

# **COAL CITY VILLAGE BOARD MEETING**

**WEDNESDAY  
SEPTEMBER 14, 2016  
7 P.M.**

**COAL CITY VILLAGE HALL  
515 S. BROADWAY, COAL CITY, ILLINOIS**

## **AGENDA**

1. Call meeting to order
2. Pledge of Allegiance
3. Approval of Minutes August 24, 2016
4. Approval of Warrant List
5. Public Comment
6. Ordinance 16-21 Authorizing the Borrowing of \$93,000 from Centru Bank for the Purchase of Squad Cars
7. Ordinance 16-22 Authorizing the Borrowing of \$26,500 from Centru Bank for the Replacement of Camera Technology
8. Ordinance 16-23 Modifying Cannabis Regulations Within The Village Code

9. Ordinance 16-24      Eliminating Certain Stop Signs
10. Approval of the Crack Sealant Linear Foot Price Extension
11. Approval of Change Order for Additional SCADA Equipment Installation
12. Approval of Request for Special Event Permit Application and the Use of the Lions Park Concession Stand
13. Community Service Award Winner Selection
14. Report of Mayor
15. Report of Trustees:
  - T. Bradley
  - J. Wren
  - A. Fall Clean-Up
  - D. Togliatti
  - D. Greggain
  - R. Bradley
  - N. Nelson
16. Report of Village Clerk
17. Report of Village Attorney
18. Report of Village Engineer
19. Report of Chief of Police
20. Report of Village Administrator
21. Executive Session to approve executive session minutes
22. Adjourn

## MEMO

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2016

**RE: FINAL ORDINANCES FOR PD EQUIPMENT CENTRUE LOANS**

Previously, the Village Board approved the financing terms for two portions of the Police Department's Budget – the purchase of replacement camera equipment and two replacement squad cars. The equipment was ordered due to the Board's consideration and the loan documents completed. In order to complete this action, the Board must adopt an ordinance for each debt certificate. This was something the Village Attorney indicated at the time of the approval to proceed with purchase of the items.

The first ordinance provides the terms of the vehicle purchase. This \$93,000 shall allow the Police Department to complete the acquisition of two fully loaded squad cars. Although the terms of the loan will allow for final payments to be accepted up to 24 months from this evening, the repayment of the loan is expected to take place prior to April 30, 2018. The \$26,500 for the camera equipment provides funding for the last 2/3 of the total necessary to pay for the updated replacement technology for the cameras. The first payment will be taken from the same line item to be budgeted in the departmental fiscal budgets for FY18 & FY19.

**Recommendation:**

1. Adopt Ordinance No. \_\_\_\_: Authorizing the borrowing of \$93,000 from Centru Bank for the purchase of Replacement Squad Cars.
2. Adopt Ordinance No. \_\_\_\_: Authorizing the borrowing of \$26,500 from Centru Bank for the purchase of replacement camera technology.

---

**THE VILLAGE OF COAL CITY**  
GRUNDY & WILL COUNTIES, ILLINOIS

---

ORDINANCE  
NUMBER \_\_\_\_\_

---

**AN ORDINANCE AUTHORIZING A LOAN FROM CENTRUE BANK AND ENTRY  
INTO A PROMISSORY NOTE IN THE AMOUNT OF \$93,000.00 IN CONNECTION  
WITH ACQUISITION OF POLICE VEHICLES AND ASSOCIATED EQUIPMENT**

---

TERRY HALLIDAY, Village President  
PAMELA M. NOFFSINGER, Village Clerk

ROSS BRADLEY  
TIMOTHY BRADLEY  
DANIEL GREGGAIN  
NEAL NELSON  
DAVID TOGLIATTI  
JUSTIN WREN  
Village Trustees

---

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Coal City  
on \_\_\_\_\_, 2016

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING A LOAN FROM CENTRUE BANK AND ENTRY INTO A PROMISSORY NOTE IN THE AMOUNT OF \$93,000.00 IN CONNECTION WITH ACQUISITION OF POLICE VEHICLES AND ASSOCIATED EQUIPMENT**

**WHEREAS**, the Village of Coal City (“Village”) is an Illinois non-home rule municipal corporation, organized and operating pursuant to the Constitution and laws of the State of Illinois; and

**WHEREAS**, pursuant to Section 8-1-3.1 of the Illinois Municipal Code, 65 ILCS 5/8-1-3.1, the Village is authorized to borrow money from a bank or other financial institution, provided that such money shall be repaid within ten (10) years from the time the money is borrowed and that such loan is secured by a general obligation promissory note; and

**WHEREAS**, on or about July 13, 2016, the Village President and Trustees (cumulatively, the “Corporate Authorities”) found and determined that it is desirable and in the best interest of the Village to purchase two new police vehicles (the “Equipment”) for the use and benefit of the Village, and to finance said acquisition through a loan from Centrue Bank in accordance with the terms and conditions of a term sheet dated July 6, 2016 and attached hereto as Exhibit A; and

**WHEREAS**, the Village is desirous of acquiring the Equipment, but has insufficient funds on hand and lawfully available to do so, and as such, the Corporate Authorities now deem it advisable, necessary and in the best interest of the Village and its residents to borrow the aggregate principal amount of Ninety Three Thousand and No/100 Dollars (\$93,000.00) from Centrue Bank at a fixed rate of interest of 3.1% for twenty-four (24) months for the aforesaid purposes, and authorize entry into such a loan from Centrue Bank secured by a general obligation promissory note to finance acquisition of the Equipment; and

**WHEREAS**, the acquisition of the Equipment is for a proper public purpose; and

**WHEREAS**, the Corporate Authorities of the Village hereby find and determine that it is advisable, necessary and in the best interest of the Village to authorize the execution of a promissory note and other loan documents identified herein setting forth the terms and conditions associated with the aforesaid loan; and

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Coal City, Counties of Will and Grundy, Illinois, as follows:

**SECTION 1. Recitals.** The foregoing recitals shall be and are hereby incorporated into and made a part of this Ordinance as if fully set forth in this Section 1.

**SECTION 2. Determination to Borrow Funds.** It is necessary and in the best interests of the Village to acquire the Equipment and for purposes of financing such acquisition, it is hereby authorized that funds be borrowed by the Village in an aggregate principal amount not to exceed the lesser of (i) Ninety Three Thousand and No/100 Dollars (\$93,000.00) and (ii) an amount, when aggregated with the existing indebtedness of the Village, that does not exceed the debt limitation provided in Section 8-5-1 of the Illinois Municipal Code (65 ILCS 5/8-5-1), with a fixed interest rate not to exceed 3.1% and a repayment term not to exceed two (2) years, secured by a general obligation promissory note.

**SECTION 3. Authorization.**

**A.** The Village President and Village Administrator of the Village of Coal City are jointly and severally designated as authorized officials to act on behalf of the Village within the meaning of the Governmental Certificate pertaining to Loan Number 2016002611 attached

hereto as Exhibit B, the Promissory Note pertaining to Loan Number 2016002611 attached hereto as Exhibit C, Commercial Security Agreement pertaining to Loan Number 2016002549 attached hereto as Exhibit D, Agreement to Provide Insurance pertaining to Loan Number 2016002549 attached hereto as Exhibit E, and Disbursement Request and Authorization pertaining to Loan Number 2016002549, attached hereto as Exhibit F (cumulatively, Exhibits B through F shall be known as the “Loan Documents” and are incorporated by reference as though fully set forth herein).

**B.** The Village President and Village Administrator of the Village of Coal City are authorized and directed to execute the Loan Documents, and to take such actions and execute such other documents as may be necessary or convenient to borrow from Centru Bank an amount not to exceed the lesser of (i) Ninety Three Thousand and No/100 Dollars (\$93,000.00) and (ii) an amount, when aggregated with the existing indebtedness of the Village, that does not exceed the debt limitation provided in Section 8-5-1 of the Illinois Municipal Code (65 ILCS 5/8-5-1) at such interest rate, at such term, and subject to such terms and conditions as are set forth in the Loan Documents.

**C.** The Village Clerk is authorized and directed to execute, attest, countersign and affix the seal of the Village of Coal City to any and all Loan Documents, and any and all other documents necessary or convenient to carry out and give effect to the purpose and intent of this Ordinance.

**D.** The Village President, Village Clerk, Village Administrator, Village Treasurer and Village Attorney are hereby authorized and directed to do all things necessary, essential or convenient to carry out and give effect to the purpose and intent of this Ordinance.

**SECTION 4. Resolution of Conflicts.** All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 5. Saving Clause.** If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance, which are hereby declared to be separable.

**SECTION 6. Effectiveness.** This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

SO ORDAINED this \_\_\_\_\_ day of \_\_\_\_\_, 2016, at Coal City, Grundy and Will Counties, Illinois.

AYES:

ABSENT:

NAYS:

ABSTAIN:

**VILLAGE OF COAL CITY**

\_\_\_\_\_  
Terry Halliday, President

Attest:

\_\_\_\_\_  
Pamela M. Noffsinger, Clerk



**Exhibit A**

**CENTRUE BANK TERM SHEET**

**JULY 6, 2016**

[INSERTED ON FOLLOWING PAGES]

**Exhibit B**

**LOAN NO. 2016002611 GOVERNMENTAL CERTIFICATE**

[INSERTED ON FOLLOWING PAGES]

**Exhibit C**

**LOAN NO. 2016002611 PROMISSORY NOTE**

[INSERTED ON FOLLOWING PAGES]

**Exhibit D**

**LOAN NO. 2016002611 COMMERCIAL SECURITY AGREEMENT**

[INSERTED ON FOLLOWING PAGES]

**Exhibit E**

**LOAN NO. 2016002611 AGREEMENT TO PROVIDE INSURANCE**

[INSERTED ON FOLLOWING PAGES]

**Exhibit F**

**LOAN NO. 2016002611 DISBURSEMENT REQUEST AND AUTHORIZATION**

[INSERTED ON FOLLOWING PAGE]

# GOVERNMENTAL CERTIFICATE

<b>Principal</b> \$93,000.00	<b>Loan Date</b> 09-12-2016	<b>Maturity</b> 09-12-2019	<b>Loan No</b> 2016002611	<b>Call / Coll</b> 8 / 310	<b>Account</b> V000501	<b>Officer</b> MENDJ	<b>Initials</b>
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Entity:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centru Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**WE, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:**

**THE ENTITY'S EXISTENCE.** The complete and correct name of the governmental entity is Village of Coal City, Illinois ("Entity"). The Entity is a governmental entity which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws and regulations of the State of Illinois. The Entity has the full power and authority to own its properties and to transact the business and activities in which it is presently engaged or presently proposes to engage. The Entity maintains its principal office at 515 S Broadway St, Coal City, IL 60416. The Entity shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of the Entity and any other governmental or quasi-governmental authority or court applicable to the Entity and the Entity's business activities.

**CERTIFICATES ADOPTED.** At a meeting of the appropriate governing body of the Entity, duly called and held on **September 12, 2016**, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Certificate were adopted.

**OFFICIALS.** The following named persons and entities is an Officials of Village of Coal City, Illinois:

NAMES	TITLES	AUTHORIZED	ACTUAL SIGNATURES
-------	--------	------------	-------------------

**ACTIONS AUTHORIZED.** Any two (2) of the persons and entities listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Entity. Specifically, but without limitation, any two (2) of such persons and entities are authorized, empowered, and directed to do the following for and on behalf of the Entity:

**Borrow Money.** To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Entity and Lender, such sum or sums of money as in their judgment should be borrowed, without limitation.

