

**Rantoul Village Board of Trustees**  
**Regular Study Session**  
**October 7, 2008**

Order of Business

Board Packet Page(s)

- 1. Call to Order – Mayor Williams**  
Roll Call
- 2. Public Participation**  
*Citizens wishing to address the Village Board with respect to any pending item of business listed upon the agenda or any matter not appearing on the agenda are asked to complete a public participation form and submit it to the Village Clerk prior to the meeting. Public comments will be limited to three minutes for each speaker.*
- 3. Items from the Mayor**
- 4. Items from Trustees**
- 5. Items from the Clerk**
  - A) Presentation of any Addendum Items for the Agenda
- 6. Monthly Department Reports**
- 7. Items from the Administrator**
- 8. Items for the Consent Agenda**  
*Items placed upon the Consent Agenda for the Regular Board Meeting are considered by the Board of Trustees to be routine and non-controversial in nature, and are to be enacted by a single motion and subsequent roll call vote.*
  - A) Approval of Minutes, Regular Study Session, September 2, 2008
  - B) Approval of Minutes, Regular Board Meeting, September 9, 2008
- 9. Items from the Comptroller**
  - A) Identity Theft Prevention Program 1-8
  - B) Engineering Contract – Runway Lighting Construction Phase 9-11
  - C) Security Fence Installation – AT&T Building 12-13
  - D) Budget Amendments – Fire Department & Fireman’s Fund 14-15

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*Order of Business*

*Board Packet Page(s)*

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**10. Items from Public Works**

- |                                                            |       |
|------------------------------------------------------------|-------|
| A) IPEA Second Amendment to Sales Contract                 | 16-26 |
| B) Power Plant Roof Repairs                                | 27-31 |
| C) Change Order No. 1 – S. Evans Road Water Main Extension | 32-39 |
| D) Change Order No. 24 – Water Treatment Plant             | 40-50 |

**11. Items from the Fire Department**

- |                                                          |    |
|----------------------------------------------------------|----|
| A) Purchase of New Roof – Fire Training Burn Building    | 51 |
| B) Refraction Installation – Fire Training Burn Building | 52 |

**12. Items from Counsel**

**13. Adjournment**

**Next Meeting Date:  
Regular Monthly Meeting, October 14, 2008**

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*The Rantoul Village Board of Trustees meets in Study Session on the first Tuesday of each month at 6:15pm and in Regular Session on the second Tuesday of each month at 6:15pm. Unless otherwise noted, all proceedings are held in the Louis B. Schelling Memorial Board Room of the Rantoul Municipal Building, 333 S. Tanner Street, Rantoul, Illinois.*

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*Statement Regarding the Americans with Disabilities Act (ADA)*

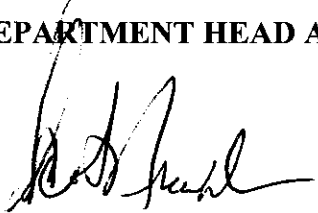
*The Village of Rantoul wishes to ensure that its programs, services, and activities are accessible to individuals with disabilities. All Village Board meetings are wheelchair accessible. Persons with hearing difficulties may obtain auxiliary hearing aids available at each meeting upon request. Persons requiring additional assistance regarding accessibility issues should contact the Village Administrator's office at (217) 893-1661, x. 202. TTY users should call the Illinois Relay Center at 1-800-526-0844.*

*Citizens may visit our website at [www.village.rantoul.il.us](http://www.village.rantoul.il.us) to view live and archived video of all Village Board meetings. Citizens may also download complete Board packets containing information on all ordinances, resolutions and departmental requests under consideration by the Village Board each month.*

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM

PAGE 1 OF 1

<b>ITEM: IDENTITY THEFT PREVENTION PROGRAM</b>	<b>DEPARTMENT:</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input type="checkbox"/> <b>RESOLUTION</b> <input type="checkbox"/> <b>OTHER (See Summary Highlights)</b> <input type="checkbox"/> <b>SUPPORTING DOCUMENTS</b>	<b>DATE: 10/1/08</b>
<b>SUMMARY HIGHLIGHTS:</b> The Federal Trade Commission (FTC) has issued new regulations regarding the detection, prevention and mitigation of identity theft by financial institutions and other creditors. These guidelines apply to utilities because we extend credit by providing a service in advance of payment. This program must be in place by November 1 in order to be in compliance with the regulations. The Illinois Municipal Utilities Agency (IMUA) has written a program that can be used by municipal utilities to comply. The attached proposed program was developed using the IMUA guidelines.	
<b>RECOMMENDED ACTION:</b> We recommend that the village adopt this program in order to be in compliance with the FTC regulations.	
<b>DEPARTMENT HEAD APPROVAL:</b> 	<b>VILLAGE ADMINISTRATOR:</b>

## VILLAGE OF RANTOUL

### IDENTITY THEFT PREVENTION PROGRAM

#### **Purpose**

The purpose of this Identity Theft Prevention Program (Program) is to protect customers of the Village of Rantoul's (village) utility services from identity theft. The Program is intended to establish reasonable policies and procedures to facilitate the detection, prevention and mitigation of identity theft in connection with the opening of new Covered Accounts and activity on existing Covered Accounts.

#### **Scope**

This Program applies to the creation, modification and access to Identifying Information of a customer of one or more of the utilities operated by the village (electric, natural gas, water and waste water) by any and all personnel of the village, including management personnel. This Program does not replace or repeal any previously existing policies or programs addressing some or all of the activities that are the subject of this Program, but rather it is intended to supplement any such existing policies and programs.

#### **Definitions**

When used in this Program, the following terms have the meanings set forth opposite their name, unless the context clearly requires that the term be given a different meaning:

Covered Account: The term "covered account" means an account that the village offers or maintains, primarily for personal, family or household purposes, that involves or is designed to permit multiple payments of transactions. (16 CFR 681.2(b)(3)(i)). A utility account is a "covered account." The term "covered account" also includes other accounts offered or maintained by the village for which there is a reasonably foreseeable risk to customers the village or its customers from identity theft. (16 CFR 681.2(b)(3)(ii)).

Identity Theft: The term "identity theft" means a fraud committed or attempted using the identifying information of another person without authority. (16 CFR §681.2(b)(8) and 16 CFR §603.2(a)).

Identifying Information: The term "identifying information" means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including any name, social security number, date of birth, official State or government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number. Additional examples of "identifying information" are set forth in 16 CFR §603.2(a).

Red Flag: The term "Red Flag" means a pattern, practice or specific activity that indicates the possible existence of identity theft.

Certain terms used but not otherwise defined herein shall have the meanings given to them in the FTC's Identity Theft Rules (16 CFR Part 681) or the Fair Credit Reporting Act of 1970 (15 U.S.C. §1681 *et seq.*), as amended by the Fair and Accurate Credit Transactions Act of 2003 into law on December 4, 2003. (Public Law 108-159).

### **Administration of the Program**

The initial adoption and approval of the Identity Theft Prevention Program shall be by ordinance of the village board. Thereafter, changes to the Program of a day-to-day operational character and decisions relating to the interpretation and implementation of the Program may be made by the Comptroller (Program Administrator). Major changes or shifts of policy positions under the Program shall only be made by the village board.

Development, implementation, administration and oversight of the Program will be the responsibility of the Program Administrator. The Program Administrator may, but shall not be required to, appoint a committee to administer the Program. The Program Administrator shall be the head of any such committee. The Program Administrator will report at least annually to the village board regarding compliance with this Program.

Issues to be addressed in the annual Identity Theft Prevention Report include:

1. The effectiveness of the policies and procedures in addressing the risk of Identity Theft in connection with the opening of new Covered Accounts and activity with respect to existing Covered Accounts.
2. Service provider arrangements.
3. Significant incidents involving Identity Theft and management's response.
4. Recommendations for material changes to the Program, if needed for improvement.

