



# VILLAGE OF ORLAND PARK

14700 Ravinia Avenue  
Orland Park, IL 60462  
[www.orlandpark.org](http://www.orlandpark.org)

## Meeting Agenda

### Board of Trustees

*Village President Keith Pekau*

*Village Clerk John C. Mehalek*

*Trustees, Kathleen M. Fenton, James V. Dodge, Jr., Daniel T. Calandriello,  
William R. Healy, Cynthia Nelson Katsenes, and Michael R. Milani*

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Saturday, March 21, 2020

4:00 PM

Village Hall

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### SPECIAL MEETING

1. CALL TO ORDER/ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. ITEMS FOR SEPARATE ACTION

**2020-0232** Establishment of a Revolving Line of Credit to Fund Operating Expenditures - Approval

**Attachments:** [Ordinance](#)

**2020-0234** Addition of Title 1 by Creating a New Chapter 18 (Delinquent Accounts) to the Orland Park Village Code

**Attachments:** [Delinquent Accounts Ordinance](#)

**2020-0236** A Resolution Authorizing and Enacting the Implementation of a Debt Relief Program

**Attachments:** [Debt Relief Resolution](#)

**2020-0233** Addition of Title 1 by Creating a New Chapter 17 (Signing Authority) to the Orland Park Village Code

**Attachments:** [Signing Authority Ordinance](#)

**2020-0237** Addition of Title 1 by Creating a New Chapter 16 (Procurement) to the Orland Park Village Code

**Attachments:** [Procurement Ordinance](#)

**2020-0238** A Resolution Authorizing the Village Manger to Execute Agreement to Participate in Cooperative Purchasing

Attachments: [Cooperative Purchasing Ordinance](#)

**4. NON-SCHEDULED CITIZENS & VISITORS**

**5. ADJOURNMENT**

## **REQUEST FOR ACTION REPORT**

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File Number:	<b>2020-0232</b>
Orig. Department:	<b>Finance Department</b>
File Name:	<b>Establishment of a Revolving Line of Credit to Fund Operating Expenditures - Approval</b>

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### **BACKGROUND:**

Given the uncertainty of the amount and timing of revenue sources going forward, staff is recommending the establishment of a revolving line of credit that will be drawn on to fund operating expenditures should the need arise. Staff will work with BMO Harris Bank and bond counsel to establish a separate line of credit, in an amount not to exceed \$10 million, for operating expenditures only. The attached ordinance authorizes the establishment of this line of credit; staff will provide the Board with an informational document upon closing.

### **BUDGET IMPACT:**

Should the need arise to draw on the revolving line of credit, future revenue sources will be utilized to pay off any outstanding balance prior to maturity.

### **REQUESTED ACTION:**

I move to approve Ordinance No. 5497 entitled: AN ORDINANCE PROVIDING FOR THE EXECUTION OF A TAXABLE REVOLVING GENERAL OBLIGATION LINE OF CREDIT AGREEMENT AND NOTE OF THE VILLAGE OF ORLAND PARK, COOK AND WILL COUNTIES, ILLINOIS TO PAY NECESSARY AND APPROPRIATE OPERATING EXPENSES OF THE VILLAGE, AND PROVIDING FOR THE SECURITY FOR THE VILLAGE'S OBLIGATIONS UNDER SUCH AGREEMENT AND SAID NOTE.

EXTRACT OF MINUTES of the special public meeting of the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, held in the Board Room at Frederick T. Owens Village Hall, 14700 South Ravinia Avenue, in said Village, at 4:00 p.m., on the 21st day of March, 2020.

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The President, Keith Pekau, called the meeting to order and directed that the roll be called.

Upon the roll being called, the following Trustees answered present: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_.

The following Trustees were allowed by a majority of the President and Board of Trustees in accordance with and to the extent allowed by the rules adopted by the President and Board of Trustees to attend the meeting by video or audio conference: \_\_\_\_\_

\_\_\_\_\_.

No Trustee was not permitted to attend the meeting by video or audio conference.

The following Trustees were absent and did not participate in the meeting in any manner or to any extent whatsoever: \_\_\_\_\_.

The President announced that the next item of business before the President and Board of Trustees was the consideration of an ordinance providing for (i) the execution of a Revolving Credit Agreement and Note to pay necessary and appropriate operating expenses of the Village, and (ii) the security for the Village's obligations under such agreement and said note.

Whereupon \_\_\_\_\_ presented and explained, and there was incorporated into the record in full the following Ordinance:

AN ORDINANCE providing for the execution of a Taxable Revolving General Obligation Line of Credit Agreement and Note of the Village of Orland Park, Cook and Will Counties, Illinois, to pay necessary and appropriate operating expenses of the Village,

and providing for the security for the Village's obligations under such agreement and said note.

(the "*Ordinance*").

Trustee \_\_\_\_\_ moved and Trustee \_\_\_\_\_ seconded the motion that the Ordinance as presented be adopted.

A President and Board of Trustees discussion of the matter followed. During the President and Board of Trustees discussion, the President gave a public recital of the nature of the matter, which included a reading of the title of the Ordinance and statements that (1) the Ordinance provided for the execution of a Revolving Credit Agreement and Note of the Village to the amount of not to exceed \$10,000,000, for the purpose of paying necessary and appropriate operating expenses of the Village, (2) the line of credit and note are issuable without referendum pursuant to the home rule powers of the Village, (3) the Ordinance provides for security for the line of credit and note, and (3) the Ordinance provides many details for the line of credit and note, including provision for terms and form of the line of credit and note, and appropriations. The President directed that the roll be called for a vote upon the motion to adopt the Ordinance.

Upon the roll being called, the following Trustees voted AYE: \_\_\_\_\_

\_\_\_\_\_ and the following Trustees voted NAY: \_\_\_\_\_ .

Whereupon the President declared the motion carried and the Ordinance adopted, and henceforth did approve and sign the same in open meeting, and did direct the President and Board of Trustees to record the same in full in the records of the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting was adjourned.

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Village Clerk

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AN ORDINANCE providing for the execution of a Taxable Revolving General Obligation Line of Credit Agreement and Note of the Village of Orland Park, Cook and Will Counties, Illinois, to pay necessary and appropriate operating expenses of the Village, and providing for the security for the Village's obligations under such agreement and said note.

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Adopted by the President and Board of Trustees on the 21st day of March, 2020.

Published in Pamphlet Form by authority of the President and Board of Trustees on the 21st day of March, 2020.

AN ORDINANCE providing for the execution of a Taxable Revolving General Obligation Line of Credit Agreement and Note of the Village of Orland Park, Cook and Will Counties, Illinois, to pay necessary and appropriate operating expenses of the Village, and providing for the security for the Village's obligations under such agreement and said note.

• PREAMBLES •

WHEREAS:

A. The Village of Orland Park, Cook and Will Counties, Illinois (the "*Village*"), is a duly organized municipality under the laws of the State of Illinois, operating generally under the Illinois Municipal Code, as amended; by virtue of its population, is a home rule unit pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois, and as a home rule unit, the Village may exercise any power or perform any function pertaining to its government and affairs (its "*Home Rule Powers*"), including, but not limited to, the power to tax and to incur debt (the Illinois Municipal Code as supplemented and, where in conflict, superseded by the Home Rule Powers being the "*Act*").

B. Pursuant to the provisions of the Act, the Village has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval.

C. The President and Board of Trustees of the Village (the "*Village Board*") has considered the needs of the Village and its residents and has determined and does hereby determine that it is desirable and in the best interests of the Village to pay the costs of necessary and appropriate operating expenses of the Village (the "*Necessary Operating Expenses*").

D. The estimated cost of the Necessary Operating Expenses is not less than \$10,000,000.



E. The Village Board hereby expressly determines that it is advisable, necessary and in the best interests of the Village to authorize the execution and delivery of a Revolving Credit Agreement (the “*Revolving Credit Agreement*”) with BMO Harris Bank N.A., or an affiliate entity (the “*Bank*”) and a related Note (the “*Note*”) of the Village to the amount of not to exceed \$10,000,000 for purpose of paying the Necessary Operating Expenses.

F. The Village Board hereby expressly determines that it is advisable, necessary and in the best interests of the Village that the transaction contemplated by these preambles be completed by the Village, and that the designated officials of the Village be empowered to execute all documents and agreements as necessary to effectuate such transaction.

G. To such end it is hereby deemed advisable and necessary that the Village Board now adopts this Ordinance so to specify, determine and authorize.

NOW THEREFORE Be It and It Is Hereby Ordained by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, in the exercise of its home rule powers, as follows:

*Section 1. Definitions.* In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Ordinance shall have the following meanings unless, in either case, the context or use clearly indicates another or different meaning is intended.

A. The following words and terms are as defined in the preambles.

Act  
Bank  
Home Rule Powers  
Necessary Operating Expenses  
Note  
Revolving Credit Agreement  
Village  
Village Board

B. The following words and terms are defined as set forth.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Designated Officer*” means the President, Village Manager, Village Finance Director/Treasurer or any other officer or employee of the Village so designated by a written instrument signed by the President or the Village Treasurer.

“*Face Amount*” means the authorized maximum amount of the Note, as stated on its face.

“*Maturity Date*” means the date on which the principal of the Note is due and owing under the Note and the Revolving Credit Agreement.

“*Note Register*” means the books of the Village kept by the Note Registrar to evidence the registration and transfer of the Note.

“*Note Registrar*” means the Village Treasurer.

“*Ordinance*” means this Ordinance as originally introduced and adopted and as the same may from time to time be amended or supplemented in accordance with the terms hereof.

“*Paying Agent*” means the Village Treasurer.

“*Regular Record Date*” means the day immediately prior to any interest payment date on the Note.

“*Taxable*” means, with respect to the Note, the status of interest paid and received thereon as includible in the gross income of the owners thereof under the Code for federal income tax purposes.

*Section 2. Findings.* The Village Board hereby finds and determines that (a) all of the recitals contained in the preambles to this Ordinance are full, true and correct and hereby incorporates them into this Ordinance by this reference; (b) this Ordinance is adopted pursuant to Section 6 of Article VII of the Illinois Constitution of 1970; (c) it is necessary and in the best

interests of the Village that the Village adopt this Ordinance; (d) it is necessary and in the best interests of the Village that the Revolving Credit Agreement and the Note be executed so as to pay the costs of the Necessary Operating Expenses; and (e) the execution and delivery of the Revolving Credit Agreement and the Note and the borrowing of money for the purpose authorized therein is for a proper public purpose and is in the public interest.

