



**AGENDA PACKET**  
**VILLAGE OF LAKE ZURICH**  
**Village Board of Trustees Meeting**

**September 20, 2021**  
**07:00 pm**

# **VILLAGE OF LAKE ZURICH**

## **VILLAGE BOARD OF TRUSTEES MEETING**

**SEPTEMBER 20, 2021**

**07:00 PM**

### **AGENDA**

#### **1. CALL TO ORDER**

#### **2. ROLL CALL**

Mayor Thomas Poynton, Trustee Dan Bobrowski, Trustee Mary Beth Euker, Trustee Janice Gannon, Trustee Marc Spacone, Trustee Jonathan Sprawka, Trustee Greg Weider.

#### **3. PLEDGE OF ALLEGIANCE**

#### **4. PUBLIC COMMENT**

This is an opportunity for residents to comment briefly on matters included on the agenda and otherwise of interest to the Board of Trustees. Public Comment is limited to 30 minutes total and 5 minutes per speaker.

#### **5. PRESIDENT'S REPORT / COMMUNITY UPDATE**

#### **6. CONSENT AGENDA**

These titles will be read by the Village Clerk and approved by a single Roll Call Vote. Any item may be pulled from the Consent Agenda for discussion by any member of the Board.

##### **A. Approval of Minutes of the Village Board Meeting, September 7, 2021**

Attachment: [6a.pdf](#)

##### **B. Approval of Semi-Monthly Warrant Register Dated September 20, 2021 Totaling \$666,102.60**

Attachment: [6b.pdf](#)

##### **C. Contract between the Village of Lake Zurich and Alpine Automotive for Towing Services**

**Summary:** A request for qualifications for police towing services was conducted in February 2021, which resulted in responses from A-Express Towing & Recovery in Palatine and Alpine Automotive in Lake Zurich. Alpine Automotive is located on Ensell Road in the Lake Zurich industrial park. Alpine is the Village's current police tow contractor and has provided excellent service for many years. The Village is recommending a renewed agreement with Alpine Automotive based on many years of satisfaction with its current level of service, along with lower proposed fees in most categories.

Attachment: [6c.pdf](#)

##### **D. Ordinance Approving Lease by the Village of Lake Zurich for My Flavor It! Place at 10 East Main Street (Assign Ord. #2021-09-432)**

**Summary:** The lease between the Village of Lake Zurich and My Flavor It! Place expired at the end of 2019, when the annual incremental adjustments to rent also stopped. The Village chose to freeze the rent at that point as a way to help support small businesses along Main Street during the difficult pandemic environment. The long-term tenant My Flavor It! Place has agreed to the revised three-year lease with incremental adjustments to rent year each January 1st.

Attachment: [6d and 6e.pdf](#)

##### **E. Ordinance Approving Lease by the Village of Lake Zurich for Johnny's Shoe Repair at 8 North Old Rand Road (Assign Ord. #2021-09-433)**

**Summary:** The lease between the Village of Lake Zurich and Johnny's Shoe Repair expired at the end of 2019, when the annual incremental adjustments to rent also stopped. The Village chose to freeze the rent at that point as a way to help support small businesses along Main Street during the difficult pandemic environment. The long-term tenant Johnny's Shoe Repair has agreed to the revised three-year lease with incremental adjustments to rent year each January 1st.

Attachment: [6d and 6e.pdf](#)

##### **F. Ordinance Amending Chapter 4 Entitled "Vehicle Operation" of Title 6 Entitled "Traffic Code" of the Lake Zurich Municipal Code to Include Failure to Wear a Seat Belt and Amending Title 13 Entitled "Comprehensive Fee Schedule" (Assign Ord. #2021-09-434)**

**Summary:** The proposed Ordinance adds violations of seat belt laws to the Village Code, authorizing Lake Zurich police officers to

issue local ordinance tickets for observed seat belt violations. Based on 2019 Illinois statute fines, Staff recommends a \$50 fine for local seat belt violations.

Attachment: [6f.pdf](#)

## 7. OLD BUSINESS - None at this time.

## 8. NEW BUSINESS

### A. Courtesy Review with Justice Cannabis Company for Proposed Bloc Recreational Cannabis Dispensary at 676 South Rand Road (Trustee Bobrowski)

**Summary:** Justice Cannabis Company is proposing to open a Lake Zurich adult-use recreational dispensary at the former TGI Friday's restaurant at 676 South Rand Road, pending Special Use Permit authorization from the Village Board. Botavi Wellness, LLC, doing business as Justice Cannabis Company with the store brand Bloc Dispensary, received four State licenses during the lotteries that were conducted during summer 2021.

In December 2020, the Village Board approved zoning regulations to allow cannabis dispensaries via a Special Use Permit in non-residential zoning districts and to formalize restrictions on the location, design and operations of such businesses. A Special Use Permit can only be issued via Ordinance by the Village Board after a Public Hearing process at the Planning and Zoning Commission.

The cannabis zoning regulations approved by the Board in December 2020 require cannabis dispensaries to be a minimum of 500 feet from a school, library, day care or group home; 250 feet from a park, and 1,500 feet away from another dispensary. The subject property at 676 South Rand Road meets all of these zoning criteria.

The zoning regulations include references to the applicable State statutes that apply to this highly-regulated industry, such as security, storage and transportation requirements. The ordinance also references the State statute for hours of operation, which are currently set at 6:00 AM to 10:00 PM.

Lake Zurich's 3% local sales tax on the gross receipts generated from this recreational dispensary is expected to generate \$200,000 - \$360,000 in new tax revenue, which is roughly equal to the \$350,000 in annual sales tax lost by the Peapod closure in Quarter 1 of 2020.

Justice Cannabis Company intends to appear before the Planning and Zoning Commission at a Public Hearing in October or November 2021.

**Recommended Action:** This is a non-voting item at this time. The developer and Village Staff seek to understand the Board's preferences towards the proposed use at this site.

Attachment: [8a.pdf](#)

## 9. TRUSTEE REPORTS

## 10. VILLAGE STAFF REPORTS

### A. Monthly Data Metric Reports

Attachment: [Village Managers Office.pdf](#)

Attachment: [Public Works.pdf](#)

Attachment: [Community Development.pdf](#)

Attachment: [Parks and Rec.pdf](#)

Attachment: [Fire.pdf](#)

Attachment: [Police.pdf](#)

Attachment: [Finance.pdf](#)

## 11. ADJOURNMENT

UNAPPROVED MINUTES  
VILLAGE OF LAKE ZURICH  
Board of Trustees  
70 East Main Street



Tuesday, September 7, 2021, 7:00 p.m.

1. CALL TO ORDER by Mayor Thomas M. Poynton at 7:00pm.
2. ROLL CALL: Mayor Thomas Poynton, Trustee Dan Bobrowski, Trustee Mary Beth Euker, Trustee Janice Gannon, Trustee Marc Spaccone, Trustee Jonathan Sprawka, Trustee Greg Weider. Also in attendance: Village Manager Ray Keller, Village Atty. Mallory Milluzzi, Finance Dir. Amy Sparkowski, Management Services Dir. Michael Duebner, Dir. Of Community Development Sarosh Saher, Public Works Dir. Mike Brown, Park and Rec. Dir. Bonnie Caputo.
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT

Jeff Halen, 154 S. Pleasant Rd., addressed the Board meeting on the Thorguard lightening alert system and he charged that it is not work; he argued that the President and Board are against him, are lying to the residents and not working for the safety of residents.

Eric Dubiel, 25 N. Pleasant Rd., addressed the Board on events held on Block A, requested a for sale sign on the property and the property be sub-divided in single lots; he stated that the underpass from the Heights area under Rt 12 needs maintenance and IDOT is not responsible for the upkeep; he argued that the Special Events are not free as tax payers are paying for them.
5. PRESIDENT'S REPORT / COMMUNITY UPDATE
  - A. Proclamation Honoring Captain Terry Johnston upon His Retirement from the Village of Lake Zurich After 30 Years of Public Service
  - B. Proclamation Declaring September 2021 as Suicide Prevention Awareness Month
6. CONSENT AGENDA
  - A. Approval of Minutes of the Village Board Meeting, August 16, 2021
  - B. Approval of Semi-Monthly Warrant Register Dated September 7, 2021 Totaling \$927,579.81
  - C. Full Release of Letter of Credit from Kroger Company for Mariano's Fuel Kiosk at 1300 East Route 22 in the Amount of \$51,576.25  
Summary: Occupancy was granted to the Mariano's gas station in February 2020 and a letter of credit in the amount of \$51,576.25 was provided to the Village as a guarantee for building construction. Staff has conducted final inspections on the property and there are no outstanding issues.

UNAPPROVED  
MINUTES  
VILLAGE OF LAKE ZURICH  
Board of Trustees  
70 East Main Street

6A

Village of Lake Zurich Board of Trustees Regular Meeting, Tuesday September 7, 2021. 2

D. **Ordinance Amending Article B of Chapter 6 of Title 1 Entitled "Village Treasurer" and Deleting Article C Entitled "Village Collector" of the Lake Zurich Municipal Code ORD. #2021-09-430**

**Summary:** The proposed Ordinance updates a section of the Village Code to provide consistency with State of Illinois statutes and eliminates decades-old language that is irrelevant or unnecessary. This Ordinance eliminates the Office of the Collector and transfers all Collector duties to the Village Treasurer. This Ordinance also eliminates language in the Code that is not required to be codified, such as the Village investment policy and designated banks or depositories to be used.

**Recommended Action:** A motion was made by Mayor Poynton, seconded by Trustee Sprawka, to approve the Consent Agenda as presented.

AYES: 6 Trustees Bobrowski, Euker, Gannon, Spaccone, Sprawka, Weider.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

7. **OLD BUSINESS**

None at this time.

8. **NEW BUSINESS**

A. **Ordinance Amending the Lake Zurich Zoning Code and Approving a Special Use Permit for Journey Cremations at 495 Enterprise Parkway ORD. #2021-09-431**

**Summary:** Journey Cremations has filed a zoning application for 495 Enterprise Parkway seeking a Zoning Code text amendment to allow direct cremations as a Special Use within the *I – Industrial Zoning District* and a Special Use Permit to establish a Direct Crematorium at the subject property.

Direct cremation takes place when the deceased is taken directly into the care of the cremation process, the remains are either delivered by the company or returned via USPS mailing protocol back to the source such as a funeral home or directly to the family members.

The subject property at 495 Enterprise Parkway comprises two lots – Lots 7 and 8 of Midlothian Court Subdivision and is located within the *I – Industrial Zoning District*. A large part of the property contains Lake County wetland areas which will continue to remain as is.

The Applicant proposes to construct a new approximately 2,400 square-foot masonry clad building on the buildable portion of Lot 8 with an accompanying driveway and parking lot.

The Planning and Zoning Commission (PZC) held a public hearing on August 18, 2021 to consider this application and voted 6-0 in favor of recommending approval of the Text Amendment and Special Use Permit to allow for the direct cremation facility. Conditions for approval initially recommended by staff were modified by the PZC to allow the facility to be established on any buildable portion of the subject property.

Dir. of Community Development Sarosh Saher introduced Paul Chapman of Journey Cremations who gave a brief PowerPoint Presentation of the proposal and answered the Board's questions.

**Recommended Action:** A motion was made by Trustee Bobrowski, seconded by Trustee Euker, to approve Ordinance #2021-09-431 Amending the Lake Zurich

Village of Lake Zurich Board of Trustees Regular Meeting, Tuesday September 7, 2021. 3

Zoning Code and Approving a Special Use Permit for Journey Cremations at 495 Enterprise Parkway.

AYES: 6 Trustees Bobrowski, Euker, Gannon, Spacone, Sprawka, Weider.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

B. Agreement with Landworks Limited for Open Space Land Acquisitions and Development Grant Project Construction for Paulus Park Enhancements in the Amount Not-to-Exceed \$774,776.01 with a Total Project Budget Not-to-Exceed \$936,524.01

Summary: The 2021 Village's budget includes \$400,000 in the Capital Fund for Paulus Park enhancements as part of the State of Illinois Open Space Land Acquisitions and Development (OSLAD) grant the Village secured in 2020.

The \$400,000 50 / 50 matching grant was awarded for shoreline restoration on the south end of Paulus Park, the addition of a woodland trail and picnic shelter with storage at the north end of the property, the installation of a non-motorized boat launch, a new ADA accessible fishing pier, placement of the existing park stage, and additional park landscaping. The approved grant projects must be fully completed by August 2022.

In December 2020, Hitchcock Design Group was hired to provide design development, construction documents, permitting, bidding and construction administration for the planned park improvements. A competitive bid opening occurred on July 22, 2021 for the grant enhancements, with six bids received. The most competitive bid of \$774,776.01 was submitted by Landworks Limited of Bolingbrook.

However, due to the current economic climate and the accompanying labor and material costs, the lowest bid results in an increased total project cost of \$936,524 after accounting for construction, design and engineering, contingency and interpretive signage. To compensate, Staff identified \$95,000 in project elements that are eligible for Special Recreation Association (SRA) funding. As sales taxes continue to come in better than anticipated, Staff also recommend to cover the remaining project shortfall, estimated to be \$41,524.

Park and Rec. Dir. Bonnie Caputo explained the increased costs of the bid for the inclusion of the south shoreline of the Park. She introduced Steve Konters of Hitchcock Design to address any questions from the Board.

**Recommended Action:** A motion was made by Trustee Weider, seconded by Trustee Spacone, to approve an agreement with Landworks Limited for Open Space Land Acquisitions and Development Grant Project Construction for Paulus Park Enhancements in the Amount Not-to-Exceed \$774,776.01 with a Total Project Budget Not-to-Exceed \$936,524.01.

AYES: 6 Trustees Bobrowski, Euker, Gannon, Spacone, Sprawka, Weider.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

Village of Lake Zurich Board of Trustees Regular Meeting. Tuesday September 7, 2021. 4

C. **Agreement with Manhard Engineering for Design and Engineering Services Related to Public Improvements on Block A, Mionske Road, and Lake Street in the Amount Not-to-Exceed \$95,000**

**Summary:** As the Village strives for a viable redevelopment opportunity on Block A, localized infrastructure that serves the Block A site and adjacent residential areas on Mionske Road and Lake Street require improvements. Most of the nearby water and sewer infrastructure was constructed in the early 1940's and does not meet present day design standards.

The Village's 2021 budget includes \$200,000 for infrastructure improvements within the TIF District #2. The Village's engineering consultant, Manhard Engineering, provided a proposal for design services in connection with water, sewer, and stormwater management public improvements in this area around Block A, as well as roadway resurfacing.

Public Works Dir. Mike Brown explained the need for the infrastructure improvements and answered the Board's questions.

**Recommended Action:** A motion was made by Trustee Spaccone, seconded by Trustee Weider, to approve an agreement with Manhard Engineering for Design and Engineering Services Related to Public Improvements on Block A, Mionske Road, and Lake Street in the Amount Not-to-Exceed \$95,000.

AYES: 6 Trustees Bobrowski, Euker, Gannon, Spaccone, Sprawka, Weider.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

D. **Agreement with Manhard Engineering for Design and Engineering Services Related to Public Improvements on South Old Rand Road in the Amount Not-to-Exceed \$103,000**

**Summary:** In order to achieve successful redevelopment of the South Old Rand Road business corridor, certain public infrastructure improvements are necessary to meet modern day design standards. Most of the nearby water and sewer infrastructure was constructed in the early 1940's and does not meet present day design standards.

The Village's 2021 budget includes \$200,000 for infrastructure improvements within the TIF District #2. The Village's engineering consultant, Manhard Engineering, provided a proposal for design services in connection with water, sewer, and stormwater management public improvements along South Old Rand Road from Main Street to just north of the CN rail crossing. The scope of work includes design of the water and sewer improvements as well as streetscape such as sidewalks and curbs and roadway resurfacing.

Public Works Dir. Mike Brown stated that with the sale of the old Alpine Medical building property for development there is a need to address the infrastructure on South Old Rand Road. Dir. Brown answered the Board's questions.

**Recommended Action:** A motion was made by Trustee Spaccone, seconded by Trustee Euker, to approve an agreement with Manhard Engineering for Design and Engineering Services Related to Public Improvements on South Old Rand Road in the Amount Not-to-Exceed \$103,000.

AYES: 6 Trustees Bobrowski, Euker, Gannon, Spaccone, Sprawka, Weider.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

Village of Lake Zurich Board of Trustees Regular Meeting, Tuesday September 7, 2021. 5

**9. TRUSTEE REPORTS**

Trustee Spacone updated the residents on the successful Styrofoam Recycling Programme administered by Kyle Kordell, Asst. to the Village Manager/Deputy Clerk. Three semi-truck loads have been collected during the summer; two volunteers are covering Tuesdays and the 1st Saturday of the month.

Trustee Sprawka responded to the two public comment speakers about the Thorguard lighting system which had worked that day; he asked if the person had any ideas on making the underpass under Rt 12 be ADA accessible; and a volunteer group "cares" for the underpass.

**10. VILLAGE STAFF REPORTS**

A. Management Services Director Duebner - Invoice Cloud EFT Customer Service Enhancement: Management Services Dir. Michael Duebner gave a PowerPoint presentation of the system enabling residents to pay for water bills, permits etc., online. He stated that staff process 3500 paper checks each month and there are 2300 using online. Dir. Duebner answered the Board's questions.

B. Dir. Caputo gave an update on Rock The Block to be held on Main Street on Saturday, September 11<sup>th</sup>, 2021 from 5-11pm with three bands performing. She thanked the sponsors, committee and volunteers and answered the Board's questions.

**11. ADJOURNMENT**

Motion was made by Trustee Weider, seconded by Trustee Sprawka, to adjourn the meeting.

AYES: 6 Trustees Bobrowski, Euker, Gannon, Spacone, Sprawka, Weider.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

The meeting adjourned at 8.13pm

Respectfully Submitted by:-

Kathleen Johnson, Village Clerk

Approved by:

\_\_\_\_\_  
Thomas M. Poynton, Village Mayor

\_\_\_\_\_  
Date.

VILLAGE OF LAKE ZURICH WARRANT REPORT - 9/20/2021 <u><b>\$666,102.60</b></u>					Page 1 of 13
<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>	
<b>Fund 101 GENERAL</b>					
Dept 00000					
101-00000-21202	AMBULANCE FEES PAYABLE	AETNA	AMB REF - SORICH, M DOS 11/2/20	748.08	
101-00000-21203	RECREATION CREDIT PAYABLE	CHISAMORE, LINDA	HSHLD CR - BALLET	34.80	<hr/>
		Total For Dept 00000		782.88	
Dept 11006 LEGISLATIVE MAYOR & BOARD					
101-11006-51654	MEMBERSHIPS & SUBSCRIP	METROPOLITAN MAYORS CAUCUS	MEMBERSHIP DUES	883.40	
101-11006-54303	LEGAL NOTICE/PUBLISHING	STERLING CODIFIERS LLC	VILLAGE CODE UPDATES	529.00	<hr/>
		Total For Dept 11006 LEGISLATIVE MAYOR & BOARD		1,412.40	
Dept 12120 VILLAGE ADMIN HUMAN RESOURCES					
101-12120-52111	OTHER PROFESSIONAL SVCS	CAREERBUILDER EMPL. SCREENING, LLC	EMPLOYMENT SCREENING SERVICES	87.00	
101-12120-54305	EMPLOYEE EXAMS	ADVOCATE OCCUPATIONAL HEALTH	EMPLOYEE SCREENINGS	91.00	<hr/>
		Total For Dept 12120 VILLAGE ADMIN HUMAN RESOURCES		178.00	
Dept 12180 VILLAGE ADMIN ECONOMIC DEVELOPMENT					
101-12180-54308	TAX REBATES	BRADFORD LAKE ZURICH 5 LLC	TAX REBATE - MAY 2021	15,265.11	
101-12180-54308	TAX REBATES	VILLAGE OF HAWTHORN WOODS	TAX REBATE - MAY 2021	4,770.06	<hr/>
101-12180-54308	TAX REBATES	VILLAGE OF KILDEER	TAX REBATE - MAY 2021	9,540.12	<hr/>
		Total For Dept 12180 VILLAGE ADMIN ECONOMIC DEVELOPMENT		29,575.29	
Dept 13001 FINANCE ADMINISTRATION					
101-13001-51652	TRAINING AND MEETINGS	GFOA	CAPITAL IMPV PLAN - SPARKOWSKI	315.00	
101-13001-53208	OFFICE SUPPLIES	AMAZON, COM SALES, INC	HIGHLIGHTERS	6.11	<hr/>
		Total For Dept 13001 FINANCE ADMINISTRATION		321.11	
Dept 17001 TECHNOLOGY ADMINISTRATION					
101-17001-52111	OTHER PROFESSIONAL SVCS	ADOBE INC	CREATIVE CLOUD - SEP 2021	224.13	
101-17001-52111	OTHER PROFESSIONAL SVCS	GOOGLE	GOOGLE SERVICE - SEP 2021	24.00	<hr/>
101-17001-52111	OTHER PROFESSIONAL SVCS	LEADINGIT SOLUTIONS, INC	SUPPORT AGMT 2021 - OCT	2,095.60	<hr/>
101-17001-53203	TELEPHONE & DATA SVCS	CALL ONE, INC	ANALOG LINES - SEP 2021	1,501.77	<hr/>
101-17001-53203	TELEPHONE & DATA SVCS	WINDSTREAM	ANALOG LINES - SEP	150.89	

Page 2 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
101-17001-53205	COMPUTER SUPPLIES	DATASOURCE, INK	TONER	651.00
101-17001-53206	POSTAGE & SHIPPING	FEDERAL EXPRESS CORPORATION	SHIPPING FEES - TELCOM	12.85
101-17001-56601	CAPITAL LEASE	TOSHIBA FINANCIAL SERVICES	FIRE & PD - COPIER LEASE	<u>164.74</u>
			Total For Dept 17001 TECHNOLOGY ADMINISTRATION	4,824.98
<b>Dept 24001 POLICE ADMINISTRATION</b>				
101-24001-51654	MEMBERSHIPS & SUBSCRIPTIONS	NORTHWEST POLICE ACADEMY	NORTHWEST POLICE ACADEMY DUES	75.00
101-24001-52111	OTHER PROFESSIONAL SVCS	GATSO USA, INC	RED LIGHT CAMERA FEE	5,220.00
101-24001-52602	WASTE REMOVAL	DANIELS SHARPSMART, INC	SHARPS REMOVAL	195.21
101-24001-52602	WASTE REMOVAL	DANIELS SHARPSMART, INC	SHARPS REMOVAL	9.44
101-24001-52701	MAINT-BLDGS & GROUNDS	USW HOLDING COMPANY LLC	FILTERED WATER - OCT 2021	62.00
101-24001-53203	TELEPHONE & DATA SVCS	COMCAST CABLE COMMUNICATIONS MGMT	CABLE - PD	31.47
101-24001-53209	UNIFORMS	JOHNSON, ROBERT	VP9 OPTIC SLIDE, MOUNTING PLATE	393.90
101-24001-53407	EQUIP MAINT PART&SUPPLIE	MGN LOCK-KEY & SAFES INC.	KEYS	<u>5.70</u>
			Total For Dept 24001 POLICE ADMINISTRATION	5,992.72
<b>Dept 24210 POLICE OPERATIONS</b>				
101-24210-51652	TRAINING AND MEETINGS	YOUNG, ADAM	LUNCH FOR CAR SEAT EVENT	116.35
101-24210-52111	OTHER PROFESSIONAL SVCS	MOTOROLA SOLUTIONS, INC	RADIO FEE - SEP	1,530.00
101-24210-52204	OTHER LEGAL	ALBARRAN, LUIS	LOCAL PROSECUTOR - AUG 2021	6,666.67
101-24210-52204	OTHER LEGAL	ETERNO, DAVID G	ADJUDICATION HEARING FEE	150.00
101-24210-53209	UNIFORMS	BEREZA, IRENEUSZ	PATCH SEWING	108.00
101-24210-53209	UNIFORMS	GALL'S, LLC	SIEMERS - VEST	783.72
101-24210-53209	UNIFORMS	GALL'S, LLC	STRUGA - SHIRT	49.95
101-24210-53209	UNIFORMS	RAY O'HERRON COMPANY INC.	SCARRY - NEW OFFICER UNIFORM	458.89
101-24210-53209	UNIFORMS	RAY O'HERRON COMPANY INC.	SCARRY - NEW OFFICER UNIFORM	983.81
101-24210-53209	UNIFORMS	SIEBER, ANDREW	PATCH SEWING	18.00
101-24210-54305	EMPLOYEE EXAMS	CENTRAL POLYGRAPH SERVICE, LTD	POLYGRAPH EXAMINATIONS - LARSON/YOUSIF	<u>420.00</u>
			Total For Dept 24210 POLICE OPERATIONS	11,285.39
<b>Dept 24230 POLICE CRIME PREVENTION</b>				
101-24230-52111	OTHER PROFESSIONAL SVCS	TRANS UNION LLC	CREDIT CHECKS	113.30
101-24230-52111	OTHER PROFESSIONAL SVCS	WEST PUBLISHING GROUP	INVESTIGATIVE SEARCH ENGINE	198.05

Page 3 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
Total For Dept 24230 POLICE CRIME PREVENTION				311.35
Dept 25001 FIRE ADMINISTRATION				
101-25001-52111	OTHER PROFESSIONAL SVCS	LEADINGIT SOLUTIONS, INC	SUPPORT AGMT 2021 - OCT	1,128.40
101-25001-53203	TELEPHONE & DATA SVCS	CALL ONE, INC	ANALOG LINES - SEP 2021	185.61
101-25001-53204	CELL PHONES & PAGERS	AT & T	METRO CELL - FIRE	36.79
101-25001-53208	OFFICE SUPPLIES	EAGLE ENGRAVING, INC	NAMEPLATES - PILGARD & CHRISTOPHERSON	20.50
101-25001-53209	UNIFORMS	ELEGANT EMBROIDERY INC	PATCHES FOR CAPTS & CHIEF	88.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	POLO - ROTSTEIN	92.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	JOB SHIRT, TSHIRT, POLO - MICHEHL	170.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	SHIRTS, HAT - HOLDEN	81.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	SHIRTS - SANTOYO	80.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	JOB SHIRT - YEE	78.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	JOB SHIRT - CORRAL	20.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	NAMEPLATE - CORNELL	22.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	NAMEPLATE - KAMMIN	22.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	JACKET, SHIRT, TROUSERS, HATS - HEDQUIST	228.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	CLASS A SHIRT - HEDQUIST	40.50
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	SHIRTS - PROMOTION - HEDQUIST	85.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	RED POLO, JOB SHIRT - KELLY	98.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	TSHIRT, HAT, JOB SHIRT - BOECKMANN	152.50
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	JOB SHIRT, POLOS - PROMOTION - CORNELL	311.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	SHIRT - CAMPBELL	60.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	PANTS, HAT, SHIRT - KRAUS	118.00
101-25001-53209	UNIFORMS	ON TIME EMBROIDERY, INC	HAT, - GLASDER	33.00
101-25001-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	SPLICERS, TUBING FOR STATION	31.58
101-25001-56601	CAPITAL LEASE	TOSHIBA FINANCIAL SERVICES	FIRE & PD - COPIER LEASE	164.73
Total For Dept 25001 FIRE ADMINISTRATION				3,346.61
Dept 25320 FIRE FIRE SUPPRESSION				
101-25320-52111	OTHER PROFESSIONAL SVCS	MOTOROLA SOLUTIONS, INC	RADIO FEE - SEP	1,512.00
101-25320-52707	MAINT-OTHER	CONSOLIDATED FLEET SERVICES, INC	LADDER TESTING	586.00
101-25320-53209	UNIFORMS	AIR ONE EQUIPMENT INC	3 BLACK 880 HELMETS, AND 2 RED 880 HELMETS	1,380.00

Page 4 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
101-25320-53209	UNIFORMS	AIR ONE EQUIPMENT INC	3 BLACK 880 HELMETS	862.00
101-25320-53407	EQUIP MAINT PART&SUPPLIE	MUNICIPAL EMERGENCY SERVICES, INC	TOOL ADAPTER & CYLINDER SLEEVE KIT - SCBA	781.00
		Total For Dept 25320 FIRE FIRE SUPPRESSION		5,121.00
Dept 25330 FIRE EMS				
101-25330-51651	LICENSING/CERTIFICATIONS	HALL, JEFFREY	PARAMEDIC LICENSE REIMB	40.00
101-25330-51652	TRAINING AND MEETINGS	NORTHWEST COMMUNITY HOSPITAL EMS	BLS INSTRUCTOR RENEWAL - MICHEHL	209.00
101-25330-52118	SOFTWARE MAINTENANCE	LANGUAGELINE SOLUTIONS	LANGUAGE LINE VIDEO INTERPRETATION	11.70
101-25330-53211	OTHER SUPPLIES	AMERICAN GASES CORP	OXYGEN RENTAL	56.67
101-25330-53211	OTHER SUPPLIES	AMERICAN GASES CORP	OXYGEN RENTAL	125.32
101-25330-53211	OTHER SUPPLIES	AMERICAN GASES CORP	OXYGEN RENTAL	125.32
		Total For Dept 25330 FIRE EMS		568.01
Dept 25340 FIRE SPECIAL RESCUE				
101-25340-53209	UNIFORMS	MUNICIPAL EMERGENCY SERVICES, INC	WILDLAND GEAR FOR NEW TEAM MEMBER - GLO	76.00
		Total For Dept 25340 FIRE SPECIAL RESCUE		76.00
Dept 28001 COMMUNITY DEVELOPMENT ADMINISTRATION				
101-28001-52111	OTHER PROFESSIONAL SVCS	LAKE COUNTY RECORDER	RECORDING RELEASE - SMITH, M #7817987	51.00
101-28001-52111	OTHER PROFESSIONAL SVCS	PADDOCK PUBLICATIONS INC.	LEGAL NOTICES - AUG 2021	177.10
101-28001-52111	OTHER PROFESSIONAL SVCS	THOMPSON ELEVATOR INSP SERVICE INC	SEMI ANNUAL INSPECTIONS	215.00
101-28001-52111	OTHER PROFESSIONAL SVCS	THOMPSON ELEVATOR INSP SERVICE INC	SEMI ANNUAL INSPECTIONS	86.00
101-28001-52604	SWEEPING & MOWING	MILIEU DESIGN LLC	MOWING CONTRACT - 100 ELA, 154 KINCAID	247.50
101-28001-52604	SWEEPING & MOWING	MILIEU DESIGN LLC	MOWING CONTRACT - 5 ADDRESS	660.00
		Total For Dept 28001 COMMUNITY DEVELOPMENT ADMINISTRATION		1,436.60
Dept 36001 PUBLIC WORKS ADMINISTRATION				
101-36001-52111	OTHER PROFESSIONAL SVCS	CINTAS CORPORATION #2	UNIFORMS/MATS 9/02	37.01
101-36001-52602	WASTE REMOVAL	SAFETY-KLEEN CORPORATION	WASTE OIL REMOVAL	217.00
101-36001-52701	MAINT-BLDGS & GROUNDS	BUBBLES, LLC	WINDOW CLEANING - VH	500.00
101-36001-52701	MAINT-BLDGS & GROUNDS	BUBBLES, LLC	WINDOW CLEANING - 505	850.00
101-36001-52701	MAINT-BLDGS & GROUNDS	CINTAS CORPORATION #2	UNIFORMS/MATS 9/02	78.84
101-36001-52701	MAINT-BLDGS & GROUNDS	SMITHREEEN PEST MANAGEMENT SERVICES	PW PEST CONTROL - SEP	49.00

Page 5 of 13

## VILLAGE OF LAKE ZURICH

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
101-36001-52701	MAINT-BLDGS & GROUNDS	SMITHREEEN PEST MANAGEMENT SERVICES	PD PEST CONTROL - SEP	93.00
101-36001-52702	MAINT-LAWN & LANDSCAPING	SEBERT LANDSCAPING	LANDSCAPE MAINT - JULY 2021	8,000.40
101-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	LOT 42	57.14
101-36001-53203	TELEPHONE & DATA SVCS	FORCE AMERICA	PW TRUCK DATA PLAN	140.00
101-36001-53211	OTHER SUPPLIES	TRAFFIC CONTROL & PROTECTION INC	TRAFFIC CONES	520.50
101-36001-53401	CUSTODIAL SUPPLIES	VALDES, LLC	BAGS, TP	196.00
101-36001-53403	LANDSCAPING SUPPLIES	CASPER TRUE VALUE HARDWARE INC	INSECT SPRAY	23.96
101-36001-53403	LANDSCAPING SUPPLIES	POTSIE'S INC.	TOPSOIL 7/12	75.00
101-36001-53404	RIGHT OF WAY SUPPLIES	GRAINGER	MANHOLE BASKET	67.28
101-36001-53404	RIGHT OF WAY SUPPLIES	GRAINGER	MANHOLE BASKETS	134.56
101-36001-53404	RIGHT OF WAY SUPPLIES	HOME DEPOT CREDIT SERVICES	CONCRETE, MORTAR, BRICK	50.50
101-36001-53404	RIGHT OF WAY SUPPLIES	NAC SUPPLY, INC	TRAFFIC BEADS	119.85
101-36001-53404	RIGHT OF WAY SUPPLIES	VOLLMAR CLAY PRODUCTS CO	SPACER RING	23.50
101-36001-53404	RIGHT OF WAY SUPPLIES	VOLLMAR CLAY PRODUCTS CO	MANHOLE REPAIR	255.00
101-36001-53405	BLDG & GROUNDS SUPPLIES	BATTERIES PLUS HOLDING CORP	BATTERIES	13.44
101-36001-53405	BLDG & GROUNDS SUPPLIES	CASPER TRUE VALUE HARDWARE INC	KEYS/TUBING	25.16
101-36001-53405	BLDG & GROUNDS SUPPLIES	CASPER TRUE VALUE HARDWARE INC	HARDWARE	7.80
101-36001-53405	BLDG & GROUNDS SUPPLIES	CASPER TRUE VALUE HARDWARE INC	CR - HARDWARE	(7.80)
101-36001-53405	BLDG & GROUNDS SUPPLIES	CASPER TRUE VALUE HARDWARE INC	DUSTER, WASP SPRAY	20.56
101-36001-53405	BLDG & GROUNDS SUPPLIES	HOME DEPOT CREDIT SERVICES	SEALANT	10.16
101-36001-53417	SAND & GRAVEL	THELEN MATERIALS, LLC	GRADE 9	1,383.25
101-36001-54303	LEGAL NOTICE/PUBLISHING	PADDOCK PUBLICATIONS INC.	JANITORIAL BID AD	115.00
Total For Dept 36001 PUBLIC WORKS ADMINISTRATION				<u>13,056.11</u>

## Dept 36420 PUBLIC WORKS PARK MAINTENANCE

101-36420-52702	MAINT-LAWN & LANDSCAPING	SEBERT LANDSCAPING	LANDSCAPE MAINT - JULY 2021	27,589.88
101-36420-53201	ELECTRICITY	COMMONWEALTH EDISON	7 E MAIN ST	25.44
101-36420-53401	CUSTODIAL SUPPLIES	VALDES, LLC	BAGS, TP	362.50
101-36420-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	LOCK	4.99
101-36420-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	WIRE BRUSH	16.99
101-36420-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	PLUMPING FITTING	5.08
101-36420-53405	BLDG & GROUND MAINT SUPP	FERGUSON ENTERPRISES LLC	SLOAN MODULES	68.06
101-36420-53405	BLDG & GROUND MAINT SUPP	FERGUSON ENTERPRISES LLC	SLOAN MODULES	421.99

Page 6 of 13

## VILLAGE OF LAKE ZURICH

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
101-36420-53405	BLDG & GROUND MAINT SUPP	FERGUSON ENTERPRISES LLC	UNION	98.72
101-36420-53405	BLDG & GROUND MAINT SUPP	HOME DEPOT CREDIT SERVICES	PAINT	29.76
101-36420-53405	BLDG & GROUND MAINT SUPP	HOME DEPOT CREDIT SERVICES	PVC, DRILL SET	13.61
101-36420-53405	BLDG & GROUND MAINT SUPP	HOME DEPOT CREDIT SERVICES	SPRAYGROUND ANTI FREEZE	46.44
101-36420-54306	EQUIPMENT RENTAL	SERVICE SANITATION, INC	PAULUS PARK PORT-O-POTTY	132.05
101-36420-54306	EQUIPMENT RENTAL	SERVICE SANITATION, INC	CHESTNUT PORT-O-POTTY	116.63
Total For Dept 36420 PUBLIC WORKS PARK MAINTENANCE				28,932.14
Dept 36471 PUBLIC WORKS FLEET SERVICES				
101-36471-52111	OTHER PROFESSIONAL SVCS	CINTAS CORPORATION #2	UNIFORMS/MATS 9/02	61.18
101-36471-52703	MAINT-VEHICLES	ALPINE AUTOMOTIVE INC.	ALIGNMENT 434	109.39
101-36471-52703	MAINT-VEHICLES	WICKSTROM AUTO GROUP, INC	FUEL PUMP DEDUCTABLE	100.00
101-36471-53206	POSTAGE & SHIPPING	TNK SHIPPING, INC	PARTS RETURN	11.40
101-36471-53206	POSTAGE & SHIPPING	TNK SHIPPING, INC	SHIPPING	11.14
101-36471-53211	OTHER SUPPLIES	CASPER TRUE VALUE HARDWARE INC	PAINT SUPPLIES	14.16
101-36471-53211	OTHER SUPPLIES	CASPER TRUE VALUE HARDWARE INC	TAPE	3.79
101-36471-53211	OTHER SUPPLIES	CASPER TRUE VALUE HARDWARE INC	PAINT SUPPLIES	26.74
101-36471-53211	OTHER SUPPLIES	CASPER TRUE VALUE HARDWARE INC	PAINT SUPPLIES	22.95
101-36471-53406	AUTO PARTS & SUPPLIES	CUMMINS SALES AND SERVICE	ACTUATOR	1,639.58
101-36471-53406	AUTO PARTS & SUPPLIES	LEACH ENTERPRISES INC.	TIE ROD	40.47
101-36471-53406	AUTO PARTS & SUPPLIES	MACQUEEN EQUIPMENT, LLC	GRAB HANDLE 212	42.69
101-36471-53406	AUTO PARTS & SUPPLIES	MOTOR PARTS & EQUIPMENT CORP	MARKER LIGHT	26.00
101-36471-53406	AUTO PARTS & SUPPLIES	MOTOR PARTS & EQUIPMENT CORP	FILTERS	221.41
101-36471-53406	AUTO PARTS & SUPPLIES	MOTOR PARTS & EQUIPMENT CORP	OIL FILTER	36.14
101-36471-53406	AUTO PARTS & SUPPLIES	MOTOR PARTS & EQUIPMENT CORP	SUPPORT	26.99
101-36471-53406	AUTO PARTS & SUPPLIES	MOTOR PARTS & EQUIPMENT CORP	FILTERS	84.94
101-36471-53406	AUTO PARTS & SUPPLIES	MOTOR PARTS & EQUIPMENT CORP	PURGE VALVE	43.67
101-36471-53406	AUTO PARTS & SUPPLIES	O'REILLY AUTOMOTIVE STORES, INC	TIE ROD	150.88
101-36471-53406	AUTO PARTS & SUPPLIES	WICKSTROM AUTO GROUP, INC	MIRROR	425.44
101-36471-53407	EQUIP MAINT PART&SUPPLIE	ARLINGTON POWER EQUIPMENT	SAW CHAINS	82.70
101-36471-53407	EQUIP MAINT PART&SUPPLIE	CASPER TRUE VALUE HARDWARE INC	CAP	5.99
101-36471-53407	EQUIP MAINT PART&SUPPLIE	DULTMEIER SALES LLC	NOZZLE	17.19
101-36471-53407	EQUIP MAINT PART&SUPPLIE	INTERSTATE ALL BATTERY CENTER	HANDLIGHT BATTERY 215	23.45

Page 7 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
101-36471-53407	EQUIP MAINT PART&SUPPLIE	MOTOR PARTS & EQUIPMENT CORP	AIR FILTER	42.26
101-36471-53407	EQUIP MAINT PART&SUPPLIE	MOTOR PARTS & EQUIPMENT CORP	BELT	37.42
101-36471-53407	EQUIP MAINT PART&SUPPLIE	STANDARD EQUIPMENT COMPANY	FLANGE 532	271.64
101-36471-53407	EQUIP MAINT PART&SUPPLIE	STANDARD EQUIPMENT COMPANY	FLANGE 532	136.17
101-36471-53415	FUELS	BELL FUELS SERVICE CO	FUEL 8-27	8,709.72
101-36471-53415	FUELS	BELL FUELS SERVICE CO	FUEL 8-27	8,531.49
101-36471-53418	LUBRICANTS & FLUIDS	MOTOR PARTS & EQUIPMENT CORP	DEF	95.88
			Total For Dept 36471 PUBLIC WORKS FLEET SERVICES	<u>21,052.87</u>
Dept 67001 RECREATION ADMINISTRATION				
101-67001-53208	OFFICE SUPPLIES	RUNCO OFFICE SUPPLY & EQUIPMENT CO.	SCISSORS	13.99
			Total For Dept 67001 RECREATION ADMINISTRATION	<u>13.99</u>
Dept 67970 RECREATION AQUATICS				
101-67970-53414	CHEMICALS	CASPER TRUE VALUE HARDWARE INC	MURIATIC ACID	71.93
			Total For Dept 67970 RECREATION AQUATICS	<u>71.93</u>
			<b>Total For Fund 101 GENERAL</b>	<b><u>128,359.38</u></b>
<b>Fund 202 MOTOR FUEL TAX</b>				
Dept 36001 PUBLIC WORKS ADMINISTRATION				
202-36001-52701	MAINT-BLDGS & GROUNDS	LAKE COUNTY DIV OF TRANSPORTATION	LCDOT SIGNAL MAINT QUENTIN/ENSELL 3RD QUA	206.70
202-36001-52701	MAINT-BLDGS & GROUNDS	MEADE, INC	MN STREET SIGNAL MAINT	200.00
202-36001-52701	MAINT-BLDGS & GROUNDS	SEBERT LANDSCAPING	LANDSCAPE MAINT - QUENTIN AUGUST 2021	1,918.00
202-36001-52701	MAINT-BLDGS & GROUNDS	SEBERT LANDSCAPING	LANDSCAPE MAINT - JULY 2021	4,233.24
202-36001-53201	ELECTRICITY	AEP ENERGY, INC	STREETLIGHT ELECTRIC	12,559.67
202-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	45 S OLD RAND RD	27.85
202-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	CLAIRVIEW	30.01
202-36001-53201	ELECTRICITY	COMMONWEALTH EDISON	STREETLIGHT ELECTRIC	12,264.03
202-36001-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	STREETLIGHT ELECTRIC	254.96
202-36001-55253	INFRASTRUCTURE IMPROVEMT	TRAFFIC CONTROL & PROTECTION INC	SIGNS	156.60

Page 8 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
202-36001-55253	INFRASTRUCTURE IMPROVEMT	TRAFFIC CONTROL & PROTECTION INC	SIGNS	934.60
		Total For Dept 36001 PUBLIC WORKS ADMINISTRATION		<u>32,785.66</u>
			<b>Total For Fund 202 MOTOR FUEL TAX</b>	<b><u>32,785.66</u></b>
<b>Fund 207 SPECIAL EVENTS FUND</b>				
Dept 67600	RECREATION SPECIAL EVENTS ADMIN			
207-67600-53212	PROGRAM SUPPLIES	SIGNUPGENIUS WWW.SIGNUP	RECREATION SIGN UP - SEP 2021	9.99
		Total For Dept 67600 RECREATION SPECIAL EVENTS ADMIN		<u>9.99</u>
Dept 67601	RECREATION ROCK THE BLOCK			
207-67601-52115	RECREATION PROGRAM SERV	DEVINE ROADSHOW LLC	RTB BAND - VIDEO SCREENT RENTAL	100.00
207-67601-53212	PROGRAM SUPPLIES	ICON GRAPHICS & SCREEN PRINTING	COMMITTEE T-SHIRTS 2021	416.00
207-67601-54302	PUBLIC RELATIONS	FRANKENSTITCH PROMOTIONS, LLC	RTB - BANNERS	<u>2,205.00</u>
		Total For Dept 67601 RECREATION ROCK THE BLOCK		<u>2,721.00</u>
			<b>Total For Fund 207 SPECIAL EVENTS FUND</b>	<b><u>2,730.99</u></b>
<b>Fund 214 TIF #2 DOWNTOWN</b>				
Dept 10490	GENERAL GOVERNMENT TIF			
214-10490-55253	INFRASTRUCTURE IMPROVEMT	COPENHAVER CONSTRUCTION, INC	UTILITY IMPROVEMENTS	<u>2,710.12</u>
		Total For Dept 10490 GENERAL GOVERNMENT TIF		<u>2,710.12</u>
			<b>Total For Fund 214 TIF #2 DOWNTOWN</b>	<b><u>2,710.12</u></b>
<b>Fund 401 VILLAGE CAPITAL PROJECTS</b>				
Dept 36001	PUBLIC WORKS ADMINISTRATION			
401-36001-55251	LAND IMPROVEMENTS	HITCHCOCK DESIGN INC	PAULUS PARK PLANNING - OSLAD	7,947.77
		Total For Dept 36001 PUBLIC WORKS ADMINISTRATION		<u>7,947.77</u>
			<b>Total For Fund 401 VILLAGE CAPITAL PROJECTS</b>	<b><u>7,947.77</u></b>

Page 9 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
<b>Fund 405 NHR CAPITAL PROJECTS</b>				
Dept 36001 PUBLIC WORKS ADMINISTRATION				
405-36001-53416 CONCRETE & ASPHALT		FISCHER BROS FRESH CONCRETE, INC.	CONCRETE 8/27	682.00
405-36001-53416 CONCRETE & ASPHALT		FISCHER BROS FRESH CONCRETE, INC.	CONCRETE 9/8	777.50
405-36001-55253 INFRASTRUCTURE IMPROVEMT		BUILDERS PAVING, LLC	2021 ROAD RESURFACING PROGRAM	<u>393,021.12</u>
			Total For Dept 36001 PUBLIC WORKS ADMINISTRATION	<u>394,480.62</u>
			<b>Total For Fund 405 NHR CAPITAL PROJECTS</b>	<b><u>394,480.62</u></b>
<b>Fund 501 WATER &amp; SEWER</b>				
Dept 00000				
501-00000-27104 WATER METER LEASE OBLIG		US BANK NATIONAL ASSOC.	WATER METER LEASE PAYMENT #13	<u>26,695.12</u>
			Total For Dept 00000	<u>26,695.12</u>
Dept 36001 PUBLIC WORKS ADMINISTRATION				
501-36001-53203 TELEPHONE & DATA SVCS		CALL ONE, INC	ANALOG LINES - SEP 2021	120.53
501-36001-53203 TELEPHONE & DATA SVCS		WINDSTREAM	ANALOG LINES - SEP	603.55
501-36001-53208 OFFICE SUPPLIES		RUNCO OFFICE SUPPLY & EQUIPMENT CO.	PAPER, MARKERS	79.97
501-36001-53209 UNIFORMS		CINTAS CORPORATION #2	UNIFORMS/MATS 9/02	36.50
501-36001-56603 INTEREST		US BANK NATIONAL ASSOC.	WATER METER LEASE PAYMENT #13	<u>16,947.62</u>
			Total For Dept 36001 PUBLIC WORKS ADMINISTRATION	<u>17,788.17</u>
Dept 36530 PUBLIC WORKS WATER BILLING				
501-36530-52111 OTHER PROFESSIONAL SVCS		DATAPROSE, LLC	WATER BILL PROCESSING - AUG 2021	728.92
501-36530-53206 POSTAGE & SHIPPING		DATAPROSE, LLC	WATER BILL PROCESSING - AUG 2021	2,749.97
501-36530-53206 POSTAGE & SHIPPING		DATAPROSE, LLC	ADD'L POSTAGE FOR UB	<u>800.00</u>
			Total For Dept 36530 PUBLIC WORKS WATER BILLING	<u>4,278.89</u>
Dept 36550 PUBLIC WORKS WATER SERVICE				
501-36550-52607 WATER SAMPLE ANALYSIS		ENVIRONMENTAL INC. MIDWEST LAB	RADIOLOGICAL WATER SAMPLE ANALYSES	1,055.00
501-36550-52607 WATER SAMPLE ANALYSIS		SUBURBAN LABORATORIES, INC.	WATER SAMPLE ANALYSIS - AUG	779.00
501-36550-52701 MAINT-BLDGS & GROUNDS		SEBERT LANDSCAPING	LANDSCAPE MAINT - JULY 2021	799.25
501-36550-53201 ELECTRICITY		CONSTELLATION NEW ENERGY, INC.	WELL #8	7,170.60

Page 10 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #10	7,085.09
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #11	1,227.05
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #12	7,068.61
501-36550-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	WELL #7	2,203.66
501-36550-53211	OTHER SUPPLIES	JOSEPH D FOREMAN & COMPANY, INC	KENNEDY HYDRANT REPAIR PARTS/1233 YORKSHIRE	1,295.87
501-36550-53211	OTHER SUPPLIES	JOSEPH D FOREMAN & COMPANY, INC	TRAVERSE CITY HYDRANT REPAIR PARTS	2,355.84
501-36550-53403	LANDSCAPING SUPPLIES	POTSIE'S INC.	TOPSOIL #10218	75.00
501-36550-53405	BLDG & GROUND MAINT SUPP	CASPER TRUE VALUE HARDWARE INC	CLEANING SUPPLIES, PADLOCKS	198.17
501-36550-53414	CHEMICALS	COMPASS MINERALS AMERICAN INC	BULK WTR COND SALT - WELL #8	2,403.85
501-36550-53414	CHEMICALS	COMPASS MINERALS AMERICAN INC	BULK WTR COND SALT - WELL #10	2,389.45
Total For Dept 36550 PUBLIC WORKS WATER SERVICE				<u>36,106.44</u>
Dept 36560 PUBLIC WORKS SEWER SERVICE				
501-36560-52111	OTHER PROFESSIONAL SVCS	STATE INDUSTRIAL PRODUCTS CORP	HYDRO SULFIDE REDUCTION - QUENTIN PUMP STA	2,549.16
501-36560-52111	OTHER PROFESSIONAL SVCS	STATE INDUSTRIAL PRODUCTS CORP	HYDRO SULFIDE REDUCTION - NW PUMP STA	1,533.67
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFT/PUMP STATIONS - 1160 BRISTOL TRAIL	174.23
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFT/PUMP STATIONS - 700 OLD MILL GROVE RD	82.34
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFT/PUMP STATIONS - 620 CHURCH ST	201.76
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFT/PUMP STATIONS - 61 W MAIN ST	51.91
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFT/PUMP STATIONS - 1100 QUENTIN RD	1,160.12
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFT/PUMP STATIONS - 1005 MARCH ST	73.58
501-36560-53201	ELECTRICITY	CONSTELLATION NEW ENERGY, INC.	LIFT/PUMP STATIONS - 1160 THORNDALE LN	93.26
Total For Dept 36560 PUBLIC WORKS SEWER SERVICE				<u>5,920.03</u>
<b>Total For Fund 501 WATER &amp; SEWER</b>				<b><u>90,788.65</u></b>
<b>Fund 603 RISK MANAGEMENT</b>				
Dept 10001 GENERAL GOVERNMENT ADMINISTRATION				
603-10001-52511	UNEMPLOYMENT COMP CLAIMS	IL DEPT OF EMPLOYMENT SECURITY	UNEMPLOYMENT BENEFITS PAID	1,147.25
Total For Dept 10001 GENERAL GOVERNMENT ADMINISTRATION				<u>1,147.25</u>
<b>Total For Fund 603 RISK MANAGEMENT</b>				<b><u>1,147.25</u></b>

Page 11 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<b>GL Number</b>	<b>GL Desc</b>	<b>Vendor</b>	<b>Invoice Description</b>	<b>Amount</b>
<b>Fund 615 EQUIPMENT REPLACEMENT</b>				
Dept 36001 PUBLIC WORKS ADMINISTRATION				
615-36001-55254 MACHINERY & EQUIPMENT		COMMUNICATIONS DIRECT INC.	RADIO	629.30
		Total For Dept 36001 PUBLIC WORKS ADMINISTRATION		629.30
			<b>Total For Fund 615 EQUIPMENT REPLACEMENT</b>	<b>629.30</b>
<b>Fund 710 PERFORMANCE ESCROW</b>				
Dept 00000				
710-00000-21455 BUILDING DEPOSIT PAYABLES		BRIAN M & LAURA M DEKKER	BD PAYMENT REF - PERMIT #PB20-0939	1,125.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		BRIGHT LIGHT SIGN CO	BD PAYMENT REF - PERMIT #PBB21-0850	105.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		CASELLI, ROBERT	BD PAYMENT REF - PERMIT #PB21-0470	105.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		D & H CONSTRUCTION MANAGEMENT	BD PAYMENT REF - PERMIT #PB21-0564	105.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		IRRIGATION RX INC	BD PAYMENT REF - PERMIT #PB21-1002	1,020.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		KRAFT CHEMICAL COMPANY	BD PAYMENT REF - PERMIT #PB20-1461	510.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		LANDMARK EXTERIORS	BD PAYMENT REF - PERMIT #PB21-0719	105.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		LANDRY, SEAN A	BD PAYMENT REF - PERMIT #PB21-1000	105.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		MINOSSORA, IVONA	BD PAYMENT REF - PERMIT #PB20-1450	105.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		PIGA, DOMENICA	BD PAYMENT REF - PERMIT #PB21-0699	105.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		RAINBOW SIGNS INC	BD PAYMENT REF - PERMIT #PB21-0921	105.00
710-00000-21455 BUILDING DEPOSIT PAYABLES		RENEWAL BY ANDERSON	BD PAYMENT REF - PERMIT #PB21-0645	105.00
		Total For Dept 00000		3,600.00
			<b>Total For Fund 710 PERFORMANCE ESCROW</b>	<b>3,600.00</b>
<b>Fund 720 PAYROLL CLEARING</b>				
Dept 00000				
720-00000-22404 SUPPLEMENTAL LIFE INS PAYABLE		NCPERS-IL IMRF - 0157	SUPPLIMENTAL LIFE INS	156.00
		Total For Dept 00000		156.00
			<b>Total For Fund 720 PAYROLL CLEARING</b>	<b>156.00</b>

Page 12 of 13

**VILLAGE OF LAKE ZURICH**

WARRANT REPORT - 9/20/2021

**\$666,102.60**

<i><b>GL Number</b></i>	<i><b>GL Desc</b></i>	<i><b>Vendor</b></i>	<i><b>Invoice Description</b></i>	<i><b>Amount</b></i>
<b>Fund 731 SSA #8 HEATHERLEIGH SUBDV</b>				
Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY				
731-10099-52604 SWEEPING & MOWING	SEBERT LANDSCAPING		LANDSCAPE MAINT - JULY 2021	370.82
	Total For Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY			370.82
				<b><u>370.82</u></b>
<b>Total For Fund 731 SSA #8 HEATHERLEIGH SUBDV</b>				
<b>Fund 734 SSA #11 LZ PINES SUBDV</b>				
Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY				
734-10099-52604 SWEEPING & MOWING	SEBERT LANDSCAPING		LANDSCAPE MAINT - JULY 2021	14.73
	Total For Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY			14.73
				<b><u>14.73</u></b>
<b>Total For Fund 734 SSA #11 LZ PINES SUBDV</b>				
<b>Fund 735 SSA #13 CONVENTRY CRK SUB</b>				
Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY				
735-10099-52604 SWEEPING & MOWING	SEBERT LANDSCAPING		LANDSCAPE MAINT - JULY 2021	381.31
	Total For Dept 10099 GENERAL GOVERNMENT SSA ACTIVITY			381.31
				<b><u>381.31</u></b>
<b>Total For Fund 735 SSA #13 CONVENTRY CRK SUB</b>				

Page 13 of 13

**VILLAGE OF LAKE ZURICH**  
WARRANT REPORT - 9/20/2021  
**\$666,102.60**

<i>GL Number</i>	<i>GL Desc</i>	<i>Vendor</i>	<i>Invoice Description</i>	<i>Amount</i>
<b>Fund Totals:</b>				
	Fund 101 GENERAL			128,359.38
	Fund 202 MOTOR FUEL TAX			32,785.66
	Fund 207 SPECIAL EVENTS FUND			2,730.99
	Fund 214 TIF #2 DOWNTOWN			2,710.12
	Fund 401 VILLAGE CAPITAL PROJECTS			7,947.77
	Fund 405 NHR CAPITAL PROJECTS			394,480.62
	Fund 501 WATER & SEWER			90,788.65
	Fund 603 RISK MANAGEMENT			1,147.25
	Fund 615 EQUIPMENT REPLACEMENT			629.30
	Fund 710 PERFORMANCE ESCROW			3,600.00
	Fund 720 PAYROLL CLEARING			156.00
	Fund 731 SSA #8 HEATHERLEIGH SUBDV			370.82
	Fund 734 SSA #11 LZ PINES SUBDV			14.73
	Fund 735 SSA #13 CONVENTRY CRK SUB			381.31
<b>Total for All Funds</b>				<b><u>\$ 666,102.60</u></b>



Always our Best

**POLICE DEPARTMENT**

200 Mohawk Trail  
Lake Zurich, Illinois 60047  
(847) 719-1690  
[www.lakezurich.org](http://www.lakezurich.org)

AGENDA ITEM  
6C

**MEMORANDUM**

Date: September 13, 2021  
To: Ray Keller – Village Manager *PK*  
From: Steven D. Husak – Chief of Police  
Subject: Police Towing Services Agreement

**Issue:** It has been some time since the Village of Lake Zurich sought requests for proposals or qualifications for police towing services. The current police towing contract was signed 2003. We felt it was prudent to request qualifications from towing firms in the area that will lead to a new agreement being initiated. Earlier this year, the Village of Lake Zurich requested statements of qualifications for police towing services as specified in a Request for Qualifications (RFQ). The RFQ was posted on-line and invitation letters were sent to towing firms in the area.

It is expected that the selected towing firm will enter into an agreement with the Village to be responsible for providing immediate response and towing of vehicles when such service is called for by the police department. The towing services include, but are not limited to, towing of vehicles subsequent to arrest, towing of vehicles involved in crashes, accidents, or disabled by other causes, removal of vehicles that impede the flow of traffic, impounding of vehicles for evidence, removal and storage of vehicles abandoned in public places, and for any other reason within the jurisdiction of the Lake Zurich Police Department.

It should be noted that with the exception of Village-owned vehicles needing towing services, the rates proposed by the responding firms are not borne by the Village, but instead are charged directly by the contractor to the motorists and vehicle owners who utilize the services. The goal of the process was to meet the needs of the police department while maintaining reasonable costs for involved motorists and vehicle owners.

**Village Strategic Plan:** Entering into a new agreement for police towing services is consistent with the following goals and objectives of the strategic plan.

- **Goal #1 – Financial Sustainability** *Objective: Continue to conduct organizational analyses to determine if further efficiencies are obtainable*

**Analysis:** Responses were received from A-Express Towing & Recovery (20378 N. Rand Road, Palatine, IL 60074) and Alpine Automotive (1320 Ensell Road, Lake Zurich, IL 60047). Proposal evaluation criteria that Sergeant Gaffney and I used consisted of demonstrated

qualifications, understanding and approach to the scope of work, facilities and equipment available to perform work, staffing levels, response time, and proposed service rates.