### **Identity Theft Prevention Elements**

#### *Identification of Relevant Red Flags*

The village has considered the guidelines and the illustrative examples of possible Red Flags from the FTC's Identity Theft Rules and has reviewed the village's past history with instances of identity theft, if any. The village hereby determines that the following are the relevant Red Flags for purposes of this Program given the relative size of the village and the limited nature and scope of the services that the village provides to its citizens:

- A. Alerts, notifications, or other warnings received from consumer reporting agencies or service providers.
  1. A fraud or active duty alert is included with a consumer report or an identity verification response from a credit reporting agency.
  2. A consumer reporting agency provides a notice of credit freeze in response to a request for a consumer report.

3. A consumer reporting agency provides a notice of address discrepancy, as defined in §681.1(b) of the FTC's Identity Theft Rules.
  4. A consumer report indicates a pattern of activity that is inconsistent with the history and usual pattern of activity of an applicant or customer, such as:
    - a) A recent and significant increase in the volume of inquiries;
    - b) An unusual number of recently established credit relationships;
    - c) A material change in the use of credit, especially with respect to recently established credit relationships; or
    - d) An account that was closed for cause or identified for abuse of account privileges by a financial institution or creditor.
- B. The presentation of suspicious documents.
5. Documents provided for identification appear to have been altered or forged.
  6. The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer presenting the identification.
  7. Other information on the identification is not consistent with information provided by the person opening a new covered account or customer presenting the identification.
  8. Other information on the identification is not consistent with readily accessible information that is on file with the village, such as a signature card or a recent check.
  9. An application appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.
- C. The presentation of suspicious personal identifying information, such as a suspicious address change.
10. Personal identifying information provided is inconsistent when compared against external information sources used by the village. For example:
    - a) The address does not match any address in the consumer report or CRA ID Check response; or
    - b) The Social Security Number (SSN) has not been issued, or is listed on the Social Security Administration's Death Master File.
  11. Personal identifying information provided by the customer is not consistent with other personal identifying information provided by the customer. For example, there is a lack of correlation between the SSN range and date of birth.
  12. Personal identifying information provided is associated with known fraudulent activity as indicated by internal or third-party sources used by the Municipality. For example:
    - a) The address on an application is the same as the address provided on a fraudulent application; or
    - b) The phone number on an application is the same as the number provided on a fraudulent application.
  13. Personal identifying information provided is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources used by the village. For example:
    - a) The billing address on an application is fictitious, a mail drop, or a prison; or

- b) The phone number is invalid, or is associated with a pager or answering service.
  - 14. The SSN provided is the same as that submitted by other persons opening an account or other customers.
  - 15. The address or telephone number provided is the same as or similar to the account number or telephone number submitted by an unusually large number of other persons opening accounts or other customers.
  - 16. The person opening the covered account or the customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete.
  - 17. Personal identifying information provided is not consistent with personal identifying information that is on file with the village.
  - 18. If the village uses challenge questions, the person opening the covered account or the customer cannot provide authenticating information beyond that which generally would be available from a wallet or consumer report.
- D. The unusual use of, or other suspicious activity related to, a Covered Account.
- 19. Shortly following the notice of a change of address for a covered account, the village receives a request for the addition of authorized users on the account.
  - 20. A new utility account is used in a manner commonly associated with known patterns of fraud patterns. For example: the customer fails to make the first payment or makes an initial payment but no subsequent payments.
  - 21. A covered account with a stable history shows irregularities.
  - 22. A covered account that has been inactive for a reasonably lengthy period of time is used (taking into consideration the type of account, the expected pattern of usage and other relevant factors).
  - 23. Mail sent to the customer is returned repeatedly as undeliverable although usage of utility products or services continues in connection with the customer's covered account.
  - 24. The village is notified that the customer is not receiving paper account statements.
  - 25. The village is notified of unauthorized usage of utility products or services in connection with a customer's covered account.
- E. Notice of Possible Identity Theft.
- 26. The village is notified by a customer, a victim of identity theft, a law enforcement authority, or any other person that it has opened a fraudulent account for a person engaged in identity theft.

#### Detection of Red Flags

The employees of the village that interact directly with customers on a day-to-day basis shall have the initial responsibility for monitoring the information and documentation provided by the customer and any third-party service provider in connection with the opening of new accounts and the modification of or access to existing accounts and the detection of any Red Flags that

might arise. Management shall see to it that all employees who might be called upon to assist a customer with the opening of a new account or with modifying or otherwise accessing an existing account are properly trained such that they have a working familiarity with the relevant Red Flags identified in this Program so as to be able to recognize any Red Flags that might surface in connection with the transaction. An Employee who is not sufficiently trained to recognize the Red Flags identified in this Program shall not open a new account for any customer, modify any existing account or otherwise provide any customer with access to information in an existing account without the direct supervision and specific approval of a management employee. Management employees shall be properly trained such that they can recognize the relevant Red Flags identified in this Program and exercise sound judgment in connection with the response to any unresolved Red Flags that may present themselves in connection with the opening of a new account or with modifying or accessing of an existing account. Management employees shall be responsible for making the final decision on any such unresolved Red Flags.

The Program Administrator shall establish from time to time a written policy setting forth the manner in which a prospective new customer may apply for service, the information and documentation to be provided by the prospective customer in connection with an application for a new utility service account, the steps to be taken by the employee assisting the customer with the application in verifying the customer's identity and the manner in which the information and documentation provided by the customer and any third-party service provider shall be maintained. Such policy shall be generally consistent with the spirit of the Customer Identification Program rules (31 CFR 103.121) implementing Section 326(a) of the USA PATRIOT Act but need not be as detailed. The Program Administrator shall establish from time to time a written policy setting forth the manner in which customers with existing accounts shall establish their identity before being allowed to make modifications to or otherwise gain access existing accounts.

#### Response to Detected Red Flags

If the responsible employees of the village as set forth in the previous section are unable, after making a good faith effort, to form a reasonable belief that they know the true identity of a customer attempting to open a new account or modify or otherwise access an existing account based on the information and documentation provided by the customer and any third-party service provider, the village shall not open the new account or modify or otherwise provide access to the existing account as the case may be. Discrimination in respect to the opening of new accounts or the modification or access to existing accounts will not be tolerated by employees of the village and shall be subject to the disciplinary action .

The Program Administrator shall establish from time to time a written policy setting forth the steps to be taken in the event of an unresolved Red Flag situation. Consideration should be given to aggravating factors that may heighten the risk of Identity Theft, such as a data security incident that results in unauthorized access to a customer's account, or a notice that a customer has provided account information to a fraudulent individual or website. Appropriate responses to prevent or mitigate Identity Theft when a Red Flag is detected include:

1. Monitoring a Covered Account for evidence of Identity Theft.
2. Contacting the customer.
3. Changing any passwords, security codes, or other security devices that permit access to a Covered Account.
4. Reopening a Covered Account with a new account number.
5. Not opening a new Covered Account.
6. Closing an existing Covered Account.
7. Not attempting to collect on a Covered Account or not selling a Covered Account to a debt collector.
8. Notifying law enforcement.
9. Determining that no response is warranted under the particular circumstances.

## **Program Management and Accountability**

### Initial Risk Assessment – Covered Accounts

Utility accounts for personal, family and household purposes are specifically included within the definition of “covered account” in the FTC’s Identity Theft Rules. Therefore, the village determines that with respect to its residential utility accounts it offers and/or maintains covered accounts. The village also performed an initial risk assessment to determine whether the utility offers or maintains any other accounts for which there are reasonably foreseeable risks to customers or the utility from identity theft. In making this determination the village considered (1) the methods it uses to open its accounts, (2) the methods it uses to access its accounts, and (3) its previous experience with identity theft, and it concluded that it does not offer or maintain any such other covered accounts.

