



240 S. Route 59
Bartlett, Illinois 60103

Meeting of Township Board
October 5, 2010
7:00 PM

A G E N D A

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Town Hall (Public Comments)
- V. Supervisor's Report
- VI. Clerk's Report
 - A. Approve Special Meeting Minutes of September 20, 2010 at 6:45 p.m.
 - B. Approve Special Meeting Minutes of September 20, 2010 at 7:00 p.m.
- VII. Highway Commissioner's Report
- VIII. Assessor's Report
- IX. Trustee Liaisons' Committee Reports
- X. Treasurer's Report
- XI. Bill Paying
- XII. Unfinished Business
- XIII. New Business
 - A. Resolution to Include Compensation Paid Under a Retirement Health Savings Plan as IMRF Earnings
 - B. Resolution to Approve Auditing Firm Proposal
 - C. Resolution to Approve Architect Proposal (Food Pantry renovations)
- XIV. Executive Session
- XV. Other Business
- XVI. Adjournment

MISSION STATEMENT

Hanover Township is committed to providing an array of quality, cost effective, community based services; and to acting as a dynamic and responsive organization that delivers services in a responsible and respectful manner.

Hanover Township
Board Audit Report
From 9/21/10 to 10/5/10

Total Town Fund	47,328.11
Total Senior Center	10,043.93
Total Welfare Services	5,052.49
Total Road and Bridge	8,680.39
Total Mental Health Board	22,007.96
Total Retirement	
Total Vehicle	
Total Capital	15,102.34
Total All Funds	<u><u>108,215.22</u></u>

The above has been approved for payment this 5th day of October 2010.

Supervisor

Town Clerk

Trustee

Trustee

Trustee

Trustee

RESOLUTION

Number 0504102 Amended

WHEREAS, standard member earnings reportable to the Illinois Municipal Retirement Fund may not include certain forms of compensation directed into a Retirement Health Savings Plan; and

WHEREAS, the governing body of an IMRF participating unit of government may elect to include in IMRF earnings all compensation directed into a Retirement Health Savings Plan; and

WHEREAS, the _____ Board _____ of the
BOARD, COUNCIL, etc.

_____ Township of Hanover _____ is authorized to include
EMPLOYER NAME
compensation directed into a Retirement Health Savings Plan as earnings reportable to IMRF and it is desirable that it do so.

NOW THEREFORE BE IT RESOLVED that the _____ Board _____ of the
BOARD, COUNCIL, etc.

_____ Township of Hanover _____ does hereby elect to
EMPLOYER NAME

include as earnings reportable to IMRF compensation directed into a Retirement Health Savings Plan

effective June 1, 2007 .
EFFECTIVE DATE

BE IT FURTHER RESOLVED that the _____ Township Clerk _____ is authorized and directed
CLERK OR SECRETARY OF THE BOARD

to file a duly certified copy of this resolution with the Illinois Municipal Retirement Fund.

CERTIFICATION

I, Katy Dolan Baumer, the _____ Clerk _____
NAME CLERK OR SECRETARY

of the _____ Township of Hanover _____ of the County of _____ Cook _____,
EMPLOYER NAME COUNTY

State of Illinois, do hereby certify that I am keeper of its books and records and that the foregoing is a true and correct copy

of a resolution duly adopted by its _____ Township Board of Trustees _____ at a meeting duly convened
GOVERNING BODY

and held on the 5th day of October, 2010.

SEAL

CLERK OR SECRETARY OF THE BOARD

Illinois Municipal Retirement Fund

Suite 500, 2211 York Road, Oak Brook Illinois 60523-2337
Service Representatives 1-800-ASK-IMRF (1-800-275-4673)

www.imrf.org

HANOVER TOWNSHIP
PROPOSAL FOR AUDIT SERVICES
FOR THE YEAR ENDED MARCH 31, 2010



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SECTION I

INTRODUCTION AND SERVICES



September 20, 2010

Board of Trustees
C/o Mr. James C. Barr, MPA, SPHR
Administrator
Hanover Township
250 S. Route 59
Bartlett, IL 60103

Dear Board Members:

Thank you for the opportunity to submit a proposal for the audit of Hanover Township for the year ending March 31, 2010.