*Section 3. Execution of the Revolving Credit Agreement and Note Authorized.* The Village is hereby authorized to enter into the Revolving Credit Agreement and the Note with the Bank in final forms to be negotiated with the Bank, *provided* that such final forms shall be in customary form for the industry and substantially similar to prior agreements between the Village and the Bank, with such changes and deviations as the Designated Officer or Designated Officers executing the Revolving Credit Agreement and Note shall approve, his or her execution thereof to constitute approval of all terms set forth therein by the Village Board. Each of the President or the Village Treasurer be, and hereby is, authorized, empowered and directed to execute, and his or her execution thereof shall constitute conclusive evidence of the approval of any and all terms contained in the Revolving Credit Agreement and the Note by the Village Board, and the Village Clerk be, and hereby is, authorized, empowered and directed to attest the Revolving Credit Agreement and the Note in the name, for and on behalf of the Village, and thereupon to cause the Revolving Credit Agreement and the Note to be delivered to the Bank. The Revolving Credit Agreement (as executed) is entered into to provide for the loan of the proceeds of the Note to the Village and the use of such proceeds as aforesaid and to pay the costs of issuing the Note, in the manner and with the effect therein provided. From and after the execution and delivery of the Revolving Credit Agreement, the officers, employees and agents of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of

the Revolving Credit Agreement and the Note as executed, and each Designated Officer is hereby authorized to make requests for advances pursuant to the Revolving Credit Agreement and the Note; and the Revolving Credit Agreement and the Note shall constitute, and hereby are made, a part of this Ordinance, and final copies of the Revolving Credit Agreement and the Note shall be placed in the official records of the Village, and shall be available for public inspection at the office of the Village Board.

*Section 4. Note Details.* The Note is hereby authorized to be executed and delivered as a revolving line of credit note in the principal amount of not to exceed \$10,000,000. The Note shall be dated not later than September 21, 2020 (the “*Dated Date*”), and the amount outstanding under the Note, being the sum of the amounts advanced under the Note, not in excess of the Face Amount, and less in each case principal payments made from time to time thereon, shall be the “*Outstanding Principal Amount*” of the the Note. The Outstanding Principal Amount of the Note from time to time outstanding shall bear interest at the rate set forth in the Note; *provided, however*, that in no event shall such rate exceed twenty percent (20%) per annum, with interest payable on such date or dates as provided in the the Note, upon prepayment and on the Maturity Date. The Maturity Date shall be not later than fifteen years from the Dated Date of the Note.

The Note shall continue to bear interest on the Outstanding Principal Amount from time to time at the rate provided, in each case from the time advanced until duly paid or provided for, such interest being computed as provided in the Note.

Subject to the provisions of the Revolving Credit Agreement and the Note, the interest on and all payments of principal of the Note shall be payable in lawful money of the United States of America, or by electronic funds transfer of lawful money of the United States of America, upon presentation at the office of the Note Registrar; *provided, however*, that so long as a

financial institution is the registered owner of a Note, then such payments shall be made by check or draft or electronic funds transfer or account transfer to the person in whose name the Note is registered as evidenced by the Note Register at the close of business on the applicable Regular Record Date, which payment shall be made in lawful money of the United States of America and (if by check or draft) mailed to the address or (if by funds transfer) transferred to such account of such registered owner as it appears on the Note Register or at such other address or account as may be furnished in writing to the Note Registrar; *and provided, further*, that the final installment of principal of and interest on the Note shall be paid upon surrender in lawful money of the United States of America, at the principal office maintained for the purpose by the Paying Agent or its proper agent.

The ability of the Village to redeem or prepay the Note in whole or in part and draw upon it again during its term, is as described in the Revolving Credit Agreement.

The Note shall be substantially in the form attached to the final form of Revolving Agreement and as approved by the President or the Village Treasurer, his or her execution thereof to constitute approval of all terms set forth therein by the Village Board, and, if practicable, shall have impressed or imprinted thereon the corporate seal of the Village and shall be attested by the manual signature of the Village Clerk, and in case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The execution by the Village of the fully registered Note shall constitute full and due authorization of the Note, and the Note Registrar shall thereby be authorized to authenticate, date and deliver the Note. The person in whose name the Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or

interest on the Note shall be made only to or upon the order of the registered owner thereof or the owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid.

Each Note shall have thereon a certificate of authentication duly executed by the Note Registrar as authenticating agent of the Village and showing the date of authentication. The Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Note Registrar by manual signature, and such certificate of authentication upon the Note shall be conclusive evidence that the Note has been authenticated and delivered under this Ordinance.

*Section 5. Delivery of the Note.* The Note hereby authorized shall be executed and delivered as herein provided as soon after the passage hereof as may be, and thereupon be deposited with the Village Treasurer, and be by said Treasurer delivered to the Bank; the execution and delivery of the note is in all respects ratified, approved and confirmed, it being hereby found and determined that the Revolving Credit Agreement and the Note are in the best interests of the Village and that no person holding any office of the Village, either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Revolving Credit Agreement and the Note.

Any Designated Officer and such other officers and officials of the Village as may be necessary are hereby authorized to execute such other documents as may be necessary to implement the Revolving Credit Agreement and the transaction contemplated thereby and to effect the delivery of the Note, and execution thereof by such officers is hereby deemed conclusive evidence of approval thereof with such changes, additions, insertions, omissions or

deletions as such officers may determine, with no further official action of or direction by the Village Board.

*Section 6. Security and Payment with Respect to the Revolving Credit Agreement and the Note.* The security for the payment of the obligations of the Village under the Note is and shall continue to be as follows: (a) the full faith and credit general obligation pledge of the Village, to which as and to the extent necessary, for the purpose of providing funds required to pay the interest on the Note promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity and to pay all other obligations under the Revolving Credit Agreement, and (b) all of the taxable property within the Village is subject to a direct annual tax, without limit as to rate or amount; *provided, however*, that (i) a separate tax for the Note need not be levied for so long as there is no default in payment of any obligation on the Note or the Revolving Agreement unless so determined by the Village Board in its discretion and (ii) following a default in payment of any obligation on the Note or the Revolving Credit Agreement a separate tax levy shall be placed on file with the County Clerks of Cook and Will Counties, Illinois (the “*County Clerks*”), no later than the last day permitted for such filings during the then current tax levy year in an amount sufficient to pay all amounts due and payable under the Note and the Revolving Credit Agreement during such year.

The Village covenants and agrees with the Bank that so long as the Note remain outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the security for the Note or the ability of the Village to levy and collect taxes, if necessary, to pay its obligations under the Note and the Revolving Credit Agreement.

*Section 7. Use of Note Proceeds, General Fund.* Note proceeds and other funds of the Village as noted shall be and are hereby appropriated as follows: The drawdown of the principal proceeds of the Note shall be set aside in the fund determined by the Village in its

discretion (the “*Fund*”) and be used to pay the Necessary Operating Expenses when due, including costs of issuance of the Revolving Credit Agreement and the Note, and interest on or principal of the Note and any obligations under the Revolving Credit Agreement at any time there are insufficient funds from other sources to pay the same. The Village Treasurer shall keep a complete and accurate record of the expenditure of the proceeds of the Note, including the dates of each draw on the Note, the dates the amount of such draw were expended, the purposes of such expenditures by budget item and further detail, including to whom the payment was made.

*Section 8. General Covenants.* The Village covenants and agrees with the Bank that so long as the Note remains outstanding and unpaid:

(a) The Village will punctually pay or cause to be paid the principal of and interest on the Note, and all other obligations of the Village under the Revolving Credit Agreement in strict conformity with the terms of the Revolving Credit Agreement, the Note and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Revolving Credit Agreement, the Note and this Ordinance.

(b) The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries shall be made of all transactions relating to the Necessary Operating Expenses. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Bank or its representatives authorized in writing.

(c) The Village will furnish a copy of the annual financial statements of the Village to the Bank promptly when such financial statements become available, and in any event, within 210 days of the close of such fiscal year.



(d) The Village will preserve and protect the security of the Note and the rights of the registered owners of the Note.

(e) The Village will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owner of the Note of the rights and benefits provided in this Ordinance.

*Section 9. Registered Form.* The Village recognizes that the Code requires the Note to be issued and to remain in fully registered form. In this connection, the Village agrees that it will not take any action to permit the Note to be issued in, or converted into, bearer or coupon form.

*Section 10. Publication of Ordinance.* A full, true and complete copy of this Ordinance shall be published in pamphlet form by authority of the Village Board.

AYES: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

ABSENT: \_\_\_\_\_

APPROVED: March 21, 2020

Village Clerk, Village of Orland Park,  
Cook                      and                      Will                      Counties,                      Illinois

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK        )

**CERTIFICATION OF AGENDA, MINUTES AND ORDINANCE**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Orland Park, Cook and Will Counties, Illinois (the "*Village*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and of the President and Board of Trustees (the "*Village Board*") thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Village Board held on the 21st day of March, 2020, insofar as the same relates to the adoption of a Ordinance and entitled:

AN ORDINANCE providing for the execution of a Taxable Revolving General Obligation Line of Credit Agreement and Note of the Village of Orland Park, Cook and Will Counties, Illinois, to pay necessary and appropriate operating expenses of the Village, and providing for the security for the Village's obligations under such agreement and said note.

a true, correct and complete copy of which said Ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Village Board on the adoption of said Ordinance were taken openly; that the vote on the adoption of said Ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted at the location where said meeting was held and the principal office of the Village Board at least 48 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 48-hour period preceding said meeting, that said agenda remained continually posted until the adjournment of aid meeting, and that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, and that the Village Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Village Board in the adoption of said Ordinance.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the Village  
this 21st day of March, 2020.

[SEAL]

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Village Clerk

STATE OF ILLINOIS     )  
                                      ) SS  
COUNTY OF COOK     )

**CERTIFICATE OF PUBLICATION IN PAMPHLET FORM**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Orland Park, Cook and Will Counties, Illinois (the "*Village*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the Village and of the President and Board of Trustees (the "*Village Board*") thereof.