### Program Updates – Risk Assessment

The Program, including relevant Red Flags, is to be updated as often as necessary but at least annually to reflect changes in risks to customers from Identity Theft. Factors to consider in the Program update include:

1. An assessment of the risk factors identified above.
2. Any identified Red Flag weaknesses in associated account systems or procedures.
3. Changes in methods of Identity Theft.
4. Changes in methods to detect, prevent, and mitigate Identity Theft.
5. Changes in business arrangements, including mergers, acquisitions, alliances, joint ventures, and service provider arrangements.

### Training and Oversight

All staff and third-party service providers performing any activity in connection with one or more Covered Accounts are to be provided appropriate training and receive effective oversight to ensure that the activity is conducted in accordance with policies and procedures designed to detect, prevent, and mitigate the risk of Identity Theft.

## **Other Legal Requirements**

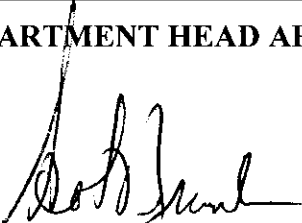
Awareness of the following related legal requirements should be maintained:

- 31 U.S.C. 5318 (g) – Reporting of Suspicious Activities
- 15 U.S.C. 1681 c-1 (h) – Identity Theft Prevention; Fraud Alerts and Active Duty Alerts – Limitations on Use of Information for Credit Extensions
- 15 U.S.C. 1681 s-2 – Responsibilities of Furnishers of Information to Consumer Reporting Agencies
- 15 U.S.C. 1681 m – Requirements on Use of Consumer Reports

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM

PAGE 1 OF 1

<b>ITEM: RUNWAY LIGHTING CONSTRUCTION PHASE ENGINEERING CONTRACT</b>	<b>DEPARTMENT: AIRPORT</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT: \$85,217.10</b>
<b>ATTACHMENTS:</b> ( ) ORDINANCE ( ) RESOLUTION ( ) OTHER (See Summary Highlights) ( X ) SUPPORTING DOCUMENTS	<b>DATE: 10/1/08</b>
<p><b>SUMMARY HIGHLIGHTS:</b> The construction phase of the runway lighting project is ready to begin. We need to sign the engineering contract with Burns &amp; McDonnell for the construction phase engineering. The engineering cost for the construction phase, which is paid directly by the state to Burns &amp; McDonnell, is for a not to exceed amount of \$85,217.10.</p> <p>Because of the long lead time for obtaining materials for this project, most of the work will not start until next spring, beginning March 1, 2009, depending on the weather. There will be some preliminary work this fall which will include the installation of the beacon.</p>	
<p><b>RECOMMENDED ACTION:</b> Approve contract with Burns &amp; McDonnell for the construction phase engineering for the runway lighting project.</p>	
<b>DEPARTMENT HEAD APPROVAL:</b> 	<b>VILLAGE ADMINISTRATOR:</b>

**II. CONSULTANT COMPENSATION**

The Owner agrees to pay the Consultant as compensation for rendering the professional services hereinabove described and submitted using the standard invoice forms (attached). BURDEN AND OVERHEAD RATES ENTERED INTO THE AGREEMENT WILL BE IN EFFECT FOR THE LENGTH OF THE CONTRACT AND WILL NOT BE ADJUSTED. The rates used in this Agreement shall be the latest audited or provisional approved rates by IDOT.

**A. PRELIMINARY PHASE**

For services outlined in Section I, Preliminary Phase, cost plus a fixed payment of \$ N/A , total amount not to exceed \$ N/A , unless a major change or addition to the scope of work is required or extensions of time for completion of the project. The payment of this fee shall be made in monthly installments submitted and approved by the owner and the Division. The final charges shall be submitted after the Preliminary Phase has been performed and approved by the owner and/or Division if (applicable). This period of time expires 30 days after award of the construction contract. Any submittal after this time shall not be eligible for reimbursement by the Division unless extended by the Division.

**B. DESIGN PHASE**

For services outlined in Section I, Design Phase

- a. A lump sum payment of \$ N/A , unless a major change or addition to the scope of work is required (not caused by the Consultant) in which case an amendment to this agreement will be negotiated by the Consultant and the participating agencies. The fee shall be paid as a Lump Sum when the final plans, special provisions, engineering report and estimate of cost are approved by the owner and/or Division if applicable
- b. Cost plus a fixed payment of \$ N/A , total amount not to exceed \$ N/A , unless a major change or addition to the scope of work is required (not caused by the Consultant) in which case an amendment to this agreement will be negotiated by the owner (and/or Division if applicable). The fee shall be paid in monthly or incremental until final construction plans, special provisions, engineering report and estimate of construction costs are approved by the owner and/or Division if applicable. Final charges shall be submitted within 60 days after award of the construction contract. Any submittal after this time shall not be eligible for reimbursement by the Division.

**C. CONSTRUCTION PHASE**

For services outlined in Section I, Construction Phase, cost plus a fixed payment of \$ 6,267.95 , total amount not to exceed \$ 85,217.10 , unless a major change or addition to the scope of work is required or extensions of time for completion of the project is required (not caused by the Consultant) in which case an amendment to this agreement will be negotiated by the owner (and/or Division if applicable). The payment of this fee shall be made in monthly installments submitted to and approved by the Owner (and/or Division if applicable). The final charges shall be submitted within 45 days after official notification from the Consultant of the acceptance of the construction work. A time line will be submitted at each billing cycle after 50% which will indicate a projection of the engineering fee vs. the contractor's progress. Any submittal after this time shall not be eligible for reimbursement by the Division unless extended by the Division.

If more than one contract exists for the project, the monthly invoices submitted by the Consultant shall detail the amounts of work accomplished under each separate contract. The invoices shall also indicate the dates that the services were performed. If these services are furnished by the Consultant by obtaining such services outside the

Revised 04/02/07  
SC AB: 30ILCS500/50-11 & 12  
SC AC: PA 94-0264  
SC AD: 30ILCS535

IDOT Aeronautics Standard  
AE Agreement 2007-01

FOR ARCHITECTURAL, ENGINEERING AND PLANNING SERVICES FOR AIRPORTS

PRELIMINARY - DESIGN PHASE     CONSTRUCTION PHASE  
 DESIGN PHASE                             SPECIAL SERVICES

THIS AGREEMENT, made at Rantoul, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_ in the year 2008, by and between the Village of Rantoul (hereinafter referred to as the "Owner"), and Burns & McDonnell Engineering Co., Inc. (hereinafter referred to as the "Consultant").

WITNESSETH:

The Owner intends to sponsor the accomplishment of a construction project for the development of a public air navigation facility known as the Rantoul National Aviation Center in Champaign County, State of Illinois; and

The construction project shall be identified as the Illinois Project No. TIP-3310  
AIP Project No. 3-17-0136-B9.

The following detailed project description:  
Runway 9/27 Lighting, Nav aids and Signage; Runway 18/36 Wind Cones and Signage  
and (a sketch of the proposed work, labeled Attachment "P" shall be attached).

The Department of Transportation, Division of Aeronautics, State of Illinois is authorized Agent of the Owner (it shall be hereinafter referred to as the "Division");

The Consultant agrees to furnish executed "Certification of Engineer" and certain professional engineering services enumerated herein-after, in connection with the aforesaid construction project.