**Execute Notes.** To execute and deliver to Lender the promissory note or notes, or other evidence of the Entity's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Entity's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

**Grant Security.** To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Entity or in which the Entity now or hereafter may have an interest, including without limitation all of the Entity's real property and all of the Entity's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Entity to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

**Execute Security Documents.** To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances.

**Negotiate Items.** To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Entity or in which the Entity may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Entity's account with Lender, or to cause such other disposition of the proceeds derived therefrom as they may deem advisable.

**Further Acts.** In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements, **including agreements waiving the right to a trial by jury and confessing judgment against the Entity**, as the Officials may in their discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Certificate.

**ASSUMED BUSINESS NAMES.** The Entity has filed or recorded all documents or filings required by law relating to all assumed business names used by the Entity. Excluding the name of the Entity, the following is a complete list of all assumed business names under which the Entity does business: **None.**

**NOTICES TO LENDER.** The Entity will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (A) change in the Entity's name; (B) change in the Entity's assumed business name(s); (C) change in the structure of the Entity; (D) change in the authorized signer(s); (E) change in the Entity's principal office address; (F) change in the Entity's principal residence; or (G) change in any other aspect of the Entity that directly or indirectly relates to any agreements between the Entity and Lender.

**CERTIFICATION CONCERNING OFFICIALS AND CERTIFICATES.** The Officials named above is duly elected, appointed, or employed by or for the Entity, as the case may be, and occupy the positions set opposite their respective names. This Certificate now stands of record on the books of the Entity, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

**CONTINUING VALIDITY.** Any and all acts authorized pursuant to this Certificate and performed prior to the passage of this Certificate are hereby ratified and approved. This Certificate shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Entity's agreements or commitments in effect at the time notice is given.

**GOVERNMENTAL CERTIFICATE  
(Continued)**

Loan No: 2016002611

Page 2

IN TESTIMONY WHEREOF, we have hereunto set our hand and attest that the signatures set opposite the names listed above is their genuine signatures.

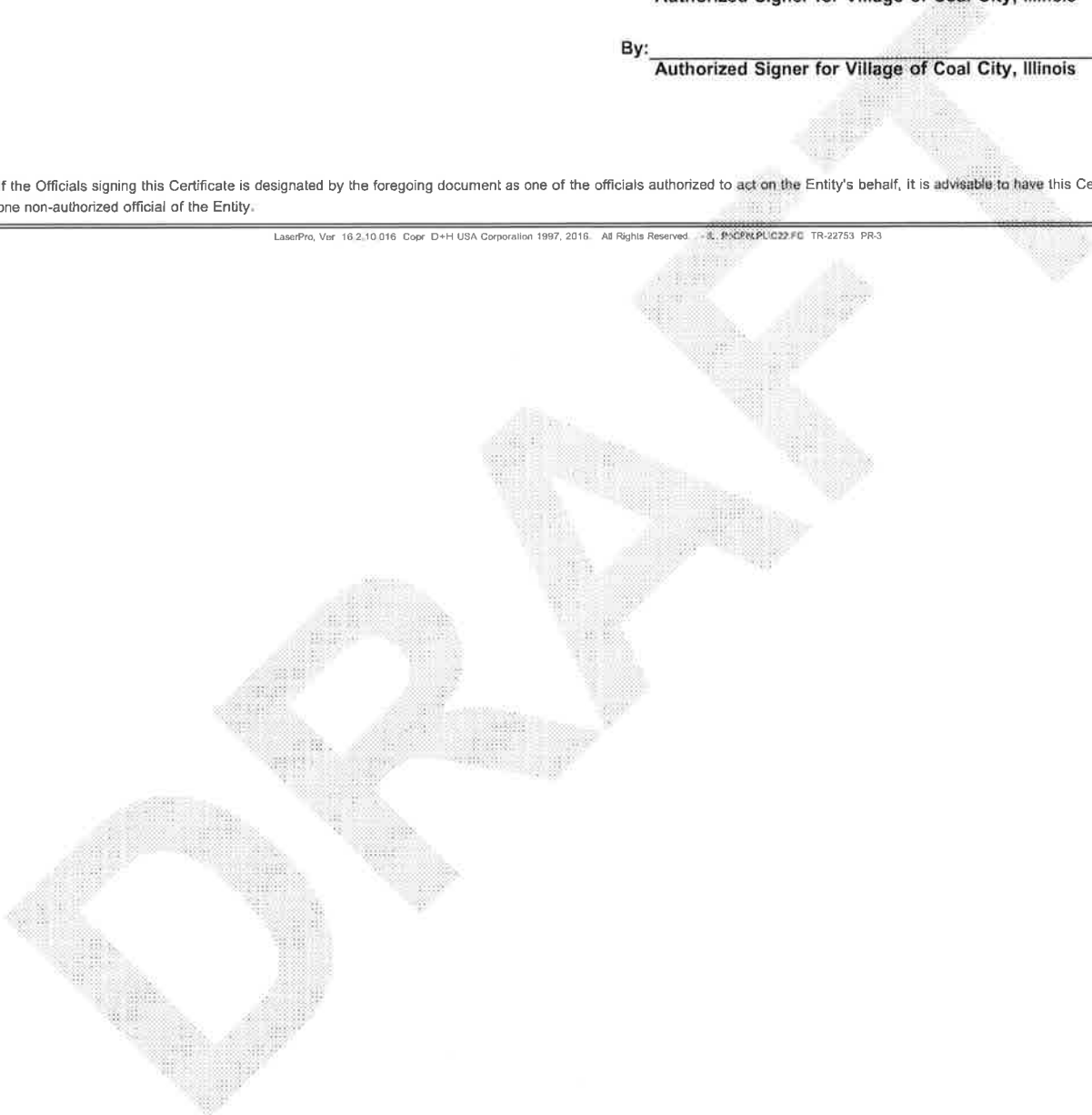
We each have read all the provisions of this Certificate, and we each personally and on behalf of the Entity certify that all statements and representations made in this Certificate are true and correct. This Governmental Certificate is dated September 12, 2016.

CERTIFIED TO AND ATTESTED BY:

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

NOTE: If the Officials signing this Certificate is designated by the foregoing document as one of the officials authorized to act on the Entity's behalf, it is advisable to have this Certificate signed by at least one non-authorized official of the Entity.





# PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$93,000.00	09-12-2016	09-12-2019	2016002611	8 / 310	V000501	MENDJ	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centrue Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**Principal Amount: \$93,000.00**

**Date of Note: September 12, 2016**

**PROMISE TO PAY.** Village of Coal City, Illinois ("Borrower") promises to pay to Centrue Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Ninety-three Thousand & 00/100 Dollars (\$93,000.00), together with interest on the unpaid principal balance from September 12, 2016, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 3.100%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in 35 payments of \$2,710.31 each payment and an irregular last payment estimated at \$2,710.44. Borrower's first payment is due October 12, 2016, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on September 12, 2019, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT.** Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Centrue Bank, Coal City Branch, 660 S Broadway, Coal City, IL 60416.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$10.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased to 12.500%. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest

**PROMISSORY NOTE  
(Continued)**

Loan No: 2016002611

Page 2

immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Illinois.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of LaSalle County, State of Illinois.

**CONFESSION OF JUDGMENT.** Borrower hereby irrevocably authorizes and empowers any attorney-at-law to appear in any court of record and to confess judgment against Borrower for the unpaid amount of this Note as evidenced by an affidavit signed by an officer of Lender setting forth the amount then due, attorneys' fees plus costs of suit, and to release all errors, and waive all rights of appeal. If a copy of this Note, verified by an affidavit, shall have been filed in the proceeding, it will not be necessary to file the original as a warrant of attorney. Borrower waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the foregoing warrant and power to confess judgment will be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be invalid, voidable, or void; but the power will continue undiminished and may be exercised from time to time as Lender may elect until all amounts owing on this Note have been paid in full. Borrower hereby waives and releases any and all claims or causes of action which Borrower might have against any attorney acting under the terms of authority which Borrower has granted herein arising out of or connected with the confession of judgment hereunder.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**ERRORS AND OMISSIONS.** If requested by Lender, Borrower agrees to fully cooperate and adjust for clerical errors any or all closing documents if deemed necessary or desirable in the reasonable discretion of Lender. Borrower agrees to comply with the noted request within 30 days from date of mailing such request. Borrower further agrees to assume all costs including by way of illustration and not limitation, actual expenses and legal fees for failing to reasonably comply with your request in the above noted time period.

**FINANCIAL REPORTS.** Borrower agrees to furnish Lender with the following:

**Tax Returns.** As soon as available, but in no event later than 30 (thirty) days after the applicable filing date for the tax reporting period ended, Federal and other governmental tax returns.

**Annual Statements.** If Borrower is an entity, as soon as available, but in no event later than 45 (forty-five) days after the end of each fiscal year, Borrower's balance sheet and income statement for the year ended, audited by a certified public accountant satisfactory to Lender.

**Personal Financial Statement.** If Borrower is a natural person, a current detailed personal financial statement in a form acceptable to Lender no less than annually.

Borrower will provide any additional information and statements, as Lender may request from time to time or as disclosed in a Business Loan Agreement.

**SECURITY INTEREST IN DEPOSIT ACCOUNTS.** To secure (A) payment of the Note and any other loans, indebtedness or obligations Borrower may now or at any time in the future owe Lender and (B) the performance of Borrower's promises and undertakings hereunder, Borrower grants to Lender a security interest in all of Borrower's deposit accounts.

**ADDITIONAL COLLATERAL.** Borrower acknowledges that in addition to the Collateral described in any security instruments prepared together with this Note, Property given by any Borrower or Grantor which may secure other loans with Lender may also secure Borrower's obligation under this Loan.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

**ILLINOIS INSURANCE NOTICE.** Unless Borrower provides Lender with evidence of the insurance coverage required by Borrower's agreement with Lender, Lender may purchase insurance at Borrower's expense to protect Lender's interests in the collateral. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the collateral. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained insurance as required by their agreement. If Lender purchases insurance for the collateral, Borrower will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Borrower's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Borrower may be able to obtain on Borrower's own.

**PROMISSORY NOTE  
(Continued)**

Loan No: 2016002611

Page 3

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

VILLAGE OF COAL CITY, ILLINOIS

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

DRAFT

# COMMERCIAL SECURITY AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$93,000.00	09-12-2016	09-12-2019	2016002611	8 / 310	V000501	MENDJ	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Grantor:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centrue Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**THIS COMMERCIAL SECURITY AGREEMENT** dated September 12, 2016, is made and executed between Village of Coal City, Illinois ("Grantor") and Centrue Bank ("Lender").

**GRANT OF SECURITY INTEREST.** For valuable consideration, Grantor grants to Lender a security interest in the Collateral to secure the indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

**COLLATERAL DESCRIPTION.** The word "Collateral" as used in this Agreement means the following described property in which Grantor is giving to Lender a security interest for the payment of the Indebtedness and performance of all other obligations under the Note and this Agreement:

**2 Police Cars**

In addition, the word "Collateral" also includes all the following:

- (A) All accessions, attachments, accessories, replacements of and additions to any of the collateral described herein, whether added now or later.
- (B) All products and produce of any of the property described in this Collateral section.
- (C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of a sale, lease, consignment or other disposition of any of the property described in this Collateral section.
- (D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.
- (E) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

**CROSS-COLLATERALIZATION.** In addition to the Note, this Agreement secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

**FUTURE ADVANCES.** In addition to the Note, this Agreement secures all future advances made by Lender to Grantor regardless of whether the advances are made a) pursuant to a commitment or b) for the same purposes.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Grantor holds jointly with someone else and all accounts Grantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL.** With respect to the Collateral, Grantor represents and promises to Lender that:

**Perfection of Security Interest.** Grantor agrees to take whatever actions are requested by Lender to perfect and continue Lender's security interest in the Collateral. Upon request of Lender, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Grantor will note Lender's interest upon any and all chattel paper and instruments if not delivered to Lender for possession by Lender. **This is a continuing Security Agreement and will continue in effect even though all or any part of the Indebtedness is paid in full and even though for a period of time Grantor may not be indebted to Lender.**

**Notices to Lender.** Grantor will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (1) change in Grantor's name; (2) change in Grantor's assumed business name(s); (3) change in the structure of the entity Grantor; (4) change in the authorized signer(s); (5) change in Grantor's principal office address; (6) change in Grantor's principal residence; (7) conversion of Grantor to a new or different type of business entity; or (8) change in any other aspect of Grantor that directly or indirectly relates to any agreements between Grantor and Lender. No change in Grantor's name will take effect until after Lender has received notice.