Our Firm

McClure, Inserra & Company, Chartered is a CPA firm dedicated to quality and customer service. Unlike most local certified public accounting firms, a large portion of our practice consists of audits of local governmental units. The principals and senior manager have come out of the audit environment of national public accounting firms and continue to develop the audit practice segment. Since our inception in 1980, governmental audits have been an area of specialization. Our commitment to quality has been confirmed by the fact that on our previous seven peer reviews we received an unqualified report with no letter of comment. Very few firms have achieved this level of distinction.

Services Provided

- We anticipate Judy Walther, CPA and Joe Vlach, CPA will perform the audit with overall supervision by Chris McClure, CPA. We plan to begin the audit in October and complete it in December 2010.
- A management letter will be provided if we note any material weaknesses or significant deficiencies in your system of internal control. Additionally, we may comment on other accounting or administrative matters of note we find during the audit.
- We will submit a draft of the audited financial statements and other reports to management and other interested parties, so that you may review them prior to the final version.
- We are available to meet with the Board of Trustees to discuss the results of the audit should you desire us to do so.
- We will provide free telephone consultations and e-mail correspondence throughout the year should you have any accounting or internal control questions.

Services and Fees

Our fee proposal is to perform the March 31, 2010 audit of the Township for an investment of \$11,900. This amount includes all out-of-pocket expenses, travel costs, report production and preparation of the Annual Financial Report. This amount anticipates all significant journal entries have been prepared and posted and the requested schedules provided to us are accurate and timely. Should fraud or other irregularities be encountered we would need to increase the scope of work performed and would discuss with you any required fee increase.

Summary

By choosing McClure, Inserra & Company, Chartered you will have made the right choice because:

1. We are specialists in the area of local governmental auditing and accounting; as such, the procedures we perform and the report we produce will meet the requirements of users and reviewers of the audit.
2. You will be working with experienced professionals. The auditors assigned to Hanover Township currently work on several audits of governmental districts and have done so for many years. Their experience will make the audit go smoothly, as well as provide you with valuable insight on any accounting or internal control questions that may arise.
3. Due to our low employee turnover, you will generally be serviced by the same personnel from year-to-year. There will be no need to "train" new auditors every year or two, and the advice you receive will be from professionals intimately familiar with your organization.
4. You will be serviced by a firm dedicated to quality, especially in the governmental area of auditing. We have received the highest results from our past seven peer reviews. We have been committed to the governmental field since our inception, and have devoted substantial resources in terms of training, technology and personnel to keep current in this area.
5. Free telephone consultations throughout the year will provide you with easy access to accounting and internal control answers with no concern about professional fees.
6. You are important to us. Your size and your industry are our "bread and butter." Therefore, we would do everything in our power to service you and nurture a mutually beneficial relationship.

Thank you for considering McClure, Inserra and Company. We would be pleased to discuss this further if you have any questions.

Sincerely,



Chris McClure, Principal



September 20, 2010

Board of Trustees
c/o Mr. James Barr, Administrator
Hanover Township
250 S. Route 59
Bartlett, IL 60103

Dear Board Members:

We are pleased to confirm our understanding of the services we are to provide Hanover Township. We will audit the financial statements of Hanover Township as of and for the year ended March 31, 2010. We will provide in-relation-to audit coverage on any supplementary financial information. In addition, we will apply certain limited procedures to the required supplementary information.