*Overview - A-Express Towing & Recovery*

A-Express is located on Rand Road approximately two miles south of Lake Zurich's southern border. A-Express provides towing services for a number of area police agencies. The company employs a sufficient number of Wreckmaster-certified drivers who operate their fleet of tow trucks. Their tow yard is under video surveillance and is open during regular business hours and partial days on Saturdays. A-Express utilizes two-way radios and cellular telephones to communicate with their drivers and their tow trucks are GPS-enabled. A-Express indicated that they would be able to provide 15 to 20-minute response times to Lake Zurich police requested tows. Police tows are logged electronically by the tow truck drivers. A-Express follows proper procedures when filing the necessary Secretary of State paperwork for disposal of unclaimed vehicles.

*Overview - Alpine Automotive*

Alpine Automotive is located on Ensell Road in the Lake Zurich industrial park. Alpine is the Village's current police tow contractor and has provided excellent service for many years. The company employs a sufficient number of drivers with accident management training (most have gone through Wreckmaster classes) who operate their fleet of tow trucks. Their tow yard is under video surveillance and is open during regular business hours. Weekend and after hour access can be made by appointment. Lake Zurich police officers have access to the tow yard 24/7 via a gate remote control. Alpine Automotive utilizes cellular telephones to communicate with their drivers and their tow trucks are GPS-enabled. Alpine Automotive currently responds to police tow requests within 15-minutes and indicated that this would continue if they were selected as a future tow contractor. Police tows are logged electronically by the tow truck drivers. In addition, vehicles are photographed and video recorded when they arrive at their tow yard. Alpine Automotive follows proper procedures when filing the necessary Secretary of State paperwork for disposal of unclaimed vehicles.

*Financial Considerations*

A-Express Towing & Recovery and Alpine Automotive submitted proposed rates for the various services included in Attachment B of the RFQ. While the rates were similar for both companies, the figures submitted by Alpine Automotive are less than those submitted by A-Express in most categories.

Some items of note regarding Alpine Automotive's proposal are as follows:

- Vehicle owners who retrieve their vehicle that was towed due to arrest within 24 hours of the tow are not charged for storage.
- Alpine is offering to provide snow tows for \$50 and is willing to store the vehicles at their facility without storage fees for the first eight days.
- Alpine will not charge the Village of Lake Zurich for any Village-owned vehicle tows.

(A-Express will not charge for Village-owned light duty vehicle tows if they are in Lake Zurich. They do charge for Village-owned vehicle tows outside of the Village and for medium duty and heavy-duty Village-owned vehicle tows regardless of location.)

Tow Rotation List

Since both of the respondents currently provide police tow services for area municipalities, the option of entering into agreements with both companies was considered. Utilizing multiple towing companies could be cumbersome for the police department and towing service clients. Service level expectations, response times, confusion over tow rotation (weekly, monthly, by tow, etc.), location of tow yards, and differing costs can create confusion for police staff and those who have their vehicles towed. Past practice has shown that in terms of accountability and clarity, it is more efficient for police department staff to manage and audit the results of a single tow company. In addition, towing firms have advised that it is difficult to staff tow truck drivers on a rotating system, such as monthly. Illinois statute (625 ILCS 5/4-203.5 - Tow rotation list), provides that a law enforcement agency may choose to have only one towing service on its tow rotation list.

**Recommendation:**

Based on our satisfaction with the current level of service provided by Alpine Automotive, along with lower proposed fees in most categories as compared to the other applicant, communication was initiated to craft a new agreement. Village Attorney Uhler provided advice on necessary language and has reviewed the draft agreement. We recommend that the Village of Lake Zurich enter into a new police towing services agreement with Alpine Automotive.

Respectfully submitted,



Steven D. Husak  
Chief of Police

C: Sergeant Gaffney

w/Attachments:  
Police Towing Services Contract

**CONTRACT BETWEEN  
THE VILLAGE OF LAKE ZURICH AND  
ALPINE AUTOMOTIVE FOR TOWING SERVICES**

In consideration of the mutual promises set forth below, the Village of Lake Zurich, an Illinois municipal corporation (the "Village"), and Alpine Automotive (the "Towing Firm"), make this contract as of the \_\_\_\_\_ day of September, 2021 and hereby agree as follows:

**Section 1. Performance of the Services**

The Towing Firm shall, at its sole cost and expense, provide, perform, and complete all of the duties and services provided, in the manner provided, in the specifications for towing services attached to this Contract as Attachment A, all of which duties and services are herein referred to as the "Towing Services".

**Section 2. Length of Contract**

This Contract shall be in effect beginning September \_\_\_\_\_, 2021 and shall remain in effect until September \_\_\_\_\_, 2024, unless terminated by either party under the conditions specified in Section 7 (the "Contract"). The Village has the right to renew the Contract for a mutually agreed upon period of time.

**Section 3. Review and Incorporation of Contract Provisions**

The Towing Firm represents and warrants that it has reviewed, and fully understood, this Contract, including all of its attachments, all of which are by this reference incorporated into and made a part of this Contract.

**Section 4. Financial and Technical Ability to Perform**

The Towing Firm represents and warrants that it is financially solvent and has the financial resources necessary, and that it is sufficiently experienced and competent and has the necessary capital, facilities, plant, organization, and employees necessary, to provide, perform, and complete the Towing Services in full compliance with, and as required by or pursuant to, this Contract.

**Section 5. Towing Firm's Personnel and Subcontractors**

A. Annual Disclosure In the event of any change of partial or full ownership of the Towing Firm during the term of this Contract, the Towing Firm shall provide the Village with the name, address, and telephone number of each owner.

B. Personnel and Personnel Services The Towing Firm shall be responsible for providing all sufficiently trained and qualified personnel necessary to complete the Towing Services. The Towing Firm shall be responsible for adequate, complete training of such personnel.

C. Approval and Use of Subcontractors The Towing Firm shall cause the Towing Services to be performed under the management, supervision, and control of its own organization unless otherwise approved by the Village in writing. All subcontractors used by the Towing Firm shall be acceptable to, and approved in advance by the Village. The Village's approval of any subcontractor shall not relieve the Towing Firm of full responsibility and liability for the provision, performance, and completion of the Towing Services in full compliance with, and as required by or pursuant to, this Contract. All Towing Services performed by any subcontractor shall be subject to all of the provisions of this Contract in the same manner as if performed by employees of the Towing Firm. Every reference in this Contract to "Towing Firm" shall be deemed also to refer to all subcontractors of the Towing Firm.

D. Removal of Personnel and Subcontractors If any personnel or subcontractor fails to perform the part of the Towing Services undertaken by it in a manner satisfactory to the Village, the Towing Firm, immediately on notice from the Village, shall remove and replace such personnel or subcontractor. The Towing Firm shall have no claim for damages as a result of any such removal or replacement. The Towing Firm, its employees, operators, subcontractors, agents, and anyone acting on behalf of any of them, shall act in a courteous and professional manner in their performance of any work or acts authorized hereunder and failure to do so may result in the termination of this Contract.

E. Drivers / Operators The Towing Firm shall provide full name, address, date of birth, driver's license number, state, and classification of its tow truck operators to the Village upon request.

F. Background Check Pursuant to 625 ILCS 5/4-203.5, each owner of the Towing Firm and each person operating a vehicle on behalf of the Towing Firm shall submit his or her fingerprints to the Department of State Police in the form and manner prescribed by the Department of State Police. These fingerprints should be transmitted through a live scan fingerprint vendor licensed by the Department of Financial and Professional Regulation.

A person may not own a Towing Firm or operate a vehicle on behalf of a Towing Firm included on a tow rotation list if that person has been convicted during the 5 years preceding the application of a criminal offense involving one or more of the following:

- (A) bodily injury or attempt to inflict bodily injury to another person;
- (B) theft of property or attempted theft of property; or
- (C) sexual assault or attempted sexual assault of any kind;

Each person operating a vehicle on behalf of the Towing Firm must be classified for the type of towing operation he or she shall be performing and the vehicle he or she shall be operating.

Section 6. Contract Not Exclusive

This Contract is not exclusive. The Village may select additional Towing Firms to provide Towing Services, may acquire Towing Services from time to time as necessary from a Towing Firm not under Contract with the Village, and may terminate this Contract or any other Contract as to the Towing Firm or any one or more other towing firms in accordance with the terms of Section 7 of this Contract.

Section 7. Village's Right to Terminate or Suspend Services for Convenience

A. Termination or Suspension for Convenience The Village shall have the right, for its convenience, to terminate or suspend the Towing Services in whole or in part at any time by 30-day written notice to the Towing Firm. Each such notice shall state the extent and effective date of such termination or suspension. On such effective date, the Towing Firm shall, as and to the extent directed, stop Towing Services under this Contract.

B. Payment for Completed Services In the event of any termination pursuant to Subparagraph 7A above, the Village shall pay the Towing Firm such fees for services for which the Village is responsible for payment, if any, as the Towing Firm may have reasonably and necessarily incurred prior to the date of such termination.

Section 8. Towing Firm's Right to Terminate

The Towing Firm shall have the right to terminate this Contract at any time by 30 day written notice to the Village. Termination of this Contract by the Towing firm shall not relieve the Towing Firm of any liability to the Village existing as of the date of such termination or accruing at any time as the result of, or related to, any act or failure to act on the part of the Towing Firm prior to such termination.

Section 9. Warranty of Services

The Towing Firm warrants that the Towing Services and all of their components shall strictly conform to the requirements of this Contract and shall be performed in accordance with the highest standards of professional practice, care, and diligence. The warranty herein expressed shall be in addition to any other warranties expressed in this Contract, or expressed or implied by law, which are hereby reserved to the Village.

Section 10. Risk of Loss

The Services and everything pertaining thereto shall be provided, performed, and completed at the sole risk and cost of the Towing Firm. The Towing Firm shall be responsible for any and all damages to property or persons as a result of the Towing Firm's errors, omissions, negligent acts, or failure to meet warranty and for any losses or costs to repair or remedy any work undertaken by the Village based on the Towing Services as a result of any such errors, omissions, negligent acts, or failure to meet warranty. Notwithstanding any other

provision of this contract, the Towing Firm's obligations under Section 10 shall exist without regard to, and shall not be construed to be waived by, the availability or unavailability of any insurance, either of the Village or the Towing Firm, to identify, hold harmless, or reimburse the Towing Firm for such damages, losses, or costs.

#### Section 11. Insurance

Contemporaneous with the Towing Firm's execution of this Contract, the Towing Firm shall provide certificates and policies of insurance evidencing at least the minimum insurance coverages and limits set forth in Attachment A. Such insurance shall be for terms not less than six months and shall provide that no change, modification in, or cancellation of any insurance shall become effective until the expiration of 30 days after written notice thereof shall have been given by the insurance company of the Village. The Towing Firm shall, at all times while providing, performing, or completing the Towing Services, including without limitation at all times while correcting any failure to meet warranty pursuant to Section 9 of this Contract, maintain insurance coverages and limits set forth in Attachment A.

#### Section 12. Indemnification

The Towing Firm shall, without regard to the availability or unavailability of any insurance, either of the Village or the Towing Firm, indemnify, save harmless, and defend the Village against any and all lawsuits, claims, demands, damages, liabilities, losses and expenses, including attorneys' fees and administrative expenses, that may arise, or be alleged to have arisen, out of or in connection with the Towing Firm's performance of, or failure to perform, the Towing Services or any part thereof, whether or not due to or claimed to be due in whole or in part to the active, passive, or concurrent negligence or fault of the Towing Firm, except to the extent caused by the sole negligence of, or the intentional, willful, or wanton act of, the Village or its employees.

In any and all claims against the Village, its officers, officials, employees, volunteers and/or agents, the indemnification obligations under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Towing Firm or any subcontractor of any tier under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. This indemnification obligation shall survive the expiration and/or termination of this Contract.

#### Section 13. Payments

The Towing Firm shall charge for Towing Services only those amounts specifically set forth in, and in the manner provided by, Attachment B. Under no circumstances shall the Village be liable for, or responsible to make or collect, any charge or payment to or on behalf of the Towing Firm, except only for charges properly made pursuant to Attachment B for Village Vehicles, as that term is defined in Attachment A.

#### Section 14. Village's Remedies

If it should appear at any time that the Towing Firm has failed or refused to prosecute, or has delayed in the prosecution of, Towing Services in full compliance with the requirements of this Contract, or has attempted to assign this contract or the Towing Firm's rights under this Contract, either in whole or in part, or has falsely made any representation or warranty in this Contract, or has otherwise failed, refused, or delayed to perform or satisfy any other requirement of this Contract ("Event of Default"), and has failed to cure any such Event of Default within five business days after the Towing Firm's receipt of written notice of such Event of Default, then the Village shall have the right, at its election and without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:

1. The Village may require the Towing Firm within such reasonable time as may be fixed by the Village, to complete or correct all or any part of the Towing Services that are defective, damaged, flawed, unsuitable, nonconforming, or incomplete and to take any or all other action necessary to bring the Towing Firm and the Towing Services into strict compliance with this Contract.
2. The Village may terminate this Contract immediately without liability for further payment of amounts due, if any, or to become due under this Contract.
3. The Village may recover from the Towing Firm any and all costs, including attorneys' fees and administrative expenses, incurred by the Village as the result of any Event of Default or as a result of actions taken by the Village in response to any Event of Default.
4. The Village may recover any damages suffered by the Village.

#### Section 15. Termination and Suspensions Deemed For Convenience

Any immediate termination or suspension of the Towing Firm's rights under this Contract for an alleged default that is ultimately held unjustified shall automatically be deemed to be a termination or suspension for the convenience of the Village under Section 7 of this Contract.

#### Section 16. Binding Effect

This Contract shall be binding on the Village and the Towing Firm and upon their respective heirs, executors, administrators, personal representatives, and permitted successors

and assigns. Every reference in this contract to a party shall also be deemed to be a reference to the authorized officers, employees, agents, and representatives of such party.

**Section 17. Relationship of the Parties**

The Towing Firm shall act as an independent contractor in providing and performing the Towing Services. Nothing in, nor done pursuant to, this contract shall be construed (1) to create the relationship of principal and agent, partners, or joint ventures between the Village and any subcontractor of the Towing Firm. The Towing Firm shall be solely and exclusively responsible for the timely payment of all employment related taxes, charges, and costs, including, but not limited to, state and federal unemployment taxes, Social Security, Medicare Withholding, and state and federal income taxes for any Towing Firm officer, employee, or agent. The Towing Firm agrees to fully indemnify and hold the Village harmless against and from any and all these responsibilities and claims, including all attorneys' fees and expenses of litigation.

**Section 18. No Collusion**

The Towing Firm hereby represents and certifies that the Towing Firm is not barred from contracting with a unit of state or local government as a result of a violation of either Section 33E-3 or Section 33E-4 of Article 33E of the Criminal Code of 1961, (720 ILCS 5/33E-1 *et seq.*) The Towing Firm hereby represents that the only persons, firms, or corporations interested in this Contract as principals are those disclosed to the Village prior to the execution of this Contract, and that this Contract is made without collusion with any other person, firm, or corporation. If at any time it shall be found that the Towing Firm has, in procuring this Contract, colluded with any other person, firm, or corporation, then the Towing Firm shall be liable to the Village for all loss or damage that the Village may suffer thereby, and this Contract shall, at the Village's option, be null and void.

**Section 19. Assignment**

The Towing Firm shall not (1) assign this Contract in whole or in part, (2) assign any of the Towing Firm's rights or obligations under this Contract, or (3) assign any payment due or to become due under this Contract without the prior express written approval of the Village, which approval may be withheld in the sole and unfettered discretion of the Village; provided, however, that the Village's prior written approval shall not be required for assignments of accounts, as defined in the Illinois Uniform Commercial Code, 810 ILCS 5/9-318. The Village may assign this Contract, in whole or in part, or any or all of its rights or obligations under this Contract, without the consent of the Towing Firm.

**Section 20. No Waiver**

No examination, inspection, investigation, test, measurement, review, determination, decision, certificate, or approval by the Village, nor any order by the Village for the payment of money, nor any payment for, or use, occupancy, possession, or acceptance of, the whole or any part of the Towing Services by the Village, nor any delay by the Village in exercising any right under this Contract, nor any other act or omission of the Village shall constitute or be deemed to

be an acceptance of any defective, damaged, flawed, unsuitable, nonconforming, or incomplete Towing Services, nor operate to waive or otherwise diminish the effect of any warranty or representation made by the Towing Firm; or of any requirement or provision of this Contract; or of any remedy, power, or right of the Village.

**Section 21. No Third-Party Beneficiaries**

No claim as a third-party beneficiary under this Contract by any person, firm, or corporation other than the Towing Firm shall be made or be valid against the Village.

**Section 22. Notices**

All notices required or permitted to be given under this Contract shall be in writing and shall be deemed received by the addressee thereof when delivered in person on a business day at the address set forth below or on the third business day after being deposited in any main or branch United States post office, for delivery at the address set forth below by properly addressed, postage prepaid, certified or registered mail, return receipt requested. Notices and communications shall be addressed and delivered as follows:

For notices and communications to Lake Zurich:

Village Manager  
Village of Lake Zurich  
70 East Main Street  
Lake Zurich, Illinois 60047

With a copy to:

Chief of Police  
Lake Zurich Police Department  
200 Mohawk Trail  
Lake Zurich, Illinois 60047

For notices and communications to Alpine Automotive:

Alpine Automotive  
1320 Ensell Road  
Lake Zurich, Illinois 60047

The foregoing shall not be deemed to preclude the use of other non-oral means of notification or to invalidate any notice properly given by any such other non-oral means.

By notice complying with the requirements of Section 22, the Village and the Towing Firm each shall have the right to change the address or addressee or both for all future notices to it, but no notice of a change of address or addressee shall be effective until actually received.

### Section 23. Records

The Towing Firm acknowledges that the Freedom of Information Act (5 ILCS 140/1, *et seq.*) ("FOIA") may apply to public records in the possession of the Towing Firm or its subcontractor(s), if any. The Towing Firm, and all of its subcontractor(s) (if any), shall cooperate with the Village within the time limits provided within the FOIA.

Records include: Tow logs or other maintenance of records collecting time, date, location of tow, storage and release information, Village personnel involved, person requesting the tow, police report or incident number, specific vehicle identification information, charges, fees, costs related to the tow and storage, or any complaints filed by vehicle owner related to the Towing Firm.

### Section 24. Governing Laws

This Contract and the rights of the Village and the Towing Firm under this Contract shall be interpreted according to the internal laws, but not the conflict of laws or rules of the State of Illinois.

### Section 25. Change in Laws

Unless otherwise explicitly provided in this Contract, any reference to laws shall include such laws as they may be amended or modified from time to time.

### Section 26. Compliance With Laws

The Towing Firm shall give all notices, pay all fees, and take all other action that may be necessary to ensure that the Towing Services are provided, performed, and completed in accordance with all required governmental permits, licenses, or other approvals and authorizations that may be required in connection with providing, performing, and completing the Towing Services, and with all applicable statutes, ordinances, rules, and regulations, including without limitation:

- Any statutes regarding qualification to do business;
- Illinois Compiled Statute (625 ILCS 5/4-203) - Removal of motor vehicles or other vehicles; towing or hauling away;
- Illinois Compiled Statute (625 ILCS 5/4-203.5) - Tow rotation list;
- Illinois Compiled Statute (625 ILCS 5/4-208) – Disposal of unclaimed vehicles;
- Illinois Compiled Statute (625 ILCS 5/4-209) – Disposal of unclaimed vehicles more than 7 years of age;
- Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 *et seq.*);
- Illinois Human Rights Act (775 ILCS 5/1-101 *et seq.*);
- Illinois Drug Free Workplace Act (30 ILCS 580/1, *et seq.*);
- Illinois Public Works Employment Discrimination Act (775 ILCS 10/1 *et seq.*);
- Illinois Human Rights Act (775 ILCS 5/2-101, *et seq.*) and the Rules and Regulations of the Illinois Department of Human Rights, including establishment and maintenance of a sexual harassment policy as required by Section 2-105 of that Article and Act;

- Fair Labor Standards Act; any statutes prohibiting discrimination because of, or requiring affirmative action based on, race, creed, color, national origin, age, sex, or other prohibited classification;
- Equal Employment Opportunity Clause required by the Illinois Department of Human Rights (Title 44, Part 750, Section 750, Appendix A);
- Illinois Labor and Storage Lien Act at no additional charge to the Village or to the vehicle owner, operator or lien holder (770 ILCS 45/1.5)

The Towing Firm shall be solely liable for any fines or civil penalties that are imposed by any governmental or quasi-governmental agency or body that may arise, or be alleged to have arisen, out of or in connection with the Towing Firm's or its sub-contractors' performance of the Towing Services or any part thereof.

Every provision of law required by law to be inserted into this Contract shall be deemed to be inserted herein.

**Section 27. Entire Agreement**

This Contract sets forth the entire agreement of the Village and the Towing Firm with respect to the accomplishment of the Services, and there are no other understandings or agreements, oral or written, between the Village and the Towing Firm with respect to the Towing Services and the compensation therefore.

**Section 28. Amendments**

No modification, addition, deletion, revision, alteration, or other change to this Contract shall be effective unless and until such change is reduced to writing and executed and delivered by the Village and the Towing Firm.

IN WITNESS WHEREOF, the Village and the Towing Firm have caused this Contract to be executed in two original counterparts as of the day and year first written above.

VILLAGE OF LAKE ZURICH

ALPINE AUTOMOTIVE

\_\_\_\_\_  
Village President

\_\_\_\_\_  
Name

Attest/Witness:

\_\_\_\_\_  
Title

By:

\_\_\_\_\_  
Village Clerk

By:

\_\_\_\_\_

Village of Lake Zurich  
Attachment A

Specifications for Towing Services

1. Definitions

- A. "Accident Vehicle" Any vehicle involved in an accident, crash, or similar occurrence, or that is inoperable for any other reason, that the Village directs the Towing Firm to tow.
- B. "Abandoned Vehicle" Any vehicle that has been declared by the Village, in accordance with State and local law, to have been abandoned and that the Village directs the Towing Firm to tow.
- C. "Board of Trustees" The President and Board of Trustees of the Village of Lake Zurich.
- D. "Flatbed Tow" A tow using a flatbed truck to transport the vehicle.
- E. "Proper Request for Release" A request for release of a vehicle from storage, made by the vehicle owner or authorized insurance representative in person, by telephone, e-mail, or by facsimile, that includes payment or proper assurance of payment of applicable fees.
- F. "Relocation Vehicle" A vehicle that the Village has determined, in the exercise of its sole discretion, must be relocated. This includes vehicles that are illegally parked, that are in the way of emergency operations, or that are seized or impounded by the Village for any reason.
- G. "Rotation" The system established by the Village for designating multiple towing firms to provide towing services, each for defined time periods on a rotating basis.
- H. "Snow Tow" A tow for a vehicle that is parked illegally during, or as a result of a snow event.
- I. "Standard Tow" A tow using a standard tow truck to transport the vehicle, usually by means of a two-wheel lift.
- J. "Steering" Any practice, relationship, procedure, or method by which a towing firm refers any person to, or recommends in any way to any person, a particular repair service, body shop, or other vehicle services vendor.

5. No Village Responsibility for Payment

The cost of removal and Towing Service under the Contract will be borne by Towing Firm and charged to the owner or operator of the removed and towed vehicle in accordance with applicable laws and regulations or orders issued thereunder.

6. No Village Responsibility for Towed Vehicles

The Village has no responsibility or liability whatsoever, whether for costs, damages, or any other matter, for any vehicle towed in any manner, except only for Village vehicles or vehicles stored on Village property, at the Village's direction, during the time that they are so stored. The Village employs towing as a service to the public.

The Village, its officials and employees limit their responsibility relative to a vehicle tow to the decision to tow the vehicle. If the vehicle owner or representative demands a hearing with respect to any tow, the Towing Firm must promptly notify the Police Department, and advise such person seeking a hearing to the Police Department. The Towing Firm must report any criminal act, theft or vandalism to any vehicle towed under the Contract.

7. Steering Prohibited

All, and any form of, steering or discrimination is prohibited at all times.

8. Repairs/Service

No service or repair of any kind will be performed on any impounded vehicle without the written approval of the owner or their agent at the time the vehicle is impounded. Further, no contract or order for service or repairs will be entered into with the owner and/or operator of the vehicle or their agent until such time as the vehicle has been retrieved and released.

9. Insurance -

The Towing Firm shall maintain at all times during the term of its Contract with the Village, all of the following insurance coverage. The Towing Firm shall provide a copy of each policy to the Village along with a certificate naming the Village as an additional insured. Each policy of insurance shall provide that it shall not be canceled except only after 30 days advance written notice to the Village of such cancellation.

Required occurrence basis coverage includes:

- (a) Comprehensive General Liability and Bodily Injury, minimum \$1,000,000.
- (b) Motor Vehicle with minimum coverage, \$1,000,000 per person, \$3,000.000 per accident, and \$300,000 property damage.
- (c) Garage Keeper's Liability, minimum \$225,000.
- (d) On-hook coverage or cargo insurance, minimum \$100,000.
- (e) Workers' Compensation, not less than minimum statutory limits.

10. Required Equipment

The Towing Firm shall have and maintain appropriate vehicles and equipment needed for the Towing Services required. All vehicles shall be properly licensed and inspected. All equipment shall be in good, safe operating condition at all times.

Each tow truck shall be equipped with brooms, shovels, oil-dry, and other equipment sufficient to perform required clean-up services and with a mobile telephone, the telephone number for each which shall be provided to the Village.

11. Oversized Vehicles

The Towing Firm, itself or by subcontract or other means, shall provide for towing of oversized vehicles in compliance with the terms of the Contract. Notwithstanding the use of a subcontractor or other method of providing Towing Services, the Towing Firm shall be and remain responsible for compliance with the terms of this Contract.

12. Standard or Flatbed Tow

The Village shall designate on a case by case basis whether the Towing Firm shall provide a standard tow or a flatbed tow. If the Village has not made such a designation for a particular tow, then the Towing Firm shall provide such tow as the Towing Firm believes is appropriate. The Towing Firm, for its convenience, may use a flatbed tow truck to complete a tow.

13. Winching

When winching services are provided in conjunction with a tow or as a separate service, charges shall be levied or collected only as provided on Attachment B.

14. Required Response Time to Crashes and Accidents

The Towing Firm shall respond to a request for Towing Services for a crash or accident vehicle within 15 minutes after the call is received. The Towing Firm shall provide personnel with the necessary communications equipment to maintain the required response times.

15. Site Clean-Up

After each tow, the Towing Firm shall clean and remove all related debris from the area of the tow, including compliance with all provisions of 625 ILCS 5/11-1413(c) in the removal of glass and other debris that is left on the roadway at the scene of accidents, as well as covering oil or grease deposits. The Towing Firm shall not be responsible for collection or removal of any cargo spilled from any vehicle except only of the Towing Firm caused such spill while providing Towing Services. The Towing Firm shall not be responsible for cleaning or handling of any hazardous material. The Towing Firm shall report the presence of any hazardous material to on-scene police/fire personnel.

16. Towing of Village Vehicles

- A. The Towing Firm shall tow Village vehicles promptly on request. Such towing may include towing of Village vehicles from and to any location within or within 20 miles of the Village's corporate limits. Absent specific direction from the Village, each Village vehicle towed by the Towing Firm shall be towed to the Village's Public Works facility at 505 Telser Road, Lake Zurich, Illinois.
- B. Lake Zurich Fire Department apparatus shall be given first priority for towing at all times regardless of circumstances, unless otherwise specifically directed by the Village.
- C. If the Village, in the exercise of its discretion, determines that it must contact a Towing Firm not a party to a towing Contract to complete a tow, because (1) a vehicle size is greater than the immediate capacity of the Towing Firm, or (2) the Towing Firm cannot respond immediately to an emergency, or (3) the Towing Firm cannot respond within 30 minutes in a non-emergency situation, or (4) for other good cause determined by the Village, then the Village may make such contact but shall give such notice as the Village determines is practicable to the Towing Firm prior to such contact. The Towing Firm shall pay any charge for such tow and shall provide evidence to the Village that any such charge has been resolved.
- D. The Village reserves the right to utilize other Towing Firms for crashes and incidents investigated by the Major Crash Assistance Team (MCAT) of Lake County.

17. Seized and Salvage Vehicles

- A. The Towing Firm shall not release or relocate (1) any unclaimed vehicle seized by the Village or (2) any vehicle for salvage, except after notice to the Village and written authorization from the Village.
- B. If any unclaimed vehicle shall be designated for training or other Village purpose, then the Towing Firm, at no cost to the Village, shall tow any such vehicle to a location designated by the Village. After such training or other purpose is

completed, then the Towing Firm shall properly dispose of such vehicle at no cost to the Village.

18. Abandoned or Unclaimed Vehicles

The Towing Firm shall be solely responsible for the processing, junking, selling, auctioning, and/or salvaging of abandoned or unclaimed vehicles in accordance with the applicable provisions of the Illinois Vehicle Code (Chapter 625 of the Illinois Compiled Statutes) and the Village of Lake Zurich Municipal Code. The Towing Firm shall maintain all appropriate records as specified by these statutes and ordinances, and shall open them to inspection and copying by the police department at any time.

19. Storage Lot

The Towing Firm shall be solely responsible for property keeping and maintaining its storage lot, to which storage lot all vehicles towed by the Towing Firm pursuant to the Contract shall be taken and stored except only as otherwise specifically directed by the Village.

- A. The Towing Firm shall have one storage lot, in a location approved in writing in advance by the Village, unless specifically provided otherwise in writing in advance by the Village.
- B. The storage lot shall have space for not fewer than 30 vehicles.
- C. Stacking of vehicles in the storage lot is prohibited.
- D. The storage lot shall be kept clean and free of rodents and vermin.
- E. The storage lot shall be fully enclosed by a protective fence, which fence shall be securely closed at all times when the storage lot is unattended.
- F. The main entrance to the storage lot shall be clearly and prominently posted with a sign and with instructions about how a vehicle can be claimed, including fees, hours of operation, a direct access after-hours telephone number.
- G. The Towing Firm shall provide for 24-hour access to the storage lot by the Lake Zurich Police Department and Village staff.
- H. Charges for vehicle storage shall accrue only from the date the vehicle first has been placed in the Towing Firm's storage lot.
- I. The storage lot shall be attended at a minimum, Monday through Friday (except holidays): 8:00 a.m. to 5:00 p.m.

20. Responsibility for Personal Property

The Towing Firm shall have sole responsibility for the safekeeping and security of all vehicles towed by it and of all personal property in such vehicles in accordance with 625 ILCS 5/4-203, until the vehicle has been released. No personal property that has been seized as evidence by policy has to be released until authorized by the Police Department. If the Towing Firm takes an inventory of such personal property, it shall promptly provide a copy of such inventory to the Village

21. Village Inspections

The Village shall have the right, at all reasonable times, to enter into or on any Towing Firm vehicle or storage lot for inspection to determine compliance with the terms of the Contract.

22. Release of Vehicles

The Towing Firm shall release a vehicle immediately upon a proper request for release. If the Village prohibits the release of a vehicle, the Towing Firm shall not release it.

23. Records; Reports

The Towing Firm shall keep an accurate record of all Towing Services and shall retain each such record for a minimum of two years after the Towing Service is provided. The Towing Firm shall make such records available to the Village immediately upon the Village's request during all regular Village business hours and at any other reasonable time.

**Attachment B**  
**Specifications for Towing Services**

Service Description	Approved Rate
Towing Service – privately owned vehicles	\$165.00
Towing Service – Village owned vehicles	\$0
Motorist Assist	\$85.00
Road Service – jump starts, flat tires, etc.	\$65.00
Storage Charge	\$45.00 per day No fee for arrest tows if retrieved within 24 hours
Snow Tow	\$50.00* No storage fee for first 8 days
Abandoned Vehicle Tow	\$185.00 if owner claims vehicle, otherwise \$0
Winching vehicle as sole service	\$85.00 starting rate
Winching vehicle as part of Towing Service	\$85.00** starting rate
Clean up Charge	\$45.00 to \$125.00
Stand by Charge	\$65.00 per hour billed in 15-minute increments
Mileage Charge responding to/from calls	\$0
Mileage Charge if vehicle is taken to location other than storage lot	\$4.00 per mile*** - first 3 miles no charge
Mileage Charge for Village owned vehicles less than 20 miles	\$0
Mileage for Village owned vehicles more than 20 miles	\$0
Deadhead charges for all tows	\$0
After business hours release of vehicle: No Charge	\$0

\*Snow tows will be stored at Alpine Automotive – 1320 Ensell Road

\*\*Winching charge shall be applied for rolled over vehicle or requirement to move vehicle on to roadway for safe loading.

\*\*\* Excludes Village directed tows – abandoned, relocation, snow tows

Towing Firm must accept cash, debit card, credit card, cashier's check or wire transfer as payment. The Towing Firm may accept cash only for police impounded vehicles.



*At the Heart of Community*

OFFICE OF THE VILLAGE MANAGER

70 East Main Street  
Lake Zurich, Illinois 60047

(847) 438-5141  
LakeZurich.org

ACCIDENTAL ITEM  
6D + 6E

**MEMORANDUM**

Date: September 13, 2021  
To: Ray Keller, Village Manager *PK*  
From: Kyle Kordell, Assistant to the Village Manager  
Subject: Village Lease Approval with Johnny's Shoe Repair and My Flavor It! Place

**Issue:** The two long-term tenants of Johnny's Shoe Repair at 8 North Old Rand Road and My Flavor It! Place at 10 East Main Street have been renting these properties from the Village since 2006 and 2009, respectively. These two small businesses have become pillars of the Main Street district and have a history of being good reliable partners with the community. Three-year leases are now proposed to renew the now-expired leases at these two properties.

**Analysis:** The proposed leases allow the businesses to continue operating as a shoe cobbler and ice cream parlor as they have for the past 15 years. The proposed lease term will run from January 1, 2022 – December 31, 2024 for both businesses. The Village retains the ability to terminate either lease with 180 days' notice

Monthly rent payments will be as follows:

Johnny's Shoe Repair

- \$825 per month for 2022
- \$850 per month for 2023
- \$875 per month for 2024

My Flavor It Place

- \$625 per month for 2022
- \$650 per month for 2023
- \$675 per month for 2024

**Recommendation:** Approval of the proposed Ordinance and leases for Johnny's Shoe Repair and My Flavor It! Place.

VILLAGE OF LAKE ZURICH



ORDINANCE NO. 2021-09-\_\_\_\_

**AN ORDINANCE APPROVING THE LEASE BY THE VILLAGE OF LAKE ZURICH OF PROPERTY AT 10 EAST MAIN STREET TO "MY FLAVOR IT! PLACE"**

**WHEREAS**, pursuant to Section 4 of the Illinois TIF Act, 65 ILCS 5/11-74.4-4, and other applicable authority, the Village of Lake Zurich is authorized to lease the property it owns within the Village commonly known as 10 East Main Street (the "Subject Property"); and

**WHEREAS**, the President and Board of Trustees of the Village have determined that it is in the best interests of the Village and its residents to lease the Subject Property to My Flavor It! Place (the "Tenet") and the Tenet desires to lease the Subject Property, on the terms of the lease attached to and by this reference incorporated into this Ordinance as Exhibit A (the "Lease"); and,

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, as follows:

**Section 1.** Recitals. The foregoing recitals are hereby incorporated into this Ordinance by this reference as findings of the President and Board of Trustees.

**Section 2.** Public Notice. On August 20, 2021 and pursuant to 65 ILCS 5/11-74.4 - 4 (c) reasonable public notice was given of the Village's intent to lease property within the TIF redevelopment project area.

**Section 3.** Approval of Lease. The President and Board of Trustees hereby approve the Lease and authorize and direct the Village Manager to execute the Lease on behalf of the Village.

**Section 4.** Effective Date. This Ordinance will be in full force and effect from and after its passage and approval and publication in pamphlet form in the manner provided by law.

**PASSED** this \_\_\_\_ day of September, 2021, pursuant to a roll call vote as follows:

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED this \_\_\_\_ day of September, 2021.

By: \_\_\_\_\_  
Thomas Poynton, Village President

\_\_\_\_\_  
Kathleen Johnson, Village Clerk

## **COMMERCIAL LEASE**

**1. BASIC TERMS.** This Section 1 contains the Basic Terms of this Lease between Landlord and Tenant, named below. Other Sections of the Lease referred to in this Section 1 explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

- A. **Date of Lease:** January 1, 2022
- B. **Landlord:** Village of Lake Zurich
- C. **Tenant:** Anna Razes, My Flavor It! Place
- D. **Premises:** 10 East Main Street, Lake Zurich, Illinois (the "Building").
- E. **Permitted Uses:** The Premises will be used to operate an ice cream parlor.
- F. **Pets:** No pets shall be brought on the Premises without the prior written consent of Landlord.
- G. **Lease Term:** One (1) year ("Term"), commencing January 1, 2022 ("Commencement Date") and ending three years after Commencement Date ("Expiration Date") with thirty (30) day advance written notice (prior to termination of lease in any year) to be served upon Landlord (as provided for notices herein), provided further that should property be sold by the Landlord, Landlord may terminate this Lease with one hundred and eighty (180) days written notice service upon Tenant (as provided for notices herein). Should Premises and Property be put up for general sale in its current condition, as a single parcel involving only the Premises and Property covered by this Lease, and not as part of a larger tract, in conjunction with other properties or as a development proposal which includes other properties, Landlord will offer Property to Tenant for right-of-first-refusal and will allow Tenant twenty eight (28) business days to secure financing or reject offer to purchase said Property.
- H. **Base Rent Payable by Tenant:** Base rent shall start to accrue on January 1, 2022 in advance and due on the 1<sup>st</sup> of every successive month and is deemed late if not received by the 10<sup>th</sup> of said month.
  - \$625.00 per month for Year 1
  - \$650.00 per month for Year 2
  - \$675.00 per month for Year 3
- I. **Security Deposit:** Current Security Deposit of \$500 shall be retained by Landlord for this Term. Tenant and Landlord agree that (a) the Security Deposit or any portion thereof may be applied to the curing of any default that may exist, without prejudice to any other remedy or remedies which the Tenant may have on account thereof, and upon such application Tenant shall pay Landlord on demand the amount so applied which shall be added to the Security Deposit so the same will be restored to its original amount; (b) should the Premises be conveyed by Landlord, the Security Deposit or any balance thereof may be turned over to the Landlord's grantee, and if the same be turned over, Tenant agrees to look solely to such grantee for such application or return; (c) Landlord may commingle the Security Deposit with other funds and not be obligated to pay Tenant any interest; and (d) the Security Deposit shall not be considered as advance payment of Rent or a measure of damages for any default by Tenant, nor shall it be a bar or defense to any actions by Tenant against Landlord.

**2. LEASE OF PREMISES; RENT.**

- A. **Lease of Premises for Lease Term.** Landlord hereby leases the Premises to Tenant, and Tenant hereby rents the Premises from Landlord, for the Term and subject to the conditions of this Lease.
- B. **Types of Rental Payments.** Tenant shall pay rents of (a) net base rent payable in monthly installments as set forth in Section 1., H. hereof, in advance, on the first (1<sup>ST</sup>) day of each and every calendar month during the Term of this Lease (the "Base Rent"); (b) interest on late payments of Rent at the rates set forth hereinbelow and (c) in the event any monthly installment of Base Rent or Additional Rent, or both, is not paid within ten (10) days of the date when due, a late charge in an amount equal to 5% of the then delinquent installment of Base Rent (the "Late Charge"; the Late Charge, Base Rent, and interest thereon shall collectively be referred to as "Rent"), to the Landlord or pursuant to such other directions as Landlord shall designate in this Lease or otherwise in writing. In addition to the rental payments, Tenant shall be responsible for payment of its

own phone and internet use, services and utilities to the Premises which are separately metered and scavenger service.

C. **Covenants Concerning Rental Payments.** Tenant shall pay the Rent promptly when due, without notice or demand, and without any abatement, deduction or setoff, except as may otherwise be expressly and specifically provided in this Lease. No payment by Tenant, or receipt or acceptance by Landlord, of a lesser amount than the correct Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any payment be deemed an accord or satisfaction, and Landlord may accept such payment without prejudice to its right to recover the balance due or to pursue any other remedy available to Landlord. If the Commencement Date occurs on a day other than the first (1<sup>st</sup>) day of a calendar month, the Rent due for the first calendar month of the Term shall be prorated on a per diem basis and paid to Landlord on the Commencement Date, and the Term will be extended to terminate on the last day of the calendar month in which the Expiration Date stated in Section 1., G. occurs. Except as may otherwise be expressly and specifically provided in this Lease, Tenant's obligation to pay Rent is independent of each and every covenant contained in this Lease.

D. **Assignment and Subletting.** Tenant shall not assign this Lease or sublet any portion of the Premises without prior written consent of Landlord.

### 3. USE OF PREMISES AND COMMON AREAS.

A. **Use of Premises and Property.** The Premises shall be used by the Tenant only for the business purpose(s) set forth in Section 1.E. above. Tenant shall not, at any time, use or occupy, or suffer or permit anyone to use or occupy, the Premises, or do or permit anything to be done in the Premises or the Property, in any manner that may (a) violate any Certificate of Occupancy or Business License for the Premises or the Property; (b) cause, or be liable to cause, injury to, or in any way impair the proper utilization of, all or any portion of the Property (including, but not limited to, the structural elements of the Property) or any equipment, facilities or systems therein; (c) constitute a violation of the laws and requirements of any public authority or the requirements of insurance bodies or the rules and regulations of the Property, including any covenant, condition or restriction affecting the Property; (d) exceed the load bearing capacity of the floor of the Premises; (e) impair or tend to impair the character, reputation or appearance of the Premises or Property; or (e) unreasonably annoy, inconvenience or disrupt the operations or tenancies of other tenants or users of the Property.

B. **Signage.** Tenant shall not affix any sign of any size or character to any portion of the Property, without prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed. Tenant shall remove all signs of Tenant upon the expiration or earlier termination of this Lease and immediately repair any damage to either or both of the Property and the Premises caused by, or resulting from, such removal.

C. **Parking.** During the term of this Lease, Tenant has the non-exclusive right to use the non-reserved common automobile parking areas and driveways, and the pedestrian access areas. Parking is to be used for business related purposes only. No overnight long-term storage of vehicles or other personal property shall be permitted.

### 4. CONDITION AND DELIVERY OF PREMISES.

Tenant agrees that Tenant is familiar with the condition of both the Premises and the Property, and Tenant hereby accepts the foregoing on an "AS-IS," "WHERE-IS" basis, provided however the Landlord agrees the Premises shall be habitable, suitable for use as an office building, with all mechanicals, plumbing and HVAC system (including all ductwork diffusers, return air vents and thermostats) to be in good working order. Tenant acknowledges that neither Landlord nor any representative of Landlord, has made any representation as to the condition of the foregoing or the suitability of the foregoing for Tenant's intended use.

### 5. COMPLIANCE WITH LAWS.

A. **Compliance with Laws.** Tenant shall, at its sole expense (regardless of the cost thereof), comply with all local, state and federal laws, rules, regulations and requirements now or hereafter in force and all judicial and administrative decisions pertaining thereto (collectively, "Laws"), pertaining to either or both of the Premises and Tenant's use and

occupancy thereof. With the exception of any Occupancy Inspection Fee, which is hereby waived by the Village of Lake Zurich/Landlord, if any other license or permit is required for the conduct of Tenant's business in the Premises, Tenant, at its expense, shall procure such license prior to the Commencement Date, and shall maintain such license or permit in good standing throughout the Term. Tenant shall give prompt notice to Landlord of any written notice it receives of the alleged violation of any law or requirement of any governmental or administrative authority with respect to either or both of the Premises and the use or occupation thereof. The judgment of any court of competent jurisdiction, or the admission of Tenant in any action or proceeding against Tenant, whether Landlord is a party thereto or not, that any such Law pertaining to the Premises has been violated, shall be conclusive of that fact as between Landlord and Tenant.

## 6. INSURANCE.

### A.

**Insurance to be Maintained by Landlord.** Landlord shall maintain (a) "all-risk" property insurance covering the Property (at its full replacement cost), but excluding Tenant's Property.

### B.

**Insurance to be Maintained by Tenant.** Tenant shall purchase at its own expense and keep in force during this Lease, a policy or policies of commercial general liability insurance, including personal injury and property damage, and business auto liability, in the following amounts:

*Commercial General Liability:* \$1,000,000 combined single limit per occurrence for bodily injury, and property damage, and \$1,000,000 per occurrence for personal injury. The Minimum General Aggregate shall be no less than \$2,000,000.

*Business Automobile Liability:* \$1,000,000 combined single limit per accident for bodily injury and property damage.

Insurance shall cover Tenant against any losses arising out of liability for personal injuries or deaths of persons and property damage occurring in or about the Premises and Property (including as a result of any) and include "all-risk" property insurance covering Tenant's Property (and damage to other property resulting from any acts or operations of Tenant) and Alterations, as defined in Section 9.A. Said policies shall (a) name Landlord and any party holding an interest to which this Lease may be subordinated as additional insureds, (b) be issued by an insurance company with a Best rating of A-X or better and otherwise reasonably acceptable to Landlord and licensed to do business in the state in which the Property is located, (c) provide that said insurance shall not be canceled or materially modified unless thirty (30) days' prior written notice shall have been given to Landlord, (d) provide coverage on an occurrence basis; (e) provide coverage for the indemnity obligations of Tenant under this Lease; (f) contain a severability of insured parties provision and a cross liability endorsement; (g) be primary, not contributing with, and not in excess of, coverage that Landlord may carry; (h) include a hostile fire endorsement; and (i) otherwise be in such form and include such coverages as Landlord may reasonably require. Said policy or policies or, at Landlord's option, Certificate of Insurance, in a form reasonably acceptable to Landlord, evidencing said policies, shall be delivered to Landlord by Tenant upon commencement of the Lease and renewals thereof shall be delivered at least thirty (30) days prior to the expiration of said insurance.

### C.

**Waiver of Subrogation.** To the extent permitted by law, and without affecting the coverage provided by insurance required to be maintained hereunder, Landlord and Tenant each waive any right to recover against the other for (a) damages to property, (b) damages to all or any portion of either or both of the Premises and the Property, or (c) claims arising by reason of the foregoing, to the extent such damages and claims are insured against or required to be insured against by Landlord or Tenant under this Lease, and Tenant waives any loss due to business interruption. This provision is intended to waive, fully and for the benefit of each party, any rights and/or claims which might give rise to a right of subrogation by any insurance carrier. The coverage obtained by each

party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier which conforms to the provisions of this section.

#### 7. ALTERATIONS.

- A. **Procedural Requirements.** Tenant may, from time to time, at its expense, make alterations or improvements in and to the Premises (hereinafter collectively referred to as "Alterations"), provided that Tenant first obtains the written consent of Landlord in each instance. Landlord's consent to Alterations shall not be unreasonably withheld, provided that: (a) the Alterations are non-structural and the structural integrity of the Property shall not be affected; (b) the Alterations are to the interior of the Premises; (c) the proper functioning of the mechanical, electrical, heating, ventilating, air-conditioning ("HVAC"), sanitary and other service systems of the Property shall not be affected and the usage of such systems by Tenant shall not be increased; (d) the Alterations have no adverse effect on other leased premises in the Property; (e) Tenant shall have appropriate insurance coverage, reasonably satisfactory to Landlord, regarding the performance and installation of the Alterations; (f) the Alterations shall conform with all other requirements of this Lease; and (g) Tenant shall have provided Landlord with reasonably detailed plans (the "Plans") for such Alterations in advance of requesting Landlord's consent. Additionally, before proceeding with any Alterations, Tenant shall (i) at Tenant's expense, obtain all necessary governmental permits and certificates for the commencement and prosecution of Alterations; (ii) submit for Landlord's written approval, working drawings, plans and specifications and all permits for the work to be done and Tenant shall not proceed with such Alterations until it has received said approval; and (iii) cause those contractors, materialmen and suppliers engaged to perform the Alterations to deliver to Landlord certificates of insurance (in a form reasonably acceptable to Landlord) evidencing policies of commercial general liability insurance. After obtaining Landlord's approval to the Alterations, Tenant shall give Landlord at least five days' prior written notice of the commencement of any Alterations at the Premises, and Landlord may elect to record and post notices of non-responsibility at the Premises.
- B. **Performance of Alterations.** Tenant shall cause the Alterations to be performed in compliance with all applicable permits, laws and requirements of public authorities, and with Landlord's reasonable rules and regulations or any other restrictions that Landlord or Agent may impose on the Alterations. Tenant shall cause the Alterations to be diligently performed in a good and workmanlike manner, using new materials and equipment at least equal in quality and class to the standards for the Property established by Landlord. Tenant shall obtain all necessary permits and certificates for final governmental approval of the Alterations and shall provide Landlord with "as built" plans, copies of all construction contracts, governmental permits and certificates and proof of payment for all labor and materials, including, without limitation, copies of paid invoices and final lien waivers.
- C. **Lien Prohibition.** Tenant shall pay when due all claims for labor and material furnished to the Premises in connection with the Alterations. Tenant shall not permit any mechanics or materialmen's liens to attach to the Premises or the Property. Tenant, at its expense, shall procure the satisfaction or discharge of record of all such liens and encumbrances within thirty (30) days after the filing thereof; or, if acceptable to Landlord, in its reasonable determination, Tenant may procure (for Landlord's benefit) a bond or other protection against any such lien or encumbrance. In the event Tenant has not so performed, Landlord may, at its option, pay and discharge such liens and Tenant shall be responsible to reimburse Landlord, on demand and as Additional Rent under this Lease, for all costs and expenses incurred in connection therewith, together with interest thereon at the rate of five (5%) percent per annum, which expenses shall include reasonable fees of attorneys of Landlord's choosing, and any costs in posting bond to effect discharge or release of the lien as an encumbrance against the Premises or the Property.

#### 8. LANDLORD'S AND TENANT'S PROPERTY.

- A. **Landlord's Property.** Subject to Section 8.B, all fixtures, machinery, equipment, Alterations, improvements and appurtenances attached to, or built into, the Premises at

the commencement of, or during the Term, whether or not placed there by or at the expense of Tenant, shall become and remain a part of the Premises; shall be deemed the property of Landlord (the "Landlord's Property"), without compensation or credit to Tenant; and shall not be removed by Tenant at the Expiration Date unless Landlord requests their removal. Further, any personal property in the Premises on the Commencement Date, movable or otherwise, unless installed and paid for by Tenant, shall be and shall remain the property of Landlord and shall not be removed by Tenant. In no event shall Tenant remove any of the following materials or equipment without Landlord's prior written consent: any power wiring or power panels, lighting or lighting fixtures, wall or window coverings, carpets or other floor coverings, heaters, air conditioners or any other HVAC equipment, fencing or security gates, or other similar building operating equipment and decorations.

**B.**

**Tenant's Property.** All movable non-structural partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment that are installed in the Premises by, or for the account of, Tenant and without expense to Landlord and that can be removed without structural damage to the Property, and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Premises (collectively, the "Tenant's Property") shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term, provided Tenant repairs or pays the cost of repairing any damage to the Premises or to the Property resulting from the installation and/or removal thereof. At or before the Expiration Date, or the date of any earlier termination, Tenant, at its expense, shall remove from the Premises all of Tenant's Property and any Alterations (except such items thereof as constitute Landlord's Property and which Landlord does not request be removed; or as Landlord shall have expressly permitted, in writing, to remain, which property shall become the property of Landlord), and Tenant shall repair any damage to the Premises or the Property resulting from any installation and/or removal of Tenant's Property. Any other items of Tenant's Property that shall remain in the Premises after the Expiration Date, or following an earlier termination date, may, at the option of Landlord, be deemed to have been abandoned, and in such case, such items may be retained by Landlord as its property or be disposed of by Landlord, in Landlord's sole and absolute discretion and without accountability, at Tenant's expense. Notwithstanding the foregoing, if Tenant is in default under the terms of this Lease, it may remove Tenant's Property from the Premises only upon the express written direction of Landlord.

**9. REPAIRS AND MAINTENANCE.**

**A.**

**Tenant Repairs and Maintenance.** Tenant shall, at its expense, throughout the Term, (i) maintain and preserve, in proper reasonable condition (subject to normal and customary wear and tear), the Premises and the fixtures and appurtenances therein (excluding, however, those components of the Premises for which Landlord is expressly responsible under Section 9.B.). Tenant shall also be responsible for all cost and expenses incurred to perform any and all repairs and replacements (whether structural or non-structural; interior or exterior; and ordinary or extraordinary), in and to the Premises and the Property and the facilities and systems thereof, if and to the extent that the need for such repairs or replacements arises directly or indirectly from (a) the performance or existence of any Alterations, (b) the installation, use or operation of Tenant's Property in the Premises, (c) the moving of Tenant's Property in or out of the Property, or (d) any act, omission, misuse, or neglect of Tenant, any of its subtenants, or others entering into the Premises by act or omission of Tenant or any subtenant. Any repairs or replacements required to be made by Tenant to any or all of the structural components of the Property and the mechanical, electrical, sanitary, HVAC, or other systems of the Property or Premises shall be performed by appropriately licensed contractors approved by Landlord, which approval shall not be unreasonably withheld. All such repairs or replacements shall be subject to the supervision and control of Landlord, and all repairs and replacements shall be made with materials of equal or better quality than the items being repaired or replaced.

**B. Landlord Repairs.** Notwithstanding anything contrary herein, Landlord shall repair, replace and restore the foundation, exterior and interior load-bearing walls, roof structure and roof covering and tuck-pointing, plumbing and HVAC systems, all doors, overhead or otherwise, glass and levelers located on the Premises and Property; provided, however, that (i) all costs and expenses so incurred by Landlord to repair, replace and restore the above items shall constitute Operating Expenses; and (ii) notwithstanding (i) above, in the event that any such repair, replacement or restoration is necessitated by any or all of the matters set forth in **Sections 9.B** within a reasonable period of time after receiving from Tenant written notice of the need for such repairs.

**10. UTILITIES AND LANDSCAPING.** Tenant shall be responsible for all utility payments, including electricity, heat, natural gas, water, refuse and recycling collection, phone and internet service. Landlord shall be solely responsible for the repair and maintenance of any meters necessary in connection with such services. Tenant's use of electrical energy in the Premises shall not, at any time, exceed the capacity of either or both of (i) any of the electrical conductors and equipment in or otherwise servicing the Premises; and (ii) the HVAC systems of either or both of the Premises and the Property.

**11. INVOLUNTARY CESSION OF SERVICES.** Landlord reserves the right, without any liability to Tenant and without affecting Tenant's covenants and obligations hereunder, to stop service of the HVAC, electric, sanitary, or other systems serving the Premises, or to stop any other services required by Landlord under this Lease, whenever and for so long as may be necessary by reason of (i) accidents, emergencies, strikes, or the making of repairs or changes which Landlord or Agent in good faith deems necessary or (ii) any other cause beyond Landlord's reasonable control. Further, it is also understood and agreed that Landlord or Agent shall have no liability or responsibility for a cessation of services to the Premises or to the Property that occurs as a result of causes beyond Landlord's reasonable control. No such interruption of service shall be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord or Agent liable to Tenant for damages, or relieve Tenant from performance of Tenant's obligations under this Lease, including, but not limited to, the obligation to pay Rent, or impose any liability upon Landlord or Agent by reason of inconvenience to Tenant, or interruption of Tenant's business or otherwise.

**12. LANDLORD'S RIGHTS.** Landlord and its respective agents, employees and representatives shall have the right to enter and/or pass through the Premises at any time or times upon reasonable prior notice (at least 24 hours) except in the event of emergency: (a) to examine and inspect the Premises and to show them to actual and prospective lenders, prospective purchasers or mortgagees of the Property or providers of capital to Landlord and its affiliates; and (b) to make such repairs, alterations, additions and improvements in or to all or any portion of either or both of the Premises and the Property, or the Property's facilities and equipment as Landlord is required or desires to make. Landlord shall be allowed to take all materials into and upon the Premises that may be required in connection with any repairs, alterations, additions or improvements, without any liability to Tenant and without any reduction or modification of Tenant's covenants and obligations hereunder; provided, however, that Landlord shall use reasonable efforts to avoid interference with Tenant's business operations and Tenant's occupancy and use of the Premises. During the period of twelve months prior to the Expiration Date (or at any time, if Tenant has vacated or abandoned the Premises or is otherwise in default under this Lease), Landlord and its agents may exhibit the Premises to prospective tenants. Additionally, Landlord shall have the following rights with respect to the Premises, exercisable without notice to Tenant, without liability to Tenant, and without being deemed an eviction or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for setoff or abatement of Rent: (i) to designate and approve, prior to installation, all types of signs; (ii) to have pass keys, access cards, or both, to the Premises; (iii) to decorate, remodel, repair, alter or otherwise prepare the Premises for reoccupancy at any time after Tenant vacates or abandons the Premises for more than thirty (30) consecutive days or with no intention of reoccupying the Premises, and (iv) to change the name or address of the Property.

**13. DAMAGE OR DESTRUCTION.**

**A. Notification and Repair.** Tenant shall give prompt notice to Landlord and Agent of (a) any fire or other casualty to the Premises or the Property, and (b) any damage to or defect in any part or appurtenance of the Property's sanitary, electrical, HVAC, elevator or other systems located in or passing through the Premises or any part thereof. Subject to the provisions of **Section 13.C.** below, if either or both of the Property and the Premises is damaged by fire or other insured casualty, Landlord shall repair (or cause Agent to repair) the damage and restore and rebuild the Property and/or the Premises (except for Tenant's Property and Alterations) with reasonable dispatch after (x) notice to it of the

damage or destruction and (y) the adjustment of the insurance proceeds attributable to such damage. Subject to the provisions of Section 13.C. below, Tenant shall not be entitled to terminate this Lease and no damages, compensation or claim shall be payable by Landlord for purported inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises or of the Property pursuant to this Section. Landlord shall use its diligent, good faith efforts to make such repair or restoration promptly and in such manner as not to unreasonably interfere with Tenant's use and occupancy of the Premises, but Landlord shall not be required to do such repair or restoration work except during normal business hours of business days.

- B. **Rental Abatement.** If (a) the Property is damaged by fire or other casualty thereby causing the Premises to be inaccessible or (b) the Premises are partially damaged by fire or other casualty, the Rent shall be proportionally abated to the extent of any actual loss of use of the Premises by Tenant.
- C. **Total Destruction.** If the Property or the Premises shall be totally destroyed by fire or other casualty, or if the Property shall be so damaged by fire or other casualty that (in the reasonable opinion of a reputable contractor or architect designated by Landlord): (i) its repair or restoration requires more than 180 days or (ii) such repair or restoration requires the expenditure of more than 50% of the full insurable value of the Property immediately prior to the casualty or (iii) the damage (x) is less than the amount stated in (ii) above, but more than 10% of the full insurable value of the Property; and (y) occurs during the last two years of Lease Term, Landlord and Tenant shall each have the option to terminate this Lease (by so advising the other, in writing) within 10 days after said contractor or architect delivers written notice of its opinion to Landlord and Tenant, but in all events prior to the commencement of any restoration of the Premises or the Property by Landlord. In such event, the termination shall be effective as of the date upon which either Landlord or Tenant, as the case may be, receives timely written notice from the other terminating this Lease pursuant to the preceding sentence. If neither Landlord nor Tenant timely delivers a termination notice, this Lease shall remain in full force and effect. If (A) any other party entitled to the insurance proceeds fails to make such proceeds available to Landlord in an amount sufficient for restoration of the Premises or the Property, or (B) the issuer of any casualty insurance policies on the Property fails to make available to Landlord sufficient proceeds for restoration of the Premises or the Property, then Landlord may, at Landlord's sole option, terminate this Lease by giving Tenant written notice to such effect within 30 days after Landlord receives notice from the insurance company that such proceeds shall not be made available, in which event the termination of this Lease shall be effective as of the date Tenant receives written notice from Landlord of Landlord's election to terminate this Lease. For purposes of this Section 13.C. only, "full insurable value" shall mean replacement cost, less the cost of footings, foundations and other structures below grade.