I do further certify that on the 21st day of March, 2020 there was published in pamphlet form, by authority of the Village Board, a true, correct and complete copy of Ordinance No. \_\_\_\_\_ of the Village, and that said Ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as Village Clerk located in the Village.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the Village this 21st day of March, 2020.

[SEAL]

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Village Clerk

## **REQUEST FOR ACTION REPORT**

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File Number:	<b>2020-0234</b>
Orig. Department:	<b>Village Manager</b>
File Name:	<b>Addition of Title 1 by Creating a New Chapter 18 (Delinquent Accounts) to the Orland Park Village Code</b>

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### **BACKGROUND:**

The COVID-19 outbreak has presented unprecedented challenges. In an effort to assist those with delinquent payments to the Village, the following Ordinance is being proposed.

As a result of the normal course of business, the Village collects fees, fines and various charges for services. As a result of the COVID-19 outbreak, the Village is seeking to provide relief to those Orland Park residents and businesses who are impacted by the COVID-19 outbreak.

The attached Ordinance authorizes the Finance Director to adopt policies and procedures relating to the collection of debt, such as the attached Debt Collection Procedures Manual, as well as specifying procedures for uncollectible debt.

As outstanding balances age, the probability of collection diminishes. In addition to authorizing the Finance Director to establish policies and procedures for the collection of debt, the attached ordinance also provides for the modification of debt, if the Finance Director has determined that there is no cost effective means of collecting the debt. Balances may be canceled, written-off, or otherwise modified as follows:

A. Amounts due the Village which are no greater than \$1,000 may, after reasonable efforts for the collection or settlement thereof have been exhausted, be authorized by the Finance Director to be canceled, written-off or modified based on written procedures developed by the Finance Director and approved by the Village Manager.

B. Amounts due the Village which are in excess of \$1,000 but which are no greater than \$5,000 may, after reasonable efforts for the collection or settlement thereof have been exhausted, be authorized by the Village Manager or designee to be canceled, written-off or modified in part upon recommendation of the Finance Director.

C. Amounts due the Village in excess of \$5,000 which are due any department of the Village, including its public utilities, from any individual or corporate debtor thereto under provisions of leases, contracts, other instruments or agreements, or under provisions of rate or other ordinance or resolutions, or which are due and legally enforceable from any person, corporation or insurance company as a result of damages to Village property, may not be canceled, written-off, or otherwise modified without the authorization of the Village Board upon recommendation of the Village Manager.

### **BUDGET IMPACT:**

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**REQUESTED ACTION:**

I move to pass Ordinance 5498 entitled: An Ordinance Amending the Orland Park Village Code Title 1 by Creating a New Chapter 18 (Delinquent Accounts).

AN ORDINANCE AMENDING THE ORLAND PARK VILLAGE CODE TITLE 1 BY  
CREATING A NEW CHAPTER 18 (DELINQUENT ACCOUNTS)

..B

WHEREAS, the corporate authorities of the Village of Orland Park deem it in the best interests of the Village and its residents to amend the Orland Park Village Code with regard to Delinquent Accounts

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, as follows:

SECTION 1

That Title 1 of Orland Park Village Code shall be and hereby is amended to add the following in its entirety:

“CHAPTER 18 DELINQUENT ACCOUNTS

:

**18-1-1. Establishment of Procedures**

The Finance Director shall establish and maintain policies and procedures relating to the collection of debt.

**18-1-2. Collection Fees**

Consistent with the provisions of 65 Illinois Compiled Statutes 5/1-2-1, the Village may retain collection agencies and collection attorneys to collect unpaid debts and financial defaults. Any and all fees incurred by the Village, including all fees, charges and administrative costs incurred by the Village in the collection of the unpaid debt and financial defaults, shall be added to the amounts subject to collection.

**18-1-3. Use of Collection Agencies.**

The Finance Director shall establish policies and procedures governing the assignment of other referral of delinquent accounts or debt to a collection agency that has entered into a contract with the Village for that purpose.

**18-1-4. Write-off, Cancellation, and Modification of Amounts of \$5,000 or Less – Administrative Approval.**

In certain cases, amounts which are due any department of the Village, including it public utilities, from any individual or corporate debtor thereto under provisions of leases, contracts, other instruments or agreements, or under provisions of rate or other ordinance or resolutions, or which are due and legally enforceable from any person, corporation or insurance company as a result of damages to Village property may remain unpaid for long time periods. After the Finance Director has determined that there is no cost effective means of collecting the debt, the debt may be canceled, written-off, or otherwise modified as follows:



- A. Amounts due the Village which are no greater than \$1,000 may, after reasonable efforts for the collection or settlement thereof have been exhausted, be authorized by the Finance Director to be canceled, written-off or modified based on written procedures developed by the Finance Director and approved by the Village Manager.
- B. Amounts due the Village which are in excess of \$1,000 but which are no greater than \$5,000 may, after reasonable efforts for the collection or settlement thereof have been exhausted, be authorized by the Village Manager or designee to be canceled, written-off or modified in part upon recommendation of the Finance Director.
- C. Amounts due the Village in excess of \$5,000 which are due any department of the Village, including its public utilities, from any individual or corporate debtor thereto under provisions of leases, contracts, other instruments or agreements, or under provisions of rate or other ordinance or resolutions, or which are due and legally enforceable from any person, corporation or insurance company as a result of damages to Village property, may not be canceled, written-off, or otherwise modified without the authorization of the Village Council upon recommendation of the Village Manager”

#### SECTION 2:

All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

#### SECTION 3:

This Ordinance shall be in full force and effect from and after its adoption and publication in pamphlet form as provided by law.

#### SECTION 4:

The Village Clerk be and hereby is authorized and directed to publish this Ordinance in pamphlet form.

## **REQUEST FOR ACTION REPORT**

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File Number:	<b>2020-0236</b>
Orig. Department:	<b>Village Manager</b>
File Name:	<b>A Resolution Authorizing and Enacting the Implementation of a Debt Relief Program</b>

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### **BACKGROUND:**

The COVID-19 outbreak has presented unprecedented challenges. In an effort to assist those with delinquent payments to the Village, the following Ordinance is being proposed.

As a result of the normal course of business, the Village collects fees, fines and various charges for services. As a result of the COVID-19 outbreak, the Village is seeking to provide relief to those Orland Park residents and businesses who are impacted by the COVID-19 outbreak.

The attached Resolution authorizes staff to incorporate debt relief measures to assist Orland Park residents and businesses. The attached Ordinance amends the Village Code to authorize the Finance Director to develop and implement policies and procedures relating to the collection of debt.

### **BUDGET IMPACT:**

### **REQUESTED ACTION:**

I move to pass Resolution 2004 entitled: A Resolution Authorizing and Enacting the Implementation of a Debt Relief Program

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A RESOLUTION AUTHORIZING AND ENACTING THE IMPLEMENTATION OF A  
DEBT RELIEF PROGRAM

WHEREAS, as a result of the normal course of business, the Village collects fees and various charges under the categories including but not limited to 1) Parking Tickets; 2) Adjudication Fines; 3) Water and Sewer User Fees; 4) Weed Mowing; 5) Red Light Cameras fines, 6) Recreation fees and other miscellaneous accounts receivables (hereinafter collectively referred to as the “Debt Categories”); and

WHEREAS, some individuals become delinquent on amounts due under these Debt Categories, resulting in further collection efforts by the Village; and

WHEREAS, the COVID-19 outbreak has presented unprecedented challenges; and

WHEREAS, in an effort to assist those with delinquent payments to the Village, the Village is seeking to provide relief to those Orland Park residents and businesses who are impacted by the COVID-19 outbreak.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, as follows:

Section I: The foregoing recitals are repeated and incorporated as though fully set forth herein.

Section II: There is hereby enacted for the Village of Orland Park a debt relief program which will be in effect for a 60-day period. Village staff is authorized to incorporate debt relief measures to assist Orland Park residents and businesses during this 60-day period.

SECTION III: That the Village Manager is hereby authorized and directed to promulgate rules and regulations not inconsistent with the provisions hereof to effectuate the debt relief program.

SECTION IV: All resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, expressly hereby repealed.

SECTION V: This Resolution shall be in full force and effect upon its passage

DATE:

## **REQUEST FOR ACTION REPORT**

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File Number:	<b>2020-0233</b>
Orig. Department:	<b>Village Manager</b>
File Name:	<b>Addition of Title 1 by Creating a New Chapter 17 (Signing Authority) to the Orland Park Village Code</b>

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### **BACKGROUND:**

The COVID-19 outbreak has presented unprecedented challenges. In an effort to assist local commerce that does business with the Village, the following Ordinance is being proposed.

The attached ordinance allows for the delegation of document signing authority. The proposed new Signing Authority Chapter of the Village Code will consolidate the longstanding principles, traditions and practices related to signing authority that have guided the Village in the past. The new Signing Authority Chapter also incorporates approval for an expedited accounts payable process.

This expedited accounts payable process would allow for all accounts payables, regardless of amount, to be paid in advance of Village Board meetings whenever lawful emergency Proclamations and Executive Orders are issued by the Village President, the President of the Cook County Board of Commissioners, the Governor of the State of Illinois and/or the President of the United States. All accounts payables paid in advance of a Village Board meeting will still be presented to the Village Board at its next opportunity in order to ratify these payments.

### **BUDGET IMPACT:**

### **REQUESTED ACTION:**

I move to pass Ordinance 5500 entitled: An Ordinance Amending The Orland Park Village Code Title 1 By Creating A New Chapter 17 (Signing Authority);

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AN ORDINANCE AMENDING THE ORLAND PARK VILLAGE CODE TITLE 1 BY  
CREATING A NEW CHAPTER 17 (SIGNING AUTHORITY)

..B

WHEREAS, the corporate authorities of the Village of Orland Park deem it in the best interests of the Village and its residents to amend the Orland Park Village Code with regard to the signing authority of employees in the execution of certain documents

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, as follows:

SECTION 1

That Title 1 of Orland Park Village Code shall be and hereby is amended to add the following in its entirety:

“CHAPTER 17 SIGNING AUTHORITY

1-17-1. **Purpose.**

This chapter sets forth authorized employees of the Village of Orland Park and authority levels of those employees to act on behalf of the Village of Orland Park in the execution of certain documents. The Village is committed to effective, efficient and transparent management of Village business and processes. Only Village officers and employees with appropriate approval authority and accountability shall approve financial transactions and sign legally binding documents to ensure responsible stewardship of Village’s resources.