**No Violation.** The execution and delivery of this Agreement will not violate any law or agreement governing Grantor or to which Grantor is a party.

**Enforceability of Collateral.** To the extent the Collateral consists of accounts, chattel paper, or general intangibles, as defined by the Uniform Commercial Code, the Collateral is enforceable in accordance with its terms, is genuine, and fully complies with all applicable laws and regulations concerning form, content and manner of preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral. There shall be no setoffs or counterclaims against any of the Collateral, and no agreement shall have been made under which any deductions or discounts may be claimed concerning the Collateral except those disclosed to Lender in writing.

## COMMERCIAL SECURITY AGREEMENT (Continued)

Loan No: 2016002611

Page 2

**Location of the Collateral.** Except for vehicles, and except otherwise in the ordinary course of Grantor's business, Grantor agrees to keep the Collateral at Grantor's address shown above or at such other locations as are acceptable to Lender. If the Collateral is a vehicle, Grantor will keep the Collateral at those addresses except for routine travel. Upon Lender's request, Grantor will deliver to Lender in form satisfactory to Lender a schedule of real properties and Collateral locations relating to Grantor's operations, including without limitation the following: (1) all real property Grantor owns or is purchasing; (2) all real property Grantor is renting or leasing; (3) all storage facilities Grantor owns, rents, leases, or uses; and (4) all other properties where Collateral is or may be located.

**Removal of the Collateral.** Except in the ordinary course of Grantor's business, Grantor shall not remove the Collateral from its existing location without Lender's prior written consent. To the extent that the Collateral consists of vehicles, or other titled property, Grantor shall not take or permit any action which would require application for certificates of title for the vehicles outside the State of Illinois, without Lender's prior written consent. Grantor shall, whenever requested, advise Lender of the exact location of the Collateral.

**Transactions Involving Collateral.** Except for inventory sold or accounts collected in the ordinary course of Grantor's business, or as otherwise provided for in this Agreement, Grantor shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral. Grantor shall not pledge, mortgage, encumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Agreement, without the prior written consent of Lender. This includes security interests even if junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender and shall not be commingled with any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Grantor shall immediately deliver any such proceeds to Lender.

**Title.** Grantor represents and warrants to Lender that Grantor holds good and marketable title to the Collateral, free and clear of all liens and encumbrances except for the lien of this Agreement. No financing statement covering any of the Collateral is on file in any public office other than those which reflect the security interest created by this Agreement or to which Lender has specifically consented. Grantor shall defend Lender's rights in the Collateral against the claims and demands of all other persons.

**Repairs and Maintenance.** Grantor agrees to keep and maintain, and to cause others to keep and maintain, the Collateral in good order, repair and condition at all times while this Agreement remains in effect. Grantor further agrees to pay when due all claims for work done on, or services rendered or material furnished in connection with the Collateral so that no lien or encumbrance may ever attach to or be filed against the Collateral.

**Inspection of Collateral.** Lender and Lender's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Collateral wherever located.

**Taxes, Assessments and Liens.** Grantor will pay when due all taxes, assessments and liens upon the Collateral, its use or operation, upon this Agreement, upon any promissory note or notes evidencing the indebtedness, or upon any of the other Related Documents. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized in Lender's sole opinion. If the Collateral is subjected to a lien which is not discharged within fifteen (15) days, Grantor shall deposit with Lender cash, a sufficient corporate surety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, attorneys' fees or other charges that could accrue as a result of foreclosure or sale of the Collateral. In any contest Grantor shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Collateral. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings. Grantor further agrees to furnish Lender with evidence that such taxes, assessments, and governmental and other charges have been paid in full and in a timely manner. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized.

**Compliance with Governmental Requirements.** Grantor shall comply promptly with all laws, ordinances, rules and regulations of all governmental authorities, now or hereafter in effect, applicable to the ownership, production, disposition, or use of the Collateral, including all laws or regulations relating to the undue erosion of highly-erodible land or relating to the conversion of wetlands for the production of an agricultural product or commodity. Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Lender's interest in the Collateral, in Lender's opinion, is not jeopardized.

**Hazardous Substances.** Grantor represents and warrants that the Collateral never has been, and never will be so long as this Agreement remains a lien on the Collateral, used in violation of any Environmental Laws or for the generation, manufacture, storage, transportation, treatment, disposal, release or threatened release of any Hazardous Substance. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Collateral for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any Environmental Laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims and losses resulting from a breach of this provision of this Agreement. This obligation to indemnify and defend shall survive the payment of the Indebtedness and the satisfaction of this Agreement.

**Maintenance of Casualty Insurance.** Grantor shall procure and maintain all risks insurance, including without limitation fire, theft and liability coverage together with such other insurance as Lender may require with respect to the Collateral, in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days' prior written notice to Lender and not including any disclaimer of the insurer's liability for failure to give such a notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest, Grantor will provide Lender with such loss payable or other endorsements as Lender may require. If Grantor at any time fails to obtain or maintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance as Lender deems appropriate, including if Lender so chooses "single interest insurance," which will cover only Lender's interest in the Collateral.

**Application of Insurance Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Collateral if the estimated cost of repair or replacement exceeds the greater of 1.5% of the original loan amount or a minimum of \$1,000.00, whether or not such casualty or loss is covered by insurance. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. All proceeds of any insurance on the Collateral, including accrued proceeds thereon, shall be held by Lender as part of the Collateral. If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shall, upon satisfactory proof of expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Lender does not consent to repair or replacement of the Collateral, Lender shall retain a sufficient amount of the proceeds to pay all of the Indebtedness, and shall pay the balance to Grantor. Any proceeds which have not been disbursed within six (6) months after their receipt and which Grantor has not committed to the repair or restoration of the Collateral shall be used to prepay the Indebtedness.



# COMMERCIAL SECURITY AGREEMENT (Continued)

Loan No: 2016002611

Page 3

**Insurance Reserves.** Lender may require Grantor to maintain with Lender reserves for payment of insurance premiums, which reserves shall be created by monthly payments from Grantor of a sum estimated by Lender to be sufficient to produce, at least fifteen (15) days before the premium due date, amounts at least equal to the insurance premiums to be paid. If fifteen (15) days before payment is due, the reserve funds are insufficient, Grantor shall upon demand pay any deficiency to Lender. The reserve funds shall be held by Lender as a general deposit and shall constitute a non-interest-bearing account which Lender may satisfy by payment of the insurance premiums required to be paid by Grantor as they become due. Lender does not hold the reserve funds in trust for Grantor, and Lender is not the agent of Grantor for payment of the insurance premiums required to be paid by Grantor. The responsibility for the payment of premiums shall remain Grantor's sole responsibility.

**Insurance Reports.** Grantor, upon request of Lender, shall furnish to Lender reports on each existing policy of insurance showing such information as Lender may reasonably request including the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured; (5) the then current value on the basis of which insurance has been obtained and the manner of determining that value; and (6) the expiration date of the policy. In addition, Grantor shall upon request by Lender (however not more often than annually) have an independent appraiser satisfactory to Lender determine, as applicable, the cash value or replacement cost of the Collateral.

**Financing Statements.** Grantor authorizes Lender to file a UCC financing statement, or alternatively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. Grantor will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. Grantor irrevocably appoints Lender to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement.

**GRANTOR'S RIGHT TO POSSESSION.** Until default, Grantor may have possession of the tangible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Related Documents, provided that Grantor's right to possession and beneficial use shall not apply to any Collateral where possession of the Collateral by Lender is required by law to perfect Lender's security interest in such Collateral. If Lender at any time has possession of any Collateral, whether before or after an Event of Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if Lender takes such action for that purpose as Grantor shall request or as Lender, in Lender's sole discretion, shall deem appropriate under the circumstances, but failure to honor any request by Grantor shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any steps necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve or maintain any security interest given to secure the Indebtedness.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Grantor fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Agreement or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and preserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

**REINSTATEMENT OF SECURITY INTEREST.** If payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (A) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (B) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (C) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Agreement and this Agreement shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Agreement or of any note or other instrument or agreement evidencing the Indebtedness and the Collateral will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Agreement.

**DEFAULT.** Each of the following shall constitute an Event of Default under this Agreement:

**Payment Default.** Grantor fails to make any payment when due under the Indebtedness.

**Other Defaults.** Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

**Default in Favor of Third Parties.** Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or ability to perform Grantor's obligations under this Agreement or any of the Related Documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Insolvency.** The insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

# COMMERCIAL SECURITY AGREEMENT (Continued)

Loan No: 2016002611

Page 4

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or guarantor, endorser, surety, or accommodation party dies or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**RIGHTS AND REMEDIES ON DEFAULT.** If an Event of Default occurs under this Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Illinois Uniform Commercial Code. In addition and without limitation, Lender may exercise any one or more of the following rights and remedies:

**Accelerate Indebtedness.** Lender may declare the entire Indebtedness, including any prepayment penalty which Grantor would be required to pay, immediately due and payable, without notice of any kind to Grantor.

**Assemble Collateral.** Lender may require Grantor to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral. Lender may require Grantor to assemble the Collateral and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Collateral. If the Collateral contains other goods not covered by this Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession.

**Sell the Collateral.** Lender shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in Lender's own name or that of Grantor. Lender may sell the Collateral at public auction or private sale. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor, and other persons as required by law, reasonable notice of the time and place of any public sale, or the time after which any private sale or any other disposition of the Collateral is to be made. However, no notice need be provided to any person who, after Event of Default occurs, enters into and authenticates an agreement waiving that person's right to notification of sale. The requirements of reasonable notice shall be met if such notice is given at least twenty-one (21) days before the time of the sale or disposition. All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Collateral, shall become a part of the Indebtedness secured by this Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

**Mortgagee in Possession.** Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Collateral, with the power to protect and preserve the Collateral, to operate the Collateral preceding foreclosure or sale, and to collect the Rents from the Collateral and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Collateral exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Collect Revenues, Apply Accounts.** Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Collateral. Lender may at any time in Lender's discretion transfer any Collateral into Lender's own name or that of Lender's nominee and receive the payments, rents, income, and revenues therefrom and hold the same as security for the Indebtedness or apply it to payment of the Indebtedness in such order of preference as Lender may determine. Insofar as the Collateral consists of accounts, general intangibles, insurance policies, instruments, chattel paper, choses in action, or similar property, Lender may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, or realize on the Collateral as Lender may determine, whether or not Indebtedness or Collateral is then due. For these purposes, Lender may, on behalf of and in the name of Grantor, receive, open and dispose of mail addressed to Grantor; change any address to which mail and payments are to be sent; and endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment, shipment, or storage of any Collateral. To facilitate collection, Lender may notify account debtors and obligors on any Collateral to make payments directly to Lender.

**Obtain Deficiency.** If Lender chooses to sell any or all of the Collateral, Lender may obtain a judgment against Grantor for any deficiency remaining on the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement. Grantor shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel paper.