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole. Our audit will be conducted in accordance with generally accepted auditing standards and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statements, and related notes and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Hanover Township and the respective changes in financial position in conformity with the modified cash basis of accounting.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

Should you request it, we will assist you in drafting the Management Discussion & Analysis which will be included in the audited financial statement package. We will ask you to review and approve that document prior to finalizing the audit.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is

limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Northbrook Public Library's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any invoices selected by us for testing. The fee estimate is based on the premise that your personnel will be instructed to provide us with assistance in the preparation of various schedules, which we will request prior to our arrival. This will enable us to spend a minimum amount of time performing clerical tasks and thus concentrate strictly on audit functions. You recognize that and acknowledge that the failure of Library personnel to provide such information on a timely basis will delay our completion of the engagement and increase our fees and costs.

We expect to begin our audit in October 2010 and issue our report in December 2010. Chris McClure is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fees for these services will be based on actual hours spent at our standard hourly rates plus travel and other out-of-pocket costs such as report production, typing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are

payable on presentation. Based on our estimates, the fee will be \$11,900 for the audit. These estimates are based on fully adjusted books, except for the final real estate tax adjustment, and anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you prior to billing. If additional services are requested, we will charge for those based on our normal hourly rates.

We appreciate the opportunity to be of service to Hanover Township and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Sincerely,



McClure, Inserra & Company, Chartered

RESPONSE:

This letter correctly sets forth the understanding of Hanover Township.

By: _____

Title: _____

Date: _____

SECTION III

RÉSUMÉS

AND

CLIENT REFERENCES

RÉSUMÉS

CHRISTIAN N. MCCLURE PRINCIPAL

Experience/Education: CPA Certificate
Over 25 years in public accounting, including national firm
experience
Bachelor of Science in Accounting

Areas of Expertise: Governmental Districts
Nonprofit Organizations
Peer Reviews
QuickBooks Consulting
Tax Planning/Preparation
Service Industries

Affiliations: ICPAS Ethics Committee
Illinois CPA Society
American Institute of Certified Public Accountants
Arlington Heights Chamber of Commerce

JUDY A. WALTHER SENIOR AUDIT MANAGER

Experience/Education: CPA Certificate
25+ years in public and private accounting including national firm
experience
Bachelor of Science in Accounting

Industry Concentrations: Governmental Districts
Nonprofit Organizations
Credit Unions
Construction Contractors
Service Industries
Peer Reviews
Tax Planning/Preparation

Affiliations: Illinois CPA Society
American Institute of Certified Public Accountants

RÉSUMÉS - Continued

JOSEPH VLACH, CPA
SUPERVISOR

Experience/Education: CPA Certificate
25+ years in public and private accounting
Nine years as Business Manager for a Library District
Bachelor of Science in Accounting
Masters in Accounting and Financial Management

Areas of Expertise: Governmental Districts
Nonprofit Organizations
QuickBooks Pro-Advisor

Affiliations: Illinois CPA Society
American Institute of Certified Public Accountants

REFERENCES

Wheeling Township

1600 N. Arlington Heights Road
Arlington Heights, Illinois 60004
Mr. Michael Schroeder, Supervisor
(847) 259-7730

North Shore Mosquito Abatement District

117 Hanover Road
Northfield, Illinois 60093
Mr. Robert Berry, Superintendent
(847) 446-9434

Northwest Mosquito Abatement District

147 West Hintz Road
Wheeling, Illinois 60090
Mr. Michael Szyska, Director
(847) 537-2306

Fremont Public Library District

1170 N. Midlothian Road
Mundelein, Illinois 60060
Mr. Scott Davis, Director
(847) 566-8702

Bartlett Public Library District

250 S. Route 59
Bartlett, Illinois 60026
Mr. Todd Morning, Library Director
(630) 837-2855

Barrington Public Library District

505 North Northwest Highway
Barrington, Illinois 60010
Mr. Detlev Pansch, Executive Director
(847) 382-1300

Wauconda Area Public Library District

801 North Main Street
Wauconda, Illinois 60084
Mr. Thomas J. Kern, Director
(847) 526-6225

REFERENCES (Continued)