In consideration of the benefits which will accrue to the parties hereto by virtue of the Agreement and the respective covenants herein contained, IT IS MUTUALLY COVENANTED AND AGREED as follows:

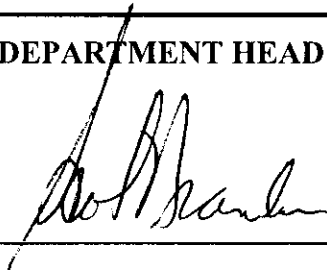
**I. ENGINEERING SERVICES**

The Consultant agrees to furnish and perform the various professional engineering services required for the preparation of the above referenced project as follows:

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM

PAGE 1 OF 1

<b>ITEM: AT&amp; T FENCE</b>	<b>DEPARTMENT: AIRPORT</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT: \$18,996.50</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input type="checkbox"/> <b>RESOLUTION</b> <input type="checkbox"/> <b>OTHER (See Summary Highlights)</b> <input checked="" type="checkbox"/> <b>SUPPORTING DOCUMENTS</b>	<b>DATE: 10/1/08</b>
<p><b>SUMMARY HIGHLIGHTS:</b> When we negotiated the new lease with AT&amp; T for their call center building, they requested that we provide a few upgrades to the building. These included new front doors, additional exterior lighting and security fence around the back of the building. The doors and lighting projects have been completed. We advertised for bids for the fence project. We received five bids (see attached bid tab summary). The low bidder is Main Street Fencing from Mahomet at \$18,996.50. We have funds available in the Airport budget to cover this cost.</p>	
<p><b>RECOMMENDED ACTION:</b> Approve contract with Main Street Fencing in the amount of \$18,996.50 as proposed.</p>	
<b>DEPARTMENT HEAD APPROVAL:</b>  	<b>VILLAGE ADMINISTRATOR:</b>




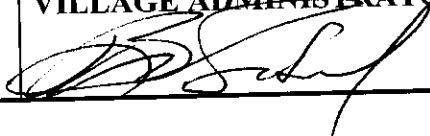




**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

**AGENDA ITEM**

**PAGE \_\_\_\_ OF \_\_\_\_**

<b>ITEM: IPEA Second Amendment to Sales Contract</b>	<b>DEPARTMENT: Public Works Department</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input type="checkbox"/> <b>RESOLUTION</b> <input checked="" type="checkbox"/> <b>OTHER (See Summary Highlights)</b> <input checked="" type="checkbox"/> <b>SUPPORTING DOCUMENTS</b>	<b>DATE: September 18, 2008</b>
<p><b>SUMMARY HIGHLIGHTS:</b></p> <p>This Agenda item requests an extension of the agreement between the Village of Rantoul and the Illinois Public Energy Agency (IPEA) to provide additional time to secure a long term agreement for the pre-pay discount on natural gas. This is an effort that began in 2007 and was initially approved at the Village's October 2007 Board Meeting. In February of this year, a six month extension was requested as the market indicators were not aligned to allow for the IPEA to reach its targeted savings. Things are now beginning to improve and an additional extension is requested to attempt to secure a long term pre-pay discount for natural gas.</p> <p>At the August IPEA board meeting, the IPEA Board of Directors and staff discussed the issues related to ensuring that the members can participate in the IPEA prepay program in the event that prepay gas flows at a later date than expected.</p> <p>To insure continued participation in the prepay program, the IPEA board of directors requested that the IPEA forward to the participating members a document that will allow the membership to extend participation through March 31, 2010. This date coincides with the expiration of the current member contracts with the IPEA.</p> <p>The current prepay natural gas is expected to begin flowing in January, 2009. This date remains dependent on several market (economic) forces beyond the Agency's or Village control. By adjusting the trigger date back to 2010, the membership will be able to ensure a smooth transition into the program at any time prior to that date.</p>	
<p><b>RECOMMENDED ACTION:</b> Authorize the approval of a contract extension with the IPEA in an effort to secure a long term pre-pay discount for natural gas through the end of the IPEA current contract.</p>	
<p><b>DEPARTMENT HEAD APPROVAL:</b> G. Gregory Hazel, P.E.</p> 	<p><b>VILLAGE ADMINISTRATOR:</b></p> 
<p><b>AGENDA PAGE NUMBER:</b></p>	

## SECOND AMENDMENT TO IPEA SALES CONTRACT

This Second Amendment to the IPEA Sales Contract between the Illinois Public Energy Agency ("Seller" or "IPEA") and the Village of Rantoul ("Buyer"), dated October 9, 2007, as amended by the First Amendment thereto, is made and entered into as of and is effective on the date of the last party to execute as shown in the signature block below.

### RECITALS

WHEREAS, Buyer and Seller have previously entered into an IPEA Sales Contract pursuant to which Buyer has agreed to purchase and Seller has agreed to provide and sell, subject to certain limitations, all of the natural gas requirements of Buyers natural gas distribution system for a term of twenty (20) years, subject to the successful negotiation by Seller of a contract to acquire long-term supplies of natural gas at a certain discount to the index under a prepay arrangement involving tax-exempt bonds; and

WHEREAS, due to market conditions beyond the control of the parties that have made the acquisition of long-term prepaid natural gas supplies at the discount required in the IPEA Sales Contract impossible to date, it is necessary to extend the time within which the conditions for effectiveness of the IPEA Sales Contract may be fulfilled; and

WHEREAS, Seller and Buyer have agreed to amend the IPEA Sales Contract as set forth herein to accomplish such extension.

NOW, THEREFORE, in consideration of the mutual promises by the parties to extend and continue their mutual obligations under the IPEA Sales Contract, the Illinois Public Energy Agency and the Village of Rantoul hereby agree to amend the IPEA Sales Contract as follows:

1. Section 2.1 of the IPEA Sales Contract, which was previously amended by the First Amendment thereto, is deleted in its entirety and replaced with the following:

*Term.* This Contract shall have a term from the Effective Date and for a twenty (20) year period thereafter. This Contract shall become effective on the date that the last of all the following events occur: (i) that a Gas Sale Contract (GSC) between IPEA and APEA is executed by duly authorized representatives of both parties but no later than March 31, 2010; (ii) the Gas Sale Contract between IPEA and APEA becomes effective and the GSC provides a Discount to IPEA for the Prepaid Gas of at least \$0.50 per MMBtu below the Index Price; and (iii) the first Day the Prepaid Gas is delivered to IPEA at Buyer's Delivery Point (the "*Effective Date*").

Until the date IPEA obtains delivery of Prepaid Gas at the Delivery Point to sell and deliver to Buyer under this Contract, IPEA shall continue to provide Gas to Buyer and Buyer shall continue to take such Gas pursuant to the terms of the Natural Gas All-Requirements Sales Agreement between IPEA and Buyer. Simultaneously with the delivery of Prepaid Gas to Buyer under this Contract, the Natural Gas All-Requirements Sales Agreement between the

Buyer and IPEA shall terminate and be superseded by this Contract, but the Buyer's Second Member Addendum to the IPEA Supplier Agreement shall remain in effect according to its terms."

2. Capitalized terms appearing in this Second Amendment shall have the same meaning as defined in the IPEA Sales Contract.

3. With the exception of the foregoing, all of the terms and conditions of the IPEA Sales Contract between the parties shall remain unchanged and are hereby confirmed, ratified and adopted.

IN WITNESS WHEREOF, the Illinois Public Energy Agency and the Village of Rantoul have caused their duly authorized representatives to execute this Second Amendment to IPEA Sales Contract as of the date written below.