**Other Rights and Remedies.** Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be amended from time to time. In addition, Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise.

**Election of Remedies.** Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, the Related Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Agreement:

**Amendments.** This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Attorneys' Fees; Expenses.** Grantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Grantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Grantor also shall pay all court costs and such additional fees as may be directed by the court.

**Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the

**COMMERCIAL SECURITY AGREEMENT  
(Continued)**

Loan No: 2016002611

Page 5

provisions of this Agreement.

**Governing Law.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Illinois.

**Choice of Venue.** If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of LaSalle County, State of Illinois.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Notices.** Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

**Power of Attorney.** Grantor hereby appoints Lender as Grantor's irrevocable attorney-in-fact for the purpose of executing any documents necessary to perfect, amend, or to continue the security interest granted in this Agreement or to demand termination of filings of other secured parties. Lender may at any time, and without further authorization from Grantor, file a carbon, photographic or other reproduction of any financing statement or of this Agreement for use as a financing statement. Grantor will reimburse Lender for all expenses for the perfection and the continuation of the perfection of Lender's security interest in the Collateral.

**Severability.** If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

**Successors and Assigns.** Subject to any limitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the Indebtedness.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in this Agreement shall survive the execution and delivery of this Agreement, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

**Time is of the Essence.** Time is of the essence in the performance of this Agreement.

**Waive Jury.** All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Agreement.** The word "Agreement" means this Commercial Security Agreement, as this Commercial Security Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Commercial Security Agreement from time to time.

**Borrower.** The word "Borrower" means Village of Coal City, Illinois and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Collateral.** The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

**Default.** The word "Default" means the Default set forth in this Agreement in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

**Grantor.** The word "Grantor" means Village of Coal City, Illinois.

**Guaranty.** The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or



**COMMERCIAL SECURITY AGREEMENT  
(Continued)**

Loan No: 2016002611

Page 6

waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Indebtedness.** The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents. Specifically, without limitation, Indebtedness includes the future advances set forth in the Future Advances provision, together with all interest thereon and all amounts that may be indirectly secured by the Cross-Collateralization provision of this Agreement.

**Lender.** The word "Lender" means Centru Bank, its successors and assigns.

**Note.** The word "Note" means the Note dated September 12, 2016 and executed by Village of Coal City, Illinois in the principal amount of \$93,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

**Property.** The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Collateral Description" section of this Agreement.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

**GRANTOR HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS COMMERCIAL SECURITY AGREEMENT AND AGREES TO ITS TERMS. THIS AGREEMENT IS DATED SEPTEMBER 12, 2016.**

**GRANTOR:**

VILLAGE OF COAL CITY, ILLINOIS

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

# AGREEMENT TO PROVIDE INSURANCE

<b>Principal</b> \$93,000.00	<b>Loan Date</b> 09-12-2016	<b>Maturity</b> 09-12-2019	<b>Loan No</b> 2016002611	<b>Call / Coll</b> 8 / 310	<b>Account</b> V000501	<b>Officer</b> MENDJ	<b>Initials</b>
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Grantor:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centru Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**INSURANCE REQUIREMENTS.** Grantor, Village of Coal City, Illinois ("Grantor"), understands that insurance coverage is required in connection with the extending of a loan or the providing of other financial accommodations to Grantor by Lender. These requirements are set forth in the security documents for the loan. The following minimum insurance coverages must be provided on the following described collateral (the "Collateral"):

**Collateral:** 2 Police Cars.

**Type:** Comprehensive and collision.

**Amount:** Full Insurable Value.

**Basis:** Replacement value.

**Endorsements:** Lender loss payable clause with stipulation that coverage will not be cancelled or diminished without a minimum of 30 days prior written notice to Lender.

**Latest Delivery Date:** By the loan closing date.

**INSURANCE COMPANY.** Grantor may obtain insurance from any insurance company Grantor may choose that is reasonably acceptable to Lender. Grantor understands that credit may not be denied solely because insurance was not purchased through Lender.

**FAILURE TO PROVIDE INSURANCE.** Grantor agrees to deliver to Lender, on the latest delivery date stated above, evidence of the required insurance as provided above, with an effective date of September 12, 2016, or earlier. **UNLESS GRANTOR PROVIDES LENDER WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY GRANTOR'S AGREEMENT WITH LENDER, LENDER MAY PURCHASE INSURANCE AT GRANTOR'S EXPENSE TO PROTECT LENDER'S INTERESTS IN THE COLLATERAL. THIS INSURANCE MAY, BUT NEED NOT, PROTECT GRANTOR'S INTERESTS. THE COVERAGE THAT LENDER PURCHASES MAY NOT PAY ANY CLAIM THAT GRANTOR MAKES, OR ANY CLAIM THAT IS MADE AGAINST GRANTOR IN CONNECTION WITH THE COLLATERAL. GRANTOR MAY LATER CANCEL ANY INSURANCE PURCHASED BY LENDER, BUT ONLY AFTER PROVIDING LENDER WITH EVIDENCE THAT GRANTOR HAS OBTAINED INSURANCE AS REQUIRED BY THEIR AGREEMENT. IF LENDER PURCHASES INSURANCE FOR THE COLLATERAL, GRANTOR WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES LENDER MAY IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO GRANTOR'S TOTAL OUTSTANDING BALANCE OR OBLIGATION. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE GRANTOR MAY BE ABLE TO OBTAIN ON GRANTOR'S OWN.**

IN ADDITION, THE INSURANCE MAY NOT PROVIDE ANY PUBLIC LIABILITY OR PROPERTY DAMAGE INDEMNIFICATION AND MAY NOT MEET THE REQUIREMENTS OF ANY FINANCIAL RESPONSIBILITY LAWS.

**AUTHORIZATION.** For purposes of insurance coverage on the Collateral, Grantor authorizes Lender to provide to any person (including any insurance agent or company) all information Lender deems appropriate, whether regarding the Collateral, the loan or other financial accommodations, or both.

**GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS AGREEMENT TO PROVIDE INSURANCE AND AGREES TO ITS TERMS. THIS AGREEMENT IS DATED SEPTEMBER 12, 2016.**

**GRANTOR:**

VILLAGE OF COAL CITY, ILLINOIS

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

<b>FOR LENDER USE ONLY</b>	
<b>INSURANCE VERIFICATION</b>	PHONE _____
DATE: _____	
AGENT'S NAME: _____	
AGENCY: _____	
ADDRESS: _____	
INSURANCE COMPANY: _____	
POLICY NUMBER: _____	
EFFECTIVE DATES: _____	
COMMENTS: _____	
_____	

# DISBURSEMENT REQUEST AND AUTHORIZATION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
<b>\$93,000.00</b>	<b>09-12-2016</b>	<b>09-12-2019</b>	<b>2016002611</b>	<b>8 / 310</b>	<b>V000501</b>	<b>MENDJ</b>	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Borrower:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centrue Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**LOAN TYPE.** This is a Fixed Rate (3.100%) Nondisclosable Loan to a Government Entity for \$93,000.00 due on September 12, 2019.

**PRIMARY PURPOSE OF LOAN.** The primary purpose of this loan is for:

- Personal, Family, or Household Purposes or Personal Investment.
- Business.

**SPECIFIC PURPOSE.** The specific purpose of this loan is: To purchase two vehicles and equipment for the police department.

**DISBURSEMENT INSTRUCTIONS.** Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$93,000.00 as follows:

<b>Amount paid to Borrower directly:</b>	<b>\$93,000.00</b>
\$93,000.00 Deposited to Checking Account # 1101707	<b>\$93,000.00</b>
<b>Note Principal:</b>	<b>\$93,000.00</b>

**CHARGES PAID IN CASH.** Borrower has paid or will pay in cash as agreed the following charges:

<b>Prepaid Finance Charges Paid in Cash:</b>	<b>\$0.00</b>
<b>Other Charges Paid in Cash:</b>	<b>\$250.00</b>
\$250.00 Loan Origination Fee	<b>\$250.00</b>
<b>Total Charges Paid in Cash:</b>	<b>\$250.00</b>

**ADDITIONAL FEES AND EXPENSES.** Charges Paid in Cash is not an inclusive list of all charges. Additional fees and expenses, i.e. appraisals, title insurance, attorney's fees, may not be disclosed. Borrower agrees to reimburse to Lender upon request additional fees and expenses incurred.

**NOTICE OF RIGHT TO RECEIVE A COPY OF THE APPRAISAL.** If an appraisal was obtained in conjunction with this loan, Borrower has a right to receive a copy. If you wish to have a copy of the appraisal, please provide a written request within 90 days to the Lender at the address disclosed on the Promissory Note.

**FINANCIAL CONDITION.** BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED SEPTEMBER 12, 2016.

**BORROWER:**

VILLAGE OF COAL CITY, ILLINOIS

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

---

**THE VILLAGE OF COAL CITY**  
GRUNDY & WILL COUNTIES, ILLINOIS

---

ORDINANCE  
NUMBER \_\_\_\_\_

---

**AN ORDINANCE AUTHORIZING A LOAN FROM CENTRUE BANK AND ENTRY  
INTO A PROMISSORY NOTE IN THE AMOUNT OF \$26,500.00 IN CONNECTION  
WITH ACQUISITION OF POLICE CAMERA EQUIPMENT**

---

TERRY HALLIDAY, Village President  
PAMELA M. NOFFSINGER, Village Clerk

ROSS BRADLEY  
TIMOTHY BRADLEY  
DANIEL GREGGAIN  
NEAL NELSON  
DAVID TOGLIATTI  
JUSTIN WREN  
Village Trustees

---

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Coal City  
on \_\_\_\_\_, 2016

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING A LOAN FROM CENTRUE BANK AND ENTRY INTO A PROMISSORY NOTE IN THE AMOUNT OF \$26,500.00 IN CONNECTION WITH ACQUISITION OF POLICE CAMERA EQUIPMENT**

**WHEREAS**, the Village of Coal City (“Village”) is an Illinois non-home rule municipal corporation, organized and operating pursuant to the Constitution and laws of the State of Illinois; and

**WHEREAS**, pursuant to Section 8-1-3.1 of the Illinois Municipal Code, 65 ILCS 5/8-1-3.1, the Village is authorized to borrow money from a bank or other financial institution, provided that such money shall be repaid within ten (10) years from the time the money is borrowed and that such loan is secured by a general obligation promissory note; and

**WHEREAS**, on or about July 13, 2016, the Village President and Trustees (cumulatively, the “Corporate Authorities”) found and determined that it is desirable and in the best interest of the Village to purchase certain police camera equipment (the “Equipment”) for the use and benefit of the Village, and to finance said acquisition through a loan from Centrue Bank in accordance with the terms and conditions of a term sheet dated July 6, 2016 and attached hereto as Exhibit A; and

**WHEREAS**, the Village is desirous of acquiring the Equipment, but has insufficient funds on hand and lawfully available to do so, and as such, the Corporate Authorities now deem it advisable, necessary and in the best interest of the Village and its residents to borrow the aggregate principal amount of Twenty Six Thousand Five Hundred and No/100 Dollars (\$26,500.00) from Centrue Bank at a fixed rate of interest of 3.1% for twenty-four (24) months for the aforesaid purposes, and authorize entry into such a loan from Centrue Bank secured by a general obligation promissory note to finance acquisition of the Equipment; and

**WHEREAS**, the acquisition of the Equipment is for a proper public purpose; and

**WHEREAS**, the Corporate Authorities of the Village hereby find and determine that it is advisable, necessary and in the best interest of the Village to authorize the execution of a promissory note and other loan documents identified herein setting forth the terms and conditions associated with the aforesaid loan; and

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Coal City, Counties of Will and Grundy, Illinois, as follows:

**SECTION 1. Recitals.** The foregoing recitals shall be and are hereby incorporated into and made a part of this Ordinance as if fully set forth in this Section 1.