**14. SURRENDER AND HOLDOVER.** On the last day of the Term, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Premises, (a) Tenant shall quit and surrender the Premises to Landlord "broom-clean" and in good order, condition and repair, except for ordinary wear and tear and such damage or destruction as Landlord is required to repair or restore under this Lease, and (b) Tenant shall remove all of Tenant's Property therefrom, except as otherwise expressly provided in this Lease. The obligations imposed under the preceding sentence shall survive the termination or expiration of this Lease. If any repairs are required to be performed in, to or at the Premises (pursuant to the preceding sentence or any other applicable provision of this Lease) upon the expiration or termination of the Term, Tenant shall cause such repairs to be performed, to Landlord's reasonable satisfaction, within ten (10) business days after the date on which this Lease is terminated or expired. If Tenant fails to timely comply with the preceding sentence, then Landlord shall have the right to cause the repairs to be performed, at Tenant's expense, and all such expenses so incurred by Landlord shall bear interest (at the rate five percent (5%) per annum) from the date the expense is incurred until the date paid, in full, by Tenant (inclusive of interest). If Tenant remains in possession after the Expiration Date hereof or after any earlier termination date of this Lease or of Tenant's right to possession: (i) Tenant shall be deemed a tenant-at-will; (ii) Tenant shall pay 200% of the aggregate of the Base Rent last prevailing hereunder, and also shall pay all actual damages sustained by Landlord, directly by reason of Tenant's remaining in possession after the expiration or termination of this Lease; (iii) there shall be no renewal or extension of this Lease by operation of law; and (iv) the

tenancy-at-will may be terminated upon thirty (30) days' written notice from Landlord. The provisions of this **Section 16** shall not constitute a waiver by Landlord of any re-entry rights of Landlord provided hereunder or by law.

**15. EVENTS OF DEFAULT.** Each of the following shall constitute a default by Tenant under this Lease: (a) if Tenant fails to pay Rent or any other payment when due hereunder within five days after written notice from Landlord of such failure to pay on the due date; provided, however, that if in any consecutive twelve (12) month period, Tenant shall, on three separate occasions, fail to pay any installment of Rent on the date such installment of Rent is due, then, on the third such occasion and on each occasion thereafter on which Tenant shall fail to pay an installment of Rent on the date such installment of Rent is due, Landlord shall be relieved from any obligation to provide notice to Tenant, and Tenant shall then no longer have a five day period in which to cure any such failure; or (b) if Tenant fails, whether by action or inaction, to timely comply with, or satisfy, any or all of the obligations imposed on Tenant under this Lease (other than the obligation to pay Rent) for a period of thirty (30) days after Landlord's delivery to Tenant of written notice of such default under this **Section 15**; provided, however, that if the default cannot, by its nature, be cured within such thirty (30) day period, but Tenant commences and diligently pursues a cure of such default promptly within the initial thirty (30) day cure period, then Landlord shall not exercise its remedies under **Section 16** unless such default remains uncured for more than sixty (60) days after Landlord's notice.

**16. RIGHTS AND REMEDIES.**

- A. **Landlord's Cure Rights Upon Default of Tenant.** If Tenant defaults in the performance of any of its obligations under this Lease, Landlord, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account, and at the expense of, Tenant upon compliance with any notice requirements and cure periods set forth in **Section 15**.
- B. **Landlord's Remedies.** In the event of any default by Tenant under this Lease, Landlord, at its option, and after any applicable notice and cure period (as required pursuant to **Section 15**), but without additional notice or demand from Landlord, if any, as provided in **Section 15** has expired, may, in addition to all other rights and remedies provided in this Lease, or otherwise at law or in equity: (a) terminate this Lease and Tenant's right of possession of the Premises; or (b) terminate Tenant's right of possession of the Premises without terminating this Lease. If Landlord elects to proceed under subsections (a) or (b) above, Landlord, at Landlord's option, may relet all or any part of the Premises from time to time, either in the name of Landlord or otherwise, to such tenant or tenants, for any term ending before, on or after the Expiration Date, at such rental and upon such other conditions (which may include concessions and free rent periods) as Landlord, in its sole but reasonable discretion, may determine. Landlord shall have no obligation to accept any tenant offered by Tenant and shall not be liable for failure to relet or, in the event of any such reletting, for failure to collect any rent due upon any such reletting; and no such failure shall relieve Tenant of, or otherwise affect, any liability under this Lease.
- C. **Additional Rights of Landlord.** Any and all costs, expenses and disbursements, of any kind or nature, incurred by Landlord in connection with the enforcement of any and all of the terms and provisions of this Lease, including attorneys' reasonable fees (through all appellate proceedings), shall be due and payable (as Additional Rent) upon Landlord's submission of an invoice therefor. All sums advanced by Landlord on account of Tenant under this Section, or pursuant to any other provision of this Lease, and all Base Rent, if delinquent or not paid by Tenant and received by Landlord when due hereunder, shall bear interest at the rate of 5% per annum above the "prime" or "reference" or "base" rate (on a per annum basis) of interest from the due date thereof until paid, and such interest shall be and constitute Additional Rent and be due and payable upon Landlord's or Agent's submission of an invoice therefor. Upon the breach or threatened breach by Tenant, or any persons claiming through or under Tenant, of any term, covenant or condition of this Lease, Landlord shall have the right to enjoin such breach and to invoke any other remedy allowed by law or in equity as if re-entry, summary proceedings and other special remedies were not provided in this Lease for such breach. The various rights, remedies and elections of Landlord reserved, expressed or contained herein are cumulative and no one of them shall be deemed to be exclusive of the others or of such

other rights, remedies, options or elections as are now or may hereafter be conferred upon Landlord by law.

#### **17. INDEMNIFICATION.**

- A. Tenant Indemnification.** Tenant hereby indemnifies, defends, and holds Landlord and its respective affiliates, owners, partners, directors, officers, agents and employees (collectively, "Landlord Indemnified Parties") harmless from and against any and all Losses (defined below) arising from or in connection with (a) the conduct or management of either or both the Property and the Premises or any business therein, or any work or Alterations done, or any condition created by any or all of Tenant and Tenant's Parties in or about the Premises during the Term or during the period of time, if any, prior to the Commencement Date that Tenant is given access to the Premises; (b) any act, omission or negligence of any or all of Tenant and Tenant's Parties; (c) any accident, injury or damage whatsoever (unless caused by Landlord's negligence) occurring in, at or upon either or both of the Property and the Premises and caused by any or all of Tenant and Tenant's Parties; (d) any breach by Tenant of any of its warranties and representations under this Lease; (e) any actions necessary to protect Landlord's interest under this Lease in a bankruptcy proceeding or other proceeding under the Bankruptcy Code; (f) any violation or alleged violation by any or all of Tenant and Tenant's Parties of any Law including, without limitation, any Environmental Law; (g) any breach of the provisions of Section 7 by any or all of Tenant and Tenant's Parties; (h) claims for work or labor performed or materials supplies furnished to or at the request of any or all of Tenant and Tenant's Parties; (i) claims arising from any breach or default on the part of Tenant in the performance of any covenant contained in this Lease; (j) any Hazardous Materials used, exposed, emitted, released, discharged, generated, manufactured, sold, transported, handled, stored, treated, reused, presented, disposed of or recycled in, at, near or under all or any portion of the Premises as a result of the acts or omissions of any or all of Tenant and Tenant's Parties; or (k) the violation of any Environmental Law or any permit, application or consent required in connection with any Environmental Law by any or all of Tenant and Tenant's Parties with respect to the Premises during the Term, excluding, however, any violation of any Environmental Law resulting from the acts or omissions of Landlord and Landlord's employees, agents and contractors (collectively, "Tenant's Indemnified Matters"). In case any action or proceeding is brought against any or all of Landlord and the Landlord Indemnified Parties by reason of any of Tenant's Indemnified Matters, Tenant, upon notice from Landlord, shall resist and defend such action or proceeding by counsel reasonably satisfactory to, or selected by, Landlord. The term "Losses" shall mean all claims, demands, expenses, actions, judgments, damages (whether direct or indirect, known or unknown, foreseen or unforeseen), penalties, fines, liabilities, losses of every kind and nature (including, without limitation, property damage, diminution in value of Landlord's interest in the Premises or the Property, damages for the loss or restriction on use of any space or amenity within the Premises or the Property, damages arising from any adverse impact on marketing space in the Property, sums paid in settlement of claims and any costs and expenses associated with injury, illness or death to or of any person), suits, administrative proceedings, costs and fees, including, without limitation, attorneys' and consultants' fees and expenses, and the costs of cleanup, remediation, removal and restoration, that are in any way related to any matter covered by the foregoing indemnity. The provisions of this subsection shall survive the expiration or termination of this Lease.
- B. Landlord Indemnification.** Landlord hereby indemnifies, defends and holds Tenant harmless from and against any and all claims, losses, costs, damages (actual, but not consequential or speculative), judgments, causes of action, administrative proceedings and third party expenses (including, but not limited to, court costs and attorneys' reasonable fees) actually suffered or incurred by Tenant as the sole and direct result of any negligent, willful or intentional acts or omissions of any or all of Landlord and any parties within the direct and sole control of Landlord. In the event that any action or proceeding is brought against Tenant, and the foregoing indemnity is applicable to such action or proceeding, then Landlord, upon notice from Tenant, shall resist and defend such action or proceeding by counsel reasonably satisfactory to Tenant. Notwithstanding anything to the contrary set

forth in this Lease, however, in all events and under all circumstances, the liability of Landlord to Tenant shall be limited to the interest of Landlord in the Property, and Tenant agrees to look solely to Landlord's interest in the Property for the recovery of any judgment or award against Landlord, it being intended that Landlord shall not be personally liable for any judgment or deficiency. The provisions of this subsection shall survive the expiration or termination of this Lease.

**18. MISCELLANEOUS.**

- A. **Entire Agreement.** No agreement shall be effective to modify this Lease, in whole or in part, unless such agreement is in writing, and is signed by the party against whom enforcement of said change or modification is sought.
- B. **Notices.** Unless otherwise provided in this Agreement, any notice or other communication herein required or permitted to be given shall be in writing and shall be given by electronic communication, hand delivery, registered or certified mail, with proper postage prepaid, return receipt requested, or courier service regularly providing proof of delivery, addressed to the parties as set forth below.

Village of Lake Zurich  
c/o Village Manager  
70 E. Main Street  
Lake Zurich, IL 60047

My Flavor It! Place  
c/o  
10 East Main Street  
Lake Zurich, IL 60047

- C. **Non-Waiver.** The failure of either party to insist, in any one or more instances, upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, but the Lease shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt and acceptance by Landlord of Base Rent with knowledge of breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach.
- D. **Lead Paint Disclosure.** "Every purchaser or lessee of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller or lessor of any interest in residential real estate is required to provide the buyer or lessee with any information on lead-based paint hazards from risk assessments or inspection in the seller or lessor's possession and notify the buyer or lessee of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."
- E. **Radon Gas Disclosure.** As required by law, Landlord makes the following disclosure: "Radon Gas" is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings. Additional information regarding radon and radon testing may be obtained from your county public health unit.

**19. Parties Bound.** Except as otherwise expressly provided for in this Lease, this Lease shall be binding upon, and inure to the benefit of, the successors and assignees of the parties hereto. Tenant hereby releases Landlord named herein from any obligations of Landlord for any period subsequent to the conveyance and transfer of Landlord's ownership interest in the Property. No assignment can be made without Landlord's written consent. In the event of such conveyance and transfer, Landlord's obligations shall thereafter be binding upon each transferee (whether Successor Landlord or otherwise). No obligation of Landlord shall arise under this Lease until the instrument is signed by, and delivered to, both Landlord and Tenant.

**20. Recordation of Lease.** Tenant shall not record or file this Lease (or any memorandum hereof) in the public records of any county or state.

**21. Survival of Obligations.** Upon the expiration or other termination of this Lease, neither party shall have any further obligation nor liability to the other except as otherwise expressly provided in this Lease and except for such obligations as, by their nature or under the circumstances, can only be, or by the provisions of this Lease, may be performed after such expiration or other termination.

**22. Governing Law; Construction.** This Lease shall be governed by and construed in accordance with the laws of Illinois. Any proceeding initiated over any dispute arising out of or relating to this Lease shall be initiated in any federal or state court located within the County of Lake in the State of Illinois, and the parties further agree that venue for all such matters shall lie exclusively in those courts. If any provision of this Lease shall be invalid or unenforceable, the remainder of this Lease shall not be affected but shall be enforced to the extent permitted by law. The captions, headings and titles in this Lease are solely for convenience of reference and shall not affect its interpretation. Each covenant, agreement, obligation, or other provision of this Lease to be performed by Tenant, shall be construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. This Lease may be executed in counterpart and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument.

**23. Authority of Tenant.** If Tenant is a corporation, partnership, limited liability company, association or any other entity, it shall deliver to Landlord, concurrently with the delivery to Landlord of an executed Lease, certified resolutions of Tenant's directors or other governing person or body (i) authorizing execution and delivery of this Lease and the performance by Tenant of its obligations hereunder and (ii) certifying the authority of the party executing the Lease as having been duly authorized to do so.

**24. Waiver Of Trial By Jury.** THE LANDLORD AND THE TENANT, TO THE FULLEST EXTENT THAT THEY MAY LAWFULLY DO SO, HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY ANY PARTY TO THIS LEASE WITH RESPECT TO THIS LEASE, THE PREMISES, OR ANY OTHER MATTER RELATED TO THIS LEASE OR THE PREMISES INCLUDING WITHOUT LIMITATION, AN ACTION FOR RECESSION OF THIS LEASE. If Landlord commences any summary proceeding against Tenant to obtain possession of the Premises, Tenant will not interpose any counterclaim of any nature or description in any such proceeding (unless failure to impose such counterclaim would preclude Tenant from asserting in a separate action the claim which is the subject of such counterclaim,), and will not seek to consolidate such proceeding with any other action which may have been or will be brought in any other court by Tenant, but the foregoing shall not preclude Tenant from asserting any defenses in such summary proceeding including a claim that no default exists.

WHEREFORE, the Village of Lake Zurich and My Flavor It! Place have caused this Lease to be executed and attested on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**VILLAGE OF LAKE ZURICH (Landlord)**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

ATTEST:

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**TENET**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

ATTEST:

Printed Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_

Page 12 of 12

## VILLAGE OF LAKE ZURICH



## ORDINANCE NO. 2021-09-\_\_\_\_

**AN ORDINANCE APPROVING THE LEASE BY THE VILLAGE OF LAKE ZURICH OF PROPERTY AT 8 NORTH OLD RAND ROAD TO "JOHNNY'S SHOE REPAIR"**

**WHEREAS**, pursuant to Section 4 of the Illinois TIF Act, 65 ILCS 5/11-74.4-4, and other applicable authority, the Village of Lake Zurich is authorized to lease the property it owns within the Village commonly known as 8 North Old Rand Road (the "Subject Property"); and

**WHEREAS**, the President and Board of Trustees of the Village have determined that it is in the best interests of the Village and its residents to lease the Subject Property to Johnny's Shoe Repair (the "Tenet") and the Tenet desires to lease the Subject Property, on the terms of the lease attached to and by this reference incorporated into this Ordinance as Exhibit A (the "Lease"); and,

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, as follows:

**Section 1. Recitals.** The foregoing recitals are hereby incorporated into this Ordinance by this reference as findings of the President and Board of Trustees.

**Section 2. Public Notice.** On August 20, 2021 and pursuant to 65 ILCS 5/11-74.4 - 4 (c) reasonable public notice was given of the Village's intent to lease property within the TIF redevelopment project area.

**Section 3. Approval of Lease.** The President and Board of Trustees hereby approve the Lease and authorize and direct the Village Manager to execute the Lease on behalf of the Village.

**Section 4. Effective Date.** This Ordinance will be in full force and effect from and after its passage and approval and publication in pamphlet form in the manner provided by law.

**PASSED** this \_\_\_\_ day of September, 2021, pursuant to a roll call vote as follows:

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED this \_\_\_\_ day of September, 2021.

By: \_\_\_\_\_  
Thomas Poynton, Village President

\_\_\_\_\_  
Kathleen Johnson, Village Clerk

## **COMMERCIAL LEASE**

**1. BASIC TERMS**. This **Section 1** contains the Basic Terms of this Lease between Landlord and Tenant, named below. Other Sections of the Lease referred to in this **Section 1** explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

- A. **Date of Lease:** January 1, 2022
- B. **Landlord:** Village of Lake Zurich
- C. **Tenant:** John Bafaloukos, Johnny's Shoe Repair
- D. **Premises:** 8 North Old Rand Road, Lake Zurich, Illinois (the "Building").
- E. **Permitted Uses:** The Premises will be used to operate a shoe repair store.
- F. **Pets:** No pets shall be brought on the Premises without the prior written consent of Landlord.
- G. **Lease Term:** One (1) year ("Term"), commencing January 1, 2022 ("Commencement Date") and ending three years after Commencement Date ("Expiration Date") with thirty (30) day advance written notice (prior to termination of lease in any year) to be served upon Landlord (as provided for notices herein), provided further that should property be sold by the Landlord, Landlord may terminate this Lease with one hundred and eighty (180) days written notice service upon Tenant (as provided for notices herein). Should Premises and Property be put up for general sale in its current condition, as a single parcel involving only the Premises and Property covered by this Lease, and not as part of a larger tract, in conjunction with other properties or as a development proposal which includes other properties, Landlord will offer Property to Tenant for right-of-first-refusal and will allow Tenant twenty eight (28) business days to secure financing or reject offer to purchase said Property.
- H. **Base Rent Payable by Tenant:** Base rent shall start to accrue on January 1, 2022 in advance and due on the 1<sup>st</sup> of every successive month and is deemed late if not received by the 10<sup>th</sup> of said month.
  - \$825.00 per month for Year 1
  - \$850.00 per month for Year 2
  - \$875.00 per month for Year 3
- I. **Security Deposit:** There continues to be no security deposit required for this Term.

**2. LEASE OF PREMISES; RENT**.

- A. **Lease of Premises for Lease Term.** Landlord hereby leases the Premises to Tenant, and Tenant hereby rents the Premises from Landlord, for the Term and subject to the conditions of this Lease.
- B. **Types of Rental Payments.** Tenant shall pay rents of (a) net base rent payable in monthly installments as set forth in **Section 1.**, H. hereof, in advance, on the first (1<sup>st</sup>) day of each and every calendar month during the Term of this Lease (the "Base Rent"); (b) interest on late payments of Rent at the rates set forth hereinbelow and (c) in the event any monthly installment of Base Rent or Additional Rent, or both, is not paid within ten (10) days of the date when due, a late charge in an amount equal to 5% of the then delinquent installment of Base Rent (the "Late Charge"; the Late Charge, Base Rent, and interest thereon shall collectively be referred to as "Rent"), to the Landlord or pursuant to such other directions as Landlord shall designate in this Lease or otherwise in writing. In addition to the rental payments, Tenant shall be responsible for payment of its own phone and internet use, services and utilities to the Premises which are separately metered and scavenger service.
- C. **Covenants Concerning Rental Payments.** Tenant shall pay the Rent promptly when due, without notice or demand, and without any abatement, deduction or setoff, except as may otherwise be expressly and specifically provided in this Lease. No payment by Tenant, or receipt or acceptance by Landlord, of a lesser amount than the correct Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any payment be deemed an accord or satisfaction, and Landlord may accept such payment without prejudice to its right to recover the balance due or to pursue any other remedy available to Landlord. If the

Commencement Date occurs on a day other than the first (1<sup>st</sup>) day of a calendar month, the Rent due for the first calendar month of the Term shall be prorated on a per diem basis and paid to Landlord on the Commencement Date, and the Term will be extended to terminate on the last day of the calendar month in which the Expiration Date stated in Section 1., G. occurs. Except as may otherwise be expressly and specifically provided in this Lease, Tenant's obligation to pay Rent is independent of each and every covenant contained in this Lease.

D. **Assignment and Subletting.** Tenant shall not assign this Lease or sublet any portion of the Premises without prior written consent of Landlord.

### **3. USE OF PREMISES AND COMMON AREAS.**

A. **Use of Premises and Property.** The Premises shall be used by the Tenant only for the business purpose(s) set forth in **Section 1.E.** above. Tenant shall not, at any time, use or occupy, or suffer or permit anyone to use or occupy, the Premises, or do or permit anything to be done in the Premises or the Property, in any manner that may (a) violate any Certificate of Occupancy or Business License for the Premises or the Property; (b) cause, or be liable to cause, injury to, or in any way impair the proper utilization of, all or any portion of the Property (including, but not limited to, the structural elements of the Property) or any equipment, facilities or systems therein; (c) constitute a violation of the laws and requirements of any public authority or the requirements of insurance bodies or the rules and regulations of the Property, including any covenant, condition or restriction affecting the Property; (d) exceed the load bearing capacity of the floor of the Premises; (e) impair or tend to impair the character, reputation or appearance of the Premises or Property; or (e) unreasonably annoy, inconvenience or disrupt the operations or tenancies of other tenants or users of the Property.

B. **Signage.** Tenant shall not affix any sign of any size or character to any exterior portion of the Property, without prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed. Tenant shall remove all signs of Tenant upon the expiration or earlier termination of this Lease and immediately repair any structural damage to either or both of the Property and the Premises caused by, or resulting from, such removal.

C. **Parking.** During the term of this Lease, Tenant has the non-exclusive right to use the non-reserved common automobile parking areas and driveways, and the pedestrian access areas. Parking is to be used for business related purposes only. No overnight long-term storage of vehicles or other personal property shall be permitted.

### **4. CONDITION AND DELIVERY OF PREMISES.**

Tenant agrees that Tenant is familiar with the condition of both the Premises and the Property, and Tenant hereby accepts the foregoing on an "AS-IS," "WHERE-IS" basis, provided however the Landlord agrees the Premises shall be habitable, suitable for use as an office building, with all mechanicals, plumbing and HVAC system (including all ductwork diffusers, return air vents and thermostats) to be in good working order. Tenant acknowledges that neither Landlord nor any representative of Landlord, has made any representation as to the condition of the foregoing or the suitability of the foregoing for Tenant's intended use.

### **5. COMPLIANCE WITH LAWS.**

A. **Compliance with Laws.** Tenant shall, at its sole expense (regardless of the cost thereof), comply with all local, state and federal laws, rules, regulations and requirements now or hereafter in force and all judicial and administrative decisions pertaining thereto (collectively, "Laws"), pertaining to either or both of the Premises and Tenant's use and occupancy thereof. With the exception of any Occupancy Inspection Fee, which is hereby waived by the Village of Lake Zurich/Landlord, if any other license or permit is required for the conduct of Tenant's business in the Premises, Tenant, at its expense, shall procure such license prior to the Commencement Date, and shall maintain such license or permit in good standing throughout the Term. Tenant shall give prompt notice to Landlord of any written notice it receives of the alleged violation of any law or requirement of any governmental or administrative authority with respect to either or both of the Premises and the use or occupation thereof. The judgment of any court of competent jurisdiction, or the admission of Tenant in any action or proceeding against Tenant, whether Landlord is a party thereto or not, that any such Law pertaining to the

Premises has been violated, shall be conclusive of that fact as between Landlord and Tenant.

#### 6. INSURANCE

A.

**Insurance to be Maintained by Landlord.** Landlord shall maintain (a) "all-risk" property insurance covering the Property (at its full replacement cost), but excluding Tenant's Property.

B.

**Insurance to be Maintained by Tenant.** Tenant shall purchase at its own expense and keep in force during this Lease, a policy or policies of commercial general liability insurance, including personal injury and property damage, and business auto liability, in the following amounts:

*Commercial General Liability:* \$1,000,000 combined single limit per occurrence for bodily injury, and property damage, and \$1,000,000 per occurrence for personal injury. The Minimum General Aggregate shall be no less than \$2,000,000.

*Business Automobile Liability:* \$1,000,000 combined single limit per accident for bodily injury and property damage.

Insurance shall cover Tenant against any losses arising out of liability for personal injuries or deaths of persons and property damage occurring in or about the Premises and Property (including as a result of any) and include "all-risk" property insurance covering Tenant's Property (and damage to other property resulting from any acts or operations of Tenant) and Alterations, as defined in Section 9.A. Said policies shall (a) name Landlord and any party holding an interest to which this Lease may be subordinated as additional insureds, (b) be issued by an insurance company with a Best rating of A-X or better and otherwise reasonably acceptable to Landlord and licensed to do business in the state in which the Property is located, (c) provide that said insurance shall not be canceled or materially modified unless thirty (30) days' prior written notice shall have been given to Landlord, (d) provide coverage on an occurrence basis; (e) provide coverage for the indemnity obligations of Tenant under this Lease; (f) contain a severability of insured parties provision and a cross liability endorsement; (g) be primary, not contributing with, and not in excess of, coverage that Landlord may carry; (h) include a hostile fire endorsement; and (i) otherwise be in such form and include such coverages as Landlord may reasonably require. Said policy or policies or, at Landlord's option, Certificate of Insurance, in a form reasonably acceptable to Landlord, evidencing said policies, shall be delivered to Landlord by Tenant upon commencement of the Lease and renewals thereof shall be delivered at least thirty (30) days prior to the expiration of said insurance.

C.

**Waiver of Subrogation.** To the extent permitted by law, and without affecting the coverage provided by insurance required to be maintained hereunder, Landlord and Tenant each waive any right to recover against the other for (a) damages to property, (b) damages to all or any portion of either or both of the Premises and the Property, or (c) claims arising by reason of the foregoing, to the extent such damages and claims are insured against or required to be insured against by Landlord or Tenant under this Lease, and Tenant waives any loss due to business interruption. This provision is intended to waive, fully and for the benefit of each party, any rights and/or claims which might give rise to a right of subrogation by any insurance carrier. The coverage obtained by each party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier which conforms to the provisions of this section.

#### 7. ALTERATIONS

A.

**Procedural Requirements.** Tenant may, from time to time, at its expense, make alterations or improvements in and to the Premises (hereinafter collectively referred to as "Alterations"), provided that Tenant first obtains the written consent of Landlord in each instance. Landlord's consent to Alterations shall not be unreasonably withheld, provided that: (a) the Alterations are non-structural and the structural integrity of the Property shall not be affected; (b) the Alterations are to the interior of the Premises; (c) the proper functioning of the mechanical, electrical, heating, ventilating, air-conditioning

("HVAC"), sanitary and other service systems of the Property shall not be affected and the usage of such systems by Tenant shall not be increased; (d) the Alterations have no adverse effect on other leased premises in the Property; (e) Tenant shall have appropriate insurance coverage, reasonably satisfactory to Landlord, regarding the performance and installation of the Alterations; (f) the Alterations shall conform with all other requirements of this Lease; and (g) Tenant shall have provided Landlord with reasonably detailed plans (the "Plans") for such Alterations in advance of requesting Landlord's consent. Additionally, before proceeding with any Alterations, Tenant shall (i) at Tenant's expense, obtain all necessary governmental permits and certificates for the commencement and prosecution of Alterations; (ii) submit for Landlord's written approval, working drawings, plans and specifications and all permits for the work to be done and Tenant shall not proceed with such Alterations until it has received said approval; and (iii) cause those contractors, materialmen and suppliers engaged to perform the Alterations to deliver to Landlord certificates of insurance (in a form reasonably acceptable to Landlord) evidencing policies of commercial general liability insurance. After obtaining Landlord's approval to the Alterations, Tenant shall give Landlord at least five days' prior written notice of the commencement of any Alterations at the Premises, and Landlord may elect to record and post notices of non-responsibility at the Premises.

**B.**

**Performance of Alterations.** Tenant shall cause the Alterations to be performed in compliance with all applicable permits, laws and requirements of public authorities, and with Landlord's reasonable rules and regulations or any other restrictions that Landlord or Agent may impose on the Alterations. Tenant shall cause the Alterations to be diligently performed in a good and workmanlike manner, using new materials and equipment at least equal in quality and class to the standards for the Property established by Landlord. Tenant shall obtain all necessary permits and certificates for final governmental approval of the Alterations and shall provide Landlord with "as built" plans, copies of all construction contracts, governmental permits and certificates and proof of payment for all labor and materials, including, without limitation, copies of paid invoices and final lien waivers.

**C.**

**Lien Prohibition.** Tenant shall pay when due all claims for labor and material furnished to the Premises in connection with the Alterations. Tenant shall not permit any mechanics or materialmen's liens to attach to the Premises or the Property. Tenant, at its expense, shall procure the satisfaction or discharge of record of all such liens and encumbrances within thirty (30) days after the filing thereof; or, if acceptable to Landlord, in its reasonable determination, Tenant may procure (for Landlord's benefit) a bond or other protection against any such lien or encumbrance. In the event Tenant has not so performed, Landlord may, at its option, pay and discharge such liens and Tenant shall be responsible to reimburse Landlord, on demand and as Additional Rent under this Lease, for all costs and expenses incurred in connection therewith, together with interest thereon at the rate of five (5%) percent per annum, which expenses shall include reasonable fees of attorneys of Landlord's choosing, and any costs in posting bond to effect discharge or release of the lien as an encumbrance against the Premises or the Property.

**8. LANDLORD'S AND TENANT'S PROPERTY.**

**A.**

**Landlord's Property.** Subject to **Section 8.B.**, all fixtures, Alterations, improvements and appurtenances attached to, or built into, the Premises at the commencement of, or during the Term, whether or not placed there by or at the expense of Tenant, shall become and remain a part of the Premises; shall be deemed the property of Landlord (the "Landlord's Property"), without compensation or credit to Tenant; and shall not be removed by Tenant at the Expiration Date unless Landlord requests their removal. Further, any personal property in the Premises on the Commencement Date, movable or otherwise, unless installed and paid for by Tenant, shall be and shall remain the property of Landlord and shall not be removed by Tenant. In no event shall Tenant remove any of the following materials or equipment without Landlord's prior written consent: any power wiring or power panels, lighting or lighting fixtures, wall or window coverings,

carpets or other floor coverings, heaters, air conditioners or any other HVAC equipment, fencing or security gates, or other similar building operating equipment and decorations.

**B.** **Tenant's Property.** All movable non-structural partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment that are installed in the Premises by, or for the account of, Tenant and without expense to Landlord and that can be removed without structural damage to the Property, and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Premises (collectively, the "Tenant's Property") shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term, provided Tenant repairs or pays the cost of repairing any damage to the Premises or to the Property resulting from the installation and/or removal thereof. At or before the Expiration Date, or the date of any earlier termination, Tenant, at its expense, shall remove from the Premises all of Tenant's Property and any Alterations (except such items thereof as constitute Landlord's Property and which Landlord does not request be removed; or as Landlord shall have expressly permitted, in writing, to remain, which property shall become the property of Landlord), and Tenant shall repair any damage to the Premises or the Property resulting from any installation and/or removal of Tenant's Property. Any other items of Tenant's Property that shall remain in the Premises after the Expiration Date, or following an earlier termination date, may, at the option of Landlord, be deemed to have been abandoned, and in such case, such items may be retained by Landlord as its property or be disposed of by Landlord, in Landlord's sole and absolute discretion and without accountability, at Tenant's expense. Notwithstanding the foregoing, if Tenant is in default under the terms of this Lease, it may remove Tenant's Property from the Premises only upon the express written direction of Landlord.

#### 9. REPAIRS AND MAINTENANCE.

**A.** **Tenant Repairs and Maintenance.** Tenant shall, at its expense, throughout the Term, (i) maintain and preserve, in proper reasonable condition (subject to normal and customary wear and tear), the Premises and the fixtures and appurtenances therein (excluding, however, those components of the Premises for which Landlord is expressly responsible under Section 9.B.). Tenant shall also be responsible for all cost and expenses incurred to perform any and all repairs and replacements (whether structural or non-structural; interior or exterior; and ordinary or extraordinary), in and to the Premises and the Property and the facilities and systems thereof, if and to the extent that the need for such repairs or replacements arises directly or indirectly from (a) the performance or existence of any Alterations, (b) the installation, use or operation of Tenant's Property in the Premises, (c) the moving of Tenant's Property in or out of the Property, or (d) any act, omission, misuse, or neglect of Tenant, any of its subtenants, or others entering into the Premises by act or omission of Tenant or any subtenant. Any repairs or replacements required to be made by Tenant to any or all of the structural components of the Property and the mechanical, electrical, sanitary, HVAC, or other systems of the Property or Premises shall be performed by appropriately licensed contractors approved by Landlord, which approval shall not be unreasonably withheld. All such repairs or replacements shall be subject to the supervision and control of Landlord, and all repairs and replacements shall be made with materials of equal or better quality than the items being repaired or replaced.

**B.** **Landlord Repairs.** Notwithstanding anything contrary herein, Landlord shall repair, replace and restore the foundation, exterior and interior load-bearing walls, roof structure and roof covering and tuck-pointing, plumbing and HVAC systems, all doors, overhead or otherwise, glass and levelers located on the Premises and Property; provided, however, that (i) all costs and expenses so incurred by Landlord to repair, replace and restore the above items shall constitute Operating Expenses; and (ii) notwithstanding (i) above, in the event that any such repair, replacement or restoration is necessitated by any or all of the matters set forth in Sections 9.B within a reasonable period of time after receiving from Tenant written notice of the need for such repairs.

**10. UTILITIES AND LANDSCAPING.** Tenant shall be responsible for all utility payments, including electricity, heat, natural gas, water, refuse and recycling collection, phone and internet service. Landlord shall be

solely responsible for the repair and maintenance of any meters necessary in connection with such services. Tenant's use of electrical energy in the Premises shall not, at any time, exceed the capacity of either or both of (i) any of the electrical conductors and equipment in or otherwise servicing the Premises; and (ii) the HVAC systems of either or both of the Premises and the Property.

**11. INVOLUNTARY CESSATION OF SERVICES.** Landlord reserves the right, without any liability to Tenant and without affecting Tenant's covenants and obligations hereunder, to stop service of the HVAC, electric, sanitary, or other systems serving the Premises, or to stop any other services required by Landlord under this Lease, whenever and for so long as may be necessary by reason of (i) accidents, emergencies, strikes, or the making of repairs or changes which Landlord or Agent in good faith deems necessary or (ii) any other cause beyond Landlord's reasonable control. Further, it is also understood and agreed that Landlord or Agent shall have no liability or responsibility for a cessation of services to the Premises or to the Property that occurs as a result of causes beyond Landlord's reasonable control. No such interruption of service shall be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord or Agent liable to Tenant for damages, or relieve Tenant from performance of Tenant's obligations under this Lease, including, but not limited to, the obligation to pay Rent, or impose any liability upon Landlord or Agent by reason of inconvenience to Tenant, or interruption of Tenant's business or otherwise.

**12. LANDLORD'S RIGHTS.** Landlord and its respective agents, employees and representatives shall have the right to enter and/or pass through the Premises at any time or times upon reasonable prior notice (at least 24 hours) except in the event of emergency: (a) to examine and inspect the Premises and to show them to actual and prospective lenders, prospective purchasers or mortgagees of the Property or providers of capital to Landlord and its affiliates; and (b) to make such repairs, alterations, additions and improvements in or to all or any portion of either or both of the Premises and the Property, or the Property's facilities and equipment as Landlord is required or desires to make. Landlord shall be allowed to take all materials into and upon the Premises that may be required in connection with any repairs, alterations, additions or improvements, without any liability to Tenant and without any reduction or modification of Tenant's covenants and obligations hereunder; provided, however, that Landlord shall use reasonable efforts to avoid interference with Tenant's business operations and Tenant's occupancy and use of the Premises. During the period of twelve months prior to the Expiration Date (or at any time, if Tenant has vacated or abandoned the Premises or is otherwise in default under this Lease), Landlord and its agents may exhibit the Premises to prospective tenants. Additionally, Landlord shall have the following rights with respect to the Premises, exercisable without notice to Tenant, without liability to Tenant, and without being deemed an eviction or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for setoff or abatement of Rent: (i) to designate and approve, prior to installation, all types of signs; (ii) to have pass keys, access cards, or both, to the Premises; (iii) to decorate, remodel, repair, alter or otherwise prepare the Premises for reoccupancy at any time after Tenant vacates or abandons the Premises for more than thirty (30) consecutive days or with no intention of reoccupying the Premises, and (iv) to change the name or address of the Property.

**13. DAMAGE OR DESTRUCTION.**

- A. **Notification and Repair.** Tenant shall give prompt notice to Landlord and Agent of (a) any fire or other casualty to the Premises or the Property, and (b) any damage to or defect in any part or appurtenance of the Property's sanitary, electrical, HVAC, elevator or other systems located in or passing through the Premises or any part thereof. Subject to the provisions of **Section 13.C.** below, if either or both of the Property and the Premises is damaged by fire or other insured casualty, Landlord shall repair (or cause Agent to repair) the damage and restore and rebuild the Property and/or the Premises (except for Tenant's Property and Alterations) with reasonable dispatch after (x) notice to it of the damage or destruction and (y) the adjustment of the insurance proceeds attributable to such damage. Subject to the provisions of **Section 13.C.** below, Tenant shall not be entitled to terminate this Lease and no damages, compensation or claim shall be payable by Landlord for purported inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises or of the Property pursuant to this Section. Landlord shall use its diligent, good faith efforts to make such repair or restoration promptly and in such manner as not to unreasonably interfere with Tenant's use and occupancy of the Premises, but Landlord shall not be required to do such repair or restoration work except during normal business hours of business days.
- B. **Rental Abatement.** If (a) the Property is damaged by fire or other casualty thereby causing the Premises to be inaccessible or (b) the Premises are partially damaged by fire

or other casualty, the Rent shall be proportionally abated to the extent of any actual loss of use of the Premises by Tenant.

C.

**Total Destruction.** If the Property or the Premises shall be totally destroyed by fire or other casualty, or if the Property shall be so damaged by fire or other casualty that (in the reasonable opinion of a reputable contractor or architect designated by Landlord): (i) its repair or restoration requires more than 180 days or (ii) such repair or restoration requires the expenditure of more than 50% of the full insurable value of the Property immediately prior to the casualty or (iii) the damage (x) is less than the amount stated in (ii) above, but more than 10% of the full insurable value of the Property; and (y) occurs during the last two years of Lease Term, Landlord and Tenant shall each have the option to terminate this Lease (by so advising the other, in writing) within 10 days after said contractor or architect delivers written notice of its opinion to Landlord and Tenant, but in all events prior to the commencement of any restoration of the Premises or the Property by Landlord. In such event, the termination shall be effective as of the date upon which either Landlord or Tenant, as the case may be, receives timely written notice from the other terminating this Lease pursuant to the preceding sentence. If neither Landlord nor Tenant timely delivers a termination notice, this Lease shall remain in full force and effect. If (A) any other party entitled to the insurance proceeds fails to make such proceeds available to Landlord in an amount sufficient for restoration of the Premises or the Property, or (B) the issuer of any casualty insurance policies on the Property fails to make available to Landlord sufficient proceeds for restoration of the Premises or the Property, then Landlord may, at Landlord's sole option, terminate this Lease by giving Tenant written notice to such effect within 30 days after Landlord receives notice from the insurance company that such proceeds shall not be made available, in which event the termination of this Lease shall be effective as of the date Tenant receives written notice from Landlord of Landlord's election to terminate this Lease. For purposes of this Section 13.C. only, "full insurable value" shall mean replacement cost, less the cost of footings, foundations and other structures below grade.

**14. SURRENDER AND HOLDOVER.** On the last day of the Term, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Premises, (a) Tenant shall quit and surrender the Premises to Landlord "broom-clean" and in good order, condition and repair, except for ordinary wear and tear and such damage or destruction as Landlord is required to repair or restore under this Lease, and (b) Tenant shall remove all of Tenant's Property therefrom, except as otherwise expressly provided in this Lease. The obligations imposed under the preceding sentence shall survive the termination or expiration of this Lease. If any repairs are required to be performed in, to or at the Premises (pursuant to the preceding sentence or any other applicable provision of this Lease) upon the expiration or termination of the Term, Tenant shall cause such repairs to be performed, to Landlord's reasonable satisfaction, within ten (10) business days after the date on which this Lease is terminated or expired. If Tenant fails to timely comply with the preceding sentence, then Landlord shall have the right to cause the repairs to be performed, at Tenant's expense, and all such expenses so incurred by Landlord shall bear interest (at the rate five percent (5%) per annum) from the date the expense is incurred until the date paid, in full, by Tenant (inclusive of interest). If Tenant remains in possession after the Expiration Date hereof or after any earlier termination date of this Lease or of Tenant's right to possession: (i) Tenant shall be deemed a tenant-at-will; (ii) Tenant shall pay 200% of the aggregate of the Base Rent last prevailing hereunder, and also shall pay all actual damages sustained by Landlord, directly by reason of Tenant's remaining in possession after the expiration or termination of this Lease; (iii) there shall be no renewal or extension of this Lease by operation of law; and (iv) the tenancy-at-will may be terminated upon thirty (30) days' written notice from Landlord. The provisions of this Section 16 shall not constitute a waiver by Landlord of any re-entry rights of Landlord provided hereunder or by law.

**15. EVENTS OF DEFAULT.** Each of the following shall constitute a default by Tenant under this Lease: (a) if Tenant fails to pay Rent or any other payment when due hereunder within five days after written notice from Landlord of such failure to pay on the due date; provided, however, that if in any consecutive twelve (12) month period, Tenant shall, on three separate occasions, fail to pay any installment of Rent on the date such installment of Rent is due, then, on the third such occasion and on each occasion thereafter on which Tenant shall fail to pay an installment of Rent on the date such installment of Rent is due, Landlord shall be relieved from any obligation to provide notice to Tenant, and Tenant shall then no longer have a five day period in which to cure any such failure; or (b) if Tenant fails, whether by action or inaction, to timely comply with, or satisfy, any or all of the obligations

or all of Tenant and Tenant's Parties; (c) any accident, injury or damage whatsoever (unless caused by Landlord's negligence) occurring in, at or upon either or both of the Property and the Premises and caused by any or all of Tenant and Tenant's Parties; (d) any breach by Tenant of any of its warranties and representations under this Lease; (e) any violation or alleged violation by any or all of Tenant and Tenant's Parties of any Law including, without limitation, any Environmental Law; (f) any breach of the provisions of Section 7 by any or all of Tenant and Tenant's Parties; (g) claims for work or labor performed or materials supplies furnished to or at the request of any or all of Tenant and Tenant's Parties; (h) claims arising from any breach or default on the part of Tenant in the performance of any covenant contained in this Lease; (i) any Hazardous Materials used, exposed, emitted, released, discharged, generated, manufactured, sold, transported, handled, stored, treated, reused, presented, disposed of or recycled in, at, near or under all or any portion of the Premises as a result of the acts or omissions of any or all of Tenant and Tenant's Parties; or (j) the violation of any Environmental Law or any permit, application or consent required in connection with any Environmental Law by any or all of Tenant and Tenant's Parties with respect to the Premises during the Term, excluding, however, any violation of any Environmental Law resulting from the acts or omissions of Landlord and Landlord's employees, agents and contractors (collectively, "Tenant's Indemnified Matters"). In case any action or proceeding is brought against any or all of Landlord and the Landlord Indemnified Parties by reason of any of Tenant's Indemnified Matters, Tenant, upon notice from Landlord, shall resist and defend such action or proceeding by counsel reasonably satisfactory to, or selected by, Landlord. The term "Losses" shall mean all claims, demands, expenses, actions, judgments, damages (whether direct or indirect, known or unknown, foreseen or unforeseen), penalties, fines, liabilities, losses of every kind and nature (including, without limitation, property damage, diminution in value of Landlord's interest in the Premises or the Property, damages for the loss or restriction on use of any space or amenity within the Premises or the Property, damages arising from any adverse impact on marketing space in the Property, sums paid in settlement of claims and any costs and expenses associated with injury, illness or death to or of any person), suits, administrative proceedings, costs and fees, including, without limitation, attorneys' and consultants' fees and expenses, and the costs of cleanup, remediation, removal and restoration, that are in any way related to any matter covered by the foregoing indemnity. The provisions of this subsection shall survive the expiration or termination of this Lease.

B. **Landlord Indemnification.** Landlord hereby indemnifies, defends and holds Tenant harmless from and against any and all claims, losses, costs, damages (actual, but not consequential or speculative), judgments, causes of action, administrative proceedings and third party expenses (including, but not limited to, court costs and attorneys' reasonable fees) actually suffered or incurred by Tenant as the sole and direct result of any negligent, willful or intentional acts or omissions of any or all of Landlord and any parties within the direct and sole control of Landlord. In the event that any action or proceeding is brought against Tenant, and the foregoing indemnity is applicable to such action or proceeding, then Landlord, upon notice from Tenant, shall resist and defend such action or proceeding by counsel reasonably satisfactory to Tenant. Notwithstanding anything to the contrary set forth in this Lease, however, in all events and under all circumstances, the liability of Landlord to Tenant shall be limited to the interest of Landlord in the Property, and Tenant agrees to look solely to Landlord's interest in the Property for the recovery of any judgment or award against Landlord, it being intended that Landlord shall not be personally liable for any judgment or deficiency. The provisions of this subsection shall survive the expiration or termination of this Lease.

#### 18. MISCELLANEOUS.

- A. **Entire Agreement.** No agreement shall be effective to modify this Lease, in whole or in part, unless such agreement is in writing, and is signed by the party against whom enforcement of said change or modification is sought.
- B. **Notices.** Unless otherwise provided in this Agreement, any notice or other communication herein required or permitted to be given shall be in writing and shall be given by electronic communication, hand delivery, registered or certified mail, with

proper postage prepaid, return receipt requested, or courier service regularly providing proof of delivery, addressed to the parties as set forth below.

Village of Lake Zurich  
c/o Village Manager  
70 E. Main Street  
Lake Zurich, IL 60047

Johnny's Shoe Repair  
c/o  
8 North Old Rand Road  
Lake Zurich, IL 60047

- C. **Non-Waiver.** The failure of either party to insist, in any one or more instances, upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, but the Lease shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt and acceptance by Landlord of Base Rent with knowledge of breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach.
- D. **Lead Paint Disclosure.** "Every purchaser or lessee of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller or lessor of any interest in residential real estate is required to provide the buyer or lessee with any information on lead-based paint hazards from risk assessments or inspection in the seller or lessor's possession and notify the buyer or lessee of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."
- E. **Radon Gas Disclosure.** As required by law, Landlord makes the following disclosure: "Radon Gas" is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings. Additional information regarding radon and radon testing may be obtained from your county public health unit.

**19. Parties Bound.** Except as otherwise expressly provided for in this Lease, this Lease shall be binding upon, and inure to the benefit of, the successors and assignees of the parties hereto. No assignment can be made without Landlord's written consent. In the event of such conveyance and transfer, Landlord's obligations shall thereafter be binding upon each transferee (whether Successor Landlord or otherwise). No obligation of Landlord shall arise under this Lease until the instrument is signed by, and delivered to, both Landlord and Tenant.

**20. Recordation of Lease.** Tenant shall not record or file this Lease (or any memorandum hereof) in the public records of any county or state.

**21. Survival of Obligations.** Upon the expiration or other termination of this Lease, neither party shall have any further obligation nor liability to the other except as otherwise expressly provided in this Lease and except for such obligations as, by their nature or under the circumstances, can only be, or by the provisions of this Lease, may be performed after such expiration or other termination.

**22. Governing Law; Construction.** This Lease shall be governed by and construed in accordance with the laws of Illinois. Any proceeding initiated over any dispute arising out of or relating to this Lease shall be initiated in any federal or state court located within the County of Lake in the State of Illinois, and the parties further agree that venue for all such matters shall lie exclusively in those courts. If any provision of this Lease shall be invalid or unenforceable, the remainder of this Lease shall not be affected but shall be enforced to the extent permitted by law. The captions, headings and titles in this Lease are solely for convenience of reference and shall not affect its interpretation. Each covenant, agreement, obligation, or other provision of this Lease to be performed by Tenant, shall be construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. This Lease may be executed in counterpart and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument.

**23. Authority of Tenant.** If Tenant is a corporation, partnership, limited liability company, association or any other entity, it shall deliver to Landlord, concurrently with the delivery to Landlord of an executed Lease, certified resolutions of Tenant's directors or other governing person or body (i) authorizing execution and delivery of this Lease and the performance by Tenant of its obligations hereunder and (ii) certifying the authority of the party executing the Lease as having been duly authorized to do so.

**24. Waiver Of Trial By Jury.** THE LANDLORD AND THE TENANT, TO THE FULLEST EXTENT THAT THEY MAY LAWFULLY DO SO, HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY ANY PARTY TO THIS LEASE WITH RESPECT TO THIS LEASE, THE PREMISES, OR ANY OTHER MATTER RELATED TO THIS LEASE OR THE PREMISES INCLUDING WITHOUT LIMITATION, AN ACTION FOR RECESSION OF THIS LEASE. If Landlord commences any summary proceeding against Tenant to obtain possession of the Premises, Tenant will not interpose any counterclaim of any nature or description in any such proceeding (unless failure to impose such counterclaim would preclude Tenant from asserting in a separate action the claim which is the subject of such counterclaim.), and will not seek to consolidate such proceeding with any other action which may have been or will be brought in any other court by Tenant, but the foregoing shall not preclude Tenant from asserting any defenses in such summary proceeding including a claim that no default exists.

**WHEREFORE**, the Village of Lake Zurich and Johnny's Shoe Repair have caused this Lease to be executed and attested on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**VILLAGE OF LAKE ZURICH (Landlord)**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**ATTEST:**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**TENET**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**ATTEST:**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_



*At the Heart of Community*

OFFICE OF THE VILLAGE MANAGER

70 East Main Street  
Lake Zurich, Illinois 60047

(847) 438-5141  
LakeZurich.org

ACCIDENTAL ITEM  
6D + 6E

MEMORANDUM

Date: September 13, 2021  
To: Ray Keller, Village Manager *PK*  
From: Kyle Kordell, Assistant to the Village Manager  
Subject: Village Lease Approval with Johnny's Shoe Repair and My Flavor It! Place

**Issue:** The two long-term tenants of Johnny's Shoe Repair at 8 North Old Rand Road and My Flavor It! Place at 10 East Main Street have been renting these properties from the Village since 2006 and 2009, respectively. These two small businesses have become pillars of the Main Street district and have a history of being good reliable partners with the community. Three-year leases are now proposed to renew the now-expired leases at these two properties.

**Analysis:** The proposed leases allow the businesses to continue operating as a shoe cobbler and ice cream parlor as they have for the past 15 years. The proposed lease term will run from January 1, 2022 – December 31, 2024 for both businesses. The Village retains the ability to terminate either lease with 180 days' notice

Monthly rent payments will be as follows:

Johnny's Shoe Repair

- \$825 per month for 2022
- \$850 per month for 2023
- \$875 per month for 2024

My Flavor It Place

- \$625 per month for 2022
- \$650 per month for 2023
- \$675 per month for 2024

**Recommendation:** Approval of the proposed Ordinance and leases for Johnny's Shoe Repair and My Flavor It! Place.

VILLAGE OF LAKE ZURICH



ORDINANCE NO. 2021-09-\_\_\_\_

**AN ORDINANCE APPROVING THE LEASE BY THE VILLAGE OF LAKE ZURICH OF PROPERTY AT 10 EAST MAIN STREET TO "MY FLAVOR IT! PLACE"**

**WHEREAS**, pursuant to Section 4 of the Illinois TIF Act, 65 ILCS 5/11-74.4-4, and other applicable authority, the Village of Lake Zurich is authorized to lease the property it owns within the Village commonly known as 10 East Main Street (the "Subject Property"); and

**WHEREAS**, the President and Board of Trustees of the Village have determined that it is in the best interests of the Village and its residents to lease the Subject Property to My Flavor It! Place (the "Tenet") and the Tenet desires to lease the Subject Property, on the terms of the lease attached to and by this reference incorporated into this Ordinance as Exhibit A (the "Lease"); and,

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, as follows:

**Section 1.** Recitals. The foregoing recitals are hereby incorporated into this Ordinance by this reference as findings of the President and Board of Trustees.

**Section 2.** Public Notice. On August 20, 2021 and pursuant to 65 ILCS 5/11-74.4 - 4 (c) reasonable public notice was given of the Village's intent to lease property within the TIF redevelopment project area.

**Section 3.** Approval of Lease. The President and Board of Trustees hereby approve the Lease and authorize and direct the Village Manager to execute the Lease on behalf of the Village.

**Section 4.** Effective Date. This Ordinance will be in full force and effect from and after its passage and approval and publication in pamphlet form in the manner provided by law.

**PASSED** this \_\_\_\_ day of September, 2021, pursuant to a roll call vote as follows:

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED this \_\_\_\_ day of September, 2021.

By: \_\_\_\_\_  
Thomas Poynton, Village President

\_\_\_\_\_  
Kathleen Johnson, Village Clerk

## **COMMERCIAL LEASE**

**1. BASIC TERMS.** This Section 1 contains the Basic Terms of this Lease between Landlord and Tenant, named below. Other Sections of the Lease referred to in this Section 1 explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

- A. **Date of Lease:** January 1, 2022
- B. **Landlord:** Village of Lake Zurich
- C. **Tenant:** Anna Razes, My Flavor It! Place
- D. **Premises:** 10 East Main Street, Lake Zurich, Illinois (the "Building").
- E. **Permitted Uses:** The Premises will be used to operate an ice cream parlor.
- F. **Pets:** No pets shall be brought on the Premises without the prior written consent of Landlord.
- G. **Lease Term:** One (1) year ("Term"), commencing January 1, 2022 ("Commencement Date") and ending three years after Commencement Date ("Expiration Date") with thirty (30) day advance written notice (prior to termination of lease in any year) to be served upon Landlord (as provided for notices herein), provided further that should property be sold by the Landlord, Landlord may terminate this Lease with one hundred and eighty (180) days written notice service upon Tenant (as provided for notices herein). Should Premises and Property be put up for general sale in its current condition, as a single parcel involving only the Premises and Property covered by this Lease, and not as part of a larger tract, in conjunction with other properties or as a development proposal which includes other properties, Landlord will offer Property to Tenant for right-of-first-refusal and will allow Tenant twenty eight (28) business days to secure financing or reject offer to purchase said Property.
- H. **Base Rent Payable by Tenant:** Base rent shall start to accrue on January 1, 2022 in advance and due on the 1<sup>st</sup> of every successive month and is deemed late if not received by the 10<sup>th</sup> of said month.
  - \$625.00 per month for Year 1
  - \$650.00 per month for Year 2
  - \$675.00 per month for Year 3
- I. **Security Deposit:** Current Security Deposit of \$500 shall be retained by Landlord for this Term. Tenant and Landlord agree that (a) the Security Deposit or any portion thereof may be applied to the curing of any default that may exist, without prejudice to any other remedy or remedies which the Tenant may have on account thereof, and upon such application Tenant shall pay Landlord on demand the amount so applied which shall be added to the Security Deposit so the same will be restored to its original amount; (b) should the Premises be conveyed by Landlord, the Security Deposit or any balance thereof may be turned over to the Landlord's grantee, and if the same be turned over, Tenant agrees to look solely to such grantee for such application or return; (c) Landlord may commingle the Security Deposit with other funds and not be obligated to pay Tenant any interest; and (d) the Security Deposit shall not be considered as advance payment of Rent or a measure of damages for any default by Tenant, nor shall it be a bar or defense to any actions by Tenant against Landlord.

**2. LEASE OF PREMISES; RENT.**

- A. **Lease of Premises for Lease Term.** Landlord hereby leases the Premises to Tenant, and Tenant hereby rents the Premises from Landlord, for the Term and subject to the conditions of this Lease.
- B. **Types of Rental Payments.** Tenant shall pay rents of (a) net base rent payable in monthly installments as set forth in Section 1., H. hereof, in advance, on the first (1<sup>ST</sup>) day of each and every calendar month during the Term of this Lease (the "Base Rent"); (b) interest on late payments of Rent at the rates set forth hereinbelow and (c) in the event any monthly installment of Base Rent or Additional Rent, or both, is not paid within ten (10) days of the date when due, a late charge in an amount equal to 5% of the then delinquent installment of Base Rent (the "Late Charge"; the Late Charge, Base Rent, and interest thereon shall collectively be referred to as "Rent"), to the Landlord or pursuant to such other directions as Landlord shall designate in this Lease or otherwise in writing. In addition to the rental payments, Tenant shall be responsible for payment of its

own phone and internet use, services and utilities to the Premises which are separately metered and scavenger service.

C. **Covenants Concerning Rental Payments.** Tenant shall pay the Rent promptly when due, without notice or demand, and without any abatement, deduction or setoff, except as may otherwise be expressly and specifically provided in this Lease. No payment by Tenant, or receipt or acceptance by Landlord, of a lesser amount than the correct Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any payment be deemed an accord or satisfaction, and Landlord may accept such payment without prejudice to its right to recover the balance due or to pursue any other remedy available to Landlord. If the Commencement Date occurs on a day other than the first (1<sup>st</sup>) day of a calendar month, the Rent due for the first calendar month of the Term shall be prorated on a per diem basis and paid to Landlord on the Commencement Date, and the Term will be extended to terminate on the last day of the calendar month in which the Expiration Date stated in Section 1., G. occurs. Except as may otherwise be expressly and specifically provided in this Lease, Tenant's obligation to pay Rent is independent of each and every covenant contained in this Lease.

D. **Assignment and Subletting.** Tenant shall not assign this Lease or sublet any portion of the Premises without prior written consent of Landlord.

### 3. USE OF PREMISES AND COMMON AREAS.

A. **Use of Premises and Property.** The Premises shall be used by the Tenant only for the business purpose(s) set forth in Section 1.E. above. Tenant shall not, at any time, use or occupy, or suffer or permit anyone to use or occupy, the Premises, or do or permit anything to be done in the Premises or the Property, in any manner that may (a) violate any Certificate of Occupancy or Business License for the Premises or the Property; (b) cause, or be liable to cause, injury to, or in any way impair the proper utilization of, all or any portion of the Property (including, but not limited to, the structural elements of the Property) or any equipment, facilities or systems therein; (c) constitute a violation of the laws and requirements of any public authority or the requirements of insurance bodies or the rules and regulations of the Property, including any covenant, condition or restriction affecting the Property; (d) exceed the load bearing capacity of the floor of the Premises; (e) impair or tend to impair the character, reputation or appearance of the Premises or Property; or (e) unreasonably annoy, inconvenience or disrupt the operations or tenancies of other tenants or users of the Property.

B. **Signage.** Tenant shall not affix any sign of any size or character to any portion of the Property, without prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed. Tenant shall remove all signs of Tenant upon the expiration or earlier termination of this Lease and immediately repair any damage to either or both of the Property and the Premises caused by, or resulting from, such removal.

