

**AGENDA**  
**COMMITTEE OF THE WHOLE MEETING**  
**Village Hall - Public Meeting Room**  
**Monday, March 24, 2014**  
**Immediately following Regular Village Board Meeting**

*Reasonable accommodations / auxiliary aids will be provided to enable persons with disabilities to effectively participate in any public meetings of the Board. Please contact the Village Administrative Office (847.883.8600) 48 hours in advance if you need special accommodations to attend.*

*The Committee of the Whole will not proceed past 10:30 p.m. unless there is a consensus of the majority of the Trustees to do so. Citizens wishing to address the Board on agenda items may speak when the agenda item is open, prior to Board discussion.*

**CALL TO ORDER**

**1.0 ROLL CALL**

**2.0 APPROVAL OF MINUTES**

- 2.1 Acceptance of March 10, 2014 Committee of the Whole Meeting Minutes.

**3.0 ITEMS OF GENERAL BUSINESS**

3.1 Planning, Zoning and Land Use

3.2 Finance and Administration

- 3.21 Consideration and Discussion of a Professional Services Agreement with Inter Dev LLC for Information Technology Services in an Annual Amount not to exceed \$63,034.35. (Village of Lincolnshire)

- 3.22 Consideration and Discussion of a Professional Services Agreement with Professional Benefit Administrators, Inc. to Administer the Village of Lincolnshire Voluntary Employee Flexible Benefits Plan. (Village of Lincolnshire)

3.3 Public Works

- 3.31 Consideration and Discussion of Purchase of Ford F Series 1-Ton Pickup (Vehicle #245) Under the State of Illinois Joint Purchasing Contract from Bob Ridings Fleet Sales, Taylorville, Illinois in an Amount not to Exceed \$93,883. (Village of Lincolnshire)

- 3.32 Consideration and Discussion of Professional Services Contract with Baxter & Woodman Consulting Engineers for Water Main Replacement Design (Riverwoods Road and Fox Trail; Westwood Lane, Middlebury Lane, and Bedford Court) at a Cost not to Exceed \$62,900. (Village of Lincolnshire)

3.4 Public Safety

- 3.41 Consideration and Discussion of a Request to Create a New Liquor License Classification Permitting the Sale of Beer for on Premise Consumption in a Non-Restaurant and Non-Hotel/Motel (The Beer Cellar)

3.5 Parks and Recreation

3.6 Judiciary and Personnel

**4.0 UNFINISHED BUSINESS**

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AGENDA –Committee of the Whole Meeting  
March 24, 2014

5.0 **NEW BUSINESS**

6.0 **ADJOURNMENT**



**MINUTES**  
**COMMITTEE OF THE WHOLE MEETING**  
**Monday, February 24, 2014**

Present:

Mayor Blomberg	<del>Trustee Brandt</del>
Trustee Feldman (Left at 9:07 p.m.)	Trustee Grujanac
Trustee McDonough	Trustee Servi
Trustee McAllister	Village Clerk Mastandrea
<del>Village Treasurer Curtis</del>	Village Attorney Simon
Village Manager Burke	Chief of Police Kinsey
<del>Finance Director Peterson</del>	Interim Director of Public Works Woodbury
Community & Economic Development Director McNellis	

**ROLL CALL**

Mayor Blomberg called the meeting to order at 8:48 p.m. and Village Clerk Mastandrea called the Roll.

**2.0 APPROVAL OF MINUTES**

**2.1 Acceptance of February 24, 2014 Committee of the Whole Meeting Minutes.**

The minutes of the February 24, 2014 Committee of the Whole Meeting were approved as submitted.

**3.0 ITEMS OF GENERAL BUSINESS**

**3.1 Planning, Zoning and Land Use**

**3.11 Consideration and Discussion of a request for fee waiver, per Section 5-3-2(A) of the Lincolnshire Village Code, for building renovation work, for the Fire Protection District Schelter Road station, located at 115 Schelter Road (Lincolnshire-Riverwoods Fire Protection District)**

Community & Economic Development Director McNellis provided a summary of the request from the Fire Protection District to waive internal fees related to building renovation work.

Trustee McDonough requested the Fire Protection District revise

their request to comply with the Village Code and demonstrate how the organization meets the requirements of the fee waiver section of the Code.

Community & Economic Development Director McNellis noted this request is consistent with past practices related to not-for-profit governmental entities.

It was the consensus of the Board for the Fire Protection District to revise their request prior to placing this on the Regular Village Board Meeting Agenda for approval.

**3.12 Continued consideration and Discussion regarding Text Amendments to Title 6, Zoning, of the Lincolnshire Village Code to update requirements for Accessory Structures & Uses, incorporate new regulations for Temporary Structures and Uses, and revise limitations for Obstructions in Yards (Village of Lincolnshire)**

Community & Economic Development Director McNellis reviewed the discussion that took place at the February 10, 2014 Committee of the Whole Meeting and shared a presentation outlining the various combinations/impact of different types of accessory structures on residential lots in the Village.

Community & Economic Development Director McNellis noted Staff is suggesting an additional change to clarify that flag poles do not count toward the maximum number of accessory structures permitted on a lot.

A discussion regarding accessory structures, setbacks, side yards and flagpoles followed.

A discussion regarding non-conformance followed. Village Attorney Simon stated if a structure is non-conformant after the Text Amendment is approved, the structure can remain in its non-conforming state until it has to be replaced, and at that time it will not be able to be replaced in the same manner as it currently exists.

There was a consensus of the Board to place this item on the Consent Agenda for approval at the next Regular Village Board Meeting.

3.2 Finance and Administration

### **3.21 Consideration and Discussion of an Ordinance Authorizing the Sale and Disposal of Surplus Property**

Village Manager Burke presented the Ordinance brought to the Board at various times throughout the year for disposal of various surplus property.

There was a consensus of the Board to place this item on the Consent Agenda for approval at the next Regular Village Board Meeting.

### 3.3 Public Works

#### **3.31 Consideration and Discussion of a Professional Services Contract with Christopher B. Burke Engineering, Ltd., Rosemont, Illinois for Phase 1 and 2 Engineering for the Londonderry Lane Reconstruction Project in an Amount not to Exceed \$21,900 (Village of Lincolnshire)**

Interim Director of Public Works Woodbury provided a summary of the request related to the Londonderry Lane reconstruction project.

Mayor Blomberg asked if curb and gutter would be replaced. Village Manager Burke noted limited curb installation is contemplated as part of this project if pricing is within budget to maintain the roadway. Curbing in this location would help prevent roadway deterioration.

There was a consensus of the Board to place this item on the Consent Agenda for approval at the next Regular Village Board Meeting.

### 3.4 Public Safety

### 3.5 Parks and Recreation

#### **3.51 Consideration and Discussion of Conceptual Design for the Balzer Park Playground Replacement (Village of Lincolnshire)**

Interim Director of Public Works Woodbury provided a summary of the Park Board recommendation which has been in discussions since August of 2013. Interim Director of Public Works Woodbury explained the Park Board reviewed more than fifteen different designs, and then picked various pieces from provided options.

Trustee Feldman expressed concern this playground was too similar to the one recently installed at Sprague School. Trustee

Feldman asked Village Manager Burke to compare this park to the ones in the area where he lives. Village Manager Burke noted the Park Board was provided a variety of park types including structures similar to recent unique installations by the Highland Park, Park District. Village Manager Burke noted some of the structures in the proposed concept had more height than the previous proposals considered by the Park Board. Village Manager Burke noted the vendors contacted to provide proposals are similar to ones use by other park districts in the area including Highland Park.

Trustee Grujanac expressed her desire to more actively involve the youth in the community in decisions like new playground equipment. Village Manager Burke noted staff could pursue a survey of children in the community if this is the direction the Board would like staff to take this. Village Manager Burke noted staff did provide an opportunity for public comment via the Village's website last year. Interim Director of Public Works Woodbury noted if the Village creates a survey; timing constraints will cause a delay in constructing the playground as well as other planned improvements at Balzer Park.

Trustee McDonough asked if installation was included so as not to utilize Public Works. Interim Director of Public Works Woodbury confirmed the cost in the memo included installation.

There was a brief discussion related to the time frame with installation being proposed for June.

There was a consensus of the Board to place this item on the next Regular Village Board Agenda for formal consideration.

### **3.52 Consideration and Discussion of an Ordinance Amending Title 8, Chapter 1, Section 8-1D of the Lincolnshire Village Code Pertaining to Canoe Launch Rack Permits (Village of Lincolnshire)**

Interim Director of Public Works Woodbury provided a brief summary of the Park Board recommendation for a Code change related to the canoe launch rack permits discussed at a previous meeting.

There was a consensus of the Board to place this item on the Consent Agenda for approval at the next Regular Village Board Meeting.

3.6 Judiciary and Personnel

4.0 **UNFINISHED BUSINESS**

5.0 **NEW BUSINESS**

Village Manager Burke noted the Village is hosting the annual employee recognition lunch on Thursday, March 13, 2014. The Employee of the Year will be announced at the lunch.

6.0 **EXECUTIVE SESSION**

7.0 **ADJOURNMENT**

Trustee McDonough moved and Trustee Grujanac seconded the motion to adjourn. Upon a voice vote, the motion was approved unanimously and Mayor Blomberg declared the meeting adjourned at 9:40 p.m.

Respectfully submitted,

**VILLAGE OF LINCOLNSHIRE**

Barbara Mastandrea  
Village Clerk

**REQUEST FOR BOARD ACTION  
COMMITTEE OF THE WHOLE MEETING****March 24, 2013**

<b>Subject:</b>	Consideration and Discussion of a Professional Services Agreement with with Inter Dev LLC for Information Technology Services in an Annual Amount not to Exceed \$63,034.35 (Village of Lincolnshire)
<b>Action Requested:</b>	Consideration, Discussion, and Approval of an Agreement between the Village of Lincolnshire and InterDev LLC for Information Technology Services.
<b>Originated By/Contact:</b>	Village Manager Burke and Management Analyst Shoukry
<b>Referred To:</b>	Village Board

**Summary / Background**

In late 2012, Lincolnshire and several neighboring municipalities began discussing the feasibility of an information technologies shared services consortium. The concept of the consortium anticipates a reduction of costs associated with IT services in the long-term through the shared use of resources, such as, personnel; data center space; leveraged software and hardware acquisition; and standardization of hardware and software. Consideration of the concept of shared services in the area of information systems technology was raised based upon the success of the Geographic Information Systems (GIS) Consortium of which Lincolnshire has been a member since inception. The group retained a technology consulting firm, Excipio, to complete a study of the IT infrastructure of the participating communities as well as the feasibility of a shared services environment. Excipio identified significant opportunities including; projected long term cost reductions of \$1.4 million spread among the participating municipalities, improved service delivery, and decreased risk in a shared services environment. Several firms responded to a subsequent request for proposal for the actual provision of information technology services. Three firms were interviewed by the participating municipalities in early December 2013. It was the unanimous consensus of the participating communities InterDev LLC of Atlanta, Georgia was the best candidate for the long term vision of the consortium.

**Current IT Environment**

Advanced Business Networks (ABN) has been the Village's IT consultant for over 10 years. Historically, IT matters were handled by ABN through Carol Marshall, serving as the Village's Office and Communications Manager. Based upon the current network infrastructure and environment in place, it is apparent the Village did not approach its IT infrastructure in a proactive manner and has underfunded routine IT investment/improvement. As a result, several components of the Village's IT environment are significantly outdated, and the Village's IT strategic plan does not reflect the direction of the industry or the evolving needs of the Village. Staff has attempted through several meetings to solicit a strategic plan from its current vendor, ABN, but has met significant communication challenges. ABN has been unable to articulate a vision for the future of the Village's IT need/environment or provide long term planning for the Village's IT infrastructure. Staff has found it necessary to take a lead role in planning and addressing deficiencies in the current IT environment.

The capital projects in the 2014 budget attempt to correct the most significant deficiencies in the Village's IT infrastructure. ABN's efforts in this regard have been reactive and Staff directed.

- Desktop Refresh: In the beginning of 2013, the majority of the Village's desktops were running Windows XP, which will reach end of life support April 8, 2014, a date known

well in advance. Lack of support represents a significant security risk due to vulnerabilities which will no longer be addressed by regular updates from Microsoft. Additionally most machines were underpowered and could not adequately run several critical programs. Staff developed a formal desktop refresh plan over the last 18 months which included the replacement of all Police Department computers as it was determined the Computer Aided Dispatch software recently deployed as part of the dispatch outsource could not run properly on the older machines in service.