**SECTION 2. Determination to Borrow Funds.** It is necessary and in the best interests of the Village to acquire the Equipment and for purposes of financing such acquisition, it is hereby authorized that funds be borrowed by the Village in an aggregate principal amount not to exceed the lesser of (i) Twenty Six Thousand Five Hundred and No/100 Dollars (\$26,500.00) and (ii) an amount, when aggregated with the existing indebtedness of the Village, that does not exceed the debt limitation provided in Section 8-5-1 of the Illinois Municipal Code (65 ILCS 5/8-5-1), with a fixed interest rate not to exceed 3.1% and a repayment term not to two (2) years, secured by a general obligation promissory note.

**SECTION 3. Authorization.**

**A.** The Village President and Village Administrator of the Village of Coal City are jointly and severally designated as authorized officials to act on behalf of the Village within the meaning of the Governmental Certificate pertaining to Loan Number 2016002549 attached

hereto as Exhibit B, the Promissory Note pertaining to Loan Number 2016002549 attached hereto as Exhibit C, Commercial Security Agreement pertaining to Loan Number 2016002549 attached hereto as Exhibit D, Agreement to Provide Insurance pertaining to Loan Number 2016002549 attached hereto as Exhibit E, and Disbursement Request and Authorization pertaining to Loan Number 2016002549, attached hereto as Exhibit F (cumulatively, Exhibits B through F shall be known as the “Loan Documents” and are incorporated by reference as though fully set forth herein).

**B.** The Village President and Village Administrator of the Village of Coal City are authorized and directed to execute the Loan Documents, and to take such actions and execute such other documents as may be necessary or convenient to borrow from Centruce Bank an amount not to exceed the lesser of (i) Twenty Six Thousand Five Hundred and No/100 Dollars (\$26,500.00) and (ii) an amount, when aggregated with the existing indebtedness of the Village, that does not exceed the debt limitation provided in Section 8-5-1 of the Illinois Municipal Code (65 ILCS 5/8-5-1) at such interest rate, at such term, and subject to such terms and conditions as are set forth in the Loan Documents.

**C.** The Village Clerk is authorized and directed to execute, attest, countersign and affix the seal of the Village of Coal City to any and all Loan Documents, and any and all other documents necessary or convenient to carry out and give effect to the purpose and intent of this Ordinance.

**D.** The Village President, Village Clerk, Village Administrator, Village Treasurer and Village Attorney are hereby authorized and directed to do all things necessary, essential or convenient to carry out and give effect to the purpose and intent of this Ordinance.

**SECTION 4. Resolution of Conflicts.** All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 5. Saving Clause.** If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance, which are hereby declared to be separable.

**SECTION 6. Effectiveness.** This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

SO ORDAINED this \_\_\_\_\_ day of \_\_\_\_\_, 2016, at Coal City, Grundy and Will Counties, Illinois.

AYES:

ABSENT:

NAYS:

ABSTAIN:

**VILLAGE OF COAL CITY**

\_\_\_\_\_  
Terry Halliday, President

Attest:

\_\_\_\_\_  
Pamela M. Noffsinger, Clerk



**Exhibit A**

**CENTRUE BANK TERM SHEET**

**JULY 6, 2016**

[INSERTED ON FOLLOWING PAGES]

**Exhibit B**

**LOAN NO. 2016002549 GOVERNMENTAL CERTIFICATE**

[INSERTED ON FOLLOWING PAGES]

**Exhibit C**

**LOAN NO. 2016002549 PROMISSORY NOTE**

[INSERTED ON FOLLOWING PAGES]

**Exhibit D**

**LOAN NO. 2016002549 COMMERCIAL SECURITY AGREEMENT**

[INSERTED ON FOLLOWING PAGES]

**Exhibit E**

**LOAN NO. 2016002549 AGREEMENT TO PROVIDE INSURANCE**

[INSERTED ON FOLLOWING PAGES]

**Exhibit F**

**LOAN NO. 2016002549 DISBURSEMENT REQUEST AND AUTHORIZATION**

[INSERTED ON FOLLOWING PAGE]

# GOVERNMENTAL CERTIFICATE

<b>Principal</b> \$26,500.00	<b>Loan Date</b> 09-12-2016	<b>Maturity</b> 09-12-2018	<b>Loan No</b> 2016002549	<b>Call / Coll</b> 8 / 310	<b>Account</b> V000501	<b>Officer</b> MENDJ	<b>Initials</b>
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Entity:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centru Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**WE, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:**

**THE ENTITY'S EXISTENCE.** The complete and correct name of the governmental entity is Village of Coal City, Illinois ("Entity"). The Entity is a governmental entity which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws and regulations of the State of Illinois. The Entity has the full power and authority to own its properties and to transact the business and activities in which it is presently engaged or presently proposes to engage. The Entity maintains its principal office at 515 S Broadway St, Coal City, IL 60416. The Entity shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of the Entity and any other governmental or quasi-governmental authority or court applicable to the Entity and the Entity's business activities.

**CERTIFICATES ADOPTED.** At a meeting of the appropriate governing body of the Entity, duly called and held on **September 12, 2016**, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Certificate were adopted.

**OFFICIALS.** The following named persons and entities is an Officials of Village of Coal City, Illinois:

NAMES	TITLES	AUTHORIZED	ACTUAL SIGNATURES
-------	--------	------------	-------------------

**ACTIONS AUTHORIZED.** Any two (2) of the persons and entities listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Entity. Specifically, but without limitation, any two (2) of such persons and entities are authorized, empowered, and directed to do the following for and on behalf of the Entity:

**Borrow Money.** To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Entity and Lender, such sum or sums of money as in their judgment should be borrowed, without limitation.

**Execute Notes.** To execute and deliver to Lender the promissory note or notes, or other evidence of the Entity's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Entity's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

**Grant Security.** To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Entity or in which the Entity now or hereafter may have an interest, including without limitation all of the Entity's real property and all of the Entity's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Entity to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

**Execute Security Documents.** To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances.

**Negotiate Items.** To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Entity or in which the Entity may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Entity's account with Lender, or to cause such other disposition of the proceeds derived therefrom as they may deem advisable.

**Further Acts.** In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements, including agreements waiving the right to a trial by jury and confessing judgment against the Entity, as the Officials may in their discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Certificate.

**ASSUMED BUSINESS NAMES.** The Entity has filed or recorded all documents or filings required by law relating to all assumed business names used by the Entity. Excluding the name of the Entity, the following is a complete list of all assumed business names under which the Entity does business: **None.**

**NOTICES TO LENDER.** The Entity will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (A) change in the Entity's name; (B) change in the Entity's assumed business name(s); (C) change in the structure of the Entity; (D) change in the authorized signer(s); (E) change in the Entity's principal office address; (F) change in the Entity's principal residence; or (G) change in any other aspect of the Entity that directly or indirectly relates to any agreements between the Entity and Lender.

**CERTIFICATION CONCERNING OFFICIALS AND CERTIFICATES.** The Officials named above is duly elected, appointed, or employed by or for the Entity, as the case may be, and occupy the positions set opposite their respective names. This Certificate now stands of record on the books of the Entity, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

**CONTINUING VALIDITY.** Any and all acts authorized pursuant to this Certificate and performed prior to the passage of this Certificate are hereby ratified and approved. This Certificate shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Entity's agreements or commitments in effect at the time notice is given.

**GOVERNMENTAL CERTIFICATE  
(Continued)**

Loan No: 2016002549

Page 2

IN TESTIMONY WHEREOF, we have hereunto set our hand and attest that the signatures set opposite the names listed above is their genuine signatures.

We each have read all the provisions of this Certificate, and we each personally and on behalf of the Entity certify that all statements and representations made in this Certificate are true and correct. This Governmental Certificate is dated September 12, 2016.

CERTIFIED TO AND ATTESTED BY:

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

NOTE: If the Officials signing this Certificate is designated by the foregoing document as one of the officials authorized to act on the Entity's behalf, it is advisable to have this Certificate signed by at least one non-authorized official of the Entity.

DRAFT



# PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$26,500.00	09-12-2016	09-12-2018	2016002549	8 / 310	V000501	MENDJ	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centrue Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**Principal Amount: \$26,500.00**

**Date of Note: September 12, 2016**

**PROMISE TO PAY.** Village of Coal City, Illinois ("Borrower") promises to pay to Centrue Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Twenty-six Thousand Five Hundred & 00/100 Dollars (\$26,500.00), together with interest on the unpaid principal balance from September 12, 2016, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 3.100%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in 23 payments of \$1,140.64 each payment and an irregular last payment estimated at \$1,140.55. Borrower's first payment is due October 12, 2016, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on September 12, 2018, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT.** Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Centrue Bank, Coal City Branch, 660 S Broadway, Coal City, IL 60416.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$10.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased to 12.500%. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**PROMISSORY NOTE  
(Continued)**

Loan No: 2016002549

Page 2

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Illinois.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of LaSalle County, State of Illinois.

**CONFESSION OF JUDGMENT.** Borrower hereby irrevocably authorizes and empowers any attorney-at-law to appear in any court of record and to confess judgment against Borrower for the unpaid amount of this Note as evidenced by an affidavit signed by an officer of Lender setting forth the amount then due, attorneys' fees plus costs of suit, and to release all errors, and waive all rights of appeal. If a copy of this Note, verified by an affidavit, shall have been filed in the proceeding, it will not be necessary to file the original as a warrant of attorney. Borrower waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the foregoing warrant and power to confess judgment will be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be invalid, voidable, or void; but the power will continue undiminished and may be exercised from time to time as Lender may elect until all amounts owing on this Note have been paid in full. Borrower hereby waives and releases any and all claims or causes of action which Borrower might have against any attorney acting under the terms of authority which Borrower has granted herein arising out of or connected with the confession of judgment hereunder.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**ERRORS AND OMISSIONS.** If requested by Lender, Borrower agrees to fully cooperate and adjust for clerical errors any or all closing documents if deemed necessary or desirable in the reasonable discretion of Lender. Borrower agrees to comply with the noted request within 30 days from date of mailing such request. Borrower further agrees to assume all costs including by way of illustration and not limitation, actual expenses and legal fees for failing to reasonably comply with your request in the above noted time period.

**FINANCIAL REPORTS.** Borrower agrees to furnish Lender with the following:

**Tax Returns.** As soon as available, but in no event later than 30 (thirty) days after the applicable filing date for the tax reporting period ended, Federal and other governmental tax returns.

**Annual Statements.** If Borrower is an entity, as soon as available, but in no event later than 45 (forty-five) days after the end of each fiscal year, Borrower's balance sheet and income statement for the year ended, audited by a certified public accountant satisfactory to Lender.

**Personal Financial Statement.** If Borrower is a natural person, a current detailed personal financial statement in a form acceptable to Lender no less than annually.

Borrower will provide any additional information and statements, as Lender may request from time to time or as disclosed in a Business Loan Agreement.

**SECURITY INTEREST IN DEPOSIT ACCOUNTS.** To secure (A) payment of the Note and any other loans, indebtedness or obligations Borrower may now or at any time in the future owe Lender and (B) the performance of Borrower's promises and undertakings hereunder, Borrower grants to Lender a security interest in all of Borrower's deposit accounts.

