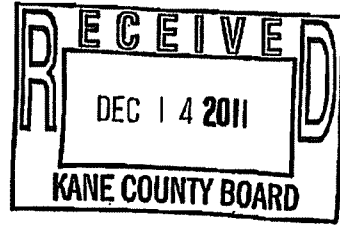


County of Kane  
Office of County Board  
Kane County Government Center



Karen McConnaughay  
Chairman  
630-232-5930



719 Batavia Avenue  
Geneva, Illinois 60134  
Fax 630-232-9188

**DOCUMENT VET SHEET**

for  
Karen McConnaughay  
Chairman, Kane County Board

Name of Document: Agreement - County of Kane and  
ETSB - Loan ARRA Bonds,  
\$1.4 million loan for Phone Systems  
Submitted By: Roger Fahrestock  
Date Submitted: 12-14-2011

Examined By: KC Stagno  
(Print Name)  
[Signature]  
(Signature)  
12-27-2011  
(Date)

Post on Web: Yes  No  Atty Initials KS

Comments: Sign on page 11.  
Atty's County Clerk's signature, page 11.  
Revised/Written by Don Kruger & John Kelly

Chairman Signed: Yes  No  Date: 1-10-12

Document Returned To: \_\_\_\_\_

**AGREEMENT BETWEEN  
THE COUNTY OF KANE AND THE KANE COUNTY EMERGENCY TELEPHONE SYSTEM BOARD  
PROVIDING FOR A LOAN OF PROCEEDS OF BONDS ISSUED PURSUANT TO THE  
AMERICAN RECOVERY AND REINVESTMENT TAX ACT OF 2009**

This Agreement (“**Agreement**”) is made and entered, by and between the County of Kane, a unit of local government of the State of Illinois hereinafter referred to as the “**County**”, and The Kane County Emergency Telephone System Board, an agency of The County of Kane, hereinafter referred to as the “**Agency**.” The County and Agency also may be referred to in this agreement as the “**Party**” or “**Parties**”.

**WHEREAS**, The County of Kane, Illinois (the “**County**”), is a duly organized and existing county created under the provisions of the laws of the State of Illinois and operating under the provisions of the Counties Code, as amended, 55 ILCS 5/1-1001 et seq. (the “**Counties Code**”); and

**WHEREAS**, The Kane County Emergency Telephone System Board (ETSB) is a duly organized and existing Agency of The County of Kane created under the provisions of the laws of the State of Illinois and operating under the provisions of the Emergency Telephone System Act, 50 ILCS 750/1, (the “**ETSA**”); and

**WHEREAS**, Section 1400U-2 of the Internal Revenue Code of 1986, as amended, enacted as part of the American Recovery and Reinvestment Act of 2009 (the “**Act**”), authorizes state and local governments to issue bonds that qualify as “recovery zone economic development bonds” as defined in that Section (“**Recovery Zone Economic Development Bonds**”); and

**WHEREAS**, the County has issued \$7,535,000 of Recovery Zone Economic Development Alternate Bonds (the “**Bonds**”) Recovery Zone Economic Development Bonds the proceeds of which may be used to finance certain “qualified economic development purposes,” as such term is defined in Section 1400U-2; and

**WHEREAS**, the Agency has applied to the County for a loan of Bond Proceeds in the aggregate principal amount of \$1,447,347.00 for the purpose of paying all or a portion of the costs of the purchase and administration of Next Generation 9-1-1 Telephone System Equipment and to pay its share of the costs of issuance of the Bonds in the amount of \$47,347.00 (the “**Agency Project**”); and

**WHEREAS**, the County hereby finds that the financing of the Agency Project is consistent with the purposes set forth in Ordinance No. 10-373 which authorized the issuance of the Bonds (the “**Bond Ordinance**”); and

**WHEREAS**, the County wishes to loan to the Agency, pursuant to the terms of this Agreement, a portion of the Bond Proceeds in the aggregate principal amount of \$1,447,347.00 for the purpose of paying for all or a portion of the costs of the Agency Project; and

**WHEREAS**, in accordance with Section 1400U-2 of the Act the costs of the Agency Project are and shall be such of the Agency’s capital costs necessarily incurred or to be incurred in furtherance of qualified economic development purposes, and, pursuant to the Bond

Ordinance, the County has found and hereby finds that such costs consist of the cost of the Agency's capital improvements for the Agency Project; and

**WHEREAS** the County and the Agency now desire to enter into this Agreement and for the County is authorized to enter into this Agreement pursuant to Section 5-1005 of the Counties Code; and

**WHEREAS** the Agency is authorized to enter into this Agreement pursuant to Section 15.4 of the ETSA;

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### **ARTICLE I: INCORPORATION OF RECITALS**

The recitals set forth above are incorporated herein by reference and made a part hereof.