ILLINOIS PUBLIC ENERGY AGENCY

By: \_\_\_\_\_

Attested By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

VILLAGE OF RANTOUL

By: \_\_\_\_\_

Attested By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

ORDINANCE \_\_\_\_\_

ORDINANCE OF THE VILLAGE OF RANTOUL, ILLINOIS TO  
AUTHORIZE THE EXECUTION OF THE SECOND AMENDMENT TO IPEA  
SALES CONTRACT WITH THE ILLINOIS PUBLIC ENERGY AGENCY

WHEREAS, the Village has entered into an IPEA Sales Contract with the Illinois Public Energy Agency (“IPEA”) pursuant to which the Village has agreed to purchase and IPEA has agreed to provide and sell, subject to certain limitations, all of the natural gas requirements of Buyers natural gas distribution system for a term of twenty (20) years, subject to the successful negotiation by Seller of a contract to acquire long-term supplies of natural gas at a certain discount to the index under a prepay arrangement involving tax-exempt bonds; and

WHEREAS, due to market conditions beyond the control of the parties, it has not been possible to accomplish the acquisition of long-term prepaid natural gas supplies at the discount required in the IPEA Sales Contract but the parties are optimistic that the prospects for a prepay deal at some point during the parties’ existing natural gas agreement are not gone; and

WHEREAS, to continue to be prepared to take advantage of possible discount priced natural gas, it is necessary to amend the IPEA Sales Contract to extend the time within which the conditions for effectiveness of the IPEA Sales Contract may be fulfilled; and

WHEREAS, the Board of Trustees of the Village of Rantoul has determined that it is necessary, desirable and in the best interest of the Village to authorize the execution and delivery of the Second Amendment to IPEA Sales Contract.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF RANTOUL, CHAMPAIGN COUNTY, ILLINOIS, AS FOLLOWS:

Section 1: The findings and determinations set forth in the preamble to this Ordinance are hereby made findings and determinations of the Board of Trustees of the Village of Rantoul and incorporated into the text of this Ordinance by this reference.

Section 2. The Village President of the Village of Rantoul, Champaign County, Illinois, is hereby authorized and directed to execute and deliver and the Village Clerk shall attest, pursuant to this Ordinance, the attached Second Amendment to IPEA Sales Contract with the Illinois Public Energy Agency.

Section 3. Other than as set forth in said Second Amendment, all the remaining terms and conditions of the IPEA Sales Contract between the parties shall be unchanged and are hereby confirmed, ratified and adopted.

Section 4. This Ordinance shall be in full force and effect from and after its passage.

PASSED, APPROVED AND ADOPTED by the Board of Trustees of the Village of Rantoul, Champaign County, Illinois, as required by law and approved by the President this \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
PRESIDENT

ATTEST:

\_\_\_\_\_  
VILLAGE CLERK


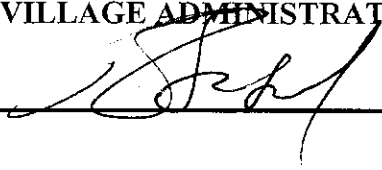
(MUNICIPAL SEAL)

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

*REFERENCE  
ONLY*

**AGENDA ITEM**



PAGE \_\_\_ OF \_\_\_

<b>ITEM:</b> IPEA Agreement Extension	<b>DEPARTMENT:</b> Public Works
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input type="checkbox"/> <b>RESOLUTION</b> <input checked="" type="checkbox"/> <b>OTHER (See Summary Highlights)</b> <input type="checkbox"/> <b>SUPPORTING DOCUMENTS</b>	<b>DATE:</b> February 22, 2008
<p><b>SUMMARY HIGHLIGHTS:</b></p> <p>This Agenda Item provides for a six (6) month extension of the agreement between the Village of Rantoul and the Illinois Public Energy Agency (IPEA) to provide additional time to secure a long term agreement for the pre-pay discount on natural gas.</p> <p>This effort began early last year and the concept and approach were approved at the Village's October 2007 Board Meeting. Since that time, the remaining documents from the other participating member communities have been put in place, but the market and economic conditions have weakened and the strike price of \$0.40 per Dtherm has not been reached. It appears the markets are now moving in the right direction, but may not reach the desired threshold before the initial six (6) month window closes.</p> <p>It is requested that additional time be provided for these market corrections to continue and to allow for a pre-pay contract to be secured.</p>	
<p><b>RECOMMENDED ACTION:</b> Authorize the approval of a contract extension with the IPEA in an effort to secure a long term pre-pay discount for natural gas.</p>	
<p><b>DEPARTMENT HEAD APPROVAL:</b> G. Gregory Hazel, P.E. </p>	<p><b>VILLAGE ADMINISTRATOR:</b> </p>
<p><b>AGENDA PAGE NUMBER:</b></p>	

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

AGENDA ITEM

PAGE \_\_\_\_ OF \_\_\_\_

<b>ITEM: IPEA Prepay Natural Gas Contract</b>	<b>DEPARTMENT: Public Works</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT:</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input type="checkbox"/> <b>RESOLUTION</b> <input checked="" type="checkbox"/> <b>OTHER (See Summary Highlights)</b> <input checked="" type="checkbox"/> <b>SUPPORTING DOCUMENTS</b>	<b>DATE: September 24, 2007</b>
<b>SUMMARY HIGHLIGHTS:</b> <p>This Agenda Item provides a further introduction to the "pre-pay" approach to purchasing natural gas through the joint action agency of the Illinois Public Energy Agency (IPEA).</p> <p>During the past several months, the Agency has been researching the process and viability of joining other Municipal entities in a pre-pay bonding arrangement to secure below index pricing of natural gas. Under this concept, a third party would issue tax-exempt municipal bonds on behalf of the IPEA. The IPEA members would only need to commit to purchase natural gas through the period of the bond issuance. In return for purchasing the natural gas, villages like Rantoul would receive a significant price discount. The Village of Rantoul would not have to "pre-pay" for any gas, or make any commitments in regards to the bonds. This approach has been successful throughout the country as a means to reduce supply costs to municipal customers. Following a request for qualification (RFQ) process, the Agency has identified a pre-pay project by the WWW in Nebraska, which is partnering with the Bank of America and British Petroleum (BP).</p> <p>Prepay has been utilized at a municipal level around the country for approximately fifteen (15) years. It provides a one-time up-front payment, by a selected Financial Institution (like Bank of America) to a creditworthy supplier (BP) from bond proceeds in return for a contractual right to long-term supply and delivery of natural gas in fixed daily amounts (to the municipals). The IPEA is looking to board the APEA pre-pay train that is expected to go out for pricing in early December, 2007. If the Village of Rantoul is to participate in this program through the IPEA, the Village must commit to the program before November 1, 2007.</p> <p>The Village would be required to extend its purchasing contract with the IPEA to the year 2028 (the IPEA contract currently runs to 2035) to match the length of the twenty year bonds. The Village also must identify the month allocations that would be purchased under the contract.</p> <p>The Agency has established a pre-pay threshold of at least \$0.40 per D-therm savings to the Village before proceeding forward. If this level is not achieved, neither the pre-pay or contract extension will go into effect. Only one small IPEA community has chosen not to participate.</p>	
<b>RECOMMENDED ACTION:</b> Authorize the approval of the contract extension with the IPEA and the participation in the APEA pre-pay for natural gas through that IPEA contract.	
<b>DEPARTMENT HEAD APPROVAL:</b> G. Gregory Hazel, P.E. 	<b>VILLAGE ADMINISTRATOR:</b> 
<b>AGENDA PAGE NUMBER:</b>	

**Greg Hazel**

**From:** Michael Genin [mgenin@imea.org]  
**Sent:** Friday, February 22, 2008 12:44 PM  
**To:** Greg Hazel; George Smith; Liz Killion; Thomas F. Christie; Terry Gard; Shelby D. Biggs; Sue Buttry; Robert Coble; Mickey Borah; mcollins\_vofb@hotmail.com; Village Of Greenup; Mike McCleery  
**Cc:** Ronald D. Earl; Gary Smith; Norman, John E  
**Subject:** IPEA Prepay Extension Ordinance  
**Attachments:** IPEA Member Board Dates.doc

At our recent board meeting, the IPEA board discussed the fact that a majority of the Prepay contracts will expire at the end of March. While John Norman (Bank of America) noted that the markets appear to be moving in the right direction, we are not confident that market conditions will be favorable between now and March 20<sup>th</sup> (approximately when we would need to lock in to launch April 1<sup>st</sup>).

