enumerated in any Future Bond Ordinance; or

7. For any other lawful System purpose.

Money to the credit of the Fund or the Project Fund may be invested pursuant to any authorization granted to municipal corporations by Illinois statute or court decision.

Section 14. Account Excesses. Any amounts to the credit of the Accounts in excess of the then current requirements therefor may be transferred at any time by the Council to such other Account or Accounts of the Fund as it may in its sole discretion designate.

Section 15. Pledged Taxes; Tax Levy. For the purpose of providing additional funds to pay the principal of and interest on the Bonds, and as provided in Section 15 of the Debt Reform Act, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are Outstanding, a direct annual tax in amounts sufficient for that purpose, and there be and there hereby is levied upon all of the taxable property in the City the following direct annual taxes (the “*Pledged Taxes*”):

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
2018	\$150,000.00	for principal and interest up to and including April 1, 2020
2019	\$150,000.00	for principal and interest
2020	\$150,000.00	for principal and interest
2021	\$150,000.00	for principal and interest
2022	\$150,000.00	for principal and interest
2023	\$150,000.00	for principal and interest
2024	\$150,000.00	for principal and interest
2025	\$150,000.00	for principal and interest
2026	\$150,000.00	for principal and interest
2027	\$150,000.00	for principal and interest
2028	\$150,000.00	for principal and interest
2029	\$150,000.00	for principal and interest
2030	\$150,000.00	for principal and interest
2031	\$150,000.00	for principal and interest
2032	\$150,000.00	for principal and interest

Following any extension of Pledged Taxes, interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the Mayor, the City Clerk and the Treasurer are hereby authorized to direct the abatement of such taxes to the extent of the excess of such

levy in each year over the amount necessary to pay debt service on the Bonds in the following bond year. Proper notice of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 16. 2018 Alternate Bond Fund. There is hereby created the Bond Fund, the same being a special fund of the City, which fund shall be held separate and apart from all other funds and accounts of the City and shall be known as the "2018 Alternate Bond Fund." The purpose of the Bond Fund is to provide a fund to receive and disburse the Pledged Taxes for the payment of the Bonds. All payments made with respect to the Bonds from the Pledged Revenues shall be made directly from the Bond and Interest Subaccount. The Bond Fund and its respective accounts constitute a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance.

Any Pledged Taxes received by the City shall promptly be deposited into the Bond Fund.

It is hereby expressly provided that in the event there shall be moneys both to the credit of the Bond and Interest Subaccount and the Bond Fund, the Bond Fund shall be fully depleted before moneys to the credit of the Bond and Interest Subaccount shall be used to pay principal of and interest on the Bonds.

Section 17. Filing with County Clerk. After this Ordinance becomes effective, a copy hereof, certified by the City Clerk, shall be filed with the County Clerk. The County Clerk shall in and for each of the years required ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and the County Clerk, or other appropriate officer or designee, shall remit the Pledged Taxes for deposit to the credit of the Bond Fund, and in said years the Pledged Taxes shall be levied and collected by and for and on

behalf of the City in like manner as taxes for general municipal purposes of the City for said years are levied and collected, and in addition to and in excess of all other taxes. The Pledged Taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying principal of and interest on the Bonds.

Section 18. Abatement of Pledged Taxes. Whenever the Pledged Revenues shall have been determined by the Treasurer to provide in any calendar year an amount not less than 1.25 times debt service of the Outstanding Bonds, Current IEPA Loans and Additional Bonds in the next succeeding bond year (October 1 and April 1), and whenever the Pledged Revenues have been deposited to the Bond and Interest Account in an amount sufficient to pay debt service on all then Outstanding Bonds, Current IEPA Loans and Additional Bonds in the next succeeding bond year, the Treasurer shall, prior to the time the Pledged Taxes levied in such calendar year are extended, direct the abatement of the Pledged Taxes, and proper notification of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement. The Council covenants that it will abate the respective Pledged Taxes only upon full funding of the Bond and Interest Account in the appropriate amount.

Section 19. Pledged Revenues; General Covenants. The City covenants and agrees with the registered owners of the Bonds that, so long as any Bonds remain Outstanding:

A. The City hereby pledges the Pledged Revenues to the payment of the Bonds, and the Council covenants and agrees to provide for, collect and apply the Pledged Revenues to the payment of the Bonds and the provision of not less than an additional .25 times debt service, all in accordance with Section 15 of the Debt Reform Act. The determination of the sufficiency of the Pledged Revenues pursuant to this subsection (A) shall be supported by reference to the annual audit of the City and acceptance of said audit by the Council shall be conclusive evidence that the conditions of Section 15 of the Debt Reform Act have been met.

B. The City will punctually pay or cause to be paid from the Bond and Interest Subaccount and from the Bond Fund the principal of and the interest on the Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

C. The City will pay and discharge, or cause to be paid and discharged, from the Bond and Interest Subaccount and the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Moneys, or any part thereof, or upon any funds in the hands of the Bond Registrar, or which might impair the security of the Bonds. Nothing herein contained shall require the City to make any such payment so long as the City in good faith shall contest the validity of said claims.

D. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the Project, the Pledged Moneys, the Bond and Interest Subaccount and the Bond Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the registered owners of not less than ten percent (10%) of the principal amount of the Outstanding Bonds or their representatives authorized in writing.

E. The City will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

F. The City will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Ordinance.

G. As long as any Bonds are Outstanding, the City will continue to deposit the Pledged Revenues to the Bond and Interest Subaccount and, if applicable, the Pledged Taxes to the Bond Fund. The City covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as any Bonds remain Outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Taxes, except as described in Section 18 hereof, and to collect and to segregate the Pledged Moneys. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes can be extended and that the Pledged Revenues and the Pledged Taxes may be collected and deposited to the Bond and Interest Subaccount and the Bond Fund, respectively, as provided herein.

H. Once issued, the Bonds shall be and forever remain until paid or defeased the general obligation of the City, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to the Pledged Revenues, from the levy of the Pledged Taxes as provided in the Debt Reform Act.

I. The City will maintain the System in good repair and working order, will operate the same efficiently and faithfully, will promptly proceed with the Project, and

will punctually perform all duties with respect thereto required by the Constitution and laws of the State of Illinois and the United States of America.

J. The City will establish and maintain at all times reasonable fees, charges, and rates for the use and service of the System and will provide for the collection thereof and the segregation and application of the Revenues in the manner provided by this Ordinance, sufficient at all times to pay Operation and Maintenance Costs, to provide an adequate depreciation fund, to pay the principal of and interest on all bonds of the City which by their terms are payable from the revenues of the System, and to provide for the creation and maintenance and funding of the respective accounts as provided in Section 13 of this Ordinance; it is hereby expressly provided that the pledge and establishment of rates or charges for use of the System shall constitute a continuing obligation of the City with respect to such establishment and a continuing appropriation of the amounts received.

K. There shall be charged against all users of the System, including the City, such rates and amounts for water services as shall be adequate to meet the requirements of this Section. Charges for services rendered to the City shall be made against the City, and payment for the same shall be made monthly from the corporate funds into the Fund as revenues derived from the operation of the System; *provided, however*, that the City need not charge itself for such services if in the previous Fiscal Year Revenues, not including any payments made by the City, shall have met the requirements of this Ordinance.

L. Within six months following the close of each Fiscal Year, the City will cause the books and accounts of the System to be audited by independent certified public accountants in accordance with appropriate audit standards. Said audit will be available for inspection by the registered owners of any of the Bonds.

Section 20. Future Revenue Bonds, Additional Bonds and Subordinate Bonds. The City reserves the right to issue without limit bonds payable solely and only from the Revenues, which bonds may have a lien on the Revenues prior to the lien on the Revenues that secures the Outstanding Bonds, *provided* that upon the issuance of such bonds, the City shall be able to demonstrate in the same manner as provided by the Debt Reform Act, as the Debt Reform Act is written at this time, that at such time all Outstanding Bonds could then be issued as if not then having previously been issued; that is, that the requirements of the Debt Reform Act for the issuance of alternate bonds payable from the Revenues shall have been met on such date for all Outstanding Bonds.

The City also reserves the right to issue Additional Bonds from time to time payable from the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds; *provided, however*, that no Additional Bonds shall be issued except in accordance with the provisions of the Debt Reform Act as the Debt Reform Act is written at this time.

The City also reserves the right to issue revenue bonds from time to time payable from the Revenues that are subordinate to the Bonds, Current IEPA Loans and Additional Bonds and are payable from the money remaining in the Surplus Account created hereunder after making required deposits into the Bond and Interest Subaccount.

Section 21. Use of Proceeds. The proceeds derived from the sale of the Bonds shall be used as follows:

A. Accrued interest, if any, shall be credited to the Bond and Interest Subaccount and applied to pay first interest due on the Bonds.

B. The amount necessary of the proceeds of the Bonds shall be deposited into a separate fund, hereby created, designated the "Expense Fund," to be used to pay expenses of issuance of Bonds. Disbursements from such fund shall be made from time to time upon the direction of the Treasurer. Any excess in said fund shall be deposited into the Bond and Interest Subaccount after six months from the date of issuance of the Bonds. At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the City from the proceeds of the Bonds.

C. The balance of the principal proceeds derived from the sale of the Bonds shall be deposited in a separate fund hereby created and designated as the "Waterworks Project Fund" (the "*Project Fund*"); and disbursements shall be made from the Project Fund only for the purposes for which the Bonds are being issued and for which the principal proceeds are hereby appropriated.

Within sixty (60) days after full depletion of the Project Fund or payment of all costs of the Project, as herein referred to, and as heretofore approved by the Council, the Treasurer shall certify to the Council the fact of such depletion or the engineer in responsible charge of the Project shall certify to the Council the fact that the work has been completed according to

approved plans and specifications, as applicable, and upon approval of such certification by the Council, funds (if any) remaining in the Project Fund shall be transmitted to the Treasurer, and said Treasurer shall direct the credit said funds to the Bond Fund, and the Project Fund shall be closed.

Section 22. General Tax Covenants. The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code, would otherwise cause the interest on the Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Bonds under present rules, the City may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants, and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

Section 23. Registered Form. The City recognizes that Section 149 of the Code requires Tax-Exempt bonds to be issued and to remain in fully registered form in order to be and remain exempt from federal income taxation. In this connection, the City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 24. Certain Specific Tax Covenants. A. None of the Bonds shall be a “private activity bond” as defined in Section 141(a) of the Code; and the City certifies, represents, and covenants as follows:

(1) Not more than 5% of the net proceeds and investment earnings of the Bonds is to be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit.

(2) Not more than 5% of the amounts necessary to pay the principal of and interest on the Bonds will be derived, directly or indirectly, from payments with respect to any private business use by any person other than a state or local governmental unit.

(3) None of the proceeds of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(4) No user of the infrastructure of the City to be improved as part of the Project other than the City or another governmental unit, will use the same on any basis other than the same basis as the general public; and no person, other than the City or another governmental unit, will be a user of such infrastructure as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract other than as expressly permitted by the Code, or (iii) any other arrangement.

B. The Bonds shall not be “arbitrage bonds” under Section 148 of the Code; and the City certifies, represents, and covenants as follows:

(1) With respect to the Project, the City has heretofore incurred or within six months after delivery of the Bonds expects to incur substantial binding obligations to be paid for with money received from the sale of the Bonds, said binding obligations comprising binding contracts for the Project in not less than the amount of 5% of the proceeds of the Bonds allocable to the Project.

(2) More than 85% of the proceeds of the Bonds allocable to the Project will be expended on or before three years for the purpose of paying the costs of the Project.

(3) All of the principal proceeds of the Bonds allocable to the Project and investment earnings thereon will be used, needed, and expended for the purpose of paying the costs of the Project including expenses incidental thereto.

(4) Work on the Project is expected to proceed with due diligence to completion.

(5) Except for the Bond Fund, the City has not created or established and will not create or establish any sinking fund, reserve fund or any other similar fund to provide for the payment of the Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Other than any capitalized interest, money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

(6) Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the City officers may make in connection with the issuance of the Bonds, shall be so invested; and appropriate City officers are hereby authorized to make such investments.

(7) Unless an applicable exception to Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” to the United States Treasury (the “*Rebate Requirement*”) is available to the City, the City will meet the Rebate Requirement.

(8) Relating to such applicable exceptions, any City officer charged with issuing the Bonds is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the City. If such election may result in a “penalty in lieu of rebate” as provided in the Code, and such penalty is incurred (the “*Penalty*”), then the City shall pay such Penalty.

C. The City reserves the right to use or invest moneys in connection with the Bonds in any manner or to make changes in the Project lists or to use the City infrastructure acquired, constructed, or improved as part of the Project in any manner, notwithstanding the representations and covenants in this Ordinance, *provided* it shall first have received an opinion from an attorney or a firm of attorneys of nationally recognized standing in matters pertaining to Tax-Exempt bonds to the effect that use or investment of such moneys or the changes in or use of such infrastructure as contemplated will not result in loss or impairment of Tax-Exempt status for the Bonds.

D. If so provided in the Bond Notification, each Bond may be designated as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In connection therewith, the City shall affirm in the Tax Exemption Certificate and

Agreement to be executed in connection with the issuance of the Bonds that: (i) none of such Bonds will be at any time a “private activity bond” (as defined in Section 141 of the Code); (ii) in calendar year 2018, the City has not issued any Tax-exempt obligations of any kind nor have any other Tax-exempt obligations of any kind been issued on behalf of the City, except as set forth therein; (iii) during calendar year 2018, the City will not issue or cause to have issued on behalf of the City more than \$10,000,000 of Tax-exempt obligations, including the Bonds and the bonds expected to be issued by the City simultaneously with the issuance of the Bonds for purposes of the sewerage system of the City and the electric system of the City (together, the “*Other System Bonds*”); (iv) not more than \$10,000,000 of obligations of any kind (including the Bonds and the Other System Bonds) issued by or on behalf of the City during calendar year 2018 will be designated for purposes of Section 265(b)(3) of the Code; and (v) the City is not subject to control by any entity, and there are no entities subject to control by the City.

Section 25. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 26. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Clerk are authorized to execute the Bond Registrar’s standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

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

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

Section 27. Continuing Disclosure Undertaking. The Mayor or the Treasurer is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking (the "*Continuing Disclosure Undertaking*") in connection with the issuance of the Bonds, with such provisions therein as he or she shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such provisions. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 28. Municipal Bond Insurance. In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by a bond insurer (the "*Bond Insurer*"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer upon payment of the Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by

the Mayor of the City on advice of counsel, his or her approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

Section 29. Record-Keeping Policy and Post-Issuance Compliance Matters. On August 16, 2016, the Council adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the City, the interest of which is excludable from “gross income” for federal income tax purposes or which enable the City or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Council and the City hereby reaffirm the *Policy*.

Section 30. Defeasance. Bonds which are no longer Outstanding shall cease to have any lien on or right to receive or be paid from Pledged Revenues or the Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security of the Bonds in the Pledged Revenues or the Pledged Taxes.

Section 31. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City and the owners of the Outstanding Bonds and no changes, additions or alterations of any kind shall be made hereto, except as herein provided, so long as there are any Outstanding Bonds.

Section 32. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 33. Repealer. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

Section 34. Effective Date. This Ordinance shall be effective immediately.

ADOPTED by the City Council on June 19, 2018.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED on June 19, 2018.

Mayor,
City of Rock Falls,
Whiteside County, Illinois

RECORDED in the City Records on June 19, 2018.

Attest:

City Clerk,
City of Rock Falls,
Whiteside County, Illinois

ORDINANCE NO. 2018-2380

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$1,200,000 General Obligation Bonds (Sewerage System Alternate Revenue Source) of the City of Rock Falls, Whiteside County, Illinois, for the purpose of paying the costs of improving the sewerage system of said City, prescribing the details of said bonds and providing for collection, segregation and application of sewerage system revenues to the payment of said bonds and the levy of taxes sufficient to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.

* * *

WHEREAS, the City of Rock Falls, Whiteside County, Illinois (the "*City*"), is a duly organized and existing municipality incorporated and existing under the provisions of the laws of the State of Illinois, is now operating under the provisions of the Illinois Municipal Code, as amended (the "*Municipal Code*"), and for many years has owned and operated a municipally-owned sewerage system (the "*System*" as more completely defined and described herein) as set forth in Division 141 of Article 11 of the Municipal Code; and

WHEREAS, the City Council of the City (the "*Council*") have determined that it is advisable, necessary and in the best interests of the public health, safety and welfare of the City to construct certain improvements to the System (the "*Project*"), all in accordance with the estimate of costs therefor on file in the office of the City Clerk of the City (the "*City Clerk*"); and

WHEREAS, the estimated costs of the Project, including legal, financial, bond discount, printing and publication costs and other expenses is not less than \$1,200,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, pursuant to and in accordance with the provisions of the Municipal Code, the City is authorized to issue its sewerage revenue bonds for the purpose of providing funds to pay the costs of the Project; and

WHEREAS, as provided in Section 15 of the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended (the "*Debt Reform Act*"), whenever revenue bonds have been authorized to be issued pursuant to the Municipal Code, the City may issue its general obligation bonds in lieu of such revenue bonds as authorized, and such general obligation bonds may be referred to as "*alternate bonds*"; and

WHEREAS, for the purpose of providing funds to pay the costs of the Project and in accordance with the provisions of the Debt Reform Act, the Council, on the 15th day of May, 2018, adopted Ordinance No. 2018-2376 (the "*Authorizing Ordinance*"), authorizing the issuance of sewerage revenue bonds, being bonds payable from the revenues derived from the operation of the System authorized pursuant to Division 141 of Article 11 of the Municipal Code (the "*Revenue Bonds*"), in the aggregate principal amount of \$1,200,000 or in lieu thereof, authorizing the issuance of General Obligation Bonds (Sewerage System Alternate Revenue Source) (the "*Alternate Revenue Bonds*"), as provided in the Debt Reform Act, in an aggregate principal amount of \$1,200,000, for the purpose of paying the costs of the Project; and

WHEREAS, on the 18th day of May, 2018, the Authorizing Ordinance, together with a separate notice in statutory form, was published in the *Daily Gazette*, the same being a newspaper of general circulation in the City, and an affidavit evidencing the publication of the Authorizing Ordinance and said notice of intent have heretofore been presented to the Council and made a part of the permanent records of the Council; and

WHEREAS, more than thirty (30) days have expired since the date of publication of the Authorizing Ordinance and said notice, and no petition with the requisite number of valid

signatures thereon has been filed with the City Clerk requesting that the question of the issuance of the Revenue Bonds or the Alternate Revenue Bonds be submitted to referendum; and

WHEREAS, the Project constitutes a lawful corporate purpose within the meaning of the Debt Reform Act; and

WHEREAS, the Council hereby determines that (i) the City is authorized to issue the Revenue Bonds to the amount of \$1,200,000, or, in lieu thereof, the Alternate Bonds to the amount of \$1,200,000 in accordance with the provisions of the Debt Reform Act and the Municipal Code, (ii) none of the Revenue Bonds or the Alternate Revenue Bonds have heretofore been issued and (iii) it is necessary and advisable that there be issued at this time not to exceed \$1,200,000 of the Alternate Revenue Bonds so authorized to pay costs of the Project (the "*Bonds*"); and

WHEREAS, the Bonds will be payable from the Pledged Revenues and the Pledged Taxes (each as hereinafter defined); and

WHEREAS, the only outstanding obligations of the City payable from the Pledged Revenues are the Current IEPA Loans (as hereinafter defined); and

WHEREAS, the Bonds will be issued on parity, and will share ratably and equally in the Pledged Revenues, with the Current IEPA Loans; and

WHEREAS, the Council has heretofore and it is hereby determined that the Pledged Revenues will be sufficient to provide or pay in each year to final maturity of the Bonds all of the following (1) Operation and Maintenance Costs (as hereinafter defined), but not including depreciation, (2) debt service on any outstanding revenue bonds payable from the Revenues (as hereinafter defined), (3) all amounts required to meet any fund or account requirements with respect to any outstanding revenue bonds, (4) other contractual or tort liability obligations, if any,

payable from the Revenues, and (5) in each year, an amount not less than 1.25 times debt service of the Bonds and the Current IEPA Loans; and

WHEREAS, the determination of the sufficiency (the "*Determination of Sufficiency*") of the Pledged Revenues, as required by the Debt Reform Act, is supported by the most recent audit of the City (the "*Audit*"), which Audit is for a fiscal year ending not earlier than 18 months previous to the time of issuance of the Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Mayor, on the 1st day of May, 2018, executed an Order calling a public hearing (the "*Hearing*") for the 15th day of May, 2018, concerning the intent of the Council to sell the Bonds; and

WHEREAS, notice of the Hearing was given (i) by publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Daily Gazette*, and (ii) by posting at least 96 hours before the Hearing a copy of said notice at the principal office of the Council; and

WHEREAS, the Hearing was held on the 15th day of May, 2018, and at the Hearing, the Council explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 15th day of May, 2018:

NOW THEREFORE, Be It Ordained by the City Council of the City of Rock Falls, Whiteside County, Illinois, as follows:

Section 1. Definitions. The words and terms used in this Ordinance shall have the meanings set forth and defined for them herein unless the context or use clearly indicates another or different meaning is intended, including the words and terms as follows:

A. The following terms are defined in the preambles:

Alternate Revenue Bonds
Audit
Authorizing Ordinance
Bonds
City
City Clerk
Council
Debt Reform Act
Determination of Sufficiency
Hearing
Municipal Code
Project
Revenue Bonds
System

B. The following terms are defined as set forth:

“Accounts” means, collectively, the accounts within the Sewerage Fund, namely, the Operation and Maintenance Account, any account created pursuant to a Future Bond Ordinance, the Depreciation Account and the Surplus Account.

“Additional Bonds” means any Alternate Bonds or other obligations of the City issued in the future on a parity with and sharing ratably and equally in the Pledged Revenues with the Bonds.

“Alternate Bonds” means any Outstanding bonds issued as alternate bonds under and pursuant to the provisions of the Debt Reform Act and payable from the Pledged Revenues, and includes, expressly, the Bonds.

“Bond and Interest Subaccount” means the Bond and Interest Account of the Sewerage Fund described in Section 13 of this Ordinance.

“Bond Fund” means the 2018 Alternate Bond Fund established hereunder and further described in Section 16 of this Ordinance.

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

“County Clerk” means the County Clerk of The County of Whiteside, Illinois.

“Current IEPA Loans” means the loans from the IEPA to the City outstanding on the date hereof, namely the loans made pursuant to the following loan agreements: L17-4568 and L17-3012.

“Depreciation Account” means the Depreciation Account of the Sewerage Fund described in Section 13 of this Ordinance.

“Designated Representatives” means the Mayor, the City Clerk, the Treasurer, and the City Administrator.

“Expense Fund” means the fund established hereunder and further described in Section 21 of this Ordinance.

“Fiscal Year” means that twelve-calendar month period beginning on May 1 of the calendar year and ending on the next succeeding April 30.

“Future Bond Ordinances” means the ordinances of the City authorizing the issuance of bonds or other obligations payable from the Revenues, but not including this Ordinance or any other ordinance authorizing the issuance of Additional Bonds.

“IEPA” means the Illinois Environmental Protection Agency.

“Mayor” means the Mayor of the City.

“Operation and Maintenance Account” means the Operation and Maintenance Account of the Sewerage Fund described in Section 13 of this Ordinance.

“Operation and Maintenance Costs” means all costs of operating, maintaining and routine repair of the System, including wages, salaries, costs of materials and supplies, power, fuel, insurance, purchase of water and sewage treatment services (including all payments by the City pursuant to long term contracts for such purpose) and all reasonable administrative fees and expenses; but excluding debt service, depreciation, or any reserve requirements and any costs of

extending or enlarging the System or engineering expenses in anticipation thereof or in connection therewith; and otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

“Outstanding” when used with reference to the Bonds, Current IEPA Loans and Additional Bonds means any of those bonds which are outstanding and unpaid; *provided, however,* such term shall not include any one or more of such Bonds or Additional Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise properly available, sufficient to pay all principal or redemption price thereof, or (ii) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal or redemption price of and interest on the Bonds or Additional Bonds.

“Pledged Moneys” means the Pledged Revenues and the Pledged Taxes, collectively.

“Pledged Revenues” means moneys to the credit of the Bond and Interest Subaccount within the Surplus Account of the Sewerage Fund, said Surplus Account consisting of the funds remaining in the Sewerage Fund after the required monthly deposits and credits have been made to the Operation and Maintenance Account, the Depreciation Account and any other accounts as may be created in the future, of said Sewerage Fund.

“Pledged Taxes” means the ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount, pledged hereunder by the City as security for the Bonds, as set forth in Section 15 of this Ordinance.

“Project Fund” means the Sewerage Project Fund established hereunder and further described in Section 21 of this Ordinance.

“Purchaser” means Robert W. Baird & Co., Incorporated, Naperville, Illinois.

“Revenues” means all income from whatever source derived from the System, including (i) investment income; (ii) connection, permit and inspection fees and the like; (iii) penalties and delinquency charges; (iv) capital development, reimbursement, or recovery charges and the like; and (v) annexation or pre-annexation charges insofar as designated by the Council as paid for System connection or service; but excluding expressly (a) non-recurring income from the sale of property of the System; (b) governmental or other grants; (c) advances or grants made from the City; and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

“Sewerage Fund” or *“Fund”* means the Sewerage Fund of the City, the existence of which is continued in Section 12 of this Ordinance.

“Surplus Account” means the Surplus Account of the Sewerage Fund described in Section 13 of this Ordinance.

“System” refers to all property, real, personal or otherwise owned or to be owned by the City or under the control of the City, and used for sewerage purposes, including the construction, additions and improvements constituting a part of the Project and any and all further extensions, improvements and additions to the System.

“Tax-exempt” means, with respect to the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations.

“Treasurer” means the City Treasurer of the City.

Section 2. Incorporation of Preambles. The Council hereby finds that the recitals contained in the preambles to this Ordinance are true, correct and complete and does hereby incorporate them into this Ordinance by this reference.

Section 3. Determination to Issue Bonds; Determination of Sufficiency. It is necessary and in the best interests of the City for the City to undertake the Project for the public health, safety and welfare of the City, all as described above, and that the System continue to be operated as a sewerage system, all in accordance with the provisions of the Municipal Code and the Debt Reform Act.

Section 4. Determination of Useful Life; Acceptance of Audit. The Council does hereby determine that the period of usefulness of the System is not less than 25 years from the date hereof. The Determination of Sufficiency and the Audit are hereby approved by the Council.

Section 5. Bond Details. For the purpose of providing for the Project, the Bonds may be issued and sold in an aggregate principal amount of not to exceed \$1,200,000; and shall be designated "General Obligation Bonds (Sewerage System Alternate Revenue Source), Series 2018C" with such additional series designations and descriptions as may be necessary to describe the Bonds, as set forth in the Bond Notification (as hereinafter defined). The Bonds shall be dated the date of the issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each and authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date) or such other denominations as set forth in the Bond Notification, and shall be numbered 1 and upward.

The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on October 1 of each of the years (not later than 2033), bearing interest at the rates per annum (not exceeding 7.00% per annum) and in the amounts (not exceeding \$145,000 per year) all as set forth in the Bond Notification.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds

is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually commencing with the first interest payment date as set forth in the Bond Notification, and on April 1 and October 1 of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent, which shall be a bank or trust company as set forth in the Bond Notification (the "*Bond Registrar*"), payable upon presentation in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal office of the Bond Registrar.