- **Email System:** The Village has maintained the GroupWise email system despite the majority of the business world transitioning to a different environment; most commonly Microsoft Exchange and to a limited extent Google Gmail. The GroupWise system has limited functionality with the Village's work order management system, accounting software, and is not optimized for mobile devices.
- **Novell Transition:** The Village's primary network backbone is based upon a Novell platform. The majority of the business world has transitioned away from the Novell Networking environment and as a result usability with modern software and systems are affected. New GIS platforms, components of enterprise software packages, and other mainstream functionalities are unsupported by Novell. A transition to a Windows Server Environment with Active Directory will alleviate these limitations.
- **Server Virtualization:** The Village has several servers in service which are significantly out of date and are at risk of failure. Replacement of the numerous physical machines with more robust servers capable of virtualizing several instances is necessary.

InterDev identified several options to handle these projects with a long term vision of the Village and the shared services environment. InterDev has a proactive track record and intends to use quarterly meetings with department heads to gain insight into the future goals of the Village. This proactive approach allows anticipation of future projects and possible coordination with other municipalities in the consortium. Staff is confident the synergistic and shared informational benefits the Village will gain make InterDev the right IT partner.

### **Recommendation**

Staff recommends transitioning IT services to InterDev as part of the North Shore IT consortium. InterDev intends to provide the Village 1, 3, and 5 year strategic plans which will allow the Village to address current deficiencies in its IT infrastructure while ensuring those investments are in line with a long term vision of the Village's needs, technology trends, and the direction of the shared services environment. In addition they intend to take a more proactive partnered approach in the Village through quarterly meetings with department heads and other communication with Staff. Staff has negotiated a service model with InterDev which gives the Village the benefits of InterDev's experience in strategic planning and expertise in IT services while maintaining a first line of support internally through the Administration Department. This model of "shared support" is the best fit for the Village given current needs and support expectations. This model also lessens the budgetary impact compared to a fully managed services model.

Spending will only be increased by approximately \$5,700 in the current fiscal year. The transition represents an approximately \$19,000 increase over current annual spending on IT consulting services, bringing the total outlay to \$63,035.35 annually. The increase comes as a result of the lack of previous investment. Even with the increase, spending on IT services is in

line with organizations comparable to the Village. The shared services model hopes to reduce costs across the board over time; however, the adoption of the shared services environment model will require increased initial investment to build the necessary systems, updates currently outdated systems and network components, and standards to allow for leveraging of shared resources in the future. Shared personnel, data center spaces, emergency backup sites/services, and bulk purchasing represent a few of the cost reducing opportunities a shared services environment can capitalize on in the future.

At this time, the Villages of Glenview, Buffalo Grove, and Lake Bluff are already in the process of transitioning services to InterDev. Staff expects the Village to transition in early June. Staff has made certain the current provider will continue to provide support if the Village does pursue services with InterDev.

**Budget Impact:** Increase operating. The service model negotiated with InterDev incorporates several IT service functions previously billed as separate items by ABN. Support, backup, planning, systems monitoring, special projects, and all other IT functions are rolled into the IT Consulting. The Village purchased a small block of service hours from ABN to ensure support will continue until InterDev can begin the transition process and to facilitate the transition itself.

IT Services	2014 Budgeted	Projected Spending to Transition	Projected Spending Post Transition	Projected Year End Total 2014
Data Sys- Internet Connection	\$9,720	\$3,050	\$3,050	\$6,100
Data Sys- Maint / Repair	\$9,000	\$4,500	\$0	\$4,500
Data Sys- Tech Support/Backup	\$6,500	\$3,250	\$0	\$3,250
Cont Svc- IT Consult/Sys Monitoring	\$27,000	\$13,500	\$31,517	\$45,017
Cust Serv- Website Consult	\$1,800	\$900	\$0	\$900
	<b>\$54,020</b>	<b>\$25,200</b>	<b>\$34,567</b>	<b>\$59,767</b>
Licensing and Training				
Data Sys- Software / Licensing	\$17,073	\$6,900	\$10,173	\$17,073
Data Sys- Training	\$1,800	\$0	\$1,800	\$1,800
	<b>\$18,873</b>	<b>\$6,900</b>	<b>\$11,973</b>	<b>\$18,873</b>
2014 Capital Projects				
Equip: Servers/Computers	\$14,750	\$0	\$14,750	\$14,750
CA Misc- Desktop Update	\$7,650	\$0	\$7,650	\$7,650
CA Misc- Outlook Exch. Serv.	\$10,500	\$0	\$10,500	\$10,500
	<b>\$32,900</b>	<b>\$0</b>	<b>\$32,900</b>	<b>\$32,900</b>
 Total Spending 2014	 <b>\$105,793</b>	 <b>\$32,100</b>	 <b>\$79,440</b>	 <b>\$111,540</b>
 Increase in spending over 2014 budgeted				 <b>\$5,747</b>

**Service Delivery Impact:** None.

**Recommendation:** Staff recommends approval of an agreement between the Village of Lincolnshire and InterDev LLC for information technology services as part of the North Shore IT consortium, be placed on the April 7<sup>th</sup> Consent Agenda for approval.

**Reports and Documents Attached:**

- InterDev Staffing Plan for Shared Information Technology Services
- Model Agreement from Village of Glenview

Meeting History	
Initial Referral to Village Board (COW):	03/24/2014
Regular Village Board Meeting:	



# INTERDEV

Managed **IT** Security

## North Shore IT Consortium RFP # 213037

Updated Staffing Plan for  
Shared Information Technology Services  
March 11, 2014



**InterDev Offices**

**Atlanta**  
2650 Holcomb Bridge Road  
Suite 310, Alpharetta, GA 30022

**Chicago**  
5250 Old Orchard Road  
Suite 300, Skokie, IL 60077

**Jacksonville FL**  
7901 Baymeadows Way  
Suite 3, Jacksonville, FL 32256

## Executive Summary

Our original proposal discussed many of the plans for transition and potential areas of improvement that can be realized by the NSITC through careful consolidation and shared services. Economies of scale can bring forth areas of savings and efficiencies that will benefit all consortium members. InterDev has had the opportunity to visit and interview management and staff at each of the core five NSITC municipalities. InterDev used this time to gauge the individual village's IT goals, IT challenges and service level expectations. This input has aided in the fine tuning of our proposal to the NSITC selection committee.

InterDev firmly believes in the consolidation plans for the municipalities. We feel there are tangible benefits for providing shared services for the participating Villages. Challenges surface because of the varied Village needs and service level expectations. Allocation of partial resources will need to account for all levels of IT services not just the Help Desk. InterDev has addressed this need by consolidating resources in Glenview and Buffalo Grove so the right level of resource can be assigned to handle specific requirements to support the goals of each Village in a timely fashion. It is important to note that partial FTE allocation is NOT limited to Help Desk specialists but includes all levels and specialties from Help Desk to CIO, including strategic IT planning, network and infrastructure design, server, PC, and appliance installation, backup, and security.

## Primary Benefits of Shared IT Services

As a member of the Consortium there will be a variety of services that are included such as remote monitoring and management (RMM), a robust ticketing system that will allow users to check on the status of their tickets and managers to check on the status of their organization's tickets. Strategic planning will encompass many areas including backup and disaster recovery, as well as traditional planning for projects on a 1, 3, 5 year basis.

Some of these benefits include:

- Improved Support Services and response times – integrated remote monitoring and management systems with closed loop ticketing system to track all issues and ensure they were answered to the user's satisfaction. Single phone number to reach the correct local technical support resource/team.
- Shared Services – including Disaster Recovery, SAN, Backup, Firewalls, and Security.
  - Email archiving – email archiving can be deployed to support all municipalities as a shared service across the consortium.
  - Backup – data backup can be deployed using standard solutions
  - Spam & web filteringServices will be deployed to support multiple Villages to maximize service flexibility and reliability.
- Specialized resources – high end personnel/resources (i.e. CIO, Security Engineer, Project Manager) are utilized across all municipalities to provide services that might be otherwise unaffordable. These roles are all part of the FTE or partial FTE allocations for each member municipality.
- Multi-year strategic technology planning in partnership with each member municipality to leverage new shared technology and support Village goals and objectives.
- Training – incorporate standard scheduled training sessions at each Village to cover areas in most need.
- New server and appliance technology infrastructure will be deployed for the shared services of the consortium.
- Server virtualization to lower costs, improve speeds, reduce downtime, and increase support capability.
- Virtual Desktop Infrastructure (VDI) – single image support for desktop computing services to increase reliability, reduce downtime and upgrade conflicts, lower overall support and deployment costs. This technology can be deployed based on Village decisions and need. InterDev will deploy pilot program to test application support and
- Data integrity – no mixed data – SECURE! InterDev will configure and deploy all shared storage and infrastructure to make sure each Village's data is secure and completely segregated.

- Hardware, software, usage and security policy generation. Over time InterDev will assist each Village in the update or new generation of technology and security policies to help govern systems usage and security of Village data.
- Compliance planning and strategy implementation – support for compliance with local, state and federal laws.
- Local infrastructure and communications evaluations, optimization, and upgrades which will include network evaluations, speed and throughput, and analysis.
- Vendor negotiations through consortium for fiber communications and networking.
- Software licensing and increased support negotiations with large software systems vendors (New World, Tyler, CityWorks, Laserfiche etc.)
- Local and centralized technology support – support for local/onsite systems and shared data center infrastructure.
- Upgrade of older backup technology (tape systems) which are less reliable and past end-of-life. Move to disk to disk to offsite strategy supported at each village and at central datacenter.
- Migration support for software and hardware upgrades.
- Setup and support for secure remote access to Village systems for designated users.
- Support liaison between village users and hardware/software vendors.

## Staffing Plan

Staffing reflected in the attached pricing is based on requirements for the Services resources necessary to provide the requested IT support for Glenview, Buffalo Grove, Kenilworth, Lincolnshire, and Lake Bluff (Core Villages). The staffing process will begin with Glenview and a management team necessary for the initial Core Villages. As additional Villages are brought under the consortium umbrella, additional technical resources with the required skill sets will be deployed to handle the increased workload. The following Plan describes InterDev’s proposal for staffing. The staffing table includes a column for Transition employees. This staff is allocated for the express purpose of managing the critical ramp-up and conversion period. These are additional resources provided by InterDev to ensure the successful move to our Managed Services model.