**ADDITIONAL COLLATERAL.** Borrower acknowledges that in addition to the Collateral described in any security instruments prepared together with this Note, Property given by any Borrower or Grantor which may secure other loans with Lender may also secure Borrower's obligation under this Loan.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

**PROMISSORY NOTE  
(Continued)**

**Loan No: 2016002549**

**Page 3**

**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

**VILLAGE OF COAL CITY, ILLINOIS**

**By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois**

**By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois**

**DRAFT**

# ASSIGNMENT OF DEPOSIT ACCOUNT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
<b>\$26,500.00</b>	<b>09-12-2016</b>	<b>09-12-2018</b>	<b>2016002549</b>	<b>8 / 310</b>	<b>V000501</b>	<b>MENDJ</b>	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Grantor:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centrue Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**THIS ASSIGNMENT OF DEPOSIT ACCOUNT dated September 12, 2016, is made and executed between Village of Coal City, Illinois ("Grantor") and Centrue Bank ("Lender").**

**ASSIGNMENT.** For valuable consideration, Grantor assigns and grants to Lender a security interest in the Collateral, including without limitation the deposit account(s) described below, to secure the Indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

**COLLATERAL DESCRIPTION.** The word "Collateral" means the following described deposit account(s) ("Account"):

**Business Money Market Account Number 1001065751 with Lender with an approximate balance of \$119,500.00**

together with (A) all interest, whether now accrued or hereafter accruing; (B) all additional deposits hereafter made to the Account; (C) any and all proceeds from the Account; and (D) all renewals, replacements and substitutions for any of the foregoing.

In addition, the word "Collateral" includes all of Grantor's property (however owned if owned by more than one person or entity), in Lender's possession (or in the possession of a third party subject to Lender's control), whether existing now or later and whether tangible or intangible in character, including without limitation each and all of the following:

- (A) All property to which Lender acquires title or documents of title.
- (B) All property assigned to Lender.
- (C) All promissory notes, bills of exchange, stock certificates, bonds, savings passbooks, time certificates of deposit, insurance policies, and all other instruments and evidences of an obligation.
- (D) All records relating to any of the property described in this Collateral section, whether in the form of writing, microfilm, microfiche, or electronic media.

**CROSS-COLLATERALIZATION.** In addition to the Note, this Agreement secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Grantor holds jointly with someone else and all accounts Grantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL.** With respect to the Collateral, Grantor represents and promises to Lender that:

- Ownership.** Grantor is the lawful owner of the Collateral free and clear of all loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.
- Right to Grant Security Interest.** Grantor has the full right, power, and authority to enter into this Agreement and to assign the Collateral to Lender.
- No Prior Assignment.** Grantor has not previously granted a security interest in the Collateral to any other creditor.
- No Further Transfer.** Grantor shall not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Collateral except as provided in this Agreement.
- No Defaults.** There are no defaults relating to the Collateral, and there are no offsets or counterclaims to the same. Grantor will strictly and promptly do everything required of Grantor under the terms, conditions, promises, and agreements contained in or relating to the Collateral.
- Proceeds.** Any and all replacement or renewal certificates, instruments, or other benefits or proceeds related to the Collateral that are received by Grantor shall be held by Grantor in trust for Lender and immediately shall be delivered by Grantor to Lender to be held as part of the Collateral.
- Validity; Binding Effect.** This Agreement is binding upon Grantor and Grantor's successors and assigns and is legally enforceable in accordance with its terms.
- Financing Statements.** Grantor authorizes Lender to file a UCC financing statement, or alternatively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. Grantor will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. Grantor irrevocably appoints Lender to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement.

**LENDER'S RIGHTS AND OBLIGATIONS WITH RESPECT TO THE COLLATERAL.** While this Agreement is in effect, Lender may retain the rights to possession of the Collateral, together with any and all evidence of the Collateral, such as certificates or passbooks. This Agreement will remain in effect until (a) there no longer is any Indebtedness owing to Lender; (b) all other obligations secured by this Agreement have been

## ASSIGNMENT OF DEPOSIT ACCOUNT (Continued)

Loan No: 2016002549

Page 2

fulfilled; and (c) Grantor, in writing, has requested from Lender a release of this Agreement.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Grantor fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Agreement or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and preserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

**LIMITATIONS ON OBLIGATIONS OF LENDER.** Lender shall use ordinary reasonable care in the physical preservation and custody of any certificate or passbook for the Collateral but shall have no other obligation to protect the Collateral or its value. In particular, but without limitation, Lender shall have no responsibility (A) for the collection or protection of any income on the Collateral; (B) for the preservation of rights against issuers of the Collateral or against third persons; (C) for ascertaining any maturities, conversions, exchanges, offers, tenders, or similar matters relating to the Collateral; nor (D) for informing the Grantor about any of the above, whether or not Lender has or is deemed to have knowledge of such matters.

**REINSTATEMENT OF SECURITY INTEREST.** If payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (A) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors; (B) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property; or (C) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Agreement and this Agreement shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Agreement or of any note or other instrument or agreement evidencing the Indebtedness and the Collateral will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Agreement.

**DEFAULT.** Each of the following shall constitute an Event of Default under this Agreement:

**Payment Default.** Grantor fails to make any payment when due under the Indebtedness.

**Other Defaults.** Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

**Default in Favor of Third Parties.** Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or ability to perform Grantor's obligations under this Agreement or any of the Related Documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Insolvency.** The insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or guarantor, endorser, surety, or accommodation party dies or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of an Event of Default, or at any time thereafter, Lender may exercise any one or more of the following rights and remedies, in addition to any rights or remedies that may be available at law, in equity, or otherwise:

**Accelerate Indebtedness.** Lender may declare all Indebtedness of Grantor to Lender immediately due and payable, without notice of any kind to Grantor.

**Application of Account Proceeds.** Lender may take directly all funds in the Account and apply them to the Indebtedness. If the Account is subject to an early withdrawal penalty, that penalty shall be deducted from the Account before its application to the Indebtedness, whether the Account is with Lender or some other institution. Any excess funds remaining after application of the Account proceeds to the

## ASSIGNMENT OF DEPOSIT ACCOUNT (Continued)

Loan No: 2016002549

Page 3

Indebtedness will be paid to Grantor as the interests of Grantor may appear. Grantor agrees, to the extent permitted by law, to pay any deficiency after application of the proceeds of the Account to the Indebtedness. Lender also shall have all the rights of a secured party under the Illinois Uniform Commercial Code, even if the Account is not otherwise subject to such Code concerning security interests, and the parties to this Agreement agree that the provisions of the Code giving rights to a secured party shall nonetheless be a part of this Agreement.

**Transfer Title.** Lender may effect transfer of title upon sale of all or part of the Collateral. For this purpose, Grantor irrevocably appoints Lender as Grantor's attorney-in-fact to execute endorsements, assignments and instruments in the name of Grantor and each of them (if more than one) as shall be necessary or reasonable.

**Other Rights and Remedies.** Lender shall have and may exercise any or all of the rights and remedies of a secured creditor under the provisions of the Illinois Uniform Commercial Code, at law, in equity, or otherwise.

**Deficiency Judgment.** If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

**Election of Remedies.** Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

**Cumulative Remedies.** All of Lender's rights and remedies, whether evidenced by this Agreement or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and to exercise its remedies.

### MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

**Amendments.** This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Attorneys' Fees; Expenses.** Grantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Grantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Grantor also shall pay all court costs and such additional fees as may be directed by the court.

**Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

**Governing Law.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Illinois.

**Choice of Venue.** If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of LaSalle County, State of Illinois.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Notices.** Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

**Power of Attorney.** Grantor hereby appoints Lender as its true and lawful attorney-in-fact, irrevocably, with full power of substitution to do the following: (1) to demand, collect, receive, receipt for, sue and recover all sums of money or other property which may now or hereafter become due, owing or payable from the Collateral; (2) to execute, sign and endorse any and all claims, instruments, receipts, checks, drafts or warrants issued in payment for the Collateral; (3) to settle or compromise any and all claims arising under the Collateral, and in the place and stead of Grantor, to execute and deliver its release and settlement for the claim; and (4) to file any claim or claims or to take any action or institute or take part in any proceedings, either in its own name or in the name of Grantor, or otherwise, which in the discretion of Lender may seem to be necessary or advisable. This power is given as security for the Indebtedness, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

**Successors and Assigns.** Subject to any limitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the



**ASSIGNMENT OF DEPOSIT ACCOUNT  
(Continued)**

Loan No: 2016002549

Page 4

Indebtedness.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in this Agreement shall survive the execution and delivery of this Agreement, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

**Time is of the Essence.** Time is of the essence in the performance of this Agreement.

**Waive Jury.** All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Account.** The word "Account" means the deposit account(s) described in the "Collateral Description" section.

**Agreement.** The word "Agreement" means this Assignment of Deposit Account, as this Assignment of Deposit Account may be amended or modified from time to time, together with all exhibits and schedules attached to this Assignment of Deposit Account from time to time.

**Borrower.** The word "Borrower" means Village of Coal City, Illinois and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Collateral.** The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

**Default.** The word "Default" means the Default set forth in this Agreement in the section titled "Default".

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

**Grantor.** The word "Grantor" means Village of Coal City, Illinois.

**Guaranty.** The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

**Indebtedness.** The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Agreement.

**Lender.** The word "Lender" means Centru Bank, its successors and assigns.

**Note.** The word "Note" means the Note dated September 12, 2016 and executed by Village of Coal City, Illinois in the principal amount of \$26,500.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

**Property.** The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Collateral Description" section of this Agreement.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**GRANTOR HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS ASSIGNMENT OF DEPOSIT ACCOUNT AND AGREES TO ITS TERMS. THIS AGREEMENT IS DATED SEPTEMBER 12, 2016.**

GRANTOR:

VILLAGE OF COAL CITY, ILLINOIS

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

# DISBURSEMENT REQUEST AND AUTHORIZATION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
<b>\$26,500.00</b>	<b>09-12-2016</b>	<b>09-12-2018</b>	<b>2016002549</b>	<b>8 / 310</b>	<b>V000501</b>	<b>MENDJ</b>	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** Village of Coal City, Illinois  
515 S Broadway St  
Coal City, IL 60416

**Lender:** Centrue Bank  
Coal City Branch  
660 S Broadway  
Coal City, IL 60416

**LOAN TYPE.** This is a Fixed Rate (3.100%) Nondisclosable Loan to a Government Entity for \$26,500.00 due on September 12, 2018.

**PRIMARY PURPOSE OF LOAN.** The primary purpose of this loan is for:

- Personal, Family, or Household Purposes or Personal Investment.
- Business.

**SPECIFIC PURPOSE.** The specific purpose of this loan is: To purchase cameras for police cars.

**DISBURSEMENT INSTRUCTIONS.** Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$26,500.00 as follows:

Amount paid to others on Borrower's behalf: \$26,500.00 to Brite	\$26,500.00
Note Principal:	\$26,500.00

**CHARGES PAID IN CASH.** Borrower has paid or will pay in cash as agreed the following charges:

Prepaid Finance Charges Paid in Cash:	\$0.00
Other Charges Paid in Cash: \$21.22 UCC Search/Filing Fee \$250.00 Loan Origination Fee	\$271.22
<b>Total Charges Paid in Cash:</b>	<b>\$271.22</b>

**ADDITIONAL FEES AND EXPENSES.** Charges Paid in Cash is not an inclusive list of all charges. Additional fees and expenses, i.e. appraisals, title insurance, attorney's fees, may not be disclosed. Borrower agrees to reimburse to Lender upon request additional fees and expenses incurred.

**NOTICE OF RIGHT TO RECEIVE A COPY OF THE APPRAISAL.** If an appraisal was obtained in conjunction with this loan, Borrower has a right to receive a copy. If you wish to have a copy of the appraisal, please provide a written request within 90 days to the Lender at the address disclosed on the Promissory Note.