C. **Parking.** During the term of this Lease, Tenant has the non-exclusive right to use the non-reserved common automobile parking areas and driveways, and the pedestrian access areas. Parking is to be used for business related purposes only. No overnight long-term storage of vehicles or other personal property shall be permitted.

### 4. CONDITION AND DELIVERY OF PREMISES.

Tenant agrees that Tenant is familiar with the condition of both the Premises and the Property, and Tenant hereby accepts the foregoing on an "AS-IS," "WHERE-IS" basis, provided however the Landlord agrees the Premises shall be habitable, suitable for use as an office building, with all mechanicals, plumbing and HVAC system (including all ductwork diffusers, return air vents and thermostats) to be in good working order. Tenant acknowledges that neither Landlord nor any representative of Landlord, has made any representation as to the condition of the foregoing or the suitability of the foregoing for Tenant's intended use.

### 5. COMPLIANCE WITH LAWS.

A. **Compliance with Laws.** Tenant shall, at its sole expense (regardless of the cost thereof), comply with all local, state and federal laws, rules, regulations and requirements now or hereafter in force and all judicial and administrative decisions pertaining thereto (collectively, "Laws"), pertaining to either or both of the Premises and Tenant's use and

occupancy thereof. With the exception of any Occupancy Inspection Fee, which is hereby waived by the Village of Lake Zurich/Landlord, if any other license or permit is required for the conduct of Tenant's business in the Premises, Tenant, at its expense, shall procure such license prior to the Commencement Date, and shall maintain such license or permit in good standing throughout the Term. Tenant shall give prompt notice to Landlord of any written notice it receives of the alleged violation of any law or requirement of any governmental or administrative authority with respect to either or both of the Premises and the use or occupation thereof. The judgment of any court of competent jurisdiction, or the admission of Tenant in any action or proceeding against Tenant, whether Landlord is a party thereto or not, that any such Law pertaining to the Premises has been violated, shall be conclusive of that fact as between Landlord and Tenant.

## 6. INSURANCE.

### A.

**Insurance to be Maintained by Landlord.** Landlord shall maintain (a) "all-risk" property insurance covering the Property (at its full replacement cost), but excluding Tenant's Property.

### B.

**Insurance to be Maintained by Tenant.** Tenant shall purchase at its own expense and keep in force during this Lease, a policy or policies of commercial general liability insurance, including personal injury and property damage, and business auto liability, in the following amounts:

*Commercial General Liability:* \$1,000,000 combined single limit per occurrence for bodily injury, and property damage, and \$1,000,000 per occurrence for personal injury. The Minimum General Aggregate shall be no less than \$2,000,000.

*Business Automobile Liability:* \$1,000,000 combined single limit per accident for bodily injury and property damage.

Insurance shall cover Tenant against any losses arising out of liability for personal injuries or deaths of persons and property damage occurring in or about the Premises and Property (including as a result of any) and include "all-risk" property insurance covering Tenant's Property (and damage to other property resulting from any acts or operations of Tenant) and Alterations, as defined in Section 9.A. Said policies shall (a) name Landlord and any party holding an interest to which this Lease may be subordinated as additional insureds, (b) be issued by an insurance company with a Best rating of A-X or better and otherwise reasonably acceptable to Landlord and licensed to do business in the state in which the Property is located, (c) provide that said insurance shall not be canceled or materially modified unless thirty (30) days' prior written notice shall have been given to Landlord, (d) provide coverage on an occurrence basis; (e) provide coverage for the indemnity obligations of Tenant under this Lease; (f) contain a severability of insured parties provision and a cross liability endorsement; (g) be primary, not contributing with, and not in excess of, coverage that Landlord may carry; (h) include a hostile fire endorsement; and (i) otherwise be in such form and include such coverages as Landlord may reasonably require. Said policy or policies or, at Landlord's option, Certificate of Insurance, in a form reasonably acceptable to Landlord, evidencing said policies, shall be delivered to Landlord by Tenant upon commencement of the Lease and renewals thereof shall be delivered at least thirty (30) days prior to the expiration of said insurance.

### C.

**Waiver of Subrogation.** To the extent permitted by law, and without affecting the coverage provided by insurance required to be maintained hereunder, Landlord and Tenant each waive any right to recover against the other for (a) damages to property, (b) damages to all or any portion of either or both of the Premises and the Property, or (c) claims arising by reason of the foregoing, to the extent such damages and claims are insured against or required to be insured against by Landlord or Tenant under this Lease, and Tenant waives any loss due to business interruption. This provision is intended to waive, fully and for the benefit of each party, any rights and/or claims which might give rise to a right of subrogation by any insurance carrier. The coverage obtained by each

party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier which conforms to the provisions of this section.

#### 7. ALTERATIONS.

- A. **Procedural Requirements.** Tenant may, from time to time, at its expense, make alterations or improvements in and to the Premises (hereinafter collectively referred to as "Alterations"), provided that Tenant first obtains the written consent of Landlord in each instance. Landlord's consent to Alterations shall not be unreasonably withheld, provided that: (a) the Alterations are non-structural and the structural integrity of the Property shall not be affected; (b) the Alterations are to the interior of the Premises; (c) the proper functioning of the mechanical, electrical, heating, ventilating, air-conditioning ("HVAC"), sanitary and other service systems of the Property shall not be affected and the usage of such systems by Tenant shall not be increased; (d) the Alterations have no adverse effect on other leased premises in the Property; (e) Tenant shall have appropriate insurance coverage, reasonably satisfactory to Landlord, regarding the performance and installation of the Alterations; (f) the Alterations shall conform with all other requirements of this Lease; and (g) Tenant shall have provided Landlord with reasonably detailed plans (the "Plans") for such Alterations in advance of requesting Landlord's consent. Additionally, before proceeding with any Alterations, Tenant shall (i) at Tenant's expense, obtain all necessary governmental permits and certificates for the commencement and prosecution of Alterations; (ii) submit for Landlord's written approval, working drawings, plans and specifications and all permits for the work to be done and Tenant shall not proceed with such Alterations until it has received said approval; and (iii) cause those contractors, materialmen and suppliers engaged to perform the Alterations to deliver to Landlord certificates of insurance (in a form reasonably acceptable to Landlord) evidencing policies of commercial general liability insurance. After obtaining Landlord's approval to the Alterations, Tenant shall give Landlord at least five days' prior written notice of the commencement of any Alterations at the Premises, and Landlord may elect to record and post notices of non-responsibility at the Premises.
- B. **Performance of Alterations.** Tenant shall cause the Alterations to be performed in compliance with all applicable permits, laws and requirements of public authorities, and with Landlord's reasonable rules and regulations or any other restrictions that Landlord or Agent may impose on the Alterations. Tenant shall cause the Alterations to be diligently performed in a good and workmanlike manner, using new materials and equipment at least equal in quality and class to the standards for the Property established by Landlord. Tenant shall obtain all necessary permits and certificates for final governmental approval of the Alterations and shall provide Landlord with "as built" plans, copies of all construction contracts, governmental permits and certificates and proof of payment for all labor and materials, including, without limitation, copies of paid invoices and final lien waivers.
- C. **Lien Prohibition.** Tenant shall pay when due all claims for labor and material furnished to the Premises in connection with the Alterations. Tenant shall not permit any mechanics or materialmen's liens to attach to the Premises or the Property. Tenant, at its expense, shall procure the satisfaction or discharge of record of all such liens and encumbrances within thirty (30) days after the filing thereof; or, if acceptable to Landlord, in its reasonable determination, Tenant may procure (for Landlord's benefit) a bond or other protection against any such lien or encumbrance. In the event Tenant has not so performed, Landlord may, at its option, pay and discharge such liens and Tenant shall be responsible to reimburse Landlord, on demand and as Additional Rent under this Lease, for all costs and expenses incurred in connection therewith, together with interest thereon at the rate of five (5%) percent per annum, which expenses shall include reasonable fees of attorneys of Landlord's choosing, and any costs in posting bond to effect discharge or release of the lien as an encumbrance against the Premises or the Property.

#### 8. LANDLORD'S AND TENANT'S PROPERTY.

- A. **Landlord's Property.** Subject to Section 8.B, all fixtures, machinery, equipment, Alterations, improvements and appurtenances attached to, or built into, the Premises at

the commencement of, or during the Term, whether or not placed there by or at the expense of Tenant, shall become and remain a part of the Premises; shall be deemed the property of Landlord (the "Landlord's Property"), without compensation or credit to Tenant; and shall not be removed by Tenant at the Expiration Date unless Landlord requests their removal. Further, any personal property in the Premises on the Commencement Date, movable or otherwise, unless installed and paid for by Tenant, shall be and shall remain the property of Landlord and shall not be removed by Tenant. In no event shall Tenant remove any of the following materials or equipment without Landlord's prior written consent: any power wiring or power panels, lighting or lighting fixtures, wall or window coverings, carpets or other floor coverings, heaters, air conditioners or any other HVAC equipment, fencing or security gates, or other similar building operating equipment and decorations.

**B.**

**Tenant's Property.** All movable non-structural partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment that are installed in the Premises by, or for the account of, Tenant and without expense to Landlord and that can be removed without structural damage to the Property, and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Premises (collectively, the "Tenant's Property") shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term, provided Tenant repairs or pays the cost of repairing any damage to the Premises or to the Property resulting from the installation and/or removal thereof. At or before the Expiration Date, or the date of any earlier termination, Tenant, at its expense, shall remove from the Premises all of Tenant's Property and any Alterations (except such items thereof as constitute Landlord's Property and which Landlord does not request be removed; or as Landlord shall have expressly permitted, in writing, to remain, which property shall become the property of Landlord), and Tenant shall repair any damage to the Premises or the Property resulting from any installation and/or removal of Tenant's Property. Any other items of Tenant's Property that shall remain in the Premises after the Expiration Date, or following an earlier termination date, may, at the option of Landlord, be deemed to have been abandoned, and in such case, such items may be retained by Landlord as its property or be disposed of by Landlord, in Landlord's sole and absolute discretion and without accountability, at Tenant's expense. Notwithstanding the foregoing, if Tenant is in default under the terms of this Lease, it may remove Tenant's Property from the Premises only upon the express written direction of Landlord.

**9. REPAIRS AND MAINTENANCE.**

**A.**

**Tenant Repairs and Maintenance.** Tenant shall, at its expense, throughout the Term, (i) maintain and preserve, in proper reasonable condition (subject to normal and customary wear and tear), the Premises and the fixtures and appurtenances therein (excluding, however, those components of the Premises for which Landlord is expressly responsible under **Section 9.B.**). Tenant shall also be responsible for all cost and expenses incurred to perform any and all repairs and replacements (whether structural or non-structural; interior or exterior; and ordinary or extraordinary), in and to the Premises and the Property and the facilities and systems thereof, if and to the extent that the need for such repairs or replacements arises directly or indirectly from (a) the performance or existence of any Alterations, (b) the installation, use or operation of Tenant's Property in the Premises, (c) the moving of Tenant's Property in or out of the Property, or (d) any act, omission, misuse, or neglect of Tenant, any of its subtenants, or others entering into the Premises by act or omission of Tenant or any subtenant. Any repairs or replacements required to be made by Tenant to any or all of the structural components of the Property and the mechanical, electrical, sanitary, HVAC, or other systems of the Property or Premises shall be performed by appropriately licensed contractors approved by Landlord, which approval shall not be unreasonably withheld. All such repairs or replacements shall be subject to the supervision and control of Landlord, and all repairs and replacements shall be made with materials of equal or better quality than the items being repaired or replaced.

**B. Landlord Repairs.** Notwithstanding anything contrary herein, Landlord shall repair, replace and restore the foundation, exterior and interior load-bearing walls, roof structure and roof covering and tuck-pointing, plumbing and HVAC systems, all doors, overhead or otherwise, glass and levelers located on the Premises and Property; provided, however, that (i) all costs and expenses so incurred by Landlord to repair, replace and restore the above items shall constitute Operating Expenses; and (ii) notwithstanding (i) above, in the event that any such repair, replacement or restoration is necessitated by any or all of the matters set forth in **Sections 9.B** within a reasonable period of time after receiving from Tenant written notice of the need for such repairs.

**10. UTILITIES AND LANDSCAPING.** Tenant shall be responsible for all utility payments, including electricity, heat, natural gas, water, refuse and recycling collection, phone and internet service. Landlord shall be solely responsible for the repair and maintenance of any meters necessary in connection with such services. Tenant's use of electrical energy in the Premises shall not, at any time, exceed the capacity of either or both of (i) any of the electrical conductors and equipment in or otherwise servicing the Premises; and (ii) the HVAC systems of either or both of the Premises and the Property.

**11. INVOLUNTARY CESSION OF SERVICES.** Landlord reserves the right, without any liability to Tenant and without affecting Tenant's covenants and obligations hereunder, to stop service of the HVAC, electric, sanitary, or other systems serving the Premises, or to stop any other services required by Landlord under this Lease, whenever and for so long as may be necessary by reason of (i) accidents, emergencies, strikes, or the making of repairs or changes which Landlord or Agent in good faith deems necessary or (ii) any other cause beyond Landlord's reasonable control. Further, it is also understood and agreed that Landlord or Agent shall have no liability or responsibility for a cessation of services to the Premises or to the Property that occurs as a result of causes beyond Landlord's reasonable control. No such interruption of service shall be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord or Agent liable to Tenant for damages, or relieve Tenant from performance of Tenant's obligations under this Lease, including, but not limited to, the obligation to pay Rent, or impose any liability upon Landlord or Agent by reason of inconvenience to Tenant, or interruption of Tenant's business or otherwise.

**12. LANDLORD'S RIGHTS.** Landlord and its respective agents, employees and representatives shall have the right to enter and/or pass through the Premises at any time or times upon reasonable prior notice (at least 24 hours) except in the event of emergency: (a) to examine and inspect the Premises and to show them to actual and prospective lenders, prospective purchasers or mortgagees of the Property or providers of capital to Landlord and its affiliates; and (b) to make such repairs, alterations, additions and improvements in or to all or any portion of either or both of the Premises and the Property, or the Property's facilities and equipment as Landlord is required or desires to make. Landlord shall be allowed to take all materials into and upon the Premises that may be required in connection with any repairs, alterations, additions or improvements, without any liability to Tenant and without any reduction or modification of Tenant's covenants and obligations hereunder; provided, however, that Landlord shall use reasonable efforts to avoid interference with Tenant's business operations and Tenant's occupancy and use of the Premises. During the period of twelve months prior to the Expiration Date (or at any time, if Tenant has vacated or abandoned the Premises or is otherwise in default under this Lease), Landlord and its agents may exhibit the Premises to prospective tenants. Additionally, Landlord shall have the following rights with respect to the Premises, exercisable without notice to Tenant, without liability to Tenant, and without being deemed an eviction or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for setoff or abatement of Rent: (i) to designate and approve, prior to installation, all types of signs; (ii) to have pass keys, access cards, or both, to the Premises; (iii) to decorate, remodel, repair, alter or otherwise prepare the Premises for reoccupancy at any time after Tenant vacates or abandons the Premises for more than thirty (30) consecutive days or with no intention of reoccupying the Premises, and (iv) to change the name or address of the Property.

**13. DAMAGE OR DESTRUCTION.**

**A. Notification and Repair.** Tenant shall give prompt notice to Landlord and Agent of (a) any fire or other casualty to the Premises or the Property, and (b) any damage to or defect in any part or appurtenance of the Property's sanitary, electrical, HVAC, elevator or other systems located in or passing through the Premises or any part thereof. Subject to the provisions of **Section 13.C.** below, if either or both of the Property and the Premises is damaged by fire or other insured casualty, Landlord shall repair (or cause Agent to repair) the damage and restore and rebuild the Property and/or the Premises (except for Tenant's Property and Alterations) with reasonable dispatch after (x) notice to it of the

damage or destruction and (y) the adjustment of the insurance proceeds attributable to such damage. Subject to the provisions of Section 13.C. below, Tenant shall not be entitled to terminate this Lease and no damages, compensation or claim shall be payable by Landlord for purported inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises or of the Property pursuant to this Section. Landlord shall use its diligent, good faith efforts to make such repair or restoration promptly and in such manner as not to unreasonably interfere with Tenant's use and occupancy of the Premises, but Landlord shall not be required to do such repair or restoration work except during normal business hours of business days.

- B. **Rental Abatement.** If (a) the Property is damaged by fire or other casualty thereby causing the Premises to be inaccessible or (b) the Premises are partially damaged by fire or other casualty, the Rent shall be proportionally abated to the extent of any actual loss of use of the Premises by Tenant.
- C. **Total Destruction.** If the Property or the Premises shall be totally destroyed by fire or other casualty, or if the Property shall be so damaged by fire or other casualty that (in the reasonable opinion of a reputable contractor or architect designated by Landlord): (i) its repair or restoration requires more than 180 days or (ii) such repair or restoration requires the expenditure of more than 50% of the full insurable value of the Property immediately prior to the casualty or (iii) the damage (x) is less than the amount stated in (ii) above, but more than 10% of the full insurable value of the Property; and (y) occurs during the last two years of Lease Term, Landlord and Tenant shall each have the option to terminate this Lease (by so advising the other, in writing) within 10 days after said contractor or architect delivers written notice of its opinion to Landlord and Tenant, but in all events prior to the commencement of any restoration of the Premises or the Property by Landlord. In such event, the termination shall be effective as of the date upon which either Landlord or Tenant, as the case may be, receives timely written notice from the other terminating this Lease pursuant to the preceding sentence. If neither Landlord nor Tenant timely delivers a termination notice, this Lease shall remain in full force and effect. If (A) any other party entitled to the insurance proceeds fails to make such proceeds available to Landlord in an amount sufficient for restoration of the Premises or the Property, or (B) the issuer of any casualty insurance policies on the Property fails to make available to Landlord sufficient proceeds for restoration of the Premises or the Property, then Landlord may, at Landlord's sole option, terminate this Lease by giving Tenant written notice to such effect within 30 days after Landlord receives notice from the insurance company that such proceeds shall not be made available, in which event the termination of this Lease shall be effective as of the date Tenant receives written notice from Landlord of Landlord's election to terminate this Lease. For purposes of this Section 13.C. only, "full insurable value" shall mean replacement cost, less the cost of footings, foundations and other structures below grade.

**14. SURRENDER AND HOLDOVER.** On the last day of the Term, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Premises, (a) Tenant shall quit and surrender the Premises to Landlord "broom-clean" and in good order, condition and repair, except for ordinary wear and tear and such damage or destruction as Landlord is required to repair or restore under this Lease, and (b) Tenant shall remove all of Tenant's Property therefrom, except as otherwise expressly provided in this Lease. The obligations imposed under the preceding sentence shall survive the termination or expiration of this Lease. If any repairs are required to be performed in, to or at the Premises (pursuant to the preceding sentence or any other applicable provision of this Lease) upon the expiration or termination of the Term, Tenant shall cause such repairs to be performed, to Landlord's reasonable satisfaction, within ten (10) business days after the date on which this Lease is terminated or expired. If Tenant fails to timely comply with the preceding sentence, then Landlord shall have the right to cause the repairs to be performed, at Tenant's expense, and all such expenses so incurred by Landlord shall bear interest (at the rate five percent (5%) per annum) from the date the expense is incurred until the date paid, in full, by Tenant (inclusive of interest). If Tenant remains in possession after the Expiration Date hereof or after any earlier termination date of this Lease or of Tenant's right to possession: (i) Tenant shall be deemed a tenant-at-will; (ii) Tenant shall pay 200% of the aggregate of the Base Rent last prevailing hereunder, and also shall pay all actual damages sustained by Landlord, directly by reason of Tenant's remaining in possession after the expiration or termination of this Lease; (iii) there shall be no renewal or extension of this Lease by operation of law; and (iv) the

tenancy-at-will may be terminated upon thirty (30) days' written notice from Landlord. The provisions of this **Section 16** shall not constitute a waiver by Landlord of any re-entry rights of Landlord provided hereunder or by law.

**15. EVENTS OF DEFAULT.** Each of the following shall constitute a default by Tenant under this Lease: (a) if Tenant fails to pay Rent or any other payment when due hereunder within five days after written notice from Landlord of such failure to pay on the due date; provided, however, that if in any consecutive twelve (12) month period, Tenant shall, on three separate occasions, fail to pay any installment of Rent on the date such installment of Rent is due, then, on the third such occasion and on each occasion thereafter on which Tenant shall fail to pay an installment of Rent on the date such installment of Rent is due, Landlord shall be relieved from any obligation to provide notice to Tenant, and Tenant shall then no longer have a five day period in which to cure any such failure; or (b) if Tenant fails, whether by action or inaction, to timely comply with, or satisfy, any or all of the obligations imposed on Tenant under this Lease (other than the obligation to pay Rent) for a period of thirty (30) days after Landlord's delivery to Tenant of written notice of such default under this **Section 15**; provided, however, that if the default cannot, by its nature, be cured within such thirty (30) day period, but Tenant commences and diligently pursues a cure of such default promptly within the initial thirty (30) day cure period, then Landlord shall not exercise its remedies under **Section 16** unless such default remains uncured for more than sixty (60) days after Landlord's notice.

**16. RIGHTS AND REMEDIES.**

- A. **Landlord's Cure Rights Upon Default of Tenant.** If Tenant defaults in the performance of any of its obligations under this Lease, Landlord, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account, and at the expense of, Tenant upon compliance with any notice requirements and cure periods set forth in **Section 15**.
- B. **Landlord's Remedies.** In the event of any default by Tenant under this Lease, Landlord, at its option, and after any applicable notice and cure period (as required pursuant to **Section 15**), but without additional notice or demand from Landlord, if any, as provided in **Section 15** has expired, may, in addition to all other rights and remedies provided in this Lease, or otherwise at law or in equity: (a) terminate this Lease and Tenant's right of possession of the Premises; or (b) terminate Tenant's right of possession of the Premises without terminating this Lease. If Landlord elects to proceed under subsections (a) or (b) above, Landlord, at Landlord's option, may relet all or any part of the Premises from time to time, either in the name of Landlord or otherwise, to such tenant or tenants, for any term ending before, on or after the Expiration Date, at such rental and upon such other conditions (which may include concessions and free rent periods) as Landlord, in its sole but reasonable discretion, may determine. Landlord shall have no obligation to accept any tenant offered by Tenant and shall not be liable for failure to relet or, in the event of any such reletting, for failure to collect any rent due upon any such reletting; and no such failure shall relieve Tenant of, or otherwise affect, any liability under this Lease.
- C. **Additional Rights of Landlord.** Any and all costs, expenses and disbursements, of any kind or nature, incurred by Landlord in connection with the enforcement of any and all of the terms and provisions of this Lease, including attorneys' reasonable fees (through all appellate proceedings), shall be due and payable (as Additional Rent) upon Landlord's submission of an invoice therefor. All sums advanced by Landlord on account of Tenant under this Section, or pursuant to any other provision of this Lease, and all Base Rent, if delinquent or not paid by Tenant and received by Landlord when due hereunder, shall bear interest at the rate of 5% per annum above the "prime" or "reference" or "base" rate (on a per annum basis) of interest from the due date thereof until paid, and such interest shall be and constitute Additional Rent and be due and payable upon Landlord's or Agent's submission of an invoice therefor. Upon the breach or threatened breach by Tenant, or any persons claiming through or under Tenant, of any term, covenant or condition of this Lease, Landlord shall have the right to enjoin such breach and to invoke any other remedy allowed by law or in equity as if re-entry, summary proceedings and other special remedies were not provided in this Lease for such breach. The various rights, remedies and elections of Landlord reserved, expressed or contained herein are cumulative and no one of them shall be deemed to be exclusive of the others or of such

other rights, remedies, options or elections as are now or may hereafter be conferred upon Landlord by law.

#### **17. INDEMNIFICATION.**

- A. Tenant Indemnification.** Tenant hereby indemnifies, defends, and holds Landlord and its respective affiliates, owners, partners, directors, officers, agents and employees (collectively, "Landlord Indemnified Parties") harmless from and against any and all Losses (defined below) arising from or in connection with (a) the conduct or management of either or both the Property and the Premises or any business therein, or any work or Alterations done, or any condition created by any or all of Tenant and Tenant's Parties in or about the Premises during the Term or during the period of time, if any, prior to the Commencement Date that Tenant is given access to the Premises; (b) any act, omission or negligence of any or all of Tenant and Tenant's Parties; (c) any accident, injury or damage whatsoever (unless caused by Landlord's negligence) occurring in, at or upon either or both of the Property and the Premises and caused by any or all of Tenant and Tenant's Parties; (d) any breach by Tenant of any of its warranties and representations under this Lease; (e) any actions necessary to protect Landlord's interest under this Lease in a bankruptcy proceeding or other proceeding under the Bankruptcy Code; (f) any violation or alleged violation by any or all of Tenant and Tenant's Parties of any Law including, without limitation, any Environmental Law; (g) any breach of the provisions of Section 7 by any or all of Tenant and Tenant's Parties; (h) claims for work or labor performed or materials supplies furnished to or at the request of any or all of Tenant and Tenant's Parties; (i) claims arising from any breach or default on the part of Tenant in the performance of any covenant contained in this Lease; (j) any Hazardous Materials used, exposed, emitted, released, discharged, generated, manufactured, sold, transported, handled, stored, treated, reused, presented, disposed of or recycled in, at, near or under all or any portion of the Premises as a result of the acts or omissions of any or all of Tenant and Tenant's Parties; or (k) the violation of any Environmental Law or any permit, application or consent required in connection with any Environmental Law by any or all of Tenant and Tenant's Parties with respect to the Premises during the Term, excluding, however, any violation of any Environmental Law resulting from the acts or omissions of Landlord and Landlord's employees, agents and contractors (collectively, "Tenant's Indemnified Matters"). In case any action or proceeding is brought against any or all of Landlord and the Landlord Indemnified Parties by reason of any of Tenant's Indemnified Matters, Tenant, upon notice from Landlord, shall resist and defend such action or proceeding by counsel reasonably satisfactory to, or selected by, Landlord. The term "Losses" shall mean all claims, demands, expenses, actions, judgments, damages (whether direct or indirect, known or unknown, foreseen or unforeseen), penalties, fines, liabilities, losses of every kind and nature (including, without limitation, property damage, diminution in value of Landlord's interest in the Premises or the Property, damages for the loss or restriction on use of any space or amenity within the Premises or the Property, damages arising from any adverse impact on marketing space in the Property, sums paid in settlement of claims and any costs and expenses associated with injury, illness or death to or of any person), suits, administrative proceedings, costs and fees, including, without limitation, attorneys' and consultants' fees and expenses, and the costs of cleanup, remediation, removal and restoration, that are in any way related to any matter covered by the foregoing indemnity. The provisions of this subsection shall survive the expiration or termination of this Lease.
- B. Landlord Indemnification.** Landlord hereby indemnifies, defends and holds Tenant harmless from and against any and all claims, losses, costs, damages (actual, but not consequential or speculative), judgments, causes of action, administrative proceedings and third party expenses (including, but not limited to, court costs and attorneys' reasonable fees) actually suffered or incurred by Tenant as the sole and direct result of any negligent, willful or intentional acts or omissions of any or all of Landlord and any parties within the direct and sole control of Landlord. In the event that any action or proceeding is brought against Tenant, and the foregoing indemnity is applicable to such action or proceeding, then Landlord, upon notice from Tenant, shall resist and defend such action or proceeding by counsel reasonably satisfactory to Tenant. Notwithstanding anything to the contrary set

forth in this Lease, however, in all events and under all circumstances, the liability of Landlord to Tenant shall be limited to the interest of Landlord in the Property, and Tenant agrees to look solely to Landlord's interest in the Property for the recovery of any judgment or award against Landlord, it being intended that Landlord shall not be personally liable for any judgment or deficiency. The provisions of this subsection shall survive the expiration or termination of this Lease.

**18. MISCELLANEOUS.**

- A. **Entire Agreement.** No agreement shall be effective to modify this Lease, in whole or in part, unless such agreement is in writing, and is signed by the party against whom enforcement of said change or modification is sought.
- B. **Notices.** Unless otherwise provided in this Agreement, any notice or other communication herein required or permitted to be given shall be in writing and shall be given by electronic communication, hand delivery, registered or certified mail, with proper postage prepaid, return receipt requested, or courier service regularly providing proof of delivery, addressed to the parties as set forth below.

Village of Lake Zurich  
c/o Village Manager  
70 E. Main Street  
Lake Zurich, IL 60047

My Flavor It! Place  
c/o  
10 East Main Street  
Lake Zurich, IL 60047

- C. **Non-Waiver.** The failure of either party to insist, in any one or more instances, upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, but the Lease shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt and acceptance by Landlord of Base Rent with knowledge of breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach.
- D. **Lead Paint Disclosure.** "Every purchaser or lessee of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller or lessor of any interest in residential real estate is required to provide the buyer or lessee with any information on lead-based paint hazards from risk assessments or inspection in the seller or lessor's possession and notify the buyer or lessee of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."
- E. **Radon Gas Disclosure.** As required by law, Landlord makes the following disclosure: "Radon Gas" is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings. Additional information regarding radon and radon testing may be obtained from your county public health unit.

**19. Parties Bound.** Except as otherwise expressly provided for in this Lease, this Lease shall be binding upon, and inure to the benefit of, the successors and assignees of the parties hereto. Tenant hereby releases Landlord named herein from any obligations of Landlord for any period subsequent to the conveyance and transfer of Landlord's ownership interest in the Property. No assignment can be made without Landlord's written consent. In the event of such conveyance and transfer, Landlord's obligations shall thereafter be binding upon each transferee (whether Successor Landlord or otherwise). No obligation of Landlord shall arise under this Lease until the instrument is signed by, and delivered to, both Landlord and Tenant.

**20. Recordation of Lease.** Tenant shall not record or file this Lease (or any memorandum hereof) in the public records of any county or state.

**21. Survival of Obligations.** Upon the expiration or other termination of this Lease, neither party shall have any further obligation nor liability to the other except as otherwise expressly provided in this Lease and except for such obligations as, by their nature or under the circumstances, can only be, or by the provisions of this Lease, may be performed after such expiration or other termination.

**22. Governing Law; Construction.** This Lease shall be governed by and construed in accordance with the laws of Illinois. Any proceeding initiated over any dispute arising out of or relating to this Lease shall be initiated in any federal or state court located within the County of Lake in the State of Illinois, and the parties further agree that venue for all such matters shall lie exclusively in those courts. If any provision of this Lease shall be invalid or unenforceable, the remainder of this Lease shall not be affected but shall be enforced to the extent permitted by law. The captions, headings and titles in this Lease are solely for convenience of reference and shall not affect its interpretation. Each covenant, agreement, obligation, or other provision of this Lease to be performed by Tenant, shall be construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. This Lease may be executed in counterpart and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument.

**23. Authority of Tenant.** If Tenant is a corporation, partnership, limited liability company, association or any other entity, it shall deliver to Landlord, concurrently with the delivery to Landlord of an executed Lease, certified resolutions of Tenant's directors or other governing person or body (i) authorizing execution and delivery of this Lease and the performance by Tenant of its obligations hereunder and (ii) certifying the authority of the party executing the Lease as having been duly authorized to do so.

**24. Waiver Of Trial By Jury.** THE LANDLORD AND THE TENANT, TO THE FULLEST EXTENT THAT THEY MAY LAWFULLY DO SO, HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY ANY PARTY TO THIS LEASE WITH RESPECT TO THIS LEASE, THE PREMISES, OR ANY OTHER MATTER RELATED TO THIS LEASE OR THE PREMISES INCLUDING WITHOUT LIMITATION, AN ACTION FOR RECESSION OF THIS LEASE. If Landlord commences any summary proceeding against Tenant to obtain possession of the Premises, Tenant will not interpose any counterclaim of any nature or description in any such proceeding (unless failure to impose such counterclaim would preclude Tenant from asserting in a separate action the claim which is the subject of such counterclaim,), and will not seek to consolidate such proceeding with any other action which may have been or will be brought in any other court by Tenant, but the foregoing shall not preclude Tenant from asserting any defenses in such summary proceeding including a claim that no default exists.

WHEREFORE, the Village of Lake Zurich and My Flavor It! Place have caused this Lease to be executed and attested on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**VILLAGE OF LAKE ZURICH (Landlord)**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

ATTEST:

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**TENET**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

ATTEST:

Printed Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_

Page 12 of 12

## VILLAGE OF LAKE ZURICH



## ORDINANCE NO. 2021-09-\_\_\_\_

**AN ORDINANCE APPROVING THE LEASE BY THE VILLAGE OF LAKE ZURICH OF PROPERTY AT 8 NORTH OLD RAND ROAD TO "JOHNNY'S SHOE REPAIR"**

**WHEREAS**, pursuant to Section 4 of the Illinois TIF Act, 65 ILCS 5/11-74.4-4, and other applicable authority, the Village of Lake Zurich is authorized to lease the property it owns within the Village commonly known as 8 North Old Rand Road (the "Subject Property"); and

**WHEREAS**, the President and Board of Trustees of the Village have determined that it is in the best interests of the Village and its residents to lease the Subject Property to Johnny's Shoe Repair (the "Tenet") and the Tenet desires to lease the Subject Property, on the terms of the lease attached to and by this reference incorporated into this Ordinance as Exhibit A (the "Lease"); and,

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, as follows:

**Section 1.** Recitals. The foregoing recitals are hereby incorporated into this Ordinance by this reference as findings of the President and Board of Trustees.

**Section 2.** Public Notice. On August 20, 2021 and pursuant to 65 ILCS 5/11-74.4 - 4 (c) reasonable public notice was given of the Village's intent to lease property within the TIF redevelopment project area.

**Section 3.** Approval of Lease. The President and Board of Trustees hereby approve the Lease and authorize and direct the Village Manager to execute the Lease on behalf of the Village.

**Section 4.** Effective Date. This Ordinance will be in full force and effect from and after its passage and approval and publication in pamphlet form in the manner provided by law.

**PASSED** this \_\_\_\_ day of September, 2021, pursuant to a roll call vote as follows:

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED this \_\_\_\_ day of September, 2021.

By: \_\_\_\_\_  
Thomas Poynton, Village President

\_\_\_\_\_  
Kathleen Johnson, Village Clerk

## **COMMERCIAL LEASE**

**1. BASIC TERMS**. This **Section 1** contains the Basic Terms of this Lease between Landlord and Tenant, named below. Other Sections of the Lease referred to in this **Section 1** explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

- A. **Date of Lease:** January 1, 2022
- B. **Landlord:** Village of Lake Zurich
- C. **Tenant:** John Bafaloukos, Johnny's Shoe Repair
- D. **Premises:** 8 North Old Rand Road, Lake Zurich, Illinois (the "Building").
- E. **Permitted Uses:** The Premises will be used to operate a shoe repair store.
- F. **Pets:** No pets shall be brought on the Premises without the prior written consent of Landlord.
- G. **Lease Term:** One (1) year ("Term"), commencing January 1, 2022 ("Commencement Date") and ending three years after Commencement Date ("Expiration Date") with thirty (30) day advance written notice (prior to termination of lease in any year) to be served upon Landlord (as provided for notices herein), provided further that should property be sold by the Landlord, Landlord may terminate this Lease with one hundred and eighty (180) days written notice service upon Tenant (as provided for notices herein). Should Premises and Property be put up for general sale in its current condition, as a single parcel involving only the Premises and Property covered by this Lease, and not as part of a larger tract, in conjunction with other properties or as a development proposal which includes other properties, Landlord will offer Property to Tenant for right-of-first-refusal and will allow Tenant twenty eight (28) business days to secure financing or reject offer to purchase said Property.
- H. **Base Rent Payable by Tenant:** Base rent shall start to accrue on January 1, 2022 in advance and due on the 1<sup>st</sup> of every successive month and is deemed late if not received by the 10<sup>th</sup> of said month.
  - \$825.00 per month for Year 1
  - \$850.00 per month for Year 2
  - \$875.00 per month for Year 3
- I. **Security Deposit:** There continues to be no security deposit required for this Term.

**2. LEASE OF PREMISES; RENT**.

- A. **Lease of Premises for Lease Term.** Landlord hereby leases the Premises to Tenant, and Tenant hereby rents the Premises from Landlord, for the Term and subject to the conditions of this Lease.
- B. **Types of Rental Payments.** Tenant shall pay rents of (a) net base rent payable in monthly installments as set forth in **Section 1.**, H. hereof, in advance, on the first (1<sup>st</sup>) day of each and every calendar month during the Term of this Lease (the "Base Rent"); (b) interest on late payments of Rent at the rates set forth hereinbelow and (c) in the event any monthly installment of Base Rent or Additional Rent, or both, is not paid within ten (10) days of the date when due, a late charge in an amount equal to 5% of the then delinquent installment of Base Rent (the "Late Charge"; the Late Charge, Base Rent, and interest thereon shall collectively be referred to as "Rent"), to the Landlord or pursuant to such other directions as Landlord shall designate in this Lease or otherwise in writing. In addition to the rental payments, Tenant shall be responsible for payment of its own phone and internet use, services and utilities to the Premises which are separately metered and scavenger service.
- C. **Covenants Concerning Rental Payments.** Tenant shall pay the Rent promptly when due, without notice or demand, and without any abatement, deduction or setoff, except as may otherwise be expressly and specifically provided in this Lease. No payment by Tenant, or receipt or acceptance by Landlord, of a lesser amount than the correct Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any payment be deemed an accord or satisfaction, and Landlord may accept such payment without prejudice to its right to recover the balance due or to pursue any other remedy available to Landlord. If the

Commencement Date occurs on a day other than the first (1<sup>st</sup>) day of a calendar month, the Rent due for the first calendar month of the Term shall be prorated on a per diem basis and paid to Landlord on the Commencement Date, and the Term will be extended to terminate on the last day of the calendar month in which the Expiration Date stated in Section 1., G. occurs. Except as may otherwise be expressly and specifically provided in this Lease, Tenant's obligation to pay Rent is independent of each and every covenant contained in this Lease.

D. **Assignment and Subletting.** Tenant shall not assign this Lease or sublet any portion of the Premises without prior written consent of Landlord.

### **3. USE OF PREMISES AND COMMON AREAS.**

A. **Use of Premises and Property.** The Premises shall be used by the Tenant only for the business purpose(s) set forth in **Section 1.E.** above. Tenant shall not, at any time, use or occupy, or suffer or permit anyone to use or occupy, the Premises, or do or permit anything to be done in the Premises or the Property, in any manner that may (a) violate any Certificate of Occupancy or Business License for the Premises or the Property; (b) cause, or be liable to cause, injury to, or in any way impair the proper utilization of, all or any portion of the Property (including, but not limited to, the structural elements of the Property) or any equipment, facilities or systems therein; (c) constitute a violation of the laws and requirements of any public authority or the requirements of insurance bodies or the rules and regulations of the Property, including any covenant, condition or restriction affecting the Property; (d) exceed the load bearing capacity of the floor of the Premises; (e) impair or tend to impair the character, reputation or appearance of the Premises or Property; or (e) unreasonably annoy, inconvenience or disrupt the operations or tenancies of other tenants or users of the Property.

B. **Signage.** Tenant shall not affix any sign of any size or character to any exterior portion of the Property, without prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed. Tenant shall remove all signs of Tenant upon the expiration or earlier termination of this Lease and immediately repair any structural damage to either or both of the Property and the Premises caused by, or resulting from, such removal.

C. **Parking.** During the term of this Lease, Tenant has the non-exclusive right to use the non-reserved common automobile parking areas and driveways, and the pedestrian access areas. Parking is to be used for business related purposes only. No overnight long-term storage of vehicles or other personal property shall be permitted.

### **4. CONDITION AND DELIVERY OF PREMISES.**

Tenant agrees that Tenant is familiar with the condition of both the Premises and the Property, and Tenant hereby accepts the foregoing on an "AS-IS," "WHERE-IS" basis, provided however the Landlord agrees the Premises shall be habitable, suitable for use as an office building, with all mechanicals, plumbing and HVAC system (including all ductwork diffusers, return air vents and thermostats) to be in good working order. Tenant acknowledges that neither Landlord nor any representative of Landlord, has made any representation as to the condition of the foregoing or the suitability of the foregoing for Tenant's intended use.

### **5. COMPLIANCE WITH LAWS.**

A. **Compliance with Laws.** Tenant shall, at its sole expense (regardless of the cost thereof), comply with all local, state and federal laws, rules, regulations and requirements now or hereafter in force and all judicial and administrative decisions pertaining thereto (collectively, "Laws"), pertaining to either or both of the Premises and Tenant's use and occupancy thereof. With the exception of any Occupancy Inspection Fee, which is hereby waived by the Village of Lake Zurich/Landlord, if any other license or permit is required for the conduct of Tenant's business in the Premises, Tenant, at its expense, shall procure such license prior to the Commencement Date, and shall maintain such license or permit in good standing throughout the Term. Tenant shall give prompt notice to Landlord of any written notice it receives of the alleged violation of any law or requirement of any governmental or administrative authority with respect to either or both of the Premises and the use or occupation thereof. The judgment of any court of competent jurisdiction, or the admission of Tenant in any action or proceeding against Tenant, whether Landlord is a party thereto or not, that any such Law pertaining to the

Premises has been violated, shall be conclusive of that fact as between Landlord and Tenant.

#### 6. INSURANCE

A.

**Insurance to be Maintained by Landlord.** Landlord shall maintain (a) "all-risk" property insurance covering the Property (at its full replacement cost), but excluding Tenant's Property.

B.

**Insurance to be Maintained by Tenant.** Tenant shall purchase at its own expense and keep in force during this Lease, a policy or policies of commercial general liability insurance, including personal injury and property damage, and business auto liability, in the following amounts:

*Commercial General Liability:* \$1,000,000 combined single limit per occurrence for bodily injury, and property damage, and \$1,000,000 per occurrence for personal injury. The Minimum General Aggregate shall be no less than \$2,000,000.

*Business Automobile Liability:* \$1,000,000 combined single limit per accident for bodily injury and property damage.

Insurance shall cover Tenant against any losses arising out of liability for personal injuries or deaths of persons and property damage occurring in or about the Premises and Property (including as a result of any) and include "all-risk" property insurance covering Tenant's Property (and damage to other property resulting from any acts or operations of Tenant) and Alterations, as defined in Section 9.A. Said policies shall (a) name Landlord and any party holding an interest to which this Lease may be subordinated as additional insureds, (b) be issued by an insurance company with a Best rating of A-X or better and otherwise reasonably acceptable to Landlord and licensed to do business in the state in which the Property is located, (c) provide that said insurance shall not be canceled or materially modified unless thirty (30) days' prior written notice shall have been given to Landlord, (d) provide coverage on an occurrence basis; (e) provide coverage for the indemnity obligations of Tenant under this Lease; (f) contain a severability of insured parties provision and a cross liability endorsement; (g) be primary, not contributing with, and not in excess of, coverage that Landlord may carry; (h) include a hostile fire endorsement; and (i) otherwise be in such form and include such coverages as Landlord may reasonably require. Said policy or policies or, at Landlord's option, Certificate of Insurance, in a form reasonably acceptable to Landlord, evidencing said policies, shall be delivered to Landlord by Tenant upon commencement of the Lease and renewals thereof shall be delivered at least thirty (30) days prior to the expiration of said insurance.

C.

**Waiver of Subrogation.** To the extent permitted by law, and without affecting the coverage provided by insurance required to be maintained hereunder, Landlord and Tenant each waive any right to recover against the other for (a) damages to property, (b) damages to all or any portion of either or both of the Premises and the Property, or (c) claims arising by reason of the foregoing, to the extent such damages and claims are insured against or required to be insured against by Landlord or Tenant under this Lease, and Tenant waives any loss due to business interruption. This provision is intended to waive, fully and for the benefit of each party, any rights and/or claims which might give rise to a right of subrogation by any insurance carrier. The coverage obtained by each party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier which conforms to the provisions of this section.

#### 7. ALTERATIONS

A.

**Procedural Requirements.** Tenant may, from time to time, at its expense, make alterations or improvements in and to the Premises (hereinafter collectively referred to as "Alterations"), provided that Tenant first obtains the written consent of Landlord in each instance. Landlord's consent to Alterations shall not be unreasonably withheld, provided that: (a) the Alterations are non-structural and the structural integrity of the Property shall not be affected; (b) the Alterations are to the interior of the Premises; (c) the proper functioning of the mechanical, electrical, heating, ventilating, air-conditioning

("HVAC"), sanitary and other service systems of the Property shall not be affected and the usage of such systems by Tenant shall not be increased; (d) the Alterations have no adverse effect on other leased premises in the Property; (e) Tenant shall have appropriate insurance coverage, reasonably satisfactory to Landlord, regarding the performance and installation of the Alterations; (f) the Alterations shall conform with all other requirements of this Lease; and (g) Tenant shall have provided Landlord with reasonably detailed plans (the "Plans") for such Alterations in advance of requesting Landlord's consent. Additionally, before proceeding with any Alterations, Tenant shall (i) at Tenant's expense, obtain all necessary governmental permits and certificates for the commencement and prosecution of Alterations; (ii) submit for Landlord's written approval, working drawings, plans and specifications and all permits for the work to be done and Tenant shall not proceed with such Alterations until it has received said approval; and (iii) cause those contractors, materialmen and suppliers engaged to perform the Alterations to deliver to Landlord certificates of insurance (in a form reasonably acceptable to Landlord) evidencing policies of commercial general liability insurance. After obtaining Landlord's approval to the Alterations, Tenant shall give Landlord at least five days' prior written notice of the commencement of any Alterations at the Premises, and Landlord may elect to record and post notices of non-responsibility at the Premises.

**B.**

**Performance of Alterations.** Tenant shall cause the Alterations to be performed in compliance with all applicable permits, laws and requirements of public authorities, and with Landlord's reasonable rules and regulations or any other restrictions that Landlord or Agent may impose on the Alterations. Tenant shall cause the Alterations to be diligently performed in a good and workmanlike manner, using new materials and equipment at least equal in quality and class to the standards for the Property established by Landlord. Tenant shall obtain all necessary permits and certificates for final governmental approval of the Alterations and shall provide Landlord with "as built" plans, copies of all construction contracts, governmental permits and certificates and proof of payment for all labor and materials, including, without limitation, copies of paid invoices and final lien waivers.

**C.**

**Lien Prohibition.** Tenant shall pay when due all claims for labor and material furnished to the Premises in connection with the Alterations. Tenant shall not permit any mechanics or materialmen's liens to attach to the Premises or the Property. Tenant, at its expense, shall procure the satisfaction or discharge of record of all such liens and encumbrances within thirty (30) days after the filing thereof; or, if acceptable to Landlord, in its reasonable determination, Tenant may procure (for Landlord's benefit) a bond or other protection against any such lien or encumbrance. In the event Tenant has not so performed, Landlord may, at its option, pay and discharge such liens and Tenant shall be responsible to reimburse Landlord, on demand and as Additional Rent under this Lease, for all costs and expenses incurred in connection therewith, together with interest thereon at the rate of five (5%) percent per annum, which expenses shall include reasonable fees of attorneys of Landlord's choosing, and any costs in posting bond to effect discharge or release of the lien as an encumbrance against the Premises or the Property.

**8. LANDLORD'S AND TENANT'S PROPERTY.**

**A.**

**Landlord's Property.** Subject to **Section 8.B**, all fixtures, Alterations, improvements and appurtenances attached to, or built into, the Premises at the commencement of, or during the Term, whether or not placed there by or at the expense of Tenant, shall become and remain a part of the Premises; shall be deemed the property of Landlord (the "Landlord's Property"), without compensation or credit to Tenant; and shall not be removed by Tenant at the Expiration Date unless Landlord requests their removal.

Further, any personal property in the Premises on the Commencement Date, movable or otherwise, unless installed and paid for by Tenant, shall be and shall remain the property of Landlord and shall not be removed by Tenant. In no event shall Tenant remove any of the following materials or equipment without Landlord's prior written consent: any power wiring or power panels, lighting or lighting fixtures, wall or window coverings,

carpets or other floor coverings, heaters, air conditioners or any other HVAC equipment, fencing or security gates, or other similar building operating equipment and decorations.

**B.** **Tenant's Property.** All movable non-structural partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment that are installed in the Premises by, or for the account of, Tenant and without expense to Landlord and that can be removed without structural damage to the Property, and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Premises (collectively, the "Tenant's Property") shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term, provided Tenant repairs or pays the cost of repairing any damage to the Premises or to the Property resulting from the installation and/or removal thereof. At or before the Expiration Date, or the date of any earlier termination, Tenant, at its expense, shall remove from the Premises all of Tenant's Property and any Alterations (except such items thereof as constitute Landlord's Property and which Landlord does not request be removed; or as Landlord shall have expressly permitted, in writing, to remain, which property shall become the property of Landlord), and Tenant shall repair any damage to the Premises or the Property resulting from any installation and/or removal of Tenant's Property. Any other items of Tenant's Property that shall remain in the Premises after the Expiration Date, or following an earlier termination date, may, at the option of Landlord, be deemed to have been abandoned, and in such case, such items may be retained by Landlord as its property or be disposed of by Landlord, in Landlord's sole and absolute discretion and without accountability, at Tenant's expense. Notwithstanding the foregoing, if Tenant is in default under the terms of this Lease, it may remove Tenant's Property from the Premises only upon the express written direction of Landlord.

#### 9. REPAIRS AND MAINTENANCE.

**A.** **Tenant Repairs and Maintenance.** Tenant shall, at its expense, throughout the Term, (i) maintain and preserve, in proper reasonable condition (subject to normal and customary wear and tear), the Premises and the fixtures and appurtenances therein (excluding, however, those components of the Premises for which Landlord is expressly responsible under Section 9.B.). Tenant shall also be responsible for all cost and expenses incurred to perform any and all repairs and replacements (whether structural or non-structural; interior or exterior; and ordinary or extraordinary), in and to the Premises and the Property and the facilities and systems thereof, if and to the extent that the need for such repairs or replacements arises directly or indirectly from (a) the performance or existence of any Alterations, (b) the installation, use or operation of Tenant's Property in the Premises, (c) the moving of Tenant's Property in or out of the Property, or (d) any act, omission, misuse, or neglect of Tenant, any of its subtenants, or others entering into the Premises by act or omission of Tenant or any subtenant. Any repairs or replacements required to be made by Tenant to any or all of the structural components of the Property and the mechanical, electrical, sanitary, HVAC, or other systems of the Property or Premises shall be performed by appropriately licensed contractors approved by Landlord, which approval shall not be unreasonably withheld. All such repairs or replacements shall be subject to the supervision and control of Landlord, and all repairs and replacements shall be made with materials of equal or better quality than the items being repaired or replaced.

**B.** **Landlord Repairs.** Notwithstanding anything contrary herein, Landlord shall repair, replace and restore the foundation, exterior and interior load-bearing walls, roof structure and roof covering and tuck-pointing, plumbing and HVAC systems, all doors, overhead or otherwise, glass and levelers located on the Premises and Property; provided, however, that (i) all costs and expenses so incurred by Landlord to repair, replace and restore the above items shall constitute Operating Expenses; and (ii) notwithstanding (i) above, in the event that any such repair, replacement or restoration is necessitated by any or all of the matters set forth in Sections 9.B within a reasonable period of time after receiving from Tenant written notice of the need for such repairs.

**10. UTILITIES AND LANDSCAPING.** Tenant shall be responsible for all utility payments, including electricity, heat, natural gas, water, refuse and recycling collection, phone and internet service. Landlord shall be

solely responsible for the repair and maintenance of any meters necessary in connection with such services. Tenant's use of electrical energy in the Premises shall not, at any time, exceed the capacity of either or both of (i) any of the electrical conductors and equipment in or otherwise servicing the Premises; and (ii) the HVAC systems of either or both of the Premises and the Property.

**11. INVOLUNTARY CESSATION OF SERVICES.** Landlord reserves the right, without any liability to Tenant and without affecting Tenant's covenants and obligations hereunder, to stop service of the HVAC, electric, sanitary, or other systems serving the Premises, or to stop any other services required by Landlord under this Lease, whenever and for so long as may be necessary by reason of (i) accidents, emergencies, strikes, or the making of repairs or changes which Landlord or Agent in good faith deems necessary or (ii) any other cause beyond Landlord's reasonable control. Further, it is also understood and agreed that Landlord or Agent shall have no liability or responsibility for a cessation of services to the Premises or to the Property that occurs as a result of causes beyond Landlord's reasonable control. No such interruption of service shall be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord or Agent liable to Tenant for damages, or relieve Tenant from performance of Tenant's obligations under this Lease, including, but not limited to, the obligation to pay Rent, or impose any liability upon Landlord or Agent by reason of inconvenience to Tenant, or interruption of Tenant's business or otherwise.

**12. LANDLORD'S RIGHTS.** Landlord and its respective agents, employees and representatives shall have the right to enter and/or pass through the Premises at any time or times upon reasonable prior notice (at least 24 hours) except in the event of emergency: (a) to examine and inspect the Premises and to show them to actual and prospective lenders, prospective purchasers or mortgagees of the Property or providers of capital to Landlord and its affiliates; and (b) to make such repairs, alterations, additions and improvements in or to all or any portion of either or both of the Premises and the Property, or the Property's facilities and equipment as Landlord is required or desires to make. Landlord shall be allowed to take all materials into and upon the Premises that may be required in connection with any repairs, alterations, additions or improvements, without any liability to Tenant and without any reduction or modification of Tenant's covenants and obligations hereunder; provided, however, that Landlord shall use reasonable efforts to avoid interference with Tenant's business operations and Tenant's occupancy and use of the Premises. During the period of twelve months prior to the Expiration Date (or at any time, if Tenant has vacated or abandoned the Premises or is otherwise in default under this Lease), Landlord and its agents may exhibit the Premises to prospective tenants. Additionally, Landlord shall have the following rights with respect to the Premises, exercisable without notice to Tenant, without liability to Tenant, and without being deemed an eviction or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for setoff or abatement of Rent: (i) to designate and approve, prior to installation, all types of signs; (ii) to have pass keys, access cards, or both, to the Premises; (iii) to decorate, remodel, repair, alter or otherwise prepare the Premises for reoccupancy at any time after Tenant vacates or abandons the Premises for more than thirty (30) consecutive days or with no intention of reoccupying the Premises, and (iv) to change the name or address of the Property.

**13. DAMAGE OR DESTRUCTION.**

- A. **Notification and Repair.** Tenant shall give prompt notice to Landlord and Agent of (a) any fire or other casualty to the Premises or the Property, and (b) any damage to or defect in any part or appurtenance of the Property's sanitary, electrical, HVAC, elevator or other systems located in or passing through the Premises or any part thereof. Subject to the provisions of **Section 13.C.** below, if either or both of the Property and the Premises is damaged by fire or other insured casualty, Landlord shall repair (or cause Agent to repair) the damage and restore and rebuild the Property and/or the Premises (except for Tenant's Property and Alterations) with reasonable dispatch after (x) notice to it of the damage or destruction and (y) the adjustment of the insurance proceeds attributable to such damage. Subject to the provisions of **Section 13.C.** below, Tenant shall not be entitled to terminate this Lease and no damages, compensation or claim shall be payable by Landlord for purported inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises or of the Property pursuant to this Section. Landlord shall use its diligent, good faith efforts to make such repair or restoration promptly and in such manner as not to unreasonably interfere with Tenant's use and occupancy of the Premises, but Landlord shall not be required to do such repair or restoration work except during normal business hours of business days.
- B. **Rental Abatement.** If (a) the Property is damaged by fire or other casualty thereby causing the Premises to be inaccessible or (b) the Premises are partially damaged by fire

or other casualty, the Rent shall be proportionally abated to the extent of any actual loss of use of the Premises by Tenant.

C.

**Total Destruction.** If the Property or the Premises shall be totally destroyed by fire or other casualty, or if the Property shall be so damaged by fire or other casualty that (in the reasonable opinion of a reputable contractor or architect designated by Landlord): (i) its repair or restoration requires more than 180 days or (ii) such repair or restoration requires the expenditure of more than 50% of the full insurable value of the Property immediately prior to the casualty or (iii) the damage (x) is less than the amount stated in (ii) above, but more than 10% of the full insurable value of the Property; and (y) occurs during the last two years of Lease Term, Landlord and Tenant shall each have the option to terminate this Lease (by so advising the other, in writing) within 10 days after said contractor or architect delivers written notice of its opinion to Landlord and Tenant, but in all events prior to the commencement of any restoration of the Premises or the Property by Landlord. In such event, the termination shall be effective as of the date upon which either Landlord or Tenant, as the case may be, receives timely written notice from the other terminating this Lease pursuant to the preceding sentence. If neither Landlord nor Tenant timely delivers a termination notice, this Lease shall remain in full force and effect. If (A) any other party entitled to the insurance proceeds fails to make such proceeds available to Landlord in an amount sufficient for restoration of the Premises or the Property, or (B) the issuer of any casualty insurance policies on the Property fails to make available to Landlord sufficient proceeds for restoration of the Premises or the Property, then Landlord may, at Landlord's sole option, terminate this Lease by giving Tenant written notice to such effect within 30 days after Landlord receives notice from the insurance company that such proceeds shall not be made available, in which event the termination of this Lease shall be effective as of the date Tenant receives written notice from Landlord of Landlord's election to terminate this Lease. For purposes of this Section 13.C. only, "full insurable value" shall mean replacement cost, less the cost of footings, foundations and other structures below grade.

**14. SURRENDER AND HOLDOVER.** On the last day of the Term, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Premises, (a) Tenant shall quit and surrender the Premises to Landlord "broom-clean" and in good order, condition and repair, except for ordinary wear and tear and such damage or destruction as Landlord is required to repair or restore under this Lease, and (b) Tenant shall remove all of Tenant's Property therefrom, except as otherwise expressly provided in this Lease. The obligations imposed under the preceding sentence shall survive the termination or expiration of this Lease. If any repairs are required to be performed in, to or at the Premises (pursuant to the preceding sentence or any other applicable provision of this Lease) upon the expiration or termination of the Term, Tenant shall cause such repairs to be performed, to Landlord's reasonable satisfaction, within ten (10) business days after the date on which this Lease is terminated or expired. If Tenant fails to timely comply with the preceding sentence, then Landlord shall have the right to cause the repairs to be performed, at Tenant's expense, and all such expenses so incurred by Landlord shall bear interest (at the rate five percent (5%) per annum) from the date the expense is incurred until the date paid, in full, by Tenant (inclusive of interest). If Tenant remains in possession after the Expiration Date hereof or after any earlier termination date of this Lease or of Tenant's right to possession: (i) Tenant shall be deemed a tenant-at-will; (ii) Tenant shall pay 200% of the aggregate of the Base Rent last prevailing hereunder, and also shall pay all actual damages sustained by Landlord, directly by reason of Tenant's remaining in possession after the expiration or termination of this Lease; (iii) there shall be no renewal or extension of this Lease by operation of law; and (iv) the tenancy-at-will may be terminated upon thirty (30) days' written notice from Landlord. The provisions of this Section 16 shall not constitute a waiver by Landlord of any re-entry rights of Landlord provided hereunder or by law.