#### **ARTICLE II: THE LOAN; REPAYMENT AND GENERAL TERMS**

1. The County will loan Bond Proceeds to the Agency in the aggregate principal amount of \$1,447,347.00 for the purpose of financing the Agency Project as described herein. in accordance with the terms and conditions of this Agreement.

2. The County shall authorize all actions and execute all documents necessary or desirable to loan the \$1,447,347.00 to the Agency for the Project. In so doing the County shall comply with the laws of the State of Illinois, including the terms and conditions contained within this Agreement.

3. The Agency shall authorize all actions and execute all documents necessary or desirable to accept the loans and to authorize repayment of the loans under the terms and conditions stated herein. In so doing, the Agency shall comply with the laws of the State of Illinois, and the terms and conditions contained within this Agreement. The Agency shall be responsible for its expenses incurred in the performance of this Agreement and of its activities contemplated herein.

4. The County shall loan the Bond Proceeds to the Agency in accordance with the schedule and pursuant to the provisions set forth in Articles III and IV of this Agreement. Interest on the Bond Proceeds loaned to the Agency shall begin to accrue on the date of issuance of the Bonds. The loan shall bear interest at the rate or rates which are equal to 64% of the interest rates due on the Bonds on each interest payment date for the Bonds. The loan shall be amortized on the same schedule as the portion of the Bonds applicable to the loan, except that each payment on the loan will be due 10 business days prior to each interest payment date on the

Bonds, which repayment schedule (the "Schedule") including the principal and interest is attached hereto as Exhibit A and made a part hereof.

5. In consideration of the mutual promises and the terms and conditions set forth herein, the County agrees to loan the amounts stated herein in exchange for the Agency's obligation to repay those amounts with interest at the above stated rate and in accordance with the Schedule. In consideration of the mutual promises and the terms and conditions set forth herein, the Agency agrees to repay the loaned amounts with interest at the above stated rates and in accordance with the Schedule in exchange for the County's loan of the amounts stated herein.

6. The Agency does hereby represent and agree that it has appropriated funds and will continue to appropriate funds sufficient to timely repay the loaned amounts with interest at the above stated rates and in accordance with the Schedule and does hereby authorize and direct the Treasurer of the County and/or the Chief Finance Officer of the County to timely transfer funds from the 911 Emergency Surcharge Fund of the Agency to the Recovery Zone Bond Debt Service Fund in amounts sufficient to repay the loaned amounts, together with interest thereon in accordance with the Schedule. This Direction shall be irrevocable while any of the loan made to the Agency by the County pursuant to this Agreement remains outstanding and unpaid.

### **ARTICLE III: THE AGENCY PROJECT**

1. The plans and specifications for the Agency Project shall: (a) meet the general requirements for the Project, and (b) be provided to the County by the Agency. The Agency shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Agency, all as may be in effect from time to time, pertaining to or affecting the Agency Project or the Agency as related thereto. The Agency shall include a certification of such compliance with each request for Bond Proceeds hereunder and at the time the Agency Project is completed. The County shall be entitled to rely on this certification without further inquiry. Upon the County's request, the Agency shall provide evidence satisfactory to the County of such compliance.

2. In all contracts relating to the Agency Project, the Agency agrees to require the contractor to name the County as an additional insured on insurance coverages and to require the contractor to indemnify the County from all claims, damages, demands, losses, suits, actions, judgments and expenses including but not limited to attorney's fees arising out of or resulting from work on the Agency Project by the contractor or the contractor's suppliers, employees, or agents.