The Bonds shall be signed by the manual or duly authorized facsimile signature of the Mayor, and shall be attested by the manual or duly authorized facsimile signature of the City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar, as authenticating agent of the City for the Bonds and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if

signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 6. Registration of Bonds; Persons Treated as Owners. (a) General. The City shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, *provided, however*, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

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

payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

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

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 5 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Mayor, City Clerk and Treasurer of the City and the Bond Registrar are each authorized to execute and deliver, on behalf of the City, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the

“*Representation Letter*”), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

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

sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 6 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the City, or such depository's agent or designee, and if the City does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 6(a) hereof.

Notwithstanding any other provisions of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to

principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

Section 7. Redemption. (a) *Optional Redemption.* All or a portion of the Bonds, if any, due on and after the date, if any, specified in the Bond Notification, shall be subject to redemption prior to maturity at the option of the City from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification, if any, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification shall be subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date, on the dates of the years, if any, and in the principal amounts, if any, as indicated in the Bond Notification.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Council shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least forty-five (45) days prior to any optional

redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Bond Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 8. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,

(3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar, and

(6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date

shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 9. Form of Bond. The Bonds shall be in substantially the following form; provided, however, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, "See Reverse Side for Additional Provisions", shall be omitted and paragraphs [6] through [16] shall be inserted immediately after paragraph [1]:

[Form of Bond - Front Side]

REGISTERED
NO. _____

REGISTERED
\$ _____

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF WHITESIDE
CITY OF ROCK FALLS
GENERAL OBLIGATION BOND
(SEWERAGE SYSTEM ALTERNATE REVENUE SOURCE)
SERIES 2018C**

See Reverse Side for
Additional Provisions

Interest Rate: _____% Maturity Date: April 1, 20__ Dated Date: _____, 2018 CUSIP: _____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

[1] KNOW ALL PERSONS BY THESE PRESENTS that the City of Rock Falls, Whiteside County, Illinois, a municipality and political subdivision of the State of Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above, and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above, such interest to be payable on _____, 20__, and semiannually thereafter on April 1 and October 1 of each year until the Principal Amount is paid. The Principal Amount of this Bond is payable in lawful money of the United States of America upon presentation at the principal corporate trust office of _____, as bond registrar and paying agent (the "Bond Registrar"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration

books of the City maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

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

[3] It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been done and have happened and have been performed in regular and due form of law; that the indebtedness of the City, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; that provision has been made for the collection of the Pledged Revenues, the levy and collection of the Pledged Taxes, and the segregation of all Pledged Moneys to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the City hereby covenants and agrees that it will properly account for the Pledged Moneys and will comply with all the covenants of and maintain the funds and accounts as provided by the Bond Ordinance. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the City are hereby irrevocably pledged.

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

[5] IN WITNESS WHEREOF, said City of Rock Falls, Whiteside County, Illinois, by its City Council, has caused this Bond to be signed by the manual or duly authorized facsimile signature of the Mayor of the City, and to be attested by the manual or duly authorized facsimile

signature of the City Clerk of the City and its corporate seal or a facsimile thereof to be imprinted or reproduced hereon, all as of the Dated Date identified above.

[SEAL]

Mayor, City of Rock Falls,
Whiteside County, Illinois

ATTEST:

City Clerk, City of Rock Falls,
Whiteside County, Illinois

Date of Authentication: _____, 20__

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Bonds (Sewerage System Alternate Revenue Source), Series 2018C, of the City of Rock Falls, Whiteside County, Illinois.

as Bond Registrar

By _____
Authorized Officer

[Form of Bond - Reverse Side]

**CITY OF ROCK FALLS, WHITESIDE COUNTY, ILLINOIS
GENERAL OBLIGATION BOND
(SEWERAGE SYSTEM ALTERNATE REVENUE SOURCE)
SERIES 2018C**

[6] This Bond and the bonds of the series of which it forms a part (“*Bond*” and “*Bonds*” respectively) are of an authorized issue of \$1,200,000, of like dated date and tenor except as to maturity and rate of interest,. The Bonds are issued pursuant to the Local Government Debt Reform Act of the State of Illinois (the “*Debt Reform Act*”) and Division 141 of Article 11 of the Illinois Municipal Code (the “*Municipal Code*”), each as supplemented and amended, for the purpose of paying the costs of improving the sewerage system of the City (the “*System*”). The Bonds are issued pursuant to an original authorizing ordinance passed by the City Council of the City (the “*Council*”) on the 15th day of May, 2018, and by a bond ordinance passed by the Council on the 19th day of June, 2018 (the “*Bond Ordinance*”), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the Registered Owner by the acceptance of this Bond assents.

[7] Under the Municipal Code and the Bond Ordinance, the Revenues, as defined, from the operation of the System shall be deposited into the Sewerage Fund of the City which shall be used only and has been pledged for paying Operation and Maintenance Costs, paying the principal of and interest on all bonds of the City that are payable by their terms from the revenues of the System, providing an adequate depreciation fund, and in making all payments required to maintain the accounts established under the Bond Ordinance. The City may issue future sewerage revenue bonds, which bonds may have a prior lien on the Revenues, or additional alternate bonds or other obligations on a parity with the Bonds, in each case pursuant to the terms of the Bond Ordinance.

[8] The Bonds are payable from (a) together with the Current IEPA Loans (as defined in the Bond Ordinance), moneys to the credit of the Bond and Interest Subaccount within the

Surplus Account of the Sewerage Fund (the "*Pledged Revenues*"), said Surplus Account consisting of the funds remaining in the Sewerage Fund after the required monthly deposits and credits have been made under the Bond Ordinance or future revenue bond ordinances to the various accounts of the Sewerage Fund and (b) ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount (the "*Pledged Taxes*") (the Pledged Revenues and the Pledged Taxes being collectively called the "*Pledged Moneys*"), all in accordance with the provisions of the Debt Reform Act and the Municipal Code.

[9] Under the Debt Reform Act and the Bond Ordinance, the Pledged Revenues shall be deposited into and segregated in the Bond and Interest Subaccount of the Surplus Account, and the Pledged Taxes shall be deposited into and segregated in the 2018 Alternate Bond Fund, each as created by the Bond Ordinance. Moneys on deposit in said Subaccount and said Fund shall be used first and are pledged for paying the principal of and interest on the Bonds and then for any further purposes as provided by the terms of the Bond Ordinance.

[10] This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, unless the Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the Bonds then outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year.

[11] The outstanding Bonds are co-equal as to the lien on the Pledged Revenues for their payment and share ratably, without any preference, priority, or distinction, the one over the other, as to the source of or method of payment from the Pledged Revenues.

[12] The Bonds due on and after October 1, 20___, shall be subject to redemption prior to maturity at the option of the City as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on October 1, 20___, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[13] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

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

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

such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

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

(ASSIGNMENT)

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

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 10. Sale of Bonds. Any two of the Designated Representatives, one of whom shall be an elected official, are hereby authorized to proceed not later than December 15, 2018, without any further authorization or direction from the Council, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon

be deposited with the Treasurer. After authentication of the Bonds by the Bond Registrar, the Treasurer shall deliver the Bonds to the Purchaser upon receipt of the purchase price therefor, the same being not less than 96.0% of the principal amount of the Bonds (exclusive of original issue discount), plus accrued interest, if any, to date of delivery, it being hereby found and determined that the sale of the Bonds to the Purchaser is in the best interests of the City. The Designated Representatives shall find and determine in the Bond Notification that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the sale of the Bonds to the Purchaser.

Prior to the sale of the Bonds, any of the Designated Representatives is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale of the Bonds, which shall include the pertinent details of sale as provided herein (the "*Bond Notification*"). In the Bond Notification, the Designated Representatives shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law. The Bond Notification shall be entered into the records of the City and made available to the Council at the next regular meeting thereof; but such action shall be for information purposes only, and the

Council shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Notification.

Upon the sale of the Bonds, as evidenced by the execution and delivery of the Bond Notification, the Designated Representatives and any other officers of the City, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, any contracts for the sale of the Bonds between the City and the Purchaser (the "*Purchase Contract*").

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "*Official Statement*") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the Council are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the Official Statement and the Bonds.

Section 11. Treatment of Bonds As Debt. The Bonds shall be payable from the Pledged Moneys and do not and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes shall be extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in Section 15 hereof, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shall show that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year, in accordance with the Debt Reform Act.

Section 12. Continuation of Sewerage Fund; Purpose of Fund. Upon the issuance of the Bonds, the System shall continue to be operated on a Fiscal Year basis. All of the Revenues shall be set aside as collected and be deposited into that certain separate fund and in an account

in a bank designated by the Council, which fund has heretofore been created and is hereby continued and is designated as the "Sewerage Fund" of the City, which shall constitute a trust fund for the sole purpose of carrying out the covenants, terms, and conditions of this Ordinance and any Future Bond Ordinance, and shall be used only in paying Operation and Maintenance Costs, providing an adequate depreciation fund, paying the principal of and interest on all bonds and other obligations of the City which by their terms are payable from the Revenues, and providing for the establishment of and expenditure from the respective accounts as described in this Ordinance.

Section 13. Flow of Funds. There shall be and there are hereby created separate accounts in the Sewerage Fund to be known as the "*Operation and Maintenance Account*," such other accounts as may be established under any Future Bond Ordinances, the "*Depreciation Account*," and the "*Surplus Account*," to which there shall be credited on or before the first day of each month by the financial officer of the City, without any further official action or direction, in the order in which said accounts are hereinafter mentioned, all moneys held in the Fund, in accordance with the following provisions:

(a) *Operation and Maintenance Account:* There shall be credited to or retained in the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in the Operation and Maintenance Account, to establish or maintain a balance to an amount not less than the amount considered necessary to pay Operation and Maintenance Costs for the then current month.

(b) *Accounts Created Pursuant to Future Bond Ordinances:* Future Bond Ordinances may create additional accounts in the Fund for the payment and security of sewerage revenue bonds that hereafter may be issued by the City. Amounts in the Fund shall be credited to and transferred from said accounts in accordance with the terms of the Future Bond Ordinances.

(c) *Depreciation Account:* Beginning the month after the delivery of the Bonds, there shall be credited to the Depreciation Account and held, in cash and investments, such sum as the City may deem necessary in order to provide an adequate depreciation fund for the System. In Future Bond Ordinances, the City may covenant to make specific monthly deposits to said Depreciation Account and to accumulate funds therein.

Amounts to the credit of said Depreciation Account shall be used for (i) the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies, the payment for which no other funds are available, in order that the System may at all times be able to render efficient service, (ii) for the purpose of acquiring or constructing improvements and extensions to the System, and (iii) the payment of principal of or interest and applicable premium on any Outstanding Bonds at any time when there are no other funds available for that purpose in order to prevent a default. Future Bond Ordinances may provide for additional deposits to said Depreciation Account and additional uses and transfers of the funds on deposit in said Depreciation Account.

(d) *Surplus Account*: All moneys remaining in the Fund, after crediting the required amounts to the respective accounts hereinabove provided for, and after making up any deficiency in said accounts, shall be credited to the Surplus Account. Funds in the Surplus Account shall first be used to make up any subsequent deficiencies in any of said accounts and then shall be deposited to a separate and segregated account hereby created and designated the "Bond and Interest Subaccount of the Surplus Account" (the "*Bond and Interest Subaccount*"), as follows:

A. There shall be paid into the Bond and Interest Subaccount in each month after the required payments have been made into the Accounts above described, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Bonds, Current IEPA Loans and Additional Bonds and a fractional amount of the principal becoming due on the next succeeding principal maturity date of all Outstanding Bonds, Current IEPA Loans and Additional Bonds until there shall have been accumulated in the Bond and Interest Subaccount on or before the month preceding such maturity date of interest or principal, an amount sufficient to pay such principal or interest, or both, of all Outstanding Bonds, Additional Bonds and Current IEPA Loans.

B. In computing the fractional amount to be set aside each month in said Bond and Interest Subaccount, the fraction shall be so computed that sufficient funds will be set aside in said Subaccount and will be available for the prompt payment of such principal of and interest on all Outstanding Bonds, Additional Bonds and Current IEPA Loans as the same will become due and shall be not less than one-fifth of the interest becoming due on the next succeeding interest payment date and not less than one-tenth of the principal becoming due on the next succeeding principal payment date on all Outstanding Bonds, Additional Bonds and Current IEPA Loans until there is sufficient money in said Subaccount to pay such principal or interest or both.

C. Credits to the Bond and Interest Subaccount may be suspended in any Fiscal Year at such time as there shall be a sufficient sum, held in cash and investments, in said Subaccount to meet principal and interest requirements in said Subaccount for the balance of such Fiscal Year, but such credits shall be resumed at the beginning of the next Fiscal Year.

D. All moneys in said Subaccount shall be used only for the purpose of paying interest on and principal of Bonds, Additional Bonds and Current IEPA Loans.

E. Any funds remaining in the Surplus Account after making the aforesaid deposits to the credit of the Bond and Interest Subaccount, at the discretion of the Council, shall be used, first, to make up any subsequent deficiencies in any of the accounts hereinabove named; and then, for the remainder of all surplus Revenues, at the discretion of the Council, for one or more of the following purposes without any priority among them, provided, however, that the Council may provide for further priority among all or any of such purposes in the future by adoption of an ordinance of the City so specifying such priority:

1. For the purpose of constructing or acquiring repairs, replacements, improvements or extensions to the System; or
2. For making transfers to the Fund generally to be applied and treated as Revenues when transferred; or
3. For the purpose of calling and redeeming Outstanding Bonds, Current IEPA Loans or Additional Bonds payable from the System which are callable at the time; or
4. For the purpose of purchasing Outstanding Bonds, Additional Bonds or Current IEPA Loans payable from the System; or
5. For the purpose of paying principal of and interest on any subordinate bonds or obligations issued for the purpose of acquiring or constructing repairs, replacements, improvements or extensions to the System, including loans from the State of Illinois, acting through the IEPA, other than the Current IEPA Loans which are on parity with the Bonds with respect to the Pledged Revenues; or
6. For any purpose enumerated in any Future Bond Ordinance; or
7. For any other lawful System purpose.

Money to the credit of the Fund or the Project Fund may be invested pursuant to any authorization granted to municipal corporations by Illinois statute or court decision.

Section 14. Account Excesses. Any amounts to the credit of the Accounts in excess of the then current requirements therefor may be transferred at any time by the Council to such other Account or Accounts of the Fund as it may in its sole discretion designate.

Section 15. *Pledged Taxes; Tax Levy.* For the purpose of providing additional funds to pay the principal of and interest on the Bonds, and as provided in Section 15 of the Debt Reform Act, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are Outstanding, a direct annual tax in amounts sufficient for that purpose, and there be and there hereby is levied upon all of the taxable property in the City the following direct annual taxes (the “*Pledged Taxes*”):

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
2018	\$150,000.00	for principal and interest up to and including April 1, 2020
2019	\$150,000.00	for principal and interest
2020	\$150,000.00	for principal and interest
2021	\$150,000.00	for principal and interest
2022	\$150,000.00	for principal and interest
2023	\$150,000.00	for principal and interest
2024	\$150,000.00	for principal and interest
2025	\$150,000.00	for principal and interest
2026	\$150,000.00	for principal and interest
2027	\$150,000.00	for principal and interest
2028	\$150,000.00	for principal and interest
2029	\$150,000.00	for principal and interest
2030	\$150,000.00	for principal and interest
2031	\$150,000.00	for principal and interest
2032	\$150,000.00	for principal and interest

Following any extension of Pledged Taxes, interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the Mayor, the City Clerk and the Treasurer are hereby authorized to direct the abatement of such taxes to the extent of the excess of such

levy in each year over the amount necessary to pay debt service on the Bonds in the following bond year. Proper notice of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 16. 2018 Alternate Bond Fund. There is hereby created the Bond Fund, the same being a special fund of the City, which fund shall be held separate and apart from all other funds and accounts of the City and shall be known as the "2018 Alternate Bond Fund." The purpose of the Bond Fund is to provide a fund to receive and disburse the Pledged Taxes for the payment of the Bonds. All payments made with respect to the Bonds from the Pledged Revenues shall be made directly from the Bond and Interest Subaccount. The Bond Fund and its respective accounts constitute a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance.

Any Pledged Taxes received by the City shall promptly be deposited into the Bond Fund.

It is hereby expressly provided that in the event there shall be moneys both to the credit of the Bond and Interest Subaccount and the Bond Fund, the Bond Fund shall be fully depleted before moneys to the credit of the Bond and Interest Subaccount shall be used to pay principal of and interest on the Bonds.

Section 17. Filing with County Clerk. After this Ordinance becomes effective, a copy hereof, certified by the City Clerk, shall be filed with the County Clerk. The County Clerk shall in and for each of the years required ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and the County Clerk, or other appropriate officer or designee, shall remit the Pledged Taxes for deposit to the credit of the Bond Fund, and in said years the Pledged Taxes shall be levied and collected by and for and on

behalf of the City in like manner as taxes for general municipal purposes of the City for said years are levied and collected, and in addition to and in excess of all other taxes. The Pledged Taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying principal of and interest on the Bonds.

Section 18. Abatement of Pledged Taxes. Whenever the Pledged Revenues shall have been determined by the Treasurer to provide in any calendar year an amount not less than 1.25 times debt service of the Outstanding Bonds, Current IEPA Loans and Additional Bonds in the next succeeding bond year (October 1 and April 1), and whenever the Pledged Revenues have been deposited to the Bond and Interest Account in an amount sufficient to pay debt service on all then Outstanding Bonds, Current IEPA Loans and Additional Bonds in the next succeeding bond year, the Treasurer shall, prior to the time the Pledged Taxes levied in such calendar year are extended, direct the abatement of the Pledged Taxes, and proper notification of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement. The Council covenants that it will abate the respective Pledged Taxes only upon full funding of the Bond and Interest Account in the appropriate amount.

Section 19. Pledged Revenues; General Covenants. The City covenants and agrees with the registered owners of the Bonds that, so long as any Bonds remain Outstanding:

A. The City hereby pledges the Pledged Revenues to the payment of the Bonds, and the Council covenants and agrees to provide for, collect and apply the Pledged Revenues to the payment of the Bonds and the provision of not less than an additional .25 times debt service, all in accordance with Section 15 of the Debt Reform Act. The determination of the sufficiency of the Pledged Revenues pursuant to this subsection (A) shall be supported by reference to the annual audit of the City and acceptance of said audit by the Council shall be conclusive evidence that the conditions of Section 15 of the Debt Reform Act have been met.

B. The City will punctually pay or cause to be paid from the Bond and Interest Subaccount and from the Bond Fund the principal of and the interest on the Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

C. The City will pay and discharge, or cause to be paid and discharged, from the Bond and Interest Subaccount and the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Moneys, or any part thereof, or upon any funds in the hands of the Bond Registrar, or which might impair the security of the Bonds. Nothing herein contained shall require the City to make any such payment so long as the City in good faith shall contest the validity of said claims.

D. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the Project, the Pledged Moneys, the Bond and Interest Subaccount and the Bond Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the registered owners of not less than ten percent (10%) of the principal amount of the Outstanding Bonds or their representatives authorized in writing.

E. The City will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

F. The City will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Ordinance.

G. As long as any Bonds are Outstanding, the City will continue to deposit the Pledged Revenues to the Bond and Interest Subaccount and, if applicable, the Pledged Taxes to the Bond Fund. The City covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as any Bonds remain Outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Taxes, except as described in Section 18 hereof, and to collect and to segregate the Pledged Moneys. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes can be extended and that the Pledged Revenues and the Pledged Taxes may be collected and deposited to the Bond and Interest Subaccount and the Bond Fund, respectively, as provided herein.

H. Once issued, the Bonds shall be and forever remain until paid or defeased the general obligation of the City, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to the Pledged Revenues, from the levy of the Pledged Taxes as provided in the Debt Reform Act.

I. The City will maintain the System in good repair and working order, will operate the same efficiently and faithfully, will promptly proceed with the Project, and

will punctually perform all duties with respect thereto required by the Constitution and laws of the State of Illinois and the United States of America.

J. The City will establish and maintain at all times reasonable fees, charges, and rates for the use and service of the System and will provide for the collection thereof and the segregation and application of the Revenues in the manner provided by this Ordinance, sufficient at all times to pay Operation and Maintenance Costs, to provide an adequate depreciation fund, to pay the principal of and interest on all bonds of the City which by their terms are payable from the revenues of the System, and to provide for the creation and maintenance and funding of the respective accounts as provided in Section 13 of this Ordinance; it is hereby expressly provided that the pledge and establishment of rates or charges for use of the System shall constitute a continuing obligation of the City with respect to such establishment and a continuing appropriation of the amounts received.

K. There shall be charged against all users of the System, including the City, such rates and amounts for sewerage services as shall be adequate to meet the requirements of this Section. Charges for services rendered to the City shall be made against the City, and payment for the same shall be made monthly from the corporate funds into the Fund as revenues derived from the operation of the System; *provided, however,* that the City need not charge itself for such services if in the previous Fiscal Year Revenues, not including any payments made by the City, shall have met the requirements of this Ordinance.

L. Within six months following the close of each Fiscal Year, the City will cause the books and accounts of the System to be audited by independent certified public accountants in accordance with appropriate audit standards. Said audit will be available for inspection by the registered owners of any of the Bonds.

Section 20. Future Revenue Bonds, Additional Bonds and Subordinate Bonds. The City reserves the right to issue without limit bonds payable solely and only from the Revenues, which bonds may have a lien on the Revenues prior to the lien on the Revenues that secures the Outstanding Bonds, *provided* that upon the issuance of such bonds, the City shall be able to demonstrate in the same manner as provided by the Debt Reform Act, as the Debt Reform Act is written at this time, that at such time all Outstanding Bonds could then be issued as if not then having previously been issued; that is, that the requirements of the Debt Reform Act for the issuance of alternate bonds payable from the Revenues shall have been met on such date for all Outstanding Bonds.

The City also reserves the right to issue Additional Bonds from time to time payable from the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds; *provided, however*, that no Additional Bonds shall be issued except in accordance with the provisions of the Debt Reform Act as the Debt Reform Act is written at this time.

The City also reserves the right to issue revenue bonds from time to time payable from the Revenues that are subordinate to the Bonds, Current IEPA Loans and Additional Bonds and are payable from the money remaining in the Surplus Account created hereunder after making required deposits into the Bond and Interest Subaccount.

Section 21. Use of Proceeds. The proceeds derived from the sale of the Bonds shall be used as follows:

A. Accrued interest, if any, shall be credited to the Bond and Interest Subaccount and applied to pay first interest due on the Bonds.

B. The amount necessary of the proceeds of the Bonds shall be deposited into a separate fund, hereby created, designated the "Expense Fund," to be used to pay expenses of issuance of Bonds. Disbursements from such fund shall be made from time to time upon the direction of the Treasurer. Any excess in said fund shall be deposited into the Bond and Interest Subaccount after six months from the date of issuance of the Bonds. At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the City from the proceeds of the Bonds.

C. The balance of the principal proceeds derived from the sale of the Bonds shall be deposited in a separate fund hereby created and designated as the "Sewerage Project Fund" (the "*Project Fund*"); and disbursements shall be made from the Project Fund only for the purposes for which the Bonds are being issued and for which the principal proceeds are hereby appropriated.

Within sixty (60) days after full depletion of the Project Fund or payment of all costs of the Project, as herein referred to, and as heretofore approved by the Council, the Treasurer shall certify to the Council the fact of such depletion or the engineer in responsible charge of the Project shall certify to the Council the fact that the work has been completed according to

approved plans and specifications, as applicable, and upon approval of such certification by the Council, funds (if any) remaining in the Project Fund shall be transmitted to the Treasurer, and said Treasurer shall direct the credit said funds to the Bond Fund, and the Project Fund shall be closed.

Section 22. General Tax Covenants. The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code, would otherwise cause the interest on the Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Bonds under present rules, the City may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants, and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

Section 23. Registered Form. The City recognizes that Section 149 of the Code requires Tax-Exempt bonds to be issued and to remain in fully registered form in order to be and remain exempt from federal income taxation. In this connection, the City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 24. Certain Specific Tax Covenants. A. None of the Bonds shall be a “private activity bond” as defined in Section 141(a) of the Code; and the City certifies, represents, and covenants as follows:

(1) Not more than 5% of the net proceeds and investment earnings of the Bonds is to be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit.

(2) Not more than 5% of the amounts necessary to pay the principal of and interest on the Bonds will be derived, directly or indirectly, from payments with respect to any private business use by any person other than a state or local governmental unit.

(3) None of the proceeds of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(4) No user of the infrastructure of the City to be improved as part of the Project other than the City or another governmental unit, will use the same on any basis other than the same basis as the general public; and no person, other than the City or another governmental unit, will be a user of such infrastructure as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract other than as expressly permitted by the Code, or (iii) any other arrangement.

B. The Bonds shall not be “arbitrage bonds” under Section 148 of the Code; and the City certifies, represents, and covenants as follows:

(1) With respect to the Project, the City has heretofore incurred or within six months after delivery of the Bonds expects to incur substantial binding obligations to be paid for with money received from the sale of the Bonds, said binding obligations comprising binding contracts for the Project in not less than the amount of 5% of the proceeds of the Bonds allocable to the Project.

(2) More than 85% of the proceeds of the Bonds allocable to the Project will be expended on or before three years for the purpose of paying the costs of the Project.

(3) All of the principal proceeds of the Bonds allocable to the Project and investment earnings thereon will be used, needed, and expended for the purpose of paying the costs of the Project including expenses incidental thereto.

(4) Work on the Project is expected to proceed with due diligence to completion.

(5) Except for the Bond Fund, the City has not created or established and will not create or establish any sinking fund, reserve fund or any other similar fund to provide for the payment of the Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Other than any capitalized interest, money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

(6) Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the City officers may make in connection with the issuance of the Bonds, shall be so invested; and appropriate City officers are hereby authorized to make such investments.

(7) Unless an applicable exception to Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” to the United States Treasury (the “*Rebate Requirement*”) is available to the City, the City will meet the Rebate Requirement.

(8) Relating to such applicable exceptions, any City officer charged with issuing the Bonds is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the City. If such election may result in a “penalty in lieu of rebate” as provided in the Code, and such penalty is incurred (the “*Penalty*”), then the City shall pay such Penalty.

C. The City reserves the right to use or invest moneys in connection with the Bonds in any manner or to make changes in the Project lists or to use the City infrastructure acquired, constructed, or improved as part of the Project in any manner, notwithstanding the representations and covenants in this Ordinance, *provided* it shall first have received an opinion from an attorney or a firm of attorneys of nationally recognized standing in matters pertaining to Tax-Exempt bonds to the effect that use or investment of such moneys or the changes in or use of such infrastructure as contemplated will not result in loss or impairment of Tax-Exempt status for the Bonds.

D. If so provided in the Bond Notification, each Bond may be designated as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In connection therewith, the City shall affirm in the Tax Exemption Certificate and

Agreement to be executed in connection with the issuance of the Bonds that: (i) none of such Bonds will be at any time a “private activity bond” (as defined in Section 141 of the Code); (ii) in calendar year 2018, the City has not issued any Tax-exempt obligations of any kind nor have any other Tax-exempt obligations of any kind been issued on behalf of the City, except as set forth therein; (iii) during calendar year 2018, the City will not issue or cause to have issued on behalf of the City more than \$10,000,000 of Tax-exempt obligations, including the Bonds and the bonds expected to be issued by the City simultaneously with the issuance of the Bonds for purposes of the waterworks system of the City and the electric system of the City (together, the “*Other System Bonds*”); (iv) not more than \$10,000,000 of obligations of any kind (including the Bonds and the Other System Bonds) issued by or on behalf of the City during calendar year 2018 will be designated for purposes of Section 265(b)(3) of the Code; and (v) the City is not subject to control by any entity, and there are no entities subject to control by the City.