**15. EVENTS OF DEFAULT.** Each of the following shall constitute a default by Tenant under this Lease: (a) if Tenant fails to pay Rent or any other payment when due hereunder within five days after written notice from Landlord of such failure to pay on the due date; provided, however, that if in any consecutive twelve (12) month period, Tenant shall, on three separate occasions, fail to pay any installment of Rent on the date such installment of Rent is due, then, on the third such occasion and on each occasion thereafter on which Tenant shall fail to pay an installment of Rent on the date such installment of Rent is due, Landlord shall be relieved from any obligation to provide notice to Tenant, and Tenant shall then no longer have a five day period in which to cure any such failure; or (b) if Tenant fails, whether by action or inaction, to timely comply with, or satisfy, any or all of the obligations

or all of Tenant and Tenant's Parties; (c) any accident, injury or damage whatsoever (unless caused by Landlord's negligence) occurring in, at or upon either or both of the Property and the Premises and caused by any or all of Tenant and Tenant's Parties; (d) any breach by Tenant of any of its warranties and representations under this Lease; (e) any violation or alleged violation by any or all of Tenant and Tenant's Parties of any Law including, without limitation, any Environmental Law; (f) any breach of the provisions of Section 7 by any or all of Tenant and Tenant's Parties; (g) claims for work or labor performed or materials supplies furnished to or at the request of any or all of Tenant and Tenant's Parties; (h) claims arising from any breach or default on the part of Tenant in the performance of any covenant contained in this Lease; (i) any Hazardous Materials used, exposed, emitted, released, discharged, generated, manufactured, sold, transported, handled, stored, treated, reused, presented, disposed of or recycled in, at, near or under all or any portion of the Premises as a result of the acts or omissions of any or all of Tenant and Tenant's Parties; or (j) the violation of any Environmental Law or any permit, application or consent required in connection with any Environmental Law by any or all of Tenant and Tenant's Parties with respect to the Premises during the Term, excluding, however, any violation of any Environmental Law resulting from the acts or omissions of Landlord and Landlord's employees, agents and contractors (collectively, "Tenant's Indemnified Matters"). In case any action or proceeding is brought against any or all of Landlord and the Landlord Indemnified Parties by reason of any of Tenant's Indemnified Matters, Tenant, upon notice from Landlord, shall resist and defend such action or proceeding by counsel reasonably satisfactory to, or selected by, Landlord. The term "Losses" shall mean all claims, demands, expenses, actions, judgments, damages (whether direct or indirect, known or unknown, foreseen or unforeseen), penalties, fines, liabilities, losses of every kind and nature (including, without limitation, property damage, diminution in value of Landlord's interest in the Premises or the Property, damages for the loss or restriction on use of any space or amenity within the Premises or the Property, damages arising from any adverse impact on marketing space in the Property, sums paid in settlement of claims and any costs and expenses associated with injury, illness or death to or of any person), suits, administrative proceedings, costs and fees, including, without limitation, attorneys' and consultants' fees and expenses, and the costs of cleanup, remediation, removal and restoration, that are in any way related to any matter covered by the foregoing indemnity. The provisions of this subsection shall survive the expiration or termination of this Lease.

B. **Landlord Indemnification.** Landlord hereby indemnifies, defends and holds Tenant harmless from and against any and all claims, losses, costs, damages (actual, but not consequential or speculative), judgments, causes of action, administrative proceedings and third party expenses (including, but not limited to, court costs and attorneys' reasonable fees) actually suffered or incurred by Tenant as the sole and direct result of any negligent, willful or intentional acts or omissions of any or all of Landlord and any parties within the direct and sole control of Landlord. In the event that any action or proceeding is brought against Tenant, and the foregoing indemnity is applicable to such action or proceeding, then Landlord, upon notice from Tenant, shall resist and defend such action or proceeding by counsel reasonably satisfactory to Tenant. Notwithstanding anything to the contrary set forth in this Lease, however, in all events and under all circumstances, the liability of Landlord to Tenant shall be limited to the interest of Landlord in the Property, and Tenant agrees to look solely to Landlord's interest in the Property for the recovery of any judgment or award against Landlord, it being intended that Landlord shall not be personally liable for any judgment or deficiency. The provisions of this subsection shall survive the expiration or termination of this Lease.

#### 18. MISCELLANEOUS.

A. **Entire Agreement.** No agreement shall be effective to modify this Lease, in whole or in part, unless such agreement is in writing, and is signed by the party against whom enforcement of said change or modification is sought.

B. **Notices.** Unless otherwise provided in this Agreement, any notice or other communication herein required or permitted to be given shall be in writing and shall be given by electronic communication, hand delivery, registered or certified mail, with

proper postage prepaid, return receipt requested, or courier service regularly providing proof of delivery, addressed to the parties as set forth below.

Village of Lake Zurich  
c/o Village Manager  
70 E. Main Street  
Lake Zurich, IL 60047

Johnny's Shoe Repair  
c/o  
8 North Old Rand Road  
Lake Zurich, IL 60047

- C. **Non-Waiver.** The failure of either party to insist, in any one or more instances, upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, but the Lease shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt and acceptance by Landlord of Base Rent with knowledge of breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach.
- D. **Lead Paint Disclosure.** "Every purchaser or lessee of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller or lessor of any interest in residential real estate is required to provide the buyer or lessee with any information on lead-based paint hazards from risk assessments or inspection in the seller or lessor's possession and notify the buyer or lessee of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."
- E. **Radon Gas Disclosure.** As required by law, Landlord makes the following disclosure: "Radon Gas" is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings. Additional information regarding radon and radon testing may be obtained from your county public health unit.

**19. Parties Bound.** Except as otherwise expressly provided for in this Lease, this Lease shall be binding upon, and inure to the benefit of, the successors and assignees of the parties hereto. No assignment can be made without Landlord's written consent. In the event of such conveyance and transfer, Landlord's obligations shall thereafter be binding upon each transferee (whether Successor Landlord or otherwise). No obligation of Landlord shall arise under this Lease until the instrument is signed by, and delivered to, both Landlord and Tenant.

**20. Recordation of Lease.** Tenant shall not record or file this Lease (or any memorandum hereof) in the public records of any county or state.

**21. Survival of Obligations.** Upon the expiration or other termination of this Lease, neither party shall have any further obligation nor liability to the other except as otherwise expressly provided in this Lease and except for such obligations as, by their nature or under the circumstances, can only be, or by the provisions of this Lease, may be performed after such expiration or other termination.

**22. Governing Law; Construction.** This Lease shall be governed by and construed in accordance with the laws of Illinois. Any proceeding initiated over any dispute arising out of or relating to this Lease shall be initiated in any federal or state court located within the County of Lake in the State of Illinois, and the parties further agree that venue for all such matters shall lie exclusively in those courts. If any provision of this Lease shall be invalid or unenforceable, the remainder of this Lease shall not be affected but shall be enforced to the extent permitted by law. The captions, headings and titles in this Lease are solely for convenience of reference and shall not affect its interpretation. Each covenant, agreement, obligation, or other provision of this Lease to be performed by Tenant, shall be construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. This Lease may be executed in counterpart and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument.

**23. Authority of Tenant.** If Tenant is a corporation, partnership, limited liability company, association or any other entity, it shall deliver to Landlord, concurrently with the delivery to Landlord of an executed Lease, certified resolutions of Tenant's directors or other governing person or body (i) authorizing execution and delivery of this Lease and the performance by Tenant of its obligations hereunder and (ii) certifying the authority of the party executing the Lease as having been duly authorized to do so.

**24. Waiver Of Trial By Jury.** THE LANDLORD AND THE TENANT, TO THE FULLEST EXTENT THAT THEY MAY LAWFULLY DO SO, HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY ANY PARTY TO THIS LEASE WITH RESPECT TO THIS LEASE, THE PREMISES, OR ANY OTHER MATTER RELATED TO THIS LEASE OR THE PREMISES INCLUDING WITHOUT LIMITATION, AN ACTION FOR RECESSION OF THIS LEASE. If Landlord commences any summary proceeding against Tenant to obtain possession of the Premises, Tenant will not interpose any counterclaim of any nature or description in any such proceeding (unless failure to impose such counterclaim would preclude Tenant from asserting in a separate action the claim which is the subject of such counterclaim), and will not seek to consolidate such proceeding with any other action which may have been or will be brought in any other court by Tenant, but the foregoing shall not preclude Tenant from asserting any defenses in such summary proceeding including a claim that no default exists.

**WHEREFORE**, the Village of Lake Zurich and Johnny's Shoe Repair have caused this Lease to be executed and attested on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**VILLAGE OF LAKE ZURICH (Landlord)**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**ATTEST:**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**TENET**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_

**ATTEST:**

Printed Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_



*At the Heart of Community*

POLICE DEPARTMENT

200 Mohawk Trail  
Lake Zurich, Illinois 60047

(847) 719-1690  
LakeZurich.org

RECEIVED  
AUGUST 2021

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F

MEMORANDUM

Date: September 14, 2021  
To: Ray Keller, Village Manager *PK*  
From: Steven D. Husak, Police Chief  
Subject: Proposed Municipal Code Amendments - 6-4B-18 & 6-4B-19

**Issue:** Title 6, Chapter 1, Article A of the Village Code of Lake Zurich formally adopts the Illinois Vehicle Code (IVC). Over the years the Village has chosen to create new ordinance numbers and different fine amounts for a variety of offenses rather than utilizing the Illinois statute numbers and fines. The seat belt law is not included in this ordinance.

**Village Strategic Plan:** The requested amendments are consistent with the following Goals and Objectives of the Strategic Plan.

**Goal # 1 Fiscal Sustainability**

- F – Continue Organizational Analysis to Increase Efficiencies

**Goal # 4 Service Sustainability**

- B – Develop a High-Performance Organization

**Analysis:** Illinois has had a mandatory seat belt law since 1985. The violation was considered a secondary violation, as police officers were not permitted to stop a vehicle based solely on an observed violation. In 2004, the seat belt law was updated to a primary violation in which police officers could stop a vehicle for an occupant not wearing a seat belt. The fine was \$55 and increased to \$60 in 2010. In 2019, the fine for not wearing a seat belt was raised to \$164.

After staff review of the IVC violations specified in the Village Code, there is a desire to add violations of the seat belt law to the Code. This would allow officers the option to issue local ordinance tickets for seat belt violations and apply the fine amount listed in the Code. Based on the 2019 Illinois statute fine increases, we feel a local ordinance that includes a \$50 fine would be a more reasonable approach to enforcing seat belt violations in many situations.

**Recommendation:** Approve updates to Article D, of Chapter 4, of Title 6 (6-4D-18 & 6-4D-19) of the Lake Zurich Village Code. The new seat belt language should be inserted as paragraph 18 and the Penalties paragraph should be relabeled as 19.

w/ attachment: Proposed Ordinance

**ORDINANCE NO. 2021-09-**

AN ORDINANCE AMENDING CHAPTER 4 ENTITLED "VEHICLE OPERATION" OF  
TITLE 6 ENTITLED "TRAFFIC CODE" OF THE LAKE ZURICH MUNICIPAL CODE  
TO INCLUDE FAILURE TO WEAR A SEAT BELT AND AMENDING TITLE 13  
ENTITLED "COMPREHENSIVE FEE SCHEDULE"

**WHEREAS**, The Illinois Vehicle Code, 625 Illinois Compiled Statutes 5/1-100 et seq. has been incorporated into the Lake Zurich Municipal Code; and

**WHEREAS**, In lieu of, or addition to any other Village Code, ordinance, or regulation, any officer of the Village issuing a citation may issue it pursuant to any section of the Illinois Vehicle Code. All such citations shall state that the citation is a violation of a Village Code, ordinance, or regulation; and

**WHEREAS**, Lake Zurich Municipal Code should be updated to include violations of the seat belt law contained in the Illinois Vehicle Code; and

**WHEREAS**, upon approval of this Ordinance, Chapter 4 of Title 6 of the Village of Lake Zurich municipal code will be amended as follows; and

**WHEREAS**, a Comprehensive Fee Schedule was created in December 2018 via Ordinance #2018-12-279 to create a unified fee schedule to increase transparency of municipal fees.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Board of Trustees of the Village of Lake Zurich, Lake County, Illinois, as follows:

**SECTION 1: ADOPTION AND INCORPORATION OF RECITALS.** The foregoing recitals are hereby incorporated into this Ordinance as the findings of the Mayor and Board of Trustees.

**SECTION 2: APPROVAL OF AMENDMENTS TO TITLE 6 OF THE VILLAGE MUNICIPAL CODE.** The Board of Trustees, pursuant to the authority vested in it under the laws of the State of Illinois and the Lake Zurich Municipal Code, hereby approves the following amendments to Chapter 4 of Title 6 of the Lake Zurich Municipal Code, specifically as follows:

## CHAPTER 4 OF TITLE 6

### **6-4D-18: SEAT BELTS:**

Each driver and passenger of a motor vehicle operated on a street or highway in this Village shall wear a properly adjusted and fastened seat safety belt (in accordance with 625 ILCS 5/12-603.1).

### **6-4D-18 19: PENALTIES:**

A. Equipment Citations: Any person to whom a citation for an equipment violation has been issued under this article, and who has corrected the equipment violation, may avoid prosecution for the citation by paying a sum pursuant to title 13, chapter 1, "Fee Schedule", of this Code.

After a twenty (20) day time period, the fine will be as prescribed in subsection B of this section. (Ord. 2009-10-666, 10-5-2009; amd. Ord. 2018-12-279, 12-3-2018)

B. Fines Forwarded For Collection: If a citation is not paid pursuant to subsection A of this section, then the Village may commence proceedings to recover the payment in accordance with the following procedures: (Ord. 2009-10-666, 10-5-2009)

1. The Village may issue notice to the person who was issued a citation or the registered owner of the offending vehicle by first class postage prepaid U.S. mail, which notice must state: a) that the violator or owner may pay pursuant to title 13, chapter 1, "Fee Schedule", of this Code to the Village within ten (10) days after the date of that notice in full satisfaction of the citation, and b) that, if that payment is not received within the ten (10) day period, then the fine will increase pursuant to title 13, chapter 1, "Fee Schedule", of this Code, and c) that the Village may initiate collection proceedings if payment is not received within the ten (10) day period. (Ord. 2009-10-666, 10-5-2009; amd. Ord. 2018-12-279, 12-3-2018)

2. If payment is not received within the ten (10) day period, then the Village may issue a second notice to the violator or registered owner of the offending vehicle by first class postage prepaid U.S. mail, which notice must state the following: (Ord. 2009-10-666, 10-5-2009)

- a. The fine for the violation is pursuant to title 13, chapter 1, "Fee Schedule", of this Code; and
- b. The fine may be paid on or before a date certain not less than ten (10) days after the date of the second notice; and (Ord. 2009-10-666, 10-5-2009; amd. Ord. 2018-12-279, 12-3-2018)
- c. If payment is not received, then the Village may immediately implement collection proceedings against the owner. (Ord. 2009-10-666, 10-5-2009)

**SECTION 3: APPROVAL OF ADDITIONS TO TITLE 13 OF THE VILLAGE MUNICIPAL CODE.** The Board of Trustees, pursuant to the authority vested in it under the laws of the State of Illinois and the Lake Zurich Municipal Code, hereby approves the following amendments to Title 13 Section 1 the Lake Zurich Municipal Code, specifically as follows:

**SECTION 5 "Traffic Code" OF TITLE 13 "Comprehensive Fee Schedule"**

Code Section	Subject	Fee/Fine
6-4D-1 to 17	<b>Vehicle equipment citations:</b>	
	Payment in full within 10 days of citation	\$25.00
	Payment in full after 10 days but within 20 days of citation	\$40.00
6-4D-1 to 17	<b>Fines forwarded for collection:</b>	
	Payment in full within 10 days of first notice	\$30.00
	Payment in full not received within 10 days	\$50.00
6-4D-18	<b>Seat Belt violation citations:</b>	
	Payment in full within 10 days of citation	\$50.00
	Payment in full after 10 days but within 20 days of citation	\$75.00
6-4D-18	<b>Seat Belt violation fines forwarded for collection:</b>	
	Payment in full within 10 days of first notice	\$60.00
	Payment in full not received within 10 days	\$90.00

**SECTION 4: SEVERABILITY.** If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

**SECTION 5: CONFLICTS.** All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 6: EFFECTIVE DATE.** This Ordinance shall be in full force and effect upon its passage and approval, as provided by law.

PASSED this \_\_\_\_\_ day of September, 2021.

AYES:

NAYS:

ABSENT:

APPROVED this \_\_\_\_\_ day of September, 2021.

\_\_\_\_\_  
Mayor Tom Poynton

ATTEST:

## SECTION 5 "Traffic Code" OF TITLE 13 "Comprehensive Fee Schedule"

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	Payment in full not received within 10 days	\$50.00
6-4D-18	<b>Seat Belt violation citations:</b>	
	Payment in full within 10 days of citation	\$50.00
	Payment in full after 10 days but within 20 days of citation	\$75.00
6-4D-18	<b>Seat Belt violation fines forwarded for collection:</b>	
	Payment in full within 10 days of first notice	\$60.00
	Payment in full not received within 10 days	\$90.00

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PASSED this \_\_\_\_\_ day of September, 2021.

AYES:

NAYS:

ABSENT:

APPROVED this \_\_\_\_\_ day of September, 2021.

\_\_\_\_\_  
Mayor Tom Poynton

\_\_\_\_\_  
Village Clerk Kathleen Johnson



*At the Heart of Community*

VILLAGE MANAGER'S OFFICE

70 East Main Street  
Lake Zurich, Illinois 60047

Phone (847) 540-1693  
Fax (847) 726-2182  
LakeZurich.org

RECEIVED  
8/4

**MEMORANDUM**

Date: September 15, 2021

To: Ray Keller, Village Manager *PK*

From: Kyle Kordell, Assistant to the Village Manager  
Sarosh Saher, Community Development Director  
Roy Witherow, Assistant Village Manager

**Re: Courtesy Review Proposal for Bloc Cannabis Dispensary at 676 South Rand Road Operated by Justice Cannabis Company**

**Issue:** Justice Cannabis Company proposes to open a Lake Zurich cannabis dispensary called Bloc at 676 South Rand Road (formerly TGI Friday's restaurant), pending approval of a Special Use Permit from the Village Board.

In August 2021, the State of Illinois conducted three lotteries that issued another 185 State licenses for additional dispensary locations. Botavi Wellness, LLC doing business as Justice Cannabis Company secured four State licenses for the Bureau of Labor Statistics Region 5 during these three lotteries.

On December 21, 2020, the Village Board approved zoning regulations to allow cannabis dispensaries in non-residential zoning districts and to formalize restrictions on the location, design and operation of such businesses. Since that time, the Village Board has also approved a municipal sales tax of 3% of the gross purchase price of recreational cannabis products.

**Strategic Plan Impacts:** This policy item is a strategic decision for the Village Board that could potentially impact the following objectives within the Strategic Plan:

- *Goal #1 Financial Sustainability*
  - Maximize existing and identify potential new revenue sources.
- *Goal #2 Economic Development*
  - Focus on Route 12 corridor development.
  - Become more business friendly and customer oriented.
  - Partner with business community to identify its needs and determine how they can be met.

**Background:** Justice Cannabis Company was recently rebranded from Justice Grown, which was founded in Chicago in 2014 by two civil rights attorneys, Jon Loevy and Mike Kanovitz.

Justice Cannabis Company is a growing multi-state operator of several recreational and medical dispensaries and cultivation centers with locations in eight states, including California, Illinois, Pennsylvania, Massachusetts, New Jersey, Michigan, Missouri, and Utah.

Its only location in Illinois is currently a cultivation facility in Edgewood. By November 2021, Justice is expected to break ground at this location on a 190,000 square foot modern glass greenhouse operation with kitchen and extraction capabilities. This is expected to be completed by July 2022.

Jon Loevy and Mike Kanovitz also manage Loevy & Loevy of Chicago, a law firm that focuses on social justice and civil rights issues, including wrongful convictions, police shootings, excessive force, and other constitutional claims.

A letter of intent to lease the property at 676 South Rand Road has been secured between Justice Cannabis Company and Hamilton Partners, the property owner. The property was most recently occupied by a TGI Friday's restaurant.

- **How long has this site been vacant?** TGIF closed in March 2020.
- **What are the LZ zoning regulations for recreational cannabis establishments?** The adult-use recreational cannabis zoning regulations approved by the Village Board in December 2020 allow for the location, design and operation of cannabis establishments within the business, office and industrial zoning districts with the approval of a Special Use Permit after a public hearing process.

**Location:** Cannabis establishments are required to be a minimum of 500 feet from a school, library, day care or group home; 250 feet from a park, and 1,500 feet away from another dispensary (the State's dispersion requirement).

**Design:** The building premises shall be designed such that no public viewing of cannabis, or cannabis-related products from any sidewalk, public or private right of way, or any property other than the lot on which such use is located will be allowed. The building exterior will not be allowed the use of flashing lights, search lights, right-of-way spot lights or any similar lighting system.

**Operation:** All activity related to the land use will be required to be conducted within the enclosed building. The zoning regulations also references the applicable State statutes that apply to this highly-regulated industry, such as security, storage and transportation requirements. The State statute for hours of operation are currently set at 6:00 AM to 10:00 PM. The onsite use or consumption of cannabis and cannabis-related products shall be prohibited.

The subject property at 676 South Rand Road meets all of these zoning criteria.

- **What are the LZ tax implications?** Lake Zurich's 3% local sales tax on the sales generated from this recreational cannabis dispensary is expected to generate \$200,000 - \$360,000 in sales tax revenue, which is roughly equal to the \$350,000 in annual sales tax

lost by the Peapod closure in Quarter 1 of 2020. The State of Illinois's Cannabis Regulation and Tax Act provides municipalities the authority to issue a local retail tax on recreational cannabis purchased in the municipality in 0.25% increments, up to a maximum of 3% of the purchase price.

**What are nearby towns doing?** For municipalities that have allowed adult-use cannabis dispensary, none have reported issues with increased call volume on emergency services.

- *Wauconda* Board allowed recreational cannabis sales in December 2019, but has not attracted one yet.
- *Antioch* Board allowed recreational cannabis sales in December 2019, but has not attracted one yet.
- *Arlington Heights* Board allowed recreational cannabis sales in July 2020 only at one location, the same establishment that has been selling medical cannabis since mid-2018 on Arlington Heights Road. Police Department reports no impact in terms of public safety call volume. Arlington Heights formed a Cannabis Task Force to review any incidents related to the dispensary, but the task force was ultimately disbanded as the impact was minimal to non-existent.
- *Deerfield* Board allowed recreational cannabis sales in November 2019 but has not attracted one yet. Deerfield does have one medical-only dispensary at 151 South Pfingsten Road.
- *Buffalo Grove* Board agreed to allow recreational cannabis sales in October 2019 but has not attracted one yet. Buffalo Grove does have a medical-only dispensary at 830 Milwaukee Avenue.
- *Schaumburg* Board agreed to allow recreational cannabis sales in October 2019 and has attracted three dispensaries, two on Golf Road near Woodfield Mall and one on Barrington Road. Police report they have not seen an increase in call volume associated with these locations.
- *Skokie* Board agreed to allow recreational cannabis sales in October 2019 and has attracted one dispensary across the street from Old Orchard Mall on Skokie Boulevard. Police report zero increase in call volume or public safety impact.
- *Streamwood* Board agreed to allow recreational cannabis in December 2019 but has not yet attracted one.

- *Rolling Meadows* Agreed to allow recreational cannabis in December 2019. Rolling Meadows police report the only issue is an increase in vehicular and pedestrian traffic around its dispensary at 975 Rohlwing Road and nearby businesses complaining the dispensary customers were using their parking lots.
- *Northbrook* Board agreed to allow recreational cannabis in October 2019. Northbrook Police reports their dispensary has not depleted police resources or generated a notable volume of activity.
- *Deer Park* Amended its zoning code to allow for a dispensary as a Special Use within a limited geographic area but has not attracted one yet.
- *Hawthorn Woods* Banned recreational dispensaries in September 2020. Held an adult-use dispensary discussion in July 2021 to consider such a future use, although at this time no zoning regulations for dispensaries have approved.
- *Highland Park* Agreed to allow recreational cannabis in October 2020. Has attracted one recreational dispensary located on Old Skokie Valley Road. Highland Park reports zero issues or negative impacts on the community from this dispensary.
- *Kildeer* Banned recreational dispensaries in November 2019.
- *Long Grove* Banned recreational dispensaries in September 2019.
- *Barrington* Banned recreational dispensaries in November 2019.
- *North Barrington* Banned recreational dispensaries in November 2019.
- *Glencoe* Banned recreational dispensaries in December 2019.
- *Lincolnshire* Banned recreational dispensaries in December 2019.
- *Vernon Hills* Banned recreational dispensaries in November 2019.
- *Grayslake* Banned recreational dispensaries in August 2019.

**Staff Feedback:**

- **Police Department:**  
“Police departments in the region that have cannabis dispensaries in their jurisdictions do not report an increase in calls for service. We remain cautiously optimistic that this would hold true for Lake Zurich.” - Chief Husak
- **Community Development Department:**  
“The proposed dispensary will allow for increased regional economic activity in Lake Zurich related to a growing industry while limiting it in a way as to minimize potential impacts on the community and filling a building on Rand Road that has been vacant for 1½ years.” -Director Saher

**Facts about Cannabis Legalization in Illinois:** On January 1, 2020 it became legal for adults 21 and older to purchase, possess, and consume cannabis for recreational purposes.

Here are some important facts to keep in mind:

- Cannabis can only be legally sold at licensed dispensaries and, like alcohol, it is illegal to sell to minors under 21.
- Possession of cannabis by persons under 21 is illegal and can be grounds for revoking a minor’s driver’s license if a motor vehicle is involved at the time of an offense.
- It is illegal to consume cannabis in any public place, including parks, sidewalks, restaurants, bars, and any other place where smoking is prohibited under the Smoke Free Illinois Act.
- Adults are allowed to consume cannabis in their own residences, although landlords/management companies are able to prohibit the smoking of cannabis in rental properties. Residents in a rental unit or within the common areas of a condominium or apartment complex should check with their management company or landlord on their rules.
- It is still illegal to drive under the influence of cannabis.
- No driver or passenger may possess cannabis within any area of any motor vehicle except in a sealed, odor-proof, child-resistant cannabis container. Violation of this law is a Class A misdemeanor.

**Analysis:** Staff offers the following information for the Village Board to consider as it relates to the site and proposed development:

1. **Land Use.** The parcel of land on which the building and parking areas are presently located is 1.6 acres (69,260 square feet), based on Lake County GIS data. The parcel is part of a larger zoning lot that comprises Home Depot, Costco and a two-tenant retail building containing Verizon Wireless and Pearle Vision immediately across its parking lot. The subject property is zoned within the B-3 Regional Shopping Business District. The land use for a recreational

cannabis dispensary is allowed as a Special Use Permit and will need to be considered by the Planning and Zoning Commission at a public hearing with final approval by the Village Board.

Specifically, the activities allowed by the code include Cannabis Dispensing and Cannabis Infusing. (Cannabis growing, cultivation and processing are only allowed in the I Industrial District).

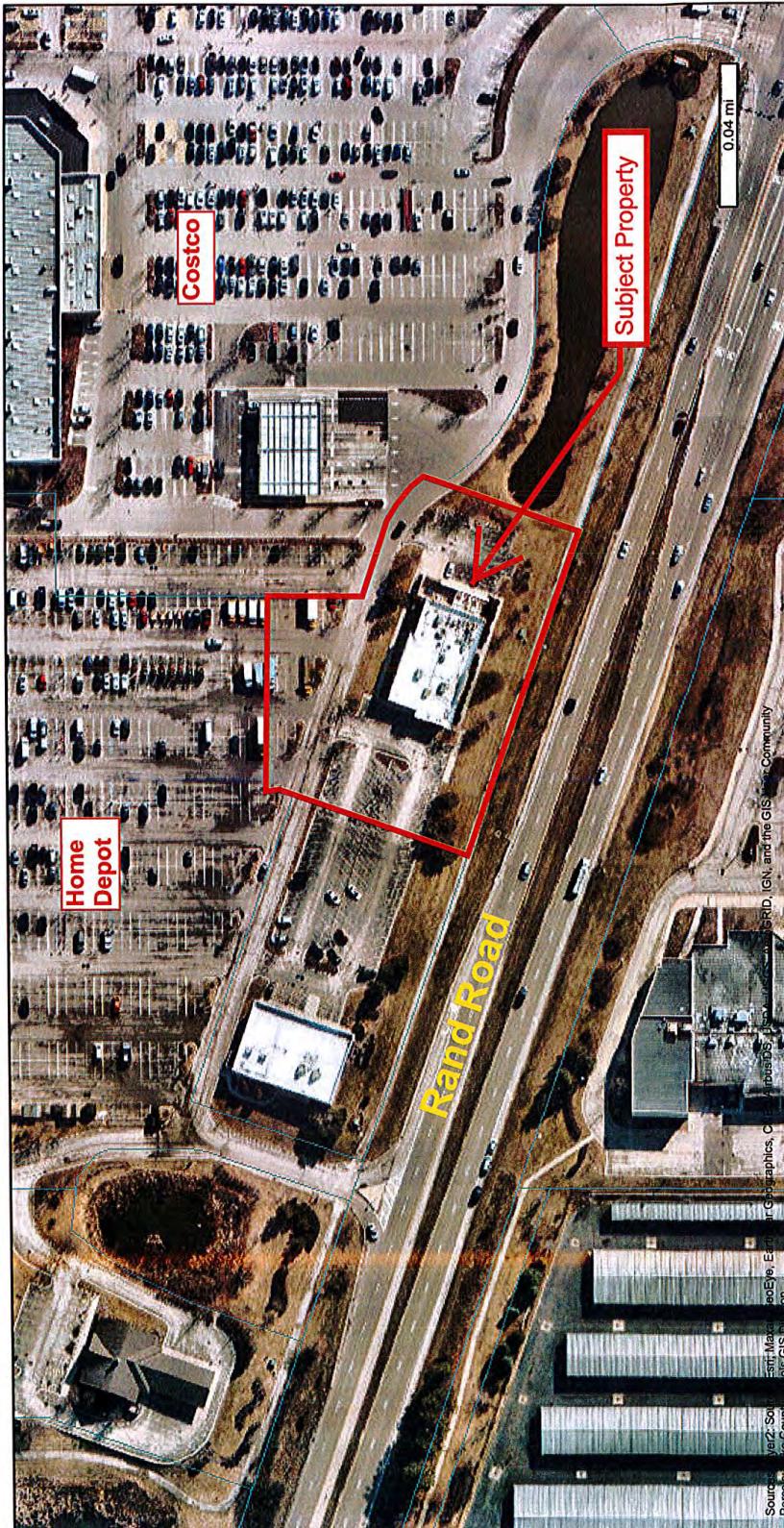
2. **Bulk Regulations.** All activities related to the proposed land use are proposed to be conducted within the existing building envelope with modifications to the interior to suit the use. There will be no need for zoning relief on bulk regulations such as lot area, setbacks, building height, etc.
3. **Parking.** Within the envelope of its 1.6 acre parcel, the subject property has 43 parking spaces in front of and to the rear of the building and 27 across the frontage drive adjacent to the Home Depot and Costco parking lots. Additionally, both parking areas are part of larger shared lots that offer additional parking should the need arise. The minimum required number of parking spaces by code is 4 spaces per 1,000 square feet of gross floor area. The gross floor area of the building on the subject property is approximately 6,800 square feet and requires a minimum of 28 parking spaces.
4. **Security.** Justice Cannabis Company has a full-time National Security Director on staff to oversee security detail at its multiple locations. They plan to have 30 – 50 high definition cameras located throughout the property, both inside the building and out. The cameras will have facial recognition ability and the ability to read license plates. They will provide the Lake Zurich Police Department a direct feed into all of the cameras. They will also have two armed security guards on-site during all business hours.

**Recommendation:** The land owner and proposed user of the property seek to understand the Village Board's preferences towards the proposed use of the property. The Village Board is requested to provide feedback to Justice Cannabis Company in preparation for a Public Hearing at the Planning and Zoning Commission to be potentially conducted on October 20, 2021.

Attachments:

1. Aerial Map of the Subject Property

## Lake County, Illinois





# VILLAGE MANAGER'S OFFICE

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## MONTHLY INFORMATION REPORT

**AUGUST 2021**

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HIGHLIGHTING DATA METRICS  
TO IDENTIFY OPERATIONAL TRENDS  
AND  
FACILITATE INFORMED DECISION MAKING

70 E. MAIN STREET  
LAKE ZURICH, IL 60047

### A Look Back at August 2021...

#### **LZ Florist Redevelopment Project Dates**

At the July 19, 2021 Board meeting, Trustees approved a redevelopment agreement between the Village and LZF Blooms for the redevelopment of the properties at 7, 15 and 19 South Old Rand Road (former site of Tail-Waggers, Alicia's Nails, and the Alpine Medical building). The agreement includes the Village selling the land for \$225,000 and LZ Blooms investing some \$2.45 million in TIF-beneficial redevelopment.

During August, key milestones on this project have been agreed to:

- The Developer is required to start construction of the project by May 1, 2022.
- The Developer is required to complete construction by May 1, 2023.

#### **Journey Cremation Public Hearing**

At the August 18, 2021 meeting of the Planning and Zoning Commission, the application for the establishment of a "Direct Cremation" facility in a new free-standing building on a vacant property in the Industrial District was presented by Paul Chapman of Journey Cremation.

Mr. Chapman presented information about the business model, addressed concerns that would typically be associated with such a use and also discussed the development of the subject property with the proposed use. There was no objection to the application either prior to or at the meeting.

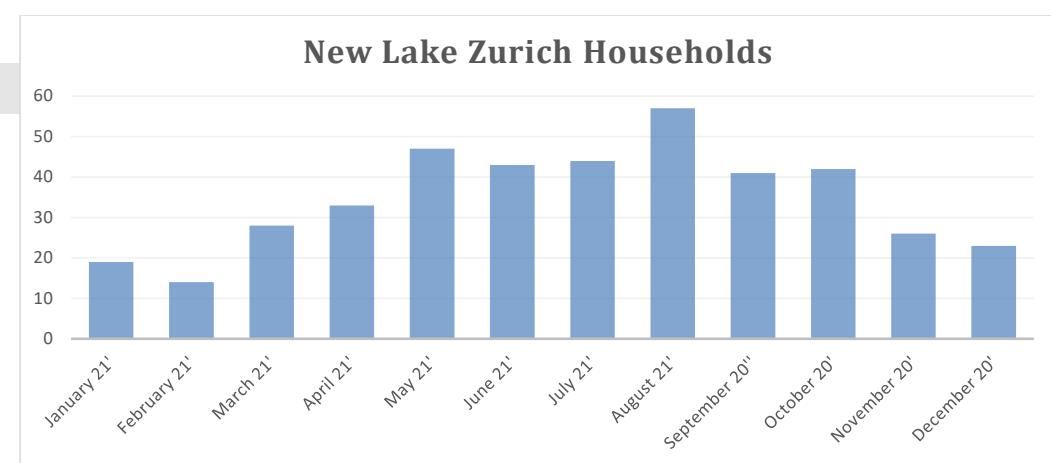
On conclusion of the hearing the PZC unanimously recommended approval of the application with a modified condition allowing the building as proposed at its current floor area and operational capacity but either on Lot 7 or Lot 8 of the property. The item received final approval by the Village Board at its September 7, 2021 meeting.

#### **4<sup>th</sup> National Community Survey Launches**

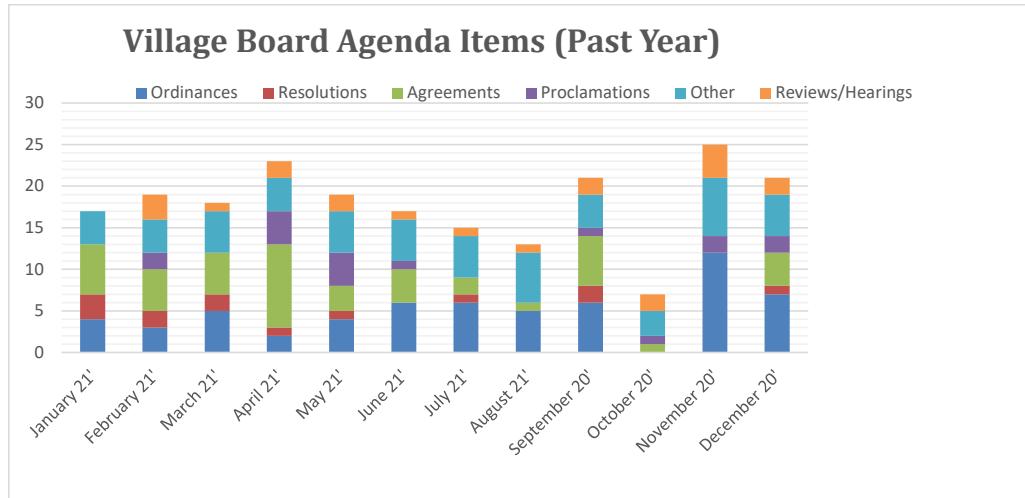
On August 10, 2021 the Village launched its biennial National Community Survey (NCS), an every-other year opportunity to get a statistically valid pulse on the community on a range of quality of life and local governance issues. The NCS was previously conducted in Lake Zurich in 2015, 2017, and 2019.

The 2021 NCS uses a random sampling of 3,000 Lake Zurich households to provide the most accurate picture of the community as a whole, as the survey provides a statistically-valid 95% confidence interval. In other words, it uses population parameters that result in conclusions that are correct 95% of the time.

Households who are not selected in the statistically-valid sample size will also be able to participate in the same survey in mid-September via a non-statistically valid survey.



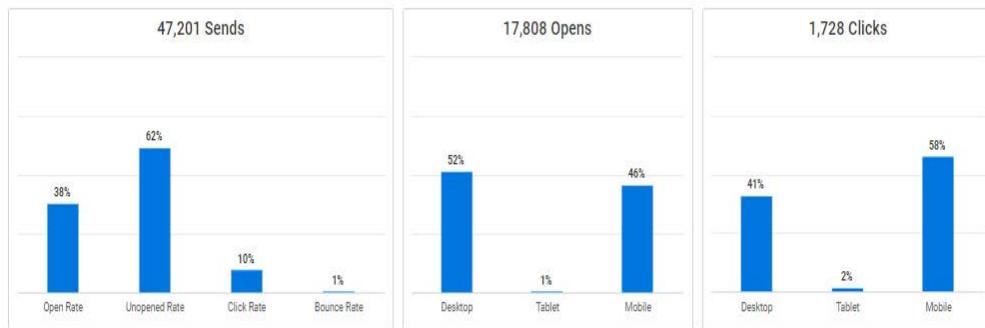
This metric shows the number of new residential homes occupied. Each month, staff sends new Lake Zurich residents a Village welcome packet that provides valuable information to those who are not familiar with the Lake Zurich area or the services offered by their local government. This metric does not include tenets in rental units, but only new single residential owners.



This metric shows the number of action items included on Village Board meeting agendas. As the local legislative governing body, the number of items acted upon by the Village Board has a direct input on Lake Zurich's strategic orientation. This data can be useful in decisions regarding meeting frequency, legislative workload, agenda preparation, activity levels, etc.

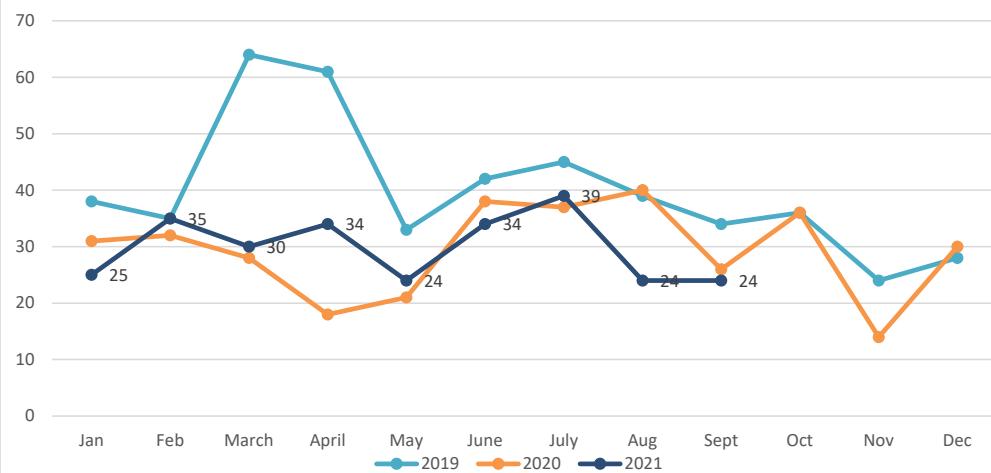
**Average length of regular August Village Board meetings: 56 minutes**

### Benchmarks Rates – Past Month

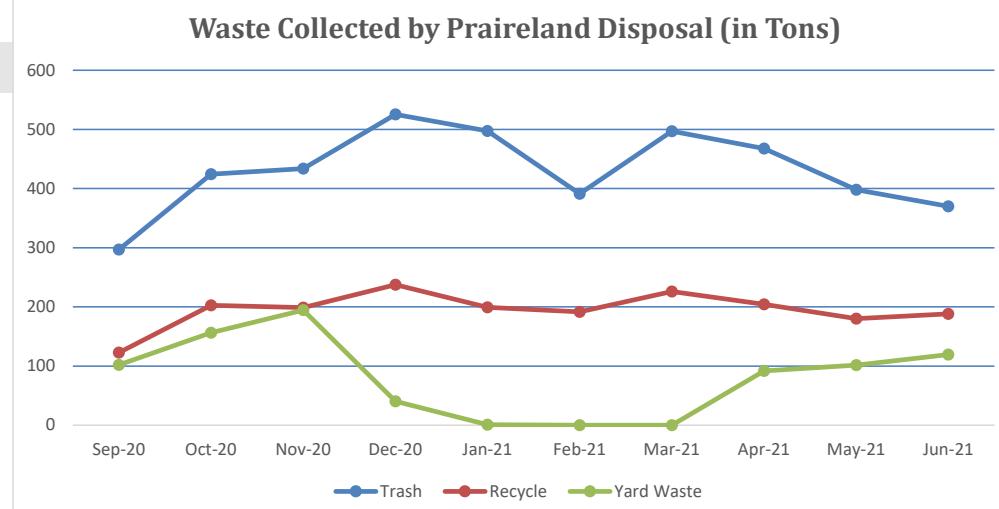


*Benchmarks* is the official Village e-newsletter that is a central communication device for the community. This graph shows *Benchmarks* rates over the past month. From an initial subscription rate of 756 in July 2013, *Benchmarks* now has nearly 6,000 subscribers.

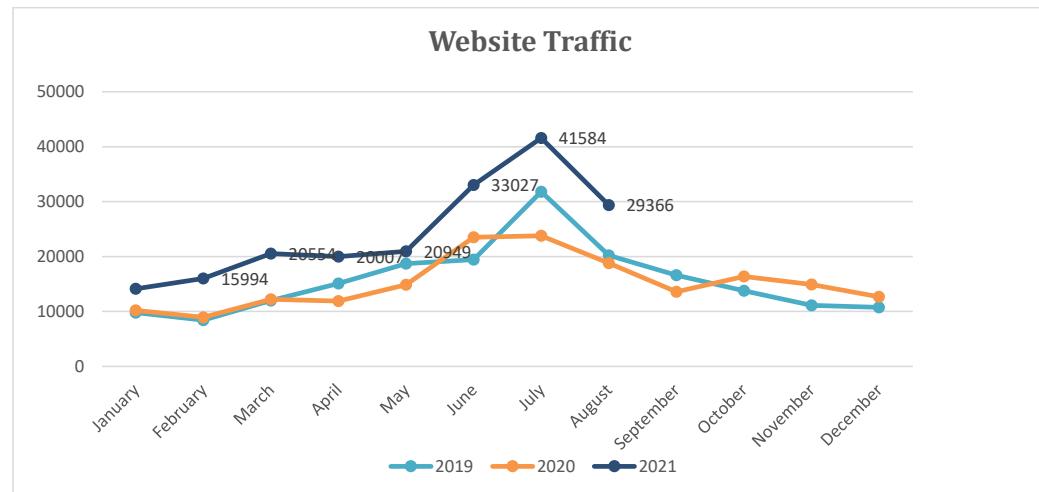
### FOIA Requests Village Wide



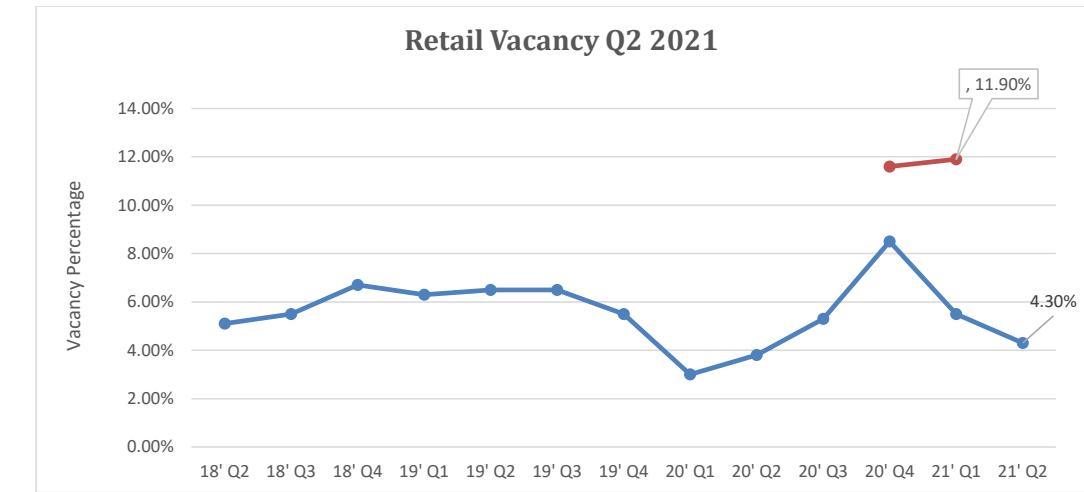
Open and honest government is a cornerstone of American democracy. The Freedom of Information Act is intended to ensure that members of the public have access to information about their government and its decision-making processes. This graph includes all of the FOIA requests received Village-wide among all departments.



Prairieland Disposal began service to Lake Zurich on September 1, 2020. The above metric reports the volume of waste collected each month including trash, recycling, and yard waste. This metric is updated once per quarter.



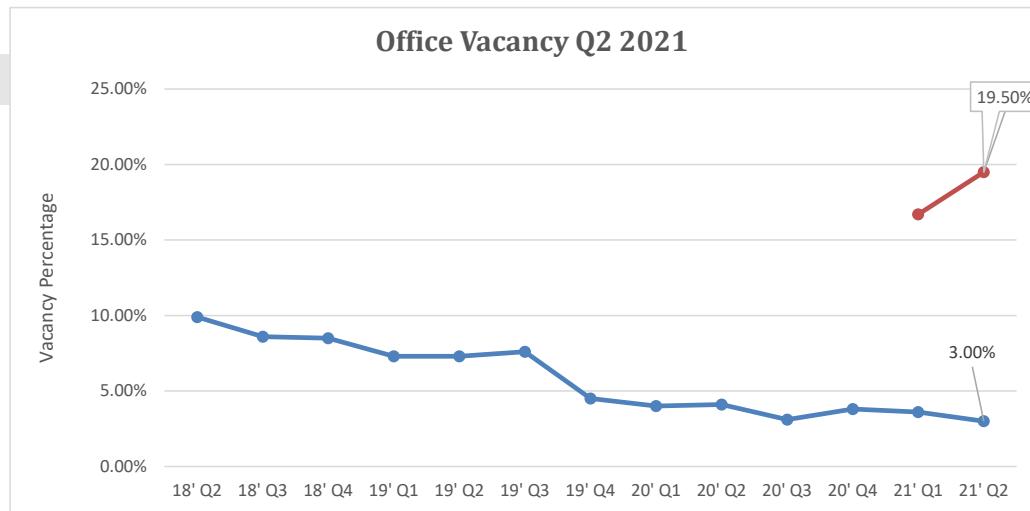
This data represents the number of website visits on LakeZurich.org. A digital presence for Lake Zurich is important for government transparency and providing resident-oriented service. E-government can also improve the overall democratic process by increasing collaboration with citizens and facilitating decision-making. This metric tracks the number of visits to LakeZurich.org. **Most Visited Page on LakeZurich.org for August: Document Center**



The Lake Zurich retail vacancy rate decreased in the second quarter of 2021 to 4.3% vacant from 5.5% in the first quarter (*based on Lake County Partners data*). As of June 30, 2021, there was 113,176 square feet of retail space reported vacant in Lake Zurich, with average rates at \$13.89 per square foot (nnn). *Chicagoland retail vacancy rate from CBRE (red line)*.

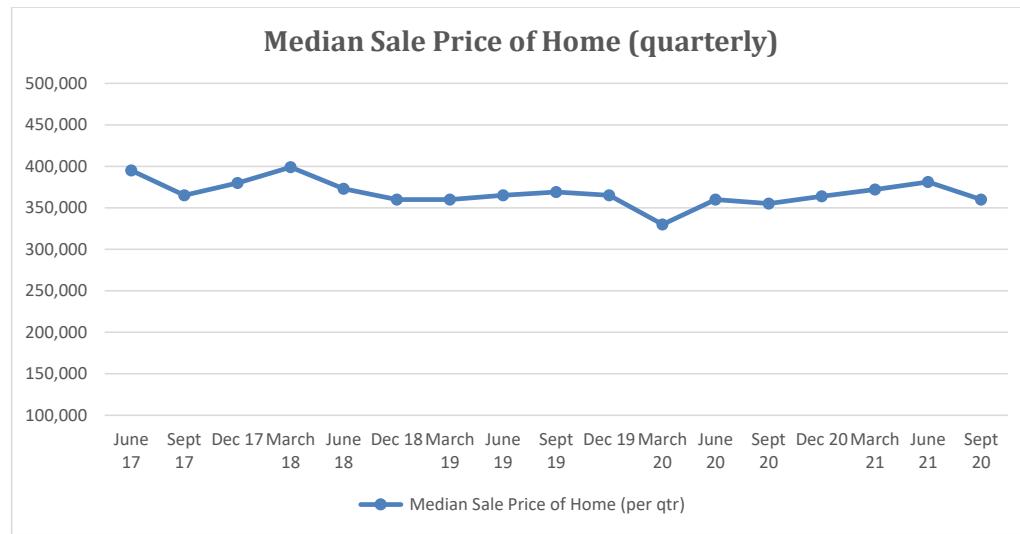


The Lake Zurich industrial vacancy rate decreased significantly to 1.8% in Quarter 2 of 2021 compared to Quarter 1 when 4.5% was reported vacant (*based on Lake County Partners data*). As of June 30, 2021, there was 100,642 square feet of industrial space reported vacant in Lake Zurich, with average rates at \$4.65 per square foot (nnn). *Midwest industrial vacancy rate from CBRE (red line)*.



The Lake Zurich office vacancy rate decreased from 3.6% in Quarter 1 of 2021 to 3.0% reported vacant in Quarter 2 (*based on Lake County Partners data*). As of June 30, 2021, there was 12,212 square feet of office space reported vacant in Lake Zurich, with average rates at \$24.98 per square foot (full service). *Chicagoland office vacancy rate from CBRE (red line)*.

## Real Estate Housing Trends – Residential Inventory



The chart above reports the recent trend for median sale price of Lake Zurich houses. The prices are reported by quarter.

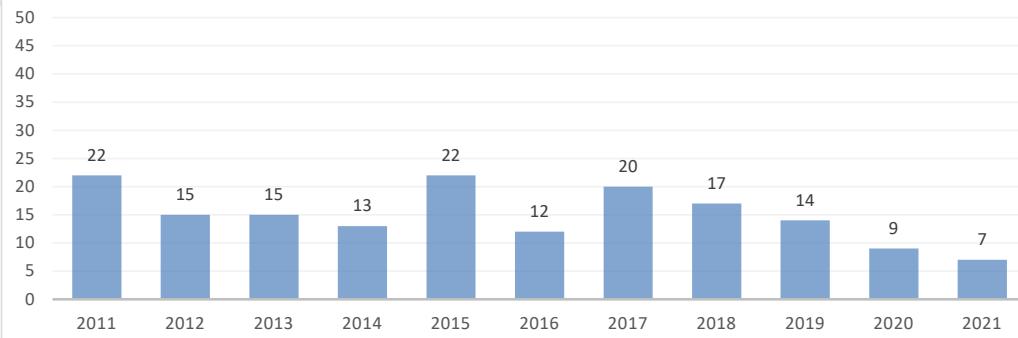
The monthly snapshot below reports more details about the residential real estate market for the most recent month.

### August Snapshot of Real Estate Trends

Homes Reported for Sale:	57
Median Sale Price:	\$360,000
Median Days on Market:	14
Number of Homes Sold:	55

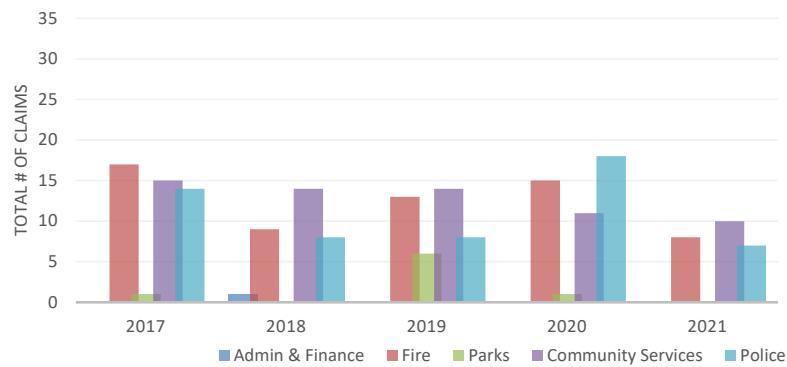
\*Source: Redfin Corporation

### General Liability Claims -Total Incidents (Year-to-Date)



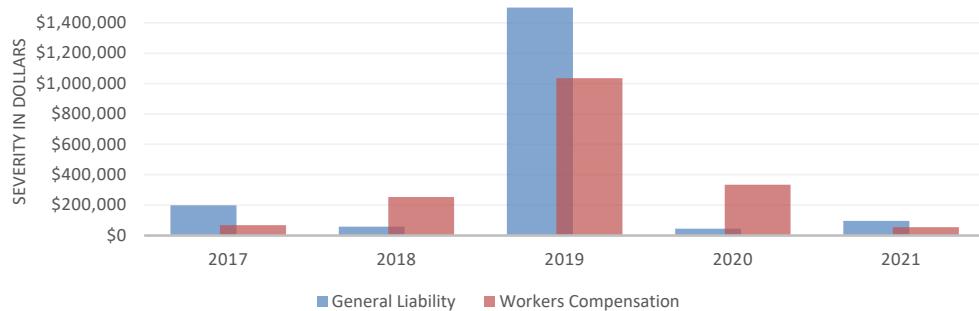
Risk management insurance coverage is provided by the Intergovernmental Risk Management Agency, a risk sharing pool of approximately 70 local municipalities and special service districts, which have joined together to manage and fund their property/casualty/workers' compensation claims. This metric reports total General Liability claims (both open and closed claims) in all departments since January 1<sup>st</sup>.

### Claim Frequency By Department (Year-to-Date)



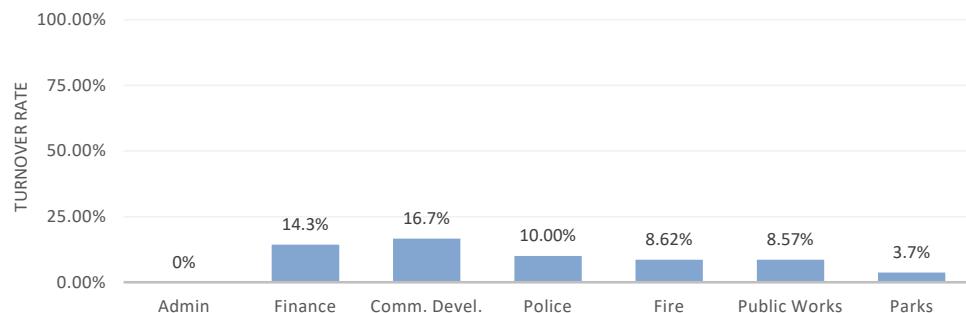
Loss prevention programs and a culture of safety that encourages safe work practices will decrease claim frequency rates. This data shows the total number of claims by department updated quarterly, which is an aggregate number of the following claim types: Auto Liability, Auto Physical Damage, General Liability, Property Damage, and Workers Compensation. It is important to realize that Community Services is responsible for routine maintenance, so its general liability claims will naturally be high due to claims involving parkway trees, mailboxes, sidewalks, fire hydrants, the municipal fleet, etc.

### Claim Severity for General Liability and Workers Compensation (Year-to-Date)



This metric provides a snapshot of the Village's overall liability position, separated by General Liability Claims (such as property damage) and Workers Compensation Claims (such as medical bills and lost work-time). Fewer claims filed against the Village mean less money spent and improved financial stability. This data includes the total costs, including net property loss and any other associated expenses, such as attorney fees.

### Employee Turnover Rate by Department (Past Year)



A certain level of turnover is healthy and desirable for organizations. A zero percent turnover rate is not the goal. Regularly tracking turnover rate will facilitate decision making related to employee satisfaction, human resources screening, and succession planning. This metric tracks turnover for all Village employees, including full-time, part-time, and seasonal on a rotating basis for the past 12 months. The size of the department is an important factor when analyzing this data. **Note:** Parks and Public Works are heavily staffed by part-time seasonal personnel, resulting in a turnover rate that is technically high but this is not a cause for concern.



# PUBLIC WORKS DEPARTMENT

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## MONTHLY INFORMATION REPORT

**August 2021**

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HIGHLIGHTING DATA METRICS  
TO IDENTIFY OPERATIONAL TRENDS  
AND  
FACILITATE INFORMED DECISION MAKING

505 TELSER ROAD  
LAKE ZURICH, IL 60047

## DEPARTMENTAL NARRATIVE

**Park Maintenance:** Crews continue to address both routine and specific maintenance items as needed. Crews completed transferring furniture, equipment, and supplies to the Barn. Punch list items are being monitored for completion while PW continues to assist with items such as office décor and maintenance.

**Special Events:** Crews began preparations for the 2021 Rock the Block. Crews set-up and broke down four Farmers Markets, four block parties, four Food Truck Socials, and Groove Grove.

**Infrastructure Projects:**

Crews have completed fieldwork for the 2021 sign replacement program. The program locations mimics the annual Road Resurfacing Program. PW Crews began installation of new signage in August.



Staff has all documents prepared for the 2021 Crack Sealing Program. Work is expected to begin in September.



The Heatherleigh Park Tennis Court has been resurfaced. The new posts and net have been installed. Painting of the single tennis court with an overlaid double pickle ball court is complete. Sealing and painting of the Paulus Park pickle ball court was completed in August.



**August Water Main Break Locations:**

West Cuba Road near Berkshire Lane  
Fairway Road @ Ravinia Terrace  
388 Fairway Road  
970 Manchester Court

**Water Main Replacement:**

The Rt. 12 emergency water main replacement (between L.A. Fitness and Starbucks) has been postponed due to higher than expected cost estimates. Due to field and operational adjustments, this segment will temporarily remain out of service while a reasonable plan & scope can be developed, budgeted for and competitively bid for in 2022.