IPEA counsel (Gary Smith) has advised the IPEA board that the members will have to pass an ordinance that essentially extends the contract through the end of October. The board felt that this was a prudent path to follow.

To assist our Members, Gary Smith will be forwarding ordinances to the members in the near future. To ensure that we do not miss any opportunities in early April, We will need to have the ordinances passed and forwarded to the IPEA offices by the end of March.

Gary is using the attached list to prioritize which member ordinances he will develop and forward first (for example Greenup only meets the first Monday of the month, so they will receive their ordinance first).

Gary will give this a high priority so that each town will have time to review the ordinance and give it proper consideration.

If you have any question, please contact me at (217)789-4632.

Thanks,

Mike Genin

## The Process in a Prepay Program

1. IPEA Board Resolution to approve contract with Bond Issuer
2. IPEA Board Resolution to enact contract with the Members. IPEA provides 100% of the natural gas requirements over the period of the contract (20 years).
3. Contracts between the IPEA and Memerbs provides that the Member would be committed to move forward if the IPEA delivers a minimum discount to Index. For instance, if the 20 year contact is 40 cents per Dkth (or Greater) Discount over Index, then the Contract is Valid.
4. Members would pass Resolution authorizing the Official to sign the Contract.
5. New Member Addendums would be approved by the IPEA and Members to reflect volumes that are inside and outside of the prepay program.
6. New Purchasing Members would need to pass Resolutions to join the IPEA. IPEA Members would have to pass Resolutions to accept them.
7. Contractual approval would be necessary to allow sale of excess Dkths to municipals that are inside and outside the IPEA.
8. The IPEA Board would have to ratify a Contractual agreement between the IPEA and the Bond Issuers.
9. Members will need to develop and approve a monthly nominations chart that covers every month of the prepay.
10. IPEA will negotiate the Administrative fee with Proliance. This will be in contractual form with approval of the IPEA Board.

## Potential Savings

Potential savings committing 50% of current Rantoul Gas Load to the prepay program

50% of the Rantoul average usage is 1,250,000 therms  
\$0.04 per therm savings over 20 years  
 $(1,250,000 \text{ therms}) \times (\$0.04) \times (20\text{years}) = \mathbf{\$1,000,000.00 \text{ Savings}}$

Potential savings committing 60% of current Rantoul Gas Load to the prepay program

60% of the Rantoul average usage is 1,500,000 therms  
\$0.04 per therm savings over 20 years  
 $(1,500,000 \text{ therms}) \times (\$0.04) \times (20\text{years}) = \mathbf{\$1,200,000.00 \text{ Savings}}$

Potential savings committing 70% of current Rantoul Gas Load to the prepay program

70% of the Rantoul average usage is 1,750,000 therms  
\$0.04 per therm savings over 20 years  
 $(1,750,000 \text{ therms}) \times (\$0.04) \times (20\text{years}) = \mathbf{\$1,400,000.00 \text{ Savings}}$

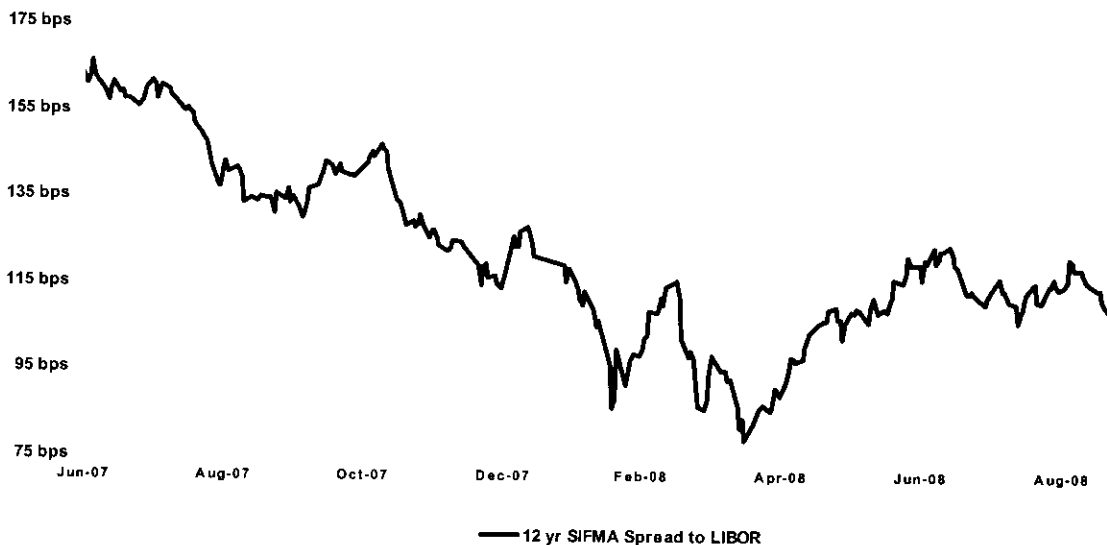
Illinois Public Energy Agency  
Natural Gas Prepay Update  
August 27, 2008

The IPEA prepay has been delayed due to market events surrounding the market disruptions that began in August 2007 involving financial institutions and related primarily to unprecedented losses stemming from sub prime loans.

**Savings Driver #1 - Interest Rate Spreads – Generally improving but volatile and below historical norms**

One of the primary drivers of prepay savings is the interest rate spread between higher taxable interest rates suppliers use to discount the prepaid gas supplies and the lower municipal tax exempt cost of money used to finance the prepayment. Certain of these market disruptions, including the downgrades of monoline municipal bond insurers involved in financial products related to subprime loans, have caused the spread between taxable and municipal tax-exempt interest rates to materially narrow and thereby reduce savings. The spread between taxable and tax-exempt interest rates remains below historical averages. The chart below shows the total spread between a taxable market indices “LIBOR” and a municipal market index, “SIFMA”. Though the spread is generally improving, it is with fits and starts.

**LIBOR vs. SIFMA Spreads: June 2007 to Present**



**Savings Driver #2 – Natural Gas Prices – Sharply declining natural gas prices have hurt prepay savings**

A second key driver of prepay savings is natural gas prices. Higher gas prices result in better prepay savings. Though natural gas prices were helping to offset some of the problems associated with interest rate spreads, that trend has now reversed. Where the natural gas curve implicit to prepay savings was over \$12 per MMBtu, it has since fallen back to about \$9 per MMBtu in the past 6 weeks or so. Every 50 cents of change in the forward natural gas curve results in a change of 4 cents per MMBtu of prepay savings. A \$3 decline in the curve is therefore a 24 cent reduction in savings.

**Savings Driver #3 – Length of Transaction – Only a few prepays have been completed in 2008 and they required a term of 30 years to hit IPEA’s target savings**

The third key driver of prepay savings is the length of a transaction or “term”. The longer the term is the higher the savings. Prepay volume for the first two-thirds of 2008 has consisted of only 3 transactions totaling \$1.7 billion. These transactions required a 30 year term in order to generate savings in excess of the savings IPEA has demanded of its 20 year transaction. Most of the 2008 volume was attributable to financial institutions involved in the subprime loan mess acting as prepay suppliers and in desperate need of cash.

**Prepay market volume is off due to negative economic factors and approximately a dozen transactions totaling over \$10 billion dollars have been shelved, some as long as a year**

As comparison to the 2008 year-to-date volume of \$1.7 billion, and further evidence of the troubled market, the 2007 volume was about \$10 billion in 13 transactions and the 2006 volume was also about \$10 billion in 11 transactions. Several billion of natural gas prepays around the country have been shelved until market conditions improve.