Section 25. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 26. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Clerk are authorized to execute the Bond Registrar’s standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

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

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

Section 27. Continuing Disclosure Undertaking. The Mayor or the Treasurer is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking (the "*Continuing Disclosure Undertaking*") in connection with the issuance of the Bonds, with such provisions therein as he or she shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such provisions. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 28. Municipal Bond Insurance. In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by a bond insurer (the "*Bond Insurer*"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer upon payment of the Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by

the Mayor of the City on advice of counsel, his or her approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

Section 29. Record-Keeping Policy and Post-Issuance Compliance Matters. On August 16, 2016, the Council adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the City, the interest of which is excludable from “gross income” for federal income tax purposes or which enable the City or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Council and the City hereby reaffirm the *Policy*.

Section 30. Defeasance. Bonds which are no longer Outstanding shall cease to have any lien on or right to receive or be paid from Pledged Revenues or the Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security of the Bonds in the Pledged Revenues or the Pledged Taxes.

Section 31. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City and the owners of the Outstanding Bonds and no changes, additions or alterations of any kind shall be made hereto, except as herein provided, so long as there are any Outstanding Bonds.

Section 32. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 33. Repealer. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

Section 34. Effective Date. This Ordinance shall be effective immediately.

ADOPTED by the City Council on June 19, 2018.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED on June 19, 2018.

Mayor,
City of Rock Falls,
Whiteside County, Illinois

RECORDED in the City Records on June 19, 2018.

Attest:

City Clerk,
City of Rock Falls,
Whiteside County, Illinois

ORDINANCE NO. 2018-2381

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$9,200,000 General Obligation Bonds (Electric System Alternate Revenue Source) of the City of Rock Falls, Whiteside County, Illinois, for the purpose of paying the costs of improving the electric system of said City, prescribing the details of said bonds and providing for collection, segregation and application of electric system revenues to the payment of said bonds and the levy of taxes sufficient to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.

* * *

WHEREAS, the City of Rock Falls, Whiteside County, Illinois (the "*City*"), is a duly organized and existing municipality incorporated and existing under the provisions of the laws of the State of Illinois, is now operating under the provisions of the Illinois Municipal Code, as amended (the "*Municipal Code*"), and for many years has owned and operated a municipally-owned electric system (the "*System*" as more completely defined and described herein) as set forth in Divisions 117 and 119 of Article 11 of the Municipal Code; and

WHEREAS, the City Council of the City (the "*Council*") have determined that it is advisable, necessary and in the best interests of the public health, safety and welfare of the City to construct certain improvements to the System (the "*Project*"), all in accordance with the estimate of costs therefor on file in the office of the City Clerk of the City (the "*City Clerk*"); and

WHEREAS, the estimated costs of the Project, including legal, financial, bond discount, printing and publication costs and other expenses is not less than \$9,200,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, pursuant to and in accordance with the provisions of the Municipal Code, the City is authorized to issue its electric revenue bonds for the purpose of providing funds to pay the costs of the Project; and

WHEREAS, as provided in Section 15 of the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended (the "*Debt Reform Act*"), whenever revenue bonds have been authorized to be issued pursuant to the Municipal Code, the City may issue its general obligation bonds in lieu of such revenue bonds as authorized, and such general obligation bonds may be referred to as "*alternate bonds*"; and

WHEREAS, for the purpose of providing funds to pay the costs of the Project and in accordance with the provisions of the Debt Reform Act, the Council, on the 15th day of May, 2018, adopted Ordinance No. 2018-2376 (the "*Authorizing Ordinance*"), authorizing the issuance of electric revenue bonds, being bonds payable from the revenues derived from the operation of the System authorized pursuant to Divisions 117 and 119 of Article 11 of the Municipal Code (the "*Revenue Bonds*"), in the aggregate principal amount of \$9,200,000 or in lieu thereof, authorizing the issuance of General Obligation Bonds (Electric System Alternate Revenue Source) (the "*Alternate Revenue Bonds*"), as provided in the Debt Reform Act, in an aggregate principal amount of \$9,200,000, for the purpose of paying the costs of the Project; and

WHEREAS, on the 18th day of May, 2018, the Authorizing Ordinance, together with a separate notice in statutory form, was published in the *Daily Gazette*, the same being a newspaper of general circulation in the City, and an affidavit evidencing the publication of the Authorizing Ordinance and said notice of intent have heretofore been presented to the Council and made a part of the permanent records of the Council; and

WHEREAS, more than thirty (30) days have expired since the date of publication of the Authorizing Ordinance and said notice, and no petition with the requisite number of valid

signatures thereon has been filed with the City Clerk requesting that the question of the issuance of the Alternate Revenue Bonds be submitted to referendum; and

WHEREAS, the Project constitutes a lawful corporate purpose within the meaning of the Debt Reform Act; and

WHEREAS, the Council hereby determines that (i) the City is authorized to issue the Revenue Bonds to the amount of \$9,200,000, or, in lieu thereof, the Alternate Bonds to the amount of \$9,200,000 in accordance with the provisions of the Debt Reform Act and the Municipal Code, (ii) none of the Revenue Bonds or the Alternate Revenue Bonds have heretofore been issued and (iii) it is necessary and advisable that there be issued at this time not to exceed \$9,200,000 of the Alternate Revenue Bonds so authorized to pay costs of the Project (the "*Bonds*"); and

WHEREAS, the Bonds will be payable from the Pledged Revenues and the Pledged Taxes (each as hereinafter defined); and

WHEREAS, the City does not currently have outstanding any bonds or other obligations payable from the Pledged Revenues; and

WHEREAS, the Council has heretofore and it is hereby determined that the Pledged Revenues will be sufficient to provide or pay in each year to final maturity of the Bonds all of the following (1) Operation and Maintenance Costs (as hereinafter defined), but not including depreciation, (2) debt service on any outstanding revenue bonds payable from the Revenues (as hereinafter defined), (3) all amounts required to meet any fund or account requirements with respect to any outstanding revenue bonds, (4) other contractual or tort liability obligations, if any, payable from the Revenues, and (5) in each year, an amount not less than 1.25 times debt service of the Bonds; and

WHEREAS, the determination of the sufficiency (the “*Determination of Sufficiency*”) of the Pledged Revenues, as required by the Debt Reform Act, is supported by the most recent audit of the City (the “*Audit*”), which Audit is for a fiscal year ending not earlier than 18 months previous to the time of issuance of the Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Mayor, on the 1st day of May, 2018, executed an Order calling a public hearing (the “*Hearing*”) for the 15th day of May, 2018, concerning the intent of the Council to sell the Bonds; and

WHEREAS, notice of the Hearing was given (i) by publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Daily Gazette*, and (ii) by posting at least 96 hours before the Hearing a copy of said notice at the principal office of the Council; and

WHEREAS, the Hearing was held on the 15th day of May, 2018, and at the Hearing, the Council explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 15th day of May, 2018:

NOW THEREFORE, Be It Ordained by the City Council of the City of Rock Falls, Whiteside County, Illinois, as follows:

Section 1. Definitions. The words and terms used in this Ordinance shall have the meanings set forth and defined for them herein unless the context or use clearly indicates another or different meaning is intended, including the words and terms as follows:

A. The following terms are defined in the preambles:

Alternate Revenue Bonds
Audit
Authorizing Ordinance
Bonds
City
City Clerk
Council
Debt Reform Act
Determination of Sufficiency
Hearing
Municipal Code
Project
Revenue Bonds
System

B. The following terms are defined as set forth:

“Accounts” means, collectively, the accounts within the Electric Fund, namely, the Operation and Maintenance Account, any account created pursuant to a Future Bond Ordinance, the Depreciation Account and the Surplus Account.

“Additional Bonds” means any Alternate Bonds or other obligations of the City issued in the future on a parity with and sharing ratably and equally in the Pledged Revenues with the Bonds.

“Alternate Bonds” means any Outstanding bonds issued as alternate bonds under and pursuant to the provisions of the Debt Reform Act and payable from the Pledged Revenues, and includes, expressly, the Bonds.

“Bond and Interest Subaccount” means the Bond and Interest Account of the Electric Fund described in Section 13 of this Ordinance.

“Bond Fund” means the 2018 Alternate Bond Fund established hereunder and further described in Section 16 of this Ordinance.

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

“County Clerk” means the County Clerk of The County of Whiteside, Illinois.

“Depreciation Account” means the Depreciation Account of the Electric Fund described in Section 13 of this Ordinance.

“Designated Representatives” means the Mayor, the City Clerk, the Treasurer, and the City Administrator.

“Expense Fund” means the fund established hereunder and further described in Section 21 of this Ordinance.

“Fiscal Year” means that twelve-calendar month period beginning on May 1 of the calendar year and ending on the next succeeding April 30.

“Future Bond Ordinances” means the ordinances of the City authorizing the issuance of bonds or other obligations payable from the Revenues, but not including this Ordinance or any other ordinance authorizing the issuance of Additional Bonds.

“Mayor” means the Mayor of the City.

“Operation and Maintenance Account” means the Operation and Maintenance Account of the Electric Fund described in Section 13 of this Ordinance.

“Operation and Maintenance Costs” means all costs of operating, maintaining and routine repair of the System, including wages, salaries, costs of materials and supplies, power, fuel, insurance, taxes, including rebate of excess arbitrage profits to the U.S. government, and purchase of electric power for distribution (including all payments by the City pursuant to long term contracts for such services), electrical transmission expenses, leasehold and other rental fees, and expenses incurred from obligations of any intergovernmental power agency; but excluding debt service, depreciation, capital improvements or replacements (including meter replacements) or engineering expenses in anticipation thereof or in connection therewith, or any

reserve requirements; and otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

“Outstanding” when used with reference to the Bonds and Additional Bonds means any of those bonds which are outstanding and unpaid; *provided, however*, such term shall not include any one or more of such Bonds or Additional Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise properly available, sufficient to pay all principal or redemption price thereof, or (ii) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal or redemption price of and interest on the Bonds or Additional Bonds.

“Pledged Moneys” means the Pledged Revenues and the Pledged Taxes, collectively.

“Pledged Revenues” means moneys to the credit of the Bond and Interest Subaccount within the Surplus Account of the Electric Fund, said Surplus Account consisting of the funds remaining in the Electric Fund after the required monthly deposits and credits have been made to the Operation and Maintenance Account, the Depreciation Account and any other accounts as may be created in the future, of said Electric Fund.

“Pledged Taxes” means the ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount, pledged hereunder by the City as security for the Bonds, as set forth in Section 15 of this Ordinance.

“Project Fund” means the Electric Project Fund established hereunder and further described in Section 21 of this Ordinance.

“Purchaser” means Robert W. Baird & Co., Incorporated, Naperville, Illinois.

“Revenues” means all income from whatever source derived from the System, including (i) investment income; (ii) connection, permit and inspection fees and the like; (iii) penalties and delinquency charges; (iv) capital development, reimbursement, or recovery charges and the like; and (v) annexation or pre-annexation charges insofar as designated by the Council as paid for System connection or service; but excluding expressly (a) non-recurring income from the sale of property of the System; (b) governmental or other grants; (c) advances or grants made from the City; and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

“Electric Fund” or *“Fund”* means the Electric Fund of the City, the existence of which is continued in Section 12 of this Ordinance.

“Surplus Account” means the Surplus Account of the Electric Fund described in Section 13 of this Ordinance.

“System” means all of the property and facilities of the electric light plant and system of the City, whether lying within or without the boundaries of the City, as now existing or as may hereafter be acquired, improved or extended while any Bonds or Additional Bonds remain outstanding, including all improvements, additions and extensions thereto or replacements thereof hereafter constructed, installed or acquired by purchase, contract or otherwise, all contracts, rights, agreements, leases and franchises of every nature owned by the City and used or useful or held for use in the operation of the System or any part or portion thereof, including the construction, additions and improvements constituting a part of the Project.

“Tax-exempt” means, with respect to the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations.

“Treasurer” means the City Treasurer of the City.

Section 2. Incorporation of Preambles. The Council hereby finds that the recitals contained in the preambles to this Ordinance are true, correct and complete and does hereby incorporate them into this Ordinance by this reference.

Section 3. Determination to Issue Bonds; Determination of Sufficiency. It is necessary and in the best interests of the City for the City to undertake the Project for the public health, safety and welfare of the City, all as described above, and that the System continue to be operated as a electric system, all in accordance with the provisions of the Municipal Code and the Debt Reform Act.

Section 4. Determination of Useful Life; Acceptance of Audit. The Council does hereby determine that the period of usefulness of the System is not less than 25 years from the date hereof. The Determination of Sufficiency and the Audit are hereby approved by the Council.

Section 5. Bond Details. For the purpose of providing for the Project, the Bonds may be issued and sold in an aggregate principal amount of not to exceed \$9,200,000; and shall be designated “General Obligation Bonds (Electric System Alternate Revenue Source), Series 2018A” with such additional series designations and descriptions as may be necessary to describe the Bonds, as set forth in the Bond Notification (as hereinafter defined). The Bonds shall be dated the date of the issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each and authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date) or such other denominations as set forth in the Bond Notification, and shall be numbered 1 and upward.

The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on October 1 of each of the years (not later than 2038), bearing interest at the rates per annum (not exceeding 7.00% per annum) and in the amounts (not exceeding \$530,000 per year) all as set forth in the Bond Notification.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually commencing with the first interest payment date as set forth in the Bond Notification, and on April 1 and October 1 of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent, which shall be a bank or trust company as set forth in the Bond Notification (the "*Bond Registrar*"), payable upon presentation in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal office of the Bond Registrar.

The Bonds shall be signed by the manual or duly authorized facsimile signature of the Mayor, and shall be attested by the manual or duly authorized facsimile signature of the City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar, as authenticating agent of the City for the Bonds and showing the date of authentication. No Bond shall be valid or obligatory for any

purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 6. Registration of Bonds; Persons Treated as Owners. (a) General. The City shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, *provided, however*, the principal amount

of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

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

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 5 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the

name of Cede, as nominee of DTC, except as hereinafter provided. The Mayor, City Clerk and Treasurer of the City and the Bond Registrar are each authorized to execute and deliver, on behalf of the City, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "*DTC Participant*") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The City and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and

interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 6 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

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

names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 6(a) hereof.

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

Section 7. Redemption. (a) *Optional Redemption.* All or a portion of the Bonds, if any, due on and after the date, if any, specified in the Bond Notification, shall be subject to redemption prior to maturity at the option of the City from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification, if any, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification shall be subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date, on the dates of the years, if any, and in the principal amounts, if any, as indicated in the Bond Notification.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Council shall, purchase Bonds required to be retired on such mandatory redemption date. Any

such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Bond Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 8. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar, and
- (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified,

and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 9. Form of Bond. The Bonds shall be in substantially the following form; provided, however, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, "See Reverse Side for Additional Provisions", shall be omitted and paragraphs [6] through [16] shall be inserted immediately after paragraph [1]:

[Form of Bond - Front Side]

REGISTERED
NO. _____

REGISTERED
\$ _____

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF WHITESIDE
CITY OF ROCK FALLS
GENERAL OBLIGATION BOND
(ELECTRIC SYSTEM ALTERNATE REVENUE SOURCE)
SERIES 2018A**

See Reverse Side for
Additional Provisions

Interest Rate: _____% Maturity Date: April 1, 20____ Dated Date: _____, 2018 CUSIP: _____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

[1] KNOW ALL PERSONS BY THESE PRESENTS that the City of Rock Falls, Whiteside County, Illinois, a municipality and political subdivision of the State of Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above, and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above, such interest to be payable on _____, 20____, and semiannually thereafter on April 1 and October 1 of each year until the Principal Amount is paid. The Principal Amount of this Bond is payable in lawful money of the United States of America upon presentation at the principal corporate trust office of _____, as bond registrar and paying agent (the "Bond Registrar"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration

books of the City maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

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

[3] It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been done and have happened and have been performed in regular and due form of law; that the indebtedness of the City, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; that provision has been made for the collection of the Pledged Revenues, the levy and collection of the Pledged Taxes, and the segregation of all Pledged Moneys to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the City hereby covenants and agrees that it will properly account for the Pledged Moneys and will comply with all the covenants of and maintain the funds and accounts as provided by the Bond Ordinance. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the City are hereby irrevocably pledged.

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

[5] IN WITNESS WHEREOF, said City of Rock Falls, Whiteside County, Illinois, by its City Council, has caused this Bond to be signed by the manual or duly authorized facsimile signature of the Mayor of the City, and to be attested by the manual or duly authorized facsimile

signature of the City Clerk of the City and its corporate seal or a facsimile thereof to be imprinted or reproduced hereon, all as of the Dated Date identified above.

[SEAL]

Mayor, City of Rock Falls,
Whiteside County, Illinois

ATTEST:

City Clerk, City of Rock Falls,
Whiteside County, Illinois

Date of Authentication: _____, 20__

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Bonds (Electric System Alternate Revenue Source), Series 2018A, of the City of Rock Falls, Whiteside County, Illinois.

as Bond Registrar

By _____
Authorized Officer

[Form of Bond - Reverse Side]

CITY OF ROCK FALLS, WHITESIDE COUNTY, ILLINOIS
GENERAL OBLIGATION BOND
(ELECTRIC SYSTEM ALTERNATE REVENUE SOURCE)
SERIES 2018A

[6] This Bond and the bonds of the series of which it forms a part (“*Bond*” and “*Bonds*” respectively) are of an authorized issue of \$9,200,000, of like dated date and tenor except as to maturity and rate of interest,. The Bonds are issued pursuant to the Local Government Debt Reform Act of the State of Illinois (the “*Debt Reform Act*”) and Divisions 117 and 119 of Article 11 of the Illinois Municipal Code (the “*Municipal Code*”), each as supplemented and amended, for the purpose of paying the costs of improving the electric system of the City (the “*System*”). The Bonds are issued pursuant to an original authorizing ordinance passed by the City Council of the City (the “*Council*”) on the 15th day of May, 2018, and by a bond ordinance passed by the Council on the 19th day of June, 2018 (the “*Bond Ordinance*”), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the Registered Owner by the acceptance of this Bond assents.

[7] Under the Municipal Code and the Bond Ordinance, the Revenues, as defined, from the operation of the System shall be deposited into the Electric Fund of the City which shall be used only and has been pledged for paying Operation and Maintenance Costs, paying the principal of and interest on all bonds of the City that are payable by their terms from the revenues of the System, providing an adequate depreciation fund, and in making all payments required to maintain the accounts established under the Bond Ordinance. The City may issue future electric revenue bonds, which bonds may have a prior lien on the Revenues, or additional alternate bonds or other obligations on a parity with the Bonds, in each case pursuant to the terms of the Bond Ordinance.

[8] The Bonds are payable from (a) moneys to the credit of the Bond and Interest Subaccount within the Surplus Account of the Electric Fund (the “*Pledged Revenues*”), said

Surplus Account consisting of the funds remaining in the Electric Fund after the required monthly deposits and credits have been made under the Bond Ordinance or future revenue bond ordinances to the various accounts of the Electric Fund and (b) ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount (the “*Pledged Taxes*”) (the Pledged Revenues and the Pledged Taxes being collectively called the “*Pledged Moneys*”), all in accordance with the provisions of the Debt Reform Act and the Municipal Code.

[9] Under the Debt Reform Act and the Bond Ordinance, the Pledged Revenues shall be deposited into and segregated in the Bond and Interest Subaccount of the Surplus Account, and the Pledged Taxes shall be deposited into and segregated in the 2018 Alternate Bond Fund, each as created by the Bond Ordinance. Moneys on deposit in said Subaccount and said Fund shall be used first and are pledged for paying the principal of and interest on the Bonds and then for any further purposes as provided by the terms of the Bond Ordinance.

[10] This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, unless the Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the Bonds then outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year.

[11] The outstanding Bonds are co-equal as to the lien on the Pledged Revenues for their payment and share ratably, without any preference, priority, or distinction, the one over the other, as to the source of or method of payment from the Pledged Revenues.

[12] The Bonds due on and after October 1, 20___, shall be subject to redemption prior to maturity at the option of the City as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on October 1, 20___, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[13] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

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

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

such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

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

(ASSIGNMENT)

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

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 10. Sale of Bonds. Any two of the Designated Representatives, one of whom shall be an elected official, are hereby authorized to proceed not later than December 15, 2018, without any further authorization or direction from the Council, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon

be deposited with the Treasurer. After authentication of the Bonds by the Bond Registrar, the Treasurer shall deliver the Bonds to the Purchaser upon receipt of the purchase price therefor, the same being not less than 96.0% of the principal amount of the Bonds (exclusive of original issue discount), plus accrued interest, if any, to date of delivery, it being hereby found and determined that the sale of the Bonds to the Purchaser is in the best interests of the City. The Designated Representatives shall find and determine in the Bond Notification that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the sale of the Bonds to the Purchaser.

Prior to the sale of the Bonds, any of the Designated Representatives is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale of the Bonds, which shall include the pertinent details of sale as provided herein (the "*Bond Notification*"). In the Bond Notification, the Designated Representatives shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law. The Bond Notification shall be entered into the records of the City and made available to the Council at the next regular meeting thereof; but such action shall be for information purposes only, and the

Council shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Notification.

Upon the sale of the Bonds, as evidenced by the execution and delivery of the Bond Notification, the Designated Representatives and any other officers of the City, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, any contracts for the sale of the Bonds between the City and the Purchaser (the "*Purchase Contract*").

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "*Official Statement*") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the Council are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the Official Statement and the Bonds.

Section 11. Treatment of Bonds As Debt. The Bonds shall be payable from the Pledged Moneys and do not and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes shall be extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in Section 15 hereof, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shall show that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year, in accordance with the Debt Reform Act.

Section 12. Continuation of Electric Fund; Purpose of Fund. Upon the issuance of the Bonds, the System shall continue to be operated on a Fiscal Year basis. All of the Revenues shall be set aside as collected and be deposited into that certain separate fund and in an account

in a bank designated by the Council, which fund has heretofore been created and is hereby continued and is designated as the "Electric Fund" of the City, which shall constitute a trust fund for the sole purpose of carrying out the covenants, terms, and conditions of this Ordinance and any Future Bond Ordinance, and shall be used only in paying Operation and Maintenance Costs, providing an adequate depreciation fund, paying the principal of and interest on all bonds and other obligations of the City which by their terms are payable from the Revenues, and providing for the establishment of and expenditure from the respective accounts as described in this Ordinance.

Section 13. Flow of Funds. There shall be and there are hereby created separate accounts in the Electric Fund to be known as the "*Operation and Maintenance Account*," such other accounts as may be established under any Future Bond Ordinances, the "*Depreciation Account*," and the "*Surplus Account*," to which there shall be credited on or before the first day of each month by the financial officer of the City, without any further official action or direction, in the order in which said accounts are hereinafter mentioned, all moneys held in the Fund, in accordance with the following provisions:

(a) *Operation and Maintenance Account:* There shall be credited to or retained in the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in the Operation and Maintenance Account, to establish or maintain a balance to an amount not less than the amount considered necessary to pay Operation and Maintenance Costs for the then current month.

(b) *Accounts Created Pursuant to Future Bond Ordinances:* Future Bond Ordinances may create additional accounts in the Fund for the payment and security of electric revenue bonds that hereafter may be issued by the City. Amounts in the Fund shall be credited to and transferred from said accounts in accordance with the terms of the Future Bond Ordinances.

(c) *Depreciation Account:* Beginning the month after the delivery of the Bonds, there shall be credited to the Depreciation Account and held, in cash and investments, such sum as the City may deem necessary in order to provide an adequate depreciation fund for the System. In Future Bond Ordinances, the City may covenant to make specific monthly deposits to said Depreciation Account and to accumulate funds therein.

Amounts to the credit of said Depreciation Account shall be used for (i) the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies, the payment for which no other funds are available, in order that the System may at all times be able to render efficient service, (ii) for the purpose of acquiring or constructing improvements and extensions to the System, and (iii) the payment of principal of or interest and applicable premium on any Outstanding Bonds at any time when there are no other funds available for that purpose in order to prevent a default. Future Bond Ordinances may provide for additional deposits to said Depreciation Account and additional uses and transfers of the funds on deposit in said Depreciation Account.

(d) *Surplus Account*: All moneys remaining in the Fund, after crediting the required amounts to the respective accounts hereinabove provided for, and after making up any deficiency in said accounts, shall be credited to the Surplus Account. Funds in the Surplus Account shall first be used to make up any subsequent deficiencies in any of said accounts and then shall be deposited to a separate and segregated account hereby created and designated the "Bond and Interest Subaccount of the Surplus Account" (the "*Bond and Interest Subaccount*"), as follows:

A. There shall be paid into the Bond and Interest Subaccount in each month after the required payments have been made into the Accounts above described, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Bonds and Additional Bonds and a fractional amount of the principal becoming due on the next succeeding principal maturity date of all Outstanding Bonds and Additional Bonds until there shall have been accumulated in the Bond and Interest Subaccount on or before the month preceding such maturity date of interest or principal, an amount sufficient to pay such principal or interest, or both, of all Outstanding Bonds and Additional Bonds.

B. In computing the fractional amount to be set aside each month in said Bond and Interest Subaccount, the fraction shall be so computed that sufficient funds will be set aside in said Subaccount and will be available for the prompt payment of such principal of and interest on all Outstanding Bonds and Additional Bonds as the same will become due and shall be not less than one-fifth of the interest becoming due on the next succeeding interest payment date and not less than one-tenth of the principal becoming due on the next succeeding principal payment date on all Outstanding Bonds and Additional Bonds until there is sufficient money in said Subaccount to pay such principal or interest or both.

C. Credits to the Bond and Interest Subaccount may be suspended in any Fiscal Year at such time as there shall be a sufficient sum, held in cash and investments, in said Subaccount to meet principal and interest requirements in said Subaccount for the balance of such Fiscal Year, but such credits shall be resumed at the beginning of the next Fiscal Year.

D. All moneys in said Subaccount shall be used only for the purpose of paying interest on and principal of Bonds and Additional Bonds.

E. Any funds remaining in the Surplus Account after making the aforesaid deposits to the credit of the Bond and Interest Subaccount, at the discretion of the Council, shall be used, first, to make up any subsequent deficiencies in any of the accounts hereinabove named; and then, for the remainder of all surplus Revenues, at the discretion of the Council, for one or more of the following purposes without any priority among them, provided, however, that the Council may provide for further priority among all or any of such purposes in the future by adoption of an ordinance of the City so specifying such priority:

1. For the purpose of constructing or acquiring repairs, replacements, improvements or extensions to the System; or

2. For making transfers to the Fund generally to be applied and treated as Revenues when transferred; or

3. For the purpose of calling and redeeming Outstanding Bonds or Additional Bonds payable from the System which are callable at the time; or

4. For the purpose of purchasing Outstanding Bonds or Additional Bonds payable from the System; or

5. For the purpose of paying principal of and interest on any subordinate bonds or obligations issued for the purpose of acquiring or constructing repairs, replacements, improvements or extensions to the System; or

6. For any purpose enumerated in any Future Bond Ordinance; or

7. For any other lawful System purpose.

Money to the credit of the Fund or the Project Fund may be invested pursuant to any authorization granted to municipal corporations by Illinois statute or court decision.