Ela Area Public Library District

275 Mohawk Trail
Lake Zurich, Illinois 60047
Ms. Mary Beth Campe, Director
(847) 438-3433

Dundee Township Public Library District

555 Barrington Avenue
Dundee, Illinois 60118-1946
Ms. Roxane E. Bennett, Director
(847) 428-3661

La Grange Park Public Library District

555 N. LaGrange Rd.
LaGrange Park, Illinois 60526
Ms. Dixie Conkis, Executive Director
(708) 352-0100

Northlake Public Library District

231 North Wolf Road
Northlake, Illinois 60164
Ms. Sharon Highler, Director
(708) 562-2301

Huntley Area Public Library District

11000 Ruth Road
Huntley, Illinois 60142
Mr. Patrick McDonald, Director
(847) 669-5386

Roselle Public Library District

40 South Park Street
Roselle, Illinois 60172
Ms. Amy Cawley, Director
(630) 529-1641

SECTION IV

PEER REVIEW REPORTS



MUELLER & CO., LLP
MUELLER CONSULTING, LLC

2230 Point Blvd., Suite 700 ■ Elgin, Illinois 60123
847.888.8600 Fax: 847.888.0635 www.MuellerCPA.com

SYSTEM REVIEW REPORT

To the Shareholders
McClure, Inserra & Co., Chartered
and the Peer Review Committee of the Illinois CPA Society

We have reviewed the system of quality control for the accounting and auditing practice of McClure, Inserra & Co., Chartered (the firm) in effect for the year ended October 31, 2009. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included an audit of an employee benefit plan.

In our opinion the system of quality control for the accounting and auditing practice of McClure, Inserra & Co., Chartered in effect for the year ended October 31, 2009, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. McClure, Inserra & Co., Chartered has received a peer review rating of pass.

Mueller & Co., LLP

Elgin, Illinois
December 22, 2009

A I C P A
PEER REVIEW PROGRAM

is proud to present this

Certificate of Recognition

to

MCCLURE, INSERRA & COMPANY, CHTD.

For having a system of quality control for its accounting and auditing practice in effect for the year ended October 31, 2009 which has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and which was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.



A handwritten signature in black ink, appearing to read "G. William Graham".

G. William Graham, *Chair*
AICPA Peer Review Board
2009

RESOLUTION _____

**A RESOLUTION APPROVING
OF A PROPOSAL FOR AUDIT SERVICES BETWEEN
HANOVER TOWNSHIP AND MCCLURE, INSERRA & COMPANY, CHARTERED**

BE IT RESOLVED by the Supervisor and Board of Town Trustees (the "Board") of Hanover Township, Cook County, Illinois, as follows:

SECTION ONE: That the Proposal for Audit Services for the fiscal year ended March 31, 2010, between Hanover Township and McClure, Inserra & Company, Chartered dated September 20, 2010 (the "Proposal"), a copy of which is appended hereto and expressly incorporated herein by this reference, is hereby approved subject to approval by the Township Administrator and Township attorney.

SECTION TWO: The Township Supervisor of Hanover Township is authorized to sign the Proposal on behalf of the Township.

SECTION THREE: SEVERABILITY. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION FOUR: REPEAL OF PRIOR RESOLUTIONS. All prior Ordinances and Resolutions in conflict or inconsistent herewith are hereby expressly repealed only to the extent of such conflict or inconsistency.

SECTION FIVE: EFFECTIVE DATE. This Resolution shall be in full force and effect upon its passage and approval.

ROLL CALL VOTE:

AYES:

NAYS:

ABSENT:

PASSED: October 5, 2010

APPROVED: October 5, 2010

Brian P. McGuire, Township Supervisor

ATTEST:

Katy Dolan Baumer, Township Clerk

CERTIFICATION

I, the undersigned, do hereby certify that I am the Township Clerk of Hanover Township, Cook County, Illinois, and that the foregoing is a true, complete and exact copy of Resolution _____, enacted on October 5, 2010, and approved on October 5, 2010, as the same appears from the official records of Hanover Township.