**Well 9-Out of Service**

Well 9, authorized for preventative maintenance earlier this year to occur this Fall, is now out of service due to a pump motor failure experienced during routine operation on July 3<sup>rd</sup>. The Village's designated deep well contractor, Layne Christensen Company has pulled the pumping assembly for inspection. The motor demonstrates a compromised internal thrust bearing which requires shipping to the manufacturer for disassembly, repair and conversion to a mechanical seal and is estimated to take between 4 – 12 weeks to complete. In order to return the well to service expeditiously, the well contractor will proceed with the pump and column pipe repairs and reinstall with our spare well pump motor. The current project cost estimate (without the motor repair) does not exceed the expenditure amount previously authorized in June by the Village Board. Once a cost estimate has been determined for the failed motor repair, staff will provide an update and recommendation to the Village Board.

**Noise Study:**

Mobilears Inc. conducted an OSHA required noise study for all Public Works operations.

**Employee Training:**

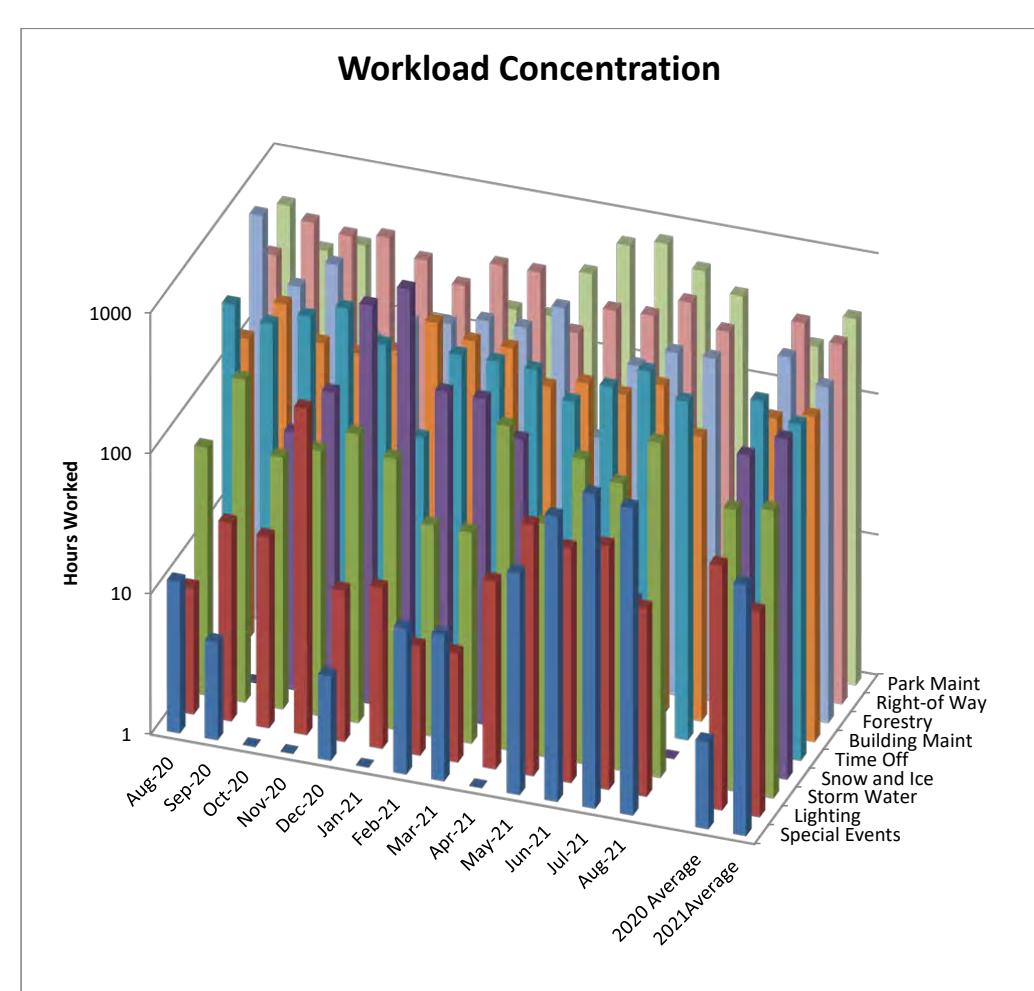
All employees attended Blood Born Pathogen training.

All employees attended Trench and Shoring Safety Training

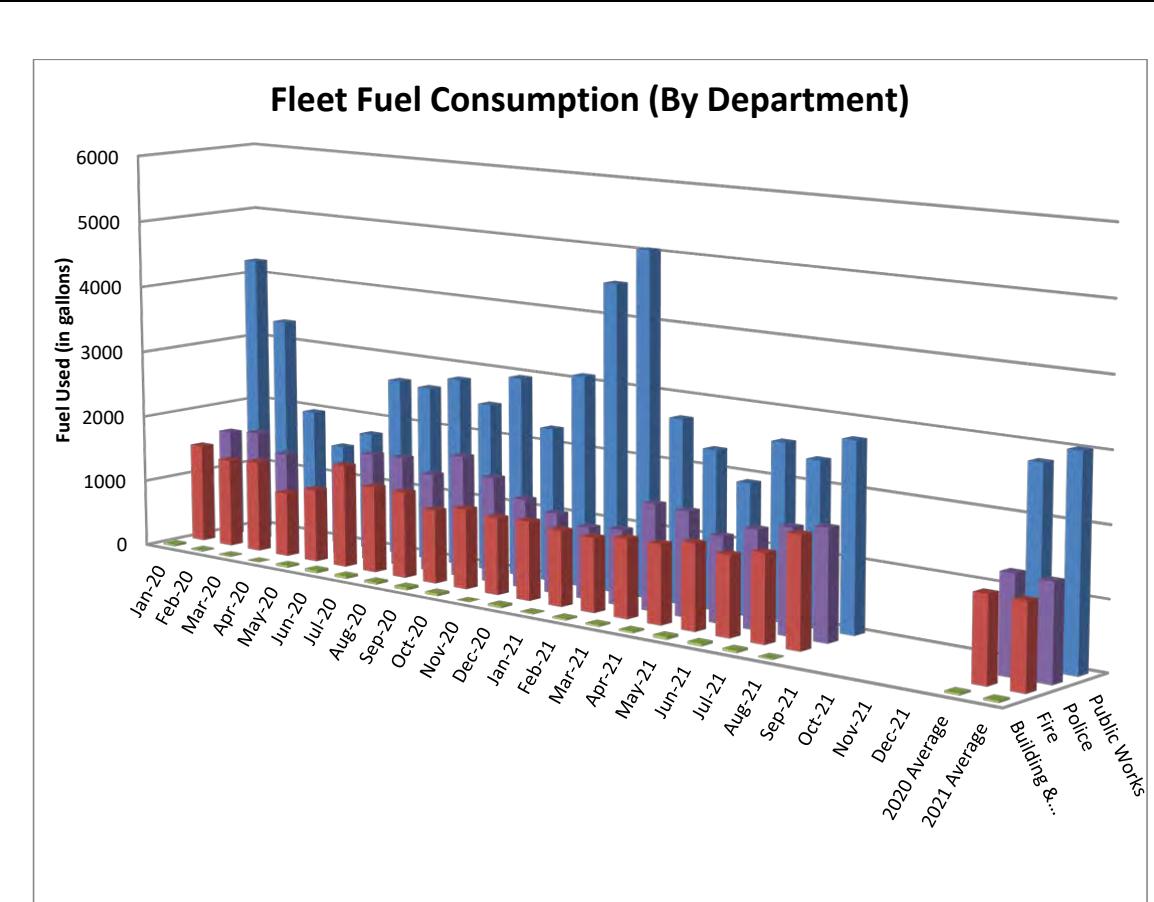
**Anniversaries:**

Steve Fenton, Maintenance Worker 1, 5 years.

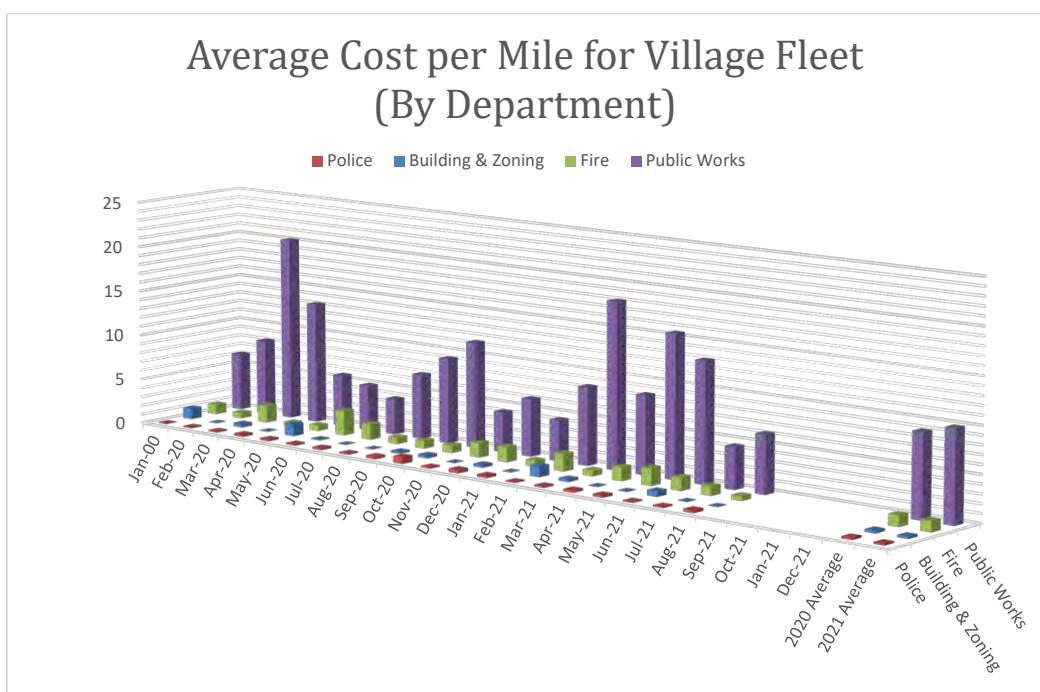
**Staff Kudos:**



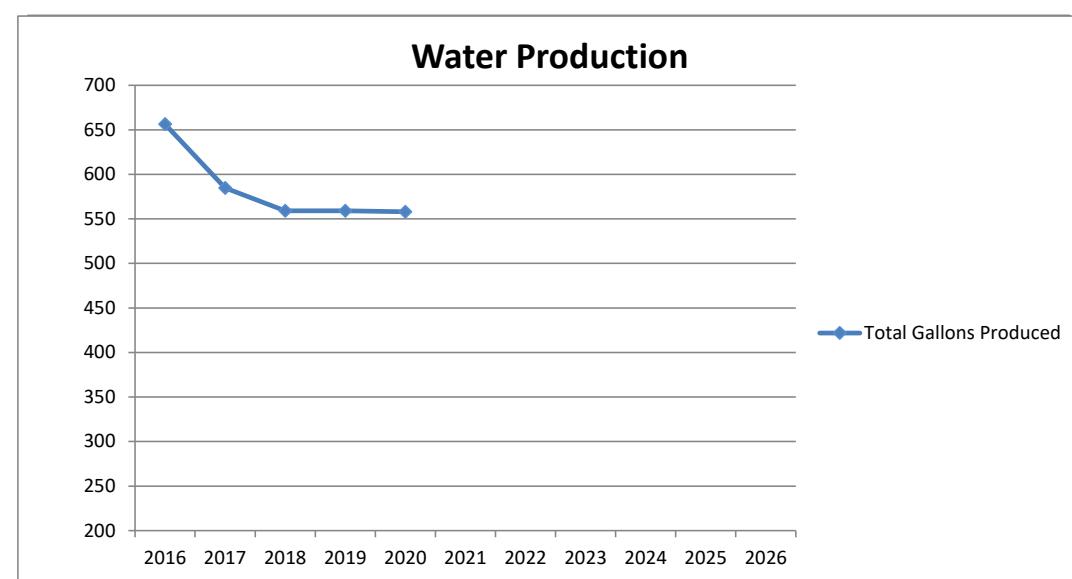
A core function of Public Works are related to the completion of work orders for several categories, including administrative, forestry, park maintenance, municipal property maintenance, right-of-way, snow and ice, street lighting, and storm water system maintenance. This chart shows the number of hours worked on major activities.



Tracking fuel consumption allows staff to make informed decisions relating to the municipal vehicle fleet, including the number of vehicles in each department, the types of vehicles purchased and the type of fuel source used. Dramatic fluctuations in fuel consumption can occur during events such as heavy snowstorms. (Output measure)



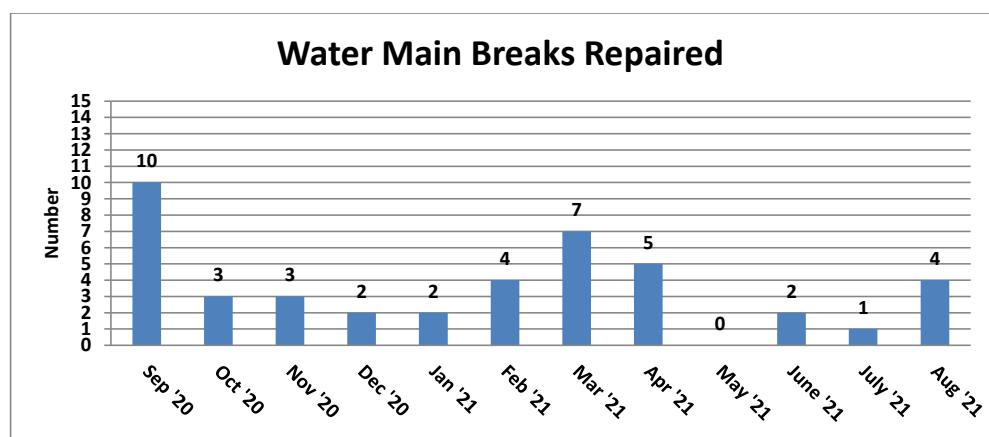
Vehicle cost per mile is an initial indicator of an efficient fleet operation. With basic cost per mile information in hand, all components that feed into that cost can be scrutinized and measured. These components include labor rates, fuel costs and parts costs. Looking further into the Village' vehicle cost per mile, staff can measure other components such as average vehicle age. When vehicles are replaced within their life cycle, the impact is usually positive.



From 2012 to 2015, there was a steady decline in the annual volume of water produced and used by our community. This trend was altered in 2016 due to dry weather leading to increased watering of lawns and landscaped areas.

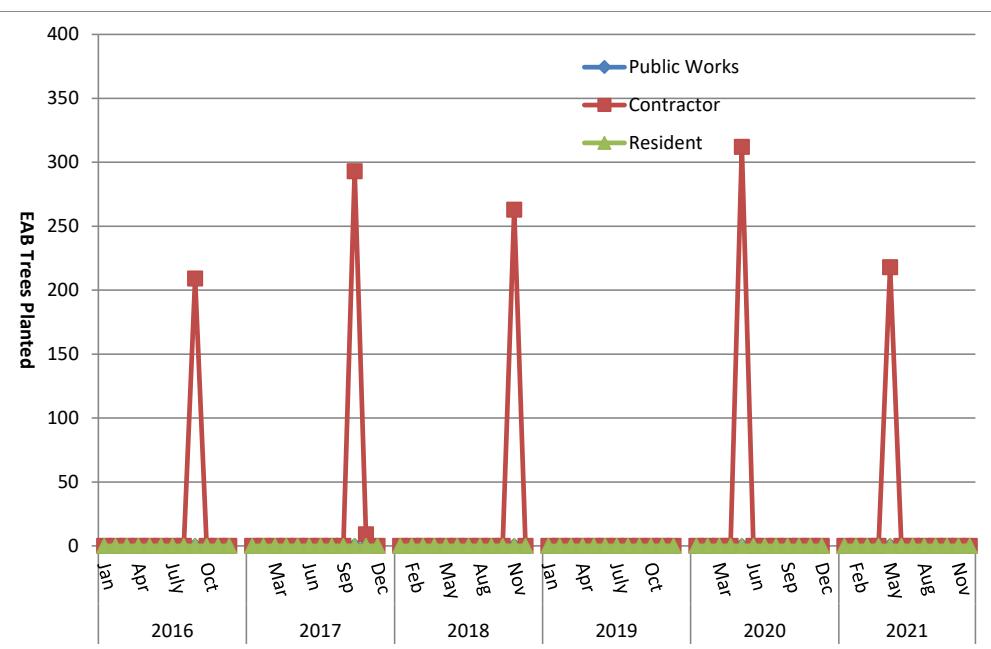
	2016	2017	2018	2019	2020	2021	2022	2023	2024
January	49.301	46.667	45.868	44.227	43.867	42.319			
February	45.801	40.952	41.098	41.452	41.645	40.367			
March	53.467	44.543	43.155	43.946	43.552	42.924			
April	55.963	49.974	45.098	43.570	40.662	45.129			
May	60.273	49.588	48.065	45.339	44.834	51.240			
June	63.819	56.169	46.114	45.489	51.130	56.763			
July	68.751	53.755	57.074	59.526	54.529	53.105			
August	66.229	54.746	54.067	61.419	58.959	54.083			
September	58.664	53.928	46.809	44.786	51.040				
October	45.838	47.169	44.369	43.476	44.443				
November	42.120	42.335	42.089	41.475	40.680				
December	46.088	44.961	45.305	44.379	42.684				
<b>Total</b>	<b>656.314</b>	<b>584.787</b>	<b>559.111</b>	<b>559.084</b>	<b>558.025</b>	<b>385.930</b>			
<b>Avg</b>	1.793	1.598	1.532	1.532	1.529	1.588			
<b>% incr/decr</b>	11.37%	-12.23%	-4.59%	0%	-0.02%				

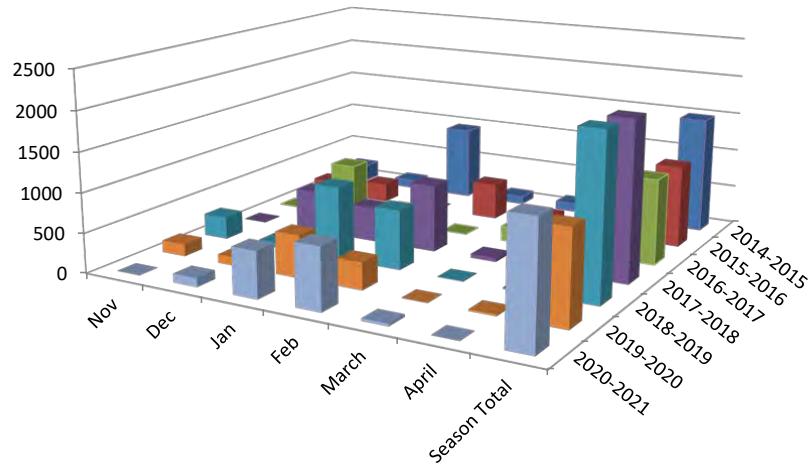
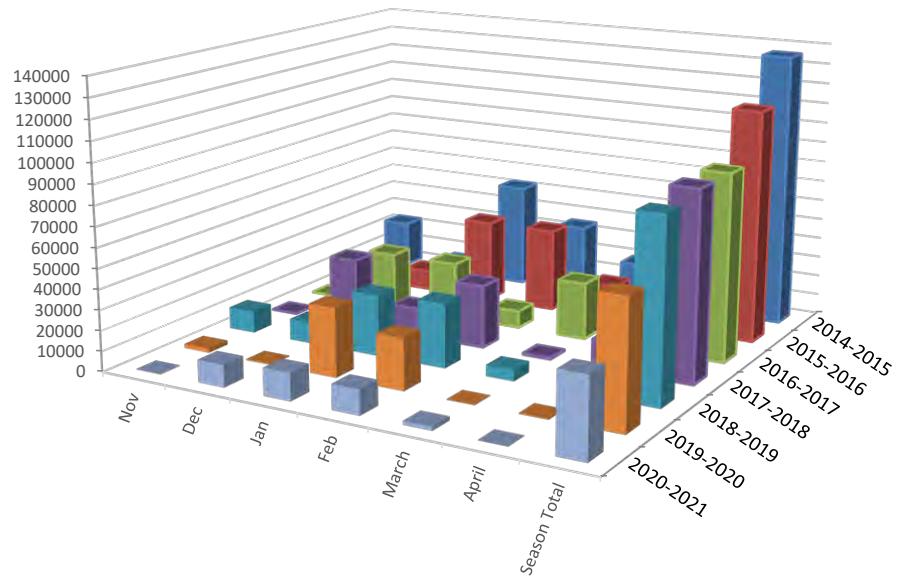
The highlighted months are the lowest for each of these months in the last 6 years. The highest monthly production in the last 5 years occurred in July of 2016. In 2020, our daily average was 1.53 million gallons per day.



A water main break can be a hole or crack in the water main. Common causes of breaks in the water main include: age, pipe material, shifting in the ground attributed to fluctuations in moisture and temperature (below and above the frost line), corrosive soil that causes a thinning of the water main pipe, improper backfill, severe changes in water pressure (hammer) which has several causes and physical contact (damage) by excavating contractors.

### Emerald Ash Borer Tree Replacement Program



**Tons of Road Salt****Gallons of Liquid Deicer**



# COMMUNITY DEVELOPMENT DEPARTMENT

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## MONTHLY INFORMATION REPORT

**August 2021**

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HIGHLIGHTING DATA METRICS  
TO IDENTIFY OPERATIONAL TRENDS  
AND  
FACILITATE INFORMED DECISION MAKING

505 TELSER ROAD  
LAKE ZURICH, IL 60047

## DEPARTMENT NARRATIVE

During the month of August 2021, the Community Development Department was engaged in the following activities:

**BUILDING & ZONING DIVISION:**

**Commercial Permits issued:**

981 S Rand: Aldi: Interior and Exterior Remodel  
 1150 S Old Rand: NV Nail Spa: Buildout  
 1201 S Rand: Avalon Salon Spa: Buildout  
 570 Capital: Continental Automotive: Interior Remodel  
 64 N Old Rand: Stompin Ground Coffee: Exterior Modifications  
 95 E Main: Peace Pole Installation  
 1325 Ensell: (Former Pea Pod): Interior Demolition

**Commercial Occupancy Permits issued:**

765 Ela Rd, Suite 202: Dana Crowley & Associates: Attorney  
 742 S Rand: Popeyes

**FOIA Requests:** Total number of FOIA requests:

**PLANNING DIVISION:**

**Planning and Zoning Commission (PZC) Activity:**

The following applications were considered by the PZC in August.

1. *Journey Cremation at 708 Telser Road - Text Amendment and Special Use Permit (PZC 2021-06).* This item was on the agenda as a procedural matter. The public hearing was left open and continued to the September 15 meeting to give the applicant time to search for alternate locations for their "Direct Cremation" business. The applicant had since found a new location at 495 Enterprise Pkwy and was requesting consideration at that property. That was the next item on the agenda. The open hearing was therefore closed by vote of the Commission.
2. *Journey Cremation at 495 Enterprise Parkway – Text Amendment and Special Use Permit.* The Application for the establishment of a "Direct Cremation" facility in a new free-standing building on a vacant property in the I Industrial District was presented by Paul Chapman of Journey Cremation. Mr. Chapman presented information about the business model, addressed concerns that would typically be associated with such a use and also discussed the development of the subject property with the proposed use. There was no objection to the application either prior to or at the meeting. On conclusion of the hearing the PZC unanimously recommended approval of the application with a modified condition allowing the building as proposed at its current floor area and operational capacity but either on Lot 7 or Lot 8 of the property.

**New Zoning Applications received (for PZC consideration).**

The following new applications were received for consideration by the PZC for their September 15, 2021 meeting:

1. *363 Enterprise Parkway – Special Use Permit for a Youth Baseball Facility.* Lake County Stars Baseball program is requesting a Special Use permit to establish their new facility within a tenant space in the building. The organization formerly operated out of Main Street Sports and Home Run Sports in Lake Zurich. They intend to occupy approximately 14,000 sq.ft. of the approximately 50,000 sq.ft. building. The property is adjacent to US Gymnastics Training Center located at 405 Enterprise Parkway.
2. *570A Telser Road – Special Use Permit for an indoor Badminton sports training facility.* Chicago Badminton Academy, LLC is requesting a Special Use permit to establish its new facility within a tenant space in the building. It intends to occupy approximately 14,272 square feet of the approximately 67,102 square foot building.

**Development Planning:**

1. *Life Time Fitness at 400 N Rand Road.* Maneval Construction, Inc., the contractor for the Life Time project began work on Old Rand Road. Village staff provided the contractor with a letter notifying all residents and businesses on Old Rand Road between Rand Road and Main Street, as the construction would have an impact on all properties. Both the Lake Zurich Police and Fire Departments were notified of the temporarily altered traffic pattern in the construction area. Staff has also notified the contractor of scheduled events (Alpine Races on September 26 and Tunnel to Towers on October 3) that would potentially be impacted by the construction and requested that the contractor run a street sweeper at the end of the date each Friday preceding the events (September 24th and October 1st) to assure the route is clear for runners.
2. *Recreational Cannabis Establishment at the former TGIF location at 676 South Rand Road.* The courtesy review that was previously communicated in July to the Board for a cannabis dispensary at the former TGIF location at 676 South Rand Road was delayed by the Applicant until after the third-round lottery for State licenses. That third round earlier in the month and the Applicant, AmeriCanna Dream LLC, secured two State licenses – one for the Chicago metro area and one for the St. Louis metro area. AmeriCanna Dream is planning to move forward with an initial courtesy review on Tuesday, September 7, 2021. They were in final negotiations on a lease with Hamilton Partners, owner of the subject property. The subject property meets the zoning criteria. An adult use dispensary in Lake Zurich still requires a Special Use Permit with final approval by the Village Board. Pending a positive outcome of the expected courtesy review by the Board, the public hearing process at the Planning and Zoning Commission is expected to begin at a future meeting.
3. *Sanctuary of Lake Zurich.* Staff was informed by Mr. Romeo Kapudija that the closing for 881 North Old Rand Road and 300 Rand Road properties was scheduled for Wednesday, August 18. The initial closing was delayed due to an extenuating health issue of one of the sellers. Mr. Kapudija also stated that the 320 North Rand Road property had been gifted by Fred and Natalie Sponsler to LZ Development Group, LLC, which will be the parent entity overseeing the development.

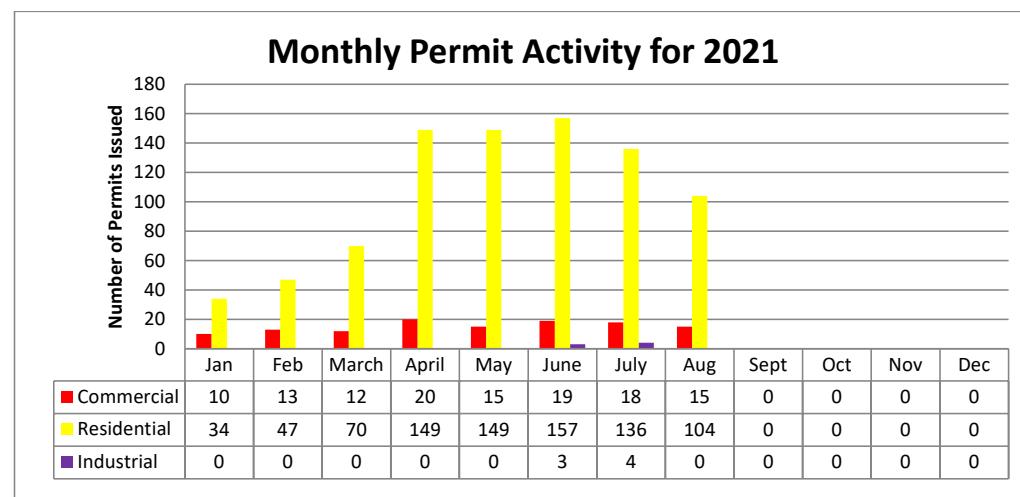
Later in the month, Community Development Department issued a tree removal permit to Romeo Kapudija, the developer of the Sanctuary of Lake Zurich mixed-use project. The permit allowed the property to be cleared of low quality or dying vegetation to make way for development which included extensive new landscape material. The final engineering submittal was under review by the Village's Development Review Team (DRT) and would be issued in the coming weeks following which mass grading could begin on the property. Mr. Kapudija was notified of and is sensitive to the proximity of the construction to the lake and assured the Village that all necessary measures would be implemented

to control silt and soil erosion on the property during construction. Additionally, construction access to the site was only allowed from Rand Road.

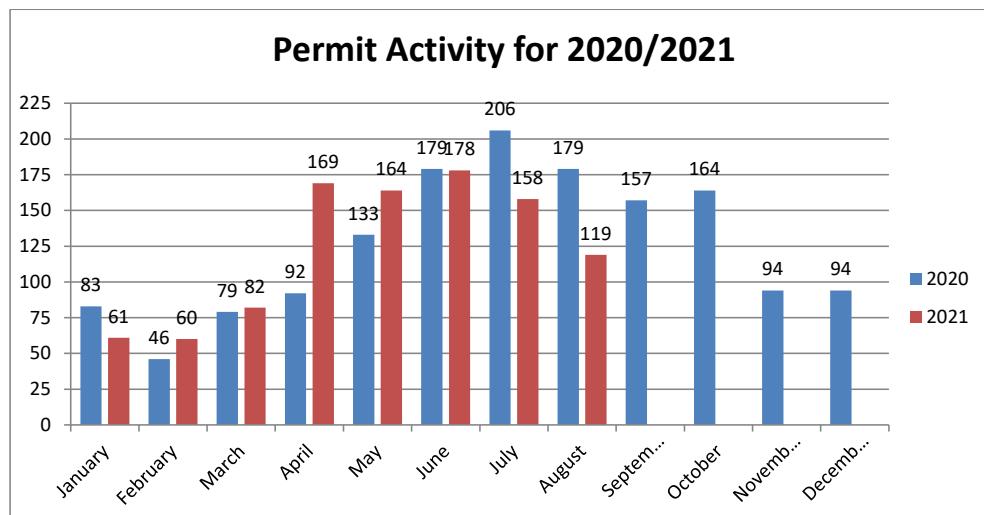
4. Blue Ridge Korean BBQ at 133 West Main Street. Mr. Song Choe, proprietor for Blue Ridge Korean BBQ at 135 West Main Street, informed the Village that renovation would continue at the former American Family Insurance building. Renovation had previously been delayed due to a required revision in construction plans which has been resolved. Mr. Choe stated that there were two factors slowing progress: 1) the contractor was working on several projects but was trying to complete Blue Ridge as soon as he could, and 2) difficulty in recruiting a chef for the restaurant. On the positive note, he sold his restaurant in Park Ridge and anticipates closing at the end of September.
5. 7, 15, 19 S Old Rand Road (former Alpine Medical Property). At the July 19, 2021 Board meeting, Trustees approved the redevelopment agreement between the Village and LZ Blooms for the redevelopment of the properties at 7, 15 and 19 South Old Rand Road (former site of Tail-Waggers, Alicia's Nails, and the Alpine Medical building). The agreement includes the Village selling the land for \$225,000 and LZ Blooms investing some \$2.45 million in TIF-beneficial redevelopment. The motion that was made at that Board meeting was to approve the redevelopment agreement in substantially the draft form provided, subject to final review. The drafted agreement from the July 19<sup>th</sup> Board meeting included: 1. the Developer starting the construction of the project by October 1, 2021 (this has been pushed to May 1, 2022). 2. the Developer having completed construction by October 31, 2022 (this has been pushed to May 1, 2023). The time extensions were agreeable to Staff and have been memorialized in the final agreement, which has now been fully executed and signed.
6. New Popeyes at 742 S Rand Road. Popeye's Louisiana Kitchen Restaurant at 742 S Rand Road was issued a temporary occupancy to begin operating the restaurant following completion of their inspections by Village and Lake County staff. Popeye's began operations on Monday, August 30. The former Pizza Hut restaurant building was remodeled to upgrade and modernize the building's appearance, and now offers a double-access drive-through lane. Temporary occupancy permits were issued in both instances due to certain minor incidental issues such as dying landscape material that needed replacement, or the provision of final record drawings (as-builts) which do not necessarily prevent the structures from being occupied and operations commencing.
7. Consume Expanding in Lake Zurich. The owners of Consume, Mr. Uday Patel, Mr. Ankur Patel and their chef Mr. Russ, met with senior staff of the village to discuss ideas for expanding their offerings in Lake Zurich. Village staff present were Village Manager Keller, Assistant Manager Witherow, Public Works Director Brown, Community Development Director Saher, Park and Recreation Director Caputo and Management Services Director Duebner. The owners of Consume are looking to establish an additional restaurant in a family-oriented format such as a pizza restaurant and wanted to explore potential properties available for development. Consume would remain and continue to operate in its present format and location. They would like to acquire and own a new restaurant building.
8. White Alps Restaurant. White Alps restaurant (which lies within the boundaries of TIF District #3 centered around Paulus Park and the former K-Mart property), closed on Monday, August 16 with plans to move to a vacant building on Route 176 in Wauconda (formerly the Wauconda Café). The building was intended to be remodeled into a doctor's office.

#### Other Activities.

1. Bills Boats Violations. At the request of the Village Attorney, the hearing scheduled for August 30, 2021 was rescheduled to October 4, 2021.

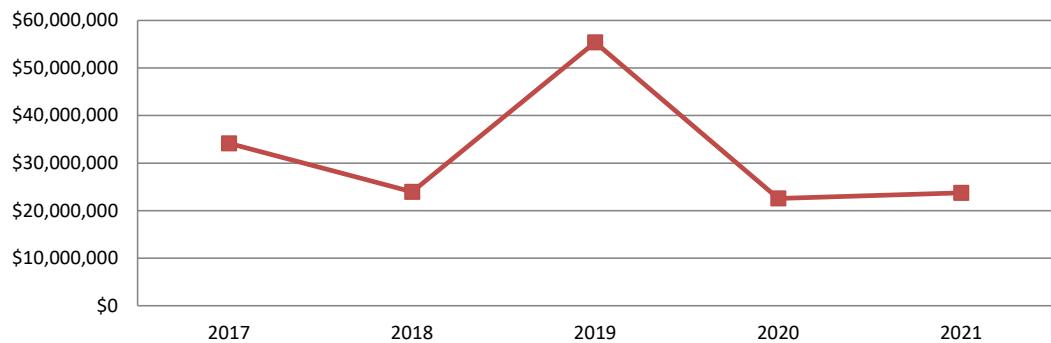


The chart above represents the total of permit activity on a monthly basis for 2021.



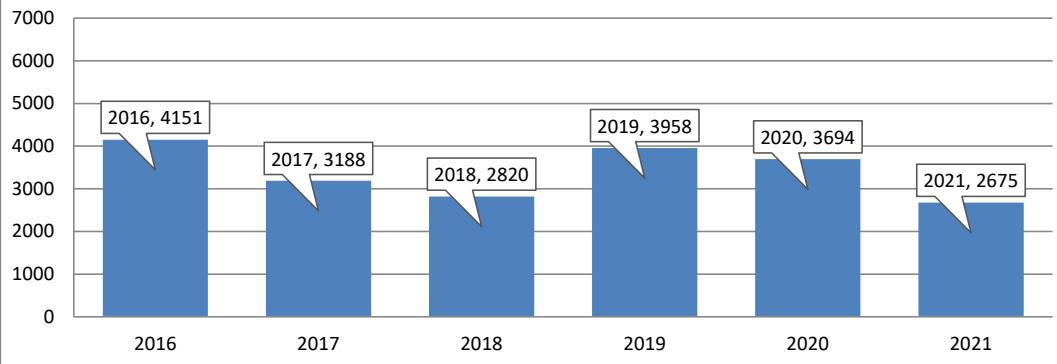
The chart above compares monthly permit activity for 2021 to the previous year 2020.

**Construction Value of New Permits:  
January-December  
2017-2021**

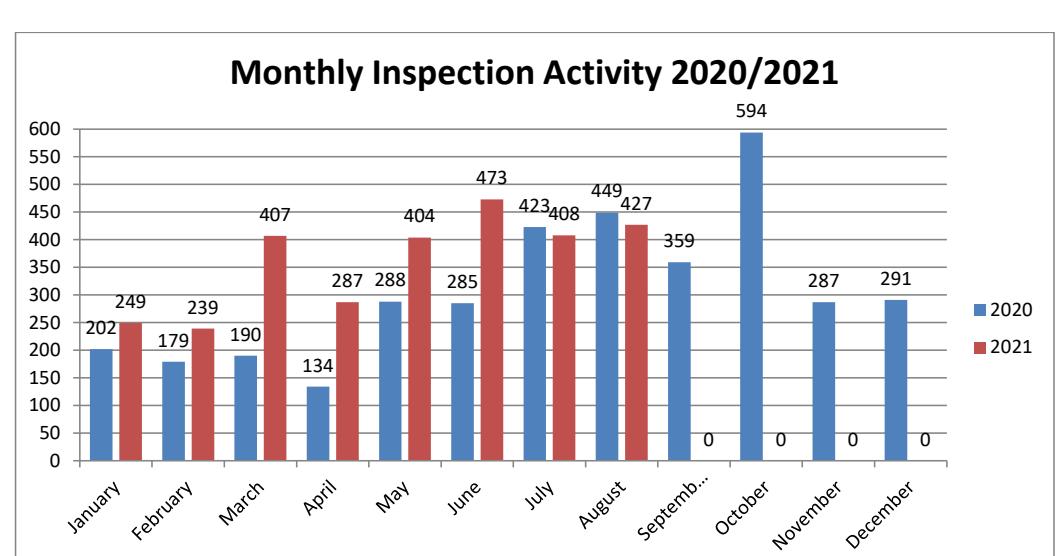


This chart tracks construction value of permit activity by year for 5 years. Comparable data will not be available until the end of the year.

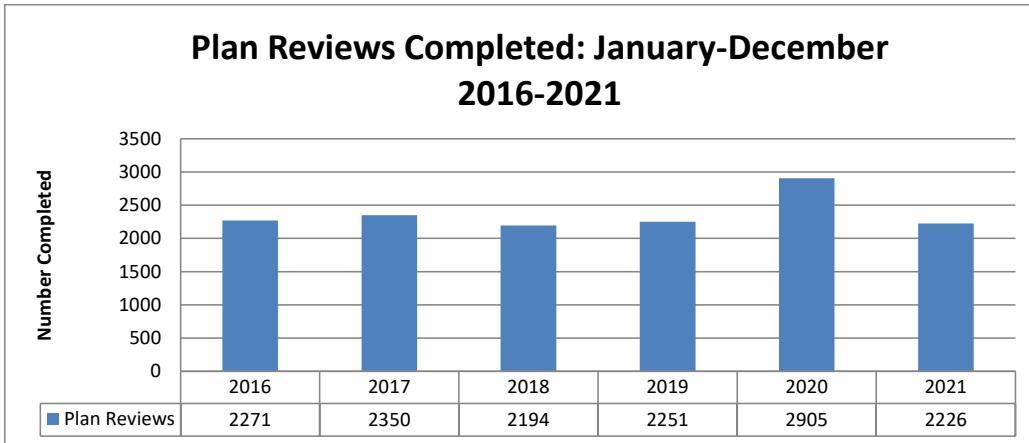
**Inspection Activity: January-December  
2016-2021**



This graph illustrates the number of inspections performed by year. Comparable data for 2021 will not be available until the end of the year.

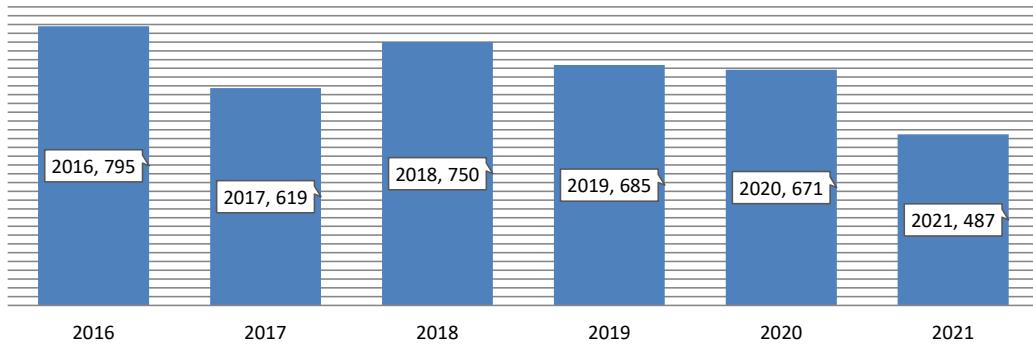


This chart indicates inspection activity on a monthly basis for 2021 compared to the previous year 2020.



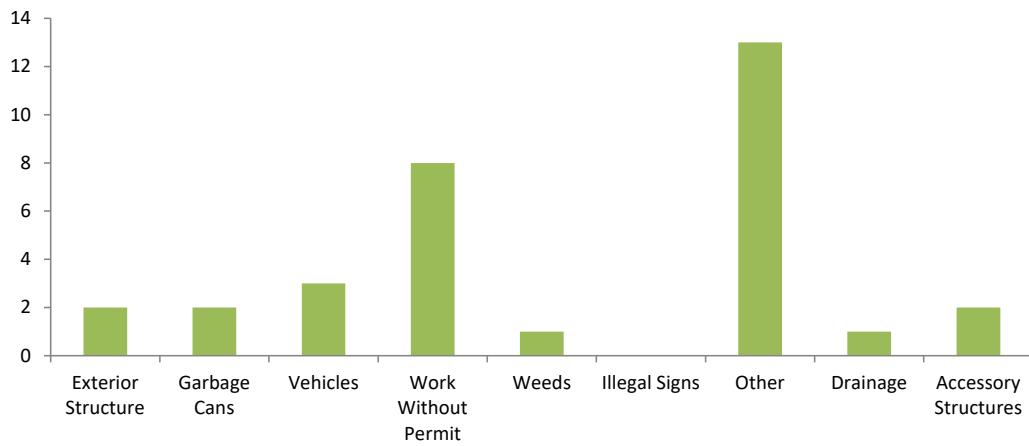
This graph illustrates the number of plan reviews performed by year. Comparable data for 2021 will not be available until the end of the year.

### Contractor Registrations January-December (applied for) 2016-2021



Comparable data for 2021 will not be available until the end of the year.

### Common Code Violations - Details



This graph illustrates the number of code violations reported for the month. The data varies from month to month and is season dependent.



# PARKS & RECREATION DEPARTMENT

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## MONTHLY INFORMATION REPORT

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**August 2021**

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HIGHLIGHTING DATA METRICS  
TO IDENTIFY OPERATIONAL TRENDS  
AND  
FACILITATE INFORMED DECISION MAKING

70 E. MAIN STREET  
LAKE ZURICH, IL 60047

### Departmental Narrative

The department continues to operate the weekly Farmers Market on Fridays from 3-7pm at Paulus Park thru Friday, September 10<sup>th</sup>, with a two-week extension of the market until the end of September with limited vendors: Harms Farm & Garden Center, Andrew's Heirlooms, E&S Fish Co, Farmer Nick and the Cheese People. Thank you again to our sponsors Lake Zurich Tire and Auto Inc., Stephanie Seplowin, Coldwell Banker, and Compeer. The second Movies in the Park free event was held on Friday, August 20<sup>th</sup> bringing out approximately 100 people to view Toy Story 4. Monthly attendance was down from prior years for the Movies in the Park events. The department plans to reattempt these events returning them to the first Friday in the months of June and July next year to see if the change in scheduled caused the decline in attendance. The July 30<sup>th</sup> Groove Grove featured the Soul City Collective, 7 artisans and a food trucks, Jester Juice & Mini Donuts (Stella's Grill was a no show to the event). The event brought out approximately 100 people to enjoy the lakeside event which was a bit smaller than the June and July events due possibly to the heat (night of the event was high 90s). The Park Advisory Board has begun conversations to plan for Groove Grove events to continue in 2022, however, to move the date to a Wednesday in June, July and August combining efforts with Food Truck Socials. Block A Food Truck Socials will continue to operate weekly on Wednesdays thru September.

The Park and Recreation Department held the Community Clothing Drive on Saturday, August 28<sup>th</sup> from 12-4pm and saw approximately 75 people come thru to shop for their children (ages 0-5T). The Clothing Drive was driven by Park and Recreation Advisory board member Cathy Malloy as, due to the COVID climate, local clothing drives have been placed on hiatus by the Churches and was determined to be a current need thru recent community engagement. Clothing was donated and organized by many community volunteers throughout the week. Left over clothing was donated to Home of the Sparrow and other nonprofit organizations in need. Any clothing that was not gently used was placed in the textile recycling at the Village's Public Works facility site. A big thank you goes to all who donated both clothing and their time to the event, Cathy Malloy and School District 95 who helped to pass along the opportunity to those in need.

The department is continuing to work with the Mayor's Office and Rock the Block subcommittee to finalize food vendors and promotions for the event this year to be held on Saturday, September 11<sup>th</sup> on Main Street. The event will feature 3 live bands, LAVA Rock, Libido Funk Circus and Bella Cain, approximately 17 food trucks/vendors and adult beverages. The department is still seeking volunteers to help with ticketing and adult beverages. Volunteer sign up for events continues to be electronic and can be found by visiting <https://lakezurich.org/571/Event-Volunteer-Opportunities> The Miracle on Main Street event committee is set to begin meeting for the Saturday, December 4<sup>th</sup> event planning in September.

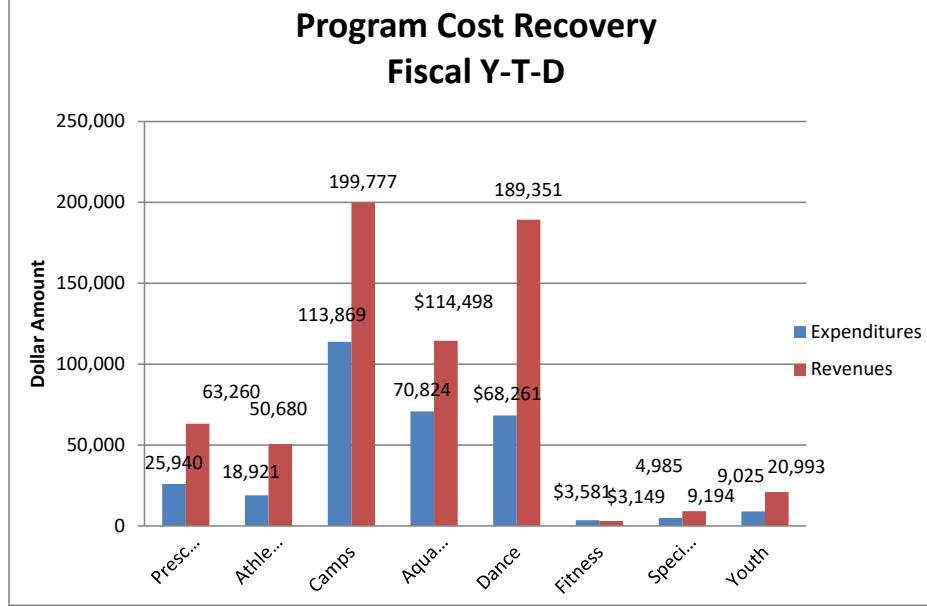
Day Camp wrapped up the season with 599 enrollments served by the program. All sessions for camp were filled to capacity with limited space still available in post camp session. All waitlist participants were offered accomodations. The department held the Dancer Open House/Shoe Swap event at Buffalo Creek on Thursday, August 12<sup>th</sup> inviting out the 375 registered dancers. Registraton for the Fall/Spring session is ongoing thru December. The department has begun

planning for the Spring recital exploring out of town venue options since District 95's Performing Arts Center is still not available due to COVID restrictions. Further details to come. Yellow Brick Road Preschool will begin to operate from the Paulus Park Barn and Buffalo Creek location after Labor Day. The program has full classrooms at both sites with just 1 space left available in the 3-year-old program and 3 spaces left available in the 4-year-old program (both at the Paulus Park location). Student teacher orientations will be held throughout the week of August 23<sup>rd</sup> scheduled (electronically) for 20-minute meetings with the teacher (to avoid gatherings of larger groups in our preschool spaces).

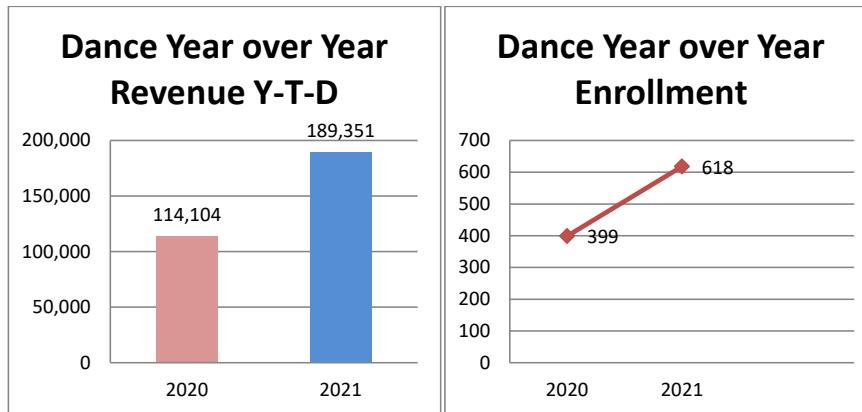
Beach operations entered post season hours as of Monday, August 9<sup>th</sup> with the closing of Breezewald Beach (after August 8<sup>th</sup>). During the month of August, the beaches experienced no closures from Lake County Health Department, however, the department did close the Paulus Park Beach 4 days preemptively due to heavy rains throughout the week; the sprayground remained open on the days when the beach was not available. The Paulus Park Beach remains open on weekends only through Labor Day with abbreviated hours of operation, weather pending.

The department is continuing to work with the Public Works team to complete a variety of projects: Barn renovation outstanding punch list items and the OSLAD projects.

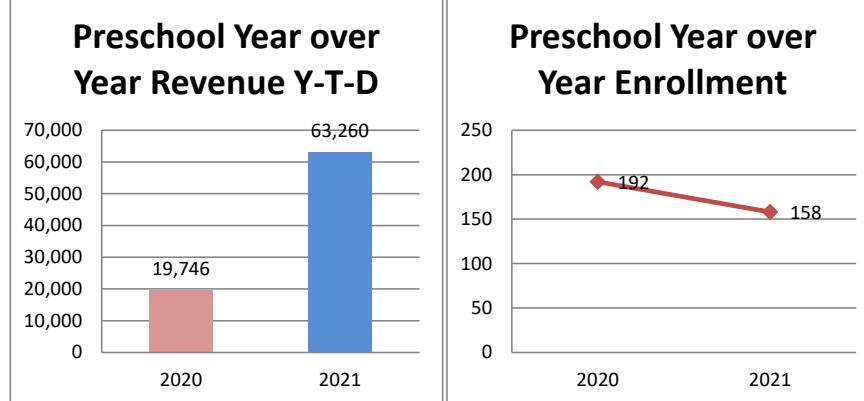
The department has received applications and Village Board approvals for the following external events to run on Village property for the remainder of FY21: Jack O'Lantern World (entire month of October), Phase 3 Bushel of Apples Fest (10/2-10/3), and the Stephen Siller Tunnel to Towers 5K (10/3). The department will continue their collaboration with Ancient Oaks Foundation quarterly community events and the Ela Public Library partnership, new Storywalk available at Oak Ridge Nature Marsh featuring the title Little Blue Bridge and Kuechmann Arboretum featuring Little Red Fort as of August 9<sup>th</sup> thru September. Further details on both Village sponsored, external and internal events can be found in our seasonal program brochure, online or by contacting the department.



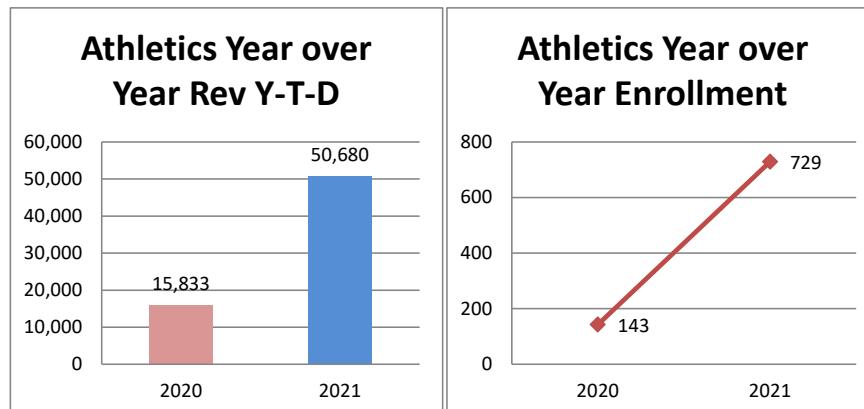
Dance expense show higher than rev as recital costume purchasing takes place in Jan/Feb (rev realized in July-Sept as part of the participant fee for the upcoming year). Additionally, we are still waiting on payroll for camp and aquatics to be updated; numbers only reflect one June payroll. Breakdown of camp and beach year over year rev/enrollment break downs not included below as Camp and Beach did not run in June of 2020.



Dance programs include Ballet/Tap, Pointe, Jazz, Company, Lyrical, Hip Hop, Mom & Me classes, etc. The Academy of Performing Arts also offers summer camp/class options. Summer enrollment has doubled over prior years.

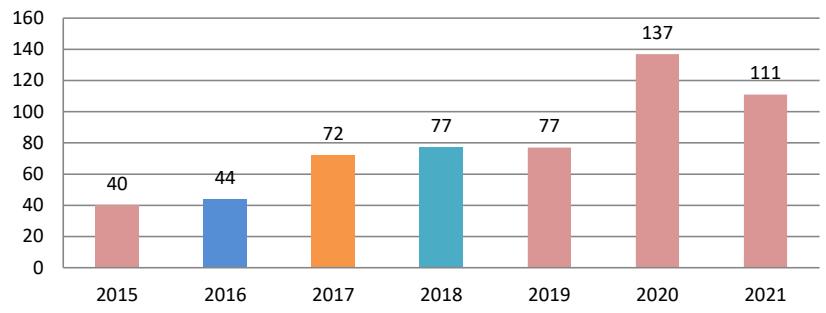


Preschool includes Terrific Twos, Just for Me Almost 3, Lunch Bunch and enrichment programs, Preschool (3yrs-4yrs). Classes in Winter/Spring 2020 operated daily in three locations: The Barn, St. Peter's Church and Buffalo Creek. Classes for 2021 were condensed to operate daily at 1 location due to lower enrollment: Buffalo Creek. Experienced over 50+ cancelations for preschool in August 2020 due to COVID with parent feedback conveying they intend to revisit participation as of the new year- Fall 2021.



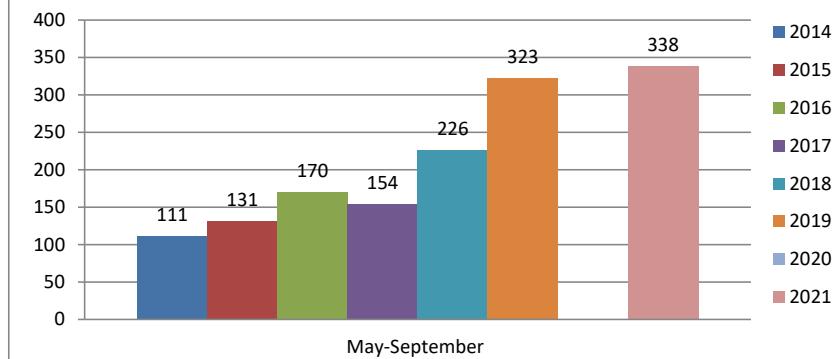
Athletic programs include the following independent contractors: tennis, tae kwon do, golf, soccer, horseback riding, agility training, and parent child sports.

### Non-motorized Boat Permits Year over Year

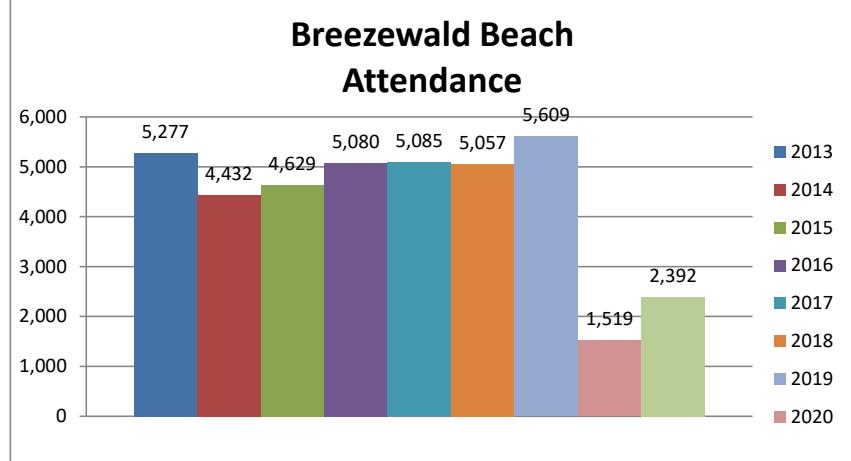


2021 numbers include both daily and seasonal nonmotorized craft permits; includes 59 daily permits and 52 season permits purchased.

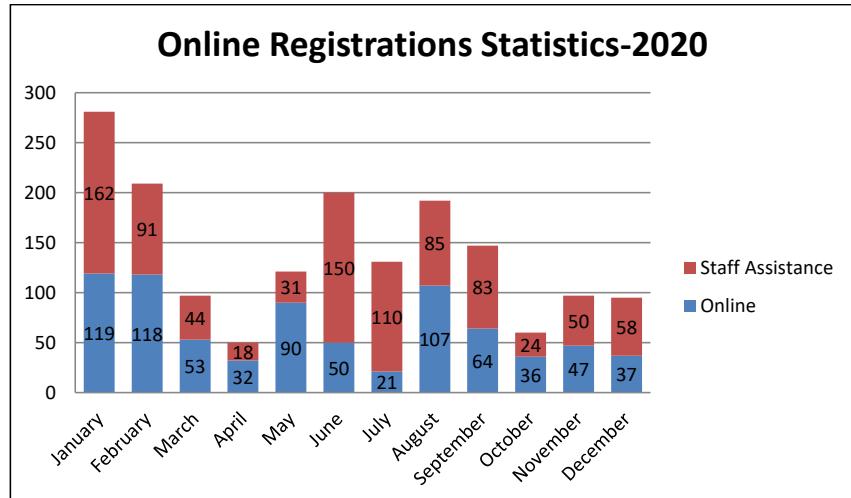
### Beach Seasonal Pass Sales



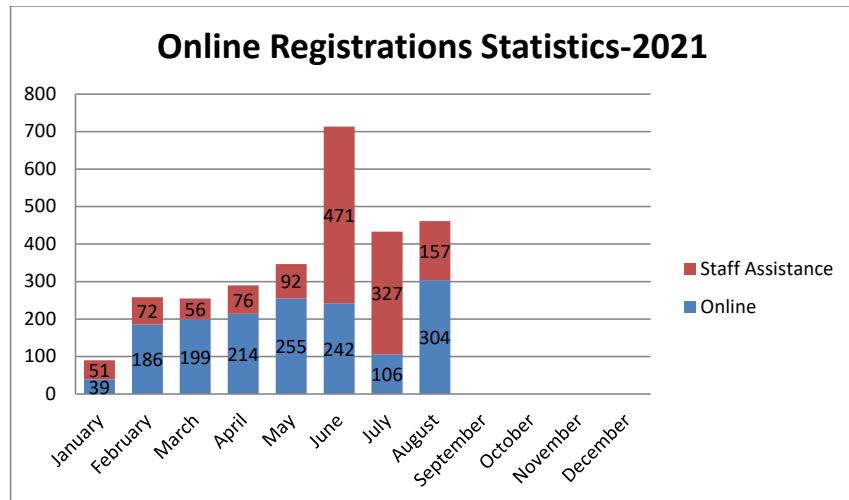
Beach pass sales are back up for the season. In 2018 the Paulus Park location underwent a beach expansion adding an addition 220 feet of shoreline to the facility. In addition, passes increased in 2019 due to the addition of the Wibit inflatables. In 2020, beach passes were eliminated due to COVID.