Section 14. Account Excesses. Any amounts to the credit of the Accounts in excess of the then current requirements therefor may be transferred at any time by the Council to such other Account or Accounts of the Fund as it may in its sole discretion designate.

Section 15. *Pledged Taxes; Tax Levy.* For the purpose of providing additional funds to pay the principal of and interest on the Bonds, and as provided in Section 15 of the Debt Reform Act, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are Outstanding, a direct annual tax in amounts sufficient for that purpose, and there be and there hereby is levied upon all of the taxable property in the City the following direct annual taxes (the “*Pledged Taxes*”):

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
2018	\$535,000.00	for principal and interest up to and including April 1, 2020
2019	\$535,000.00	for principal and interest
2020	\$535,000.00	for principal and interest
2021	\$535,000.00	for principal and interest
2022	\$535,000.00	for principal and interest
2023	\$535,000.00	for principal and interest
2024	\$535,000.00	for principal and interest
2025	\$535,000.00	for principal and interest
2026	\$535,000.00	for principal and interest
2027	\$535,000.00	for principal and interest
2028	\$535,000.00	for principal and interest
2029	\$535,000.00	for principal and interest
2030	\$535,000.00	for principal and interest
2031	\$535,000.00	for principal and interest
2032	\$535,000.00	for principal and interest
2033	\$535,000.00	for principal and interest
2034	\$535,000.00	for principal and interest
2035	\$535,000.00	for principal and interest
2036	\$535,000.00	for principal and interest
2037	\$535,000.00	for principal and interest

Following any extension of Pledged Taxes, interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the Mayor, the City Clerk and the Treasurer are hereby authorized to direct the abatement of such taxes to the extent of the excess of such levy in each year over the amount necessary to pay debt service on the Bonds in the following bond year. Proper notice of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 16. 2018 Alternate Bond Fund. There is hereby created the Bond Fund, the same being a special fund of the City, which fund shall be held separate and apart from all other funds and accounts of the City and shall be known as the "2018 Alternate Bond Fund." The purpose of the Bond Fund is to provide a fund to receive and disburse the Pledged Taxes for the payment of the Bonds. All payments made with respect to the Bonds from the Pledged Revenues shall be made directly from the Bond and Interest Subaccount. The Bond Fund and its respective accounts constitute a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance.

Any Pledged Taxes received by the City shall promptly be deposited into the Bond Fund.

It is hereby expressly provided that in the event there shall be moneys both to the credit of the Bond and Interest Subaccount and the Bond Fund, the Bond Fund shall be fully depleted before moneys to the credit of the Bond and Interest Subaccount shall be used to pay principal of and interest on the Bonds.

Section 17. Filing with County Clerk. After this Ordinance becomes effective, a copy hereof, certified by the City Clerk, shall be filed with the County Clerk. The County Clerk shall in and for each of the years required ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said

years in and by the City for general corporate purposes of the City; and the County Clerk, or other appropriate officer or designee, shall remit the Pledged Taxes for deposit to the credit of the Bond Fund, and in said years the Pledged Taxes shall be levied and collected by and for and on behalf of the City in like manner as taxes for general municipal purposes of the City for said years are levied and collected, and in addition to and in excess of all other taxes. The Pledged Taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying principal of and interest on the Bonds.

Section 18. Abatement of Pledged Taxes. Whenever the Pledged Revenues shall have been determined by the Treasurer to provide in any calendar year an amount not less than 1.25 times debt service of the Outstanding Bonds and Additional Bonds in the next succeeding bond year (October 1 and April 1), and whenever the Pledged Revenues have been deposited to the Bond and Interest Account in an amount sufficient to pay debt service on all then Outstanding Bonds and Additional Bonds in the next succeeding bond year, the Treasurer shall, prior to the time the Pledged Taxes levied in such calendar year are extended, direct the abatement of the Pledged Taxes, and proper notification of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement. The Council covenants that it will abate the respective Pledged Taxes only upon full funding of the Bond and Interest Account in the appropriate amount.

Section 19. Pledged Revenues; General Covenants. The City covenants and agrees with the registered owners of the Bonds that, so long as any Bonds remain Outstanding:

A. The City hereby pledges the Pledged Revenues to the payment of the Bonds, and the Council covenants and agrees to provide for, collect and apply the Pledged Revenues to the payment of the Bonds and the provision of not less than an additional .25 times debt service, all in accordance with Section 15 of the Debt Reform Act. The determination of the sufficiency of the Pledged Revenues pursuant to this subsection (A) shall be supported by reference to the annual audit of the City and acceptance of said audit by the Council shall be conclusive evidence that the conditions of Section 15 of the Debt Reform Act have been met.

B. The City will punctually pay or cause to be paid from the Bond and Interest Subaccount and from the Bond Fund the principal of and the interest on the Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

C. The City will pay and discharge, or cause to be paid and discharged, from the Bond and Interest Subaccount and the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Moneys, or any part thereof, or upon any funds in the hands of the Bond Registrar, or which might impair the security of the Bonds. Nothing herein contained shall require the City to make any such payment so long as the City in good faith shall contest the validity of said claims.

D. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the Project, the Pledged Moneys, the Bond and Interest Subaccount and the Bond Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the registered owners of not less than ten percent (10%) of the principal amount of the Outstanding Bonds or their representatives authorized in writing.

E. The City will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

F. The City will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Ordinance.

G. As long as any Bonds are Outstanding, the City will continue to deposit the Pledged Revenues to the Bond and Interest Subaccount and, if applicable, the Pledged Taxes to the Bond Fund. The City covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as any Bonds remain Outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Taxes, except as described in Section 18 hereof, and to collect and to segregate the Pledged Moneys. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes can be extended and that the Pledged Revenues and the Pledged Taxes may be collected and deposited to the Bond and Interest Subaccount and the Bond Fund, respectively, as provided herein.

H. Once issued, the Bonds shall be and forever remain until paid or defeased the general obligation of the City, for the payment of which its full faith and credit are

pledged, and shall be payable, in addition to the Pledged Revenues, from the levy of the Pledged Taxes as provided in the Debt Reform Act.

I. The City will maintain the System in good repair and working order, will operate the same efficiently and faithfully, will promptly proceed with the Project, and will punctually perform all duties with respect thereto required by the Constitution and laws of the State of Illinois and the United States of America.

J. The City will establish and maintain at all times reasonable fees, charges, and rates for the use and service of the System and will provide for the collection thereof and the segregation and application of the Revenues in the manner provided by this Ordinance, sufficient at all times to pay Operation and Maintenance Costs, to provide an adequate depreciation fund, to pay the principal of and interest on all bonds of the City which by their terms are payable from the revenues of the System, and to provide for the creation and maintenance and funding of the respective accounts as provided in Section 13 of this Ordinance; it is hereby expressly provided that the pledge and establishment of rates or charges for use of the System shall constitute a continuing obligation of the City with respect to such establishment and a continuing appropriation of the amounts received.

K. There shall be charged against all users of the System, including the City, such rates and amounts for electric services as shall be adequate to meet the requirements of this Section. Charges for services rendered to the City shall be made against the City, and payment for the same shall be made monthly from the corporate funds into the Fund as revenues derived from the operation of the System; *provided, however*, that the City need not charge itself for such services if in the previous Fiscal Year Revenues, not including any payments made by the City, shall have met the requirements of this Ordinance.

L. Within six months following the close of each Fiscal Year, the City will cause the books and accounts of the System to be audited by independent certified public accountants in accordance with appropriate audit standards. Said audit will be available for inspection by the registered owners of any of the Bonds.

Section 20. Future Revenue Bonds, Additional Bonds and Subordinate Bonds. The City reserves the right to issue without limit bonds payable solely and only from the Revenues, which bonds may have a lien on the Revenues prior to the lien on the Revenues that secures the Outstanding Bonds, *provided* that upon the issuance of such bonds, the City shall be able to demonstrate in the same manner as provided by the Debt Reform Act, as the Debt Reform Act is written at this time, that at such time all Outstanding Bonds could then be issued as if not then having previously been issued; that is, that the requirements of the Debt Reform Act for the

issuance of alternate bonds payable from the Revenues shall have been met on such date for all Outstanding Bonds.

The City also reserves the right to issue Additional Bonds from time to time payable from the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds; *provided, however*, that no Additional Bonds shall be issued except in accordance with the provisions of the Debt Reform Act as the Debt Reform Act is written at this time.

The City also reserves the right to issue revenue bonds from time to time payable from the Revenues that are subordinate to the Bonds and Additional Bonds and are payable from the money remaining in the Surplus Account created hereunder after making required deposits into the Bond and Interest Subaccount.

Section 21. Use of Proceeds. The proceeds derived from the sale of the Bonds shall be used as follows:

A. Accrued interest, if any, shall be credited to the Bond and Interest Subaccount and applied to pay first interest due on the Bonds.

B. The amount necessary of the proceeds of the Bonds shall be deposited into a separate fund, hereby created, designated the "Expense Fund," to be used to pay expenses of issuance of Bonds. Disbursements from such fund shall be made from time to time upon the direction of the Treasurer. Any excess in said fund shall be deposited into the Bond and Interest Subaccount after six months from the date of issuance of the Bonds. At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the City from the proceeds of the Bonds.

C. The balance of the principal proceeds derived from the sale of the Bonds shall be deposited in a separate fund hereby created and designated as the "Electric Project Fund" (the "*Project Fund*"); and disbursements shall be made from the Project Fund only for the purposes for which the Bonds are being issued and for which the principal proceeds are hereby appropriated.

Within sixty (60) days after full depletion of the Project Fund or payment of all costs of the Project, as herein referred to, and as heretofore approved by the Council, the Treasurer shall

certify to the Council the fact of such depletion or the engineer in responsible charge of the Project shall certify to the Council the fact that the work has been completed according to approved plans and specifications, as applicable, and upon approval of such certification by the Council, funds (if any) remaining in the Project Fund shall be transmitted to the Treasurer, and said Treasurer shall direct the credit said funds to the Bond Fund, and the Project Fund shall be closed.

Section 22. General Tax Covenants. The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code, would otherwise cause the interest on the Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Bonds under present rules, the City may be treated as a "taxpayer" in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants, and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or

advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

Section 23. Registered Form. The City recognizes that Section 149 of the Code requires Tax-Exempt bonds to be issued and to remain in fully registered form in order to be and remain exempt from federal income taxation. In this connection, the City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 24. Certain Specific Tax Covenants. A. None of the Bonds shall be a “private activity bond” as defined in Section 141(a) of the Code; and the City certifies, represents, and covenants as follows:

(1) Not more than 5% of the net proceeds and investment earnings of the Bonds is to be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit.

(2) Not more than 5% of the amounts necessary to pay the principal of and interest on the Bonds will be derived, directly or indirectly, from payments with respect to any private business use by any person other than a state or local governmental unit.

(3) None of the proceeds of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(4) No user of the infrastructure of the City to be improved as part of the Project other than the City or another governmental unit, will use the same on any basis other than the same basis as the general public; and no person, other than the City or another governmental unit, will be a user of such infrastructure as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract other than as expressly permitted by the Code, or (iii) any other arrangement.

B. The Bonds shall not be “arbitrage bonds” under Section 148 of the Code; and the City certifies, represents, and covenants as follows:

(1) With respect to the Project, the City has heretofore incurred or within six months after delivery of the Bonds expects to incur substantial binding obligations to be paid for with money received from the sale of the Bonds, said binding obligations comprising binding contracts for the Project in not less than the amount of 5% of the proceeds of the Bonds allocable to the Project.

(2) More than 85% of the proceeds of the Bonds allocable to the Project will be expended on or before three years for the purpose of paying the costs of the Project.

(3) All of the principal proceeds of the Bonds allocable to the Project and investment earnings thereon will be used, needed, and expended for the purpose of paying the costs of the Project including expenses incidental thereto.

(4) Work on the Project is expected to proceed with due diligence to completion.

(5) Except for the Bond Fund, the City has not created or established and will not create or establish any sinking fund, reserve fund or any other similar fund to provide for the payment of the Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Other than any capitalized interest, money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

(6) Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the City officers may make in connection with the issuance of the Bonds, shall be so invested; and appropriate City officers are hereby authorized to make such investments.

(7) Unless an applicable exception to Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” to the United States Treasury (the “*Rebate Requirement*”) is available to the City, the City will meet the Rebate Requirement.

(8) Relating to such applicable exceptions, any City officer charged with issuing the Bonds is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the City. If such election may result in a “penalty in lieu of rebate” as provided in the Code, and such penalty is incurred (the “*Penalty*”), then the City shall pay such Penalty.

C. The City reserves the right to use or invest moneys in connection with the Bonds in any manner or to make changes in the Project lists or to use the City infrastructure acquired, constructed, or improved as part of the Project in any manner, notwithstanding the representations and covenants in this Ordinance, *provided* it shall first have received an opinion from an attorney or a firm of attorneys of nationally recognized standing in matters pertaining to Tax-Exempt bonds to the effect that use or investment of such moneys or the changes in or use of such infrastructure as contemplated will not result in loss or impairment of Tax-Exempt status for the Bonds.

D. If so provided in the Bond Notification, each Bond may be designated as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In connection therewith, the City shall affirm in the Tax Exemption Certificate and

Agreement to be executed in connection with the issuance of the Bonds that: (i) none of such Bonds will be at any time a “private activity bond” (as defined in Section 141 of the Code); (ii) in calendar year 2018, the City has not issued any Tax-exempt obligations of any kind nor have any other Tax-exempt obligations of any kind been issued on behalf of the City, except as set forth therein; (iii) during calendar year 2018, the City will not issue or cause to have issued on behalf of the City more than \$10,000,000 of Tax-exempt obligations, including the Bonds and the bonds expected to be issued by the City simultaneously with the issuance of the Bonds for purposes of the waterworks system of the City and the sewerage system of the City (together, the “*Other System Bonds*”); (iv) not more than \$10,000,000 of obligations of any kind (including the Bonds and the Other System Bonds) issued by or on behalf of the City during calendar year 2018 will be designated for purposes of Section 265(b)(3) of the Code; and (v) the City is not subject to control by any entity, and there are no entities subject to control by the City.

Section 25. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 26. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Clerk are authorized to execute the Bond Registrar’s standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

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

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

Section 27. Continuing Disclosure Undertaking. The Mayor or the Treasurer is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking (the "*Continuing Disclosure Undertaking*") in connection with the issuance of the Bonds, with such provisions therein as he or she shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such provisions. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 28. Municipal Bond Insurance. In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by a bond insurer (the "*Bond Insurer*"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer upon payment of the Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by

the Mayor of the City on advice of counsel, his or her approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

Section 29. Record-Keeping Policy and Post-Issuance Compliance Matters. On August 16, 2016, the Council adopted a record-keeping policy (the “Policy”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the City, the interest of which is excludable from “gross income” for federal income tax purposes or which enable the City or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Council and the City hereby reaffirm the Policy.

Section 30. Defeasance. Bonds which are no longer Outstanding shall cease to have any lien on or right to receive or be paid from Pledged Revenues or the Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security of the Bonds in the Pledged Revenues or the Pledged Taxes.

Section 31. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City and the owners of the Outstanding Bonds and no changes, additions or alterations of any kind shall be made hereto, except as herein provided, so long as there are any Outstanding Bonds.

Section 32. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 33. Repealer. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

Section 34. Effective Date. This Ordinance shall be effective immediately.

ADOPTED by the City Council on June 19, 2018.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED on June 19, 2018.

Mayor,
City of Rock Falls,
Whiteside County, Illinois

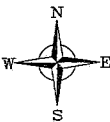
RECORDED in the City Records on June 19, 2018.

Attest:

City Clerk,
City of Rock Falls,
Whiteside County, Illinois

CITY OF ROCK FALLS ZONING PLAT
EXISTING ZONING R-2 PROPOSED ZONING B-1

CERTIFICATE OF SURVEY



STATE OF ILLINOIS)
) SS
 COUNTY OF OGLE)

I, Dale E. Wallace, an Illinois Professional Land Surveyor, hereby certify that the following described property was surveyed by me or under my direct supervision. I further certify that this plat is a true and correct representation of said survey to the best of my knowledge and belief. Dimensions are given in feet and decimals of a foot (feet). Bearings shown hereon are in degrees, minutes and seconds. Bearings are for description purposes and relative only to each other.

OF PROPERTY DESCRIBED AS: Part of Lot 4 of the subdivision of the Southeast Quarter of Section 29, Township 21 North, Range 7 East of the Fourth Principal Meridian, Whiteside County, Illinois according to the plat recorded in Plat Book 4, page 20 in the Whiteside County Recorder's Office at Moline, Illinois, bounded and described as follows:

Beginning at a steel rod on the West line of Lot 2 of said Southeast Quarter, which is South 00 degrees 00 minutes 00 seconds West (assumed bearing), 143.70 feet from the Northwest Corner of said Lot 2; thence South 00 degrees 00 minutes 00 seconds West along said West Line of Lot 2, 45.30 feet to a steel rod placed over a stone; thence South 24 degrees 43 minutes 32 seconds East along said West Line of Lot 2, 176.62 feet; thence South 64 degrees 19 minutes 09 seconds West, a distance of 139.05 feet; thence South 25 degrees 40 minutes 51 seconds East, a distance of 25.00 feet; thence South 64 degrees 19 minutes 09 seconds West, a distance of 41.89 feet; thence South 25 degrees 40 minutes 51 seconds West, a distance of 9.06 feet; thence South 64 degrees 19 minutes 09 seconds West, a distance of 112.96 feet; thence South 12 degrees 49 minutes 29 seconds East, a distance of 55.49 feet to a point on the Northernly Right-of-Way Line of County Highway 43; thence Northwesterly along said Northernly Right-of-Way Line, said line being curved to the right, having a radius of 666.25 feet, a central angle of 4 degrees 31 minutes 48 seconds, a chord distance of 52.66 feet, an arc distance of 52.68 feet and a chord bearing of North 84 degrees 31 minutes 31 seconds West; thence North 12 degrees 49 minutes 29 seconds East, a distance of 415.22 feet to a steel rod; thence North 85 degrees 25 minutes 35 seconds East, a distance of 308.42 feet to the Point of Beginning, containing 2.226 acres, more or less, subject to all easements, agreements, county roads and/or encumbrances of record, if any, all situated in the Township of Colona, the County of Whiteside and the State of Illinois.

Dated this 20th day of May, 2018, A.D. at the office of Surveyor-Tech.

Dale E. Wallace
 Dale E. Wallace Illinois Professional
 Land Surveyor No. 35-2821

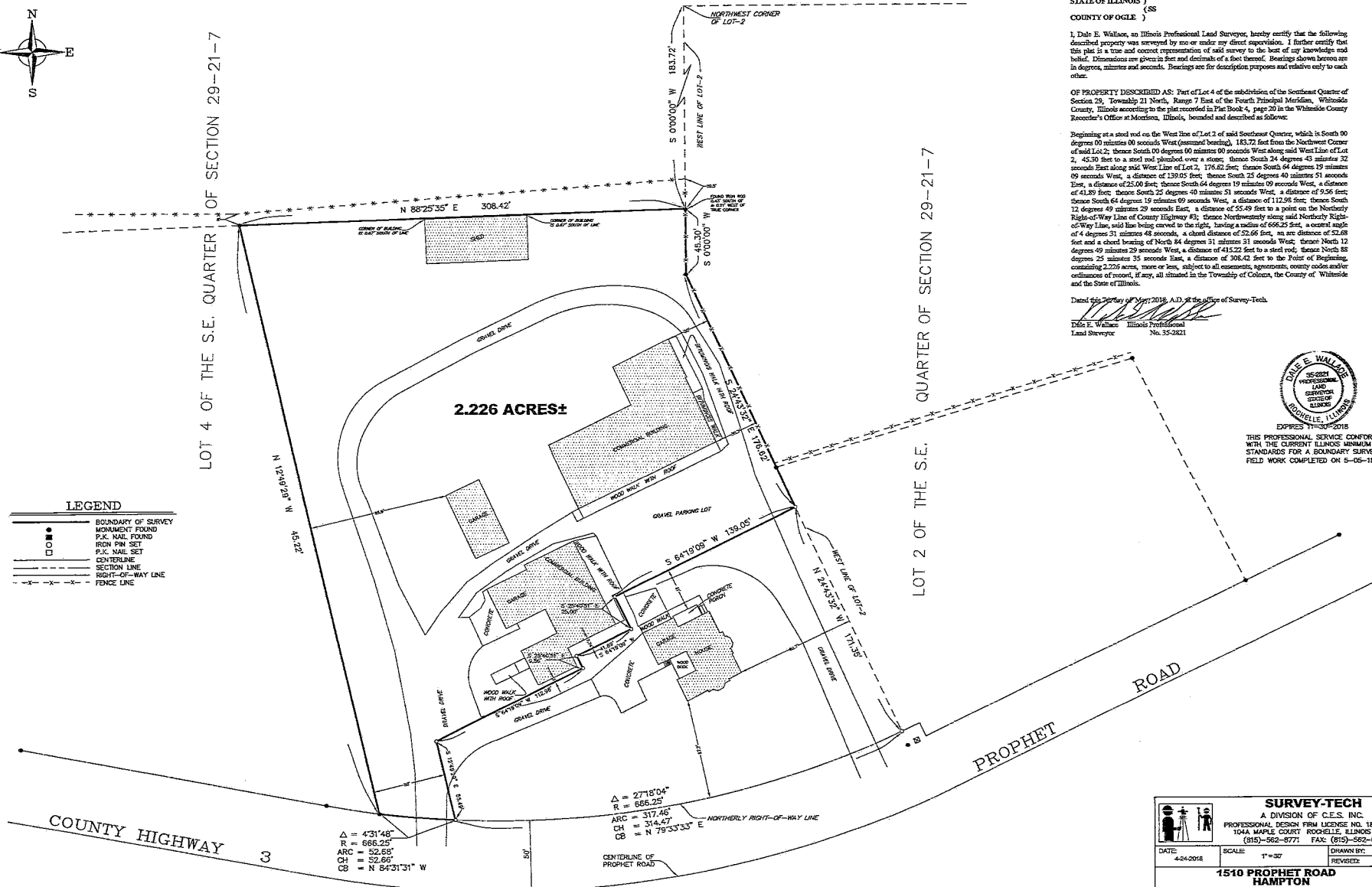


EXPIRES 12/31/2018
 THIS PROFESSIONAL SERVICE CONFORMS
 WITH THE CURRENT ILLINOIS MINIMUM
 STANDARDS FOR A BOUNDARY SURVEY.
 FIELD WORK COMPLETED ON 5-05-18

LOT 4 OF THE S.E. QUARTER OF SECTION 29-21-7

QUARTER OF SECTION 29-21-7
 LOT 2 OF THE S.E.

- LEGEND**
- BOUNDARY OF SURVEY
 - P.K. NAIL FOUND
 - IRON PIN SET
 - P.K. NAIL SET
 - CENTERLINE
 - SECTION LINE
 - - - RIGHT-OF-WAY LINE
 - - - FENCE LINE



Δ = 4°31'48"
 R = 666.25'
 ARC = 52.68'
 CH = 52.66'
 CB = N 84°31'31" W

Δ = 2°7'18"04"
 R = 666.25'
 ARC = 317.46'
 CH = 314.47'
 CB = N 79°33'33" E

		SURVEY-TECH	
		A DIVISION OF C.E.S. INC.	
PROFESSIONAL DESIGN FIRM LICENSE NO. 184-001250 1044 MAPLE COURT ROCHELLE, ILLINOIS 61068 (815)-962-8771 FAX: (815)-962-6538		DATE:	SCALE:
4-24-2018	1"=30'	DRAWN BY:	REVISIONS:
1510 PROPHET ROAD HAMPTON			
FR. WHITESIDE GPS-1	WHITESIDE COUNTY	FILE NUMBER:	
ACAD. 888818		8962-18	

CERTIFICATE OF SURVEY

STATE OF ILLINOIS)
 COUNTY OF COLE) (SS)

I, Dale E. Wallace, an Illinois Professional Land Surveyor, hereby certify that the following described property was surveyed by me or under my direct supervision. I further certify that this plat is a true and correct representation of said survey to the best of my knowledge and belief. Dimensions are given in feet and decimals of a foot thereof. Bearings shown hereon are in degrees, minutes and seconds. Bearings are for description purposes and relative only to each other.

OF PROPERTY DESCRIBED AS: Part of Lot 4 of the subdivision of the Southeast Quarter of Section 29, Township 21 North, Range 7 East of the Fourth Principal Meridian, Whiteside County, Illinois according to the plat recorded in Plat Book 4, page 20 in the Whiteside County Recorder's Office at Morris, Illinois, bounded and described as follows:

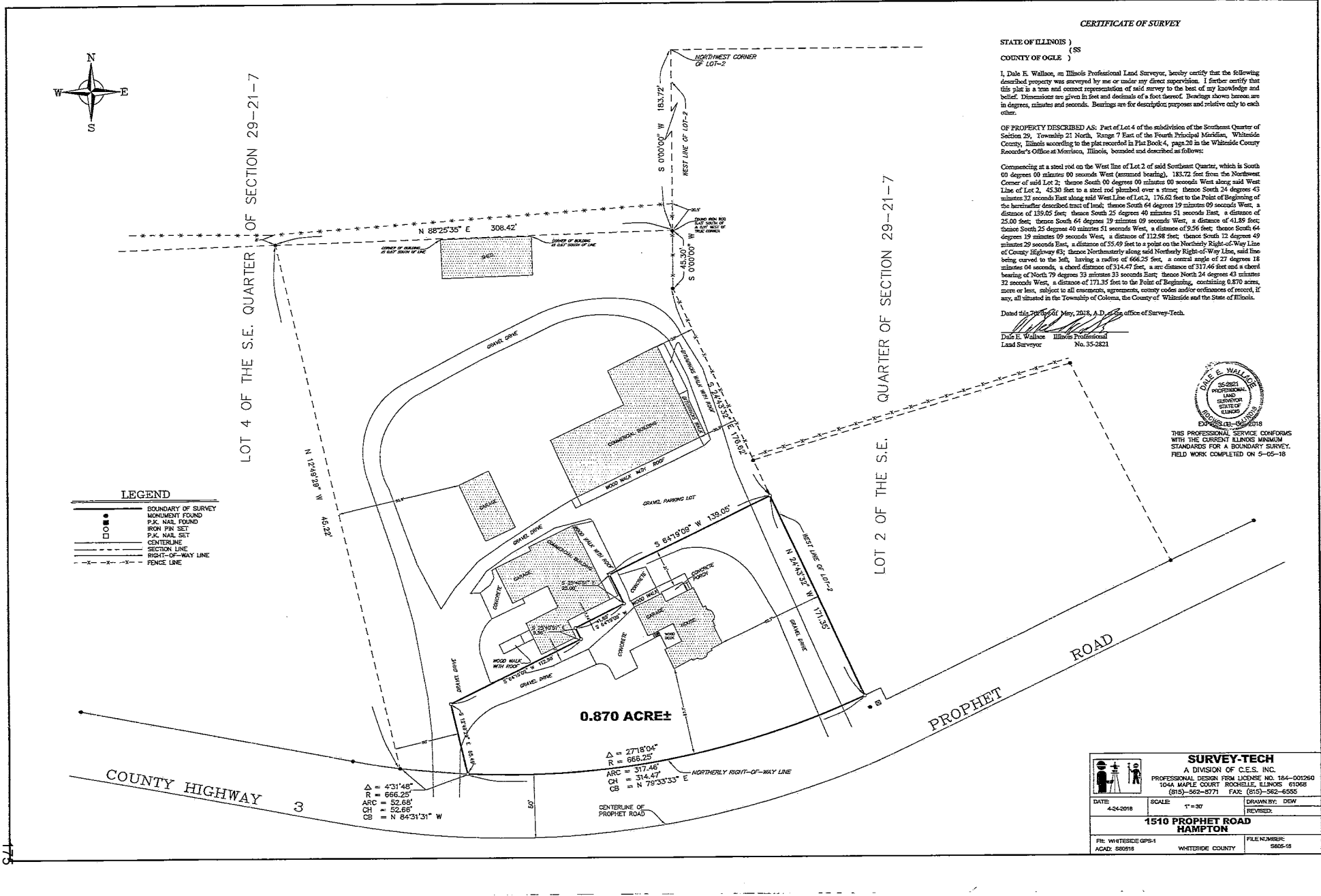
Commencing at a steel rod on the West line of Lot 2 of said Southeast Quarter, which is South 00 degrees 00 minutes 00 seconds West (assumed bearing), 183.72 feet from the Northwest Corner of said Lot 2; thence South 00 degrees 00 minutes 00 seconds West along said West Line of Lot 2, 45.20 feet to a steel rod plumbed over a stone; thence South 24 degrees 43 minutes 20 seconds East along said West Line of Lot 2, 176.62 feet to the Point of Beginning of the hereinafter described tract of land; thence South 64 degrees 19 minutes 09 seconds West, a distance of 139.05 feet; thence South 25 degrees 40 minutes 51 seconds East, a distance of 25.00 feet; thence South 64 degrees 19 minutes 09 seconds West, a distance of 41.89 feet; thence South 25 degrees 40 minutes 51 seconds West, a distance of 9.26 feet; thence South 64 degrees 19 minutes 09 seconds West, a distance of 112.58 feet; thence South 12 degrees 49 minutes 20 seconds East, a distance of 55.49 feet to a point on the Northerly Right-of-Way Line of County Highway 43; thence Northerly along said Northerly Right-of-Way Line, said line being curved to the left, having a radius of 666.25 feet, a central angle of 27 degrees 18 minutes 04 seconds, a chord distance of 314.47 feet, a subtense distance of 317.46 feet and a chord bearing of North 79 degrees 33 minutes 33 seconds East; thence North 24 degrees 43 minutes 32 seconds West, a distance of 171.35 feet to the Point of Beginning, containing 0.870 acres, more or less, subject to all encumbrances, agreements, easements and/or deficiencies of record, if any, all situated in the Township of Orleans, the County of Whiteside and the State of Illinois.