**The APEA bond structure used for IPEA allows higher savings and quicker execution as the markets improve**

One advantage that the IPEA prepay has over most other prepays is that the municipal joint action agency issuing the debt, the American Public Energy Agency (“APEA”), will issue variable rate bonds swapped to fixed (“synthetic fixed rate debt”). Synthetic fixed rate debt results in a lower all-in tax-exempt cost than traditional fixed rate bonds in this interest rate environment and thereby increases savings. The use of the synthetic fixed rate debt was developed by BAS and underwritten in 7 separate transactions, including two late last year after the subprime loan crisis started. The use of the synthetic fixed rate debt structure does require a prepaid supplier with a credit rating of least ‘AA-’, and puts certain risks on the prepaid supplier that many are unwilling to bear. Assuming the prepaid supplier’s initial pricing indications, the IPEA transaction is currently expected to hit IPEA’s target savings level.

**IPEA transaction is scheduled to be completed during 2008 for deliveries as early as January 1, 2009 if market conditions allow**

Calyon is the prepaid supplier and Calyon will have an agreement with BP to deliver the gas supply to IPEA. Calyon is the corporate and investment banking arm of the Credit Agricole Group, the 6th largest bank in the world. Calyon is rated ‘Aa’1/’AA-’/’AA’ from Moody’s, S&P and Fitch, respectively. Calyon’s Commodities group comprises over 55 professionals active in trading, sales, and structuring from 7 major financial centers (London, Geneva, New York, Hong Kong, Singapore, Paris, Tokyo). Documentation for the transaction is nearly complete. Calyon’s project team has received approval from the U.S. management team. Management approval from headquarters in Paris is also required by Calyon. U.S. management determined that the timing of European approvals would be best received if undertaken after the August vacation season and a September 10 meeting of the Calyon Board of Directors. Calyon is considering several other prepays but the IPEA transaction is the first in line for approval. Assuming requisite approvals and acceptable market conditions it is expected that the documents can be finalized in October and submitted to Moody’s for a credit rating immediately thereafter. The bond sale and closing would then occur in November or December assuming acceptable market conditions.

**BOARD OF TRUSTEES  
VILLAGE OF RANTOUL**

<b>AGENDA ITEM</b>	<b>PAGE</b> _____ <b>OF</b> _____
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<b>ITEM: Power Plant Roof Repairs</b>	<b>DEPARTMENT: Public Works</b>
<b>AGENDA SECTION:</b>	<b>AMOUNT: \$48,520.00 Base Bid</b> <b style="padding-left: 40px;">\$44,779.00 Alt. Bid</b> <b style="padding-left: 40px;">\$93,299.00 Sub Total</b> <b style="padding-left: 40px;">\$15,000.00 Contingency</b> <b style="padding-left: 40px;">\$108,299 Total</b>
<b>ATTACHMENTS:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input type="checkbox"/> <b>RESOLUTION</b> <input checked="" type="checkbox"/> <b>OTHER (See Summary Highlights)</b> <input checked="" type="checkbox"/> <b>SUPPORTING DOCUMENTS</b>	<b>DATE: September 23, 2008</b>

**SUMMARY HIGHLIGHTS:**

This Agenda item provides for the replacement of two separate sections of the power plant roof. This building is comprised of eight (8) different roof levels. The portions that are in the poorest condition and leaking are the southwest and northwest areas of the building. The southwest area is fairly open but portions of the decking have decayed. The northwest area is smaller, but the contractor will have to work around and under the generator number 7 and 8 radiators, which are located on the roof in this area.

The project was designed by Gorski Reifsteck and was advertised in early September. Bids were received at 3:00pm on September 23, 2008. Two (2) bids were submitted and a copy of the bid tabulation is provided for your review. The roof areas were broken into two bidding components, with the northwest area being considered the Base Bid and the southwest portion being the Additive Alternate.

JVMM, Inc. dba. Ed Cain Roofing provided the lowest responsive bids in the amount of \$48,520.00 for the Base Bid and \$44,779.00 for the Additive Alternate. A per unit cost for decking replacement was requested due to the uncertainty to the volume of damaged decking. With this uncertainty, a contingency fund of \$15,000.00 is requested to address the replacement of the decking.

Funds to perform this work will be allocated from the Electric Fund. Monies (\$50,000) are included in the 2009-2009 Budget for the roof repair and it has been confirmed that \$100,000 is still encumbered from the previous fiscal year and available for roof repairs at this facility.

**RECOMMENDED ACTION:** Authorize the award of a contract with JVMM, Inc. dba. Ed Cain Roofing in the amount of \$48,520.00 for the Base Bid (northwest area), \$44,779.00 for the Additive Alternate (southwest area), and \$15,000.00 for contingency funds to address the volume of damaged roof deck.

<b>DEPARTMENT HEAD APPROVAL:</b> G. Gregory Hazel, P.E. 	<b>VILLAGE ADMINISTRATOR:</b> 
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**Gorski Reifsteck**  
ARCHITECTS

909 ARROW ROAD  
LINCOLNSHIRE CENTER, SUITE # 4  
CHAMPAIGN, ILLINOIS 61821

PHONE: 217-351-4100  
FAX: 217-351-4111

September 24, 2007

Mr. Cedric Thomas, Purchasing  
Village of Rantoul  
333 S. Tanner Street, PO Box 38  
Rantoul, IL 61866

Re: Roof Replacement - The Rantoul Power Plant  
Rantoul, Il. 61866

Dear Mr. Thomas,

Bids were received yesterday for the above referenced project (see attached bid tabulation sheet). Ed Cain Roofing is the apparent low responsible bidder at \$48,520 for Base Bid work and \$44,779 for Alternate Bid work. In addition, Ed Cain Roofing provided unit prices for the replacement of both concrete plank and plywood roof decks. The amounts of required deck replacement will not be known until the roofing systems are removed and the decks can be inspected. Gorski Reifsteck is of the opinion that \$12,000 for deck replacement is a reasonable assumption, with a possible \$1,200 credit to that amount if the existing concrete planks (already stored on the roof) can be used rather than obtaining new planks. One additional unit price was provided in the amount of \$1200 per drain, for the roofing contractor to cut in new roof drains (capping them below the roof level) to alleviate excessive ponding which might be noticed after the installation of the new roofing system on the Base Bid roof, since there is no way to get positive drainage to the existing scuppers.

Five sets of plans were issued to potential bidders. Two bidders from the Champaign-Urbana area responded with bids yesterday. It is our opinion that due to the labor intensive nature of this roof replacement the out of town bidders were less interested in this particular replacement.

I have contacted Ed Cain Roofing and they are comfortable with their bid and wish to enter into an agreement with the Village of Rantoul for this project. They have indicated that they will start within two weeks from the notice to proceed and will have no problem meeting the November 30, 2008 completion date identified in the contract documents.

We have worked with Ed Cain Roofing in the past and found them to be competent and very responsive. Based upon the above, I recommend that the Village of Rantoul enter into an agreement with Ed Cain Roofing for the Rantoul Power Plant Roof Replacement.

Sincerely,

Stasz Gorski, AIA  
Gorski Reifsteck Architects  
STG:kvgg

Rantoul Power Plant Roof

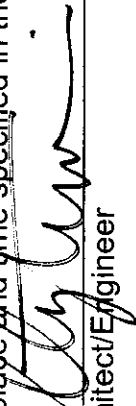
Division Roofing

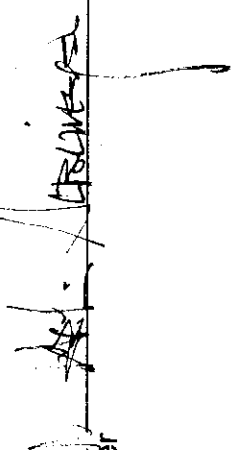
Architects:  
Gorski Reifsteck

Bid Opening  
Sept. 23, 2008

Bidder's Name	Bid Deposit/ Check Number	Signed	Base Bid	Alternate #1	Total
Gire Roofing	NO-BID		-	-	
Ed Cain Roofing	15,000 BIR BRAND	✓	48,520	44,779	#1 88 #2 536 #3 1200
Advanced Roofing	15,000 BIR BRAND	✓	64,712	51,942	#1 125 #2 500 #3 1000
Martinsville Roofing	NO-BID		-	-	
Top Quality	NO-BID		-	-	

I hereby do certify that the bids submitted by the bidders whose names are recorded above were opened, read and recorded at the place and time specified in the bid information.