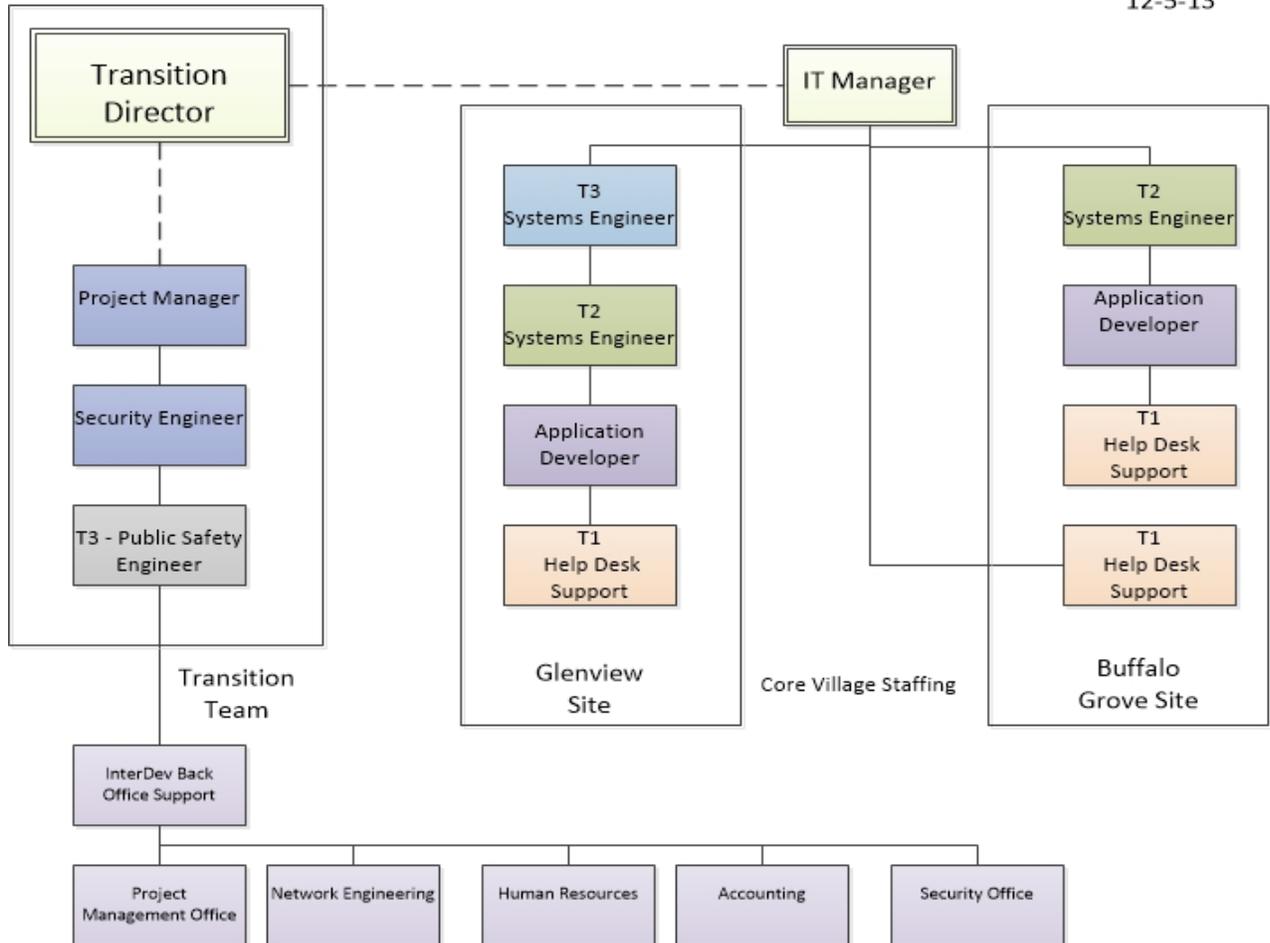
### Staffing

InterDev’s original proposal was designed and specifically staffed to provide an aggressive timeline for the successful implementation of the NSITC goals and objectives. InterDev has a reputation for being nimble and accomplishing impressive goals within very limited timeframes. The NSITC has a progressive set of goals for this environment and its member municipalities. These goals include the successful and rapid transition from the current IT vendors and staffing to a single more proactive IT service provider. The deployment of data center technologies, server and switch virtualization, comprehensive backup and Disaster Recovery models are all technologies and services that can be immediately beneficial to the member municipalities. In addition to reducing costs by standardizing the consortium’s hardware and software solutions the municipalities will benefit from comprehensive IT planning and budgeting for future IT, compliance, and security requirements. There is also an effective 5% reduction per year built in to the first 3 years of the budget as we are proposing to keep our charges flat through this period, despite the fact that we will be providing our employees full merit and cost of living raises. Our standard agreement typically includes a 5% annual escalator. This escalator can be negotiated for future years at the end of year three should the consortium decide to issue a 5 year agreement.

InterDev’s solution notably includes the staffing of an Application Developer specifically to support the customized Lotus Notes environment found at Buffalo Grove and an Application Developer to support Munis reporting and SharePoint development at Glenview. The service and staffing levels proposed in this plan provide a solid foundation for the consortium and is scalable as additional villages join the consortium.

# NSITC IT Staffing

12-5-13



## Pricing – Supporting Documents

InterDev has based the pricing for the North Shore IT Consortium on the following information.

### Staffing:

- Base Salary is based on hiring experience and published industry standards by job description and tier, regionally adjusted.
- Fully Burdened Rate includes the full salary, taxes, benefits, and equipment.

### Training and Equipment

- Training – InterDev supports the continued training and education of all staff in order to stay competitive and provide best of breed solutions in an ever changing field. Our targeted training allocation is an average of \$3,000 per employee per year.
- Computer Equipment – notebook computers with docking stations and dual monitors are standard issue for all InterDev staff and are included in our pricing model.
- Communications Equipment – Smartphones and voice/data service plans are required to ensure the support team is in touch and available whenever and wherever needed.

### Pricing/Estimating Techniques and Basis of Estimates

Our pricing model is based on historical and projected salary requirements for the position classes that are best suited to the task work order. We have taken into consideration our current staff compensation, current and projected economic conditions, research from Robert Half Technologies, web resources such as [rht.com](http://rht.com), [salary.com](http://salary.com), the Illinois Department of Labor, and research from other local consulting firms.

Our corporate philosophy is to hire for life. While we understand not all employees will be around for the gold watch, we select candidates that exhibit the qualities we have worked so hard for decades to deliver to our clients. Turnover is very expensive for the company and our clients, so we strive provide a compensation package that attracts, rewards, and retains the best individuals.

Our Fully Burdened Rate (FBR) model includes the following:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Base salary</li> <li>• Medical/Dental/Vision benefits</li> <li>• Life insurance</li> <li>• Time off (vacation, sick, personal, bereavement)</li> <li>• Incentive pay</li> <li>• Bonus pay</li> <li>• 401(k) Retirement plan</li> <li>• Taxes (FICA, Medicare, SUI, FUTA)</li> <li>• Administrative</li> </ul> | <ul style="list-style-type: none"> <li>• Accounting</li> <li>• Management oversight</li> <li>• Legal and professional</li> <li>• Dues</li> <li>• Office space</li> <li>• Utilities</li> <li>• Telephone</li> <li>• Internet</li> <li>• Communications</li> <li>• Software</li> <li>• Equipment</li> </ul> |
|--|---|

And a variety of lesser expense categories

## Pricing – Alternate Plans

Recognizing that one size does not fit all when it comes to providing outsourced IT solutions, we have created the following options for the Village of Lincolnshire in order to more closely match their desired service offering.

### Village of Lincolnshire

The Village of Lincolnshire presents several unique challenges and opportunities. The infrastructure of Novell NetWare and GroupWise are both significantly aged and non-mainstream. As a result, much work needs to be done throughout the entire system to bring it up to par. A total overhaul of the system would also include a move to virtualization.

InterDev’s standard model includes the complete responsibility burden for all IT. Lincolnshire has two resources that provide various levels of IT support as a secondary responsibility to their main job. End user support by Youssef (Administrative Intern) and Leslie (Administrative Assistant) has been a valuable asset to the Village. Youssef in particular appears to have a good foundation in IT and could be instrumental in the implementation and support of new systems. As long Youssef and Leslie continue to be responsible for end user and application support, significant savings can be realized. Therefore, we are providing an option for three levels of support.

#### Option A – Full service

This plan includes full IT support and strategic planning, as well as the resources needed to move off of GroupWise and Novell onto a more mainstream platform. InterDev will not rely upon Lincolnshire’s internal resources to manage first line support or help desk oriented activities. All of this support will be provided by InterDev resources. This support plan includes all support and management of other projects such as virtualization of dated servers, remote monitoring and management, backup/disaster recovery planning, VDI, and data center implementation.

Option A – Full Service	Year 1	Year 2	Year 3
VILLAGE OF LINCOLNSHIRE	\$76,405.27	\$76,405.27	\$76,405.27

#### Option B – Full Service – Combined Support

This plan includes full IT support and strategic planning functions to augment Lincolnshire’s staff (Youssef and Leslie). Lincolnshire staff will provide the first line of support and then escalate issues to InterDev as needed. InterDev will provide the resources needed to move off of GroupWise and Novell onto a more mainstream platform. This plan also includes - at no additional cost - other projects such as

virtualization of other dated servers, remote monitoring and management, backup/disaster recovery planning, VDI, and data center implementation.

<b>Option B – Full Service - Combined</b>	Year 1	Year 2	Year 3
VILLAGE OF LINCOLNSHIRE	\$63,034.35	\$63,034.35	\$63,034.35

**Option C – Limited service**

With this option, we provide remote monitoring and management and the similar level of support the Village is currently receiving. InterDev can provide additional resources and consulting through the purchase of blocks of time. Projects will be handled on a time and materials basis. InterDev will provide scope of work, timelines and budgetary costs for each requested project.

<b>Option C – Limited service</b>	Year 1	Year 2	Year 3
VILLAGE OF LINCOLNSHIRE	\$38,202.63	\$38,202.63	\$38,202.63

**Year One Goals**

After meeting with key management at each Village we have determined the following common and individual goals for the first year of service. There are several common threads across all Villages including strategic planning, training, disaster recovery, and security.

**Village of Lincolnshire**

- Strategic Planning for 1, 3, 5 years
- Disaster Recovery Plan
- Security review
- Security Awareness training
- Backup plan review
- Offsite backup strategy
- Network monitoring
- Server virtualization\*
- Spam filtering
- Technology training
- Email archiving
- Web filtering
- Investigate Desktop Virtualization (VDI)

- Telecom/Internet Review
- Consolidated ticketing system
- Migration from Novell NetWare to Microsoft Windows Server\*
- Migration from Novell GroupWise to Microsoft Exchange email\*
- Review document management solutions

\*Project based initiatives

### Project Breakdown

Anticipated project execution, testing time, and resource requirements for recommended first year projects.

Project	Resources	Est Time	Est Costs
Novell NetWare to Microsoft Windows Server Conversion	T3, T2, PM	120	\$18,000
Novell GroupWise to Microsoft Exchange Conversion	T3, T2, PM	105	\$15,750
Server Virtualization	T3, T2	40	\$6,000
Backup Modernization	T2	60	\$9,000
<b>Estimated Project Totals</b>			<b>\$48,750</b>



# The Village of Glenview

## **AGREEMENT FOR INFORMATION TECHNOLOGY SERVICES BETWEEN THE VILLAGE OF GLENVIEW AND InterDev, LLC.**

THIS AGREEMENT, dated December 17, 2013, is entered into by and between the Village of Glenview, an Illinois home rule municipality, and InterDev, LLC of Alpharetta, GA (the "Consultant").

### **RECITALS**

WHEREAS, the Village seeks a consultant to perform in part or in whole converged information technology services, (the "Services");

WHEREAS, the Village released a formal request for proposal ("RFP") for the provision of the Services; and

WHEREAS, the Consultant submitted an acceptable proposal to the Village to provide the Services; and

WHEREAS, the Village's Board of Trustees passed a resolution at its regular meeting on January 7, 2014, approving and confirming the Village Manager's execution of this Agreement.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Village and Consultant agree as follows:

### **SECTION 1. AGREEMENT DOCUMENTS**

The Agreement Documents, which constitute the entire agreement between the Village and the Consultant, are:

- A. RFP #213037 (Exhibit B)
- B. Exhibit A – Scope of Works/Goals and Expectations
- C. RFP #213037 Response (Exhibit C)
- D. This Agreement and all exhibits thereto.

These documents are collectively referred to herein as the "Agreement Documents". In the event of a conflict between this Agreement and the RFP, the provisions of this Agreement shall control.

## **SECTION 2. SCOPE OF WORK (SOW)**

The Consultant agrees to provide the Services in accordance with the Agreement Documents, and as reasonably required in accordance with management at the time when, and at the place where, the Services are performed.

## **SECTION 3. TERM; TERMINATION**

The initial term of this Agreement shall commence on December 17, 2013 and remain in effect for three (3) years (the "Initial Term"). The Village reserves the right to renew the Agreement for two (2) additional one (1) year periods, subject to acceptable performance by the Consultant, as determined by the Village in its sole discretion (the "Renewal Term(s)"). At the end of the Initial Term or any Renewal Term, the Village reserves the right to extend this Agreement for a period of up to ninety (90) days for the purpose of getting a new agreement in place.

For any term beyond the Initial Term, this Agreement is contingent on the appropriation of sufficient funds; no charges shall be assessed for failure of the Village to appropriate funds in future contract years.

For the Renewal Term terms, requests for increases shall be limited to three percent (3%).

The Village reserves the right to terminate this Agreement, or any part of hereof upon thirty (30) days written notice, with or without cause. In case of such termination, Consultant shall be entitled to receive payment from the Village for work completed up to and including the date of termination in accordance with the terms and conditions of the Agreement Documents.

In the event the Village elects to exercise its option for the Renewal Term, it shall provide written notice to the Consultant no less than one hundred eighty (180) days before the expiration of the Term.

## **SECTION 4. FINANCIAL REVIEW**

Upon written request of the Village, but not more than twice a year, Consultant shall provide the Village with access to all of Consultant's financial information, including but not limited to, balance sheets, income statements, salary information, profit margin, etc. The Village agrees to keep confidential any and all such information to which it is provided access.