1-17-2. **Applicability.**

The provisions of this chapter apply to the execution of documents by authorized Village employees that are not otherwise provided for by Village Code or ordinances or resolutions approved by the Village Board. In order for agreements which require expenditures to be executed, expenditures must be included in the approved budget or the agreement includes language, as approved by the Village Attorney, to allow for termination of the agreement if the Village Board does not appropriate the funds necessary to continue the agreement.

1-17-3. **Authorized Signatures.**

A. Agreements, Contracts, Amendments or Change Orders for goods, maintenance or services

The Village Manager is authorized to execute those agreements, contracts, amendments or change orders where the total annual commitment does not exceed \$25,000, or the agreement, contract, amendment or change order falls within the contingency amount approved by the Village Board.

B. Agreements, Contracts, Amendments or Change Orders where the Village is providing goods, maintenance or services

The Village Manager is authorized to enter into and execute those agreements, contracts, amendments or change orders permitting the Village to provide goods, maintenance or services to a public or private entity where the annual commitment by the Village does not exceed \$25,000 per fiscal year.

C. Claims and Settlements

The Village Manager is authorized to settle, approve or reject claims or litigation in an amount not to exceed \$25,000.

D. Agreements, Contracts, Amendments or Change Orders where the Village is Landlord/Tenant, Licensee/Licensor or Facility User

The Village Manager is authorized to negotiate enter into and execute those agreements, contracts, amendments or change orders with public or private entities where the Village is Landlord/Tenant, Licensee/Licensor or for temporary use of a facility by the Village where the total annual commitment does not exceed \$25,000.

E. Acquisition of or disposition of Real Property on the Village's Behalf

(1) For purposes of this section, the following definitions shall apply:

(a) **Acquisition** means the purchase, lease or license Real Property by the Village for the Village's use or acceptance by the Village of a Real Property by dedication or gift.

(b) **Disposition** means the sale, lease, vacation, release, or license of some or all of the Village's interest in Public Property to another.

(c) **Public Property** means Real Property that is titled in the name of the Village or Village created boards or commissions; Real Property where the Village or a Village created board or commission is the grantee, devisee, or beneficiary; Real Property which was dedicated to the public use, whether generally or for a specific purpose, including, but not limited to, property within the Village or within 1.5 miles of the Village limits; easements where the Village is grantee; Real Property leased by the Village as a lessee; Real Property physically occupied by the Village or by Village operations; and real property possessed or utilized by the Village under a claim of right.

(d) **Real Property** means any interest in real estate, whether the interest has been acquired by purchase, lease, license, common law or statutory dedication, gift, or possession.

(2) Authority to negotiate and Execute Documents for Acquisition and Disposition. The Village Manager may be authorized to execute agreements, deeds, easements or other documents necessary to consummate the acquisition or disposition of real property when the total acquisition or disposition of real property does not exceed \$25,000 or when authorized by resolution of the Village Board. Prior to any acquisition or disposition of

real property, the Village Attorney shall approve the form of the documents utilized in the transaction.

(3) Standards for Acquisition. The following are procedures and standards for acquisition of property:

(a) Acquisition Plan. Village staff should, prior to the formal initiation of negotiations, develop a written acquisition plan. The plan should include the following elements:

(b) Goal. Staff should explain specifically how acquiring the property will assist in accomplishing a Village Board goal or Board adopted plan.

(c) Costs of Acquisition. Staff should develop a reasonably accurate estimate of the costs of acquisition including: (a) Purchase price, (b) Expenses of purchase e.g. appraisals, title insurance or search, environmental assessment, assumed or forgiven taxes, and assumed or forgiven Village liens, (c) Post-closing expenses, and (d) Source of Revenues for Acquisition and Maintenance.

(4) Purchase Price. The Village's policy is to acquire the property at the lowest cost to the Village. Below market purchase price or an owner's desire to donate the property should be a factor in considering the purchase of real property. However, below market price or donation should not be a determining factor deciding whether or not the Village acquires property.

#### F. Credit Applications

- (1) Credit applications often contain agreement language. The Director of Finance or designee is authorized to sign credit applications after Village Attorney review of the credit application for such purchases as are authorized by Code or Ordinance or Resolution of the Village Board.

#### G. Motor Vehicle Paperwork

- (1) When authorized by the Village Board through a surplus designation or purchase approval, the Director of Finance or designee is authorized to sign Motor Vehicle documentations authorizing the purchase or sale of a Motor Vehicle on behalf of the Village of Orland Park.

#### H. Grant Applications

- (1) Due to the time sensitive nature of Grant applications, the Village Manager may execute Grant application paperwork for grants that do not bind the Village monetarily for more than \$25,000 annually.

#### I. Lien / Lien Release

- (1) The Director of Finance is authorized to execute and record liens in accordance with provisions in the Illinois Municipal Code, 65 ILCS 5/1-1-1 et seq. Once a lien is

recorded, with Village Board approval, the Village can also bring a lawsuit to foreclose the lien. The Finance Director is also authorized to execute lien releases once the indebtedness has been satisfied in its entirety or in accordance with the provisions of Title 1, Chapter 18 Delinquent Accounts. Recording of the lien release is the responsibility of the property owner to whom the lien has been released.

#### J. Uncollectable Receivables

- (1) The Director of Finance is authorized to modify, cancel, and write-off uncollectible receivables in accordance with the provisions of Title 1, Chapter 18, Delinquent Accounts.

#### K. Standard Pre-Litigation and Litigation Procedural Documents

- (1) The Village Attorney or Village's Special Counsel or his/her designee is authorized to sign standard pre-litigation and litigation procedural documents, such as continuances, tolling agreements, conflict waivers and joint defense agreements, where such documents do not result in a final settlement of the underlying litigation.

#### L. Agreements Approved by the Village Board

Village officers and employees designated by the Village Board to sign agreements by resolution or minute order, are authorized to execute such documents.

#### M. Utility Relocation Agreements up to \$25,000

The Village Manager is authorized to sign utility relocation contracts up to \$25,000. This authority is necessary for projects that require an immediate response (signed contract) in order to remain within the utility construction schedule.

#### N. Regulatory Reporting

- (1) The Village Manager is authorized to delegate signature authority to a designee for regulatory reporting.

#### O. Letters of Support or Opposition

- (1) The Village Manager; or Department Directors, with the approval of the Village Manager, are authorized to sign letters of support or opposition of an organization, governmental entity or legislation when the organization or legislation relates to:
  - (a) A position taken by the Illinois Municipal League on a matter, unless the Village Board has taken a contrary position.
  - (b) Legislation regarding projects approved by Village Board.
  - (c) Items routine in nature, experienced in the normal course of conducting business of the Village.
  - (d) A previously approved Village Board position.



- (2) The Village Attorney, in consultation with the Village Manager, is authorized to sign legal briefs and/or letters related to:
  - (a) Legislation supporting a position taken by the Illinois Municipal League on a matter, unless the Village Board has taken a contrary position.
  - (b) Legislation regarding projects approved by Village Board.
  - (c) Requesting an Attorney General's Opinion, judicial proceeding or judicial opinion, when in his or her professional opinion the letter is in the best legal interests of the Village of Orland Park.
- (3) Letters of support or opposition signed in accordance with the provisions of this section require a copy to be submitted to the Village President and Village Board.

#### P. Software Terms and Conditions

- (1) The Village Manager or a Department Director, with the approval of the Village Manager is authorized to negotiate and sign agreements for the installation, use, support or maintenance of software, provided that such agreements have been approved by the Village Board or are within the spending authority of the Village Manager as outlined in this Chapter.

#### Q. Authorized Village Officials and Employees Regarding Bills, Banking, Trust and Investment Accounts

This policy sets forth authorized Village officials and employees to act on behalf of the Village of Orland Park and authorized signatures with regard to bills, Village banking, trust and investment accounts to establish accounts, withdraw, transfer or deposit funds for the purpose of investment and to cover financial commitments of the Village.

##### (1) Operating Accounts

- (a) The operating account is used for reimbursements, transfers, employee compensation, benefits and payments to vendors, contractors, government agencies, financial institutions and others who provide supplies, services and/or equipment to the Village. Any two of the following Village officials, or Village staff members or their successors shall be authorized to sign checks, or other instruments for the withdrawal of moneys in the operating account: Village President, Village Clerk, Village Manager, and Director of Finance.
- (b) Any one of the Village officials or Village staff members listed above may transfer funds from the operating account to another Village account for the purpose of investing. When authorized by one of the Village officials or Village staff members listed above, a transfer may be processed by the following Village staff members: Assistant Director of Finance, or Village Accountant.

##### (2) Investment/Trust Accounts

- (a) Investment accounts cover all funds and investment activities under the direction of the Village Board and are invested in accordance with the Village of Orland Park Investment Policy. The investments of bond proceeds are further restricted by the provisions of relevant bond documents. The Investment Policy delegates management responsibility for the investment program to the Finance Director. In the absence of the Finance Director, the Village Manager shall be authorized to manage investments.
- (b) A transfer of funds from an investment/trust account to another Village account for the purpose of investing or funding the operating account, when authorized by one of the Village officials, or employees listed above may be processed by the following: Assistant Director of Finance, or Accountant.

#### R. Pass-through Contracts

Pass-Through Contracts are contracts that are entered into by the Village, where Village obligations for payment pursuant to such contracts are paid entirely by other entities or persons. Except as may be required pursuant to the provisions of 65 ILCS 5/8-9-1, the Village Manager, or his/her designee, may award and execute all Pass-Through contracts, regardless of price, for supplies, equipment, services or construction which are funded entirely by non-Village entities or persons without the expenditure of Village funds or commitment to future Village funds, provided that prior to the execution of the a commitment for payment from the funding source is obtained through a funding agreement or a deposit and reimbursement agreement.

