

Pat Schad

From: Dierking, Sherry [sdierking@Chathamil.net]
Sent: Thursday, September 08, 2011 12:36 PM
To: mpogge@msn.com; tom@nicoudinsurance.com; Chuker1h@comcast.net; jscatman@springnet1.com; pfschad@comcast.net; holden1208@yahoo.com; repub2@juno.com; kboyle89@yahoo.com; jmyers@springfieldlaw.com
Subject: Agreement with Network Knowledge
Attachments: Participation Agreement with Network Knowledge.pdf

Attached is the agreement put together between the Village and Network Knowledge. This agreement is required due to the Village's receipt of a grant from DCEO for Job retention for Network Knowledge.

A resolution or ordinance approving this agreement should be placed on the agenda for the Board Meeting on Tuesday, September 13th.

Please let me know if you have any questions.
Thanks
Sherry

ORD
11-40
PASSED 9/13/11
Schad

Ordinance 11-__40

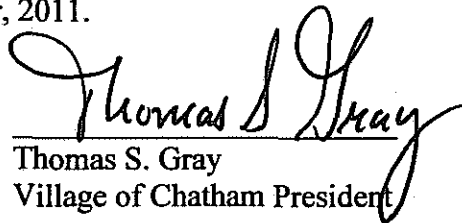
AN ORDINANCE APPROVING AN AGREEMENT WITH WEST CENTRAL ILLINOIS EDUCATIONAL TELECOMMUNICATION CORPORATION (dba NETWORK KNOWLEDGE)

SECTION 1: In accordance with the grant agreement between The Village of Chatham and the Illinois Department of Commerce and Economic Opportunity (DCEO), the Village shall enter into an agreement with Network Knowledge to provide assistance to Network Knowledge for job retention to be funded by DCEO's CDAP program. A copy of the agreement between the Village of Chatham and Network Knowledge is attached hereto as Exhibit A is hereby approved.

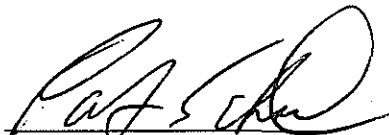
SECTION 2: The Village President is hereby authorized to sign this agreement and the proper officers of the Village shall carry out the terms of the agreement.

SECTION 3: This Ordinance is effective immediately.

PASSED the 13th day of September, 2011.


Thomas S. Gray
Village of Chatham President

ATTEST:


Patrick F. Schad
Village of Chatham Clerk



AYES: 6 *HERR MAUL BOYLE HILDEN
KAUANAKA SCHATTEMAN*

PASSED: 9-13-11

NAYES: 0

APPROVED: 9-13-11

ABSENT: 0

STATE OF ILLINOIS)

)

COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do hereby certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 11-⁴⁰ adopted by the President and the Board of Trustees of said Village on the 13th day of September, 2011 said Ordinance being entitled:

**AN ORDINANCE APPROVING AN AGREEMENT WITH WEST CENTRAL
ILLINOIS EDUCATIONAL TELECOMMUNICATION CORPORATION
(dba NETWORK KNOWLEDGE)**

I do further certify that prior to making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

ON WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 13th day of September, 2011.

PARTICIPATION AGREEMENT

THIS AGREEMENT is made as of the 13th day of September, by and between the Village of Chatham ("Unit of Local Government") and West Central Illinois Educational Telecommunication Corporation, dba Network Knowledge ("Company")

WHEREAS, the Village of Chatham is interested in maintaining its economic base with the emphasis on retaining jobs primarily for low-to-moderate income persons; and

WHEREAS, the Unit of Local Government has entered into an agreement with the Illinois Department of Commerce and Economic Opportunity (DCEO) to implement an economic development program that significantly impacts upon the Unit of Local Government's economic base; and

WHEREAS, Network Knowledge is interested in maintaining its employment base; and

WHEREAS, Network Knowledge is unable to maintain its employment base unless assistance is provided.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

I GENERAL DEFINITIONS

- 1.1 **"Application"** shall mean all materials submitted by the Company to the Unit of Local Government or the State of Illinois in connection with this agreement.
- 1.2 **"Company Contribution"** shall mean the contribution that the Company shall make in connection with the Agreement, as fully described in Exhibit C.
- 1.3 **"DCEO Funds"** shall mean the sum of \$250,000 representing the grant received by the Unit of Local Government pursuant to its agreement with the Illinois Department of Commerce and Economic Opportunity (DCEO).
- 1.4 **"Project"** shall mean the retention of jobs by Network Knowledge.
- 1.5 **"Project period"** shall mean the period commencing May 1, 2011 and ending March 31, 2012

II PERFORMANCE

- 2.1 The Unit of Local Government agrees to serve as administrator of the project, subject to the terms and conditions of this agreement.
- 2.2 The project costs shall be paid with DCEO funds.