3. The Agency covenants to the County that it shall complete the Agency Project; provided, however, the Agency shall not be considered in breach of or in default of its obligation to complete the Agency Project in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of

abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the Agency which in fact interferes with the ability of the Agency to discharge its obligation to complete the Agency Project. With respect to any such delay the Agency shall, upon the occurrence of the event causing such delay, immediately give written notice to the County. The Agency may rely on this section only to the extent of the actual number of days of delay affected by any such events described above.

4. On or before December 1, 2011, the Agency shall furnish the County with a drawdown schedule evidencing the Agency's reasonable expectation that the Agency Project will be acquired and constructed with due diligence and that 85% of the Agency Project will be completed within 3 years from the date of issuance of the Bonds.

#### ARTICLE IV: FUNDING

1. (a) With respect to the Agency Project, on a monthly basis (or at such other intervals as the County may agree to), the Agency shall provide the County's Department of Finance (the "Department") with a Requisition Form, in substantially the form attached hereto as Exhibit B, along with: (i) a cost itemization of the Agency Project budget in substantially the form attached hereto as Exhibit C Project Budget"; (ii) evidence of the expenditures upon project improvements which the Agency has paid or will pay; and (iii) all other documentation described in Exhibit B. The availability of Bond Proceeds is subject to the County's compliance with all applicable requirements regarding the use of such proceeds and the timing of such use.

(b) Delivery by the Agency of a Requisition Form hereunder shall, in addition to the items therein expressly set forth, constitute a certification, representation and warranty to the County, as of the date of such Requisition Form, that:

(i) the total amount of the Bond Proceeds requested represents the actual amount paid or to be paid to the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Agency Project, and/or their payees;

(ii) all amounts shown as previous payments on the Requisition Form (if any) have been paid to the parties entitled to such payment;

(iii) the Agency has approved all work and materials for the Requisition Form, and such work and materials conform to the plans and specifications for the Agency Project; and

(iv) the Agency is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Agency, all as may be in effect from time to time, pertaining to or affecting the Agency Project or the Agency as related thereto.

The County shall have the right, in its discretion, to require the Agency to submit further documentation as the County may require in order to verify that the matters certified to above are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the County from relying on such certifications by the Agency.

(c) Payment of Bond Proceeds will be made subject to all applicable restrictions on and obligations of the County contained in all County ordinances relating to the Bonds, including but not limited to the Bond Ordinance, and all agreements and other documents entered into by the County pursuant thereto.

2. The estimate of the cost of the Agency Project is \$1,447,347 including the Agency's share of costs of issuance. The Agency has delivered to the Authorized Officer a detailed preliminary budget, attached hereto and incorporated herein as Exhibit C. The Agency shall deliver to the County an amended budget (if necessary) in connection with each Requisition Form and a final budget (upon Agency Project completion) for the Agency Project, and when approved by the County in writing such amended (if any) and final budgets shall also be attached hereto and incorporated herein as Exhibit C. The budget shall identify the sources of and uses for all funds for the Agency Project. The Agency certifies that it has identified sources of funds (including the Bond Proceeds) sufficient to complete the Agency Project. The Agency agrees that the County will only contribute the Bond Proceeds to the Agency Project and that all costs of completing the Agency Project over the Bond Proceeds (if any) shall be the sole responsibility of the Agency. If the Agency at any time does not have sufficient funds to complete the Agency Project, the Agency shall so notify the County in writing, and the Agency may reduce the scope of the Agency Project as agreed with the County in order to complete the Agency Project with the available funds.

3. If the aggregate cost of the Agency Project is less than the amount of the Bond Proceeds contemplated by this Agreement, the Agency shall have no claim to the difference between the amount of the Bond Proceeds contemplated by this Agreement and the amount of the Bond Proceeds actually paid by the County to the Agency and expended by the Agency on the Project (the "Excess Bond Proceeds"); provided, however, that the foregoing shall not be construed to preclude the Agency from requesting all or some of the Excess Bond Proceeds from the County to finance other costs incurred by the Agency for the purposes allowed by Section 1400U-2 of the Act and provided for in the Bond Ordinance, subject to the County's approval (in the County's sole discretion). To the extent Bond Proceeds allocated to the Agency are not used for the Agency Project or any other project of the Agency the County shall reduce the loan obligation of the Agreement by the amount of such Excess Bonds Proceeds and reduce the amounts due pursuant to Schedule A on a pro rata basis.