## **SECTION 5. INDEMNIFICATION**

The Consultant agrees to indemnify, save harmless and defend the Village and its elected and appointed officials, employees, agents, consultants, attorneys and representatives and each of them against, and hold it and them harmless from, any and all lawsuits, claims, injuries, demands, liabilities, losses, and expenses; including court costs and reasonable attorney's fees for or on account of any injury to any person, or any death at any time resulting from such injury, or any damage to property, which may arise or which may be alleged to have arisen out of, or in



# The Village of Glenview

connection with the work covered by this project to the extent caused by actions of the consultant. The obligations of the Consultant under this provision shall not be limited by the limits of any applicable insurance required of the Consultant.

## **SECTION 6. INSURANCE**

The Consultant shall maintain for the duration of the contract, including warranty period, insurance purchased from a company or companies lawfully authorized to do business in the state of Illinois and having a rating of at least A-minus and a class size of at least X as rated by A.M. Best Ratings. Such insurance as will protect the Consultant from claims set forth below which may arise out of or result from the Consultant's operations under the contract and for which the Consultant may be legally liable, whether such operations be by the Consultant or by a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

6.1 **Workers' Compensation Insurance** covering all liability of the Consultant arising under the Workers' Compensation Act and Occupational Diseases Act; limits of liability not less than statutory requirements.

6.2 **Employers Liability** covering all liability of consultant as employer, with limits not less than: \$1,000,000 per injury – per occurrence; \$500,000 per disease – per employee; and \$1,000,000 per disease – policy limit.

6.3 **Comprehensive General Liability** in a broad form on an occurrence basis, to include but not be limited to, coverage for the following where exposure exists; Premises/Operations, Contractual Liability, Products/Completed Operations for 2 years following final payment, Independent Contractor's coverage to respond to claims for damages because of bodily injury, sickness or disease, or death of any person other than the Consultant's employees as well as claims for damages insured by usual personal injury liability coverage which are sustained (1) by a person as a result of an offense directly or indirectly related to employment of such person by the consultant, or (2) by another person and claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use there from; Broad Form Property Damage Endorsement;

General Aggregate Limit	\$ 2,000,000
Each Occurrence Limit	\$ 1,000,000

6.4 **Automobile Liability Insurance** shall be maintained to respond to claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle. This policy shall be written to cover any auto whether owned, leased, hired, or borrowed.

6.5 **Professional Liability Insurance** shall be maintained to respond to claims for damages due to the Consultant's errors and omissions.

Errors and Omissions

\$1,000,000

6.6 Consultant agrees that with respect to the above required insurance:

6.6.1 The CGL policy shall be endorsed for the general aggregate to apply on a “per Project” basis;

6.6.2 To provide separate endorsements: to name the Village of Glenview as additional insured as their interest may appear, and; to provide thirty (30) days notice, in writing, of cancellation or material change.

6.6.3 The Consultant’s insurance shall be primary in the event of a claim.

6.6.4 The Village shall be provided with Certificates of Insurance and endorsements evidencing the above required insurance, prior to commencement of this Contract and thereafter with certificates evidencing renewals or replacements of said policies of insurance at least thirty (30) days prior to the expiration of cancellation of any such policies. Said Notices and Certificates of Insurance shall be provided to: Village of Glenview Purchasing Department, 1225 Waukegan Road, Glenview, IL 60025.

6.6.5 A **Certificate of Insurance** that states the Village of Glenview has been endorsed as an “additional insured” on a non-contributory basis by the Consultant’s insurance carrier. **Specifically, this Certificate must include the following language: “The Village of Glenview, and their respective elected and appointed officials, employees, agents, consultants, attorneys and representatives, are, and have been endorsed, as an additional insured under the above reference policy number \_\_\_\_\_ on a primary and non-contributory basis for general liability and automobile liability coverage for the duration of the contract term.”**

6.7 **Failure to Comply:** In the event the Consultant fails to obtain or maintain any insurance coverages required under this agreement, the Village may purchase such insurance coverages and charge the expense thereof to the Consultant.

## **SECTION 7. INVOICES AND PAYMENTS**

The Consultant shall submit detailed invoices for services, including labor rate per consultant, and the number of hours worked per week. No allowances shall be made for expenses other than those identified herein without prior approval. Payment shall be made in accordance with the Illinois Local Government Prompt Payment Act, 50 ILCS 505/1, *et seq.*

## **SECTION 8. AGREEMENT PRICE**

The Village agrees to pay the Consultant in accordance with the Agreement Documents in an annual not to exceed amount as defined in the table below, without written approval, inclusive of all services and reimbursable expenses as identified herein.



# The Village of Glenview

	Year 1	Year 2	Year 3	Year 4	Year 5
	<b>\$558,937</b>	<b>\$546,380</b>	<b>\$546,380</b>	<b>\$562,771</b>	<b>\$579,655</b>
Option 1: +0.5 FTE Q2	\$12,557				
Option 2: +0.5 FTE Q3	\$12,557				
Option 3: +0.5 FTE Q4	\$12,557				
<b>Total</b>	<b>\$596,607</b>				

The Village agrees to pay the Consultant the sums as indicated below for additional services upon written direction of the Village:

1. Annual PSA licensing costs for Glenview (5 tech seats, 330 devices)\* \$6,960.00
2. Hourly rate for work not associated with this Scope of Work: \$ 175.00

\*AntiVirus is optional and licensed separately. We can utilize your existing license.

## **SECTION 9. JURISDICTION, VENUE, CHOICE OF LAW**

This Agreement shall be construed under and governed by the laws of the State of Illinois, and the exclusive jurisdiction and venue for all claims and controversies arising hereunder shall be the Circuit Court of Cook County, Illinois.

## **SECTION 10. INDEPENDENT CONTRACTOR**

The Consultant is an independent contractor, and neither the Consultant, nor any employee or agent thereof, shall be deemed for any reason to be an employee or agent of the Village.

## **SECTION 11. CONSULTANT REPRESENTATIONS**

Consultant hereby represents and warrants as follows:

A. It is a company which is validly existing and duly authorized to do business under the laws of the State of Illinois, with power and authority to conduct its business as currently conducted and as contemplated by this Agreement.

B. All necessary corporate, regulatory, or other similar action has been taken to authorize and empower Consultant to execute, deliver and perform this Agreement. The person(s) executing this Agreement on behalf of Consultant is duly authorized to do so and this Agreement is a legal, valid and binding obligation of each and all of the owners, shareholders, officers, managers, partners or members of Consultant, enforceable against them in accordance with its terms, subject to bankruptcy, equitable principles and laws affecting creditor's rights generally.

C. Except only for those representations, statements or promises expressly contained in the Agreement Documents, no representation, statement or promise, oral or in writing, of any kind whatsoever by the Village, its officials, agents, or employees has induced Consultant to enter into this Agreement or has been relied upon by Consultant.

D. No proceeding of any kind, including, but not limited to, litigation, arbitration, judicial or administrative, is pending or threatened against or contemplated by Consultant which would under any circumstance have any material adverse effect on the execution, delivery, performance or enforceability of this Agreement. As of the date of execution of this Agreement, Consultant has not received notice, or has a reasonable basis for believing that Consultant or any of its members, shareholders, partners, associates, officers, managers or employees are the subject of any criminal action, complaint or investigation pertaining to any felony charge, or any civil action or claim predicated on alleged acts of antitrust violations; business fraud; discrimination due to race, creed, color, disability, gender, marital status, age, national origin, or religious affiliation.

E. This Agreement constitutes a valid, legal and binding obligation of Consultant, and to the extent permissible by law, is enforceable against it in bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights generally and to general principles of equity, regardless of whether such enforcement is considered in a proceeding in equity or at law.

F. Consultant shall provide prompt notice to the Village whenever any of the representations or warranties contained herein ceases to be true or correct.

## **SECTION 12. ASSIGNMENT**

The Consultant shall not assign any duties or performance under this Agreement without the express written consent of the other.

## **SECTION 13. MODIFICATION**

This Agreement may be amended or supplemented only by an instrument in writing executed by both of the parties hereto.

## **SECTION 14. NO IMPLIED WAIVERS**

The failure of either party at any time to require performance by the other party of any provision of this Agreement shall not affect in any way the full right to require such performance at any time thereafter. Nor shall the waiver of either party of a breach of any provision of this Agreement be taken or held to be a waiver of the provision itself.



# The Village of Glenview

## **SECTION 15. OWNERSHIP OF DOCUMENTS**

The Village shall retain ownership of all work product and deliverables created by Consultant pursuant to this Agreement.

## **SECTION 16. RECORDS AND INFORMATION**

Consultant understands that it may receive or gain access to information that is confidential or highly sensitive in nature and acknowledges that such information will be used only for the purpose of fulfilling its obligations under the Agreement. Further, any output from this Agreement is to be kept confidential and is for the sole use of the Village. Consultant shall not reveal such information and/or output to other parties without the express written permission of the Village. All records and documents received by Consultant from the Village shall remain the sole property of the Village and all such records, or exact copies thereof, shall be turned over intact to the Village within ten (10) days of the Village's request.

## **SECTION 17. CONFIDENTIALITY**

Confidential information shall include, without limitation:

- A. All information that concerns the business affairs of the Village including, without limitation, financial information, and all other data, records, and proprietary information involving the Village's business operations;
- B. Any information developed or created by Consultant in connection with the services being rendered under this Agreement by Consultant; and
- C. Any other information reasonably identified by the Village as confidential; provided however that confidential information shall not include the following:
  - i. Information known by, or generally available to the public at large through no breach by Consultant of this Agreement;
  - ii. Any information given to Consultant by a third party without continuing restrictions on its use;
  - iii. Information disclosed by Consultant with the Village's written approval; and
  - iv. Information required to be disclosed by law.

## **SECTION 18. FREEDOM OF INFORMATION ACT**

As a contractor of the Village, Consultant may be subject to certain records requests brought pursuant to the Illinois Freedom of Information Act, 5 ILCS 140/1, *et seq.* (the "Act"). Consultant agrees to cooperate with the Village to answer requests for records brought pursuant to the Act for which Consultant may have records in its possession.

**SECTION 19. SEVERABILITY**

If any part of this Agreement shall be held to be invalid for any reason, the remainder of this Agreement shall be valid to the fullest extent permitted by law.

**SECTION 20. NOTICES**

Any notices or demands, which may be or are required, to be given by either party to the other under this Agreement shall be in writing, and all notices, demands and payments required to be given or made hereunder shall be given or made either: (a) by hand delivery; or (b) by United States certified mail, postage prepaid addressed to the Village or Consultant, respectively, at the following addresses, or at such other place as the Village or Consultant may from time to time designate in writing:

If to the Village:

The Village of Glenview  
1225 Waukegan Road  
Glenview, IL 60025  
Attn: Administrative Services Director

With a copy to:

Eric G. Patt  
Robbins, Salomon & Patt, Ltd.  
2222 Chestnut Avenue, Suite 101  
Glenview, Illinois 60025

If to the Consultant:

InterDev, LLC  
2650 Holcomb Bridge Road, Suite 310  
Alpharetta, GA 30022  
Attn: Gary Nichols, CEO

With a copy to:

None

IN WITNESS HEREOF, the undersigned have caused this Agreement to be executed in their respective names on the dates hereinafter enumerated.

THE VILLAGE OF GLENVIEW

InterDev, LLC.

\_\_\_\_\_  
Todd Hileman  
Village Manager

\_\_\_\_\_  
CEO

\_\_\_\_\_  
December 17, 2013

Date

\_\_\_\_\_  
Date



# The Village of Glenview

## EXHIBIT A SCOPE OF WORK/GOALS AND EXPECTATIONS

### SCOPE OF SERVICES

The Scope of Work set forth in the RFP (Exhibit B) and the Response (Exhibit C) is amended to include the work as described in Exhibit A.

### Glenview Staffing Plan

Position	Full Time Equivalent (FTE)
IT Manager	1
Systems Engineer III	1
Systems Engineer II	1
Systems Engineer I	1
Application Developer	1

Year 1: 4 FTE Q1, 3.5 FTE Q2-Q4 with option to extend 0.5 FTE  
Years 2-3: 3.5 FTE  
Renewal Term: 3.5 FTE

In addition, the Village of Glenview reserves right to remove and approve hires and the option to remove application support at a value of \$100,454.