Exhibit¹ A

- 2.3 In the event the Unit of Local Government fails to receive the DCEO funds for any reason This agreement shall be terminated, at the sole option of the Unit of Local Government, without fault as to either party.
- 2.4 Network knowledge agrees to achieve the economic results as provided in Exhibit B.
- 2.5 Subject to the execution of this Agreement by both parties, the Company is hereby authorized to incur costs against this agreement from the beginning date of 5/1/2011 through the ending date of 3/31/2012.

III REPORTING REQUIREMENTS

In addition to any other documents specified in this Agreement, the Company or sub-grantee shall submit the following reports and information in accordance with the provisions hereof.

3.1 The Company shall comply with the reporting requirements set forth as follows:

July 2011

- Quarterly Financial Status Report (07/07/2011) - Covering Period of 04/01/2011 - 06/30/2011; Send To: Village of Chatham
 - Supporting Documents: MARs report
- Quarterly Project Status Report (07/07/2011) - Covering Period of 04/01/2011 - 06/30/2011; Send To: Village of Chatham

October 2011

- Quarterly Financial Status Report (10/04/2011) - Covering Period of 07/01/2011 - 09/30/2011; Send To: Village of Chatham
 - Supporting Documents: MARs report
- Quarterly Project Status Report (10/04/2011) - Covering Period of 07/01/2011 - 09/30/2011; Send To: Village of Chatham

January 2012

- Annual HUD Performance Report (01/04/2012) - Covering Period of 03/01/2011 - 12/31/2011; Send To: Village of Chatham
 - Supporting Documents: quarterly
- Annual Section 3 Report (01/04/2012) - Covering Period of 03/01/2011 - 12/31/2011; Send To: Village of Chatham
- Quarterly Financial Status Report (01/04/2012) - Covering Period of 10/01/2011 - 12/31/2011; Send To: Village of Chatham
 - Supporting Documents: MARs report
- Quarterly Project Status Report (01/04/2012) - Covering Period of 10/01/2011 - 12/31/2011; Send To: Village of Chatham

Exhibit² A

April 2012

- Annual HUD Performance Report (04/04/2012) - Covering Period of 01/01/2012 - 03/31/2012; Send To: Village of Chatham
 - Supporting Documents: quarterly
- Quarterly Financial Status Report (04/04/2012) - Covering Period of 01/01/2012 - 03/31/2012; Send To: Village of Chatham
 - Supporting Documents: MARs report
- Quarterly Project Status Report (04/04/2012) - Covering Period of 01/01/2012 - 03/31/2012; Send To: Village of Chatham

May 2012

- End of grant Final Financial Status Report (05/08/2012) - Covering Period of 03/01/2011 - 03/31/2012; Send To: Village of Chatham
 - Supporting Documents: Document can be downloaded from the DCEO website
- End of grant Final Project Status Report (05/08/2012) - Covering Period of 03/01/2011 - 03/31/2012; Send To: Village of Chatham
 - Supporting Documents: GER

Reports shall be submitted to the Unit of Local Government by the Company by the dates specified above. The Unit of Local Government shall review the reports and utilize them to satisfy the reporting requirements required by the Village's grant agreement with DCEO. The Company shall comply with any additional reporting requirements identified by the Unit of Local Government.

IV METHOD OF PAYMENT

Funds shall not be advanced to the sub-grantee, but rather reimbursed for actual expenditures. Reimbursement claims should be submitted on a monthly basis. Only those costs incurred within the approved project period and budget is eligible for reimbursement. The reimbursement request and supporting documentation shall be submitted to the Village of Chatham on the appropriate DCEO expenditure summary and account payment request forms. Copies of the original source records shall accompany the request. Supporting documentation requirements for status reports can also be found on the DCEO Office of Accountability website. Also required to be submitted along with requests for payroll reimbursement is a completed employee income certification form for each employee a claim is submitted for. These forms must support that the costs being reimbursed are used in retaining 16 positions and 51% of the positions will benefit low to moderate income persons. The Unit of Local Government shall review the documentation and determine that the appropriate documentation has been provided. The Unit of Local Government will then submit a request for expenditure reimbursement to DCEO. Upon receipt of the funds from DCEO, the Unit of Local Government shall process payment to the Company.