4. The Agency shall provide to the County quarterly reports on the progress and status of the Agency Project and reasonable access to its books and records relating to the Project.

5. During the Term hereof, the Agency shall not sell, transfer, convey, lease or otherwise dispose (or cause or permit the sale, transfer, conveyance, lease or other disposal) of all or any portion of (a) the Project or any interest therein, or (b) any Agency Project Improvement or any interest therein (each a "Transfer"), or otherwise effect or consent to a Transfer, without the prior written consent of the County. The County's consent to any Transfer may, in the County's sole discretion, be conditioned upon (among other things) whether such a Transfer would conflict with the statutory basis for the loan of the Bond Proceeds hereunder pursuant to the Act. Subject to applicable law, the Agency shall pay any proceeds of any Transfer to the County.

#### **ARTICLE V: TERM**

The Term of the Agreement shall commence as of the Agreement Date and shall expire upon repayment of the loan.

#### **ARTICLE VI: INDEMNITY; DEFAULT**

1. The Agency, from moneys in the 911 Emergency Surcharge Fund, agrees to indemnify, defend and hold the County, its officers, officials, members, employees and agents harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the County arising from or in connection with (i) the Agency's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Agency's or any contractor's, subcontractors or materialmen in connection with the Project. In no event shall the Agency's obligation to indemnify the County exceed the County's actual damages that are attributable to the actions of the Agency as they relate solely to this Agreement.

2. The failure of the Agency to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Agency with respect to an Agency Project under this Agreement or any related agreement (including the Depository Agreement) shall constitute an "Event of Default" by the Agency hereunder. Upon the occurrence of an Event of Default, the County may terminate this Agreement with respect to the Agency Project and all related agreements. The County may by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein. Any such legal proceeding shall be brought in the Sixteenth Judicial Circuit, Kane County, Illinois.

In the event the Agency shall fail to perform a covenant which the Agency is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an event of default shall not be deemed to have occurred unless the Agency has failed to cure such default within thirty (30) days after its receipt of a written notice from the County or, if the Event of Default is not capable of being cured within such thirty (30) days period, the Agency shall not be deemed to have committed an Event of Default under this Agreement if it

has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

3. The failure of the County to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the County with respect to an Agency Project under this Agreement or any related agreement (including the Depository Agreement) shall constitute an "Event of Default" by the County hereunder. Upon the occurrence of an Event of Default, the Agency may terminate this Agreement with respect to the Agency Project and any other agreement directly related to this Agreement. The Agency may by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein. Any such legal proceeding shall be brought in the Sixteenth Judicial Circuit, Kane County, Illinois.

In the event the County shall fail to perform a covenant which the County is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an event of default shall not be deemed to have occurred unless the County has failed to cure such default within thirty (30) days after its receipt of a written notice from the Agency. If an event of default is not capable of being cured within such thirty (30) days period, the County shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

#### **ARTICLE VII: CONSENT**

Whenever the consent or approval of one or both parties to this Agreement is required hereunder, such consent or approval shall not be unreasonably withheld.

#### **ARTICLE VIII: NOTICE**

Notice to Agency shall be addressed to:

ETSB Chairman  
Kane County ETSB  
PO Box 191  
Geneva, IL 60134

and

Notice to the County shall be addressed to:

Chief Financial Officer  
Kane County Government Center  
719 South Batavia Avenue



Geneva, Illinois  
FAX: (630) 208-5110

with a copy to:

Kane County State's Attorney  
100 S. Third Street  
4<sup>th</sup> Floor  
Geneva, IL 60134  
Attention: Chief Civil Division

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth above, by any of the following means: (a) personal service; (b) electric communications, whether by telex, telegram, telecopy or facsimile (FAX) machine; (c) overnight courier; or (d) registered or certified mail, return receipt requested.

Such addresses may be changed when notice is given to the other party in the same manner as provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and, if sent pursuant to subsection (d) shall be deemed received two (2) days following deposit in the mail.