**REQUEST FOR BOARD ACTION  
COMMITTEE OF THE WHOLE MEETING  
March 24, 2013**

**Subject:** Consideration of a Professional Services Agreement with Professional Benefit Administrators, Inc. (PBA) to Administer the Village of Lincolnshire Voluntary Employee Flexible Benefits Plan. (Village of Lincolnshire)

**Action Requested:** Consideration and Recommendation to Place Approval of an Agreement between the Village of Lincolnshire and Professional Benefit Administrators, Inc. for Benefits Administration Services Related to the Village's Voluntary Employee Flexible Benefits Plan be Placed on the April 14, 2014 Regular Village Board Meeting Agenda for Approval

**Originated** Village Manager Burke

**By/Contact:**

**Referred To:** Village Board

**Summary / Background**

The Village of Lincolnshire currently maintains and administers a voluntary employee flexible benefits plan (Section 125 Plan) for employees in-house. Administration and Finance Department staff currently administer the program for medical expense and dependent care reimbursement. Administration Department staff receives paper reimbursement requests from participating employees. Staff then reviews the reimbursement requests to determine if expenditures are in compliance with Section 125 parameters. Finance Department staff then prepares reimbursement checks manually for distribution to employees. Under the current system, Administration Department personnel is put in a position of making reimbursement determinations as well as receiving private medical information pertaining to employees and families which creates an exposure for the organization related to compliance with privacy rights of employees. If a reimbursement request is questioned, Administration Department staff is placed in a position of questioning employees' expenditures as well as ensuring compliance with changing IRS regulations pertaining to flexible benefits plans. Staff proposes to outsource the administration of the employee voluntary flexible benefits plan to a third party; Professional Benefits Administrators Inc. (PBA).

Last year, the Village requested the plan consultant for the Village's medical and dental insurance plans to solicit quotes from firms to administer the Village's flexible benefits plan. Four firms provided quotes to provide the service. PBA provided a competitive quote to provide the services and is currently a service provider to the Village as part of the Village's medical and dental insurance pool. PBA currently administers the Village's dental and vision insurance plans.

**Recommendation**

Based upon the pricing received and to maintain continuity in plan administrators for various Village benefits programs, staff recommends entering into a professional services agreement with Professional Benefits Administrators Inc for the administration of a voluntary employee flexible benefits plan. Outsourcing the flexible benefits plan will provide the following benefits not currently available with the Village's in-house program:

- Flex administration setup fees with PBA include the preparation of a plan document and annual review and IRS compliant discrimination testing.
- Participating employees will receive PBA Flex Visa Debit Card pre-programmed with current plan co-pay information for use by employees.
- Receipt reminders are sent out to ensure FSA compliancy. (i.e. Dental or Vision expense may require receipt to verify procedure was not cosmetic)
- Employees can submit an online claim form and upload their documentation or they can submit paper via fax or mail.
- Non-debit card reimbursements can be made Direct Deposit (preferred) or Check to employee
- Employees will have 24/7 online access to their Flex information via website and ability to download PBA Flex Mobile App
- Employees that have a login setup on [www.pbaclaims.com](http://www.pbaclaims.com) can continue to use the same login for both existing dental and for Flexible spending
- PBA offers online open enrollment for employees with corresponding reports.
- The transition to PBA, if approved, is expected to take place May 1, 2014. After the initial transition year, future plan years will be on a calendar basis.

**Budget Impact:**

The Village currently has 22 employees participating in the flexible spending program. Based upon the pricing received from PBA, the first year cost of the program is estimated to be \$3,400 broken down as follows:

- \$200/monthly claims processing fee for a total of \$2,400 per year.
- \$500 One-Time Setup Fee.
- \$500 Annual Enrollment Fee.

The Village currently has an unobligated balance in the flexible spending program of approximately \$5,000. These funds have accumulated as a result of employees not

spending their full flexible spending amounts by the end of the plan year. Per IRS regulations, unspent funds at the end of the plan year revert to the Village. Given the current balance in the flexible spending plan, there will be no impact on the budget in the current fiscal year. Annual costs of the program in future years will be based upon employee participation, and based upon current enrollment are estimated to be approximately \$3,000 annually.

**Service Delivery Impact:** None.

**Recommendation:** Staff recommends approval of an agreement between the Village of Lincolnshire and Professional Benefit Administrators (PBA) for flexible benefit plan administration be placed on the April 7<sup>th</sup> Consent Agenda for approval.

**Reports and Documents Attached:**

- Proposed Professional Services Agreement with PBA
- PBA Brochure Regarding Services
- July 1, 2013 Section 125 (Flex) Administrator Comparison Prepared by GCG Financial

<b>Meeting History</b>	
Initial Referral to Village Board (COW):	03/24/2014
Regular Village Board Meeting:	

**PROFESSIONAL BENEFIT ADMINISTRATORS, INC.**

**FLEXIBLE BENEFITS PLAN  
ADMINISTRATIVE SERVICES AGREEMENT**

**THIS FLEXIBLE BENEFITS PLAN ADMINISTRATIVE SERVICES AGREEMENT** (this "Agreement") is effective as of the first day of April, 2014 by and between the **VILLAGE OF LINCOLNSHIRE** (the "Company", the "Plan Sponsor" or the "Named Fiduciary") having a principal place of business at One Olde Half Day Road, Lincolnshire, IL 60069, and **PROFESSIONAL BENEFIT ADMINISTRATORS, INC. ("PBA")**, having a principal place of business at 900 Jorie Blvd., Suite 250, Oak Brook, Illinois 60523.

As Plan Sponsor, the Company is acting in its capacity as the settlor of the Plan; and, as the Named Fiduciary, it is acting in its fiduciary capacity.

**WITNESSETH:**

**WHEREAS**, the Plan Sponsor has established a voluntary employee flexible benefits plan for the purpose of providing certain taxable and nontaxable benefits to eligible employees (the "Plan"); and

**WHEREAS**, the Plan Sponsor desires that PBA provide, and PBA is willing to provide, certain services with respect to the Plan for the Plan Sponsor, subject to the terms and conditions of this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

**1. Duties of PBA.** PBA shall, during the term hereof, provide the following services in connection with the administration of the Plan:

**a. Contributions.** Upon the specific instructions of the Plan Sponsor, credit the reimbursement accounts of employees with the total amount of Plan Sponsor and/or employee contributions.

**b. Claims Examination.** Review and process, pursuant to the terms of the Plan Document and Summary Plan Description (the "Plan Documents"), all claims for reimbursement submitted by participating employees that are incurred during the term of this Agreement and that are received by PBA at least fifteen calendar days prior to the termination of this Agreement; provided, however, that in the event the determination of benefits payable with respect to a claim under the Plan is not clearly set forth in the Plan Documents but requires the use of discretion, refer the claim, together with a suggested claim determination, to the Named Fiduciary for a final determination of the benefits payable.

**c. Denials and Appeals.** As required by applicable law, notify participants in the Plan or their authorized representatives of (a) any denial of their claim and the right to appeal the denial and (b) the decision on appeal. PBA shall review and decide any appeals of denied claims, except those which would require the use of discretion, which shall be referred to the Named Fiduciary for determination.

**d. Claims Payment.** To the extent of funds that may from time to time be made available through contributions to the Plan, make payments in connection with eligible claims.

**e. Accounting and Reporting.** Keep an accurate accounting record of all credits to reimbursement accounts and claims processed and report current and cumulative claim funding requirements and Plan status to the Plan Sponsor and the Named Fiduciary.

**f. Respond to Plan Inquiries.** Respond to all reasonable telephone, mail and personal inquiries from designated representatives of the Plan Sponsor and Named Fiduciary with respect to claims processed, claims pending, coverage provisions and eligibility provisions.

**g. Respond to Participant Inquiries.** Respond to all reasonable telephone calls (during regular business hours of 7:00 a.m. - 5:00 p.m. Central Time), mail or personal inquiries from participants in the Plan with respect to the requirements and procedures of the Plan, within a reasonable period of time.

**h. Plan Documents.** Prepare, based upon information provided by the Plan Sponsor, initial Plan Documents for approval by the Plan Sponsor. PBA further agrees to prepare, at the request of the Plan Sponsor, Plan amendments and will assist the Company in the preparation of notices to Plan participants. In the event the Plan Sponsor elects to prepare, or have a third party prepare, its Plan Documents or amendments, the Plan Sponsor acknowledges and agrees that PBA shall have no responsibility or liability in connection with such Plan Documents or amendments.

**i. Maintain Copies of Certain Documents.** Maintain copies of the Plan Documents and all other basic documents relating to the Plan and this Agreement, as well as all claim forms, correspondence and communications with the Plan Sponsor, Named Fiduciary and participants in the Plan.

**2. Responsibilities of the Plan Sponsor.** The Plan Sponsor shall, during the term hereof:

**a. Establishment and Amendment of Plan.** Have exclusive authority to establish, amend and terminate the Plan.

**b. Documentation.** Have final authority with respect to all Plan Documents, including the initial documentation and any amendments thereof.

**c. Funding.** Have the responsibility to provide funds for payment of benefit claims under the Plan and to maintain such trusts or accounts as are required for proper administration of the Plan. Upon notice by funding request register from PBA, which notice shall be made by regular U.S. mail and so often as the parties hereto may agree, of the claims that have been processed and are eligible for payment, the Plan Sponsor shall provide to PBA the funds necessary to pay such claims. Such funds shall be deposited into the Contract Administrator's claims paying account, and the corresponding claims shall be paid therefrom. In the event the Plan Sponsor fails to provide funds for payment of claims within thirty (30) days of receipt of notice of liability from PBA, PBA may notify Plan participants of the Plan Sponsor's inability to fund processed claims.

**d. Notice of Changes and Amendments.** Provide PBA with prior notice regarding any changes in its procedures or amendments to the Plan Documents in order to allow PBA sufficient time to communicate such changes or amendments to Plan participants.

**e. Payments to PBA.** Make full payment of PBA's invoices on or before the specified due date.

**3. Responsibilities of the Named Fiduciary.** The Named Fiduciary shall, during the term hereof:

**a. Eligibility Verification.** Assist PBA in verification of participants' eligibility under the Plan. Eligibility verification is deemed to be confirmation that the employee on whom a claim is based (or that employee's dependent) was or was not within an eligible employee (or dependent) class at the time services were rendered, such that whatever benefits, if any, are due and payable under the terms of the Plan Documents can be adjudicated accordingly.

**b. Enrollment Forms and Changes.** Furnish to PBA all completed enrollment forms and all additions, changes and terminations of persons under the Plan.

**c. Final Authority.** Have final authority with respect to all claims determinations and operations of the Plan.

**4. Non-discrimination Testing.** The Plan Sponsor shall review and evaluate the requirements for employee eligibility, in order to ensure that the Plan is in compliance with the non-discrimination requirements of Section 125 of the Internal Revenue Code. If any discretionary action is required in the administration of the Plan, the Named Fiduciary shall exercise its authority in accordance with the requirements of Section 125.

**5. Plan Sponsor Consultation with Tax Experts.** Section 125 of the Internal Revenue Code may provide for certain tax benefits or deductions for the Plan Sponsor or employees in connection with the benefits provided to employees under a qualified "cafeteria plan" as defined under Section 125. The Plan Sponsor, by its execution of this Agreement, acknowledges, covenants and agrees that:

**a. PBA Not a Tax Advisor.** PBA is not a tax counselor, actuary or advisor to the Plan Sponsor or its participating employees in connection with the benefits available under the Plan.

**b. No Representations and Warranties.** PBA makes no representations or warranties with respect to the qualification of the Plan and the benefits available thereunder as a "cafeteria plan" under Section 125 or for tax benefits or deductions.

**c. Plan Sponsor's Tax Consultants.** The Plan Sponsor has consulted with and received advice of its own qualified tax consultants, including, but not limited to, tax attorneys, certified public accountants or other professionals, in order to insure that the Plan qualifies as a "cafeteria plan" under Section 125.

**d. Indemnification.** The Plan Sponsor will indemnify and hold harmless PBA against any loss, damage, action or claim that results, directly or indirectly, from the Plan Sponsor's or participating employees' failure to qualify for tax benefits or deductions that may be provided in connection with qualified "cafeteria plans" under Section 125.

**e. Tax Reporting.** PBA has no obligation to perform any services in connection with 1099 reporting of Plan payments or reporting on Internal Revenue Service Form 5500.

**6. Compensation of PBA.** PBA shall receive as compensation for the services performed pursuant to this Agreement a fee equal to:

Monthly Record Keeping Fee:	\$5.00 per month per participant*
Debit Card Replacement Fee:	\$10.00
One Time Set Up Fee:	\$500.00
Annual Fee:	\$500.00

\*There will be a minimum \$200.00 monthly fee for enrollments under 40 participants.

For initial Plan start-up, PBA shall receive a non-refundable fee for expenses incurred by PBA. The start-up fee does not include any custom programming expense or expenses for modems, modem lines, terminals or remote site license fees charged by PBA's software vendor.