Upon receipt of the funds from DCEO, the Unit of Local Government shall process payment to the Company.

V ADMINISTRATIVE COSTS

Since the grant between the Unit of Local Government and DCEO does not allow for administrative costs, and the administration of this program will involve the use of staff of the Unit of Local Government to administer. The Unit of Local Government shall bill the sub-grantee on a monthly basis for the time incurred by the Unit of Local Government staff based on an hourly rate.

In addition if the Unit of Local Government is required to have a single audit performed as a combined result of the Unit of Local Government's existing grant agreements and the ILDCO grant that the Unit of Local Government is administering for the Company. The Company shall reimburse the Unit of Local Government a portion of the cost associated with the single audit based on the amount of the grant received for the Company compared to the total grants received by the Unit of Local Government.

VI COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE COMPANY

- 6.1 On or prior to the date of this Agreement, the Unit of Local Government shall have received a Certified copy of the Company's Articles of Incorporation and By-Laws or Partnership Certificate and Partnership Agreement, as the case may be, evidence of Company's good standing and resolutions of the Board of Directors or the general Partner of the Company, as the case may be, authorizing this Agreement and such additional supporting documents as the Unit of Local Government may request.
- 6.2 On or prior to the date of this Agreement, all legal matters incident to this Agreement and the transactions contemplated hereby shall be satisfactory to the Unit of Local Government.
- 6.3 Company represents and warrants that:
- (a) Company is a corporation or partnership, as the case may be, duly formed, validly existing and in good standing under the laws of Illinois, is duly licensed and duly qualified as a foreign corporation or partnership, as the case may be, in good standing in all the jurisdictions in which the character of the property owned or leased or the nature of the business conducted by it requires such licensing or qualification and has all corporate or partnership powers, as the case may be, and all material governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted.
 - (b) The execution, delivery and performance by the Company of this Agreement, are within the Company's corporate or partnership powers, have been duly authorized by all necessary corporate or partnership action, require no action by or in respect of, or filing with, any governmental body, agency or official and do not contravene

any provision of applicable law or regulation or of the Articles of Incorporation or By-Laws or Partnership Agreement of Company, as the case may be.

- (c) This Agreement constitutes a valid and binding agreement of the Company.
 - (d) The Application is in all respects true and accurate and there are no omissions or other facts or circumstances which may be material to this Agreement or this Project.
 - (e) The financial statements delivered to the Unit of Local Government pursuant to the Application fully and accurately present the financial condition of the Company. No material adverse change in the condition, financial or otherwise, of the Company has occurred since the date of the financial statements most recently delivered to the Unit of Government.
 - (f) Neither the Company nor, to the best of the Company's knowledge, any of Company's employees have been convicted of bribing or attempting to bribe an officer or employee of the Unit of Local Government, nor has the Company made an admission of guilt of such conduct which is a matter of record.
- 6.4 The company shall keep detailed records of all matters related to this Agreement (including the Exhibits hereto).
- 6.5 The company shall comply with all applicable state and federal law and regulations promulgated there under. Company shall comply with all applicable laws and regulations prohibiting discrimination on the basis of race, sex, religion, national origin, age or handicap, including but not limited to the Illinois Human Rights Act, as now or hereafter amended, and the Equal Employment Opportunity Clause promulgated pursuant thereto.
- 6.6 Company shall fully and completely indemnify, defend and hold harmless the Unit of Local Government and the State of Illinois and their officers, directors, employees and agents against any liability, judgment, cost, claim, damage (including consequential damage) or expense (including attorney's fees and disbursements, settlement costs, consultant fees, investigation and laboratory fees) to which any of them may become subject insofar as they may arise out of or are based upon this Agreement or any agreement or document executed by the Company and the Unit of Local Government as part of the transaction described herein.
- 6.7 The Unit of Local Government shall have the right of access, at all reasonable hours, to Company's premises and books and records for purpose of determining compliance with this Agreement. In addition to the reporting specifically required hereunder, Company

shall furnish to the Unit of Local Government such information as the Unit of Local Government may reasonably request with respect to this Agreement.