#### **ARTICLE IX: ASSIGNMENT; BINDING EFFECT**

This Agreement, or any portion thereof, shall not be assigned by either party without the prior written consent of the other.

This Agreement shall inure to the benefit of and shall be binding upon the County, the Agency and their respective successors and permitted assigns. This Agreement is intended to be and is for the sole and exclusive benefit of the parties hereto and such successors and permitted assigns.

#### **ARTICLE X: MODIFICATION**

This Agreement may not be altered, modified or amended except by written instrument signed by all of the parties hereto.

#### **ARTICLE XI: COMPLIANCE WITH LAWS**

The parties hereto shall comply with all federal, state and municipal laws, ordinances, rules and regulations relating to this Agreement.

**ARTICLE XII: GOVERNING LAW AND SEVERABILITY**

This Agreement shall be governed by the laws of the State of Illinois. If any provision of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, ordinance, rule of law or public policy, or for any reason, such circumstance shall not have the effect of rendering any other provision or provisions contained herein invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part hereof.

**ARTICLE XIII: COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall be deemed an original.

**ARTICLE XIV: ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties.

**ARTICLE XV: AUTHORITY**

Execution of this Agreement by the County is authorized by the Bond Ordinance. Execution of this Agreement by the Agency is authorized by Resolution 11-R-04 adopted by the Agency on November 17, 2011. The parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

**ARTICLE XVI: HEADINGS**

The headings and titles of this Agreement are for convenience only and shall not influence the construction or interpretation of this Agreement.

**ARTICLE XVII: DISCLAIMER OF RELATIONSHIP**

Nothing contained in this Agreement, nor any act of the County or the Agency shall be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the County and the Agency.

**ARTICLE XVIII: CONSTRUCTION OF WORDS**

The use of the singular form of any word herein shall also include the plural, and vice versa. The use of the neuter form of any word herein shall also include the masculine and

feminine forms, the masculine form shall include feminine and neuter, and the feminine form shall include masculine and neuter.

#### **ARTICLE XIX: NO PERSONAL LIABILITY**

No officer, member, official, employee or agent of the County or the Agency shall be individually or personally liable in connection with this Agreement.

#### **ARTICLE XX: REPRESENTATIVES**

Immediately upon execution of this Agreement, the following individuals will represent the parties as a primary contact in all matters under this Agreement.

For the Agency:

ETSB Chairman  
Kane County ETSB  
PO Box 191  
Geneva, IL 60134

and

For the County:

Chief Financial Officer  
Kane County Government Center  
719 South Batavia Avenue  
Geneva, Illinois  
FAX:

Each party agrees to promptly notify the other party of any change in its designated representative, which notice shall include the name, address, telephone number and fax number of the representative for such party for the purpose hereof.

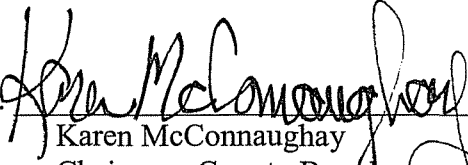
#### **ARTICLE XXI: TAX MATTERS**

The Agency shall not act or fail to act in such a way as to prevent the County from complying with the terms and conditions of that certain Tax Compliance Certificate entered into by the County in connection with the Bonds, a copy of which has been provided to the Agency.

**IN WITNESS WHEREOF**, the County of Kane, by a Resolution duly adopted by the County Board of Kane County, causes this Agreement to be signed by its Chairman and attested by its Clerk and Kane ETSB, by order of its Board, has caused this Agreement to be executed by the Chairman, and attested to by its Clerk, all on the day and year hereinafter written.

Dated 17<sup>th</sup> day of November, 2011.

COUNTY OF KANE

By:   
Karen McConnaughay  
Chairman, County Board  
Kane County

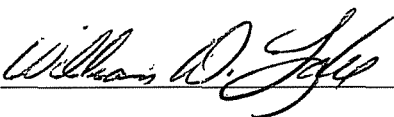
Attest: \_\_\_\_\_  
John A. Cunningham  
Clerk, County Board  
Kane County, Illinois



Dated 17<sup>th</sup> day of November, 2011.