For any other expenses incurred by PBA in connection with administration of the Plan, PBA agrees to bill such expenses, limited to the actual amount of cost to PBA, and agrees to allow the Plan Sponsor access to records of said costs.

**7. Insurance.** To protect the Plan, the Company and participating employees, PBA shall maintain, at its own expense, errors and omissions coverage and a fidelity bond insuring against the criminal or fraudulent acts of PBA's employees.

**8. Term and Termination.** The term of this Agreement shall begin on April 1, 2014 (the "Effective Date"), and shall continue for a period of one year, and may be terminated earlier or extended in accordance with the terms hereof. Either party may terminate this Agreement by written notice to the other party not less than 60 days prior to the end of the initial term or any renewal term of this Agreement. If no such written notification is given, this Agreement shall continue automatically with the same terms and conditions as set forth herein for additional one year terms, subject to the right of termination as otherwise provided herein.

Notice of a material, substantial and continuing breach of this Agreement must be in writing by either party. If the breaching party has not cured said breach within 60 days from the date such notice was sent, this Agreement may be terminated at the option of the non-breaching party.

PBA may resign without prior notice at any time if the Plan Sponsor fails to comply with its obligation to transfer funds to the reimbursement accounts or fails to transfer funds required for the purchase or maintenance of other benefits provided under the Plan. As of the date of the termination of this Agreement or of PBA's resignation, as aforesaid, PBA shall have no further obligation to the Plan Sponsor or the employees to administer the Plan and shall provide the Plan Sponsor, or such agent designated in writing by the Plan Sponsor, books, records, files, forms, claims in process, and other data and information with regard to the administration of the Plan.

**9. Acknowledgment of Plan Responsibility and Exculpation.** PBA and the Company explicitly agree and affirm that the Company is the "Plan Sponsor," and "Named Fiduciary" of the Plan and to the extent permitted by law, PBA is not a fiduciary and has no fiduciary responsibility with respect to the Plan. The Company acknowledges that PBA does not have discretionary authority or discretionary control with respect to management of the funds and does not render investment or actuarial advice with respect to any money or other property and has no authority or responsibility to do so. It is likewise specifically acknowledged by the Company that PBA is not an actuary nor is PBA responsible for furnishing actuarial advice, information or services to the Plan, either directly or indirectly. These provisions may be disclosed by PBA in any communication, whether oral or written, including, but not limited to, periodic statements to either the Plan Sponsor, Named Fiduciary or the participants.

The Company agrees to defend, indemnify and hold PBA harmless against all claims, damages, liability and expenses reasonably incurred or imposed on it in connection with any claim, action, suit, proceeding, settlement or compromise thereof concerning the Plan, including, but not limited to, the acts or omissions of PBA that do not arise from willful or reckless misconduct of PBA.

**10. Proprietary Information.** The Plan Sponsor acknowledges that PBA's proprietary computer software, records, reports, forms, documents and business methods remain the sole property of PBA and may not be duplicated or disclosed in any manner.

**11. Ownership of Books and Records; Access by Company.** PBA acknowledges that all records and files maintained by it with regard to the Plan are the property of the Plan Sponsor. In the event the Company or its employees accesses the Plan's records or files, whether to update eligibility information, process claims or perform some other function, the Company acknowledges and agrees that PBA shall have no responsibility or liability in connection with any actions taken by it or its employees or the results thereof.

**12. Assignment.** Neither party may assign its rights or obligations hereunder, without the prior written consent of the other.

**13. Notices.** All notices hereunder shall be in writing and delivered by hand or by certified mail, return receipt requested, to the addresses set forth in the first paragraph of this Agreement, or at such other addresses as the parties may from time to time designate in writing.

**14. Modification.** No provision of this Agreement may be modified, except by prior written agreement between the Company and PBA.

**15. Governing Law.** This Agreement shall be governed by the laws of the State of Illinois, without regard to its conflicts of laws provisions.

**16. Binding Effect.** This Agreement shall be binding upon the parties hereto and their successors and assigns.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be executed as of the day and year first above written.

**PROFESSIONAL BENEFIT ADMINISTRATORS, INC.**

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

Print: \_\_\_\_\_

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

Date Signed: \_\_\_\_\_

**(GROUP NAME)**

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

Print: \_\_\_\_\_

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

Date Signed: \_\_\_\_\_

# Flexible Benefit Plans



Professional Benefit Administrators

*Powered by People – Driven by Results*



## Lower Your Costs Without Cutting Benefits!

Specializing in benefits administration since 1985, PBA understands how to help control employee health benefit costs over the long term. With Flexible Benefit Plans, we help participating employees fund qualified medical expenses and a portion of higher per-employee deductibles with Section 125 Flexible Spending and other consumer directed options.

Our program includes overall management and administration of Section 125 Flexible Benefit Plans, assistance with compliance and 24/7 website access for enrollment, communication and ease of administration.

## Advantages to Your Company

When an employee's taxable income goes down, the employer's tax obligation also goes down. Flexible Spending Accounts also help engage employees in their health plan and soften the impact of rising premiums, co-pays and deductibles.

### Valuable Tax Savings

When employees set aside pre-tax income in a Flexible Spending Account, the employer's obligation for FICA and Medicare taxes, currently totaling 7.65% of gross pay, also goes down.

### Online Enrollment and Claim Filing

Web-based administration helps your employees enroll, verify benefits, file claims and receive reimbursements of eligible expenses promptly. Online enrollment, claim filing and access to forms help reduce the burden placed on your human resources staff.

### Enhance Your Benefits Package

Offering Flexible Spending Accounts is a great way to boost employee retention and add value to your overall employee benefit program. Transportation and parking reimbursements can be incorporated easily.

### Electronic Reporting

PBA's web-based technology makes it easy to verify eligibility, reimburse qualifying expenses and maintain FSA records for participating employees. We provide all the reports needed to help your company meet government requirements.

## Advantages to Your Employees

### Medical and Dependent Care Savings

Using Flexible Spending Account contributions means using before-tax dollars to pay for medical and dependent care expenses not covered by a core benefit program. In most cases, this pre-tax feature gives participating employees an effective discount of 25% to 35% on all products and services purchased with funds contributed to their FSA.

In addition to a medical care account that can be used to pay for eligible medical treatment and over the counter products, employees may also establish a dependent care FSA to cover the costs of day care for children or loved ones.

### Convenient Access to Funds

With a Flexible Benefit Plan administered by PBA, plan participants have instant access to their funds.

**Flex Debit Cards** work like a bank or credit card. Funds are deducted from the covered employee's Flexible Spending Account in real time, saving time at the point of sale. Out-of-pocket expenditures are avoided and individual cash flow is improved.

**Direct Deposit** of eligible expense reimbursements is a very convenient feature for participating employees.

## Empower Your Employees and Enhance Your Benefits

Flexible Benefit Plans can help strengthen your overall benefit program and help your employees understand the current cost of health care. To implement a Flexible Spending Account, employees must estimate their eligible expenditures prior to the start of the plan year. Knowing the real cost of medical care, dependent care and over the counter products often encourages plan participants to look for ways to reduce these costs.

Flexible Benefit Plan administration from PBA will help your company add benefits without increasing costs. Talk to PBA and learn more today.

### 24/7 Online Access

Flexible Spending Account holders have secure online access to their account information 24 hours a day, 7 days a week.

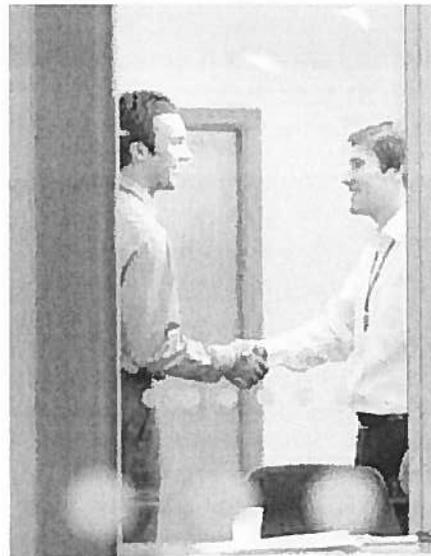
### **Enrollment and Claims Filing** can be done online.

Plan participants can make their medical and dependent care elections during open enrollment. In addition, employees can track claims and view transaction history in a secure online environment.

**Purchasing Eligible Products** online is easy and affordable. When over the counter, FSA eligible products are ordered from an approved supplier, PBA receives the IRS required documentation, processes the flexible spending claim automatically and issues the reimbursement.

### Automatic Rollover of Claims

In cases when PBA administers the core medical plan and Flexible Benefit Plans, participants can elect to have the unpaid portion of medical claims automatically rollover to the Flexible Spending Account for reimbursement.



# Village of Lincolnshire

## July 1, 2013 Section 125 (Flex) Administrator Comparison

	<i>Vendors</i>			
	Benefit Advantage	Genesis	PBA	TASC
<b>Administration Fee/PEPM</b>	\$5.50	\$250 per month	\$5.00	\$4.25
<b>Debit Card Fee</b>	Included	Included	Included	Included
<b>Debit Card Replacement</b>	\$10 per card	\$10 per card	\$10 per card	Included
<b>Minimum Monthly Fee</b>	\$50.00	\$250.00	\$100.00	\$75.00
			PBA's fee without debit card is \$5.75 pepm	TASC's fee without debit card is \$4.50 pepm
<b>Start Up Fee</b>	\$800.00	\$0.00	\$500.00	\$500.00
<b>Annual Fee</b>	\$4.25 per participant	\$0.00	\$500.00	\$500.00
<b>Paper Enrollment Kits</b>	Electronic forms are provided	Electronic forms are provided	Electronic forms are provided	Cost to print and ship
<b>Employee Meeting Fee</b>	None	None, Webinars Included	None	None
<b>Plan Document Draft</b>	Included in Start Up Fee	Included	Included	Included
<b>Plan Document Amendments</b>	\$100 minimum/\$250 complex	\$250.00	Included	Included
<b>Discrimination Testing</b>	Included		Included	Included
<b>Rate Guarantee</b>	Guaranteed for 12 months	Guaranteed for 36 months	Guaranteed for 12 months	Guaranteed for 12 months
<b>Features</b>				
<b>Medical Reimbursement</b>	Available	Available	Available	Available
<b>Dependent Care Reimbursement</b>	Available	Available	Available	Available
<b>Parking and Transit Reimbursement</b>	Available	Available	Available	Available
<b>Direct Deposit</b>	Available	Available	Available	Available
<b>Online Claim Submission</b>	Available	Available	Available	Available
<b>Debit Card</b>	Available	Available	Available	Available
<b>Discrimination Testing</b>	Provided	Provided	Provided	Provided

Note: This is a summary only and not a legal document. Please refer to certificate for benefit, limitation and exclusion information.

# Village of Lincolnshire

## July 1, 2013 FMLA Administration

<b>July 1, 2013 FMLA Administration</b>		
	<i>Vendors</i>	
	<b>Perspectives</b>	<b>TASC</b>
	<b>Per Employee Pricing</b>	
<b>Administration Fee/PEPM</b>	\$1.05	\$2.40
	<b>Per Event Pricing</b>	
<b>Per FMLA Leave Request</b>	\$45.00	Not Available
<b>Per Active FMLA Participant Per Month</b>	\$20.00	\$75.00
<b>Set Up Fee</b>	\$200.00	\$400.00
<b>Annual Fee</b>	None	\$150.00
<b>Takeover of Current FMLA Participant</b>	\$60.00	\$30.00

Note: This is a summary only and not a legal document. Please refer to certificate for benefit, limitation and exclusion information.