#### 1-17-4. **Bills List**

- (a) The Bills List is an order by which the Village Board authorizes the bank or other depository of Village funds to pay a particular sum of money. If funds are available for the payment of an approved bill, a check or electronic transfer is created directing the bank or depository of the Village funds to pay the funds to the payee.
- (b) Checks or electronic transfers will be distributed in accordance with applicable Village policies. Checks will not be distributed until two of the following Village officials or staff members have approved them: Village Manager, Village President, Director of Finance, and Assistant Director of Finance. Checks issued in amounts exceeding \$25,000 will not be distributed until Village Board approval and then with the approval of two of the Village officials or staff members listed in this subparagraph.
- (c) Exceptions to this requirement include payments for the following items: 1. Utilities, and Debt Service Trustee Payments. Personnel Benefits are included on the Bills List following distribution of payments, and 2. Accounts payables to be paid in advance of Village Board meetings whenever lawful Emergency Proclamations and Executive Orders are issued by the Village President, the President of the Cook County Board of Commissioners, the Governor of the State of Illinois and/or the President of the United

States. All accounts payables paid in advance of a Village Board meeting shall be ratified at the next available Village Board meeting.

SECTION 2:

All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

SECTION 3:

This Ordinance shall be in full force and effect from and after its adoption and publication in pamphlet form as provided by law.

SECTION 4:

The Village Clerk be and hereby is authorized and directed to publish this Ordinance in pamphlet form.

DATE:

## **REQUEST FOR ACTION REPORT**

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File Number:	<b>2020-0237</b>
Orig. Department:	<b>Village Manager</b>
File Name:	<b>Addition of Title 1 by Creating a New Chapter 16 (Procurement) to the Orland Park Village Code</b>

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### **BACKGROUND:**

The COVID-19 outbreak has presented unprecedented challenges. In an effort to assist local commerce that does business with the Village, the following Ordinance is being proposed.

In order to ensure that proper controls are in place for the expedited accounts payable process as well as the Signing Authority, the attached Procurement Ordinance is being proposed. The purpose of the Procurement Ordinance is to provide for fair and equitable standards and processes for purchasing by the Village, to maximize the value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity.

The attached Procurement Ordinance:

- The recommended Procurement Ordinance would add a new procurement chapter to the Village Code and consolidate current procurement language in the Village Code into a new chapter. As such, the recommended Ordinance would not change the way the Village does business in any significant way, but would bring our standards and proceedings up-to-date.
- The recommended Procurement Chapter also increases the competitive purchasing threshold from the current \$20,000 to \$25,000. The Illinois General Assembly amended Section 8-9-1 of the Illinois Municipal Code, increasing the threshold for competitively bidding public projects. Previously, this section required municipalities to competitively bid any public work or public improvement if the expense would exceed \$20,000. P.A. 100-0338 amended this section and increased the minimum amount for which competitive bidding is required to \$25,000. The attached ordinance incorporates the revised threshold requirement in the Village's Procurement Code.

### **BUDGET IMPACT:**

### **REQUESTED ACTION:**

I move to pass Ordinance 5499 entitled: An Ordinance Amending the Orland Park Village Code Title 1 by Creating a New Chapter 16 (Procurement);

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AN ORDINANCE AMENDING THE ORLAND PARK VILLAGE CODE TITLE 1 BY  
CREATING A NEW CHAPTER 16 (PROCUREMENT)

..B

WHEREAS, the corporate authorities of the Village of Orland Park deem it in the best interests of the Village and its residents to amend the Orland Park Village Code with regard to the procurement of goods and services

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, as follows:

SECTION 1

That Title 1 of Orland Park Village Code shall be and hereby is amended to add the following in its entirety:

“CHAPTER 16 PROCUREMENT

**1-16-1: General provisions.**

- A. Short title. This Chapter shall be known as the "Orland Park Procurement Code."
- B. Purpose. The purpose of this chapter is to provide for fair and equitable standards and processes for purchasing by the Village, to maximize the value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity.
- C. Application. This chapter applies to contracts for the procurement of supplies, services, and construction. It shall apply to all expenditures of public funds within the scope of this chapter irrespective of the source of the funds. When the procurement involves an expenditure regulated by Illinois law, by federal regulations, or by another regulatory agency with jurisdiction over the expenditure, the procurement shall be conducted as required by applicable laws and regulations. Nothing in this chapter shall be construed to prohibit the Village from complying with the terms of a grant or gift.
- D. Public access to procurement information. Procurement information shall be a public record to the extent provided in the Freedom of Information Act and shall be available to the public as provided in such statute.

**1-16-2: Procurement Officer.**

- A. Establishment of position. There is hereby established the position of Procurement Officer.
- B. Authority. Except as otherwise provided in this chapter, the Procurement Officer shall serve as the principal public purchasing official for the Village and shall be responsible for the procurement of supplies, services, and construction in accordance with this chapter.
- C. Appointment; service; removal. The Village Manager shall be responsible for the appointment of the Procurement Officer. The Procurement Officer shall serve "at will." The

Village Manager shall be responsible for the removal of the Procurement Officer.

D. Duties. In accordance with this chapter, and subject to the supervision of the Village Manager, the duties of the Procurement Officer are:

- (1) To procure or supervise the procurement of all supplies, services, and construction needed by the Village.
- (2) To seek the highest quality in supplies and contractual services at the least expense to the Village.
- (3) To manage the procurement process.
- (4) To enforce written specifications describing the standards established in conformity with this chapter.
- (5) To keep informed of current developments in the field of purchasing, prices, market conditions, and new products, and to secure for the Village the benefits of research done in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations having national recognition, and by private businesses and organizations.
- (6) To prescribe and maintain such forms as are necessary to the operation of this chapter.
- (7) To prepare and adopt a standard purchasing nomenclature for using agencies and suppliers.
- (8) To engage in consolidated purchases when available and appropriate, for the purpose of maximizing the value of Village expenditures.
- (9) To preserve the integrity of the procurement system.
- (10) To establish and maintain programs for specifications development and contract administration, inspection, and acceptance, in cooperation with other public agencies using the supplies, services, and construction.
- (11) To investigate all possibilities of cooperating in a joint purchasing program with other governmental units in order to obtain lower prices through bulk purchases.
- (12) To confer regularly with the Village Manager about the matters being undertaken by the Procurement Officer.

E. Operational procedures. Consistent with this chapter, and with the approval of the Village Manager, the Procurement Officer must adopt operational procedures relating to this chapter.

F. Delegation to other Village officials. The Village Manager may delegate authority to purchase certain supplies, services, or construction items to other Village officials, if the

Village Manager determines that the delegation is necessary for the effective procurement of those items.

**16-1-3: Authorization and methods for procurements.**

The Village Manager and Director of Finance are authorized to enter into contracts on behalf of the Village as provided in this section as well as Chapter 1-10-7. Village Board approval is required for contracts that are not within the approval authority of the Village Manager or Director of Finance. Unless provided otherwise by this Code or specially authorized by law, the methods set forth in Subsections A (Competitive bidding), B (Competitive proposals), C (Small purchases), D (Sole-source procurement), E (Emergency procurements) of this section shall apply to contracts.

- A. Competitive bidding. Contracts shall be awarded by competitive bidding except as otherwise provided in this chapter.
  - (1) Invitation for bids. An invitation for bids shall be issued and shall include specifications and all contractual terms and conditions applicable to the procurement.
  - (2) Public notice. Public notice of the invitation for bids shall be given within a reasonable time, not less than 10 calendar days prior to the date set forth therein for the opening of bids. The Procurement Officer shall designate a means of distribution of information to interested parties using methods that are reasonably available. Such methods may include publication in newspapers of general circulation, electronic or paper mailing lists, and web sites designated and maintained for that purpose. The notice shall state the place, date, and time of bid opening.
  - (3) Sealed bids. Bids must be submitted in sealed envelopes, for opening only at the time and place designated in the invitation for bids.
  - (4) Bid opening. The sealed bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The amount of each bid, other information the Procurement Officer deems relevant and appropriate, and the name of each bidder shall be announced and recorded. The record shall be open to public inspection.
  - (5) Bid evaluation and acceptance. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as expertise, experience, management skills, staffing, references, inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The invitation for bids shall set forth the evaluation criteria to be used.
  - (6) Correction or withdrawal of bids.
    - (a) A bid may be withdrawn at any time before the bid opening by written or electronic notice received in the office designated in the invitation for bids prior to the time set

for bid opening. Any modification prior to the bid opening must be submitted in a sealed envelope prior to the scheduled opening of the bid.

- (b) The correction or withdrawal of inadvertent errors in a bid after the bid opening, or the cancellation of an award or contract based on an error in a bid, may be permitted only when the Village has determined that it is appropriate. After the bid opening, no change in a bid price or other provision of a bid will be permitted if the Village determines that the change would be prejudicial to the interest of the Village or to fair competition. In lieu of a bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:
  - [1] The mistake is clearly evident on the face of the bid document but the intended correct bid is not similarly evident; or
  - [2] The bidder submits evidence that clearly and convincingly demonstrates that a mistake was made.
- (c) All decisions to permit the correction or withdrawal of bids, or to cancel awards of contracts based on bid mistakes, shall be supported by a written determination made by the Procurement Officer.
- (7) Award. The contract shall be awarded with reasonable promptness by appropriate written notice to the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids and is determined to be in the best interests of the Village (the "most responsible bid"). In the event the most responsible bid exceeds available funds, the Procurement Officer is authorized, when time, economic considerations, or other exigencies preclude re-solicitation of work of a reduced scope, to negotiate an adjustment of the most responsible bid in order to bring the bid within the amount of available funds.
- (8) Two-step competitive bidding. When it is considered impractical to prepare initially a purchase description to support an award based on price, a two-step bidding process may be used. Two-step competitive sealed bidding is a combination of competitive procedures designed to obtain the benefits of sealed bidding when adequate specifications are not available. The objective of two-step sealed bidding is to permit the development of a sufficiently descriptive and not unduly restrictive statement of the Village's requirements, including adequate technical requirements, so that subsequent acquisitions may be made by conventional sealed bidding. This method is especially useful in acquisitions requiring technical proposals. The two-step competitive sealed bidding procurement method is designed to obtain the benefits of competitive sealed bidding by award of a contract to the lowest responsive, responsible bidder while also obtaining the benefits of the competitive sealed negotiation procedure through solicitation of technical offers and the conduct of discussions to arrive at technical offers. The Village may request additional information from bidders to clarify material contained in their technical proposals. Such requests for additional information should always occur before the priced bids are considered.