In 2020, Breezewald Beach opened in July and had limited availability due to COVID social distancing restrictions.



Online registration is available to all residents and non-residents enrolling in programs. Beach membership and facility rentals must be made in person at the Barn. Payments made at the beach are NOT included in these numbers. Registration has been handled during this time solely by the Rec Director and Supervisors; guest service associates have been furloughed since early April 2020. Numbers do not include processing for refunds, credits, POS and rentals.





# FIRE DEPARTMENT

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## MONTHLY INFORMATION REPORT

**August 2021**

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HIGHLIGHTING DATA METRICS  
TO IDENTIFY OPERATIONAL TRENDS  
AND  
FACILITATE INFORMED DECISION-MAKING

70 E. MAIN STREET  
LAKE ZURICH, IL 60047

**OUR MISSION:** To care for and protect our community.

**OUR VISION:** The Lake Zurich Fire Department is dedicated to meeting the ever changing needs of our community, while ensuring a safe and secure environment for all, through professional development, unity and teamwork.

**OUR VALUES:** Professionalism, Responsibility, Integrity, Dedication, Honor

## Departmental Narrative - August 2021 Overview

In August, the Department responded to 415 calls for service, which averaged 13 calls per day and required **637 individual vehicle responses** to provide the necessary personnel for each incident.

Forty-one percent (**41%**) of the responses occurred while another call was in progress. Twenty-two percent (**22%**) of needs required a response from the non-primary engine, ambulance, or a mutual aid department due to multiple calls in progress.

Our current staffing model increases response times when simultaneous calls occur as the Department is only structured to handle a single response per station. We staff two vehicles with only three personnel using what is called a "jump company." If the call is for the ambulance, the personnel respond with the ambulance, and if it is a fire call, the staff responds with the engine. One of the vehicles remains in the station unstaffed on every incident we respond to due to the limited personnel we have on shift. Once a station commits on a call, the next call for service requires another station or mutual aid to handle the incident.



**Lake Zurich - Year To Date - Fire Value/Save/Loss**



## Significant Calls

### Fox Lake – August 20, 2021

On August 20, 2021, Lieutenant Spencer Cornell and Firefighter/Paramedics Ryan Bene and Collin Boeckmann responded on the MABAS box to Fox Lake for the boater who went under the water. On scene, FF/PMs Bene and Boeckmann dressed and were shuttled out to McHenry's dive boat. Lieutenant Cornell remained on shore and assisted with moving equipment and loading divers into boats. FF/PM Bene was a primary diver and worked line search patterns. FF/PM Boeckmann was retained as the safety diver. Shortly after FF/PMs Bene & Boeckmann's dives were over, Command switched operation mode from rescue to recovery and they were released from the scene.



Structure fire in 21300 block of West Ridge Rd in Forest Lake on August 28, 2021  
(Pictured left)

## Member Spotlights

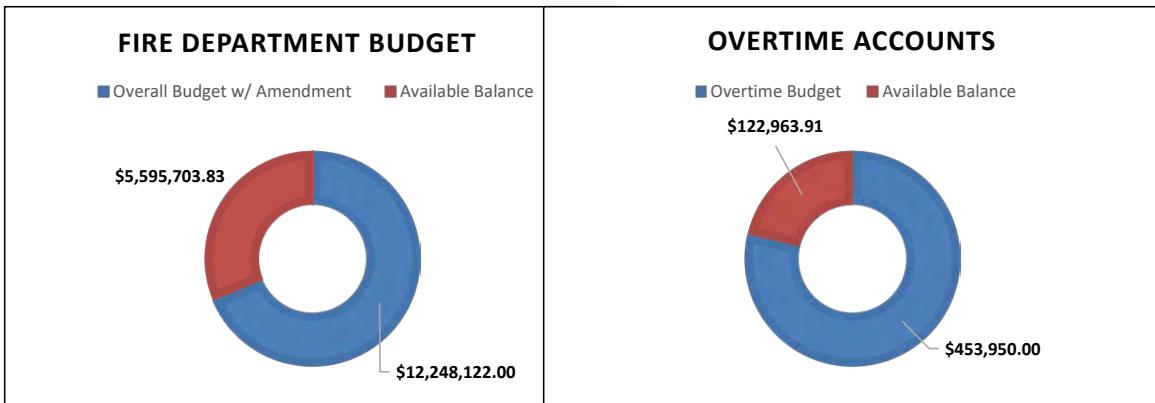


Congratulations to the following promotions: Deputy Chief Joe Christopherson, Captain Terry Johnston, Captain Lee Kammin, Lieutenant Chris Hedquist and Lieutenant Spencer Cornell. (Pictured left)

Congratulations to Captain Terry Johnston's Retirement! We wish you nothing but the best! (Pictured right)

## Administration Division

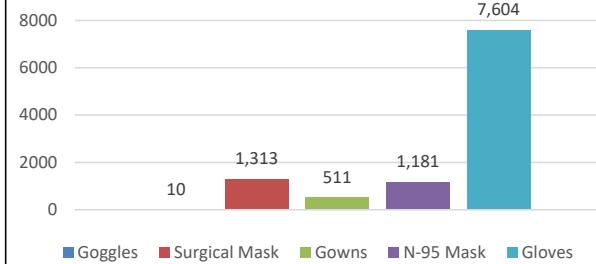
**Budget Update** – The administrative team is busy working toward the 2022 budget and looks forward to working with the Board to need our future needs.



### COVID-19 Updates

We are currently tracking the Personal Protective Equipment (PPE) that members use and dispose of due to the COVID-19 pandemic. In August, we issued **0 pairs of safety goggles** and used **147 surgical masks** on patients, **103 - N95 respirators** for our personnel, **12 gowns**, and approximately **769 surgical gloves**. The graph pictured right shows year-to-date.

### PPE Utilized & Disposed 2021



### Community Focus/Risk Reduction/Public Education

Examples of community focus/risk reduction/public education include but are not limited to; school talks and station tours where a safety message such as stop, drop, and roll is covered. We also monitor fire and severe weather drills in schools and educate children about fire safety. Also, we teach exit drills in the home to middle school students and provide CPR/First-Aid training.



So far in 2021, we have attended about **50 events** and interacted with approximately **13,476 people** in public education. For example, *pictured above* is our personnel at Deer Park's National Night Out.

Thank you to District 95 for the delicious treats and we look forward to the continued partnership. (*Pictured right*)

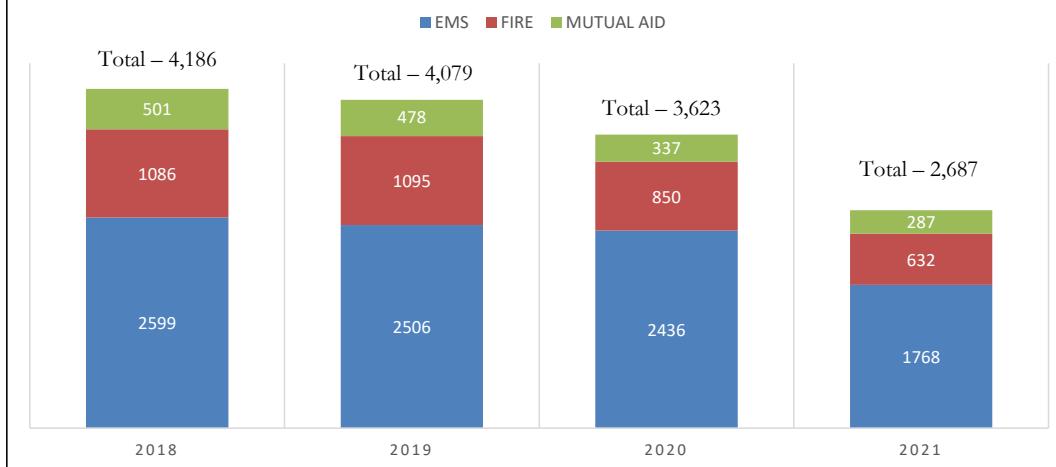
## Operations Division

### Vehicles Out of Service

- During August, the following vehicles were out of service due to maintenance, repairs, or breakdowns:
  - Ambulances – 204 hours
  - Engines – 460 hours
  - Year-To-Date Hours:

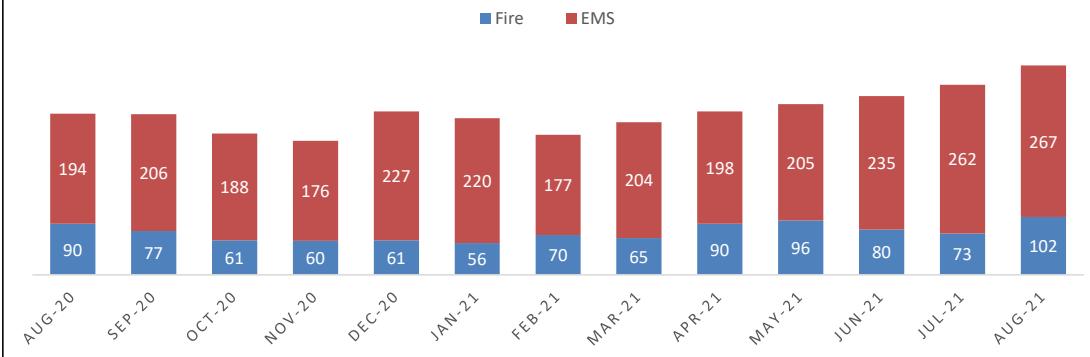
Ambulances: 825.83 hours | Engines: 2,154.23 hours

### TOTAL CALLS - YTD (DATA WILL BE ADDED EACH MONTH TO 2021)



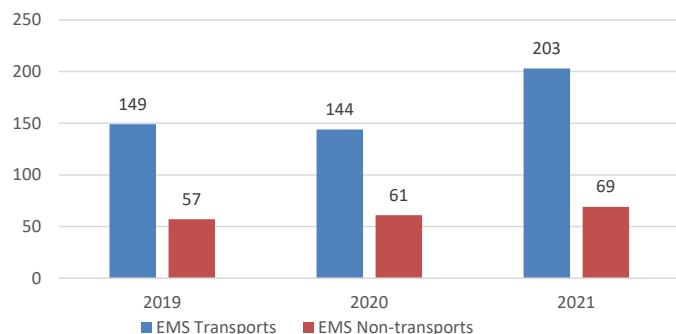
Below is the breakdown of Fire versus EMS incidents in Lake Zurich – minus aid given. Our fire calls include structure fires, car fires, grass fires, dumpster fires, wires down, and other types of service calls.

### AUGUST 2021 - EMS V. FIRE CALLS (NO MUTUAL/AUTO AID)



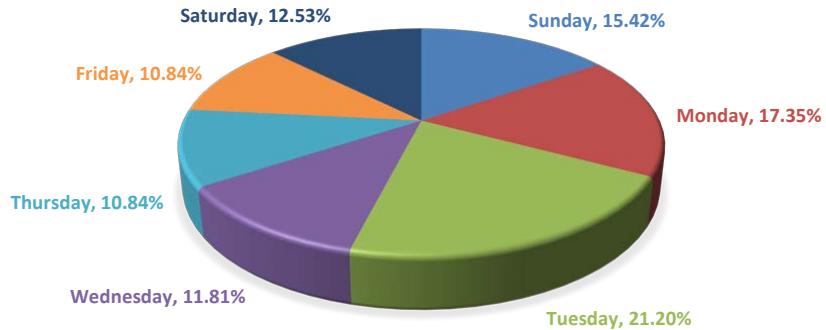
The following chart reflects activity related to emergency medical services, a core function of the fire department — not every EMS call result in transport. A prime example of this is an automobile accident where several victims refuse transport. EMS transports always outpace refusals. This chart compares the month of August across 3 years. The trend is consistent with the data period. These numbers represent the patients seen.

**EMS Transports vs Non-Transports - (Patients)**  
Monthly 3 year - Comparison

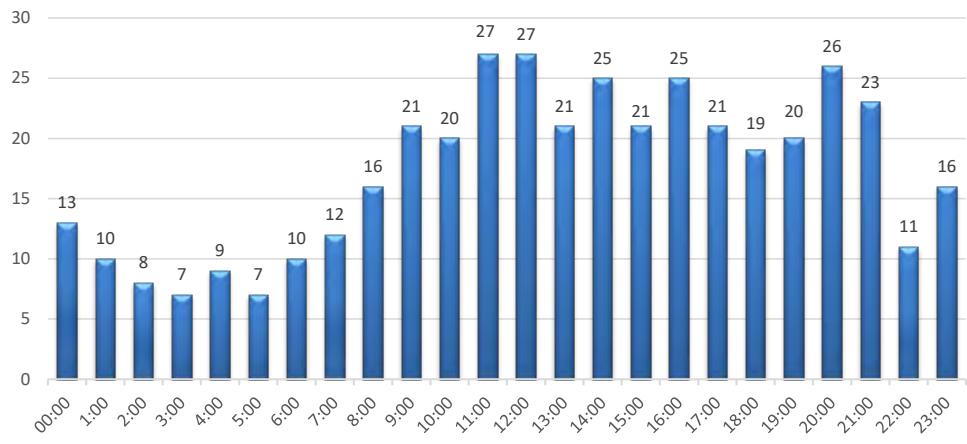


The following two charts break down calls by the day-of-week and hour-of-day.

**RESPONSE BY DAY OF WEEK - AUGUST 2021**



**RESPONSE BY HOUR OF DAY - AUGUST 2021**



## STATIONS & STAFFING | OFFICER FIREFIGHTER/PARAMEDIC

### STATION 1

321 S. Buesching Road  
Lake Zurich, IL 60047

#### APPARATUS & STAFFING BATTALION 32



### STATION 2

350 W. Highway 22  
North Barrington, IL 60010

#### APPARATUS & STAFFING

ENGINE 322  
AMBULANCE 322



### STATION 3

1075 Old McHenry Road  
Lake Zurich, IL 60047

#### APPARATUS & STAFFING

ENGINE 323  
AMBULANCE 323



### STATION 4

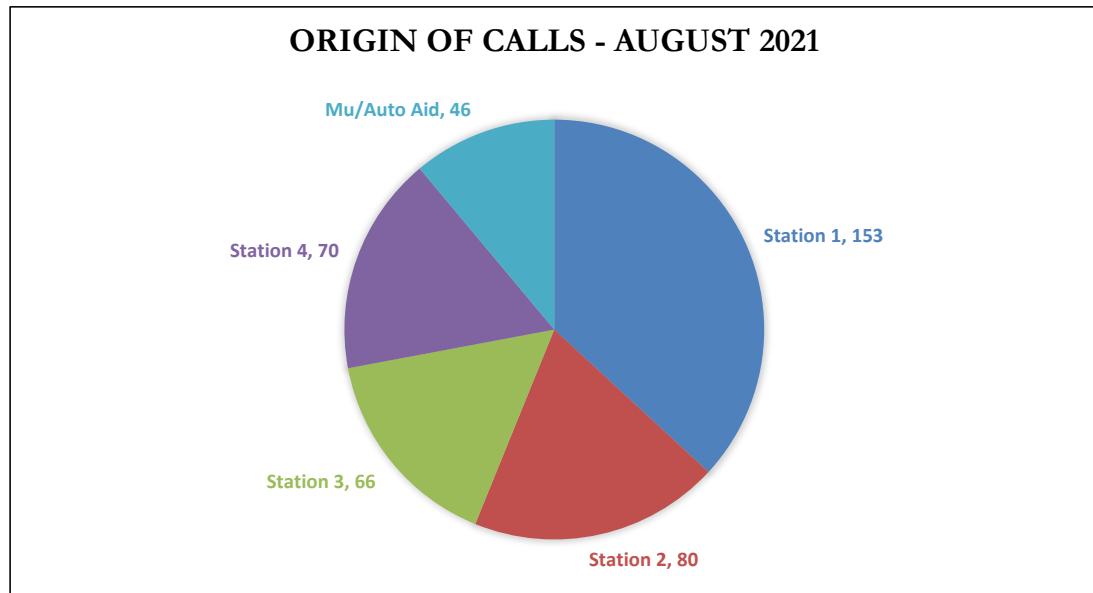
21970 Field Pkwy  
Deer Park, IL 60010

#### APPARATUS & STAFFING

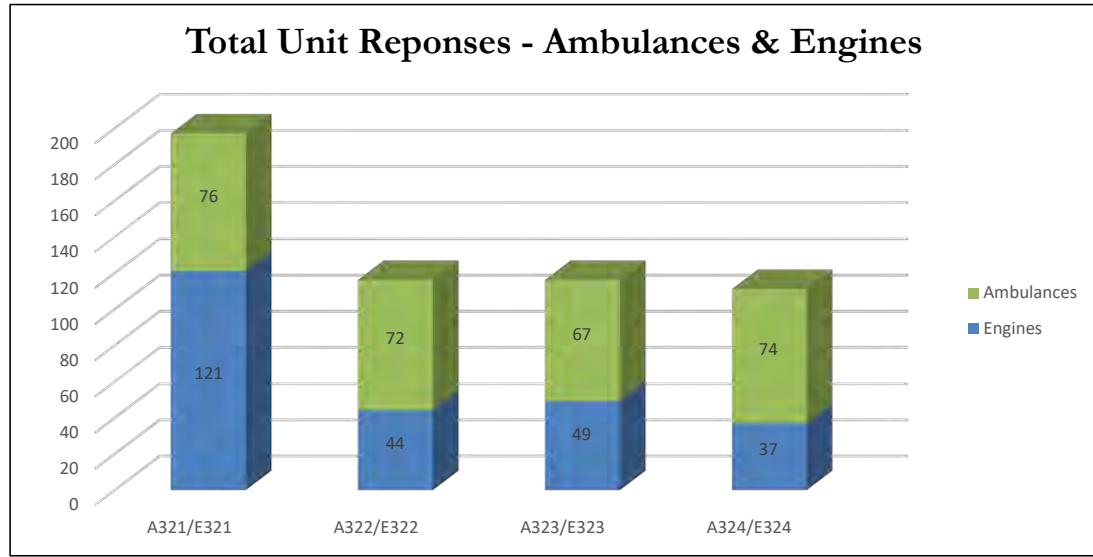
ENGINE 324  
AMBULANCE 324



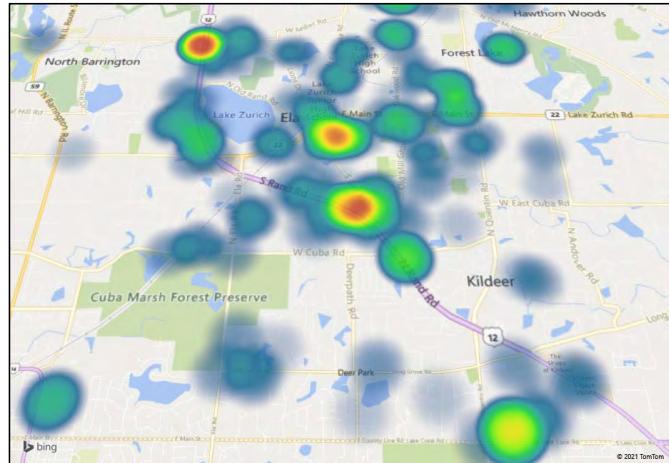
The graph below represents the percentage of calls by each station and mutual/auto aid for August 2021. The chart does **not** represent the station that responded as the primary resource to the area – it means where the call originated. Station 1 is historically the busiest district.



The graph below shows the responses by each unit – Ambulances & Engines – in August 2021.



The following graphic is a visual representation of call distribution for August. As visually displayed, the assisted living/memory care facilities are a large portion of our department calls and are consistently within the top ten locations responded to each month. We frequently respond to doctor offices and health clinics, along with automobile accidents near the Route 12 corridor.

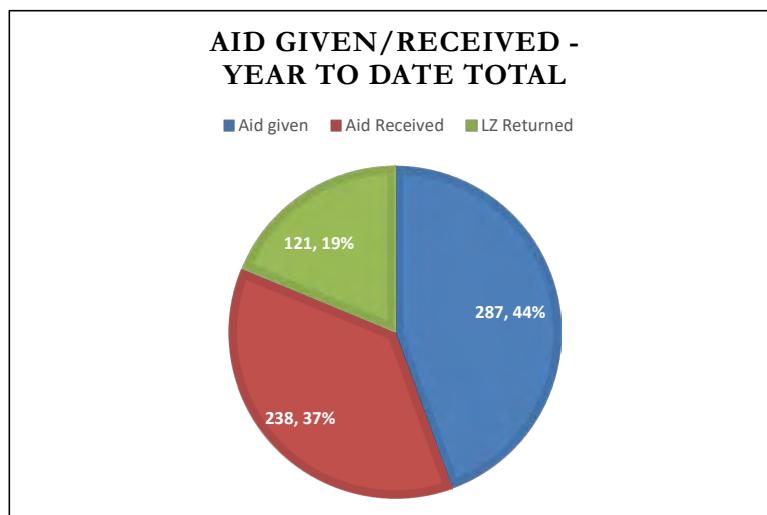


#### Frequent Call Locations:

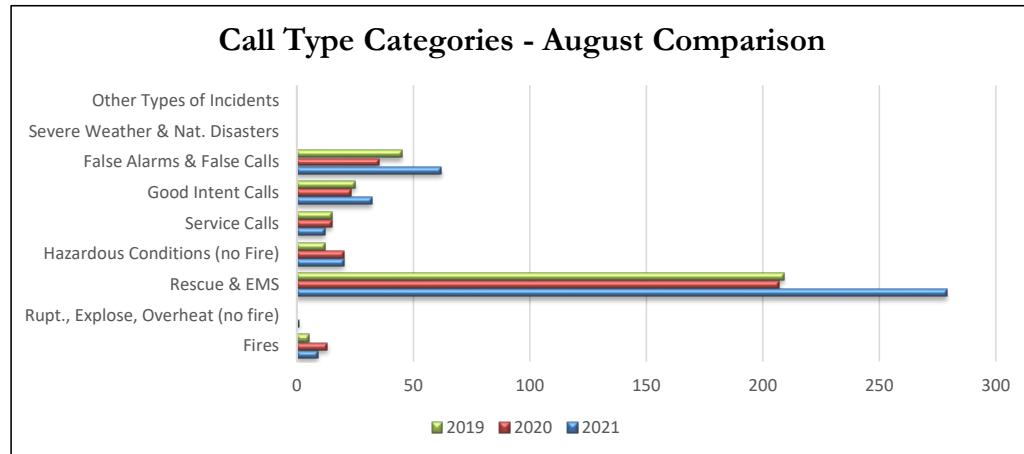
- 795 N. Rand Road – Azpira Place of Lake Zurich – 26 responses
- 900 S. Rand Road – Lexington Health Care Center of Lake Zurich – 14 responses
- 21840 Lake Cook Road – Deer Park Village Senior Living – 14 responses
- 21481 N. Rand Road – Northwest Community Healthcare – 10 responses
- 555 America Court – The Auberge at Lake Zurich – 5 responses

#### Mutual/Auto Aid Response Year to Date –

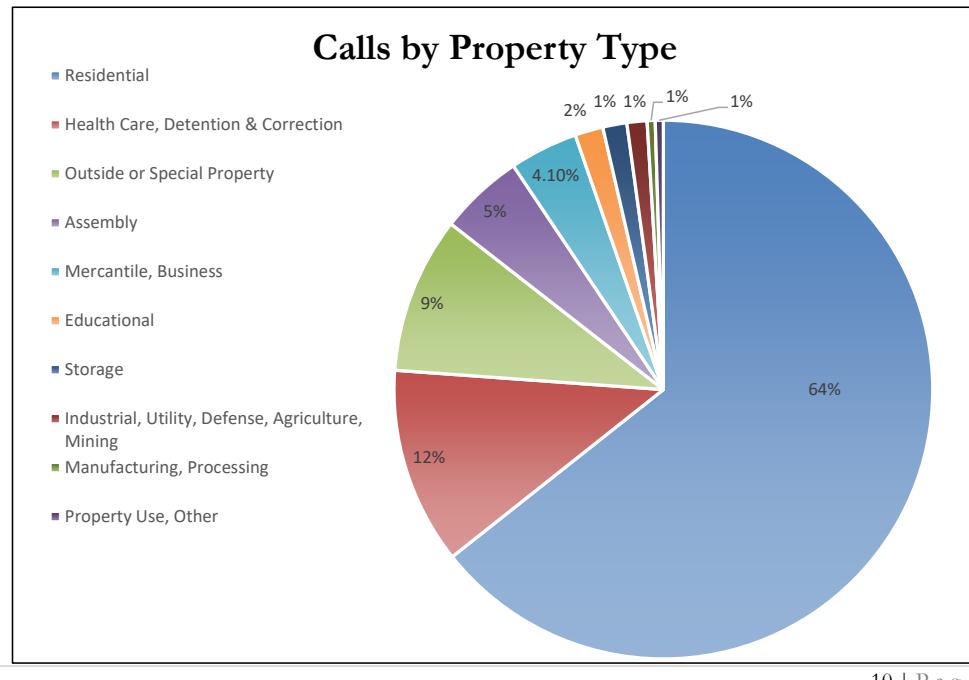
The mutual aid agreements are designed not to overburden any one agency and are looked at carefully for any necessary adjustments. Run cards for the Department have changed, and our partners are responding to assist us more often. In August, we responded to **46 mutual aid calls and returned 21 times** before our arrival. The chart to the right shows YTD Aid Given/Received and how many times LZ returned before their arrival. Many of our response incidents do not require intervention from the LZPD 911 center through automated dispatching and resource sharing. They are entirely handled by the agency requesting our response — direct cost savings to our budget and an added benefit of the automated dispatch system.



All calls we code as a department within the National Fire Incident Reporting System (NFIRS). The codes all relate to the text categories noted in the chart below. As indicated below, you will see across the three years that the trends remain mostly the same. Rescue and EMS incidents account for most calls we respond to and continue to increase, as indicated below.

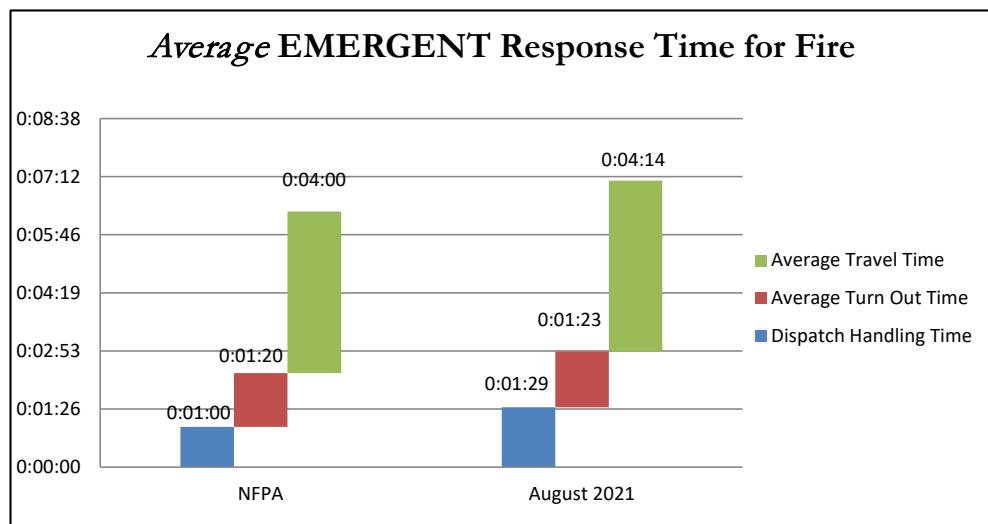
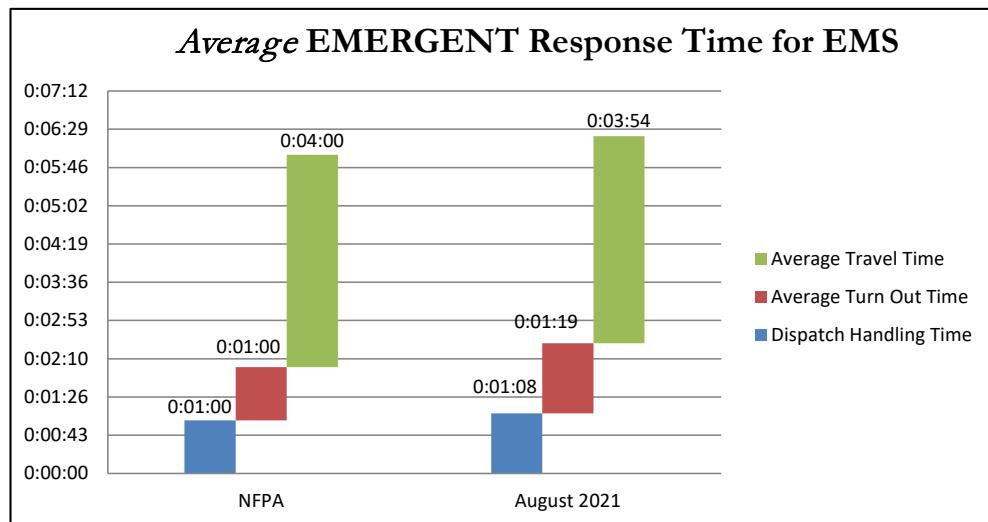


As previously mentioned, there is a national standard for coding the type of property use. How is this relevant? We see trends in various types of occupancies and use them to determine our service demand. For example, the healthcare category would increase if additional assisted living or nursing homes were open. As shown below, we continue to respond to Residential Properties more than any other (64%), and Health Care/Detention was second with (12%) of all calls.



Response time includes three key factors: dispatch handling time, turnout time, and travel time. Dispatch handling time is the time for dispatch to take in information and then dispatch personnel. The turnout time is when the crews receive the call to the time they get into the vehicles and hit the enroute button. Travel time reflects the time from en route to the time they arrive at the incident scene. Construction, speed limits, weather, and train traffic can impact response times. The overall goal for arrival at an emergency fire call is a total of 6 minutes and 20 seconds from the time of notification until the first unit arrives on the scene. For a response to an EMS incident, this time is 6 minutes.

The following two graphs compare the average emergency response times for both Fire and EMS calls within our first arriving unit's primary response area. These times will vary based in part on the first responding unit's location, multiple calls, weather, time of day, and traffic conditions. \*Dispatch handle times have increased after switching to the new CAD system and delays caused by processing an alarm. The ETSB and Infor continue to work on the issue.



## **Training Division**

During August, we completed the following shift training:

**Hazmat Operations** – Rail Emergency class instructed by a representative from CN Railroad.

**EMS SOP Review** – Paramedics reviewed NCH SOP's covering Altered Mental Status, Psych. Issues, Stroke & Seizures.

**EMS Continued Education** – Paramedic continuing education covering Initial Trauma Care & Ocular, Facial, Traumatic Brain Injury & Spinal Trauma.

**Wildland Fire Operations** - Combined shift and County Wildland Team training covering operations and review of new equipment.

**Trench Rescue Operations** – Training covered first due responsibilities and safe operation at trench rescue incidents.

**Confined Space Rescue Operations** – Combined shift and County Confined Space Team covering first due responsibilities, equipment set up and safe operations at a confined space incident. *(Pictured right)*

**Excited Delirium** – Paramedics trained with police department personnel on safely dealing with patients with excited delirium.

**Building Construction** – Crews reviewed basic building construction followed by walk through of several building types to discuss the risks of each building type and how fire would affect each type.

**Company Needs** – Company Officers evaluated their crew and based the training on the needs of their company.

**Weekly Equipment Review** – On a weekly bases crews review department equipment and ensure they can operate is properly and effectively.

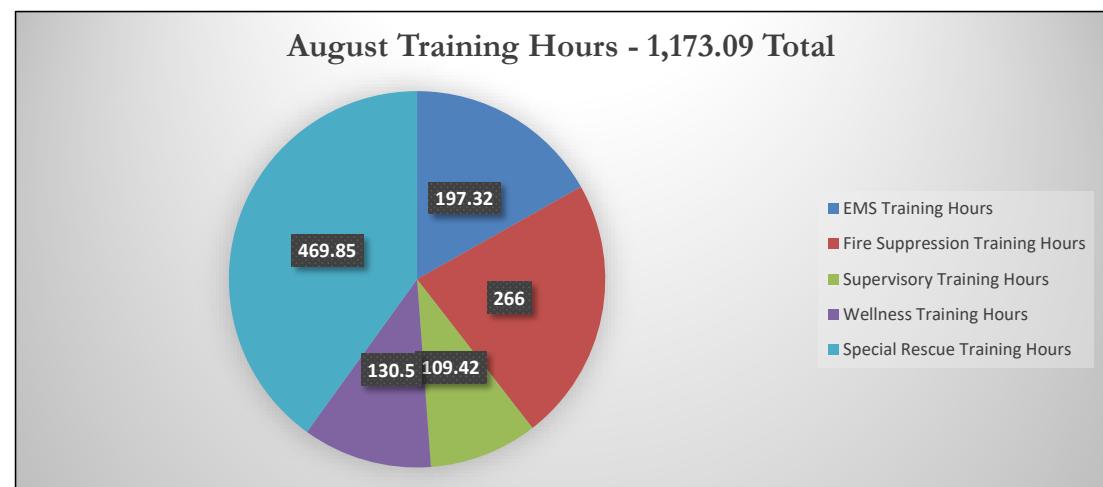
The following personnel attended outside training classes.

**FF/PM Brian Stodola** completed the 84 hour Rope Technician class through IFSI and has obtained the OSFM certification.

**Lieutenant Clayton Booth** started the 120 hour Advanced Company Officer class through IFSI. This is a hybrid class which included on-line learning and classroom portions. The class runs through October.

**FF/PM Brian Stodola** completed the 40 hour Confined Space Technician class through IFSI.





### Fire Prevention Bureau Division

During a recent meeting, comments were made regarding fire inspections and that groups did not know that we strive to complete 100% of every Village and District occupancy every year.



The picture above is a perfect example of why it is so important to get into these occupancies on a yearly basis. This illegal buildout was located in the Industrial Park.

Not only is this a hazard to the occupants, but these violations are dangerous to responding fire crews during a fire incident. We notified the Building Department and most of the hazard was removed by the end of the week.

Schools are back in full session and so are fire drills. We have already witnessed multiple drills with over 1,500 students taking part. (Pictured left)

The new Kildeer development at Route 12 and Cuba Road has started. This project will add 90 new homes and a commercial parcel along Route 12. (*Pictured right*)

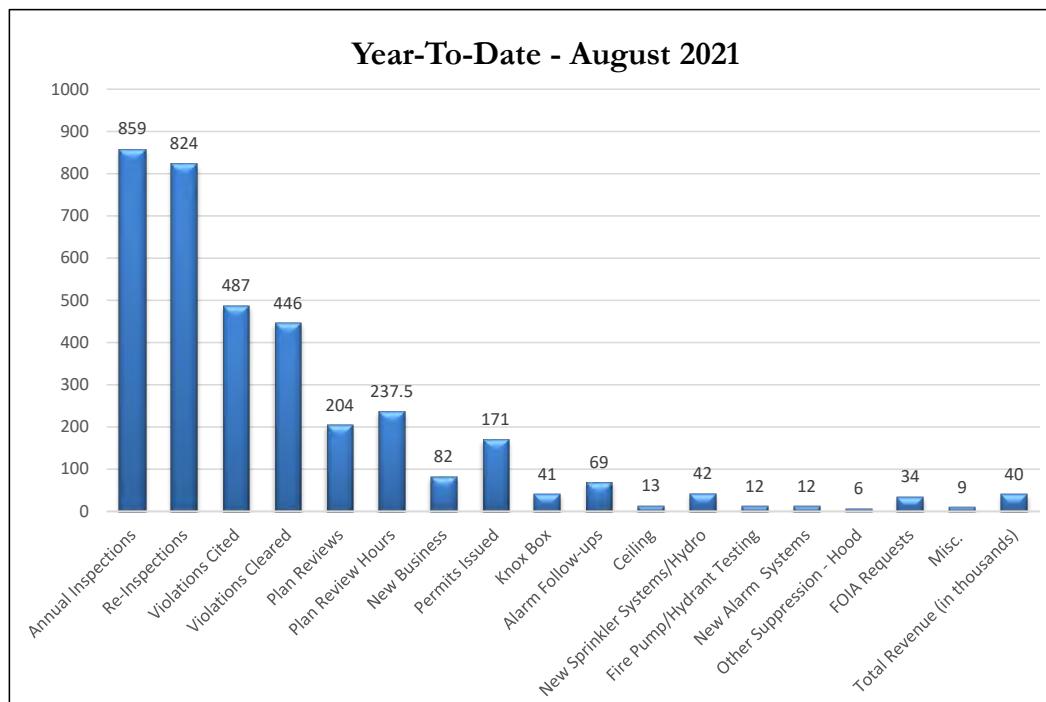
Our fire alarm vendor F.S.S. Technologies' central station alarm and software company was sold last month to AvantGuard from Ogden Utah. As with any switch over numerous issues popped up beginning this past Sunday. AventGuard personnel were onsite this week along with F.S.S. Technologies IT

personnel working alongside our dispatchers to fix problems as they popped up. Numerous late night phone calls between our offices and Wauconda's Fire Prevention Bureau helped to sort these issues out. Bureau staff have been handling multiple false alarms during the week as the software program switched over. As of 9-3-21, most of these issues have been resolved. I would like to thank Dispatch Supervisors Heather Cipolla and Anne Harper for their help and patience during this change.



#### AUGUST FIRE PREVENTION ACTIVITIES

- Assist Long Grove Fire Prevention Bureau with sprinkler and alarm testing in Deer Park
- NIFIA Board and General meeting
- Weekly Food Truck inspections
- Multiple days spent approving the new additions and buildings for District 95
- Fire Investigations
  - Mutual aid to Wauconda
  - House fire – Lake Zurich
- Meetings
  - Meeting with Echo – Mike Hilt
  - Rock the Block
  - Wildwood Estates
  - The Sanctuary of Lake Zurich
  - Life Time Fitness
  - Factor 75
  - Demo meeting – old May Whitney
  - 143 Main Street with owner





# POLICE DEPARTMENT

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## MONTHLY INFORMATION REPORT

**AUGUST 2021**

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HIGHLIGHTING DATA METRICS  
TO IDENTIFY OPERATIONAL TRENDS  
AND  
FACILITATE INFORMED DECISION MAKING

70 E. MAIN STREET  
LAKE ZURICH, IL 60047

## Departmental Narrative

### **General**

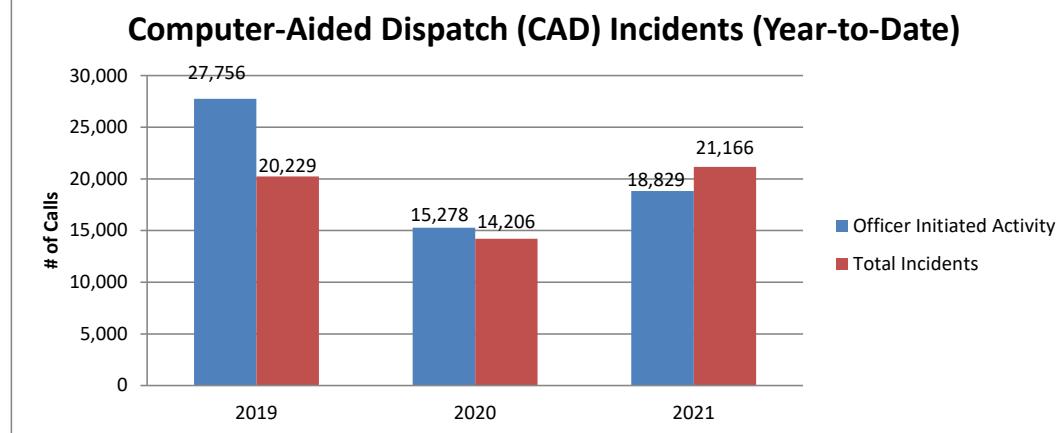
- Members of the Department participated in the 'Coffee for Champions' event at Dunkin' Donuts on August 20<sup>th</sup>. The generous community contributed nearly \$5000 for Special Olympics in only seven hours.
- A child safety seat inspection event was held at the Lake Zurich Target store parking lot on August 28<sup>th</sup>. A total of 38 seats were inspected during the four-hour event, and an additional two were inspected at the Department during the month.
- Officer Andrew Heer and Officer Greg Kingery were recognized and awarded with departmental lifesaving awards by performing CPR during two different calls for help this summer.
- The Police Department processed 16 Freedom of Information requests this month.
- \$775 in overweight truck permit fees were received during the month of August.
- The Department participated in IDOT's speed enforcement campaign. 142.75 hours were worked as part of the grant. The grant yielded the following results: 3 seat belt citations, 120 speeding citations, 8 distracted driving citations, 0 DUI arrests, 2 other arrest, and 6 other citations.

### **Patrol and Communications**

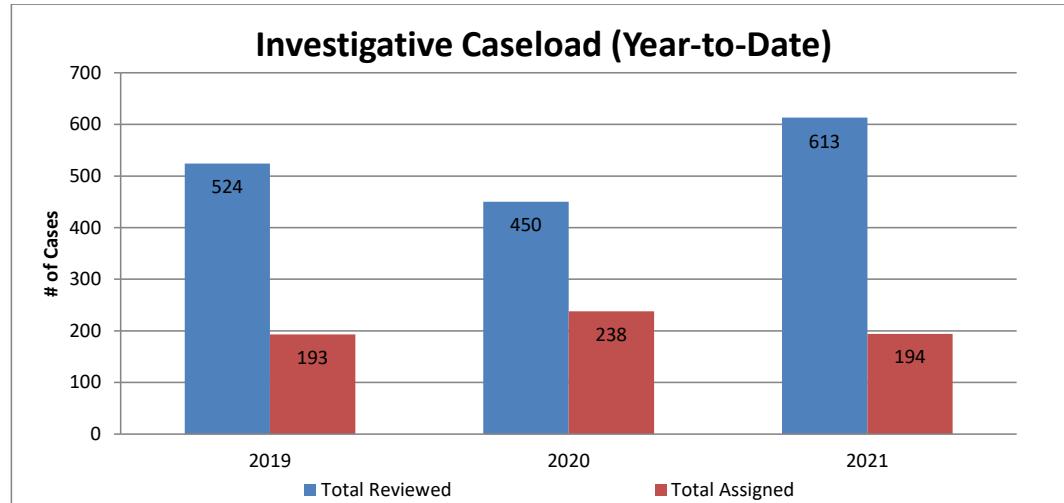
- Year-to-date, officers have conducted 2640 traffic stops and issued 1371 traffic citations.
- During August, Dispatch handled 2001 9-1-1 calls and 5323 administrative calls.
- Sergeant Pat Stone retired on August 26<sup>th</sup> with nearly 25 years of service.
- Officer Eric Bereza was promoted to Sergeant on August 23, 2021.
- Officer Greg Scarry joined the Department on August 23<sup>rd</sup>. He will begin his training at the Suburban Law Enforcement Academy in September.
- Officer Andrew Heer was selected to be the next Traffic Safety Division officer. He will rotate to this position in January 2022.

### **Investigations**

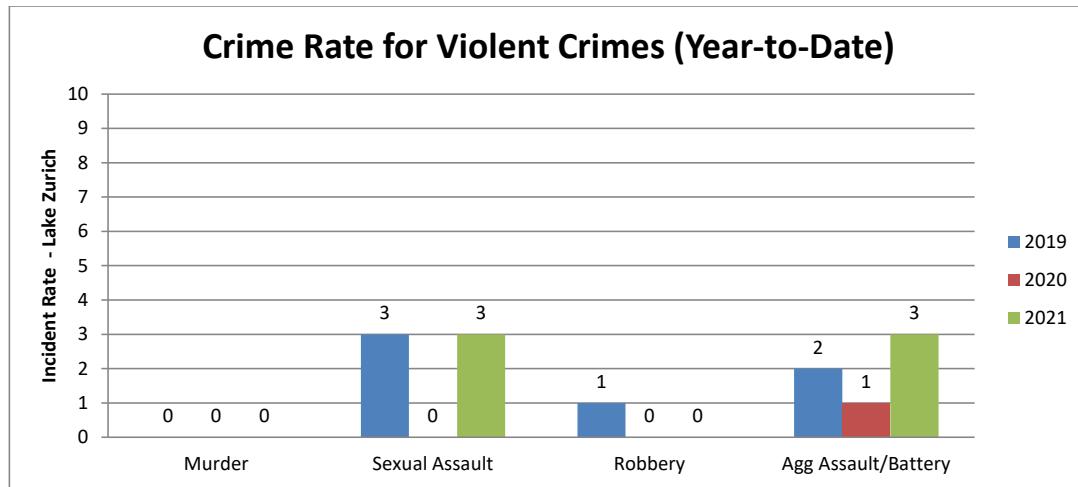
- The Criminal Investigations Division is currently investigating 77 cases, averaging 19 cases per detective. Of the 77 cases, 20 have been sent to the Lake County State's Attorney's Office (LCSAO) to obtain arrest warrants for identified suspects.
- Three raffle permit applications were received this month. Two were approved and one is pending at the time of this report.
- There were three NIPAS Mobile Field Force callouts in Addison, Mt. Prospect, and Northbrook.
- SRO Mark Frey participated in hard lockdown school drills at three area schools this month.



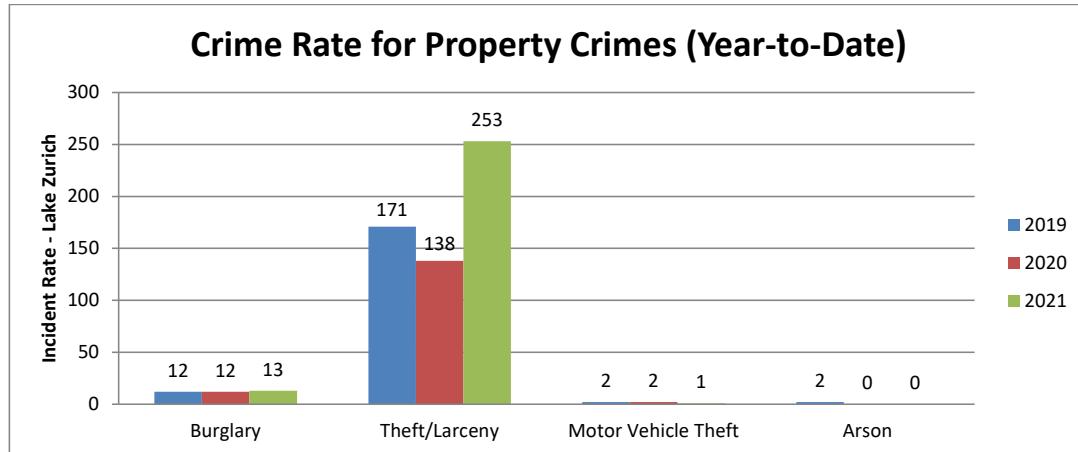
Officer initiated activity includes; DUI Arrests, Vehicle Violation Citations, Non-Vehicle Violation Citations, Driving while License Suspended/Revoked, Crime Prevention Notices, Criminal Arrests, Traffic Citations, Traffic Stops, Extra Watches conducted, and Zero Tolerance enforcement. Total incidents are all CAD incidents. Frontline data, including vacation watches and directed patrols, are now listed under officer-initiated activity and are no longer CAD incidents.



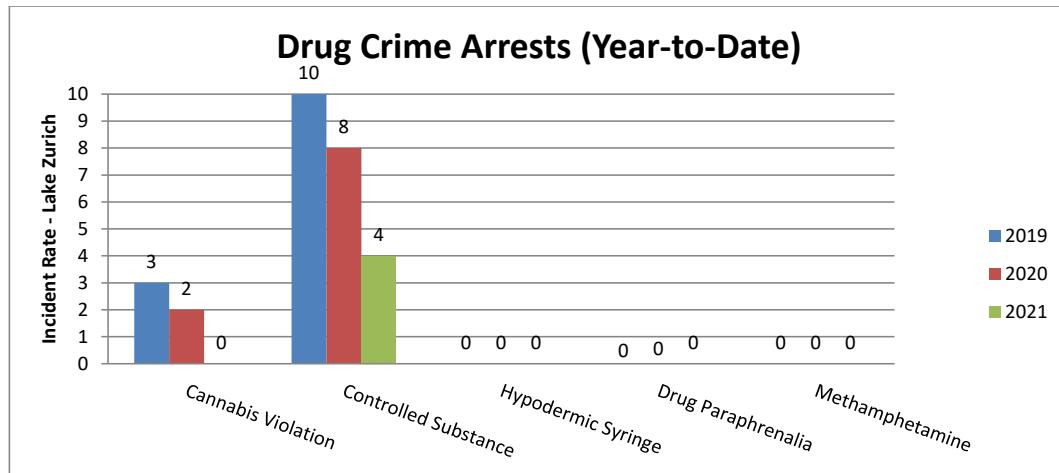
Original criminal reports, generally taken by Patrol section personnel, are reviewed by the Investigations Commander and assigned to Investigative personnel based on Solvability Factors.



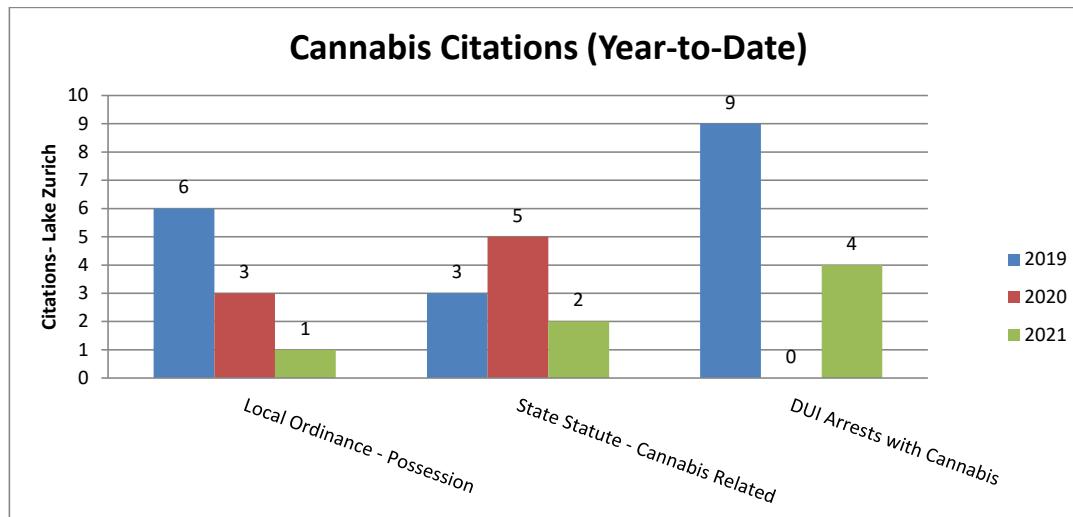
The Federal Bureau of Investigation requires four different Crimes against Persons offenses be reported for statistical purposes based on identified criteria. This information is provided to the Illinois State Police (Illinois Uniform Crime Report (I-UCR)) and passed through to the FBI. Generally, this information is converted to incidents per 100,000, although the actual numbers are used for this report.



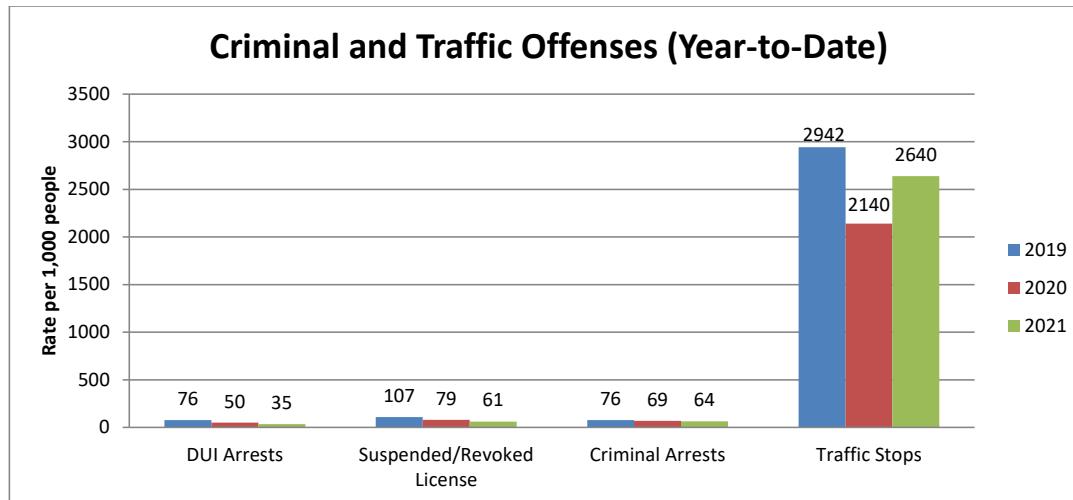
This information is provided to the Federal Bureau of Investigation via the Illinois State Police. Crime in Illinois provides crime information throughout Illinois. More information about this can be found at the Illinois State Police website: (<http://www.isp.state.il.us/crime/ucrhome.cfm>). The high rate of thefts include identity theft reports involving the IDES scam.



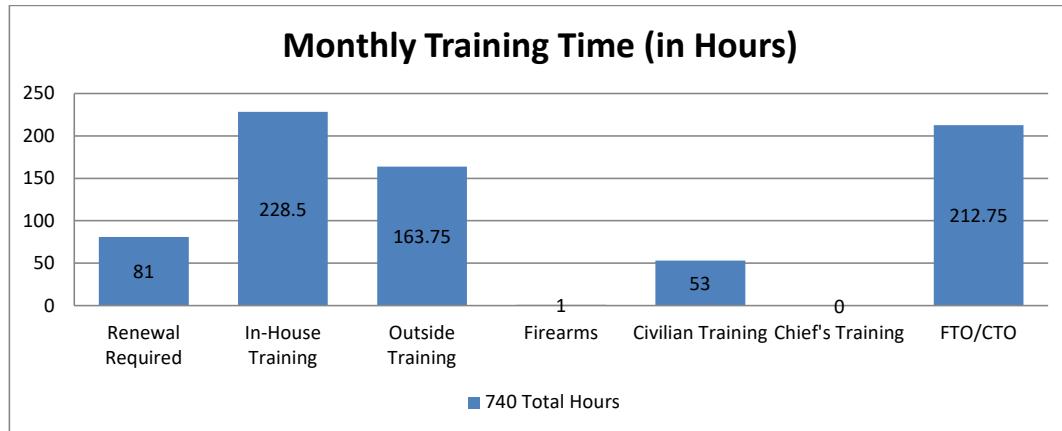
The Department is required to report Drug Crime Arrests to the Illinois State Police. The violations reported are related to the Cannabis Control Act, Controlled Substances Act, Hypodermic Syringe Act, Drug Paraphrenalia Act, and the Methamphetamine Act.



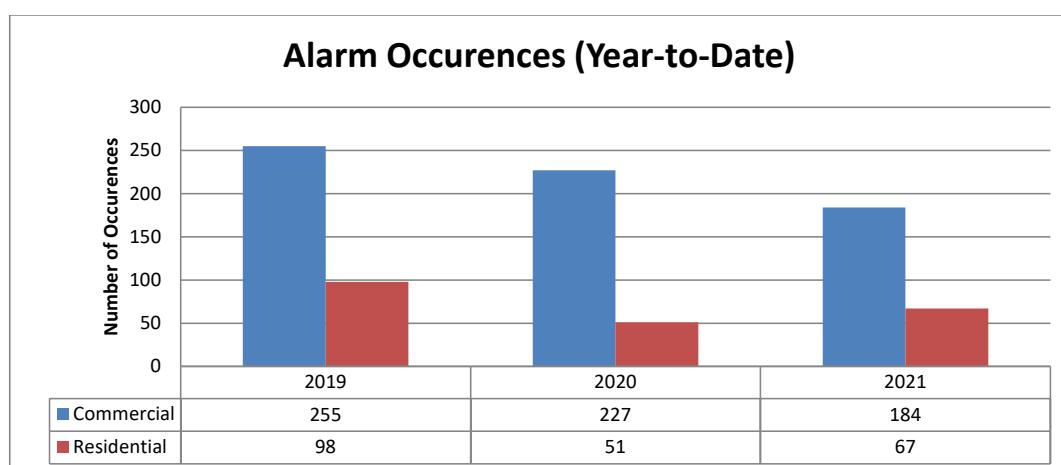
Illinois passed new cannabis rules and regulations that went into effect on January 1, 2020. Information was gathered from previous years to compare what effect the new laws have made on cannabis citations. These citations include local ordinance cannabis possession citations, state statute cannabis related citations (includes possession, delivery, paraphernalia, and DUI), and DUI arrests with cannabis as the primary or contributing factor.



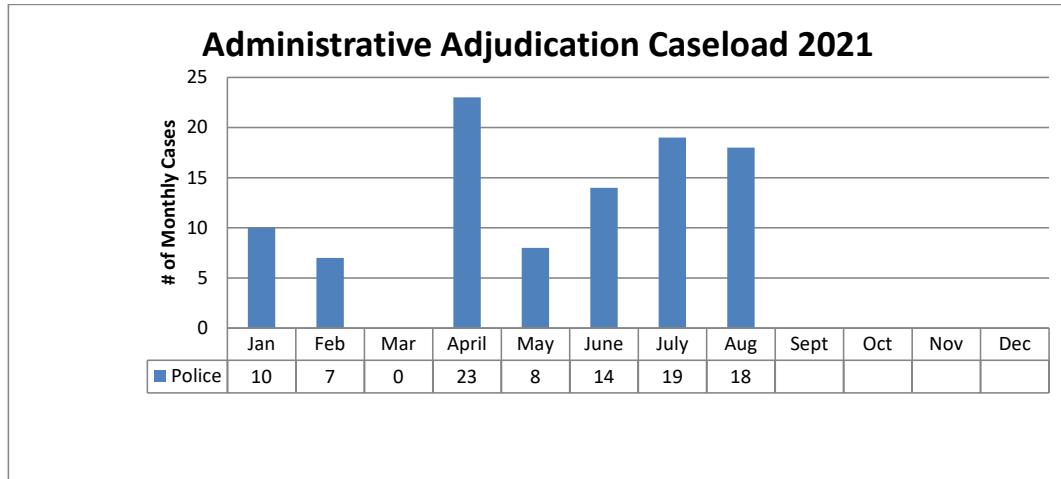
Information depicted in this graph relates to Driving Under the Influence of Alcohol/Drug arrests, Driving while Driver's License Suspended/Revoked arrests, various criminal arrests (Domestic Battery, Retail Theft, Drug Offenses, etc.), and traffic stops conducted by Department personnel.