**REQUEST FOR BOARD ACTION  
March 24, 2014 Village Committee of the Whole Meeting**

**Subject:** Consideration and Discussion of Purchase of Ford F Series 1-Ton Pickup ( Vehicle #245) Under the State of Illinois Joint Purchasing Contract from Bob Ridings Fleet Sales,. Taylorville Illinois, in an Amount Not to Exceed \$93,883.00 (Village of Lincolnshire)

**Action Requested:** Consideration, Discussion, and Placement on the April 14, 2014 Consent Agenda for Approval

**Originated By/Contact:** Scott Pippen, Supt of Administration, Fleet Services, and Facilities  
Nick Azzone, Supervisor of Fleet Services

**Referred To:** Village Board

**Summary / Background:**

The Public Works Department requests replacement of a 1999 1-ton pick up truck (PW#245). Vehicle #245 currently has 98,462 miles and is in need of a new transmission. Recently, the truck required a new fuel injector pump as it ceased running during a snow and ice control event. Staff is anticipating more mechanical issues the longer this vehicle is kept in service. The Village obtained the State of Illinois Joint Purchasing Contract #4017340 Award for the Ford F series (pickup) in the 2014 model year. The Village of Lincolnshire may utilize the State of Illinois Joint Purchasing Contract as this contract is competitively bid. The truck specified will meet the Public Works Department's needs for this vehicle. Bob Ridings Fleet Sales of Taylorville, Illinois, is the vendor through 2014. The total cost for a new, replacement one ton dump truck is \$93,883.00

**Budget Impact:**

There is \$90,000.00 budgeted in the Public Work– Streets- Capital Budget Motor Vehicle Replacement account (#51-21-80-7005) for this purchase in Fiscal Year 2014. In addition to the purchase price of \$93,883.00 an estimated \$2,000 will be spent for striping, suspension upgrades, and radio installation once the truck is received. The cost exceeds the budgeted amount due to an increase in costs for the chassis and assembly labor since the budget estimate was prepared.

**Service Delivery Impact:**

This vehicle is used by the Public Works Streets and Parks Department. This vehicle serves as a front line truck in the Village's snow removal program, flood control, and general streets and parks maintenance.

**Recommendation:**

Staff recommends approval of this purchase.

**Reports and Documents Attached:**

- Vehicle Cost Sheet

<b>Meeting History</b>	
<b>Initial Referral to Village Board (COW):</b>	<b>March 24, 2014</b>
<b>Regular Village Board Meeting:</b>	<b>April 14, 2014</b>



**REQUEST FOR BOARD ACTION**  
**March 24, 2014**

**Subject:** Professional Service Contract with Baxter & Woodman Consulting Engineers for Water Main Replacement Design (Riverwoods Road and Fox Trail; Westwood Lane, Middlebury Lane, and Bedford Court) at a Cost not to Exceed \$62,900. (Village of Lincolnshire)

**Action Requested:** Consideration, Discussion, and Placement on the April 14 Village Board Meeting Consent Agenda

**Originated By/Contact:** Terry Hawkins, Utilities Superintendent

**Referred To:** Village Board

**Summary / Background:**

Staff has acquired three proposals for engineering services necessary to begin infrastructure capital improvements budgeted in 2014. These projects include:

**Design, Bid Preparation and Construction Inspection Services of a Water Main**

**Replacement at Riverwoods Road and Fox Trail:** This project consists of replacing the existing water main loop serving the residents on Fox Trail. The professional service contract is necessary to prepare bid specifications, obtain the required permits to perform the water main replacement and provide construction inspection services during the project installation.

**Design and Bid of Water Main Replacement at Westwood Lane, Middlebury Lane and**

**Bedford Court.:** The professional service contract is necessary to provide site surveys, utility design, permit submittals and project bid assistance. This project is scheduled for the construction phase of the water main replacement in the 2015 capital improvement projects.

The following are the proposals submitted to perform engineering work for both capital projects:

Gewalt Hamilton Associates, Inc. - Total proposal for \$76,850

Christopher B. Burke Engineering - Total proposal for \$70,000

Baxter & Woodman Engineering - Total proposal for \$62,900

**Budget Impact:** The 2014 budget contains funding in the amount of \$115,000.00 for engineering services related to both of these projects in the Water & Sewer Improvements account. The engineering proposals received are significantly less than staff's estimated cost of these services developed when preparing the budget for 2014.

**Recommendation:** Staff recommends approval of a professional service contract with Baxter & Woodman for engineering services for these projects. This engineering firm has performed numerous infrastructure improvements with the Village and has displayed both professional and quality services.

**Reports and Documents Attached:**

- Proposed Professional Service Agreement with Baxter & Woodman Engineering

Meeting History	
Initial Referral to Village Board (COW):	March 24, 2014
Regular Village Board Meeting:	April 14, 2014

March 3, 2014

Terry Hawkins  
Utilities Superintendent  
Village of Lincolnshire  
One Olde Halfday Road  
Lincolnshire, IL 60069

***Subject: Village of Lincolnshire – Water Main Replacement Projects***

Dear Mr. Hawkins:

Baxter & Woodman is pleased to submit this proposal to complete final design services for two Projects. The locations include Riverwoods Road/Fox Trail and Westwood Lane/Middlebury Lane/Bedford Court. The Projects include approximately 3,800 lineal feet of water main improvements over the two locations.

Our scope of services, schedule, and engineering fees are presented below.

**SCOPE OF SERVICES**

**Design Services**

1. PROJECT MANAGEMENT

- Plan, schedule, and control the activities that must be performed to complete the Project. These activities include, but are not limited to, budget, schedule, and scope.

2. TOPOGRAPHIC SURVEY

- Perform topographic survey of the Project limits of natural and manmade features along the water main route in order to develop base sheets for Project plan drawings.
- *Prevailing Wage:* It is not anticipated that the topographic survey services will require Prevailing Wage for Survey Worker to be paid to technicians performing the work. In the event it is determined that the design topographic survey is covered work under the Illinois Prevailing Wage Act (820 ILCS 130), the Engineers will negotiate an equitable increase in compensation with the Owner to meet the requirements of the Act.

3. CADD FOR TOPOGRAPHY SHEETS

- Develop base sheets of natural and manmade features from topographic survey data, including creating lists of deficient items for clarification at future site visits.

4. MEETINGS WITH VILLAGE STAFF

- Conduct meetings with staff at times during the design of the Project to clarify staff wishes, design questions, and/or construction methods.
- Attend two design meetings: One 30% concept meeting and one 95% design meeting prior to bidding.

5. UTILITIES – CONTACTS AND COORDINATION

- Conduct a Design Locate with JULIE, which consists of obtaining names and phone numbers of utilities located within the work area.
- Contact utilities, obtain atlases where available, and provide preliminary plan sheets to utility companies for their markup and return.

6. CADD FOR DETAILED DESIGN

- Provide detailed computer-aided drafting of water main and appurtenances locations and construction requirements.
- Indicate location of utilities that can be obtained from utility company atlases.
- Create all legends, general notes, and designer instructions to contractors, to create a final set of construction drawings.
- Provide digital construction drawings in AutoCad file format.

7. PLANS (TWO SEPARATE BID PACKAGES)

- Prepare Design Documents consisting of drawings showing the general scope, extent, and character of construction work to be furnished and performed by the Contractor selected by the Village.
- Use Village standard details if applicable.

8. SPECIFICATIONS (TWO SEPARATE BID PACKAGES)

- Prepare for review and approval by the Village and its legal counsel the forms of Construction Contract Documents consisting of Advertisement for Bids, Bidder Instructions, Bid Form, Agreement, Performance Bond Form, Payment Bond Form, General Conditions, and Supplementary Conditions, where appropriate, based upon documents prepared by the Engineers Joint Contract Document Committee (EJCDC).

9. PEER, CONSTRUCTABILITY, AND OPERATIONAL REVIEWS

- Conduct QA/QC peer reviews of drawings and specifications.

- Utilize Construction and Operation Department personnel to provide a review of drawings and specifications.
- Make corrections based upon comments from peer, construction, and operations reviews.

#### 10. ENGINEER'S OPINION OF PROBABLE COST

- Prepare a final opinion of the probable total Project cost including construction cost, construction engineering services, and contingencies.

### **Agency Permit Submittals**

#### 11. IEPA/DPWS

- Submit the design documents to the Agency for permit to construct, own, and operate the Project.

#### 12. IHPA

- Submit necessary documentation to Illinois Historical Preservation Agency to obtain a "no significant historical resources" statement for the area of the Project. Include statement from IHPA in submittal to IEPA/DPWS to avoid delays to permitting process.

#### 13. LAKE COUNTY HIGHWAY

- Attend one (1) pre-application meeting with the County to discuss County requirements.
- Submit drawings, specifications, and forms to Lake County Highway Department for review and approval, and obtain necessary permit.
- This contract does not include County permit fees.

### **Project Bid**

#### 14. ASSISTANCE TO BIDDERS

- Set bid dates with Village, create Advertisement for Bids (AFB), provide AFB to Village for publication, and email advertisement to selected prospective bidders.
- Answer bidders' questions during bid period.
- Issue necessary addenda to all plan holders as needed.

15. Attend bid openings with Village personnel and assist in reviewing and checking of bid package submittals as required.

16. TABULATE BIDS & ISSUE LETTER OF RECOMMENDATION

- Tabulate all bids received and review all bid submittals to verify bid is responsive and responsible.
- Issue Letters of Recommendation to Award the construction contract to the Village for their action.

**Construction Services (Riverwoods Road Project Only)**

17. CONSTRUCTION ADMINISTRATION

- Prepare Award letter, Agreement, Contract Documents, Performance/Payment Bonds, and Notice to Proceed. Review Contractor insurance documents.
- Attend and prepare minutes for the Preconstruction conference and review the Contractor's proposed construction schedule and list of subcontractors.
- Prepare construction contract change orders and work directives when authorized by the Village.
- Review the Contractor's requests for payments as construction work progresses, and advise the Village of amounts due and payable to the Contractor in accordance with the terms of the construction contract documents.
- Research and prepare written response by Engineers to requests for information from the Village and Contractor.

18. FIELD OBSERVATION

- Provide Resident Project Representatives (RPR) at the construction site on either a full-time basis of forty (40) hours per week from Monday through Friday, not including legal holidays, or on a periodic part-time basis from the Engineers' office of not more than eight (8) hours per regular weekday, not including legal holidays (for up to **80 hours**) as deemed necessary by the Engineers, to assist the Contractor with interpretation of the Drawings and Specifications, to observe in general if the Contractor's work is in conformity with the Final Design Documents, and to monitor the Contractor's progress as related to the Construction Contract date of completion. The construction Contractor is a separate company from the Engineers. The City understands and acknowledges that the Engineers are not responsible for the Contractor's construction means, methods, techniques, sequences or procedures,

time of performance, compliance with Laws and Regulations, or safety precautions and programs in connection with the Project, and the Engineers do not guarantee the performance of the Contractor and are not responsible for the Contractor's failure to execute the work in accordance with the construction contract documents.

- Keep a daily record of the Contractor's work on those days that the Engineers are at the construction site including notations on the nature and cost of any extra work, and provide weekly reports to the City of the construction progress and working days charged against the Contractor's time for completion.

19. SUBSTANTIAL COMPLETION OF PROJECT

- Provide construction inspection services when notified by the Contractor that the Project is substantially complete. Prepare written punch lists during substantial completion inspections.

**Engineering Fee**

Our fee for the scope of services as described above shall be computed on our hourly billing rates for actual work time performed plus out-of-pocket expenses, including travel, which will not exceed the following:

<u>Project 1: Riverwoods Road</u>		<i>Initial to accept</i>
▪ Design, Permits, and Bidding	\$11,100	_____
▪ Construction Engineering Services	\$13,400	_____
<i>(Includes 2 weeks, 80 hours of RPR time)</i>		

<u>Project 2: Westwood/Middlebury/Bedford</u>	
▪ Design, Permits, and Bidding	\$38,400 _____

We appreciate the opportunity to work with the Village of Lincolnshire on this important Project and we are available to begin work immediately upon your notice to proceed. If this proposal is acceptable, **please sign and return one copy for our files.** The attached Standard Terms and Conditions apply to this proposal.

Please do not hesitate to call Sean O'Dell at 815.482.7853 if you have any questions.

Sincerely,

BAXTER & WOODMAN, INC.  
CONSULTING ENGINEERS



Derek J. Wold, P.E.  
Vice President

C: Bradford Woodbury, Interim Director of Public Works  
Sean E. O'Dell, PE, Department and Project Manager

SEO:DJW:jmc

Attachment

VILLAGE OF LINCOLNSHIRE, IL

AUTHORIZED BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

I:\Chicago\LINCV\140222-WaterMain\Contract\140222.40 Proposal\_03-3-14 REV.doc

## STANDARD TERMS AND CONDITIONS

**Agreement** - These Standard Terms and Conditions, together with the letter proposal, constitute the entire integrated agreement between the Owner and Baxter & Woodman, Inc. (BW) and take precedence over any other provisions between the Parties. These terms may be amended, but only if both parties consent in writing.

**Owner's Responsibility** - Provide BW with all criteria and full information for the Project. BW will rely, without liability, on the accuracy and completeness of all information provided by the Owner including its consultants, contractor, specialty contractors, manufacturers, suppliers and publishers of technical standards without independently verifying that information. The Owner warrants that all known hazardous materials on or beneath the site have been identified to BW. BW and their consultants shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, unidentified or undisclosed hazardous materials unless this service is set forth in the proposal.