**FINANCIAL CONDITION.** BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED SEPTEMBER 12, 2016.

**BORROWER:**

VILLAGE OF COAL CITY, ILLINOIS

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois

By: \_\_\_\_\_  
Authorized Signer for Village of Coal City, Illinois



## MEMORANDUM

**To:** Mayor Halliday and Coal City Trustees

**CC:**

**From:** Mark R. Heinle

**Subject:** Cannabis and Drug Paraphernalia Amendatory Ordinance

**Date:** September 9, 2016

---

In late July, Governor Rauner signed into law Public Act 99-697, which amended the Cannabis Control Act, 720 ILCS 550/1, *et seq.*, the Drug Paraphernalia Control Act, 720 ILCS 600/1, *et seq.* and a variety of other laws to relax some of the penalties surrounding cannabis possession.

It is important to note that possession of cannabis, even in small quantities, remains illegal. Under the amended statutes, however, possession of less than ten (10) grams of cannabis is no longer treated as a criminal offense, but rather a mere civil violation that carries with it a fine of \$100 to \$200, akin to a traffic citation. Likewise, possessing drug paraphernalia only in connection with having up to 10 grams of cannabis is also now downgraded from a misdemeanor to a non-criminal fine-based penalty. Pursuant to the new law, any Village police records related to tickets issued for cannabis possession at this lowest level of up to 10 grams, together with tickets issued for drug paraphernalia seized along with the less-than-10-grams pot threshold, must now be expunged (destroyed) every January 1 and July 1.

Moreover, under the new law, the misdemeanor and penalty schedules for greater amounts of cannabis possession were also relaxed, such that possession of 10 to 30 grams of cannabis, formerly qualifying as a Class A misdemeanor with up to one year in jail and fines ranging from \$750 to \$3,250, now qualifies as a lesser Class B misdemeanor, punishable by up to six (6) months in jail and a fine of up to \$1,500. Possession of greater amounts of cannabis has also been ratcheted downward, with someone now having to possess 100 grams of cannabis to qualify for a first-offense felony.

Importantly, new Section 17.5 of the Cannabis Control Act explicitly allows communities to depart from the State's fine schedule for cannabis possession.

September 9, 2016

Page 2

In light of the new legislation, our office worked with Chief Best to amend the Village Code to provide for an overhauled Village fine schedule of \$250 to \$500 for possession of up to 10 grams of cannabis, and a fine range of \$500 to \$750 for possession of 10 to 30 grams of cannabis. Possession of more than 30 grams of cannabis, now a Class A (highest level) misdemeanor, will be written up as violations of the Cannabis Control Act and prosecuted by the State's Attorney rather than handled locally through the Village's administrative adjudication system.

The Village has somewhat less freedom to depart from the State rubric when it comes to possession of drug paraphernalia, but the new ordinance deems it a local non-criminal violation with penalties ranging from \$100 to \$200 for possession of drug paraphernalia seized in connection with a bust related to 10 grams of marijuana or less. The Village also has the option now of handling via local tickets and administrative adjudication next-level drug paraphernalia possession cases, where the drug paraphernalia is found in connection with possession of 10 to 30 grams of cannabis. Any other type of drug paraphernalia bust must be handled as a criminal violation of the Drug Paraphernalia Control Act and handled through the court system by the State's Attorney.

While the Village retains the ability to write up low-level infractions as discussed in this memorandum as State law violations, it makes little economic sense to do so. Under the new law, there is a complex distribution of the fine money that results in the Village receiving between \$55 and \$155 of the fine proceeds for a non-criminal cannabis possession conviction handled through the Court system, but all of the (greater) fine proceeds for tickets handled through the Village's administrative adjudication system.

*RECOMMENDED ACTION: Enact ordinance amending Section 134-7 of the Village Code, related to low-level cannabis possession, and establishing new Section 134-8, governing the handling of drug paraphernalia possession connected with possession of small amounts of cannabis.*

---

**THE VILLAGE OF COAL CITY**  
GRUNDY & WILL COUNTIES, ILLINOIS

---

ORDINANCE  
NUMBER \_\_\_\_\_

---

**AN ORDINANCE AMENDING THE VILLAGE OF COAL CITY CODE OF  
ORDINANCES TO MODIFY REGULATIONS GOVERNING POSSESSION OF  
CANNABIS CONSISTENTLY WITH STATE LAW AND TO PROHIBIT POSSESSION  
OF DRUG PARAPHERNALIA**

---

TERRY HALLIDAY, Village President  
PAMELA M. NOFFSINGER, Village Clerk

ROSS BRADLEY  
TIMOTHY BRADLEY  
DANIEL GREGGAIN  
NEAL NELSON  
DAVID TOGLIATTI  
JUSTIN WREN  
Village Trustees

---

Published in pamphlet form by authority of the President and Board of Trustees of the Village of  
Coal City  
on \_\_\_\_\_, 2016

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING THE VILLAGE OF COAL CITY CODE OF ORDINANCES TO MODIFY REGULATIONS GOVERNING POSSESSION OF CANNABIS CONSISTENTLY WITH STATE LAW AND TO PROHIBIT POSSESSION OF DRUG PARAPHERNALIA**

**WHEREAS**, the Village of Coal City (“Village”) is an Illinois non-home rule municipal corporation, organized and operating pursuant to the Constitution and laws of the State of Illinois; and

**WHEREAS**, the Village has authority pursuant to the Illinois Municipal Code to enact ordinances promoting the health, safety and welfare of the citizens of Coal City; and

**WHEREAS**, the Illinois General Assembly recently enacted Public Act 99-697, which amended the Cannabis Control Act to de-criminalize possession of 10 grams or less of cannabis and provide that such infraction is a civil violation punishable by fine only, and generally altered the penalties associated with possession of varying amounts of cannabis and the Village wishes to update its local codes to mirror the State enforcement scheme and to provide for the option of issuance of municipal ordinance violations for cannabis possession of up to thirty (30) grams; and

**WHEREAS**, Public Act 99-697 permits municipalities to impose a fine different than the fines set out in the Public Act; and

**WHEREAS**, it is in the best interest of the health, safety, and welfare of the citizens of Coal City to prohibit, by means of a municipal ordinance, the possession of less than thirty (30) grams of cannabis and provide for fines therefore; and

**WHEREAS**, the Village does not presently regulate the possession of drug paraphernalia and finds it to be in the best interest of the health, safety, and welfare of the citizens of the Village of Coal City, Illinois to prohibit, by means of a municipal ordinance, the possession of drug paraphernalia;

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Coal City, Counties of Will and Grundy, Illinois, as follows:

**SECTION 1. Recitals.** The foregoing recitals shall be and are hereby incorporated into and made a part of this Ordinance as if fully set forth in this Section 1.

**SECTION 2. Amendments.**

A. Section 134-7 of the Village Code (“Possession of Cannabis”) is hereby amended to read as follows:

**§ 134-7. Possession of cannabis.**

A. For the purpose of this section, the following definition shall apply unless the context clearly indicates or requires a different meaning:

CANNABIS — Marijuana, hashish, and other substances which are identified as including any parts of the plant Cannabis sativa, whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and any compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin; including tetrahydrocannabinol (THC) and all other cannabinol derivatives; its naturally occurring or synthetically produced ingredients, whether produced directly or indirectly by extraction, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis. "Cannabis" shall not include the mature stalks, oil, or cake made from the seeds of such plant; fiber produced from such stalks, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake; or the sterilized seed of such plant which is incapable of germination.<sup>1</sup>

B. It is declared to be an offense for any person to ~~knowingly~~ possess cannabis. Any person who violates this Section with respect to possession of a substance containing cannabis in an amount:

i. less than up to 500 ten (10) grams shall be fined in an amount not less than \$250 and not more than \$500 for each offense. of cannabis.

ii. more than ten (10) grams but not more than thirty (30) grams shall be fined not less than \$500 and not more than \$750 for each offense.

C. No period of imprisonment shall be sought or imposed for violating Section 134-7(B).

D. Any person knowingly in possession of a substance containing cannabis in an amount exceeding thirty (30) grams shall be prosecuted under the Cannabis Control Act, provided that nothing in this subsection shall prohibit the ordinance violations set forth in Section 134-7(B) from being prosecuted as violations of the Cannabis Control Act.

E. Notwithstanding the foregoing, lawful possession of medical cannabis by an authorized cardholder in accordance with the Compassionate Use of Medical Cannabis Pilot Program Act, 410 ILCS 130/a et seq., or a successor statute, shall not be a violation of Section 134-7.

B. A new Section 134-8 of the Village Code (“Possession of Drug Paraphernalia”) is hereby adopted to read as follows:

**§ 134-8. Possession of Drug Paraphernalia.**

A. For the purpose of this section, the following definition shall apply unless the context clearly indicates or requires a different meaning:

CANNABIS: Shall have the meaning ascribed to it in section 134-(A) of the Village Code, as though fully set forth herein.

CONTROLLED SUBSTANCE: Shall have the meaning ascribed to it in Section 2(b) of the Drug Paraphernalia Control Act, 720 ILCS 600/2(d), as amended.

DELIVER OR DELIVERY: Shall have the meaning ascribed to it in Section 2(d) of the Drug Paraphernalia Control Act, 720 ILCS 600/2(c), as amended.

DRUG PARAPHERNALIA: Shall have the meaning ascribed to it in Section 2(d) of the Drug Paraphernalia Control Act, 720 ILCS 600/2(d), as amended.

B. Unlawful Possession of Drug Paraphernalia:

- i. It shall be unlawful for a person who knowingly possesses an item of drug paraphernalia with the intent to use it in ingesting, inhaling, or otherwise introducing cannabis or a controlled substance into the human body, or in preparing cannabis or a controlled substance for that use. This prohibition shall not apply to a person who is legally authorized to possess hypodermic syringes or needles under the Hypodermic Syringes and Needles Act or anyone who is in lawful possession of paraphernalia as an authorized cardholder in accordance with

the Compassionate Use of Medical Cannabis Pilot Program Act, 410 ILCS 130/a *et seq.*, or a successor statute.

- ii. In determining intent under subsection (B)(i), the trier of fact may take into consideration, in addition to all other logically relevant factors, the proximity of the cannabis or controlled substances to drug paraphernalia or the presence of cannabis or a controlled substance on the drug paraphernalia, statements by any person in control of the object concerning its use, direct or circumstantial evidence of the intent of any person in control of the object, and the existence and scope of legitimate uses for the object.

C. If a person is convicted of violating Subsection 134-8(B) in connection with a violation of Section 134(7)(B)(i) only, then such person shall be fined in an amount not less than \$100 and not more than \$200 for each such violation.

D. If a person is convicted of violating Subsection 134-8(B) in connection with a violation of Section 134(7)(B)(ii) only, then such person shall be fined \$750 for each such violation.

E. Any person in possession of drug paraphernalia other than in connection with a violation of Section 134(7)(B) shall be prosecuted under the Drug Paraphernalia Control Act, 720 ILCS 600/1, *et seq.*

F. Section 137-8 does not apply to:

- i. Items used in the preparation, compounding, packaging, labeling, or other use of cannabis or a controlled substance as an incident to lawful research, teaching, or chemical analysis and not for sale.
- ii. Items historically and customarily used in connection with the planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, concealing, injecting, ingesting, or inhaling of tobacco or any other lawful substance. Items exempt under this subsection include, but are not limited to, garden hoes, rakes, sickles, baggies, tobacco pipes, and cigarette rolling papers.
- iii. Items listed in the definitions of Section 137-8(A) which are used for decorative purposes, when such items have been rendered completely inoperable or incapable of being used for any illicit purpose prohibited by this section.
- iv. A person who is legally authorized to possess hypodermic syringes or needles under the hypodermic syringes and needles act.