- (9) 65 ILCS 5/8-9-1 provides a mechanism for the waiver of public bidding. Notwithstanding the foregoing requirements of this chapter, any such contract may be entered into by the proper officers without advertising for bids, if authorized by a vote of two-thirds of all Board members then holding office.

B. Competitive proposals. Solicitation of competitive proposals is a procurement option allowing the award to be based on an evaluation process using stated criteria to arrive at a contract that will be the most advantageous to the Village.

- (1) Competitive proposals, typically solicited through a request for proposals (RFP), may be practical when the Procurement Officer determines that the use of a competitive bidding process either is not practicable or otherwise is not advantageous to the Village, and one or more of the following conditions, or similar conditions, exist:
- (a) The contract needs to be other than a fixed-price type.
  - (b) Oral or written discussions may need to be conducted with proposers concerning technical and price aspects of their proposals.
  - (c) The work is highly specialized or otherwise requires extraordinary, defined skills or experience in a particular area not generally available.
  - (d) Proposers may need to be afforded the opportunity to revise their proposals, including prices.
  - (e) Award may need to be based upon a comparative evaluation, as stated in the RFP, of differing price, quality, and contractual factors in order for the Village to determine the most advantageous proposal. Quality factors may include technical and performance capability and the content of the technical proposal.
  - (f) Important criteria other than price will be considered in determining an award.
- (2) General RFP process. Proposals generally shall be solicited through an RFP as follows:
- (a) Public notice of the request for proposals shall be given at least 10 calendar days before the proposals are due.
  - (b) Submission of proposals. Proposals must be submitted in sealed envelopes. All proposals shall be handled so that the identity of the proposers and the contents of the proposals remain confidential during the process of negotiation. A register of proposals shall be prepared containing the name of each proposer, the number of modifications to a proposal received, if any, and a description sufficient to identify the item offered. The register of proposals shall be open for public inspection only after the conclusion of negotiations and award of a contract.
  - (c) Evaluation factors. The request for proposals shall state the relative importance of price and other evaluation factors.

- (d) Discussion with responsible proposers and revisions to proposals. As provided in the request for proposals, discussions may be conducted with responsible proposers who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and conformance to, the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of the identity of competing proposers or of any information derived from proposals submitted by competing proposers.
  - (e) Award. Award shall be made to the responsible proposer whose proposal is determined to be the most advantageous to the Village, taking into consideration price and the evaluation factors set forth in the request for proposals. The contract file shall contain the basis on which the award is made.
- C. Small purchases. A "small purchase" is defined as a single, complete purchase, the price of which is less than \$25,000. Any purchase or contract for purchase for which the total price is \$25,000 or more is not a small purchase and may not be classified as a small purchase merely by making the purchase in installments or by otherwise dividing the purchase. A small purchase may be made in accordance with the small purchase procedures authorized in this subsection.
- (1) Purchases greater than \$15,000 but less than \$25,000. Insofar as it is practical, the Village shall allow three business days for the submission of written quotations by vendors for purchases greater than \$15,000 but less than \$25,000. The Village Manager and Director of Finance shall approve the purchase from the vendor with the lowest responsive, responsible quotation that is in the best interest of the Village. Quotations shall be in writing and authenticated by an appropriate officer of the vendor. A quotation shall include, at a minimum, the name of the vendor, the date, the description of the items offered, and the total amount of the quotation. The quotation shall be made part of the purchase record.
  - (2) Purchases greater than \$5,000 but not more than \$15,000. Insofar as it is practical, the Village shall allow three business days for the submission of written quotations by vendors for purchases greater than \$5,000 but not more than \$15,000. The Village Manager and Director of Finance shall approve the purchase from the vendor with the lowest responsive, responsible quotation that is in the best interest of the Village. Quotations shall be in writing. A quotation shall include, at a minimum, the name of the vendor, the date, the description of the items offered, and the total amount of the quotation. The quotation shall be made part of the purchase record.
  - (3) Purchases not more than \$5,000. The Village Manager, with the advice of the Procurement Officer, shall adopt operational procedures for making purchases of \$5,000 or less. Those operational procedures shall provide for obtaining adequate and reasonable competition for the supply, service, or construction being purchased.

- D. Sole-source procurement. A contract which would otherwise require competitive bidding under this chapter or this Code may be awarded without competitive bidding when the Procurement Officer determines in writing submitted to the Village Manager, after conducting a good faith review of available sources, that one source for the required supply, service, or construction item is in the best interest of the Village. The Procurement Officer, or his/her designee, shall conduct negotiations as appropriate as to price, delivery, and terms. A record of sole-source procurements shall be maintained as a public record and shall list each contractor's name, the amount and type of each contract, a listing of the item(s) procured under each contract, and the identification number of each contract file. If a contract exceeds the established expenditure limit, then the Village Board must authorize the contract.
- E. Emergency procurements. Notwithstanding any other provisions of this chapter or this Code, the Village Manager may make, or authorize the Procurement Officer and others to make, emergency procurements of supplies, services, or construction items when there exists an immediate threat to public health, welfare, or safety. An emergency procurement must be made with as much competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file. As soon as practicable, a record of each emergency procurement shall be made, including the contractor's name, the amount and type of the contract, a listing of the items procured under the contract, and the identification number of the contract file.
- F. Pass-Through Contracts are contracts that are entered into by the Village, where Village obligations for payment pursuant to such contracts are paid entirely by other entities or persons. Except as may be required pursuant to the provisions of 65 ILCS 5/8-9-1, the Village Manager, or his/her designee, may award and execute all Pass-Through contracts, regardless of price, for supplies, equipment, services or construction which are funded entirely by non-Village entities or persons without the expenditure of Village funds or commitment to future Village funds, provided that prior to the execution of the a commitment for payment from the funding source is obtained through a funding agreement or a deposit and reimbursement agreement.
- G. Responsibility of bidders and proposers. If a bidder or proposer that otherwise would have been awarded a contract is found unresponsive or irresponsible (collectively "unqualified"), then the determination of "unqualified" shall be made in writing by the Procurement Officer, setting forth the basis for the finding. The failure of a bidder or proposer to supply information promptly in connection with an inquiry from the Village with respect to responsibility may be grounds for a determination of unqualified. The determination shall be made part of the contract file and be made a public record.
- H. Bid and performance bonds on supply or service contracts. Bid bonds, labor and materials payment bonds, and performance bonds or other security may be requested for supply contracts or service contracts as the Procurement Officer, in consultation with the appropriate department head or Village Manager, deems advisable to protect the Village's interests. All bonding requirements should be established in the bid or solicitation documents. Bid bonds, labor and materials payment bonds, and performance bonds or other

security may not be used as a substitute for a determination of a bidder or proposer's responsibility.

- I. Cancellation of invitations for bids or requests for proposals. The Village may cancel an invitation for bids, a request for proposals, or any other solicitation and may reject any or all bids or proposals in whole or in part, when that cancellation or rejection is in the best interests of the Village. The reasons for cancellation or rejection shall be made part of the contract file. Each bid issued or solicitation made by the Village should state that the bid or solicitation may be cancelled and that any bid or proposal may be rejected in whole or in part. The Village shall attempt to send notice of cancellation to all potential bidders or proposers. The Village shall provide the reason or reasons for cancellation or rejection at the request of an unsuccessful bidder or proposer.

#### **1-16-4. Types of contracts and contract administration.**

The Village may use any form or type of contract that is, in the Village's judgment, appropriate for the procurement and that will promote the best interests of the Village. Contracts are subject to the following conditions and limitations.

- A. Multi-term contracts.
  - (1) Specified term. Unless otherwise provided by law, a contract for supplies or services may be for any stated term determined by the Village. The term, and any renewal or extension options and the conditions of those options, must be included in the bid or solicitation documents. Funds for the term or any renewal or extension must be available prior to the commencement of the term, renewal, or extension.
  - (2) Cancellation due to unavailability of funds. When funds have not been appropriated or otherwise made available to pay the costs of performance for any term, renewal, or extension, then the contract must be allowed to expire or be cancelled.
- B. Multiple-source contracting. Multiple-source contract awards shall not be made when a single award will meet the Village's needs without sacrifice of economy or service. Multiple-source contracts shall not be made for the purpose of dividing the work or business, or for creating the opportunity for contract awards based on criteria not directly related to utility, economy, or the Village's best interests, or to avoid the resolution of tie bids. Any multiple-source contract awards that are made shall be limited to the least number of contractors necessary to meet the valid requirements.
- C. Right to inspect premises. The Village, at reasonable times, may inspect that part of the vendor's place of business or a contractor's or subcontractor's workplace that is pertinent to the supply of goods or performance of services or work for the Village under any contract, subcontract, or supply agreement.
- D. Reporting of anticompetitive practices. When for any reason the Village suspects the existence of collusion or other anticompetitive practice among any bidders or proposers, the Village shall notify the Office of the Illinois Attorney General and any other appropriate legal officer that would have jurisdiction over the matter.

E. Village procurement records.

- (1) Contract file. All determinations and other written records pertaining to the solicitation, award, or performance of a contract shall be maintained in a contract file.
- (2) Retention of procurement records. All procurement records shall be retained and disposed of by the Village in accordance with records retention guidelines and schedules approved by the State of Illinois.

**1-16-5. Specifications generally.**

All specifications shall be drafted so as to promote maximum value at the lowest cost, to promote overall economy for the purposes intended, and to encourage competition in satisfying the Village's needs. Specifications must not be unduly or unnecessarily restrictive. The standards stated in this section apply to all specifications, including without limitation specifications prepared on behalf of the Village by architects, engineers, designers, and draftsmen.