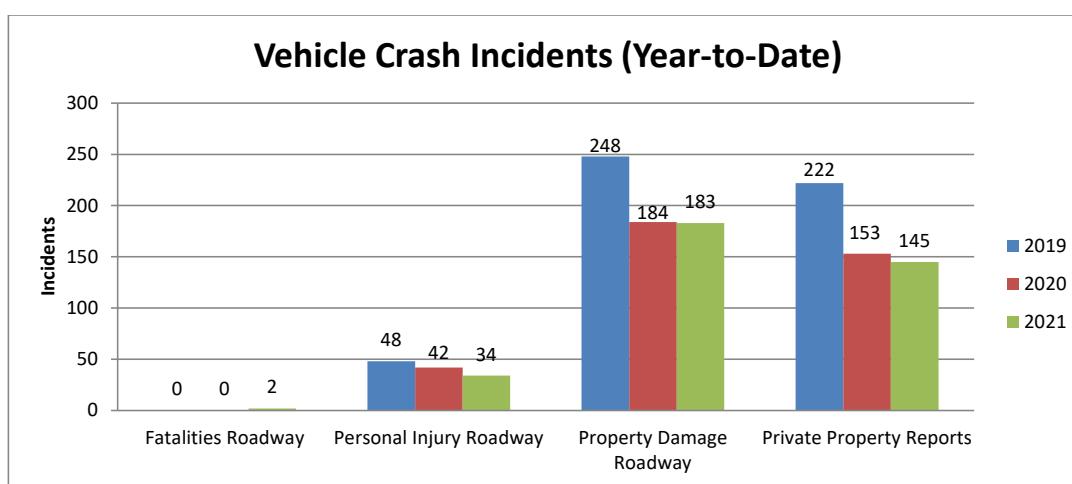
Training is an important element to maintain or improve skills/knowledge/ability.



The Crime Prevention/Community Relations function monitors the number of alarms to which Patrol personnel respond – many of the alarms are false.



The Administrative Adjudication process was originally put in place to address automated traffic enforcement citations. This program has been expanded to review vehicle equipment compliance citations, administrative tows, and parking citations.



The Department conducts traffic crash investigations on both public roadways and private property (primarily parking lots). The traffic crashes are broken down into four categories: fatal, personal injury, property damage, and private property. Routine traffic crashes are taken by Patrol personnel. Traffic Safety personnel investigate fatal, serious personal injury, and commercial motor vehicles.

### Red Light Camera Violations and Accidents (Year-to-Date)

2021	Red Light Violations		Adjudication for Red Light Violations			Accidents at Red Light Intersections			
	Citations	Net Received	Hearings	Liable	Not Liable	Non-Suit	12/ Miller Road	12/ Route 22	12/ June Terrace
January	266	\$12,270.00	4	4	0	0	1	1	1
February	121	\$17,220.00	3	2	0	1	1	2	1
March	159	\$7790.00	0	0	0	0	0	2	0
April	116	\$10,040.00	13	9	4	0	0	4	2
May	155	\$7700.00	3	2	0	0	0	2	2
June	189	\$7480.00	2	1	0	0	2	3	2
July	140	\$9150.00	6	2	3	0	0	1	0
August	174	\$8030.00	3	0	3	0	0	2	3
September									
October									
November									
December									
Total	1320	\$79,680.00	34	20	10	1	4	17	11

Information depicted in this chart relates to red light camera violations, adjudication (court) for those contesting their violation, and accidents that have occurred at intersections with red light cameras.



# FINANCE DEPARTMENT

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## MONTHLY INFORMATION REPORT

**JULY 2021**

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HIGHLIGHTING DATA METRICS  
TO IDENTIFY OPERATIONAL TRENDS  
AND  
FACILITATE INFORMED DECISION MAKING

70 E. MAIN STREET  
LAKE ZURICH, IL 60047

Finance Monthly Report – July 2021

### DEPARTMENT NARRATIVE

During July, work began on the fiscal year 2022 budget. As part of this process, each department carefully analyzes the current year revenues and expenditures under their control. Current year projections and first round requests are submitted to Finance in late August.

Work also continued on the Community Investment Plan (CIP); as a collaborative project across all departments.

### GENERAL FUND OPERATING RESULTS SUMMARY

For the month of July, revenues totaled \$2.40 million and expenditures \$2.03 million, resulting in an operating excess of \$369k. From a budget perspective, we had expected expenditures to exceed revenues by \$137k. Year-to-date figures below represent the seventh month of activity for the year.

#### **General Fund Operating Results**

	Current Month Budget	Current Month Actual	Year-to-Date Budget	Year-to-Date Actual
Revenues	\$ 1,856,538	\$ 2,400,451	\$ 15,583,454	\$ 17,185,417
Expenditures	1,993,417	2,031,036	16,047,708	15,338,670
<b>Excess (Deficiency)</b>	<b>\$ (136,879)</b>	<b>\$ 369,415</b>	<b>\$ (464,254)</b>	<b>\$ 1,846,746</b>

#### *REVENUES*

Following is a summary of revenues by type through July 31, 2021. These figures represent seven months of financial activity. A more detailed analysis can be found on page 9.

## Finance Monthly Report – July 2021

	Current Month's Budget	Current Month's Actual	% Variance	Year-to-Date Budget	Year-to-Date Actual	% Variance	% of Annual Budget
Taxes	\$ 351,368	\$ 510,237	45.2%	\$ 5,421,946	\$ 5,286,083	-2.51%	51.9%
Intergovernmental	1,155,898	1,428,105	23.5%	8,326,648	9,657,386	15.98%	64.1%
Licenses & Permits	43,476	77,509	78.3%	521,205	640,957	22.98%	88.9%
Fines and Forfeits	53,500	38,684	-27.7%	344,600	240,607	-30.18%	41.3%
Charges for Services	233,022	308,929	32.6%	871,635	1,241,272	42.41%	77.9%
Investment Income	7,681	5,186	-32.5%	42,012	(1,243)	-102.96%	-1.1%
Miscellaneous	11,593	31,800	174.3%	55,408	120,355	117.22%	108.6%
Operating Transfers	0	0	0.0%	0	0	0.0%	0.0%
Total Revenue	\$ 1,856,538	\$ 2,400,451	29.3%	\$ 15,583,454	\$ 17,185,417	10.28%	60.6%

**Taxes:**

Revenues from taxes came in at \$510k in July, 45% above budget expectations, mostly due to property taxes. While property taxes are received primarily June through September, the remaining revenues in this category contribute a significant amount of revenue each month all year round.

Telecommunications tax receipts were about 11% higher than expected for the month at \$36k. That is 20% less than the amount received in the same month of the prior year. More information regarding Telecommunications tax can be found on page 12.

Both utility taxes exceeded expectations for the month. The gas utility tax had \$17k in receipts compared to an expected \$13k. Electric utility tax came in at \$90k versus the expected \$73k. Combined, utility taxes were 25% higher than expected. The payments are based primarily on June activity. More detail on the Utility Taxes can be found on page 13.

**Intergovernmental Revenue:**

Revenue from other governments totaled \$1.43 million in July, which exceeded budget expectations for the category.

State sales tax receipts were above budget expectations for the month at \$557k. This represents sales from April and was 23% higher than the same month last year. More information regarding Sales Tax can be found on page 14.

Income Tax receipts came in a significant amount above expectations with the receipts for July totaling \$260k compared to an expected \$157k. This is 34% higher than receipts from the prior July. The variation in income tax receipts compared to budget and prior year relates to the extension of income tax

Finance Monthly Report – July 2021

filing in 2020 and 2021. Year-to-date receipts are now exceeding budget by 46% after seven months. Details on Income Tax are provided on page 15.

Video gaming tax receipts came in 35% above budget expectations at \$26k. Video gaming tax is received two months in arrears; therefore, video gaming tax receipts budgeted for July relate to tax for May activity.

**Licenses and Permits:**

Revenue from the issuance of licenses and permits came in at \$78k for July, 78% above budget expectations. Building permits (\$23k), permit plan review (\$23k), and electric permits (\$10k) were the biggest contributors. Additional items included in license and permit revenue are contractor registration (\$8k), plumbing permits (\$5k), and occupancy certificates (\$3k). Due to the variable nature of these types of revenues, fluctuations are expected throughout the year based on activity.

**Fines and Forfeits:**

Revenue from police fines were less than expected during July, with receipts of \$39k; 28% below the \$54k projected. The revenues in this category include various fines generated from police citations, such as red light and local ordinance violations.

**Charges for Services:**

Revenue from service charges totaled \$309k in July. The main revenue sources in this category are ambulance, engineering fees and park program fees. As ambulance fees are based purely on activity and need, this revenue source can fluctuate considerably during the year. Ambulance receipts for the month were recorded at \$116k. Engineering review receipts for the month were recorded at \$4k. For park fees, this is a combination of timing of receipts and fluctuating activity levels; receipts in July totaled \$110k, 9% above expectations. Park fees are 30% higher than expectations year-to-date.

**Investment Income:**

The General Fund investment income in July was \$5k, which was below budget expectations. Investment returns were balanced between investments in certificates of deposits, treasury obligations, investment pools and interest-bearing money market accounts. Currently, the investments are concentrated in certificates of deposit and interest-bearing money market accounts. While longer term

Finance Monthly Report – July 2021

maturities are slightly higher, interest rates are still at an all-time low. A detailed cash and investment report can be found on page 17.

**Miscellaneous:**

The General Fund miscellaneous revenue in July was \$32k. Receipts for this category were pavilion fees (\$13k), fire department donations (\$12k), and rental income (\$5k), as well as other small items.

***EXPENDITURES***

For the month of July, expenditures totaled \$2.03 million for the General Fund, which was 2% above projections of \$1.99 million. The table below presents a summary of General Fund expenditures by department as of July 31, 2021. Additional detail can be found on page 9.

Department Or Program	Current Month's Budget	Current Month's Actual	% Variance	YTD Budget	YTD Actual	% Variance	% of Annual Budget
Legislative	\$ 4,268	\$ 4,123	-3.4%	\$ 42,060	\$ 46,266	10.0%	63.6%
Administration	\$ 69,380	\$ 82,188	18.5%	\$ 573,179	\$ 584,660	2.0%	47.1%
Finance	\$ 40,352	\$ 50,595	25.4%	\$ 339,794	\$ 347,851	2.4%	59.6%
Technology	\$ 27,916	\$ 31,303	12.1%	\$ 333,670	\$ 315,163	-5.5%	57.9%
Police	\$ 552,244	\$ 560,911	1.6%	\$ 4,530,697	\$ 4,270,401	-5.7%	53.8%
Fire	\$ 799,634	\$ 821,762	2.8%	\$ 7,031,032	\$ 6,700,710	-4.7%	54.7%
Community Develop.	\$ 87,931	\$ 73,932	-15.9%	\$ 497,083	\$ 432,235	-13.0%	45.9%
Public Works	\$ 254,906	\$ 245,364	-3.7%	\$ 1,780,232	\$ 1,726,193	-3.0%	57.0%
Park & Recreation	\$ 106,227	\$ 110,299	3.8%	\$ 566,048	\$ 561,282	-0.8%	62.8%
Operating Transfers	\$ 50,559	\$ 50,558	0.0%	\$ 353,913	\$ 353,908	0.0%	58.3%
<b>Total</b>	<b>\$ 1,993,417</b>	<b>\$ 2,031,036</b>	<b>1.9%</b>	<b>\$ 16,047,708</b>	<b>\$ 15,338,670</b>	<b>-4.4%</b>	<b>54.6%</b>

**OPERATING RESULTS OF OTHER FUNDS**

Following are some observations regarding the revenues and expenditures of other funds. A financial summary of funds other than General is provided on pages 10-11.

Finance Monthly Report – July 2021

**Special Revenue Funds:**

Motor fuel tax revenue came in at \$65k in July, which was above the budget of \$45k. The excess is mainly due to the 'Transportation Renewal Fund' (\$27k), in which municipalities will see an increase to their MFT due to the 2019 state capital bill. Conservative estimates for revenues highly sensitive to the economy, such as this one, allow for fluctuations later in the year. Expenditures from the Motor Fuel Tax Fund were for pavement markings and signs (\$15k), as well as street and landscape maintenance (\$6k).

July revenues for the Hotel Tax Fund totaled \$6. The revenue in this fund is a combination of hotel tax receipts and interest income, however, for July the revenue is from only interest income. Per Village Ordinance #2003-10-252, hotel tax receipts are due quarterly. Therefore, the village does not receive receipts each month. Expenditures of \$6k were recorded for the month, most of which is a transfer to the Special Events Fund for the funding of special events.

The Special Events Fund allocates resources for special events and their corresponding expenditures. Revenues for July totaled \$32k, consisting of funding transfers in from other funds (\$17k), Fourth of July (\$12k), Rock the Block (\$3k), as well as small amounts related to Farmer's Market and the Food Truck Social. Expenditures for the month totaled \$37k, consisting of normal staff expenses (\$10k), July 4<sup>th</sup> expenses (\$22k), Farmer's Market expenses (\$3k), and Miscellaneous Event expenses (\$2k).

**Debt Service Funds:**

The debt service funds record annual debt service payments for several of the village issuances, mostly due December 2021. Interest payments are paid semi-annually, typically July and December. Revenues for the debt service fund are from property tax receipts and interest at this point in the year. Transfers from other funding sources will occur later in the year. Interest rates continue to be low for the options available for village investment per law. There were no expenditures recorded for July.

**Capital Projects Funds:**

July revenue for the capital projects funds in total came in at \$385k. The majority of the revenue was from Non-Home Rule Sales Tax (NHRST), with receipts from July of \$186k. This was 40% higher than budget expectations and 46% higher than the same month last year. July receipts represent sales from April. More detail on the NHRST revenue can be found on page 16. Remaining revenues for capital project funds include a Lake Count reimbursement (\$183k), park impact fees (\$8k), and the electric aggregation

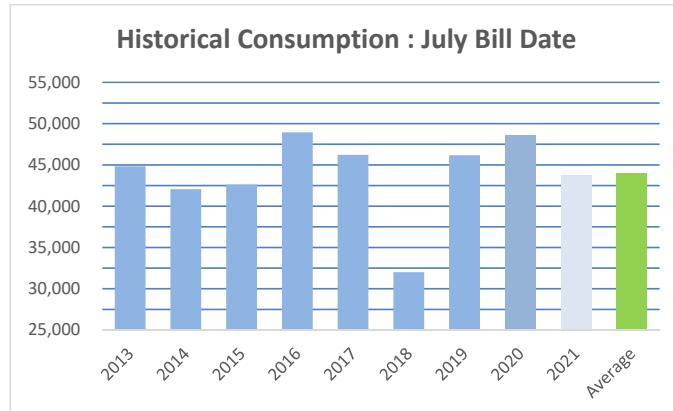
## Finance Monthly Report – July 2021

civic contribution (\$6k), as well as residual interest income and negative changes in market value of investments.

Expenditures for capital projects were recorded in July of \$808k, consisting of road resurfacing (\$785k), Paulus Park OSLAD planning (\$18k), as well as other small items. Due to timing of the budgeted capital projects, the majority of remaining budgeted expenditures will be spent later in the year, during and after construction season.

**Water and Sewer Fund:**

July revenue totaled \$664k, which was 9% lower than the budget estimate of \$725k. Consumption metered in July was 44M gallons, consistent with the nine-year average of 44M gallons. The consumption billed in July primarily represents water metered in late June and early July. With about 59M gallons pumped, about 26% of pumped water was lost to main breaks, fire department use, or other small issues. A chart comparing July water consumption over the past eight years provided below.



Expenses in the Water Fund were \$512k for the month. Of this amount, \$160k is a non-cash transaction to record depreciation of the infrastructure assets of the fund. The remaining expenses are personnel expenses, other operational items and other smaller operating items. Throughout the year, spending is monitored to ensure revenues are sufficient to cover operations and capital needs as necessary. Any annual surplus would be used for expenditures later in the year and provide cash flow for improvements to maintain the aging infrastructure.

Finance Monthly Report – July 2021

**Internal Service Funds:**

Internal service funds are used to reserve resources for a specific purpose and to allocate the user charges accordingly. The village has three active internal service funds: Medical Self Insurance, Risk Management and Equipment Replacement. Revenues are a combination of user charges from other funds as appropriate. Expenditures fluctuate, depending on activity levels, particularly in the Risk Management Fund.

The Equipment Replacement fund in particular is subject to funding availability from the General Fund. July expenses include non-cash depreciation expenses (\$33k).

**Special Service Areas:**

While the village does not budget for Special Service Area (SSA) revenues and expenses, as funds are being collected and spent for village SSA's, the following information can be of value to report. The only expenses for special service areas in July were \$2k for water quality management and \$662 for sweeping and mowing (SSA #8, SSA #11, and SSA #13).

SSA Activity Jul-21								
SSA #	Location	Beginning Balance 1/1/2021		Year-To-Date Revenues Expenses		Ending Balance 6/30/2021	Annual Expected Revenues	Annual Expected YTD %
		Revenues	Expenses	Revenues	Expenses			
SSA #8	Heatherleigh	73,797	5,089	8,242	70,645	9,697	52.48%	15,600 52.83% <sup>b</sup>
SSA #9	Willow Ponds	130,932	6,092	-	137,023	11,851	51.40%	17,306 0.00%
SSA #10	Westberry	16,027	465	-	16,492	1,000	46.53%	- N/A
SSA #11	Lake Zurich Pines	23,327	1,575	33	24,868	2,999	52.51% <sup>a</sup>	1,575 2.12%
SSA #13	Conventry Creek	188,041	15,634	6,309	197,366	29,894	52.30% <sup>a</sup>	TBD N/A
SSA #16	Country Club	(3,803)	922	-	(2,880)	1,760	N/A	TBD N/A
		428,321	29,777	14,585	443,514	57,202	52.06%	34,482 0.00%

a) Flat amount levied per property.

b) At some point after enough funds have accrued, Willow Ponds will require dredging, estimated at \$120,000+

**Police and Firefighters' Pension Funds:**

A snapshot of activity related to the public safety pension funds of the village is provided as part of the monthly report. It is important to note that a significant revenue source for both pension funds is the annual property tax levy, of which receipts are typically recorded between June and September of each year, affecting the cash flows of each fund.

Finance Monthly Report – July 2021

The Police Pension Fund had total revenue of \$461k for the month. For July, the fund recorded an unrealized gain of \$346k from investments. Total municipal and member contributions for the month totaled \$115k. Expenses for the month were \$206k, of which \$188k was for pension and benefit payments, \$16k was for investment expenses, and \$1k was for professional services. For the month of July, the fund experienced a gain of \$255k. As of July 31st, the fund had a net position of \$33.09 million. Additional information can be found on page 18.

The Firefighters' Pension Fund had a similar month for investments, with an unrealized gain of \$550k from investments. Total municipal and member contributions for the month totaled \$145k. Total revenues for the month were \$695k. Expenses for the month were \$213k, of which \$182k was for pension and benefit payments, \$26 was for investment expenses, and \$4k was for professional services. For the month of July, the fund experienced a gain of \$483k. As of July 31st, the fund had a net position of \$52.95 million. Additional information can be found on page 18.

**Conclusion:**

For the fiscal periods covered by this report, no major concerns were identified. Major revenue sources are performing within reason and expenditures have been kept to a minimum. We will continue to monitor the revenues and expenditures closely throughout the coming months.

Respectfully Submitted,

*Amy Sparkowski*

Amy Sparkowski  
Finance Director

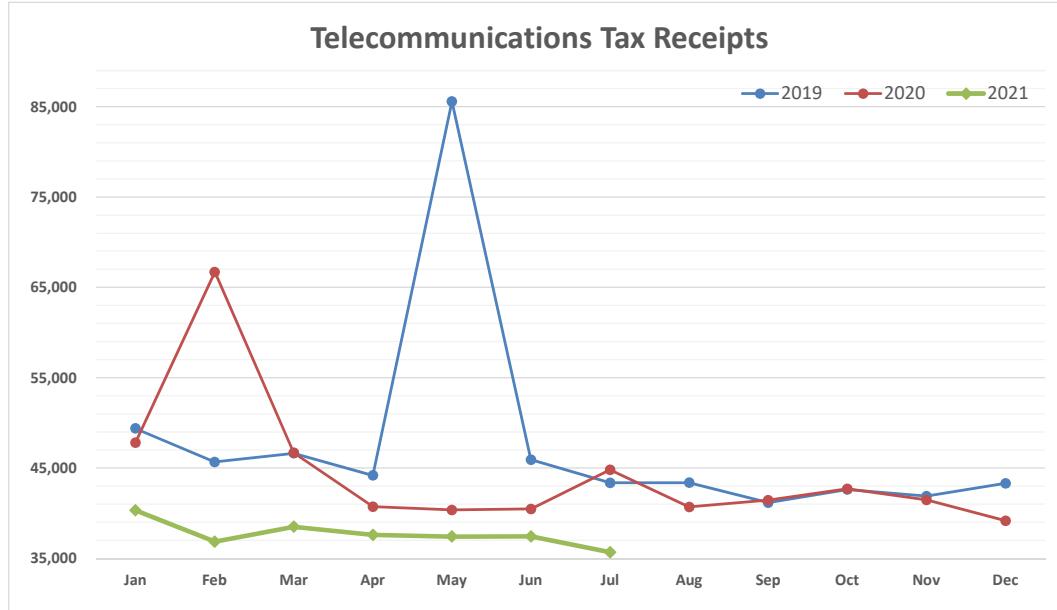
VILLAGE OF LAKE ZURICH OPERATING REPORT SUMMARY GENERAL FUND July 31, 2021									
	Current Month			Year-to-Date			Amended Annual Budget	% of Annual Budget Achieved	
	Budget	Actual	% Variance	Budget	Actual	% Variance			
<b>REVENUES</b>									
<b>Taxes</b>									
Property Taxes	219,863	355,806	61.8%	4,227,843	4,085,101	(3.4%)	8,191,153	49.9%	
Utility Tax - Electric	72,813	89,922	23.5%	528,883	533,219	0.8%	949,475	56.2%	
Utility Tax - Gas	12,679	17,322	36.6%	223,035	234,376	5.1%	293,052	80.0%	
Cable Tv Franchise	13,978	11,510	(17.7%)	175,711	169,524	(3.5%)	314,042	54.0%	
Telecom Tax	32,035	35,678	11.4%	266,474	263,863	(1.0%)	427,770	61.7%	
<b>Total Taxes</b>	<b>351,368</b>	<b>510,237</b>	<b>45.2%</b>	<b>5,421,946</b>	<b>5,286,083</b>	<b>-2.5%</b>	<b>10,175,492</b>	<b>51.9%</b>	
<b>Intergovernmental</b>									
State Sales Tax	451,207	556,926	23.4%	3,237,839	3,858,710	19.2%	6,129,659	63.0%	
State Income Tax	157,299	260,006	65.3%	1,168,583	1,701,856	45.6%	1,959,244	86.9%	
State Use Tax	65,003	59,301	(8.8%)	479,246	510,087	6.4%	844,005	60.4%	
Video Gaming Tax	19,167	25,951	35.4%	134,169	123,160	(8.2%)	230,000	53.5%	
Fire/Rescue Srvc Contract	451,902	466,781	3.3%	3,163,314	3,267,466	3.3%	5,601,371	58.3%	
Other Intergovernmental	11,320	59,141	422.4%	143,497	196,107	36.7%	312,914	62.7%	
<b>Total Intergovernmental</b>	<b>1,155,898</b>	<b>1,428,105</b>	<b>23.5%</b>	<b>8,326,648</b>	<b>9,657,386</b>	<b>16.0%</b>	<b>15,077,193</b>	<b>64.1%</b>	
<b>Licenses &amp; Permits</b>									
Liquor Licenses	1,776	1,100	(38.1%)	167,034	149,202	(10.7%)	171,000	87.3%	
Business Licenses	-	593	0.0%	103,000	93,938	(8.8%)	103,000	91.2%	
Building Permits	16,000	22,974	43.6%	80,500	138,932	72.6%	160,000	86.8%	
Permit Plan Review	7,000	22,512	221.6%	42,000	84,977	102.3%	70,000	121.4%	
Other Permits	18,700	30,331	62.2%	128,671	173,908	35.2%	217,250	80.0%	
<b>Total Licenses &amp; Permits</b>	<b>43,476</b>	<b>77,509</b>	<b>78.3%</b>	<b>521,205</b>	<b>640,957</b>	<b>23.0%</b>	<b>721,250</b>	<b>88.9%</b>	
<b>Fines and Forfeits</b>	<b>53,500</b>	<b>38,684</b>	<b>(27.7%)</b>	<b>344,600</b>	<b>240,607</b>	<b>(30.2%)</b>	<b>582,000</b>	<b>41.3%</b>	
<b>Charges for Services</b>									
Fire/Rescue Ambulance Fee	77,782	115,823	48.9%	332,276	524,127	57.7%	650,000	80.6%	
Park Program Fees	101,550	110,164	8.5%	327,679	425,247	29.8%	506,500	84.0%	
Other Charges for Services	53,690	82,942	54.5%	211,680	291,897	37.9%	437,250	66.8%	
<b>Total Charges for Services</b>	<b>233,022</b>	<b>308,929</b>	<b>32.6%</b>	<b>871,635</b>	<b>1,241,272</b>	<b>42.4%</b>	<b>1,593,750</b>	<b>77.9%</b>	
<b>Investment Income</b>	<b>7,681</b>	<b>5,186</b>	<b>(32.5%)</b>	<b>42,012</b>	<b>(1,243)</b>	<b>(103.0%)</b>	<b>118,000</b>	<b>-1.1%</b>	
<b>Miscellaneous</b>	<b>11,593</b>	<b>31,800</b>	<b>174.3%</b>	<b>55,408</b>	<b>120,355</b>	<b>117.2%</b>	<b>110,870</b>	<b>108.6%</b>	
<b>Total General Fund Revenues</b>	<b>1,856,538</b>	<b>2,400,451</b>	<b>29.3%</b>	<b>15,583,454</b>	<b>17,185,417</b>	<b>10.3%</b>	<b>28,378,555</b>	<b>60.6%</b>	
<b>Operating Transfers In</b>	-	-	0.0%	-	-	0.0%	-	0.0%	
<b>EXPENDITURES</b>									
<b>General Government</b>									
Legislative	4,268	4,123	(3.4%)	42,060	46,266	10.0%	72,786	63.6%	
Administration	69,380	82,188	18.5%	573,179	584,660	2.0%	1,242,148	47.1%	
Finance	40,352	50,595	25.4%	339,794	347,851	2.4%	583,494	59.6%	
Technology	27,916	31,303	12.1%	333,670	315,163	(5.5%)	544,198	57.9%	
<b>Total Gen. Govt.</b>	<b>141,916</b>	<b>168,210</b>	<b>18.5%</b>	<b>1,288,703</b>	<b>1,293,941</b>	<b>0.4%</b>	<b>2,442,626</b>	<b>53.0%</b>	
<b>Public Safety</b>									
Police	552,244	560,911	1.6%	4,530,697	4,270,401	(5.7%)	7,937,417	53.8%	
Fire	799,634	821,762	2.8%	7,031,032	6,700,710	(4.7%)	12,248,122	54.7%	
Community Development	87,931	73,932	(15.9%)	497,083	432,235	(13.0%)	941,451	45.9%	
<b>Total Public Safety</b>	<b>1,439,809</b>	<b>1,456,605</b>	<b>1.2%</b>	<b>12,058,812</b>	<b>11,403,346</b>	<b>(5.4%)</b>	<b>21,126,990</b>	<b>54.0%</b>	
<b>Streets - Public Works</b>	<b>254,906</b>	<b>245,364</b>	<b>(3.7%)</b>	<b>1,780,232</b>	<b>1,726,193</b>	<b>(3.0%)</b>	<b>3,027,942</b>	<b>57.0%</b>	
<b>Culture - Park and Recreation</b>	<b>106,227</b>	<b>110,299</b>	<b>3.8%</b>	<b>566,048</b>	<b>561,282</b>	<b>(0.8%)</b>	<b>893,497</b>	<b>62.8%</b>	
<b>Total General Fund Expend.</b>	<b>1,942,858</b>	<b>1,980,478</b>	<b>1.9%</b>	<b>15,693,795</b>	<b>14,984,762</b>	<b>(4.5%)</b>	<b>27,491,055</b>	<b>54.5%</b>	
<b>Operating Transfers Out</b>	50,559	50,558	(0.0%)	353,913	353,908	(0.0%)	606,700	58.3%	
<b>NET INCOME (LOSS) FOR GENERAL</b>	<b>(136,879)</b>	<b>369,415</b>		<b>(464,254)</b>	<b>1,846,746</b>		<b>280,800</b>		

**VILLAGE OF LAKE ZURICH**  
**OPERATING REPORT SUMMARY**  
**July 31, 2021**

	Current Month			Year-to-Date			Amended Annual Budget	% of Annual Budget Achieved		
	Budget	Actual	% Variance	Budget	Actual	% Variance				
<b>SPECIAL REVENUE FUNDS</b>										
<b>MOTOR FUEL TAX FUND</b>										
Revenues	44,660	65,388	46.4%	286,778	871,468	203.9%	641,683	135.8%		
Expenditures	30,527	20,850	(31.7%)	247,317	156,335	(36.8%)	428,267	36.5%		
Net Activity Gain (Loss)	14,133	44,538		39,461	715,133		213,416			
<b>HOTEL TAX FUND</b>										
Revenues	2,879	6	(99.8%)	13,828	29,228	111.4%	28,180	103.7%		
Expenditures	6,600	6,391	(3.2%)	58,830	58,078	(1.3%)	91,808	63.3%		
Net Activity Gain (Loss)	(3,721)	(6,384)		(45,002)	(28,850)		(63,628)			
<b>SPECIAL EVENTS FUND</b>										
Admin & Miscellaneous										
Revenues	12,316	12,470	1.3%	87,129	86,416	(0.8%)	152,450	56.7%		
Expenditures	13,758	12,603	(8.4%)	89,146	84,043	(5.7%)	153,080	54.9%		
Net Activity Gain (Loss)	(1,442)	(133)		(2,017)	2,373		(630)			
Rock the Block										
Revenues	-	2,950	0.0%	4,800	5,375	12.0%	59,800	9.0%		
Expenditures	2,700	-	(100.0%)	2,700	1,270	(53.0%)	46,100	2.8%		
Net Activity Gain (Loss)	(2,700)	2,950		2,100	4,105		13,700			
Craft Beer Fest										
Revenues	-	-	0.0%	-	-	0.0%	-	0.0%		
Expenditures	-	-	0.0%	-	-	0.0%	-	0.0%		
Net Activity Gain (Loss)	-	-		-	-		-			
Farmers Market										
Revenues	150	180	20.0%	8,500	8,636	1.6%	8,500	101.6%		
Expenditures	2,068	2,293	10.9%	5,410	5,281	(2.4%)	8,383	63.0%		
Net Activity Gain (Loss)	(1,918)	(2,113)		3,090	3,354		117			
Fourth of July										
Revenues	15,655	15,683	0.2%	40,585	38,712	(4.6%)	58,858	65.8%		
Expenditures	53,133	21,798	(59.0%)	57,144	44,096	(22.8%)	57,144	77.2%		
Net Activity Gain (Loss)	(37,478)	(6,115)		(16,559)	(5,385)		1,714			
Winter Festival										
Revenues	1,125	1,125	0.0%	8,375	7,875	(6.0%)	16,300	48.3%		
Expenditures	-	-	0.0%	50	48	(4.2%)	16,676	0.3%		
Net Activity Gain (Loss)	1,125	1,125		8,325	7,827		(376)			
Special Events Fund Total	(42,413)	(4,286)		(5,061)	12,275		14,525			
<b>TIF #1 TAX FUND</b>										
Revenues	23,431	37,151	58.6%	718,218	723,455	0.7%	1,400,350	51.7%		
Expenditures	650	1,155	77.7%	650	1,155	77.7%	1,332,061	0.1%		
Net Activity Gain (Loss)	22,781	35,996		717,568	722,300		68,289			
<b>TIF #2 - DOWNTOWN</b>										
Revenues	3,702	9,965	169.2%	162,552	166,459	2.4%	247,220	67.3%		
Expenditures	41,531	704	(98.3%)	55,338	5,811	(89.5%)	227,100	2.6%		
Net Activity Gain (Loss)	(37,829)	9,261		107,214	160,648		20,120			
<b>TIF #3 - RAND ROAD</b>										
Revenues	-	8,708	0.0%	-	32,523	0.0%	26,000	125.1%		
Expenditures	-	526	0.0%	-	526	0.0%	1,400	37.6%		
Net Activity Gain (Loss)	-	8,182		-	31,997		24,600			
<b>DISPATCH CENTER FUND</b>										
Revenues	100,572	97,317	(3.2%)	893,802	1,008,762	12.9%	1,374,730	73.4%		
Expenditures	118,416	123,805	4.6%	869,564	837,256	(3.7%)	1,502,467	55.7%		
Net Activity Gain (Loss)	(17,844)	(26,488)		24,238	171,506		(127,737)			

VILLAGE OF LAKE ZURICH OPERATING REPORT SUMMARY July 31, 2021								
DEBT SERVICE FUNDS	Current Month			Year-to-Date			Amended Annual Budget	% of Annual Budget Achieved
	Budget	Actual	% Variance	Budget	Actual	% Variance		
<b>VILLAGE DEBT SERVICE</b>								
Revenues	32,710	52,501	60.5%	620,950	602,522	(3.0%)	1,203,120	50.1%
Expenditures	-	-	0.0%	364,946	-	(100.0%)	1,190,857	0.0%
Net Activity Gain (Loss)	32,710	52,501		256,004	602,522		12,263	
<b>TIF #1 DEBT SERVICE</b>								
Revenues	112	196	74.9%	1,172,296	1,171,917	(0.0%)	1,958,600	59.8%
Expenditures	-	-	0.0%	996,570	1,060,409	6.4%	2,040,261	52.0%
Net Activity Gain (Loss)	112	196		175,726	111,508		(81,661)	
<b>CAPITAL PROJECT FUNDS</b>								
<b>CAPITAL IMPROVEMENTS</b>								
Revenues	604,077	16,017	(97.3%)	640,889	386,866	(39.6%)	274,616	140.9%
Expenditures	11,665	20,951	79.6%	185,165	145,563	(21.4%)	642,250	22.7%
Net Activity Gain (Loss)	592,412	(4,934)		455,724	241,302		(367,634)	
<b>PARK IMPROVEMENTS</b>								
Revenues	-	-	0.0%	-	-	0.0%	-	0.0%
Expenditures	-	-	0.0%	-	-	0.0%	-	0.0%
Net Activity Gain (Loss)	-	-		-	-		-	
<b>NON-HOME RULE SALES TAX</b>								
Revenues	133,903	369,038	175.6%	955,630	1,417,950	48.4%	1,724,871	82.2%
Expenditures	35,333	786,815	2,126.9%	262,833	1,294,755	392.6%	2,224,500	58.2%
Net Activity Gain (Loss)	98,570	(417,777)		692,797	123,195		(499,629)	
<b>ENTERPRISE FUND</b>								
<b>WATER AND SEWER</b>								
Revenues	725,342	663,645	(8.5%)	4,118,276	4,479,941	8.8%	7,052,243	63.5%
Expenses								
Administration	40,493	43,018	6.2%	308,885	283,815	(8.1%)	535,445	53.0%
Debt	9,230	10,050	8.9%	108,203	112,445	3.9%	175,998	63.9%
Depreciation	159,917	159,917	(0.0%)	1,119,419	1,119,417	(0.0%)	1,919,000	58.3%
Billing	18,865	18,473	(2.1%)	142,005	130,456	(8.1%)	242,417	53.8%
Water	147,066	90,741	(38.3%)	1,121,441	821,661	(26.7%)	2,233,404	36.8%
Sewer	501,269	189,636	(62.2%)	1,198,070	588,475	(50.9%)	2,727,788	21.6%
	876,840	511,834		3,998,023	3,056,269		7,834,052	
Net Activity Gain (Loss)	(151,498)	151,811		120,253	1,423,672		(781,809)	
<b>INTERNAL SERVICE FUNDS</b>								
<b>MEDICAL INSURANCE</b>								
Revenues	246,989	244,682	(0.9%)	1,734,078	1,725,548	(0.5%)	2,978,503	57.9%
Expenses	251,649	235,159	(6.6%)	1,804,599	1,711,984	(5.1%)	2,976,259	57.5%
Net Activity Gain (Loss)	(4,660)	9,522		(70,521)	13,564		2,244	
<b>RISK MANAGEMENT</b>								
Revenues	97,501	94,055	(3.5%)	682,161	821,089	20.4%	1,169,679	70.2%
Expenses	20,656	28,794	39.4%	1,013,860	1,043,099	2.9%	1,330,114	78.4%
Net Activity Gain (Loss)	76,845	65,261		(331,699)	(222,010)		(160,435)	
<b>EQUIPMENT REPLACEMENT</b>								
Revenues	63,210	62,614	(0.9%)	440,933	440,377	(0.1%)	957,050	46.0%
Expenses	32,912	33,083	0.5%	954,831	863,976	(9.5%)	1,146,450	75.4%
Net Activity Gain (Loss)	30,298	29,531		(513,898)	(423,599)		(189,400)	
<b>TOTAL ALL VILLAGE FUNDS</b>	<b>473,017</b>	<b>316,345</b>		<b>1,158,550</b>	<b>5,501,909</b>		<b>(1,635,676)</b>	

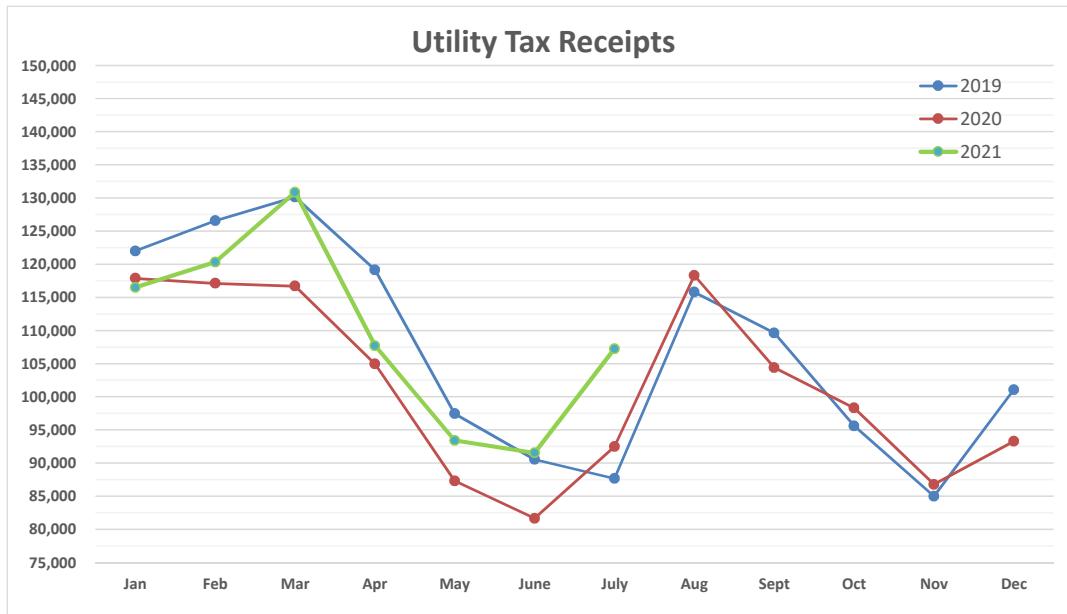
DEPARTMENT OF FINANCE  
MONTHLY REPORT  
JULY 2021



### Collection History

Received	Earned	Historical			Current Year Actual		Current Year Budget		
		FY 2019	FY 2020	% Change	FY 2021	% Change	Budget	Variance \$	Variance %
January	October	49,387	47,823	-3.17%	40,329	-15.67%	36,479	3,850	10.55%
February	November	45,678	66,708	46.04%	36,855	-44.75%	33,740	3,115	9.23%
March	December	46,633	46,694	0.13%	38,514	-17.52%	34,445	4,069	11.81%
April	January	44,188	40,718	-7.85%	37,621	-7.61%	32,639	4,982	15.26%
May	February	85,580	40,356	-52.84%	37,428	-7.25%	63,212	(25,784)	-40.79%
June	March	45,928	40,486	-11.85%	37,438	-7.53%	33,924	3,514	10.36%
July	April	43,371	44,824	3.35%	35,678	-20.40%	32,035	3,643	11.37%
August	May	43,380	40,706	-6.16%		-100.00%	32,042	(32,042)	-100.00%
September	June	41,173	41,448	0.67%		-100.00%	30,412	(30,412)	-100.00%
October	July	42,628	42,693	0.15%		-100.00%	31,486	(31,486)	-100.00%
November	August	41,893	41,476	-0.99%		-100.00%	30,943	(30,943)	-100.00%
December	September	43,311	39,177	-9.54%		-100.00%	46,413	(46,413)	-100.00%
		573,151	533,107	-6.99%	263,863		437,770	(173,907)	
Y-T-D		360,765	327,607	-9.19%	263,863	-19.46%	266,474	(2,611)	-0.98%

DEPARTMENT OF FINANCE  
MONTHLY REPORT  
JULY 2021

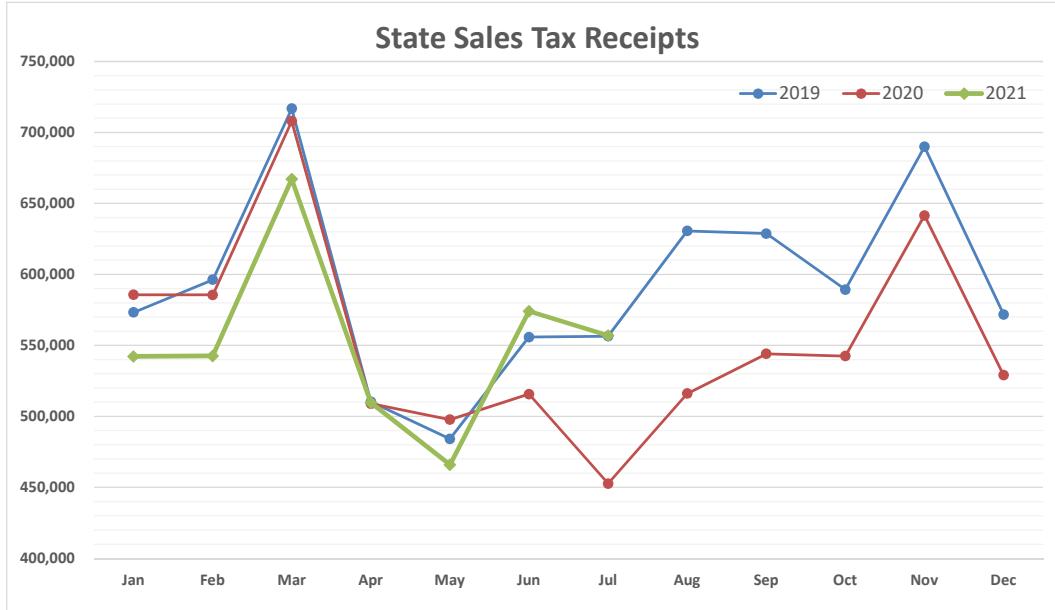


### Collection History

#### COMBINED - ELECTRICITY & GAS

Receipt Month	Liability Month	Historical			Current Year Actual		Current Year Budget		
		2019	2020	% Change	2021	% Change	FY 2021	Variance \$	%
Jan	Dec	122,004	117,886	-3.4%	116,503	-1.2%	118,565	(2,062)	-1.7%
Feb	Jan	126,567	117,123	-7.5%	120,335	2.7%	122,993	(2,658)	-2.2%
Mar	Feb	130,142	116,704	-10.3%	130,883	12.2%	126,277	4,606	3.6%
Apr	Mar	119,145	104,962	-11.9%	107,700	2.6%	115,656	(7,956)	-6.9%
May	Apr	97,442	87,312	-10.4%	93,403	7.0%	94,751	(1,348)	-1.4%
June	May	90,545	81,656	-9.8%	91,526	12.1%	88,184	3,342	3.8%
July	June	87,662	92,490	5.5%	107,244	16.0%	85,492	21,752	25.4%
Aug	July	115,800	118,303	2.2%	-	-100.0%	113,039	(113,039)	-100.0%
Sept	Aug	109,636	104,416	-4.8%	-	-100.0%	107,028	(107,028)	-100.0%
Oct	Sept	95,602	98,328	2.9%	-	-100.0%	93,297	(93,297)	-100.0%
Nov	Oct	84,994	86,781	2.1%	-	-100.0%	82,874	(82,874)	-100.0%
Dec	Nov	101,081	93,274	-7.7%	-	-100.0%	94,371	(94,371)	-100.0%
		1,280,618	1,219,235	-4.79%	767,594	-37.0%	1,242,527	(474,933)	
Y-T-D		773,505	718,132	-7.16%	767,594	6.9%	751,918	15,676	2.1%

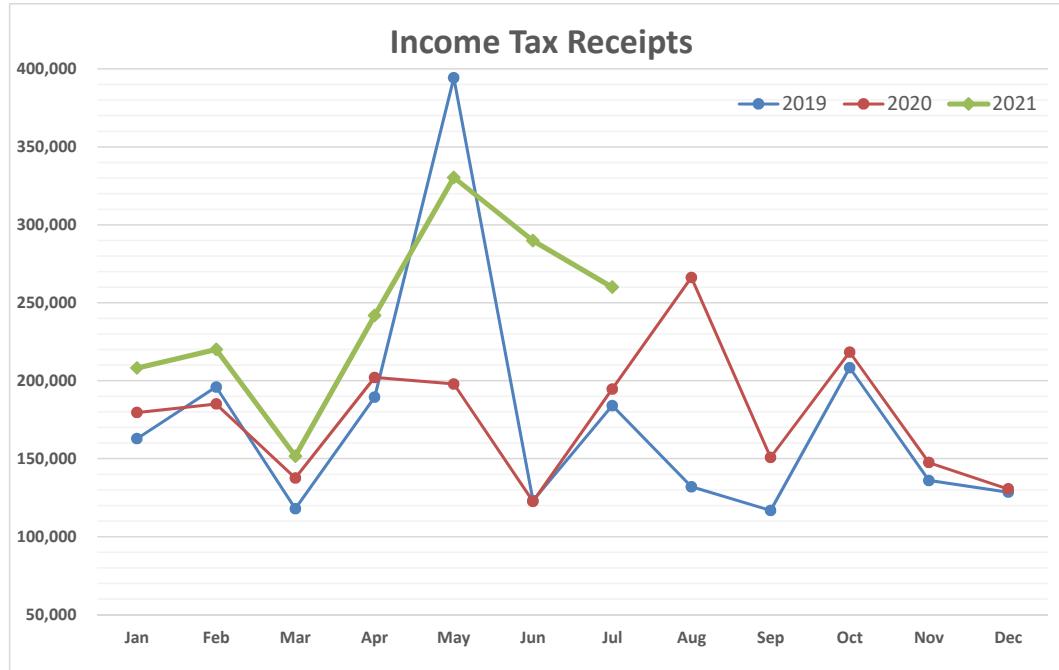
DEPARTMENT OF FINANCE  
MONTHLY REPORT  
JULY 2021



**Collection History**

Received	Earned	Historical			Current Year Actual		Current Year Budget		
		2019	2020	% Change	2021	% Change	Budget	Variance \$	Variance %
January	October	573,338	585,729	2.16%	542,215	-7.43%	464,847	77,368	16.64%
February	November	596,355	585,612	-1.80%	542,675	-7.33%	483,508	59,167	12.24%
March	December	716,833	708,009	-1.23%	667,111	-5.78%	581,188	85,923	14.78%
April	January	510,348	508,950	-0.27%	509,698	0.15%	413,776	95,922	23.18%
May	February	484,267	497,768	2.79%	466,021	-6.38%	392,630	73,391	18.69%
June	March	555,869	515,679	-7.23%	574,063	11.32%	450,683	123,380	27.38%
July	April	556,516	452,741	-18.65%	556,926	23.01%	451,207	105,719	23.43%
August	May	630,633	516,160	-18.15%	-	-100.00%	511,299	(511,299)	-100.00%
September	June	628,856	544,099	-13.48%	-	-100.00%	509,859	(509,859)	-100.00%
October	July	589,297	542,519	-7.94%	-	-100.00%	477,786	(477,786)	-100.00%
November	August	689,952	641,526	-7.02%	-	-100.00%	559,394	(559,394)	-100.00%
December	September	571,876	529,081	-7.48%	-	-100.00%	457,841	(457,841)	-100.00%
		7,104,140	6,627,872	-6.70%	3,858,710	-	5,754,018	(1,895,309)	
Y-T-D		3,993,525	3,854,487	-3.48%	3,858,710	0.11%	3,237,839	620,871	19.18%

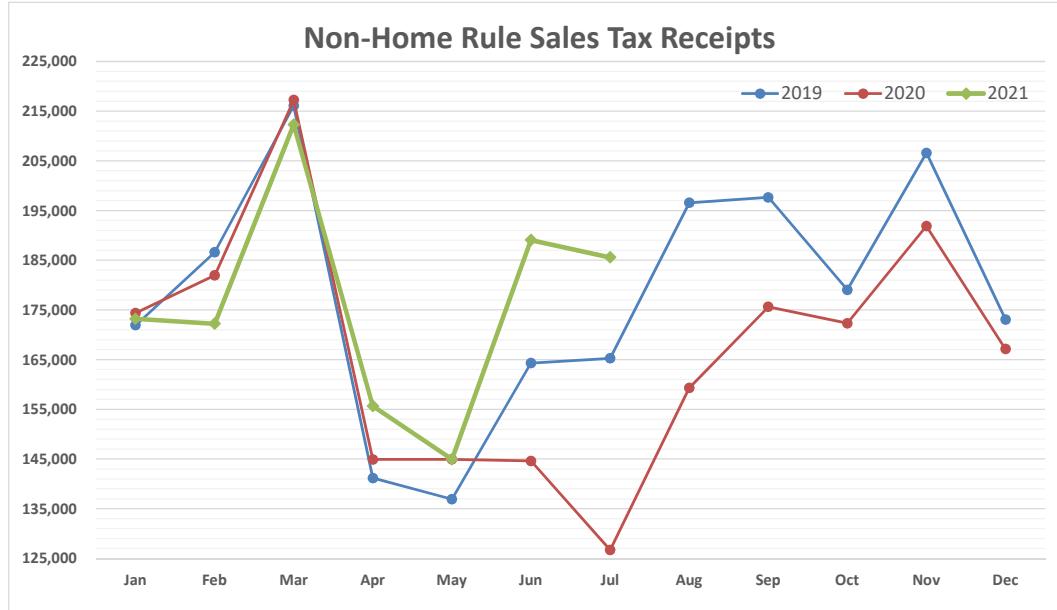
DEPARTMENT OF FINANCE  
MONTHLY REPORT  
JULY 2021



**Revenue History**

Vouchered	Historical			Current Year Actual		Current Year Budget		
	2019	2020	% Change	2021	% Change	FY 2021	Variance \$	Variance %
January	162,876	179,651	10.30%	208,145	15.86%	139,156	68,989	49.58%
February	195,953	185,089	-5.54%	220,056	18.89%	167,416	52,640	31.44%
March	117,989	137,632	16.65%	151,661	10.19%	100,806	50,855	50.45%
April	189,515	202,147	6.67%	241,823	19.63%	161,915	79,908	49.35%
May	394,217	197,921	-49.79%	330,332	66.90%	336,807	(6,475)	-1.92%
June	123,113	122,594	-0.42%	289,833	136.42%	105,184	184,649	175.55%
July	184,112	194,674	5.74%	260,006	33.56%	157,299	102,707	65.29%
August	131,977	266,162	101.67%		-100.00%	112,757	(112,757)	-100.00%
September	116,806	150,811	29.11%		-100.00%	99,796	(99,796)	-100.00%
October	208,404	218,387	4.79%		-100.00%	178,054	(178,054)	-100.00%
November	136,016	147,566	8.49%		-100.00%	116,208	(116,208)	-100.00%
December	128,529	130,645	1.65%		-100.00%	109,811	(109,811)	-100.00%
	2,089,504	2,133,279	2.09%	1,701,856	-20.22%	1,785,209	(83,353)	-4.67%
Y-T-D	1,367,773	1,219,708	-10.83%	1,701,856	39.53%	1,168,583	533,273	45.63%

DEPARTMENT OF FINANCE  
MONTHLY REPORT  
JULY 2021



**Collection History**

Received	Earned	Historical			Current Year Actual		Current Year Budget		
		2019	2020	% Change	2021	% Change	Budget	Variance \$	Variance %
January	October	171,944	174,393	1.42%	173,241	-0.66%	138,255	34,986	25.31%
February	November	186,644	181,973	-2.50%	172,248	-5.34%	150,075	22,173	14.77%
March	December	216,076	217,245	0.54%	212,281	-2.29%	173,741	38,540	22.18%
April	January	141,165	144,913	2.65%	155,657	7.41%	113,507	42,150	37.13%
May	February	136,920	144,946	5.86%	144,939	0.00%	109,611	35,328	32.23%
June	March	164,308	144,621	-11.98%	189,084	30.74%	132,116	56,968	43.12%
July	April	165,275	126,701	-23.34%	185,597	46.48%	132,893	52,704	39.66%
August	May	196,564	159,315	-18.95%	-	-100.00%	158,052	(158,052)	-100.00%
September	June	197,652	175,641	-11.14%	-	-100.00%	158,927	(158,927)	-100.00%
October	July	179,039	172,331	-3.75%	-	-100.00%	143,961	(143,961)	-100.00%
November	August	206,609	191,900	-7.12%	-	-100.00%	166,129	(166,129)	-100.00%
December	September	173,055	167,141	-3.42%	-	-100.00%	138,304	(138,304)	-100.00%
		2,135,250	2,001,120	-6.28%	1,233,045		1,715,571	(482,526)	
Y-T-D		1,182,331	1,134,791	-4.02%	1,233,045	8.66%	950,198	282,847	29.77%

Village of Lake Zurich  
Investment Report  
July 31, 2021

Description	Purchase Date	Maturity Date	Coupon Rate	CUSIP / Account	Par Value	Purchase Price	(Premium) / Discount	Market Value	Unrealized Gain (Loss)
<b>MONEY MARKET &amp; CASH</b>									
Eagle Bank	N/A	N/A	0.000%	214754-1	-	-	-	0.00	N/A
<b>CERTIFICATE OF DEPOSIT</b>									
Western Alliance Bank	01/28/21	01/28/22	0.250%		249,933.22	249,300.00	633.22	249,300.00	-
Texas Capital Bank	01/28/21	01/28/22	0.200%		249,999.37	249,500.00	499.37	249,500.00	-
Customers Bank	01/28/21	07/27/22	0.150%		249,959.40	249,400.00	559.40	249,400.00	-
Bank USA/Private Bank	01/28/21	07/27/22	0.150%		249,971.52	249,400.00	571.52	249,400.00	-
Servisfirst Bank	01/28/21	01/30/23	0.160%		249,197.83	248,400.00	797.83	248,400.00	-
Pacific Western Bank	01/28/21	01/30/23	0.210%		249,948.24	248,900.00	1,048.24	248,900.00	-
First Internet Bank of IN	02/10/21	08/11/22	0.080%		249,999.63	249,700.00	299.63	249,700.00	-
GBC International Bank	02/10/21	08/11/22	0.090%		249,946.01	249,600.00	346.01	249,600.00	-
Midland States Bank	02/19/21	02/22/23	0.110%		249,955.94	249,400.00	555.94	249,400.00	-
Allegiance Bank Texas	02/19/21	02/22/23	0.110%		249,953.44	249,400.00	553.44	249,400.00	-
BMW Bank North America	02/19/21	02/22/23	0.150%		249,000.00	249,000.00	-	248,722.61	(277.39)
Bank 7, OK	03/26/21	03/28/22	0.200%		249,911.56	249,400.00	511.56	249,400.00	-
Centier Bank, IN	03/26/21	03/28/22	0.050%		249,925.59	249,800.00	125.59	249,800.00	-
Wex Bank	03/31/21	03/31/22	0.050%		249,000.00	249,000.00	-	248,959.66	(40.34)
INNSBank, TN	03/26/21	03/27/23	0.130%		249,961.56	249,300.00	661.56	249,300.00	-
First National Bank, ME	03/26/21	03/27/23	0.070%		249,950.10	249,600.00	350.10	249,600.00	-
CIBM Bank, WI	03/26/21	03/27/23	0.070%		249,949.92	249,600.00	349.92	249,600.00	-
Commonwealth Bus Bk	03/31/21	03/31/23	0.100%		249,000.00	249,248.74	(248.74)	248,637.71	(611.03)
Royal Business Bank	04/14/21	07/15/22	0.070%		249,923.54	249,700.00	223.54	249,700.00	-
Third Coast Bank	04/19/21	07/27/22	0.100%		249,929.99	249,600.00	329.99	249,600.00	-
US Treasury N/B	04/15/21	01/15/24	0.250%		250,000.00	249,140.63	859.37	249,179.75	39.12
US Treasury N/B	04/15/21	01/31/25	0.480%		964,000.00	996,422.03	(32,422.03)	994,689.90	(1,732.13)
US Treasury N/B	04/15/21	07/31/25	0.620%		406,000.00	399,640.39	6,359.61	401,147.08	1,506.69
Alameda Cnty-a-txbl	04/16/21	08/01/23	0.200%		250,000.00	271,707.50	(21,707.50)	268,345.00	(3,362.50)
US Treasury N/B	05/19/21	07/31/25	0.570%		350,000.00	345,351.56	4,648.44	345,816.45	464.89
US Treasury N/B	07/28/21	07/31/25	0.500%		252,000.00	249,499.69	2,500.31	248,987.84	(511.85)
<b>TOTAL</b>					9,081,027.03	9,112,620.71	(31,593.68)	9,108,096.17	(4,524.54)
Per Statement				PMA Invests	9,081,027.03	9,112,620.71		9,108,096.17	(4,524.54)
					Total	9,081,027.03	9,112,620.71	9,108,096.17	
					-	-	-	-	-

Village of Lake Zurich  
 Police and Firefighters' Pension Funds  
 Statement of Net Position  
 July 31, 2021

POLICE PENSION FUND		FIREFIGHTERS' PENSION FUND		
	July 21	Year-to-Date	July 21	Year-to-Date
<b>Revenues:</b>			<b>Revenues:</b>	
Municipal Contributions	86,726	1,064,948	Municipal Contributions	107,697
Member Contributions	27,900	191,512	Member Contributions	37,589
Total Contributions	114,626	1,256,460	Total Contributions	145,286
Investment Income	346,425	2,757,178	Investment Income	549,963
<b>Total Revenues</b>	<b>461,051</b>	<b>4,013,638</b>	<b>Total Revenues</b>	<b>695,248</b>
<b>Expenses:</b>			<b>Expenses:</b>	
Pension and Benefits	188,342	1,341,215	Pension and Benefits	182,442
Insurance	-	4,909	Insurance	-
Professional Services	1,360	12,107	Professional Services	4,136
Investment Expenses	16,458	47,225	Investment Expenses	26,162
Other Expenses	-	6,384	Other Expenses	-
<b>Total Expenses</b>	<b>205,160</b>	<b>1,411,840</b>	<b>Total Expenses</b>	<b>212,739</b>
Operating Income (Loss)	254,891	2,601,797	Operating Income (Loss)	482,509
Beginning Net Position*	32,838,653	30,491,747	Beginning Net Position*	52,467,677
<b>Ending Net Position</b>	<b>33,093,544</b>	<b>33,093,544</b>	<b>Ending Net Position</b>	<b>52,950,186</b>
<b>Assets</b>			<b>Assets</b>	
Cash and Investments	33,033,244		Cash and Investments	52,867,599
Other Assets	74,993		Other Assets	107,510
Total Assets	33,108,237		Total Assets	52,975,109
<b>Liabilities</b>			<b>Liabilities</b>	
Net Position 07/31	14,693		Net Position 07/31	24,923
	33,093,544			52,950,186