Dated this 27th day of May, 2018, A.D., in the office of Surveyor-Tech.

Dale E. Wallace
 Dale E. Wallace Illinois Professional
 Land Surveyor No. 35-2821



THIS PROFESSIONAL SERVICE CONFORMS WITH THE CURRENT ILLINOIS MINIMUM STANDARDS FOR A BOUNDARY SURVEY. FIELD WORK COMPLETED ON 5-05-18



LOT 4 OF THE S.E. QUARTER OF SECTION 29-21-7

QUARTER OF SECTION 29-21-7

LOT 2 OF THE S.E.

LEGEND

- BOUNDARY OF SURVEY
- MONUMENT FOUND
- P.K. NAIL FOUND
- IRON PIN SET
- P.K. NAIL SET
- CENTERLINE
- SECTION LINE
- - - RIGHT-OF-WAY LINE
- x - x - x - FENCE LINE

COUNTY HIGHWAY 3

PROPHET ROAD

0.870 ACRE±

Δ = 4°31'48"
 R = 666.25'
 CH = 52.66'
 CB = N 84°31'31" W

Δ = 27°18'04"
 R = 666.25'
 ARC = 317.46'
 CH = 314.47'
 CB = N 79°33'33" E

SURVEY-TECH			
A DIVISION OF C.E.S. INC.			
PROFESSIONAL DESIGN FROM LICENSE NO. 184-001260			
1044 MAPLE COURT ROCHELLE, ILLINOIS 61068			
(815)-662-8771 FAX: (815)-662-6555			
DATE: 4-24-2018	SCALE: 1" = 30'	DRAWN BY: DEW	
1510 PROPHET ROAD HAMPTON			
FR: WHITESIDE GPS-1	FILE NUMBER:	8605-18	
ACAD: 860518	WHITESIDE COUNTY		

CERTIFICATE OF SURVEY

STATE OF ILLINOIS)
(SS
COUNTY OF OGLE)

I, Dale E. Wallace, an Illinois Professional Land Surveyor, hereby certify that the following described property was surveyed by me or under my direct supervision. I further certify that this plat is a true and correct representation of said survey to the best of my knowledge and belief. Dimensions are given in feet and decimals of a foot thereof. Bearings shown hereon are in degrees, minutes and seconds. Bearings are for description purposes and relative only to each other.

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Beginning at a steel rod on the West line of Lot 2 of said Southeast Quarter, which is South 00 degrees 00 minutes 00 seconds West (assumed bearing), 183.72 feet from the Northwest Corner of said Lot 2; thence South 00 degrees 00 minutes 00 seconds West along said West Line of Lot 2, 45.30 feet to a steel rod plumbed over a stone; thence South 24 degrees 43 minutes 32 seconds East along said West Line of Lot 2, 176.62 feet; thence South 64 degrees 19 minutes 09 seconds West, a distance of 139.05 feet; thence South 25 degrees 40 minutes 51 seconds East, a distance of 25.00 feet; thence South 64 degrees 19 minutes 09 seconds West, a distance of 41.89 feet; thence South 25 degrees 40 minutes 51 seconds West, a distance of 9.56 feet; thence South 64 degrees 19 minutes 09 seconds West, a distance of 112.98 feet; thence South 12 degrees 49 minutes 29 seconds East, a distance of 55.49 feet to a point on the Northerly Right-of-Way Line of County Highway #3; thence Northwesterly along said Northerly Right-of-Way Line, said line being curved to the right, having a radius of 666.25 feet, a central angle of 4 degrees 31 minutes 48 seconds, a chord distance of 52.66 feet, an arc distance of 52.68 feet and a chord bearing of North 84 degrees 31 minutes 31 seconds West; thence North 12 degrees 49 minutes 29 seconds West, a distance of 415.22 feet to a steel rod; thence North 88 degrees 25 minutes 35 seconds East, a distance of 308.42 feet to the Point of Beginning, containing 2.226 acres, more or less, subject to all easements, agreements, county codes and/or ordinances of record, if any, all situated in the Township of Coloma, the County of Whiteside and the State of Illinois.

Dated this 7th day of May, 2018, A.D. at the office of Survey-Tech.

Dale E. Wallace Illinois Professional
Land Surveyor No. 35-2821

CERTIFICATE OF SURVEY

STATE OF ILLINOIS)
(SS
COUNTY OF OGLE)

I, Dale E. Wallace, an Illinois Professional Land Surveyor, hereby certify that the following described property was surveyed by me or under my direct supervision. I further certify that this plat is a true and correct representation of said survey to the best of my knowledge and belief. Dimensions are given in feet and decimals of a foot thereof. Bearings shown hereon are in degrees, minutes and seconds. Bearings are for description purposes and relative only to each other.

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Dated this 7th day of May, 2018, A.D. at the office of Survey-Tech.

Dale E. Wallace Illinois Professional
Land Surveyor No. 35-2821

City of Rock Falls, Illinois

Debt Management Policy

I. Purpose

The purpose for the debt management policy is to provide a general framework for the use, management, and reporting of the City of Rock Falls' debt financing. It is the objective of the policy for the City to obtain financing only when necessary, establish conditions to obtain financing at the lowest cost, retain the highest practical credit rating, and to maintain full and complete financial disclosure and reporting. In addition to adherence to this policy, the City's financing will also be in compliance with applicable Federal law, U.S. Securities and Exchange Commission (SEC) regulations, and Illinois Compiled Statutes (ILCS).

This policy provides a functional tool for debt management, as well as enhance the City's reputation for managing its debt in a conservative and prudent manner. Adherence to the policy is essential to ensure the City maintains a sound financial position and protects the credit quality of its obligations.

II. Scope

This policy will be all-inclusive of debt issued by the City including, but not limited to, general obligation bonds, revenue bonds, alternate revenue source bonds, debt certificates, installment contracts, leases, special service area bonds, special assessment bonds, working cash bonds, tax anticipation warrants, tax anticipation notes, revenue anticipation notes, and tax increment finance bonds. In addition, this policy contains certain elements on procedures and practices to achieve the objectives of the policy and to ensure professional standards are defined and met in the policy's implementation.

III. Legal and regulatory requirements

- A. Federal: The Internal Revenue Code (IRC) of 1986 as amended and its arbitrage and rebate regulations govern the tax-exempt status of municipal bonds. Upon issuance of any municipal bonds, the City will covenant to follow certain federal rules and regulations in order to maintain the tax-exempt status of the bonds. To receive these benefits, the City must ensure that the requirements under the IRC are met, generally for as long as the bonds remain outstanding.

These requirements include, but are not limited to:

1. File Internal Revenue Service (IRS) Form 8038-G, *Information Return for Tax-Exempt Governmental Obligations* (\$100,000 or greater) or Form 8038-GC, *Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales* (less than \$100,000);
2. Bond proceeds must be used to finance activities of, or facilities owned, operated or used by, the issuer for its purpose or another state or local government for its own purposes;
3. Allocate to expenditures not later than 18 months after the later of the date each expenditure is paid or the date the project, if any, that is financed by the issue is placed in service; and

**City of Rock Falls, Illinois
Debt Management Policy**

III. Legal and regulatory requirements (continued)

4. Rebate to the IRS for investments earning a yield materially higher than the yield of the bond issue (arbitrage), unless an exception from rebate applies.
- B. U.S. Securities and Exchange Commission (SEC): Congress passed the Securities Act of 1933 with the objective of providing investors full disclosure of material facts about securities offered and sold. In 1934, Congress passed the Securities Exchange Act of 1934 that created the Securities and Exchange Commission (SEC) and empowered the SEC with broad authority over most aspects of the securities industry. Although municipal securities are exempt from many of the requirements, the City is still subject to:
1. Rule 10b-5 of the Securities Exchange Act of 1934: Sets out the general statement of federal intent to protect investors against misleading statements or omissions of important facts in official statements or other documents pertaining to the bond issuance; and
 2. Rule 15c2-12 of the Securities Exchange Act of 1934: Governs the preparation and distribution of official statements for municipal securities and meeting continuing disclosure requirements.
- C. State: The Illinois Compiled Statutes (ILCS) authorize and govern the issuance of municipal bonds. The key laws include, but are not limited to:
1. The Bond Authorization Act (30 ILCS 305) provides for a maximum rate of interest allowable for the issuance of bonds by cities and villages.
 2. The Illinois Municipal Code (65 ILCS 5/8-5-1) subjects cities and villages to a legal limitation of general obligation bonded debt based on 8.625% of the total assessed value of real estate property.
 3. The Local Government Debt Reform Act (30 ILCS 350/15) allows for the issuance of alternate bonds in lieu of revenue bonds. In addition, alternate bonds are not subject to the legal limitation noted above.
 4. The Illinois Property Tax Extension Limitation Law (35 ILCS 200/18-185) allows the issuance of an amount of general obligation bonds equal to the aggregate extension for principal and interest payments for non-referendum bonds that cities or villages issued prior to the effective date of such law. The City is not currently subject to such law. If such law were to apply to the City in the future, the following bonds would not be subject to PTELL limitations:
 - a. Alternate bonds; and
 - b. Refunding obligations issued to refund or to continue to refund obligations initially issued pursuant to referendum.
 5. The Bond Issue Notification Act (30 ILCS 352) requires non-home rule cities and villages proposing to sell non-referendum general obligation bonds to hold a public hearing concerning its intent to issue certain of such bonds.

**City of Rock Falls, Illinois
Debt Management Policy**

IV. Guidelines for use

This policy establishes standards to help determine whether debt is an appropriate option as changing circumstances arise over time. Debt is a financing tool which should be thoughtfully used and will be considered when some or all of the following conditions exist:

- A. Adequate resources – future revenues sufficient to cover debt service;
- B. Characteristics – project represents one-time investment (e.g. building) rather than ongoing operations (e.g. maintenance of building);
- C. Favorable market conditions – interest rates and construction costs are reasonable;
- D. Intergenerational equity – help distribute costs and benefits of capital asset over its useful life;
- E. Length of issuance – term of financing will not exceed expected life of capital asset;
- F. Mandates – improvements required by federal or state authorities;
- G. Options – other payment options have been explored and are not viable for the timely acquisition or completion of a capital asset; and
- H. Within financial limits – consistent with federal, state, and local regulations.

V. Types of debt

The Illinois Municipal Code 65 ILCS 5/8-4.1-2 defines bonds as, "any instrument evidencing the obligation to pay money authorized or issued by or on behalf of a municipality under Applicable Law including, without limiting the generality of the foregoing, bonds, notes, installment or financing contracts, leases, certificates, tax anticipation warrants or notes, vouchers, or any evidence of indebtedness."

The types of debt permitted by the City to meet its financing objectives includes, but are not limited to:

- A. General obligation bonds – financing secured only by the full faith and credit of the City;
- B. Alternate bonds – financing secured by a defined source of revenue (not property tax) and the full faith and credit of the City;
- C. Revenue bonds – financing secured only by a defined source of revenue (not property tax);
- D. Capital leases – financing of a vehicle or equipment over time with a provision to transfer ownership at a nominal amount at the termination of the lease;
- E. Loans – federal and state low interest financing secured by a defined source of revenue (not property tax) typically used for water and wastewater projects; and
- F. Other – special circumstances may exist when other forms of debt are appropriate, necessary, and advantageous to the City.

State and local governments receive tax benefits under the Internal Revenue Code that lower borrowing costs on their bonds. Bondholders are willing to accept a lower interest rate because interest paid to bondholders on these obligations is not includable in their gross income for federal income tax purposes. The City will generally issue tax-exempt bonds. However, the City may occasionally issue taxable bonds which have a higher interest rate.

City of Rock Falls, Illinois
Debt Management Policy

V. Types of debt (continued)

In addition, the City shall be mindful of the potential benefits of bank qualified bonds. This designation is given to a bond issuance if the City reasonably expects to issue in the calendar year of such offering no more than \$10 million of bonds. When purchased by a commercial bank for its portfolio, the bank may deduct a portion of the interest cost of carry for the position. Therefore, the City will strive to limit its annual issuance of bonds to \$10 million or less, as amended from time to time, when the estimated benefits are greater than the benefits of exceeding the bank qualification limit.

The City shall not be permitted to use derivative instruments including interest rate swaps, forward swaps, swap options, basis swaps, caps, floors, collars, rate locks, cancellation options or any similar hedge, derivative, or synthetic instrument.

VI. Standards of Care

- A. Prudence: Debt shall be issued with judgment and care under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs. The standard of prudence to be used by debt management officials shall be the "prudent person" standard and shall be applied in the context of managing an overall debt portfolio. City officers and employees acting in accordance with this policy, and any other written procedures, and exercising due diligence shall be relieved of personal liability, provided that officers and employees report deviations from expectations in a timely fashion and take appropriate action to control adverse developments.
- B. Maintaining the Public Trust: All participants in the debt management process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the City.
- C. Ethics and Conflicts of Interest: Officers and employees of the City who are involved in the debt management process shall refrain from personal business activity that could conflict with proper execution and management of the debt program, or which could impair their ability to make impartial decisions. Employees and officials shall disclose to the Council any material interests in financial institutions with which they conduct business.

VII. Structuring practices

The duration of a bond issue shall, to the extent practicable, not exceed the economic or useful life of the improvement or asset that the issue is financing. The City shall design the financing schedule and repayment of bonds to take best advantage of market conditions and, as practical, to recapture or maximize its credit capacity for future use, and moderate the impact to the taxpayer.

- A. Maturity guidelines
 - 1. Governmental activities – maturity limited to twenty years
 - 2. Business-type activities – maturity limited to forty years

**City of Rock Falls, Illinois
Debt Management Policy**

VII. Structuring practices (continued)

B. Debt service schedule

1. A level or declining debt service schedule will be employed unless operational matters dictate otherwise, or except to achieve overall level debt service with existing bonds.
2. The City will use the debt service schedule which will best fit with the overall debt structure of the City's bonds at the time the new bonds are issued.
3. Consideration will be given to coordinating the length of the issue with the lives of assets, whenever practicable.

C. Use of credit enhancements

Credit enhancements are mechanisms which guarantee principal and interest payments. The City may enter into agreements with commercial banks or other financial entities to acquire letters of credit, municipal bond insurance, or other credit enhancements that will provide the City with access to credit under terms and conditions as specified in such agreements, when their use is judged cost effective or otherwise advantageous. A credit enhancement, while costly, will usually bring a lower interest rate on bonds and a higher rating from the rating agencies, thus lowering overall costs.

D. Use of redemption features

A call option, or optional redemption provision, gives the City the right to prepay or retire bonds prior to their stated maturity. These prepayment provisions are structured into the original bond issuance to provide the City an opportunity to manage its debt portfolio. The exercise of these prepayment provisions is through the issuance of refunding bonds. Bonds can be refunded to achieve one or more of the following objectives:

1. Reduce future interest costs – shall be at least 2% present value savings for current refunding and at least 3% present value savings for advance refunding;
2. Restructure future debt service in response to evolving conditions regarding anticipated revenue sources;
3. Alter bond characteristics, such as call provisions or payment dates, on existing bonds; and
4. Change the legal requirements, termed covenants, of the original issue to reflect more closely the changing conditions of the City or the type of bond.

VIII. Debt issuance process

A. Approval of issuance – The City Council shall adopt an ordinance authorizing the issuance of bonds.

B. Method of sale

The City will select the method of sale which best fits the type of bonds being sold, market conditions, and the desire to structure bond maturities to enhance the overall performance of the debt portfolio. The general methods for the sale of municipal bonds include:

1. Competitive sale – Bonds are marketed to a wide audience of investment banking firms (underwriting). Their bids are submitted electronically at a specific time and the bonds will be sold to the bidder proposing the lowest true interest cost (TIC).

City of Rock Falls, Illinois
Debt Management Policy

VIII. Debt issuance process (continued)

2. Negotiated sale – The City will negotiate all rates and terms of the sale with an underwriter who is selected in advance of the bond sale.
3. Private placement – The City sells its bonds to a limited number of sophisticated investors, but not the general public.

C. Selection and use of professional service providers

The City will procure professional services as needed to successfully authorize, structure, and market bonds due to the complex nature of the transactions. These professional service providers may include arbitrage consultants, bond counsel, escrow agents, municipal advisors, paying agents, underwriters, and verification agents.

1. Municipal Advisor

The Municipal Advisor will recommend the financing structure; prepare and review preliminary and official statements; review ordinances concerning the authorization and award of financing; assist the City in developing and presenting information to rating agencies; provide the electronic bidding platform; and provide assistance with the closing and delivery of securities. To ensure independence, the Municipal Advisor will not bid on or underwrite any City bond issues on which it is advising.

2. Bond Counsel

Bond Counsel will prepare and review the ordinances authorizing and awarding the bonds; provide a written opinion regarding the validity and binding effect of the bonds; determine the federal tax status of any bonds; and prepare official transcripts related to the authorization, offering, sale and delivery of the bond issue. The City will also seek assistance from Bond Counsel on other types of debt financing, as well as on any questions involving federal tax or arbitrage law. To ensure independence, Bond Counsel will not simultaneously represent any other party involved in the financing unless a conflict waiver is obtained from the City.

D. Credit ratings

The City may seek a rating on all new bond issues being sold in the public market. Municipal bond ratings determine the amount of investment risk and interest cost on bonds used for financing City projects. These ratings assess several factors including, but not limited to, current state of the economy, debt structure, financial condition, and management practices. The City will use both formal and informal methods to disseminate information and communicate with the rating agencies as follows:

1. Full disclosure of the financial condition of the City on an annual basis;
2. Formal presentation on a regular basis covering economic, financial, operational, and other issues that impact the City's credit;
3. Disclosure of financial events that may impact the City's credit;
4. Dissemination of the Comprehensive Annual Financial Report (CAFR); and
5. Distribution of any documents pertaining to the sale of bonds.

City of Rock Falls, Illinois
Debt Management Policy

IX. Debt management process

A. Investment of proceeds

1. General – The City acknowledges its ongoing fiduciary responsibilities to actively manage the proceeds of bonds issued for public purposes in a manner that is consistent with the City's investment policy, Illinois statutes that govern the investment of public funds, and consistent with the covenants of related bond documents. The investment of bond proceeds requires significant diligence in meeting the objectives of regulatory compliance, management of the covenants described in financing documents, and the needs of the projects being funded.
2. Refunding escrow – The City shall utilize the State and Local Government Series (SLGS) securities program for the refunding escrow unless otherwise justified and deemed necessary. SLGS are special low-interest bearing U.S. Treasury securities offered to tax exempt entities for the investment of bond proceeds. The City will take such steps as necessary to ensure the investments placed in escrow fully comply with regulatory provisions.

B. Compliance practices

1. Arbitrage – It is the City's policy to minimize the cost of arbitrage rebate and yield restriction while strictly complying with the federal arbitrage and rebate regulations. The City will take the following steps to minimize any rebate liability through proactive management in the structuring and oversight of its bonds.
 - a. Examine whether the City met the arbitrage rebate exception rules;
 - b. Use bond proceeds only for the purpose and authority for which they were issued;
 - c. Monitor the expenditure of bond proceeds and exercise best efforts to spend proceeds in such a manner that the City will meet one of the spend-down exemptions from arbitrage rebate;
 - d. Maintain detailed investment records and monitor the investment of bond proceeds with awareness of rules pertaining to yield restrictions; and
 - e. Perform arbitrage rebate calculations as determined by the IRS.
2. Continuing disclosure – If required by applicable federal law, the City will covenant and agree in each bond ordinance, in accordance with Rule 15c2-12 of the Securities Exchange Act of 1934, to provide certain financial information and operating data relating to the City within 210 days after the close of the Village's fiscal year; and, in a timely manner, to provide notices of the occurrence of certain enumerated events. The following will be filed by the City with the Municipal Securities Rulemaking Board (MSRB) for disclosures on its Electronic Municipal Market Access (EMMA) system:
 - a. Audited financial statements;
 - b. Financial and operating data included in the original official statement;
 - c. Required event notices; and
 - d. Voluntary event notices.
3. Legal covenants – The City shall comply with all covenants and conditions contained in any legal document entered into at the time of the bond offering.

**INTERGOVERNMENTAL AGREEMENT
BY AND BETWEEN
THE BOARD OF EDUCATION OF ROCK FALLS HIGH SCHOOL DISTRICT NO. 301,
THE BOARD OF EDUCATION OF ROCK FALLS ELEMENTARY DISTRICT NO. 13
AND
THE CITY OF ROCK FALLS
FOR A SCHOOL RESOURCE OFFICER SRO PROGRAM**

THIS INTERGOVERNMENTAL AGREEMENT, made by and between the Board of Education of Rock Falls High School District No. 301, Whiteside County, Illinois ("District No. 301"), the Board of Education of Rock Falls Elementary District No. 13 ("District No. 13") and the City of Rock Falls, an Illinois Municipal Corporation ("City") (collectively, the "Parties").

WITNESSETH:

WHEREAS, District No. 301 operates Rock Falls Township High School, located at 101 12th Avenue, Rock Falls, Illinois 61071, and District No. 13 operates Rock Falls Middle School located at 1701 12th Avenue, Rock Falls, Illinois 61071, Merrill Elementary School at 600 4th Avenue, Rock Falls, Illinois 61071 and Dillon Elementary School at 1901 8th Avenue, Rock Falls, Illinois 61071, all of which are situated within the City's jurisdiction; and

WHEREAS, the City operates the Rock Falls Police Department ("Police Department"), which provides police services within the City's jurisdiction; and

WHEREAS, Article VII, Section 10 of the 1970 Constitution of the State of Illinois and the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.), provide that units of local government and school districts may contract with one another to perform any activity not prohibited by law; and

WHEREAS, the City and the Boards are public agencies pursuant to Section 2, subsection (1) of the Intergovernmental Cooperation Act, (5 ILCS 220/2); and

WHEREAS, the Boards desire the services of one of the City's police officers to perform the duties of a School Resource Officer ("SRO") at the Schools; and

WHEREAS, the City and the Boards have determined it to be in the best interests of all Parties to enter into this Agreement.

NOW THEREFORE, in consideration of the mutual promises, covenants, conditions, and other valuable consideration, the receipt and sufficiency whereof is herein acknowledged, the parties hereto agree as follows:

1. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated into and made a part of this Agreement.

2. **Term.** This Agreement shall commence on August 13, 2018 and

shall continue in full effect for a period of five (5) years, until June 15, 2023, unless sooner terminated as provided herein. Districts or the City may terminate this Agreement prior to its expiration for convenience by providing at least sixty (60) days' advance written notice to the other parties of its intent to terminate. The parties hereto may extend the duration hereof by mutual agreement upon expiration of the initial term.

3. Assignment and Selection of the SRO. The City shall have sole authority to assign one or more police officers to act as the SRO at the Schools. The Chief of Police (or her/his designee) will select the police officer(s) who will serve as the SRO. At any time during the term of this Agreement, the City reserves the right to replace or temporarily substitute the SRO with another police officer who qualifies as an SRO.

4. Employment of the SRO. The SRO shall remain an employee of the City and shall be at all times subject to the administration, supervision, and control of the City, except as such administration, supervision and control are subject to the terms and conditions of this Agreement. The City shall at all times be considered the SRO's employer and the City shall retain direction and control of the work and conduct of the SRO and shall be solely responsible for payment and provision to the SRO of salary and any other benefits, including overtime, to which the SRO is entitled as an employee of the City. The City is responsible for making necessary tax and other withholdings from the SRO's pay, and for making all necessary tax and other employment-related payments and filings. The SRO shall be covered by the City's worker's compensation insurance.

Because the SRO is an employee of the City, the City, in its sole discretion, shall have the power and authority to hire, direct discharge and discipline the SRO.

5. Compensation. The Boards agree to pay the City at a rate as set forth on Appendix A hereto. The parties recognize and agree that weekly rates may be altered in the event a substitute SRO is supplied by the City because of illness or other unavailability of the primary SRO. On a monthly basis, the City shall send to District No. 301 an invoice for the amount owed for the prior month, which invoice shall provide the amounts due in detail, based on a weekly rate. The Districts shall pay the amounts due in accordance with the Local Government Prompt Payment Act (50 ILCS 505/1 et seq.). The Districts shall also supply, as Appendix B to this Agreement, a schedule of extracurricular events prior to the beginning of school year 2018-2019 for which the Districts request the presence of the SRO. The initial division of responsibility for such payments as between the Districts shall be as set forth on Appendix C hereto, which parties agree may be subject to amendment, so long as the City continues to receive full payment as described herein.

6. SRO Work Schedule. While on-duty at the School and serving in the capacity as SRO, the SRO shall wear his/her Police Department issued uniform and provide services at the Schools on a per-week, full-time basis. Any adjustment to the SRO's schedule shall be subject to the agreement of the City and the Districts. If, for any reason, the SRO is absent on a day that he/she is assigned to work at the Schools, the City shall assign another police officer who meets the qualifications to perform the SRO duties, if such substitute SRO is available for duty, subject to the same compensation as provided in Section 5 of this Agreement, which shall be subject to adjustment if the substitute SRO is of lesser seniority or no substitute SRO is available.

7. **Copy of Agreement.** The City shall provide each SRO with a copy of this Agreement, including Exhibit B, and shall require the SRO to provide a signed acknowledgement that he/she has received and reviewed this Agreement. Upon request, the City shall provide the Districts with a copy of said signed acknowledgement.