**1-16-6. Brand name or equal specifications.**

A. Brand name or equal specifications. Brand name or equal specifications may be used when the Procurement Officer determines that:

- (1) No other design or performance specification or qualified products list is available;
- (2) Time does not permit the preparation of another form of purchase description not including a brand name specification;
- (3) The nature of the product or the nature of the Village's requirements makes use of a brand name or equal specification suitable for the procurement; or
- (4) Use of a brand name or equal specification is in the Village's best interests.

B. Designation of several brand names. Brand name or equal specifications shall seek to designate as many different brands as are practicable, but at least three if possible, as "or equal" references and shall further state that substantially equivalent products to those designated will be considered for award.

C. Required characteristics. Unless the Procurement Officer determines that the essential characteristics of the brand names included in the specifications are commonly known in the industry or trade, the brand name or equal specifications shall include a description of the particular design, functional, or performance characteristics that are required.

D. Nonrestrictive use of brand name or equal specifications. When a brand name or equal specification is used in a solicitation, the solicitation shall contain explanatory language that the use of a brand name is for the purpose of describing the standard of quality, performance, and characteristics desired and is not intended to limit or restrict competition.

**1-16-7. Construction bidding and contracts.**

A. Definition. For purposes of this chapter, "construction" means the process of building, altering, repairing, improving, or demolishing any public infrastructure facility, including

without limitation any public structure, building, or other improvement of any kind to real property. Construction does not include routine operation, routine repair, or routine maintenance of an existing infrastructure facility.

- B. Method of construction contract management. The Procurement Officer, in consultation with the appropriate department head and the Village Manager, as appropriate, shall have discretion to select the appropriate method of construction contract management for a particular project. In determining which method to use, the Procurement Officer shall consider the Village's requirements, its resources, and the potential contractor's capabilities.
- C. Bid security. A bid security shall be required for all competitively bid construction contracts, in accordance with applicable state law. The bid security shall be a bond provided by a surety company authorized to do business in the state, or the equivalent in cash, or otherwise supplied in a form satisfactory to the Village. The bid bond must meet the following standards:
  - (1) Amount. The bid bond shall be in an amount adequate to provide guarantee, that the winning bidder will undertake the contract under the terms at which they bid..
  - (2) Payment on bond. The bidding documents must provide the circumstances under which the Village may take action against the bond due to material noncompliance of the bidder with the bid requirements.
  - (3) Withdrawal of bid. When a bidder withdraws its bid before award as provided in this Code, no action will be taken against the bidder or the bid bond.
  - (4) Performance and labor and materials payment bonds. When a construction contract is awarded in excess of \$25,000, the following bonds or security shall be delivered to the Village and shall become binding on the parties upon the execution of the contract:
    - (a) A letter of credit or performance bond in a form provided by or otherwise satisfactory to the Village, executed by a surety company authorized to do business in the state or otherwise secured in a manner satisfactory to the Village, in an amount equal to 100% of the price specified in the contract; and
    - (b) A letter of credit or labor and materials payment bond in a form provided by or otherwise satisfactory to the Village, executed by a surety company authorized to do business in the state or otherwise secured in manner satisfactory to the Village, for the protection of all persons supplying labor and materials to the contractor or its subcontractors for the performance of the work provided for in the contract. The bond shall be in an amount equal to 100% of the price specified in the contract.
  - (5) Authority to require additional bonds. Nothing in this section shall be construed to limit the authority of the Procurement Officer to require a performance bond or other security in addition to the bonds stated in this subsection, or in circumstances other than those specified in this section.
  - (6) Copies of letter of credit and bond forms. Any person may request and obtain from the

Village a certified copy of a letter of credit or bond upon payment of the cost of reproduction of the letter of credit or bond and postage, if any. A certified copy of a letter of credit or bond shall be prima facie evidence of the contents, execution, and delivery of the original.

- (7) Suits on labor and materials payment bonds. Unless otherwise provided by law, any person who has furnished labor or materials to a contractor or subcontractor for the work provided in the contract, for which a bond is furnished under this section, and who has not been paid in full within 90 days after the date on which that person performed the last of the labor or supplied the material, shall have the right to sue on the bond for any amount unpaid at the time the suit is instituted and to prosecute the action for the amount due that person. However, any person having a contract with a subcontractor of the contractor, but no express or implied contract with the contractor furnishing the bond, shall have a right of action upon the payment bond upon giving written notice to the contractor within 90 days after the date on which that person performed the last of the labor or supplied the material. That person shall state in the notice the amount claimed and the name of the party to whom the material was supplied or for whom the labor was performed. The notice shall be served personally or by registered or certified mail, postage prepaid, in an envelope addressed to the contractor at any place the contractor maintains an office or conducts business.

**1-16-8. Procurement of architect, engineer, and land surveying services.**

As a Home Rule unit, the Village is not required to adhere to the requirements of the Illinois Local Government Professional Services Selection Act (50 ILCS 510) when hiring an architect, engineer, or land surveyor. Nevertheless, the Village generally will apply the standards of that Act, except that the Village always will consider cost as a selection factor, unless otherwise required by law, and the Village may choose not to use a formal selection process for architectural, engineering, or land surveying services less than \$25,000. When the Village does solicit such services, then the Village must solicit proposals and adhere to the following requirements:

- A. Public notice; The Village must place an advertisement in a daily newspaper of general circulation throughout the Village, requesting a statement of interest in the specific project and further requesting statements of qualifications. Such advertisement shall state the day, hour and place the statement of interest and the statements of qualifications and performance data shall be due.
- B. Selection procedure. The Village then must evaluate the firms submitting letters of interest, taking into account qualifications, ability of professional personnel, past record and experience, performance data on file, willingness to meet time and budget requirements, location, workload of the firm, and such other factors as the Village may determine in writing are applicable. The Village may conduct discussions with and require presentations by firms deemed to be the most qualified regarding their qualifications, approach to the project and ability to furnish the required services.
- C. Selection. On the basis of evaluations, discussions and presentations, the Village shall select no fewer than three firms which it determines to be the most qualified to provide services

for the project and rank them in order of qualifications to provide services regarding the specific project. The Village shall then contact the firm ranked most preferred and attempt to negotiate a contract at a fair and reasonable compensation, taking into account the estimated value, scope, complexity, and professional nature of the services to be rendered. If fewer than three firms submit letters of interest and the Village determines that one or both of those firms are so qualified, the Village may proceed to negotiate a contract.

D. Contract negotiation.

- (1) The Village shall prepare a written description of the scope of the proposed services to be used as a basis for negotiations and shall negotiate a contract with the highest qualified firm at compensation the Village determines in writing to be fair and reasonable. In making this decision, the Village shall take into account the estimated value, scope, complexity, and professional nature of the services to be rendered.
- (2) If the Village is unable to negotiate a contract with the preferred firm, negotiations with that firm shall be terminated. The Village shall then begin negotiations with the firm that is next preferred. If the Village is unable to negotiate a contract with that firm, negotiations with that firm shall be terminated. The Village shall then begin negotiations with the firm that is next preferred.
- (3) If the Village is unable to negotiate a satisfactory contract with any of the selected firms, it shall reevaluate the architectural, engineering, or land surveying services requested, including the estimated value, scope, and complexity and fee requirements. The Village shall then compile a second list of not less than three qualified firms and proceed in accordance with these procedures.

E. Federally funded projects. As part of the process for consultant selection for federally funded projects, the Village will follow all applicable federal requirements.

**1-16-9. Legal services.**

The following procedures and requirements shall apply to any contracts for legal services.

- A. Only the Village Manager is authorized to secure legal services. Any department head that desires such legal services shall submit a request to the Procurement Officer for those legal services.
- B. The Procurement Officer will make a recommendation to the Village Manager, who may determine to enter into an agreement for legal services so long as funding is available in the current fiscal year budget.

**1-16-10. Cooperative purchasing.**

- A. Authorization. The Village shall endeavor to use joint or cooperative purchasing whenever favorable prices can be obtained for required goods and services. The Village Manager and Director of Finance are authorized to issue a purchase order or contract when the funds for that purchase order or contract have been previously budgeted and appropriated by the Village Board, using the applicable process and standards set forth in this chapter.



- C. Intergovernmental agreements. The Procurement Officer may participate in, sponsor, conduct, or administer cooperative purchasing of supplies, services, or construction with one or more units of local government in accordance with an agreement entered into by the participants. Such cooperative purchasing may include, without limitation, joint or multi-party contracts between public procurement units and open-ended public procurement unit contracts that are made available to other units of local government.

**1-16-11. Contract funding.**

Neither the Village Manager nor the Director of Finance may approve or enter into any purchase order, contract, or other obligation unless sufficient funds have been budgeted and allocated to that purchase order, contract, or other obligation in an amount sufficient to pay all required amounts.

**1-16-12. Assignment of contracts.**

No purchase order, contract, or other obligation between the Village and a vendor, services provider, or contractor shall be assignable or transferable in any manner by the vendor, services provider, or contractor without the written consent of the Village Manager.

**1-16-13. Use of electronic transmissions.**

The Village Manager, Director of Finance, and Procurement Officer, and their designees, may use e-mail and other electronic media in the procurement processes authorized in this chapter, including without limitation for electronic signatures, consistent with applicable law and subject to the condition that the Village Manager shall establish a standard protocol for use of electronic media, including such matters as:

- A. Appropriate security to protect against unauthorized access to information or processes; and
- B. The prompt provision of original documents when appropriate, such as signature pages, insurance documents, performance security, and similar matters.

**1-16-14. Claims relating to solicitations.**

- A. Claims. Any bidder, proposer, or vendor (claimant) that has a protest, dispute, or other claim (collectively a "claim") about a matter related to a Village bidding process, Village RFP process, or other form of Village solicitation may file a written notice of claim with the Procurement Officer within 10 days after the claimant knows or should have known of the facts giving rise to the claim. That notice of claim must (1) identify the particular transaction or process at issue, (2) include a detailed statement of the claim, and (3) provide all relevant facts and circumstances related to the claim, including without limitation dates, entities and persons involved, communications, and documents. The notice of claim must state whether the claimant desires to meet with the Procurement Officer regarding the claim.
- B. Meeting with Procurement Officer. If the claimant requests a meeting with the Procurement Officer regarding the claim, then the Procurement Officer shall promptly schedule and conduct that meeting.
- C. Procurement officer report and recommendation. If no meeting is requested or if the claim is not resolved during the requested meeting between the claimant and Procurement Officer,

then within 10 days after the filing of the claim or after the conclusion of the requested meeting, whichever is later, the Procurement Officer shall prepare a written report and recommendation regarding the claim for review and decision of the Village Manager.