**Schedule for Rendering Services** - The agreed upon services shall be completed within a reasonable amount of time. If BW is hindered, delayed or prevented from performing the services as a result of any act or neglect of the Owner or force majeure, BW's work shall be extended and the rates and amounts of BW's compensation shall be equitably adjusted in writing executed by all Parties.

**Invoices and Payments** - The fees to perform the proposed scope of services constitute BW's estimate to perform the agreed upon scope of services. Circumstances may dictate a change in scope, and if this occurs, an equitable adjustment in compensation and time shall be made by all parties. No service for which added compensation will be charged will be provided without first obtaining written authorization from the Owner. BW invoices shall be due and owing by Owner in accordance with the terms and provisions of the Local Government Prompt Payment Act.

**Opinion of Probable Construction Costs** - BW's opinion of probable construction costs represents its reasonable judgment as a professional engineer. Owner acknowledges that BW has no control over construction costs of contractor's methods of determining prices, or over competitive bidding, of market conditions. BW cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from BW's opinion of probable construction costs.

**Standards of Performance** - (1) The standard of care for all services performed or furnished by BW, will be completed with the same care and skill ordinarily used by professionals practicing under similar circumstances, at the same time and in the same locality on similar projects. BW makes no guarantees or warranties, express or implied, in connection with its services; (2) BW shall be responsible for the technical accuracy of its services and documents; (3) BW shall use reasonable care to comply with all applicable laws and regulations and Owner-mandated standards; (4) BW may employ such sub-consultants as BW deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objection by Owner; (5) BW shall not supervise, direct, control, or have authority over any contractor work, nor have authority over or be responsible for the means, methods, techniques sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety of the site, nor for any failure of a contractor to comply with laws and regulations applicable to such contractor's furnishing and performing of its work; (6) BW neither guarantees the performance of any contractor nor assumes responsibility for contractor's failure to furnish and perform the work in accordance with the contract documents; (7) BW is not responsible for the acts or omissions of any contractor, subcontractor, or supplier, or any of their agents or employees or any other person at the site or otherwise furnishing or performing any work; (8) Shop drawing and submittal review by BW shall apply to only the items in the submissions and only for the purpose of assessing if upon installation or incorporation in the Project work they are generally consistent with the construction documents. Owner agrees that the contractor is solely responsible for the submissions (regardless of the format in which provided, i.e. hard copy or electronic transmission) and for compliance with the construction documents. Owner further agrees that BW's review and action in relation to these submissions shall not constitute the provision of means, methods, techniques, sequencing or procedures of construction or extend to safety programs or precautions. BW's consideration of a component does not constitute acceptance of the assembled item; (9) BW's site observation during construction shall be at the times agreed upon in the Project scope. Through standard, reasonable means, BW will become generally familiar with observable completed work. If BW observes completed work that is inconsistent with the construction documents, that information shall be communicated to the contractor and Owner for them to address.

**Insurance** - BW will maintain insurance coverage with the following limits and Certificates of Insurance will be provided to the Owner upon written request:

Worker's Compensation: Statutory Limits	Excess Umbrella Liability:	\$5 million per claim and aggregate
General Liability: \$1 million per claim	Professional Liability:	\$5 million per claim
\$2 million aggregate		\$5 million aggregate
Automobile Liability: \$1 million combined single limit		

BW's liability under this Agreement, based on any theory of liability or for any cause of action, shall not exceed the total amount of BW's contract amount for the project. Any claim against BW arising out of this Agreement may be asserted by the Owner, but only against the entity and not against BW's directors, officers, shareholders or employees, none of whom shall bear any liability and may not be subject to any claim.

**Indemnification and Mutual Waiver** - (1) To the fullest extent permitted by law, BW shall indemnify and hold harmless the Owner and its officers and employees from claims, costs, losses, and damages arising out of or relating to the Project, provided that such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of BW or its officers, directors, employees, agents, or consultants; (2) Owner shall indemnify and hold harmless BW and its officers, directors, employees, agents and consultants from and against any all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to the Project provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death of to injury or destruction of tangible property, including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Owner or its officers, directors, employees, consultants, or others retained by or under contract to the Owner with respect to this Agreement or to the Project; (3) To the fullest extent permitted by law, Owner and BW waive against each other, and the other's employees, officers, directors, insurers, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project; (4) In the event claims, losses, damages or expenses are caused by the joint or concurrent negligence of the ENGINEER and OWNER, they shall be borne by each party in proportion to its negligence; (5) The Owner acknowledges that the BW is a business corporation and not a professional service corporation, and further acknowledges that the corporate entity, as the party to this contract, expressly avoids contracting for individual responsibility of its officers, directors, or employees. The Owner and BW agree that any claim made by either party arising out of any act of the other party, or any officer, director, or employee of the other party in the execution or performance of the Agreement, shall be made solely against the other party and not individually or jointly against such officer, director, or employees.

**Termination** - Either party may terminate this Agreement upon ten (10) business days' written notice to the other party in the event of failure by the other party to perform with the terms of the Agreement through no fault of the terminating party. A condition precedent to termination shall be an opportunity for the Parties to meet. If this Agreement is terminated, Owner shall receive reproducible copies of drawings, developed applications and other completed documents. Owner shall be liable for, and promptly pay for all services and reimbursable expenses rendered to the date of suspension/termination of services.

**Use of Documents** - BW documents are instruments of service and BW retains ownership and property interest (including copyright and right of reuse). Client shall not rely on such documents unless in printed form, signed or sealed by BW or its consultant. Electronic format of BW's design documents may differ from the printed version and BW bears no liability for errors, omissions or discrepancies. Reuse of BW's design documents is prohibited and Client shall defend and indemnify BW from all claims, damages, losses and expenses, including attorney's fees, consultant/expert fees, and costs arising out of or resulting from said reuse. BW's document retention policy will be followed upon Project closeout, and project documents will be kept for a period of 14 years after Project closeout.

**Successors, Assigns, and Beneficiaries** - Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Client or BW to any third party, including any lender, Contractor, Contractor's subcontractor, supplier, manufacturer, other individual, entity or public body, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement are for the sole and exclusive benefit of the Client and BW and not for the benefit (intended, unintended, direct or indirect) of any other entity or person.

**Dispute Resolution** - All disputes between the Parties shall first be negotiated between them for a period of thirty (30) days. If unresolved, disputes shall be then submitted to mediation as a condition precedent to litigation. If mediation is unsuccessful, litigation in the county where the Project is pending shall be pursued.

**Miscellaneous Provisions** - (1) This Agreement is to be governed by the law of the state or jurisdiction in which the Project is located. (2) All notices must be in writing and shall be deemed effectively served upon the other party when sent by certified mail, return receipt requested; (3) All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason; (4) Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the Owner and BW, which agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close to expressing the intention of the stricken provision; (5) A party's non-enforcement of any provision shall not constitute a waiver of the provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement; (6) To the fullest extent permitted by law, all causes of action arising under this Agreement shall be deemed to have accrued, and all statutory periods of limitation shall commence, no later than the date of substantial completion, which is the point where the Project can be utilized for the purposes for which it was intended.

TRUCK PACKAGE:

Application: New Ford 60" CA Cab Chassis with diesel and Automatic trans with PTO provisions, plow prep package.

Price submitted with "No exceptions" to Village Specifications.

1-Package to include 8" duraclass brand carbon steel dump body and hoist as per spec with all add on equipment. Cab shield, flaps, light hardware ect.

1-Electrical and warning lights installed as per spec.

1-Back up camera, rear hitch, vibrator, full cover fenders, installed.

1-Force America supplied central hydraulic system to power hoist, plow and spreader and prewet. Installed as per spec.

1-Western 9' Pro Plus snow plow with western power unit, Hand held controller, light kit and flap. All installed.

1-Bonnell 6" stainless steel under tail gate spreader installed as per spec. Includes stainless tail gate props, spreader to be painted orange.

Total Truck Package: \$48,643.00

Total Chasis Package: \$45,240.00

Additional Anticipated Expenses: \$2000.00  
(extended suspension package, striping, radio installation)

**Grand Total \$95.883.00**

**REQUEST FOR BOARD ACTION  
March 24, 2014 COMMITTEE-OF-THE-WHOLE**

**Subject:** Consideration and Discussion of a Request to Create a New Liquor License Classification Permitting the Sale of Beer for On-Premise Consumption in a Non-Restaurant and Non-Hotel/Motel Business

**Action Requested:** Provide direction for staff.

**Originated By/Contact:** Peter D. Kinsey, Chief of Police

**Referred To:** Village Board

**Summary / Background:**

Mr. DeVang Maniar has approached the Village with a proposal to open a business in the Lincolnshire Commons called "The Beer Cellar." The Department of Community & Economic Development is working with Mr. Maniar on the zoning and special use issues related to his proposal. The purpose of this correspondence is to address the liquor licensing Mr. Maniar would require to operate his business in accordance with his business plan.

The Beer Cellar's primary objective will be the sale of craft beers in bottles, packaged for carryout and consumption off premises. Mr. Maniar has indicated to staff he projects these retail sales to be 80 percent of his business. This aspect of his business would require a Class "J" liquor license (Package beer and wine only). However, Mr. Maniar is also planning to incorporate a small "Draft Bar" at the rear of the store where customers could purchase a glass or glasses of draft beer for consumption on the premises. Currently, the Village of Lincolnshire does not have any liquor license class which would permit the retail sale of beer for consumption on the premises other than in full-service restaurants or hotels/motels. The Village Board recently created a new liquor license classification (Class "O") which permits the retail sale of alcoholic liquor for consumption on the premises in day spas/salons.

Mr. Maniar requests the Village create a liquor license class which would accommodate his business plan/model. He will be present at Monday night's meeting to provide additional information regarding his business plan and address any questions the Village Board may have.

**Recommendation:**

Staff has no recommendation at this time and awaits further direction from the Village Board.

**Reports and Documents Attached:**

- "The Beer Cellar" Business Plan dated January 10, 2014

<b>Meeting History</b>	
<b>Initial Referral to Village Board (COW):</b>	<b>March 24, 2014</b>
<b>Regular Village Board Meeting:</b>	

# The Beer Cellar



## Business Plan

January 10, 2014

**CONFIDENTIAL – DO NOT DISCLOSE**  
Devang Maniar

[REDACTED]

devangmaniar@gmail.com

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## The Beer Cellar - Business Plan

### 1.0 Executive Summary

The Beer Cellar will be area's first exclusive craft beer establishment carrying over 1000+ selection of craft specialty beer both regional and imported. We aim to be a destination, a store worth going the extra mile. It intends to be the "#1 Craft Beer destination" where products are specifically representing the regional micro-brewing companies from all over the states. Our wall-to-wall shelving means unmatched selection where you can tour the world or road trip the best beer America has to offer. Part of its amenity will be a small bar area in the rear section of the space where shoppers will have opportunity to do beer tastings. The bar area's purpose is only to drive more customers but it doesn't intend to be a full service tavern or restaurant. A threshold will be held on the amount of alcohol consumption per customer because BC (Beer Cellar) is not looking for customers to hang around in the establishment for long periods of time. If required, we serve cheese platter and pretzel as the only food items to go with the consumption. There are many options as to how consumption is restricted and BC is happy to discuss options with the village (Ex: 2 drink maximum or 1 beer flight).

#### Highlights of what the establishment is providing:

1. **Bottled Beer:** Short and traditional long neck bottles available in singles, four packs, six packs, cases and Mix-n-Match your own six packs (true highlight).
2. **Mix-n-Match your own six packs:** Customers who like variety or not willing to shell out the cost of a full six pack case can choose from the hundreds of varieties and other brews from all around the world to customize their own six pack case.
3. **Gift Cards:** If you're not sure what to get the beer lover in the family or can't remember friend's favorite brew, then you can simply buy gift cards for them.
4. **Merchandise:** Promote the beer community by selling t-shirts, hats, beer glasses and more.
5. **Special Tasting Events:** There will be free tasting events once a month with different seasonal themes such as "Oktoberfest", "Winterwarmer" and "Taste of Belgium".
6. **Draft Bar (Tap Room):** The tap room will have a small bar area with 10-15 rotating taps of rare craft beer brought from the local micro brewing companies here in Illinois. The idea here is to give new customers an opportunity to taste fresh craft beer. If required, we will serve a small cheese platter & pretzels.



# The Beer Cellar - Business Plan

## 1.1 Floor Plan