8. **Program Review.** The Parties acknowledge that the inception of the SRO Program for school year 2018-2019, and its operation during that term, may result in need for certain amendments, modification, or other changes to the SRO Program as a result of that experience, and the parties hereby agree that they will cooperate with one another in good faith in the event such modifications, amendments, or changes become needful or appropriate for the SRO Program. The City shall cooperate with the Districts to prepare a report for the Boards' review upon request.

9. **Compliance with Board Policies and Procedure; Discipline.**

a. The SRO shall comply with applicable Board policies in the course of his/her duties, and any other operating procedures that are agreed upon by the Parties, provided that copies of such policies have been provided to the SRO in advance and do not conflict with the SRO's duties as a sworn police officer or with this Agreement.

b. If, at any time while on duty at a facility of either District, the SRO should commit any act or engage in any conduct which the District believes contravenes policy or law and for which discipline of the offending SRO is appropriate, the District shall refer the matter to the City, and the City agrees that it will initiate such disciplinary proceedings, in accordance with its established personnel handbook and the applicable collective bargaining agreement for the unit of which the SRO is a member, and diligently prosecute such proceeding, but provided that any final resolution of the proceeding shall be within the control and discretion of the City.

10. **Compliance with Laws.** The Parties shall comply with all applicable laws, ordinances, rules, regulations and codes in performing their respective obligations hereunder.

11. **Access to Records.**

a. **District Records.** The Parties acknowledge and agree that all student, personnel, medical, and District-related business records generated by either District's employees or students shall be the property of the respective District. The Parties agree to comply with all state and federal laws, including, but not limited to, the Illinois School Student Records Act (105 ILCS 10/1 et seq.), the Illinois Mental Health and Developmental Disabilities Confidentiality Act (740 ILCS 110/1 et seq.), the federal Family Educational Rights and Privacy Act (20 U.S.C. § 1232g; 34 C.F.R. Part 99), Health Insurance Portability and Accountability Act of 1996 (45 C.F.R. Parts 160 and 164), the Illinois Personnel Records Review Act (820 ILCS 40/1 et seq.), and all rules and regulations governing the release of student, personnel, and medical records. To the extent the SRO has access to student records to perform his/her duties, he/she shall not divulge such records to any person or entity who is not a party to this Agreement without the applicable District's consent or as otherwise permitted or required by law. Notwithstanding the termination of this Agreement for any reason, the confidentiality provisions of this paragraph will continue in full force and effect following such termination.

b. City Records. The Parties acknowledge and agree that all records generated by the SRO in connection with the performance of services under this Agreement shall be the property of the City and may constitute law enforcement records. In accordance with law, all records generated and maintained solely by the SRO and the City shall not constitute student records.

12. Insurance. Each Party shall keep in force at all times during the term of this Agreement, Commercial General Liability Insurance, on an occurrence basis, with limits of not less than \$3,000,000 per occurrence and in the aggregate. Within seven (7) days of the last Party's execution of this Agreement, each Party shall furnish to the other a certificate of the insurance evidencing the insurance required under this Agreement. Each party may satisfy the insurance obligations under this Paragraph by utilizing excess or umbrella insurance. For purposes of this Paragraph, insurance may be provided through a self-insured intergovernmental risk pool or agency or through the Party's self-insurance. Each Party shall name the other parties as Indemnitees (as defined in Section 13) as additional insureds on all insurance required hereunder. To the fullest extent permitted by each insurance policy and without invalidating any coverage thereunder, the Parties waive any right of subrogation that they or any of their agents may have against any of the other Party's Indemnitees.

13. Mutual Indemnification. The Districts shall indemnify and hold the City and its officers, agents, and employees ("City Indemnitees") harmless from any and all liabilities, losses, costs, demands, damages, actions or causes of action, including reasonable attorney's fees arising out of, proximately caused by or incurred by reason of any of negligent acts or omissions of the Districts and their employees related to this Agreement, subject, however, to any defenses or limitations of liability permitted under the Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1 et seq.), or otherwise provided by law.

The City shall indemnify, defend and hold the Districts, their individual Board members, agents, and employees ("District Indemnitees") harmless of and from any and all liabilities, losses, costs, demands, damages, actions or causes of action, including reasonable attorneys' fees arising out of, proximately caused by or incurred by reasons of any negligent act or omission by the SRO, or breach of this Agreement, subject, however, to any defenses or limitations of liability permitted under the Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1 et seq.), or otherwise provided by law.

14. Notices. Any notices required under this Agreement may be sent to the respective parties at the following respective addresses:

To the Boards:

Board of Education of Rock Falls High School District No. 301
101 12th Avenue
Rock Falls, IL 61071

Board of Education of Rock Falls Elementary School District. 13
602 4th Avenue
Rock Falls, IL 61071

To the City:

City of Rock Falls Police Department
ATTN: Chief of Police
1013 7th Avenue
Rock Falls, IL 61071

With a copy to:

City Administrator
603 W. 10th Street
Rock Falls, IL 61071

or at such other addresses as the parties may indicate in writing to the other either by personal delivery, courier, overnight delivery with proof of delivery, or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices shall be deemed effective on the day of deposit; all other notices shall be effective when delivered.

15. Complete Understanding and Amendments. This Agreement sets forth all the terms and conditions, and agreements and understandings between the Parties relative to the subject matter hereof. No modifications, amendments, or waiver of any provision hereto shall be valid and binding unless in writing and signed by all Parties.

16. Successors and Assigns. This Agreement shall be binding upon, apply and inure to the benefit of each Party and their respective legal representatives, successors and assigns.

17. Governing Law. This Agreement and the rights and responsibilities of the parties hereto shall be interpreted and enforced in accordance with the laws of the State of Illinois.

18. Authority to Execute. Each signatory hereto represents and warrants that he/she has the proper and necessary corporate authority to execute this Agreement and bind his/her entity to the terms and conditions of this Agreement, and that the same has been duly approved and/or adopted by the governing board of the entity at a duly convened public meeting. This Agreement shall be binding only when adopted and/or approved by the governing body of each party hereto.

19. Waiver. The failure of either party to demand strict performance of the terms and conditions of this Agreement on any one occasion shall not be deemed a waiver to demand strict performance on any future occasion.

ROCK FALLS POLICE DEPARTMENT /
RF HIGH SCHOOL DISTRICT 301 AND RF ELEMENTARY DISTRICT 13

SCHOOL RESOURCE OFFICER JOB DESCRIPTION

Job Title: School Resource Officer

Employment: The School Resource Officer shall be a sworn police officer employed by the Rock Falls Police Department assigned to District 301 and District 13.

Qualifications: The School Resource Officer requires a minimum of 2 years experience as defined in the job description of Patrol Officer. Experience, training, performance standards and other qualifications for this position may be established by the Chief of Police at his/her discretion.

Professional Standards: The School Resource Officer must conduct himself in a positive and professional manner and must maintain a high level of respect and integrity within the school and public community. As a Juvenile Officer, the School Resource Officer must maintain a caring attitude towards the students and must remain sensitive to the problems of students and staff in the school environment.

Attire: The School Resource Officer shall normally be dressed in uniform, however plain clothes will be permitted when necessary, provided such dress would meet the established standards of the investigative division.

Reports to: The School Resource Officer is first and foremost a police officer and as such is at all times under the command of police command superiors. During such times in which the officer is assigned to the Rock Falls High School the School Resource Officer shall report daily to the Principals of both the Rock Falls Middle School and the Rock Falls High School. When the officer is not functioning as a School Resource Officer he will report to his immediate supervisor at the Rock Falls Police Department.

General Duties: The position of School Resource Officer is considered an integral component of the student affairs office of the Rock Falls Middle School and Rock Falls High School. While functioning as a School Resource Officer, the officer's duties fall under the authority and responsibility of the respective school principals.

The School Resource Officer shall not be exclusively responsible for the enforcement of middle school, high school, or district office policy, but he shall assist the staff of

said enforcement when requested to do so. This action includes but is not limited to the reporting of school policy violations to appropriate administrative staff and assisting staff with the investigation of reports and observations regarding the same.

Specific Duties: The following denotes specific duties of the Rock Falls School Resource Officer:

- 1) Establish pro-active partnerships to prevent criminal activity on school grounds. This function includes the development of programs aimed to protect the personal safety of students and staff to provide a safe and secure environment for teaching and learning. This duty requires the School Resource Officer to patrol the school buildings, school grounds, on campus and off campus parking areas, and streets used to access said properties. The prevention of violence, property crimes, loitering, substance abuse, sexual harassment and the enforcement of trespass laws are included in the function.
- 2) Conduct and or coordinate police investigations of incidents involving the Rock Falls Middle School and Rock falls High School, its staff and students. The officer will also conduct follow-up investigations and perform other duties as assigned by his immediate police supervisor.
- 5) Develop and maintain familiarity with trouble spots, trends, youth related problems and national and local delinquency patterns. This function requires the officer to hold meetings with class officers to identify and discuss pressing current issues and related problem-solving strategies. Additionally, a method of providing a means for students to anonymously report criminal activity and or troubling matters to the officer must be established.
- 6) Pro-actively and reactively coordinate with administrators, deans, counselors, staff members and probation officers concerning individuals, families, and neighborhoods impacted by anti-social, aberrant, and or delinquent behavior that is likely to carry over onto school property.
- 7) Maintain accessibility to students and parents to provide appropriate advice, guidance and referrals to community services.
- 8) Assist school staff in the prevention of truancy, processing truancy cases, and engaging in home visits when required.
- 9) Assist school staff in the supervision of extra-curricular activities when requested, as scheduling permits. This function includes coordinating prevention and enforcement efforts with other police agencies in cases of home and away sporting events. As

circumstances dictate, the School Liaison Officer may encounter situations whereby his presence at an away athletic event may be advantageous to the hosting community.

- 10) Assist the administrative and teaching staff in matters concerning conduct and discipline.
- 11) Plan adult education programs for the staff and community groups on current delinquency trends, substance abuse issues, gang awareness, domestic violence, sexual abuse or any other relevant trends or activities requiring such attention.
- 12) Serve as a resource to government and health instructional staff.
- 13) Assist school personnel in the transition planning of students graduating from middle school and entering high school.
- 14) Work directly with identified students involved in remediation programs.
- 15) Engage in staff writing for school publications to educate and promote current programs and intensify issue awareness.
- 16) Actively participate in physical education classes to promote positive police/student relationships in a non-crisis atmosphere.
- 17) Maintain accurate activity records for data correlation and future needs assessment.
- 18) Perform other duties as may be determined by administrative authorization.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals all as of the day and year first written above.

**CITY OF ROCK FALLS, an Illinois
municipal corporation**

**BOARD OF EDUCATION OF ROCK
FALLS HIGH SCHOOL DISTRICT
NO. 301**

By: _____

By: [Signature]

Its: _____

Its: President

Dated: _____

Dated: April 18, 2018

ATTEST:

ATTEST:

By: _____

By: Jana Jacobs

Its: City Clerk

Its: Secretary

Dated: _____

Dated: April 18, 2018

**BOARD OF EDUCATION OF ROCK
FALLS ELEMENTARY DISTRICT
NO. 13**

By: [Signature]

Its: President

Dated: 5/9/18

ATTEST:

By: Shelly Chappell

Its: Secretary

Dated: 5/9/18

Rock Falls School Resource Officer

	PD Total Wages	Ludwig Wage	Percent	Total Pension	City's Cost
Pension	\$ 1,342,400.00	\$ 56,261.00	4.19%	\$ 457,752.00	\$ 19,184.73
Medicare 1.45%					\$ 815.78
Insurance					\$ 19,204.00
Total Salary					\$ 56,261.00
Uniform Expense					\$ 550.00
Training Expense					\$ 478.26
Worker's Comp					\$ 1,519.05
Total					\$ 98,012.83
Weekly Cost					\$ 1,884.86
Total School Cost	41 weeks total - 3 weeks = 38 weeks				\$ 71,624.76

Current Base Pay \$ 52,786.00
 Education Pay \$ 400.00
 Holiday Pay 6% \$ 3,075.00
 Total Salary \$ 56,261.00

Insurance - 84% \$19,204.00

W/C \$2.70 per \$100 Salary

To be Recalculated Annually

April 30, 2020 FOP Contract Expiration

Training Budget divided # officers
 \$11000/23

BID TAB SHEET

CITY OF ROCK FALLS

2019 FORD F-250 SRW 4X4 REGULAR CAB Bid Opening May 29th, 2018

10:00 a.m.

Company	Address	Phone	Price 2019 F250	Total	Delivery time
Prescott Brothers Auto Group	614 13 th Avenue Mendota, IL 61342	815-539-9388 ext 4114	26,705.00	26705.00	8-12 weeks

City of Rock Falls

603 W. 10th Street
Rock Falls, IL 61071-2854

Mayor
William B Wescott
815-622-1110

City Administrator
Robbin D. Blackert
815-564-1366



City Clerk
Eric Arduini
815-622-1104

City Treasurer
Kay Abner
815-622-1100

BID NOTICE 2019 FORD F250 4X4 Regular Cab

Bid Opening Location – Office of the City Clerk
City of Rock Falls
603 West Tenth Street
Rock Falls, IL 61071

Bid Opening Date – May 29th 2018
Bid Opening Time – 10:00 AM

The City of Rock Falls Wastewater Department is currently seeking bids for a 2019 Ford F250 4x4 regular cab pick-up truck. Sealed bids, in duplicate, will be received in the office of the City Clerk at 603 West Tenth Street, Rock Falls, IL 61071 on the above subject items and as per the attached specifications. The bidding requirements specified below must be followed by the bidder to qualify for consideration.

- 1) Bids, in duplicate, in a sealed envelope, shall be plainly marked on the envelope as to the name of the bid, bid opening date and time, and the name of the bidder.
- 2) The proposal shall be signed by the proper authorized authority as specified.
- 3) Any submitted articles deviating from the specifications must have full descriptive data accompanying the proposal or it will not be considered for an award.
- 4) Bidder must comply with City's insurance requirements.
- 5) The City of Rock Falls will not accept price escalations during the course of this contract.
- 6) The City of Rock Falls reserves the right to reject any and all bids.
- 7) Any questions on the specifications, please contact:

Ed Cox
Rock Falls WWTP
(815) 622-1125

BID SPECIFICATIONS Ford F250 4x4 Regular Cab

Specifications:	
Color	✓ Oxford White (preference)
	✓ 6.2 liter gas engine
	✓ 6 speed automatic
	✓ Cruise control
	✓ Air conditioning
	✓ Trailer tow package/Trailer control brake
	✓ Snow Plow Package
	✓ Splash Guards
	✓ All Terrain Tires LT 245 BSW at 17
	✓ Shift on the fly for 4 wheel drive
	✓ Spray in bed liner
	✓ <u>Roof mounted safety caution light</u>
	✓ <u>Running boards</u>
Options:	

*Optional Bid:

List other equipment being provided:

*AM-FM Radio, Back-up camera, tilt & telescoping steering wheel
HD Vinyl bench seats and vinyl floor*

BID PRICE FOR 2019 Ford F250 4x4 Regular Cab

\$ 26,705.00

out the door!
Fees & plates
included.

BID PRICE FOR Alternate Vehicle

\$ _____

Days Delivery following notification

8-12 wks (or sooner)
Ford is scheduling production this week

Signature of Bidder

Randy Wullaughy

Title

Commercial Vehicle Representative

Name of Company

Prescott Brothers Auto Group

Address

614 13th Ave Mendota IL 61342

Date

5/22/2018 Telephone 815-539-9388 Facsimile 815-538-2800
ext. 4114

cell 815-252-0119



AQUA-AEROBIC SYSTEMS, INC.
A WaterWorx Company

AFTERMARKET PROPOSAL # 49144

TO: ROCK FALLS (CITY OF) IL
101 N. CLEARWATER DRIVE
ROCK FALLS
ILLINOIS 61071
USA

PROJECT: ROCK FALLS WWTP
ROCK FALLS
IL
USA-MUN
PROPOSAL DATE: May 3, 2018

ATN: EDWARD COX
CC:

If billing and/or shipping address is different, please advise.

Qty	Description	Unit Price	Total Price
	<p>We are pleased to quote, for acceptance within 60 days of this date, prices and terms on equipment and service listed below. Shipment of equipment will be completed 1 * week after receipt of purchase order with mutually acceptable terms and conditions, subject to credit approval.</p> <p>Field Service will be scheduled at the time of order placement. All proposed parts must be on site prior to the Field Service Specialist arrival.</p> <p>*Note: Availability is quoted on an in-stock basis and may vary at the time of order.</p>		
60	FILTER CLOTH SOCK-PILE OptiFiberPA2-13(r) nylon type Not recommended for chlorine use Part number 2609819	\$239.00	\$14,340.00
60	Center tube port sealing gasket (1) needed per frame Part number 2506752	\$1.65	\$99.00
	<p>OPTIONAL HARDWARE LISTED BELOW: You may want to consider purchasing a small amount of replacement hardware, to have on hand during cloth change out. Existing hardware can be reused. There is always the possibility the existing hardware, may get damaged during the cloth change out.</p>		
27	Flat washer 5/16, 316 stainless (9) needed per frame Part number 2600951	\$0.14	\$3.78
27	HHCS 5/16-18 X 1.5"LG 316SS Part number 2612413	\$0.86	\$23.22
3	Retainer bar - side (1) Needed per frame Part number 2519224	\$16.00	\$48.00
3	Retainer bar - notch (1) Needed per frame Part number 2506165	\$16.00	\$48.00

Proposal Date: May 3, 2018

Proposal # 49144



AQUA-AEROBIC
SYSTEMS, INC.
A Metawater Company

3	Retainer bar - tab (1) needed per frame Part number 2506166	\$16.00	\$48.00
1	Aqua-Aerobic Field Service Specialist to instruct cloth change out procedure. Time on site is included and all travel expences are included as well. Any additional parts and labor identified during the assessment visit are not included in this proposal.	\$3,820.00	\$3,320.00
Pricing Summary:			
Equipment and/or Accessories:			\$17,930.00
Freight:			\$185.00
Total Job Price:			\$18,115.00

Material and/or services not specifically listed in this proposal are not included in the quoted TOTAL JOB PRICE and are to be supplied by others.

Goods quoted above will be sold subject to the terms and conditions of sale set forth on the face hereof and the following pages entitled "Terms and Conditions of Aqua-Aerobic Systems, Inc. (A Metawater Company)": Any different or additional terms are hereby objected to.



TERMS AND CONDITIONS OF AQUA-AEROBIC SYSTEMS, INC.

Page 1 of 2

This offer and all of the goods and sales of Aqua-Aerobic Systems, Inc. are subject only to the following terms and conditions. The acceptance of any order resulting from this proposal is based on the express condition that the Buyer agrees to all the terms and conditions herein contained. Any terms and conditions in any order, which are in addition to or inconsistent with the following, shall not be binding upon Aqua-Aerobic Systems, Inc. This proposal and any contract resulting therefrom, shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to conflicts of laws principles.

PAYMENT

Unless specifically stated otherwise, quoted terms are Net 30 Days from shipping date. Past-due charges are 1.5% per month and will apply only on any past-due balance. Aqua-Aerobic Systems, Inc. does not allow retainage of any invoice amount, unless authorized in writing by an authorized representative of our Loves Park, Illinois office.

DURATION OF QUOTATION

This proposal of Aqua-Aerobic Systems, Inc. shall in no event be effective more than 30 days from date thereof, unless specifically stated otherwise, and is subject to change at any time prior to acceptance.

SHIPMENT

Shipping dates are not a guarantee of a particular day of shipment and are approximate, being based upon present production information, and are subject to change per the production schedules existing at time of receipt of purchase order. Aqua-Aerobic Systems, Inc. shall not be responsible for any delay in shipment for causes beyond its control including, but not limited to, war, riots, strikes, labor trouble causing interruption of work, fires, other casualties, transportation delays, modification of order, any act of governmental authorities or acts of God. Quoted shipment dates in this proposal are approximate dates goods will be shipped and, unless agreed to in writing by Aqua-Aerobic Systems, Inc., Buyer may not postpone or delay the dates of shipment of goods from our plant or from our supplier's plants beyond the dates set forth in this proposal.

TITLE AND RISK OF LOSS

All prices and all shipments of goods are F.O.B. Aqua-Aerobic Systems, Inc.'s plant at Loves Park, Illinois unless specifically stated otherwise. Delivery of the goods sold hereunder to the carrier shall be deemed delivery to the Buyer, and upon such delivery, title to such goods and risk of loss or damage shall be upon Buyer.

TAXES

Prices quoted do not include any taxes, customs duties, or import fees. Buyer shall pay any and all use, sales, privilege or other tax or customs duties or import fees levied by any governmental authority with respect to the sale or transportation of any goods covered hereby. If Aqua-Aerobic Systems, Inc. is required by any taxing authority to collect or to pay any such tax, duty or fee, the Buyer shall be separately billed at such time for the amounts Aqua-Aerobic Systems, Inc. is required to pay.

INSURANCE

Unless the goods are sold on a CIF basis, the Buyer shall provide marine insurance for all risks, including war and general coverage.

SECURITY

If at any time the financial responsibility of the Buyer becomes unsatisfactory to Aqua-Aerobic Systems, Inc., or Aqua-Aerobic Systems, Inc. otherwise deems itself insecure as to receipt of full payment of the purchase price from Buyer hereunder, Aqua-Aerobic Systems, Inc. reserves the right to require payment in advance or security or guarantee satisfactory to Aqua-Aerobic Systems, Inc. of payment in full of the purchase price.

LIMITATION OF ACTION

No action shall be brought against Aqua-Aerobic Systems, Inc. for any breach of its contract of sale more than two years after the accrual of the cause of action thereof, and, in no event, unless the Buyer shall first have given written notice to Aqua-Aerobic Systems, Inc., of any claim of breach of contract within 30 days after the discovery thereof.

CANCELLATION CLAUSE

No acceptance of this proposal, by purchase order or otherwise, may be modified except by written consent of Aqua-Aerobic Systems, Inc. nor may it be cancelled except by prior payment to Aqua-Aerobic Systems, Inc. the following sums as liquidated damages therefor: 1) If cancellation is prior to commencement of production and prior to the assumption of any obligations by Aqua-Aerobic Systems, Inc. for any materials or component parts, a sum equal to 15% of the total purchase price; 2) If cancellation is after the commencement of production or after the assumption of any obligations by Aqua-Aerobic Systems, Inc. for any materials or component parts, a sum equal to the total of the direct, out-of-pocket expenses incurred to the date of cancellation for labor, machine time, materials and any charges made to us by suppliers for cancellation, plus 30% of the total purchase price. All charges and expenses shall be as determined by Aqua-Aerobic Systems, Inc. In the event any items are used by Aqua-Aerobic Systems, Inc. to fill a subsequent order, then upon receipt of payment for such order, Aqua-Aerobic Systems, Inc. shall pay the Buyer a sum equal to the direct out-of-pocket expenses previously charged and received from Buyer.

PROPRIETARY INFORMATION

This proposal, including all descriptive data, drawings, material, information and know-how disclosed by Aqua-Aerobic Systems, Inc. to Buyer in relation hereto is confidential information intended solely for the confidential use of Buyer, shall remain the property of Aqua-Aerobic Systems, Inc. and shall not be disclosed or otherwise used to the disadvantage or detriment of Aqua-Aerobic Systems, Inc. in any manner.



TERMS AND CONDITIONS OF AQUA-AEROBIC SYSTEMS, INC.

Page 2 of 2

QUALIFIED ACCEPTANCE AND INDEMNITY

In the event the acceptance of this proposal by Buyer either is contingent upon or subject to the approval by any third party such as, but not limited to, a consulting engineer, with respect to goods, parts, materials, descriptive data, drawings, calculations, or any other matter, then upon such approval by any third party, Aqua-Aerobic Systems, Inc. shall have no liability to Buyer or to any third party so long as the goods sold and delivered by Aqua-Aerobic Systems, Inc. conform to this proposal. In the event any such third party requires modifications in the proposal prior to the approval thereof, Aqua-Aerobic Systems, Inc. may at its sole option and without liability to any party elect to cancel this proposal or return the purchase order to Buyer. In the event Aqua-Aerobic Systems, Inc. elects to modify this proposal to conform to the requirements for approval by any third party, Aqua-Aerobic Systems, Inc. in such event shall have no liability to Buyer or to any third party so long as the goods sold and delivered by Aqua-Aerobic Systems, Inc. conform to this proposal as modified.

Buyer agrees to indemnify and save harmless Aqua-Aerobic Systems, Inc. from and against all costs and expenses and liability of any kind whatsoever arising out of or in connection with claims by third parties so long as the goods sold hereunder conform to the requirements of this proposal as approved by any third party.

WARRANTY; LIMITATION OF LIABILITY; AND DISCLAIMER

In return for purchase and full payment for Aqua-Aerobic Systems, Inc. goods, we warrant new goods provided by us to be free from defects in materials and workmanship under normal conditions and use for a period of one year from the date the goods are put into service, or eighteen months from date of shipment (whichever first occurs). If the goods include an "Endura Series" motor, the complete Endura Series unit shall be warranted by Aqua to be free from defects in materials and workmanship under normal conditions and use for three years from the date the product is put into service or 42 months from the date of shipment (whichever occurs first).

OUR OBLIGATION UNDER THIS WARRANTY IS EXPRESSLY AND EXCLUSIVELY LIMITED to replacing or repairing (at our factory at Loves Park, Illinois) any part or parts returned to our factory with transportation charges prepaid, and which our examination shall show to have been defective. Prior to return of any goods or its parts to our factory, Buyer shall notify Aqua-Aerobic Systems, Inc. of claimed defect, and Aqua-Aerobic Systems, Inc. shall have the privilege of examining the goods at Buyer's place of business at or where the goods have otherwise been placed in service. In the event this examination discloses no defect, Buyer shall have no authority to return the goods or parts to our factory for the further examination or repair. All goods or parts shall be returned to Buyer, F.O.B. Loves Park, Illinois. This warranty shall not apply to any goods or part which has been repaired or altered outside our factory, or applied, operated or installed contrary to our instruction, or subjected to misuse, chemical attack/degradation, negligence or accident. This warranty and any warranty and guaranty of process or performance shall no longer be applicable or valid if any product, including any software program, supplied by Aqua-Aerobic Systems, Inc. is modified or altered without the written approval of Aqua-Aerobic Systems, Inc. Our warranty on accessories and component parts not manufactured by us is expressly limited to that of the manufacturer thereof.

THE FOREGOING WARRANTY IS MADE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND OF ALL OTHER LIABILITIES AND OBLIGATIONS ON OUR PART, INCLUDING ANY LIABILITY FOR NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE; AND ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS EXPRESSLY DISCLAIMED; AND WE EXPRESSLY DENY THE RIGHT OF ANY OTHER PERSON TO INCUR OR ASSUME FOR US ANY OTHER LIABILITY IN CONNECTION WITH THE SALE OF ANY GOODS PROVIDED BY US. THERE ARE NO WARRANTIES OR GUARANTEES OF PERFORMANCE UNLESS SPECIFICALLY STATED OTHERWISE.