**SECTION 3. Resolution of Conflicts.** All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 4. Saving Clause.** If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance, which are hereby declared to be separable.

**SECTION 5. Effectiveness.** This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

SO ORDAINED this \_\_\_\_\_ day of \_\_\_\_\_, 2016, at Coal City, Grundy and Will Counties, Illinois.

AYES:

ABSENT:

NAYS:

ABSTAIN:

**VILLAGE OF COAL CITY**

\_\_\_\_\_  
Terry Halliday, President

Attest:

\_\_\_\_\_  
Pamela M. Noffsinger, Clerk



## MEMO

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2016

**RE: REMOVAL OF ADDITIONAL STOP SIGNS IN COAL CITY**

The Village Board has been continuously amending its code in order to amend the stop sign control inventory throughout all of Coal City over the past five years. Furthering this cause is the consideration of eliminating six additional stop signs across three different intersections. These changes from a 4-way controlled intersection to creating a 2-way controlled intersection include-

- 1.) Second Avenue and Third Street;
- 2.) Second Avenue and Fourth Street;
- 3.) Washington and Second Streets

Prior to the elimination of any stop signs, the intersection will be posted to warn motorists of the change for a two week period. In addition to this notice, the remaining signs at the intersection will receive additional signage that state cross traffic will no longer stop at the intersection. The Police Chief has recommended a number of other stop signs being removed after proper analysis. The removal of these signs is to allow motorists to utilize stop signs in their most effective manner. Utilizing these signs as a traffic control device can lead to neglect of actually stopping at the signs as well as create conditions causing cars to accelerate in order to maintain time across a certain distance.

**Recommendation:**

Adopt Ordinance No. \_\_\_\_: Eliminating certain stop signs at three intersections throughout Coal City.

---

**THE VILLAGE OF COAL CITY**  
**GRUNDY & WILL COUNTIES, ILLINOIS**

---

ORDINANCE  
NUMBER \_\_\_\_\_

---

**AN ORDINANCE AMENDING CHAPTER 77 OF THE VILLAGE OF COAL CITY CODE  
OF ORDINANCES TO PROVIDE FOR THE ELIMINATION OF STOP SIGNS**

---

TERRY HALLIDAY, Mayor  
PAMELA M. NOFFSINGER, Village Clerk

ROSS BRADLEY  
TIM BRADLEY  
DANE GREGGAIN  
NEAL NELSON  
DAVID TOGLIATTI  
JUSTIN WREN  
Village Trustees

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AMENDING CHAPTER 77 OF THE VILLAGE OF COAL CITY CODE OF ORDINANCES TO PROVIDE FOR THE ELIMINATION OF STOP SIGNS**

**WHEREAS**, the Village of Coal City is authorized by the Illinois Vehicle Code, 625 ILCS 5/11-208, to regulate traffic by means of traffic control signs; and

**WHEREAS**, the Coal City Police Department has recommended six stop signs be removed at the following intersections:

- 1.) Second Avenue and Third Street;
- 2.) Second Avenue and Fourth Street;
- 3.) Washington and Second Streets;

**WHEREAS**, the Village of Coal City desires to give notice to the residents of the Village prior to removing these stop signs; and

**WHEREAS**, the Coal City Police Department has conducted traffic studies and practiced best practices in order to make a recommendation to the Board of Trustees.

**NOW, THEREFORE, BE IT ORDAINED** by the President and Trustees of the Village of Coal City as follows:

**Section 1. Recitals.** The above recitals are incorporated herein by this reference.

**Section 2. Amendment.** Chapter 77, Traffic Schedules, of the Village of Coal City Code of Ordinances is hereby amended as follows:

(A) The designation of the four-way stop intersections at Second Avenue & Third Street, Second Avenue & Fourth Street, and Washington Street & Second Street shall be removed and appropriately re-listed.

**Section 3. Notice of Existing Sign Removal.** The Chief of Police of the Village of Coal City, or his designee, shall place signs at the intersections of Second Avenue & Third Street, Second Avenue & Fourth Street, and Washington Street & Second Street that shall advise of the removal of the stop sign and shall state the time and date of removal. Said signs shall be placed at the intersection for at least fourteen days prior to removal of the stop sign. No stop sign shall be removed from the intersection until the notice requirements of this Section have been complied with.

In addition to the removal of stop signs, the remaining stop signs shall receive additional signage notifying motorists that cross traffic must no longer abide by stop signs at the intersection and beware of cross traffic motorists.

**AN ORDINANCE AMENDING CHAPTER 77 OF THE VILLAGE OF COAL CITY CODE OF  
ORDINANCES TO PROVIDE FOR THE ELIMINATION OF STOP SIGNS**

---

**Section 4. Effectiveness.** This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

SO ORDAINED this \_\_\_\_\_ day of \_\_\_\_\_, 2016, at Coal City, Grundy and Will Counties, Illinois.

AYES:

NAYS:

ABSENT:

ABSTAIN:

**VILLAGE OF COAL CITY**

\_\_\_\_\_  
Terry Halliday, President

Attest:

\_\_\_\_\_  
Pamela M. Noffsinger, Clerk

## MEMO

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2016

**RE: SKC CRACK SEALANT COST EXTENSION**

SKC, the company that provided crack sealant services for the Village in 2015 is ready and willing to extend last year's prices for this year's service once again. This is a unit cost of \$0.51 per linear foot. The Village completed approximately 39,000 linear feet of crack sealant last year and plans to do the same within this year's road improvement budget.

SKC completed satisfactory work last year and will utilize last year's road analysis to complete its work this year. Crack sealant extends the useful life of the Village's road network and has proven a worthwhile investment extending the current infrastructure.

**Recommendation:**

Approve the extension of SKC's crack sealant price of \$0.51 per linear foot to complete 2016 roadwork maintenance.



State of Illinois  
DEPARTMENT OF TRANSPORTATION  
Bureau of Local Roads and Streets

SPECIAL PROVISION  
FOR  
CRACK FILLING BITUMINOUS PAVEMENT WITH FIBER-ASPHALT

Effective: October 1, 1991  
Revised: January 1, 2007

All references to Section or Articles in this specification shall be construed to mean a specific Section or Article of the Standard Specifications for Road and Bridge Construction, adopted by the Department of Transportation

Filling Cracks (Flexible Pavement). This work consists of cleaning and filling transverse and longitudinal joints and cracks in existing bituminous flexible pavement with fiber modified asphalt cement as shown in the plan details, as directed by the Engineer, and as described herein.

Materials. Materials shall meet the requirement of the following Articles of Section 1000 – Materials:

Item	Article
(a) Bituminous Materials (Note 1).....	1032.01-1032.05

Note 1 - Asphalt cement shall be PG 58-28, PG 58-22, or PG 64-22.

Fibers should be short cut polypropylene fibers meeting the properties listed below:

Length,	mm:	8 - 12
Denier	:	13 - 16
Crimps	:	None
Tensile Strength, minimum,	MPa (psi):	275 (40,000)
Specific Gravity (typical)	:	0.91
Moisture Regain @ 21 °C (70 °F) and 65% RH (typical)	%:	0.1

The fiber may be accepted on certification from the manufacturer that it meets the specified requirements.

Equipment. An oil jacketed double wall kettle equipped with an agitator (reversing rotary auger action) and separate thermometers for the oil bath and mixing chamber will be required. The unit shall also be equipped with a reversible hydraulic 50 mm (2 inch) hot asphalt pump and a recirculating pump to circulate the oil bath. An air compressor capable of producing a minimum 620 kPa (90 psi) at the end of the discharge hose will be required.

Preparation of Mixture. The fiber modified asphalt cement or fiber-asphalt shall consist of a minimum of 8.0% by weight fiber in the fiber-asphalt mixture. Operating temperatures in the kettle shall be between 124 and 141 °C (255 and 285 °F). The temperature shall never exceed 143 °C (290 °F) as the fibers will melt into the asphalt cement.

Construction Methods. The fiber-asphalt filler shall be applied only when the joints and cracks are dry and free of dirt, vegetation, debris and loose filler. The joints and cracks shall be blown out with the 620 kPa (90 psi) compressed air. The blowing out operations shall be kept close to the filling operations to prevent debris being carried back into the cracks before filling. Routing will not be required. A hot compressed air lance meeting the approval of the engineer may be used to clean the cracks.

The fiber-asphalt filler shall be applied using a pressurized wand delivery system with such devices as necessary to fill the cracks and form a nominal 3 mm (0.125 inch) thick by 75 mm (3 inch) wide overseal band centered so that the center of the 75 mm (3 inch) wide band is within 25 mm (1 inch) of the crack. The fiber-asphalt filler shall be applied taking care to not use excessive material in either thickness or location. The engineer will determine the extent that fine cracks are filled. Care should be taken to not place filler on top of pavement markings, manholes and drainage castings.

The ambient temperature during filling shall be above 4 °C (40 °F) and below 29 °C (85 °F). The filler must cure before being opened to traffic. The contractor may use fine sand, mineral filler or portland cement to dust the filler if necessary to more quickly open the road to traffic. Dusting will be considered incidental.

A technical representative from the fiber manufacturer shall be available for initial filling work. Any suggestions or recommendations shall be submitted to the Engineer for approval.

Method of Measurement. Filling of cracks will be measured for payment in in kilograms (pounds) of fiber-asphalt used.

Basis of Payment. This work will be paid for at the contract unit price per kilogram (pound) of FIBER-ASPHALT. The unit price shall include the cleaning of the joints and cracks and the furnishing and placing of the filler.





## **MEMO**

**TO:** Mayor Halliday and the Board of Trustees

**FROM:** Matthew T. Fritz  
Village Administrator

**MEETING**

**DATE:** September 14, 2016

**RE: CHANGE ORDER FOR THE WATER PLANT SCADATA UPDATE**

The original bid for the Water Plant upgrade for SCADATA technology had all of the remote well house locations included. Not being aware of the total cost for utilizing this technology, the sanitary lift stations were left out of the base bid specification. Getting all of the remote locations tied in at the same time will result in savings from not being required to put out an additional bid and a lot of time by getting the upgrade completed in one shot. Additionally, the cost of bringing the remote Village locations like Village hall and the Maintenance facility are specifically called out within this change order.

Joe McKenna is preparing the change order discussion for a Water & Sewer Committee meeting prior to the Village Board Meeting and will have the final change order documentation prepared for consideration at Wednesday evening's meeting.



### SPECIAL EVENT PERMIT APPLICATION

1. Type of Event:  
( ) Parade ( ) Block Event ( ) Run (X) Other Benefit Supper

2. Name of Event: Friends of Denny Neary Spaghetti Dinner Benefit

3. Name of Sponsor (Organization, School, Church, etc.), Address and Telephone Number:

Sponsor: \_\_\_\_\_ Head of Organization \_\_\_\_\_

Address: \_\_\_\_\_

Telephone/Cell #: 815-378-4143

4. Parade Chairman (who will manage/direct the event and will be present during the event), Address and Telephone/Cell Number:

Chairman: Randy Alderson

Address: 390 N. 2nd Ave

Coal City

5. Date of Event: 9-24-16 Beginning Time: 4:00 Ending Time: 7:00

6. Starting Point: \_\_\_\_\_ Ending Point: \_\_\_\_\_  
(Attach a diagram of event route, street closings, other public places to be traversed and barricade locations.)

7. Location of assembly area for event: Lions Hall

\_\_\_\_\_ Event Assembly Time: 8:00 am.

8. Support Service(s) Requested (Police, barricades, cones, picnic tables, clean-up etc.): \_\_\_\_\_

None

\_\_\_\_\_

\_\_\_\_\_