Katy Dolan Baumer, Township Clerk



**CORPORATE
DESIGN + DEVELOPMENT
GROUP, LLC**

2675 Pratum Avenue
Hoffman Estates, IL 60192
224.293.6960 Office
224.293.6966 Fax

September 15, 2010

**Hanover Township
250 S. Route 59
Bartlett, IL. 60103-1648**

ATTN: Mr. James Barr

**RE: Hanover Township
Food Pantry Renovations**

Dear Mr. Spejcher

Thank you for the opportunity to present this proposal for your renovation project.

UNDERSTANDING OF PROJECT

Per our meeting, the project is to consist of renovating the vestibule, receiving area and community room, reconfiguration of offices to provide 5 office spaces, reconfiguration of restrooms, kitchen, pantry distribution room and addition of an attached garage for storage of food-pantry vehicles. This project also includes limited site improvements including landscaping and parking.

The proposed services at this time include: 1. Provide zoning services 2. Provide construction documents 3. Provide permitting services

Hanover Township
Food Pantry Renovation

SCOPE OF SERVICES

The Scope of Services includes the following Tasks:

TASK 102E - FIELD MEASUREMENTS - MEP

This Task includes time required for a mechanical, electrical and plumbing (MEP) engineering to visit the site and document existing conditions as required to prepare the MEP construction documents.

TASK 102E - FIELD MEASUREMENTS - MEP \$ 1,000.00

TASK 103 - SURVEY

This Task includes the fieldwork necessary to verify and/or measure existing conditions, including but not limited to boundary lines, grades, utilities, easements, etc. This Task will be centered on the areas of work necessary to accomplish the requested engineering and will be presented on the site engineering plans. A certified Plat of Survey with review of title report will be provided under this Task, title report to be provided by the client.

TASK 103 - SURVEY \$ 2,840.00

TASK 104B - SCHEMATIC DESIGN - EXTERIOR ELEVATIONS

This Task will provide preliminary exterior elevations. North, east and west elevations will be provided.

TASK 104B - SCHEMATIC DESIGN - ELEVATIONS \$ 800.00

TASK 105 - ZONING

This Task includes zoning support services based upon the client's requirements including attending up to four (4) meetings such as public hearings, staff meetings and Village board meetings. This Task also includes making public notice such as neighbor notifications and sign postings.

TASK 105 - ZONING \$ 3,000.00

Hanover Township
Food Pantry Renovation

TASK 117 – PERMITTING

This Task includes applying for and following through until receipt of permits. It is anticipated that such permits, as the Municipality, fire department and health department will be required. Permit fees are excluded from this agreement.

TASK 117 – PERMITTING	\$ 2,000.00
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FEE PROPOSAL

We propose to provide the Scope of Services defined above on a fixed fee basis as indicated below.

TASK 102E – FIELD MEASUREMENTS – MEP	\$1,000.00
TASK 103 – SURVEY	\$2,840.00
TASK 104B – SCHEMATIC DESIGN – EXT. ELEVATIONS	\$800.00
TASK 105 – ZONING	\$3,000.00
TASK 107B – RENDERINGS – 3D COLOR	\$400.00
TASK 110 – PHOTOMETRICS	\$200.00
TASK 111 – LANDSCAPING	\$950.00
TASK 115A – CONST. DOCS. – ARCHITECTURAL	\$4,800.00
TASK 115B – CONST. DOCS. – MEP	\$4,500.00
TASK 115C – CONST. DOCS – STRUCTURAL	\$4,500.00
TASK 117 – PERMITTING	<u>\$2,000.00</u>
 TOTAL FEES	 <u>\$24,990.00</u>