UNDER NO CIRCUMSTANCES, INCLUDING ANY CLAIM OF NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, SHALL AQUA-AEROBIC SYSTEMS, INC. BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, COSTS OF CONNECTING, DISCONNECTING, OR ANY LOSS OR DAMAGE RESULTING FROM A DEFECT IN THE GOODS. LIMIT OF LIABILITY: AQUA-AEROBIC SYSTEMS, INC.'S TOTAL LIABILITY UNDER THE ABOVE WARRANTY IS LIMITED TO THE REPAIR OR REPLACEMENT OF ANY DEFECTIVE PART. THE REMEDIES SET FORTH HEREIN ARE EXCLUSIVE, AND OUR LIABILITY WITH RESPECT TO ANY CONTRACT OR SALE, OR ANYTHING DONE IN CONNECTION THEREWITH, WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, OR OTHERWISE, SHALL NOT, IN ANY CASE, EXCEED THE PRICE OF THE GOODS UPON WHICH SUCH LIABILITY IS BASED.

Final acceptance of this proposal must be given to Aqua-Aerobic Systems, Inc. at their office in Loves Park, Illinois. Please acknowledge acceptance by signing the proposal and returning it to Aqua-Aerobic Systems, Inc.

Accepted by:

Offer Respectfully Submitted,

By: _____

Date: _____

Sherry Pike, Customer Service Representative
Aqua-Aerobic Systems, Inc.



AQUA-AEROBIC SYSTEMS, INC.
A Water Company

AFTERMARKET PROPOSAL # 49275

TO: ROCK FALLS (CITY OF) IL
101 N. CLEARWATER DRIVE
ROCK FALLS
ILLINOIS 61071
USA

PROJECT: ROCK FALLS WWTP
ROCK FALLS
IL
USA-MUN
PROPOSAL DATE: May 16, 2018

ATN: EDWARD COX

CC:

If billing and/or shipping address is different, please advise.

Qty	Description	Unit Price	Total Price
<p>We are pleased to quote, for acceptance within 60 days of this date, prices and terms on equipment listed below. Shipment of equipment will be completed (1) week *after receipt of purchase order with mutually acceptable terms and conditions, subject to credit approval.</p> <p>*Note: Availability is quoted on an in-stock basis and may vary at the time of order.</p>			
120	FILTER CLOTH SOCK-PILE OptiFiberPA2-13(r) nylon type Not recommended for chlorine use Part number 2609819	\$239.00	\$28,680.00
120	Centertube port sealing gasket (1) needed per frame Part number 2506752	\$1.65	\$198.00
45	Flat washer 5/16, 316 stainless (9) needed per frame Part number 2600951	\$0.14	\$6.30
45	HHCS 5/16-18 X 1.5"LG 316SS Part number 2612413	\$0.86	\$38.70
5	Retainer bar - side (1) needed per frame New Part number 2519224 Replaces part number 2506164 New style side retainer bar use the same hardware as the notch and tab retainer bars	\$16.00	\$80.00
5	Retainer bar - notch (1) Needed per frame Part number 2506165	\$16.00	\$80.00
5	Retainer bar - tab (1) needed per frame Part number 2506166	\$16.00	\$80.00

Notes:

1. Freight to jobsite is included, FOB Loves Park, Illinois as included in the Pricing Summary, below.

Proposal Date: May 15, 2018

Proposal # 49275



AQUA-AEROBIC
SYSTEMS, INC.
A Metawater Company

-
2. Startup supervision is not included.
 3. Payable net 30 days from date of shipment subject to credit review, no retainage allowed.
 4. State and/or local taxes will be charged unless we receive a valid resale/exemption certificate.

Pricing Summary:

Equipment and/or Accessories:	\$29,163.00
Freight:	\$227.00
<hr/>	
Total Job Price:	\$29,390.00

Material and/or services not specifically listed in this proposal are not included in the quoted TOTAL JOB PRICE and are to be supplied by others.

Goods quoted above will be sold subject to the terms and conditions of sale set forth on the face hereof and the following pages entitled "Terms and Conditions of Aqua-Aerobic Systems, Inc. (A Metawater Company)": Any different or additional terms are hereby objected to.

TERMS AND CONDITIONS OF AQUA-AEROBIC SYSTEMS, INC.

Page 1 of 2

This offer and all of the goods and sales of Aqua-Aerobic Systems, Inc. are subject only to the following terms and conditions. The acceptance of any order resulting from this proposal is based on the express condition that the Buyer agrees to all the terms and conditions herein contained. Any terms and conditions in any order, which are in addition to or inconsistent with the following, shall not be binding upon Aqua-Aerobic Systems, Inc. This proposal and any contract resulting therefrom, shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to conflicts of laws principles.

PAYMENT

Unless specifically stated otherwise, quoted terms are Net 30 Days from shipping date. Past-due charges are 1.5% per month and will apply only on any past-due balance. Aqua-Aerobic Systems, Inc. does not allow retainage of any invoice amount, unless authorized in writing by an authorized representative of our Loves Park, Illinois office.

DURATION OF QUOTATION

This proposal of Aqua-Aerobic Systems, Inc. shall in no event be effective more than 30 days from date thereof, unless specifically stated otherwise, and is subject to change at any time prior to acceptance.

SHIPMENT

Shipping dates are not a guarantee of a particular day of shipment and are approximate, being based upon present production information, and are subject to change per the production schedules existing at time of receipt of purchase order. Aqua-Aerobic Systems, Inc. shall not be responsible for any delay in shipment for causes beyond its control including, but not limited to, war, riots, strikes, labor trouble causing interruption of work, fires, other casualties, transportation delays, modification of order, any act of governmental authorities or acts of God. Quoted shipment dates in this proposal are approximate dates goods will be shipped and, unless agreed to in writing by Aqua-Aerobic Systems, Inc., Buyer may not postpone or delay the dates of shipment of goods from our plant or from our supplier's plants beyond the dates set forth in this proposal.

TITLE AND RISK OF LOSS

All prices and all shipments of goods are F.O.B. Aqua-Aerobic Systems, Inc.'s plant at Loves Park, Illinois unless specifically stated otherwise. Delivery of the goods sold hereunder to the carrier shall be deemed delivery to the Buyer, and upon such delivery, title to such goods and risk of loss or damage shall be upon Buyer.

TAXES

Prices quoted do not include any taxes, customs duties, or import fees. Buyer shall pay any and all use, sales, privilege or other tax or customs duties or import fees levied by any governmental authority with respect to the sale or transportation of any goods covered hereby. If Aqua-Aerobic Systems, Inc. is required by any taxing authority to collect or to pay any such tax, duty or fee, the Buyer shall be separately billed at such time for the amounts Aqua-Aerobic Systems, Inc. is required to pay.

INSURANCE

Unless the goods are sold on a CIF basis, the Buyer shall provide marine insurance for all risks, including war and general coverage.

SECURITY

If at any time the financial responsibility of the Buyer becomes unsatisfactory to Aqua-Aerobic Systems, Inc., or Aqua-Aerobic Systems, Inc. otherwise deems itself insecure as to receipt of full payment of the purchase price from Buyer hereunder, Aqua-Aerobic Systems, Inc. reserves the right to require payment in advance or security or guarantee satisfactory to Aqua-Aerobic Systems, Inc. of payment in full of the purchase price.

LIMITATION OF ACTION

No action shall be brought against Aqua-Aerobic Systems, Inc. for any breach of its contract of sale more than two years after the accrual of the cause of action thereof, and, in no event, unless the Buyer shall first have given written notice to Aqua-Aerobic Systems, Inc., of any claim of breach of contract within 30 days after the discovery thereof.

CANCELLATION CLAUSE

No acceptance of this proposal, by purchase order or otherwise, may be modified except by written consent of Aqua-Aerobic Systems, Inc. nor may it be cancelled except by prior payment to Aqua-Aerobic Systems, Inc. the following sums as liquidated damages therefor: 1) If cancellation is prior to commencement of production and prior to the assumption of any obligations by Aqua-Aerobic Systems, Inc. for any materials or component parts, a sum equal to 15% of the total purchase price; 2) If cancellation is after the commencement of production or after the assumption of any obligations by Aqua-Aerobic Systems, Inc. for any materials or component parts, a sum equal to the total of the direct, out-of-pocket expenses incurred to the date of cancellation for labor, machine time, materials and any charges made to us by suppliers for cancellation, plus 30% of the total purchase price. All charges and expenses shall be as determined by Aqua-Aerobic Systems, Inc. In the event any items are used by Aqua-Aerobic Systems, Inc. to fill a subsequent order, then upon receipt of payment for such order, Aqua-Aerobic Systems, Inc. shall pay the Buyer a sum equal to the direct out-of-pocket expenses previously charged and received from Buyer.

PROPRIETARY INFORMATION

This proposal, including all descriptive data, drawings, material, information and know-how disclosed by Aqua-Aerobic Systems, Inc. to Buyer in relation hereto is confidential information intended solely for the confidential use of Buyer, shall remain the property of Aqua-Aerobic Systems, Inc. and shall not be disclosed or otherwise used to the disadvantage or detriment of Aqua-Aerobic Systems, Inc. in any manner.



TERMS AND CONDITIONS OF AQUA-AEROBIC SYSTEMS, INC.

Page 2 of 2

QUALIFIED ACCEPTANCE AND INDEMNITY

In the event the acceptance of this proposal by Buyer either is contingent upon or subject to the approval by any third party such as, but not limited to, a consulting engineer, with respect to goods, parts, materials, descriptive data, drawings, calculations, or any other matter, then upon such approval by any third party, Aqua-Aerobic Systems, Inc. shall have no liability to Buyer or to any third party so long as the goods sold and delivered by Aqua-Aerobic Systems, Inc. conform to this proposal. In the event any such third party requires modifications in the proposal prior to the approval thereof, Aqua-Aerobic Systems, Inc. may at its sole option and without liability to any party elect to cancel this proposal or return the purchase order to Buyer. In the event Aqua-Aerobic Systems, Inc. elects to modify this proposal to conform to the requirements for approval by any third party, Aqua-Aerobic Systems, Inc. in such event shall have no liability to Buyer or to any third party so long as the goods sold and delivered by Aqua-Aerobic Systems, Inc. conform to this proposal as modified.

Buyer agrees to indemnify and save harmless Aqua-Aerobic Systems, Inc. from and against all costs and expenses and liability of any kind whatsoever arising out of or in connection with claims by third parties so long as the goods sold hereunder conform to the requirements of this proposal as approved by any third party.

WARRANTY; LIMITATION OF LIABILITY; AND DISCLAIMER

In return for purchase and full payment for Aqua-Aerobic Systems, Inc. goods, we warrant new goods provided by us to be free from defects in materials and workmanship under normal conditions and use for a period of one year from the date the goods are put into service, or eighteen months from date of shipment (whichever first occurs). If the goods include an "Endura Series" motor, the complete Endura Series unit shall be warranted by Aqua to be free from defects in materials and workmanship under normal conditions and use for three years from the date the product is put into service or 42 months from the date of shipment (whichever occurs first).

OUR OBLIGATION UNDER THIS WARRANTY IS EXPRESSLY AND EXCLUSIVELY LIMITED to replacing or repairing (at our factory at Loves Park, Illinois) any part or parts returned to our factory with transportation charges prepaid, and which our examination shall show to have been defective. Prior to return of any goods or its parts to our factory, Buyer shall notify Aqua-Aerobic Systems, Inc. of claimed defect, and Aqua-Aerobic Systems, Inc. shall have the privilege of examining the goods at Buyer's place of business at or where the goods have otherwise been placed in service. In the event this examination discloses no defect, Buyer shall have no authority to return the goods or parts to our factory for the further examination or repair. All goods or parts shall be returned to Buyer, F.O.B. Loves Park, Illinois. This warranty shall not apply to any goods or part which has been repaired or altered outside our factory, or applied, operated or installed contrary to our instruction, or subjected to misuse, chemical attack/degradation, negligence or accident. This warranty and any warranty and guaranty of process or performance shall no longer be applicable or valid if any product, including any software program, supplied by Aqua-Aerobic Systems, Inc., is modified or altered without the written approval of Aqua-Aerobic Systems, Inc. Our warranty on accessories and component parts not manufactured by us is expressly limited to that of the manufacturer thereof.

THE FOREGOING WARRANTY IS MADE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND OF ALL OTHER LIABILITIES AND OBLIGATIONS ON OUR PART, INCLUDING ANY LIABILITY FOR NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE; AND ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS EXPRESSLY DISCLAIMED; AND WE EXPRESSLY DENY THE RIGHT OF ANY OTHER PERSON TO INCUR OR ASSUME FOR US ANY OTHER LIABILITY IN CONNECTION WITH THE SALE OF ANY GOODS PROVIDED BY US. THERE ARE NO WARRANTIES OR GUARANTEES OF PERFORMANCE UNLESS SPECIFICALLY STATED OTHERWISE.

UNDER NO CIRCUMSTANCES, INCLUDING ANY CLAIM OF NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, SHALL AQUA-AEROBIC SYSTEMS, INC. BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, COSTS OF CONNECTING, DISCONNECTING, OR ANY LOSS OR DAMAGE RESULTING FROM A DEFECT IN THE GOODS. LIMIT OF LIABILITY; AQUA-AEROBIC SYSTEMS, INC.'S TOTAL LIABILITY UNDER THE ABOVE WARRANTY IS LIMITED TO THE REPAIR OR REPLACEMENT OF ANY DEFECTIVE PART. THE REMEDIES SET FORTH HEREIN ARE EXCLUSIVE, AND OUR LIABILITY WITH RESPECT TO ANY CONTRACT OR SALE, OR ANYTHING DONE IN CONNECTION THEREWITH, WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, OR OTHERWISE, SHALL NOT, IN ANY CASE, EXCEED THE PRICE OF THE GOODS UPON WHICH SUCH LIABILITY IS BASED.

Final acceptance of this proposal must be given to Aqua-Aerobic Systems, Inc. at their office in Loves Park, Illinois. Please acknowledge acceptance by signing the proposal and returning it to Aqua-Aerobic Systems, Inc.

Accepted by:

Offer Respectfully Submitted,

Sherry Pike, Customer Service Representative
Aqua-Aerobic Systems, Inc.

By: _____ Date: _____

Rock Falls Utilities Infrastructure Project Request Form

Please fill in as much information as possible and email along with any relevant supporting documentation.
Please submit a map delineating the area of the project if applicable.

Request Date: 5/1/2018

Department: Sewer Dept.

Project Name: CIP Lining 24 inch concrete line and manholes

Date for project to be started and completed: Summer of 2018

Project Cost Estimation or Quote: 639,000 dollars

Project Requirements: Request for Proposal Formal Bidding Sole Source Request to Waive Bid

Project Funding Source: Low interest IEPA loan

Was the project included in the budget: Yes No

Type of Project: CIP lining of 24 inch sewer main and manholes
(Water main, sewer line, hydro, electric substation repair, etc.)

Project Description: CIP liner to be installed in 24 inch concrete sanitary sewer main and all attached manholes on W. 1st to Leroy to the High School and 8th Ave from W. 5th to Leroy.

Capital line item 30 30 1509

Is engineering required? Yes No If required, is it included in the cost? Yes No

Date approved by Utility Committee: _____

Date approved by Council (if applicable) _____

Capital Project

Survalent.



Quotation:

**Rock Falls Electric Department
Gold Support Renewal 2018-06**

Quotation No. M18_3_62161 [Rev1]

May 1, 2018

Survalent.

Survalent Technology Inc.
 1967 Wehrle Drive, Suite 1, PMB 122
 Buffalo, New York • USA 14221
 T +1-905-826-5000 • F +1-905-826-7144
 survalent.com

Item	Qty	Description	Price (USD)
Survalent Professional Services			
001	1	Gold SCADA Support Plan [1 Year] Support Period: 24-Jun-2018 through 23-Jun-2019 The Gold SCADA Support Plan provides the following: a) Access to the latest software releases of the delivered SurvalentONE software components, effectively providing an extended warranty on these software components and providing access to the latest product features. b) Access to the Survalent Support Portal which includes the ability to create and track support cases, and provides access to software downloads, product documentation, knowledge base articles, live chat, and support forums. c) 24x7 access to priority, telephone emergency support from the Survalent Support Team. Cases will be treated on a first-come, first serve basis. d) Two (2) Global User Conference passes. e) 25 hours (not more than 8 hours per day) of Remote Support Services. All services will be performed by Survalent staff from Survalent offices. Any hours not used during the support period will expire.	\$15,855
Total Survalent Professional Services			\$15,855
Optional Survalent Professional Services			

Survalent.

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 1967 Wehrle Drive, Suite 1, PMB 122
 Buffalo, New York • USA 14221
 T +1-905-826-5000 • F +1-905-826-7144
 survalent.com

Item	Qty	Description	Price (USD)
002	1	<p>Platinum SCADA Support Plan [1 Year] The Platinum SCADA Support Plan provides the following:</p> <p>a) Access to the latest software releases of the delivered SurvalentONE software components, effectively providing an extended warranty on all software components and providing access to the latest product features.</p> <p>b) Access to the Survalent Support Portal which includes the ability to create and track support cases, and provides access to software downloads, product documentation, knowledge base articles, live chat, and support forums.</p> <p>c) 24x7 access to priority, telephone emergency support from the Survalent Support Team. Cases will be treated on a first-come, first serve basis.</p> <p>d) Three (3) Global User Conference passes.</p> <p>e) 25 hours (not more than 8 hours per day) of Remote Support Services. All services will be performed by Survalent staff from Survalent offices. Any hours not used during the support period will expire.</p> <p>f) Access to a Survalent System Engineer on-site to provide technical assistance with software updates, assess system health and performance, perform system tuning, and any other technical assistance desired. Duration is 2 days for single and dual redundant configurations, 3 days for tri-redundant configurations, and 5 days for quad-redundant configurations. Must be used during the support period.</p>	\$26,040

End User: Rock Falls Electric Department

Shipping Terms: EXW Ontario, Canada

Shipment approximately 1 To 2 weeks from receipt of purchase order. Please send purchase order to stcorder@survalent.com

This quotation is valid for 60 days from the date of issue and is based on Survalent Standard Terms and Conditions of Sale.

Note 1: Prices do not include applicable state, provincial, or federal taxes.

Note 2: Maintenance price is based on Dual Server configuration.

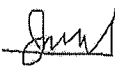
Survalent.

Survalent Technology Inc.
1967 Wehrle Drive, Suite 1, PMB 122
Buffalo, New York • USA 14221
T +1-905-826-5000 • F +1-905-826-7144
survalent.com

Item	Qty	Description	Price (USD)
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Note 3: Please ensure the end user client name is identified on the purchase order; purchase orders may be rejected if this information is missing.

This quotation is not valid unless signed by an authorized representative of Survalent Technology Inc.

Prepared By:  Digitally signed by Juan
DN: cn=Juan, o=Survalent, ou,
email=jmunoz@survalent.com,
c=CA
Date: 2018.05.02 15:38:43 -04'00'

Juan Munoz, Inside Sales

Approved By: 

Joe De Filippis, Manager Project Delivery & Inside Sales

Survalent Software Maintenance Program at a Glance

Features	Silver	Gold	Platinum
Annual software upgrades	■	■	■
Software updates	■	■	■
Online manuals	■	■	■
Community support forums	■	■	■
Knowledge resource access	■	■	■
Unlimited technical support during 8am-5pm local time*	■	■	■
Unlimited 24x7 priority technical support	■	■	■
Call response priority	■	■	■
Free admission to Survalent Global User Conference	■ (1)	■ (2)	■ (3)
25 hours of remote support services		■	■
Annual on-site health check visit			■

Rock Falls Utilities Infrastructure Project Request Form

Please fill in as much information as possible and email along with any relevant supporting documentation.
Please submit a map delineating the area of the project if applicable.

Request Date: May 3, 2018

Department: Water

Project Name: 2103 and 2109 Industrail Park water service from 1.5" to 2"

Date for project to be started and completed: July August time Frame

Project Cost Estimation or Quote: ~~\$5,000~~ \$12,000

Project Requirements: Request for Proposal Formal Bidding Sole Source Request to Waive Bid

Project Funding Source: Capital Improvement

Was the project included in the budget: Yes No

Type of Project: Bore in 2" water service line from E 18th to Bright Trailer sales
(watermain, sewer line, hydro, electric substation repair, broadband OSP etc.)

Project Description: Water Department will hire Kirby to install 2" plastic service line. Kirby will locate all utilities in area of project. City will excavate and connect to watermain and existng service. City will back fill and make plans for all restoration

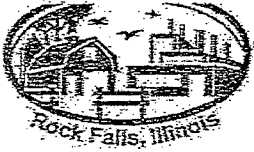
Is engineering required? Yes No

If required, is it included in the cost? Yes No

Date approved by Utility Committee: 5-21-18

Date approved by Council (if applicable) _____

Capital Project



Request for Quotation (Services)

TO: Kirby
Company Name

ATTENTION: _____

QUOTE DEADLINE: May 21, 2018

Location of Work: 2103 and 2109 Industrial Park Road New 2" service line

Description and Scope of Work: Contractor will install New 2" plastic copper tube size pipe. City will provide materials. Kirby will expose all utilities and install materials. City will connect to existing main and service line. City will complete all restoration
Approx Length: 600 feet

Total Cost for Project \$ 7650.⁰⁰

Quote Valid for 90 Days

Payment Terms: 30 days

SIGNATURE OF COMPANY REP: Vincent A. Don DATE: 5/1/18

Please fax or email quote to: tpadilla@rockfalls61071.com

Attention: Ted Padilla

"Signature of this quote acknowledges that all rules and requirements of the Illinois Department of Labor Prevailing Wage Act must be followed"

ADDENDUM TO PROPOSAL AND AGREEMENT

Contractor - Kirby Cable Services Inc
Owner - City of Rock Falls, Illinois

This addendum supplements and is incorporated into the terms and provisions of the agreement between the Contractor and Owner for IPR services Rock Falls, Whiteside County, Illinois.

Contractor agrees that not less than the prevailing rate of wages, as found by the Department of Labor of the State of Illinois, shall be paid to all laborers, workers and mechanics performing work under the contract, and Contractor agrees that all subcontracts and lower tiered subcontracts shall contain a written stipulation that not less than the prevailing rate of wages shall be paid to all laborers, workers and mechanics performing work under such subcontract or lower tiered subcontract, all as determined by the Department of Labor of the State of Illinois. The prevailing rate of wages are revised by the Illinois Department of Labor, and are available on the Department's official website.

Contractor also agrees that it shall:

1. Make and keep for a period of not less than three (3) years, records of all laborers, mechanics and other workers employed on the project, including each worker's name, address, telephone number when available, social security number, classification or classifications, hourly wages paid in each pay period, number of hours worked each day, and the starting and ending times of work each day; and
2. Submit monthly, in person, by mail or electronically, a certified payroll to the Owner, consisting of a complete copy of the records identified in subparagraph 1 hereof, except that the record may exclude the starting and ending times of work each day, and also that the certified payroll shall be accompanied by a statement signed by the Contractor or subcontractor that certifies that such records are true and accurate, that the hourly rate paid to each worker is not less than the general prevailing rate of wage required by the Illinois Prevailing Wage Act, and that the Contractor or subcontractor is aware that filing a certified payroll which he knows to be false is a Class B misdemeanor.

At the time of request for each progress payment, Contractor shall deliver to Owner a contractor's affidavit listing all suppliers of labor and material; the work performed by each, the amounts paid to each to date, the amount due for work performed to date and a waiver of lien for any payments made to any such supplier signed by such supplier.

Contractor:
Kirby Cable Services, Inc.

Owner:
City of Rock Falls, Illinois

By: Vincent A. Dan 5/7/18

By: _____
Mayor

Rock Falls Utilities Infrastructure Project Request Form

Please fill in as much information as possible and email along with any relevant supporting documentation. Please submit a map delineating the area of the project if applicable.

Request Date: May 3, 2018

Department: Water

Project Name: Industrail Overly upsize water service from 1.5" to 2"

Date for project to be started and completed: July August time Frame

Project Cost Estimation or Quote: \$12,000

Project Requirements: Request for Proposal Formal Bidding Sole Source Request to Waive Bid

Project Funding Source: Capital Improvement

Was the project included in the budget: Yes No

Type of Project: Bore In 2" water service line from Industrail Overlay North to existing 12" main Antec R
(watermain, sewer line, hydro, electric substation repair, broadband OSP etc.)

Project Description: Water Department will hire Kirby to install 2" plastic service line. Kirby will locate all utilities in area of project. City will excavate and connect to watermain and exisitng service. City will back fill and make plans for all restoration

Is engineering required? Yes No

If required, is it included in the cost? Yes No

Date approved by Utility Committee: 5-21-18

Date approved by Council (if applicable) _____

Capital Project



Request for Quotation (Services)

TO: Kirby
Company Name

ATTENTION: _____

QUOTE DEADLINE: May 21, 2018

Location of Work: Industrial Overly New 2" service line

Description and Scope of Work: Industrial Overly New 2" plastic copper tube size pipe. City will provide materials. Kirby will expose all utilities and install materials. City will connect to existing main and service line. City will complete all restoration.

Approx Length: 600 feet

Total Cost for Project \$ 7650.⁰⁰

Quote Valid for 90 Days

Payment Terms: 30 days

SIGNATURE OF COMPANY REP: Vincent A. D. DATE: 5/7/18

Please fax or email quote to: tpadilla@rockfalls61071.com

Attention: Ted Padilla

"Signature of this quote acknowledges that all rules and requirements of the Illinois Department of Labor Prevailing Wage Act must be followed"

ADDENDUM TO PROPOSAL AND AGREEMENT

Contractor-- Kirby Cable Services Inc.
Owner-- City of Rock Falls, Illinois

This addendum supplements and is incorporated into the terms and provisions of the agreement between the Contractor and Owner for IO 1.5 to Rock Falls, Whiteside County, Illinois.

Contractor agrees that not less than the prevailing rate of wages, as found by the Department of Labor of the State of Illinois, shall be paid to all laborers, workers and mechanics performing work under the contract, and Contractor agrees that all subcontracts and lower tiered subcontracts shall contain a written stipulation that not less than the prevailing rate of wages shall be paid to all laborers, workers and mechanics performing work under such subcontract or lower tiered subcontract, all as determined by the Department of Labor of the State of Illinois. The prevailing rate of wages are revised by the Illinois Department of Labor, and are available on the Department's official website.

Contractor also agrees that it shall:

1. Make and keep for a period of not less than three (3) years, records of all laborers, mechanics and other workers employed on the project, including each worker's name, address, telephone number when available, social security number, classification or classifications, hourly wages paid in each pay period, number of hours worked each day, and the starting and ending times of work each day; and
2. Submit monthly, in person, by mail or electronically, a certified payroll to the Owner, consisting of a complete copy of the records identified in subparagraph 1 hereof, except that the record may exclude the starting and ending times of work each day, and also that the certified payroll shall be accompanied by a statement signed by the Contractor or subcontractor that certifies that such records are true and accurate, that the hourly rate paid to each worker is not less than the general prevailing rate of wage required by the Illinois Prevailing Wage Act, and that the Contractor or subcontractor is aware that filing a certified payroll which he knows to be false is a Class B misdemeanor.

At the time of request for each progress payment, Contractor shall deliver to Owner a contractor's affidavit listing all suppliers of labor and material, the work performed by each, the amounts paid to each to date, the amount due for work performed to date and a waiver of lien for any payments made to any such supplier signed by such supplier.

Contractor:
Kirby Cable Service Inc.

Owner:
City of Rock Falls, Illinois

By: Vincent A. Q. 5/2/18

By: _____
Mayor



Request for Quotation (Services)

TO: Westech
Company Name

ATTENTION: Jeff Joslin

QUOTE DEADLINE: Emergency Repair

Location of Work: Water Plant

Description and Scope of Work: Contractor will make repairs to 14' x 11' x 2' floor that is cracked and leaking on bottom area. Material is Aluminum Per attach'd quote.