- D. Decision by Village Manager. The Village Manager shall issue a written decision on a claim within 10 days after receipt of the Procurement Officer's report and recommendation. The Village Manager may accept the Procurement Officer's recommendation or make any other decision on the claim as the Village Manager determines is proper. The decision of the Village Manager will be final.

#### **1-16-15. Suspensions.**

- A. Authority to suspend. The Procurement Officer, with the approval of the Village Manager, may suspend a vendor, services provider, contractor, or other person (collectively, "contractor") for cause from eligibility to receive a purchase order, contract, or other order or agreement from the Village for any period of time up to three years. Prior to making a decision to suspend, the Procurement Officer must give reasonable notice to the contractor and a reasonable opportunity for the contractor to be heard by the Procurement Officer. The Procurement Officer's decision shall be in writing and shall include the causes for the suspension, the time period of the suspension, and other relevant matters. The Procurement Officer shall promptly provide a copy of the decision to the contractor.
- B. Causes. The causes for suspension include the following:
- (1) Conviction of the contractor for commission of a criminal offense related to obtaining or attempting to obtain any contract or subcontract, whether public or private, or relating to the performance of a contract or subcontract.
  - (2) Conviction of the contractor under any state or federal statute of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty.
  - (3) Conviction of the contractor under any state or federal antitrust statute arising out of the submission of bids or proposals.
  - (4) One or more contractor violations of contract provisions of a character that are regarded by the Procurement Officer or Village Manager to be so serious as to justify suspension. Examples of such violations are, but are not limited to:
    - (a) A deliberate failure to perform in accordance with the terms or specifications provided in the contract.
    - (b) Repeated failures to perform, or repeated instances of unsatisfactory performance, without satisfactory excuse or mitigating circumstances.
  - (5) Suspension or debarment by another governmental agency.
  - (6) Any other cause the Procurement Officer or Village Manager determines to be so serious and compelling as to affect responsibility as a contractor.

- (7) Violation by the contractor of an ethical standard related to contracts, contracting, or construction.
- C. Appeal. A contractor may appeal a suspension by filing a written notice of appeal in the office of the Village Clerk within five days. The notice of appeal must state each position and reason of the contractor in support of the appeal. The Village Board shall consider the appeal and, considering all of the facts, circumstances, and decision of the Procurement Officer, shall deny the appeal, grant the appeal, or grant such other relief as the Village Board determines is appropriate. The Village Board, as part of its decision, may decrease or increase the length of any suspension. The Village Board shall memorialize its decision in writing and promptly provide a copy of its decision to the contractor. The decision of the Village Board is final.

#### **1-16-16. Ethical standards.**

##### **A. General standards of ethical conduct.**

- (1) General ethical standard for employees. Any attempt to realize personal gain through public employment by conduct inconsistent with the proper discharge of a Village employee's duties is a violation of this code.
- (2) General ethical standard for nonemployees. Any effort to influence any Village employee to breach the standards of ethical conduct set forth in this code is a violation of this code.

##### **B. Employee conflict of interest.**

- (1) Conflict of interest. It is a violation of this Code for any employee to participate directly or indirectly in procurement when the employee has an ownership, employment, prospective employment, or family interest pertaining to the procurement.
- (2) Disclosure by employees. On discovery of an actual or potential conflict of interest, an employee shall promptly file a written disclosure with the Procurement Officer and shall withdraw from further participation in the transaction involved.
- (3) Disclosure by public official. On discovery of an actual or potential conflict of interest, a public official shall promptly disclose the conflict and shall withdraw from participation in the decision-making process.

##### **C. Gratuities. It shall be violation of this chapter for any person to offer, give, or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory role in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor.**

- D. Kickbacks. It shall be a violation of this chapter for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.
- E. Influence peddling. It shall be a violation of this chapter for a person to be retained, or to retain a person, to solicit or secure a Village contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business, which relationship shall be disclosed in any attempt to solicit or secure a Village contract.
- F. Use of confidential information. It shall be a violation of this article for any employee or former employee knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.
- G. Remedies against employees. In addition to existing remedies for breach by an employee of the ethical standards of this Code, the Village may impose any one or more of the following:
  - (1) Oral or written warnings or reprimands;
  - (2) Suspension with or without pay for specified periods of time; and
  - (3) Termination of employment.
- H. Remedies against nonemployees. In addition to existing remedies for violations of this article by a nonemployee, the Village may impose any one or more of the following:
  - (1) Written warnings or reprimands;
  - (2) Termination of transactions; and
  - (3) A suspension under this chapter.
- I. Recovery of value transferred or received in violation of this chapter.
  - (1) General provisions. The value of anything transferred or received in violation of this chapter by an employee or a nonemployee may be recovered from both the employee and nonemployee.
  - (2) Recovery of kickbacks. Upon a showing that a subcontractor made a kickback to a prime contractor or a higher tier subcontractor in connection with the award of a subcontract or order thereunder, it shall be conclusively presumed that the amount thereof was included in the price of the subcontract or order and ultimately borne by the Village and will be recoverable by the Village from the recipient. In addition, the amount may separately be recovered from the subcontractor making the kickback. The Village's recovery from one offending party shall not preclude the Village from recovery

from other offending parties.”

SECTION 2:

All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

SECTION 3:

This Ordinance shall be in full force and effect from and after its adoption and publication in pamphlet form as provided by law.

SECTION 4:

The Village Clerk be and hereby is authorized and directed to publish this Ordinance in pamphlet form.

## **REQUEST FOR ACTION REPORT**

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File Number:	<b>2020-0238</b>
Orig. Department:	<b>Village Manager</b>
File Name:	<b>A Resolution Authorizing the Village Manger to Execute Agreement to Participate in Cooperative Purchasing</b>

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### **BACKGROUND:**

The COVID-19 outbreak has presented unprecedented challenges. In an effort to assist local commerce that does business with the Village, a Cooperative Purchasing Resolution is being proposed.

#### Cooperative Purchasing:

The primary role of public procurement is to obtain quality goods and services to support effective and efficient government while ensuring the prudent use of public funds.

Effective public procurement adds value to government purchasing by:

- Providing efficient delivery of products and services;
- Obtaining best value through competition;
- Offering fair and equitable competitive contracting opportunities for suppliers; and
- Maintaining public confidence through ethical and transparent procurement practices.

Cooperative contracts are increasingly popular at the federal, state, and local levels. Cooperative purchasing is popular because it can save significant time and money in contract production as well as lower contract prices through the power of aggregation.

In simple terms, cooperative purchasing involves sharing procurement contracts between governments. The Government Contract Reference Book defines cooperative purchasing as two or more governments purchasing under the same contract. The ABA Model Procurement Code for State and Local Governments definition is more expansive: "Cooperative Purchasing means procurement conducted by, or on behalf of, one or more Public Procurement Units, as defined in this Code." Under this definition, one could construe state central procurement programs, many of which date back nearly 100 years, as the first form of cooperative purchasing.

In addition to the common concept of two or more governments sharing procurement contracts, cooperative purchasing may also include shared procurement programs and resources, including advice and assistance. The Illinois Intergovernmental Cooperation Act authorizes cooperative purchasing in Illinois (5 ILCS 220).

The attached Resolution would allow participation in the following cooperative agreements:

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- Cooperative Purchasing through the U.S. Government's General Services Administration
  - Sourcewell
  - HGACBuy
  - U.S. Communities Government Purchasing Alliance
  - National Intergovernmental Purchasing Alliance
  - NASPO ValuePoint Cooperative Purchasing Organization (NASPO ValuePoint)
  - The Cooperative Purchasing Network
  - National Cooperative Purchasing Alliance
  - The State of Illinois Joint Purchasing Program
  - Suburban Purchasing Cooperative
  - The Midwestern Higher Education Compact (MHEC)
  - The Interlocal Purchasing System (TIPS)
  - National Purchasing Partners (NPPGov)
  - Purchasing Cooperative of America
  - 1Government Procurement Alliance
  - National Purchasing Cooperative, d/b/a National BuyBoard (BuyBoard)

**BUDGET IMPACT:**

**REQUESTED ACTION:**

I move to pass Resolution 2005 entitled: A Resolution Authorizing the Village Manager to Execute Agreement to Participate in Cooperative Purchasing.

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## RESOLUTION

WHEREAS, cooperative purchasing can be of great benefit to the Village of Orland Park by achieving lower bids for services, supplies, or work through aggregation with other purchasers; and

WHEREAS, cooperative purchasing has been demonstrated to be an effective tool to help local officials save taxpayer dollars; and

WHEREAS, cooperative purchasing often represents a viable alternative to a conventional bidding process in which a single public entity undertakes the process by itself for only its own needs.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, as follows:

SECTION 1: The Village Manager is hereby authorized to enroll in and execute agreements on behalf of the Village of Orland Park as a participant in the following cooperative purchasing programs and is hereby designated to act as the contact person in all matters related to said cooperative purchasing programs, including the designation of specific contracts in which the Village of Orland Park desires to participate:

- Cooperative Purchasing through the U.S. Government's General Services Administration
- Sourcewell
- HGACBuy
- U.S. Communities Government Purchasing Alliance
- National Intergovernmental Purchasing Alliance
- NASPO ValuePoint Cooperative Purchasing Organization (NASPO ValuePoint)
- The Cooperative Purchasing Network
- National Cooperative Purchasing Alliance
- The State of Illinois Joint Purchasing Program
- Suburban Purchasing Cooperative
- The Midwestern Higher Education Compact (MHEC)
- Municipal Partnering Initiative (MPI)
- The Interlocal Purchasing System (TIPS)
- National Purchasing Partners (NPPGov)
- Purchasing Cooperative of America (PCA)
- 1Government Procurement Alliance (1GPA)
- National Purchasing Cooperative, d/b/a National BuyBoard (BuyBoard)



SECTION 2: All resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, expressly hereby repealed.

SECTION 3: This Resolution shall be in full force and effect upon its passage.