Agency

By: 

Attest: 

**EXHIBIT A**  
**SCHEDULE**  
**LOAN PAYMENTS**

<b>Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Payment</b>
12/15/2011	\$124,897.38	\$29,078.11	\$153,975.49
6/15/2012		14,667.72	
12/15/2012	131,000.75	14,667.72	160,336.19
6/15/2013		14,038.92	
12/15/2013	139,565.75	14,038.92	167,643.59
6/15/2014		13,078.71	
12/15/2014	140,203.90	13,078.71	166,361.32
6/15/2015		11,912.21	
12/15/2015	143,639.22	11,912.21	167,463.64
6/15/2016		10,487.31	
12/15/2016	149,492.03	10,487.31	170,466.65
6/15/2016		8,765.16	
12/15/2017	152,553.75	8,765.16	170,084.07
6/15/2017		6,812.47	
12/15/2018	153,055.91	6,812.47	166,680.85
6/15/2018		4,681.93	
12/15/2019	156,003.82	4,681.93	165,367.68
6/15/2019		2,410.52	
12/15/2020	156,934.49	2,410.52	161,755.53
<b>Total</b>	<b>\$1,447,347.00</b>	<b>202,788.01</b>	<b>\$1,650,135.01</b>

**EXHIBIT B**

**AGENCY PROJECT**

**REQUISITION FORM #**     1    

State of Illinois        )  
                                  ) SS  
County of Kane         )

The affiant, Roger Fahnestock, Kane ETSB Chairman, an agency of The County of Kane (the "**Agency**"), hereby certifies to The County of Kane (the "**County**") that with respect to that certain Intergovernmental Agreement between the Agency and the County dated November 17, 2011, 2011 (the "**Agreement**"):

A. The following is a true and complete statement of all costs incurred for the Project by the Agency:

TOTAL:        \$1,400,000

B. This paragraph B sets forth and is a true and complete statement of all costs of Agency Project Improvements for the Agency Project paid for by the County to date (if any) through its loan of Bond Proceeds (as defined in the Agreement) to the Agency:

\$0

C. The Agency requests disbursement for the following cost of Agency Project Improvements:

\$1,400,000

D. None of the costs referenced in paragraph C above has been previously loaned to the Agency by the County.

E. The Agency hereby certifies to the County that, as of the date hereof,

1. The representations and warranties contained in the Agreement are true and correct and the Agency is in compliance with all applicable covenants contained therein.

2. No Event of Default (as defined in the Agreement) or condition or event that, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

3. The Agency is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Agency, all as may be in effect from time to time, pertaining to or affecting the Project or the Agency as related thereto.

F. Attached hereto are: (1) a cost itemization of the applicable portions of the budget attached as Exhibit C to the Agreement; and (2) evidence of the expenditures upon Agency Project Improvements for which the Agency hereby seeks disbursement.

H. The Agency hereby requests that the County direct disbursement to:

ETSB Chairman  
Kane County ETSB  
PO Box 191  
Geneva, IL 60134

All capitalized terms that are not defined herein have the meanings given such terms in the Agreement.

	<p>Kane County ETSB, an Agency of the County</p> <p>By: <u><i>Roger Fahnestock</i></u> Name: <u>Roger Fahnestock</u> Title: <u>ETSB Chairman</u></p>
--	--

Subscribed and sworn before me this 14<sup>th</sup> day of DECEMBER, 2011.

*Zahida K. Fakroddin*  
My commission expires: 9/24/14



**Exhibit C**  
**Preliminary Agency Project Budget**

<u>Uses of Funds</u>		<u>Source (County or Agency)</u>	<u>Cost</u>
Legal Fees			
	Land Acquisition		\$
	Fees and Reimbursable Costs		\$
	<i>Subtotal for Legal Fees</i>		\$
Abatement, Demolition, Site Preparation & Remediation			\$
Design and Management			\$280,000
Pre-Purchased Materials			\$
Furniture, Fixtures and Equipment			\$1,120,000
Construction Expenditures			
	Fees and Services		\$
	General Construction		\$
	Construction Contingency (5%)		\$
	PBC Administration (3%)		\$
Project Management Office Costs			\$
<b>Project Total</b>			<b>\$1,400,000</b>