Total Cost for Project \$16,193.00

Quote Valid for 90 Days

Payment Terms: NET 30

SIGNATURE OF COMPANY REP: Jeff Joslin FOR WESTECH

DATE: 5/15/18

Please fax or email quote to: tpadilla@rockfalls61071.com

Attention: Ted Padilla

"Signature of this quote acknowledges that all rules and requirements of the Illinois Department of Labor Prevailing Wage Act must be followed"

WESTECH QUOTATION

WESTECH®	600 ARRASMITH TRAIL AMES, IA 50010	Phone: 515-268-8400 Fax: 515-268-8500	Quotation No. Q26421-130361
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Thank you for the opportunity to quote you with your equipment needs.
Please review the following and contact us to place an order or ask any question.

Date: 6/14/2018	Proj Manager: JEFFREY A JOSLIN	Ship Via: BEST WAY
RFQ No.:	Prime Job No: GFN92-076	Freight: FOB SHIPPING POINT, FREIGHT PREPAID & ADDED
Quoted by: JEFFREY A JOSLIN	Prime Name: ROCK FALLS, IL	
Phone: 515-268-8435 or 515-268-8400	Equipment: AERATOR	Lead Time: 6WKS
Email: JJOSLIN@WESTECH-INC.COM	Tax Exemption No.: IL-SALES TAX EXEMPTION ON FILE	Quote Valid: 15 days
For Group: 15	Payment Terms: NET 30 DAYS	

Bill To: CITY OF ROCK FALLS ATTN: ACCOUNTS PAYABLE 603 W. 10TH STREET ROC004 ROCK FALLS, IL 61071 UNITED STATES OF AMERICA	Ship To:	CITY OF ROCK FALLS 2109 9TH STREET ROCK FALLS, IL 61071 37925 UNITED STATES OF AMERICA
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Tel/Fax: 815-622-1100

Doc	No.	Part/Dwg Number	Description	Qty	Units	Unit Price	Net Price
51529	10		SERVICE TO REPAIR LEAKING AERATION FLOOR. SERVICE FOR ONE MAN, ONE TRIP AND UP TO FOUR DAYS ON SITE.	1	LOT	16,193.00	16,193.00
52391	20		ALUMINUM PLATE 1/4" THINK TYPE 3003 TO COVER COMPLETE FLOOR. ALUMINUM ANGLE FOR PERIMETER AND INTERMEDIATE SUPPORTS.	1	LOT		
51529	ST&C		SERVICE TERMS AND CONDITIONS:				
51529			(1) YOUR PURCHASE ORDER MUST BE RECEIVED AT WESTECH AT LEAST 7-14 DAYS PRIOR TO THE FIRST DAY ON SITE. IF NOT, ADDITIONAL FEES MAY BE APPLIED.				
51529			(2) FIELD SERVICE RATE INCLUDES LABOR, TRAVEL AND LIVING EXPENSES.				
51529			(3) ONE (1) ON-SITE SHIFT IS BASED ON UP TO 8 HOURS PER DAY. OVERTIME RATE IS \$180.00 PER HOUR.				
51529			(4) IF TRAVEL OR ON-SITE TIME IS OVER A WEEKEND OR HOLIDAY, AN ADDITIONAL \$480 PER DAY WILL BE CHARGED.				
51529			(5) ADDITIONAL DAILY RATE IS \$1,235 PER DAY. ADDITIONAL DAILY RATE INCLUDES LABOR AND LIVING EXPENSES.				
51529			(6) INVOICE SHALL BE SUBMITTED TO CUSTOMER ONCE SERVICE IS COMPLETED.				

No sales, GST, PST, use, or other taxes have been included in our pricing. No discounts accepted.	Quoted in US Dollars	Grand Total	16,193.00
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-Please see the attached General Terms and Conditions. All purchase orders for Aftermarket parts need to be in US dollars.

-Minimum Order amount is US\$250. A small order fee of US\$25 will be applied to orders between US\$100 and US\$250. All orders must be at least US\$100.

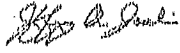
-All information provided with and including this proposal is considered proprietary and is not for distribution without express written consent of Westech Engineering, Inc.

-Westech accepts Credit Card payments up to \$10,000. This is to include freight and taxes. Any order over this amount will be invoiced at terms. A processing fee of up to 4 percent on Credit Cards will be added where allowed by law.

This Quotation is subject to all specifications above as well as all attachments included with this document.

Thank you again for your quote request!

Best Regards,

A handwritten signature in black ink, appearing to be "JJOSLIN".

QF-00-005

Printed By JJOSLIN

Printed 5/14/2018 1:19 PM

2/24/06

Terms of Sales

Order No: Q26421-130361

Terms and Conditions appearing in any order based on this proposal which are inconsistent herewith shall not be binding on WesTech Engineering Inc. The sale and purchase of equipment described herein shall be governed exclusively by the foregoing proposal and the following provisions:

1. **SPECIFICATIONS:** WesTech Engineering Inc. is furnishing its standard equipment as outlined in the proposal and as will be covered by final approved drawings. The equipment may not be in strict compliance with the Engineer's/Owner's plans, specifications, or addenda as there may be deviations. The equipment will, however, meet the general intention of the mechanical specifications of these documents.
2. **ITEMS INCLUDED:** This proposal includes only the equipment specified herein and does not include erection, installation, accessories, nor associated materials such as controls, piping, etc., unless specifically listed.
3. **PARTIES TO CONTRACT:** WesTech Engineering Inc. is not a party to or bound by the terms of any contract between WesTech Engineering Inc.'s customer and any other party. WesTech Engineering Inc.'s undertakings are limited to those defined in the contract between WesTech Engineering Inc. and its direct customers.
4. **PRICE AND DELIVERY:** All selling prices quoted are subject to change without notice after 30 days from the date of this proposal unless specified otherwise. Unless otherwise stated, all prices are F.O.B. WesTech Engineering Inc. or its supplier's shipping points. All claims for damage, delay or shortage arising from such equipment shall be made by Purchaser directly against the carrier. When shipments are quoted F.O.B. Job site or other designation, Purchaser shall inspect the equipment shipped, notifying WesTech Engineering Inc. of any damage or shortage within forty-eight hours of receipt, and failure to so notify WesTech Engineering Inc. shall constitute acceptance by Purchaser, relieving WesTech Engineering Inc. of any liability for shipping damages or shortages.
5. **PAYMENTS:** All invoices are net 30 days. Delinquencies are subject to a 1.5 percent service charge per month or the maximum permitted by law, whichever is less on all past due accounts. Pro rata payments are due as shipments are made. If shipments are delayed by the Purchaser, invoices shall be sent on the date when WesTech Engineering Inc. is prepared to make shipment and payment shall become due under standard invoicing terms. If the work to be performed hereunder is delayed by the Purchaser, payments shall be based on the purchase price and percentage of completion. Products held for the Purchaser shall be at the risk and expense of the Purchaser. Unless specifically stated otherwise, prices quoted are for equipment only. These terms are independent of and not contingent upon the time and manner in which the Purchaser receives payment from the owner.
6. **PAYMENT TERMS:** Credit is subject to acceptance by WesTech Engineering Inc.'s Credit Department. If the financial condition of the Purchaser at any time is such as to give WesTech Engineering Inc., in its judgment, doubt concerning the Purchaser's ability to pay, WesTech Engineering Inc. may require full or partial payment in advance or may suspend any further deliveries or continuance of the work to be performed by the WesTech Engineering Inc. until such payment has been received.
7. **ESCALATION:** If shipment is, for any reason, deferred by the Purchaser beyond the normal shipment date, or if material price increases are greater than 5% from proposal date to material procurement date, stated prices set forth herein are subject to escalation. The escalation shall be based upon increases in labor and material and other costs to WesTech Engineering Inc. that occur in the time period between quotation and shipment by WesTech Engineering Inc. Purchaser agrees to this potential escalation regardless of contradicting terms in the contract, except when an agreed upon escalation adder is included in the price.
 - a) The total quoted revised price is based upon changes in the indices published by the United States Department of Labor, Bureau of Labor Statistics. Labor will be related to the Average Hourly Earnings indices found in the Employment and Earnings publication. Material will be related to the Metal and Metal Products Indices published in Wholesale Prices and Prices Indices.
 - b) Price revision for items furnished to, and not manufactured by WesTech Engineering Inc., which exceed the above escalation calculation, will be passed along by WesTech Engineering Inc. to Purchaser based upon the actual increase in price to WesTech Engineering Inc. for the period from the date of quotation to the date of

shipment by WesTech Engineering Inc. Any item that is so revised will be excluded from the index escalation calculations set forth in subparagraph (a) above.

8. **APPROVAL:** If approval of equipment submittals by Purchaser or others is required, a condition precedent to WesTech Engineering Inc. supplying any equipment shall be such complete approval.
9. **INSTALLATION SUPERVISION:** Prices quoted for equipment do not include installation supervision. WesTech Engineering Inc. recommends and will, upon request, make available, at WesTech Engineering Inc.'s then current rate, an experienced installation supervisor to act as the Purchaser's employee and agent to supervise installation of the equipment; Purchaser shall at its sole expense furnish all necessary labor equipment, and materials needed for installation.

Responsibility for proper operation of equipment, if not installed by WesTech Engineering Inc. or installed in accordance with WesTech Engineering Inc.'s instructions, and inspected and accepted in writing by WesTech Engineering Inc., rests entirely with Purchaser; and any work performed by WesTech Engineering Inc. personnel in making adjustment or changes must be paid for at WesTech Engineering Inc.'s then current per diem rates plus living and traveling expenses.

WesTech Engineering Inc. will supply the safety devices described in this proposal or shown in WesTech Engineering Inc.'s drawings furnished as part of this order but excepting these, WesTech Engineering Inc. shall not be required to supply or install any safety devices whether required by law or otherwise. The Purchaser hereby agrees to indemnify and hold harmless WesTech Engineering Inc. from any claims or losses arising due to alleged or actual insufficiency or inadequacy of the safety devices offered or supplied hereunder, whether specified by WesTech Engineering Inc. or Purchaser, and from any damage resulting from the use of the equipment supplied hereunder.
10. **ACCEPTANCE OF PRODUCTS:** Products will be deemed accepted without any claim by Purchaser unless written notice of non-acceptance is received by WesTech Engineering Inc. within 30 days of delivery if shipped F.O.B. point of shipment, or 48 hours of delivery if shipped F.O.B. point of destination. Such written notice shall not be considered received by WesTech Engineering Inc. unless it is accompanied by all freight bills for said shipment, with Purchaser's notations as to damages, shortages and conditions of equipment, containers, and seals. Non-accepted products are subject to the return policy stated below.
11. **TAXES:** Any federal, state, or local sales, use or other taxes applicable to this transaction, unless specifically included in the price, shall be for Purchaser's account.
12. **TITLE:** The equipment specified herein, and any replacements or substitutes therefore shall, regardless of the manner in which affixed to or used in connection with realty, remain the sole and personal property of WesTech Engineering Inc. until the full purchase price has been paid. Purchaser agrees to do all things necessary to protect and maintain WesTech Engineering Inc.'s title and interest in and to such equipment; and upon Purchaser's default, WesTech Engineering Inc. may retain as liquidated damages any and all partial payments made and shall be free to enter the premises where such equipment is located and remove the same as its property without prejudice to any further claims on account of damages or loss which WesTech Engineering Inc. may suffer from any cause.
13. **INSURANCE:** From date of shipment until the invoice is paid in full, Purchaser agrees to provide and maintain at its expense, but for WesTech Engineering Inc.'s benefit, adequate insurance including, but not limited to, builders risk insurance on the equipment against any loss of any nature whatsoever.
14. **SHIPMENTS:** Any shipment of delivery dates recited represent WesTech Engineering Inc.'s best estimate but no liability, direct or indirect, is assumed by WesTech Engineering Inc. for failure to ship or deliver on such dates.

WesTech Engineering Inc. shall have the right to make partial shipments; and invoices covering the same shall be due and payable by Purchaser in accordance with the payment terms thereof. If Purchaser defaults in any payment when due hereunder, WesTech Engineering Inc. may, without incurring any liability therefore to Purchaser or Purchaser's customers, declare all payments immediately due and payable with maximum legal interest thereon from due date of said payment, and at

Terms of Sales

Order No: Q26421-130361

have to Its option, stop all further work and shipments until all past due payments have been made, and/or require that any further deliveries be paid for prior shipment.

If Purchaser requests postponements of shipments, the purchase price shall be due and payable upon notice from WesTech Engineering Inc. that the equipment is ready for shipment; and thereafter any storage or other charge WesTech Engineering Inc. incurs on account of the equipment shall be for the Purchaser's account.

If delivery is specified at a point other than WesTech Engineering Inc. or its supplier's shipping points, and delivery is postponed or prevented by strike, accident, embargo, or other cause beyond WesTech Engineering Inc.'s reasonable control and occurring at a location other than WesTech Engineering Inc. or its supplier's shipping points, WesTech Engineering Inc. assumes no liability in delivery delay. If Purchaser refuses such delivery, WesTech Engineering Inc. may store the equipment at Purchaser's expense. For all purposes of this agreement such tender of delivery or storage shall constitute delivery.

15. WARRANTY: WESTTECH ENGINEERING INC. WARRANTS EQUIPMENT IT SUPPLIES ONLY IN ACCORDANCE WITH THE WARRANTY EXPRESSED IN THE ATTACHED COPY OF "WESTTECH WARRANTY" AGAINST DEFECTS IN WORKMANSHIP AND MATERIALS WHICH IS MADE A PART HEREOF. SUCH WARRANTY IN LIEU OF ALL OTHER WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE, WHETHER WRITTEN, ORAL, EXPRESSED, IMPLIED OR STATUTORY, WESTTECH ENGINEERING INC. SHALL NOT BE LIABLE ANY CONTINGENT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES FOR ANY REASON WHATSOEVER.

16. PATENTS: WesTech Engineering Inc. agrees that it will, at its own expense, defend all suits or proceedings instituted against Purchaser and pay any award of damages assessed against it in such suits or proceedings, so far as the same are based on any claim that the said equipment or any part thereof constitutes an infringement of any apparatus patent of the United States issued at the date of this Agreement, provided WesTech Engineering Inc. is given prompt notice in writing of the institution or threatened institution of any suit or proceeding and is given full control of the defense, settlement, or compromise of any such action; and Purchaser agrees to give WesTech Engineering Inc. needed information, assistance, and authority to enable WesTech Engineering Inc. so to do, in the event said equipment is held or conceded to infringe such a patent, WesTech Engineering Inc. shall have the right at its sole option and expense to a) modify the equipment to be non-infringing, b) obtain for Purchaser the license to continue using said equipment, or c) accept return of the equipment and refund to the Purchaser the purchase price thereof less a reasonable charge for the use thereof. WesTech Engineering Inc. will reimburse Purchaser for actual out-of-pocket expenses, exclusive of legal fees, incurred in preparing such information and rendering such assistance at WesTech Engineering Inc.'s request. The foregoing states the entire liability of WesTech Engineering Inc., with respect to patent infringement; and except as otherwise agreed to in writing, WesTech Engineering Inc. assumes no responsibility for process patent infringement.

17. SURFACE PREPARATION AND PAINTING: If furnished, shop primer paint is intended to serve only as minimal protective finish. WesTech Engineering Inc. will not be responsible for the condition of primed or finish painted surfaces after equipment leaves its shops. Purchasers are invited to inspect paint in shops for proper preparation and application prior to shipment. WesTech Engineering Inc. assumes no responsibility for field surface preparation or touch-up of shipping damage to paint. Painting of fasteners and other touch-up to painted surfaces will be by Purchaser's painting contractor after mechanism installation.

Motors, gear motors, and other components not manufactured by WesTech Engineering Inc. will be painted with that manufacturer's standard paint system. It is WesTech Engineering Inc.'s intention to ship major steel components as soon as fabricated, often before drive, motors, and other manufactured components. Unless Purchaser can ensure that shop primed steel shall be field painted within thirty (30) days after arrival at the job site, WesTech Engineering Inc. encourages the Purchaser to order these components without primer.

WesTech Engineering Inc.'s prices are based on paints and surface preparations as outlined in the main body of this proposal. In the event that an alternate paint system is selected, WesTech Engineering Inc. requests that Purchaser's order advise of the paint selection. WesTech Engineering Inc. will then either adjust the price as may be necessary to comply or ship the material unpainted if compliance is not possible due to application problems or environmental controls.

18. CANCELLATION, SUSPENSION, OR DELAY: After acceptance by WesTech Engineering Inc. this proposal, or Purchaser's order based on this proposal, shall be a firm agreement and is not subject to cancellation, suspension, or delay except upon payment by Purchaser of appropriate charges which shall include all costs incurred by WesTech Engineering Inc. to date of cancellation, suspension, or delay plus a reasonable profit. Additionally, all charges related to storage and/or resumption of work, at WesTech Engineering Inc.'s plant or elsewhere, shall be for Purchaser's sole account; and all risks incidental to storage shall be assumed by Purchaser.

19. RETURN OF PRODUCTS: No products may be returned to WesTech Engineering Inc. without WesTech Engineering Inc.'s prior written permission. Said permission may be withheld by WesTech Engineering Inc. at its sole discretion.

20. BACKCHARGES: WesTech Engineering Inc. will not approve or accept backcharges for labor, materials, or other costs incurred by Purchaser or others in modification, adjustment, service, or repair of WesTech Engineering Inc.-furnished materials unless such back charge has been authorized in advance in writing by a WesTech Engineering Inc. employee, by a WesTech Engineering Inc. purchase order, or work requisition signed by WesTech Engineering Inc.

21. INDEMNIFICATION: Purchaser agrees to indemnify WesTech Engineering Inc. from all costs incurred, including but not limited to court costs and reasonable attorney fees, from enforcing any provisions of this contract, including but not limited to breach of contract or costs incurred in collecting monies owed on this contract.

22. ENTIRE AGREEMENT: This proposal expresses the entire agreement between the parties hereto superseding any prior understandings, and is not subject to modification except by a writing signed by an authorized officer of each party.

23. MOTORS AND MOTOR DRIVES: In order to avoid shipment delays of WesTech Engineering Inc. equipment, the motor drives may be sent directly to the job site for installation by the equipment installer. Minor fit-up may be required.

24. EXTENDED STORAGE: Extended storage instructions will be part of information provided to shipment. If equipment installation and start-up is delayed more than 30 days, the provisions of the storage instructions must be followed to keep WARRANTY in force.

25. LIABILITY: Professional liability insurance, including but not limited to, errors and omissions insurance, is not included. In any event, liability for errors and omissions shall be limited to the lesser of \$100,000USD or the value of the particular piece of equipment (not the value of the entire order) supplied by WesTech Engineering Inc. against which a claim is sought.

26. ARBITRATION NEGOTIATION: Any controversy or claim arising out of or relating to the performance of any contract resulting from this proposal or contract issued, or the breach thereof, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered to any court having jurisdiction.

ACCEPTED BY PURCHASER

Customer Name: _____

Customer Address: _____

Contact Name: _____

Contact Phone: _____

Contact Email: _____

Signature: _____

Printed Name: _____

Title: _____

Date: _____

ADDENDUM TO PROPOSAL AND AGREEMENT

Contractor -- Westech
Owner -- City of Rock Falls, Illinois

This addendum supplements and is incorporated into the terms and provisions of the agreement between the Contractor and Owner for Water Department Rock Falls, Whiteside County, Illinois.

Contractor agrees that not less than the prevailing rate of wages, as found by the Department of Labor of the State of Illinois, shall be paid to all laborers, workers and mechanics performing work under the contract, and Contractor agrees that all subcontracts and lower tiered subcontracts shall contain a written stipulation that not less than the prevailing rate of wages shall be paid to all laborers, workers and mechanics performing work under such subcontract or lower tiered subcontract, all as determined by the Department of Labor of the State of Illinois. The prevailing rate of wages are revised by the Illinois Department of Labor, and are available on the Department's official website.

Contractor also agrees that it shall:

1. Make and keep for a period of not less than three (3) years, records of all laborers, mechanics and other workers employed on the project, including each worker's name, address, telephone number when available, social security number, classification or classifications, hourly wages paid in each pay period, number of hours worked each day, and the starting and ending times of work each day; and
2. Submit monthly, in person, by mail or electronically, a certified payroll to the Owner, consisting of a complete copy of the records identified in subparagraph 1 hereof, except that the record may exclude the starting and ending times of work each day, and also that the certified payroll shall be accompanied by a statement signed by the Contractor or subcontractor that certifies that such records are true and accurate, that the hourly rate paid to each worker is not less than the general prevailing rate of wage required by the Illinois Prevailing Wage Act, and that the Contractor or subcontractor is aware that filing a certified payroll which he knows to be false is a Class B misdemeanor.

At the time of request for each progress payment, Contractor shall deliver to Owner a contractor's affidavit listing all suppliers of labor and material, the work performed by each, the amounts paid to each to date, the amount due for work performed to date and a waiver of lien for any payments made to any such supplier signed by such supplier.

Contractor:
WESTECH

Owner:
City of Rock Falls, Illinois

By: [Signature]
FOR WESTECH

By: _____
Mayor

List of 2nd , 5th grade and sophomore 2018 Groundwater and Electrical training

Spring Break High School March 23rd to April 3

1)	Montmorency 9415 Hoover Rd	Mrs. Yanes 625-6616 ext 329	2 classes 28 students	April 17, 2018
2)	RFHS Mr. Purdy		6 classes 95 students	April 11 th Water April 12 th Electric
3)	East Coloma 1602 Dixon Ave.	New teachers phone 625-4400	2 classes 50 students	April 25 th 1200
4)	Merrill School	Mrs. Ricks 625-4634	4 classes 105 students	May 8 th 1:15 p.m
5)	Dillon School Tour	Jennifer Masini 815-625-3356	4 classes 100 students	May 17, 2018
		Total	students	

2018 May 14th \$1,000 Scholarship winner for Groundwater/Electric

Hannah Rockwell

APPLICATION FOR SPECIAL EVENT LIQUOR LICENSE

To: Liquor Commissioner of the City of Rock Falls, Whiteside County, Illinois

The undersigned hereby makes application for a license for a Special Event Liquor License and in support of said application make the following statements:

Name of Organization ROCK FALLS AMERICAN LEGION

Address of Organization 712 4TH AV.

Charitable Religious Civic Educational

Name of Event: POST 902 BAGSTRAVAGANZA


Date of Event: JULY 4TH, 2018

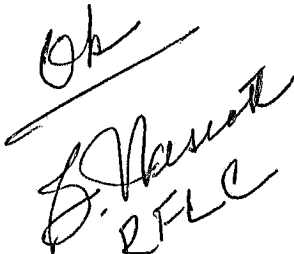
Location of Event: ON OUR PROPERTY 712 4TH AV

Owner of property where Event is to be held R.F. AMERICAN LEGION

Address of property owner 712 4TH AV.

The applicant swears and/or affirms that all of the above questions were answered truthfully. The applicant states that he/she meets all the qualifications and authorizes the Liquor Commissioner, or his agent, to obtain any and all records necessary to verify the statements on the application. Further, the applicant acknowledges that any false statements on this application shall result in the rejection of the application.


(Authorized Signature)



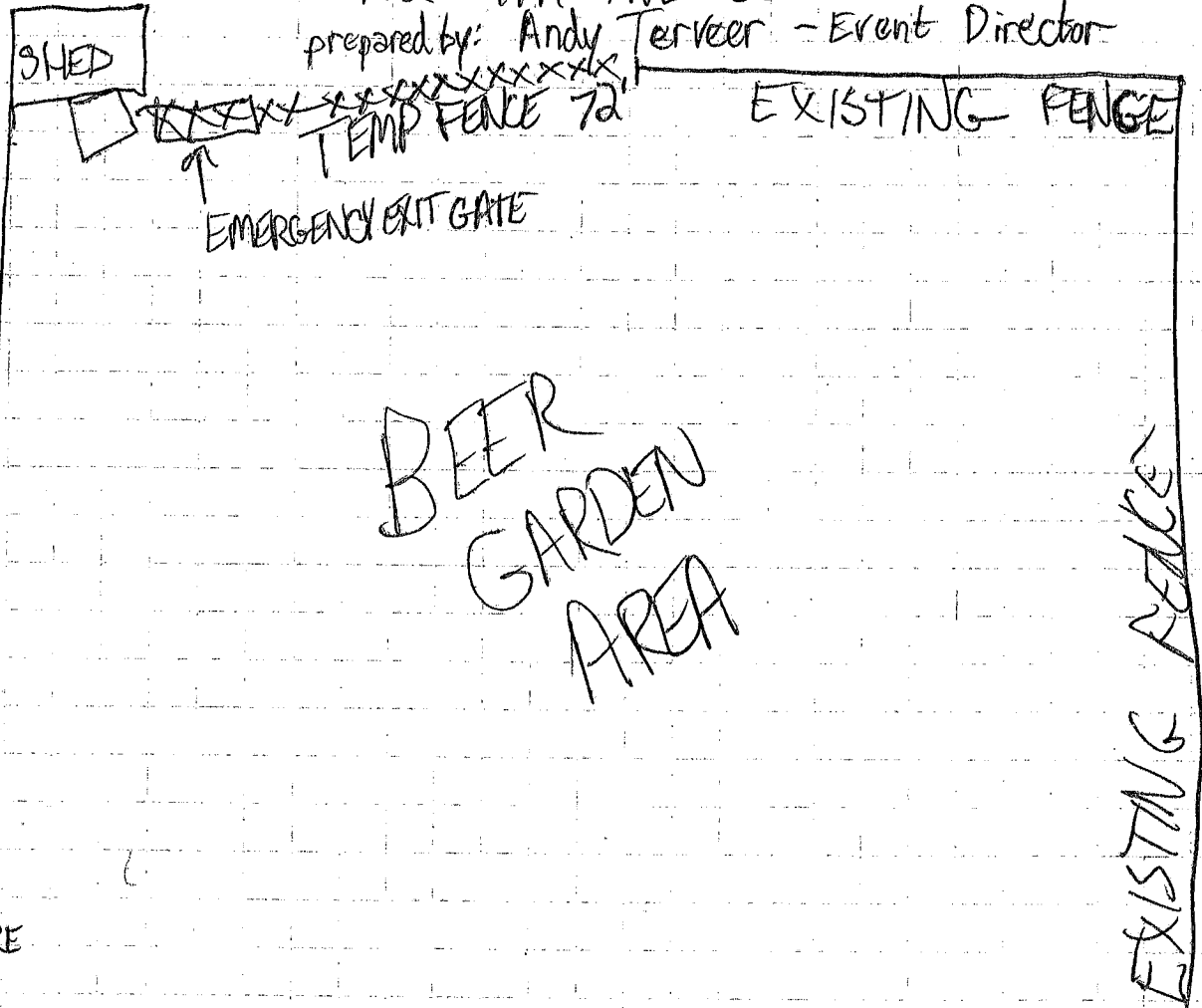
JULY 4 Beer Garden Security Plan
POST 902 RR AMERICAN LEGION

(NOT TO SCALE)

712 4TH AVENUE

prepared by: Andy Terveer - Event Director

NORTH



BEER GARDEN AREA

SULLOING

EXISTING FENCE

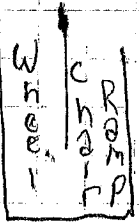
SECURE Door

To BUILDING porch

SECURE

TEMP FENCE 118'

wheelchair access gate (emergency exit gate)



All persons must enter through unsecure door to bar then may enter lot from secure door

Our fence will be 72"-76" tall

4th Av