  
Architect/Engineer

  
Owner

**ADVERTISEMENT FOR BIDS**

The VILLAGE OF RANTOUL, will receive sealed bids for the following project:

**Roof Replacement  
Rantoul Power  
IFB# VRNTL-09-B-0004**

Project Description: General/Roofing Contractor; base bid (2,400 sf) and alternate bid (4,100 sf) for replacement of ballasted EPDM roof with fully adhered EPDM membrane, insulation recovery board, edge metal, gutter & downspout.

Bids will be received until closing time of 3:00 p.m. prevailing time on September 23, 2008 in Room 218 of the Municipal building located at 333 S. Tanner Rantoul, IL 61866. At that time all bids will be publicly read aloud. Bids received after the closing time will not be accepted and will be returned unopened. Bids submitted by mail should be identified on the outside of the envelope as a bid for "Roof Replacement, Rantoul Power Plant IFB # VRNTL-09-B-0004", and should be addressed to: Purchasing Office for the Village of Rantoul, 333 S. Tanner, PO Box 38, Rantoul, IL 61866.

The Contract Documents are on file at the office of Gorski Reifsteck Architects, 909 Arrow Road, Champaign, IL, 61821, (217) 351-4100. Copies of the Contract Documents may be obtained from Gorski Reifsteck at \$25.00 per set refundable, non - refundable without a bid.

Bids must be submitted on the forms furnished and must be accompanied by an acceptable form of Bid Guaranty in the amount of \$15,000.00, payable to the Village of Rantoul. The Bid Guaranty shall be a certified check, bank draft, or Bid Bond acceptable to the Owner as a guaranty that if the Bid is accepted, the Bidder will execute the Contract and file a Certificate of Insurance within twenty-one (21) days after the award of the Contract. A Bid Guaranty consisting of a personal check will not be accepted. The Bid must be submitted in a sealed envelope.

A Pre-Bid Meeting will be conducted at 10:00 a.m. on September 11, 2008 at the Rantoul Power Plant, 200 W. Grove, Rantoul, IL 61866. For contractor visits to the work site at times other than the Pre-Bid meeting, please contact Martin Alblinger, A.I.A., phone: 217-893-1661, ext. 253.

Attention of the Bidders is called to Sections of the Illinois Revised Statutes (1981), as amended, pertaining to the prevailing wage law. The awarding authority has established the rates for the various classifications of workmen and craftsmen on the proposed improvement and the Contractor will be required to comply with the requirement of this statute. A copy of the current prevailing wage determination is enclosed in these bidding documents.

Attention of the Bidders is also called to provisions of the Fair Employment Practices Act of the State of Illinois, and particularly to the provision of Section 4 thereof. The contract to be entered into shall be conditioned as provided by law.

Attention of the Bidders is called to provisions Section 28.2.15 Local Vendor Preference and Priority in Award per the Village of Rantoul Code – 1997

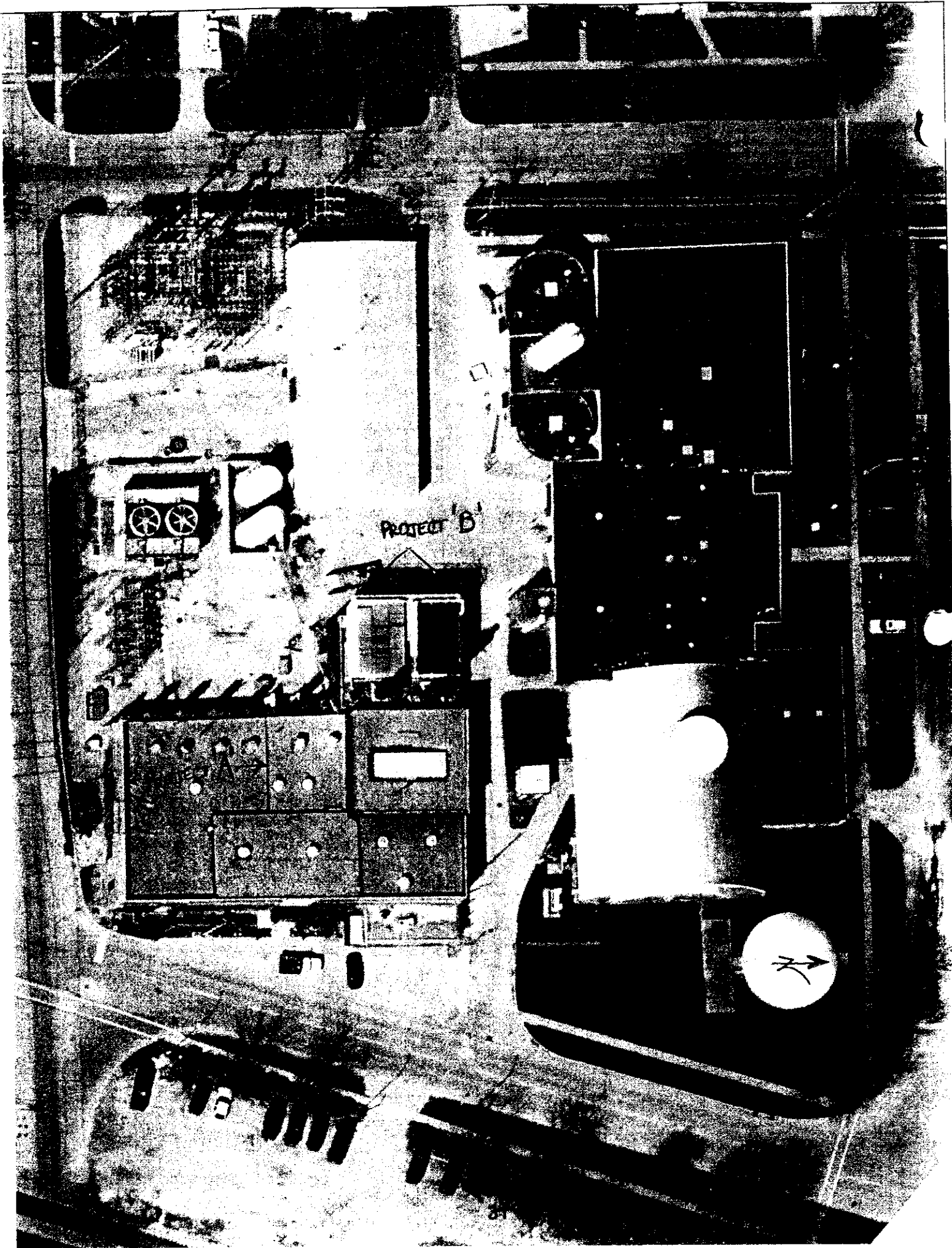
The Village of Rantoul, reserves the right to reject any or all bids and to waive any informalities in bidding. No bid shall be withdrawn after the opening of bids without consent of the Village of Rantoul for a period of sixty (60) days.

Dated: August 27, 2008

VILLAGE OF RANTOUL  
By: Cedric Thomas

GRA # 8026  
Village of Rantoul  
Power Plant Roof Replacement

00030-1



PROTECT D