VII DEFAULT AND REMEDIES

- 7.1** In one or more of the following events ("Defaults") shall have occurred and be continuing:
- (a) Company shall fail to observe or perform any covenant or agreement contained in this Agreement, including the Exhibits hereto, for 10 days after written notice to cure thereof has been given to the Company by the Unit of Local Government.
 - (b) Any representation, warranty, certificate or statement made by the Company in this Agreement, including the Exhibits hereto, or in any certificate, report, financial statement or other document delivered pursuant to this Agreement shall prove to have been incorrect when made in any material respect;
 - (c) Company shall commence a voluntary case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the following;
 - (d) An involuntary case or other proceeding shall be commenced against the Company seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian, or other similar official of it or any substantial part of its property, and such involuntary case or other proceedings shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against Company under the federal bankruptcy laws as now or hereafter in effect;
 - (e) Company ceases the conduct of active trade or business in the Unit of Local Government's community for any reason, including, but not limited to, fire or other casualty.
 - (f) Company fails to achieve the required economic results identified in Exhibit B. then, the Unit of Local Government may declare Company in default under this Agreement.

(g) Company fails to provide the Company Contribution as identified in Exhibit C.

- 7.2 If a Default shall have occurred, then the company shall reimburse the Unit of Local Government for all funds (including DCEO funds) expended by the Unit of Local Government on, or related to, the project.
- 7.3 Reimbursement shall be made to the Unit of Local Government within 30 days after the Unit of Local Government notifies the Company of the determination of the Default. If the Company fails to reimburse within 30 days after the date of the notice, the Unit of Local Government shall have the right to collect interest on the unpaid balance beginning on the 30th day after notice at a rate equal to 12 percent per annum.
- 7.4 If the unit of Local Government is successful in any proceeding to enforce the terms of this Agreement, then the Unit of Local Government shall have the right to obtain from the Company, as an additional remedy, attorney fees, costs and expenses, related to the proceeding.

VIII TERMINATION

- 8.1 This Agreement may be terminated at any time by written, mutual agreement of the parties, provided the Unit of Local Government has obtained written consent from the Illinois Department of Commerce and Economic Opportunity as to such termination.
- 8.2 This agreement maybe be terminated by the Unit of Local Government pursuant to paragraph 2.3 herein.
- 8.3 This Agreement may be terminated by the Unit of Local Government whenever it issues a notice of Default to the Company pursuant to paragraph 7.3 herein.
- 8.4 This Agreement will terminate when the project has been completed and when all of the terms and conditions of this Agreement (including the Exhibits thereto) creating duties upon the Company, have been satisfied by the Company.

IX GENERAL PROVISIONS

- 9.1 Notice required hereunder shall be in writing and shall be deemed to have been validly served, given or delivered upon deposit in the United States mail, by registered mail, return receipt requested, at the address set forth on the signature page hereof or to such other address as each party may specify for itself by like notice.
- 9.2 All covenants, agreements, representations, and warranties made herein and in the certificates delivered pursuant hereto shall survive the execution of the Agreement and shall continue in full force and effect so long as the Agreement shall be in force.

Exhibit 7
A

IN WITNESS WHEREOF, the parties executed this Agreement the day and the year first above written

West Central Illinois Educational Telecommunication Corporation, dba Network Knowledge

By: *Jill Gabriel*

Its: *President*

1475 E. Plummer Blvd.
Chatham, IL 62629

Village of Chatham

By: *Thomas S. Gray*

Its: Village President

116 E. Mulberry St.
Chatham, IL 62629



EXHIBIT A

Scope of Work

DESCRIPTION

The Village of Chatham (Unit of Local Government) will receive \$250,000 from the Community Development Assistance Program (CDAP) Economic Development Component. The Village of Chatham will use this grant to assist in the retention of 16 at risk positions in Chatham at Network Knowledge, a public television station serving central and western Illinois.

EXHIBIT B

Project Results

The company currently employs 25 at the Chatham location. As the result of the project, 16 of these positions will be funded by the CDAP grant funds and 51% of the positions will be employees which are classified as low-to-moderate income persons. This will be documented through the use of the Employee Income Certification.

EXHIBIT C

Company Contribution

<u>Source</u>	<u>Amount</u>	<u>Term/Rate</u>
Company	0	

EXHIBIT D

Budget

<u>Activity</u>	<u>Amount</u>	<u>Source</u>
Economic Development for Job Retention	<u>\$250,000</u>	CDAP
TOTAL PROJECT COSTS	<u>\$250,000</u>	