ADDITIONAL SERVICES:

Additional Services that can be provided for an additional fee include items not listed above such as but not limited to:

- Bidding phase services
- Construction phase services
- Shop drawing review

Hanover Township
Food Pantry Renovation

This estimate is based upon our experience with similar projects. Reimbursable expenses, i.e.: requested reproductions, blueprints, and delivery charges etc. will be invoiced at cost. This Agreement will be established in accordance with the attached general conditions. Billing will occur monthly and is based on percentage of work completed. Payments are due within thirty- (30) days of invoice date in accordance with the attached General Conditions. This proposal is typically valid if signed within thirty- (30) days of issue date.

If this proposal meets with your approval, please sign a copy and return to us.

Respectfully submitted,

CORPORATE DESIGN + DEVELOPMENT GROUP, LLC

Christian Kalischefski, AIA, LEED AP
President

Accepted this _____ day of _____, 2010

By _____

Printed Name _____

**Hanover Township
Food Pantry Renovation**

GENERAL TERMS AND CONDITIONS

BILLING AND PAYMENT – The Client agrees to compensate the Design Professional for services on an hourly basis per the attached rate sheet. Reimbursable expenses shall be billed at cost. Services and expenses will be invoiced monthly. Invoice amounts are due within 30 days. Interest of 1-1/2 percent per month compounded daily applies to all outstanding invoices. In the event any amount becomes past due, the design professional may give 7 days notice of intent to terminate the contract.

CONSEQUENTIAL DAMAGES – The Client and Design Professional both agree to waive any claims for consequential damages against each other.

DELAYS – The Design Professional will not be liable for delays due to force majeure.

DISPUTE RESOLUTION – Any dispute under this contract shall be subject to mediation as a condition precedent to litigation.

ENVIRONMENTAL – The Design Professional assumes no responsibility for the detection or removal of any hazardous substances found at the job site.

JBSITE SAFETY – The Design Professional is not responsible for job site safety or means and methods. Job site safety and means and methods are the responsibility of the Contractor.

LIMITATION OF LIABILITY – The Client agrees, to the fullest extent possible, to limit the liability of the Design Professional so that the total aggregate liability of the Design Professional shall not exceed the Design Professional's fee for services rendered on the project. It acknowledged that this limitation of liability applies to any cause of action, be it contract or tort. The Client agrees to bring any claims against the Design Professional Company, not any individual employees of the Design Professional.

OWNER PROVIDED INFORMATION – The Design Professional shall have the right to rely on the accuracy of any information provided by the Client. The Design Professional will not review this information for accuracy.

OWNERSHIP OF INSTRUMENTS OF SERVICE – The Design Professional retains all intellectual property rights including common law, statutory, and other reserved rights in the instruments of service, including copyrights. The Owner agrees to limit use of the instruments of service to this site-specific project only.

PERMITS AND APPROVALS – It is the responsibility of the Owner to obtain all necessary permits and approvals. The Design Professional will assist the Owner as mutually agreed in writing.

REJECTION OF NONCONFORMING WORK – The Design Professional shall have the authority, but not the responsibility, to reject nonconforming work. The Design Professional shall bring any known nonconforming work to the attention of the Client as soon as reasonably possible.

RIGHT OF ACCESS – The Design Professional shall have access to the job site whenever work is in preparation or in progress.

STOP WORK AUTHORITY – The Design Professional has no stop work authority.

TERMINATION – The contract may be terminated by either party for convenience with 30 days written notice, or for cause with 7 days written notice. The project may be suspended by the client with 30 days written notice. In the event of suspension or cancellation for convenience, the Client shall pay all expenses incurred prior to the date of notice.

DRAFT

ADDENDUM NO. ONE dated October 5, 2010 to the Proposal dated September 15, 2010 for architectural and engineering services for the Hanover Township food pantry renovations (the "Proposal") and the General Terms and Conditions thereto (collectively, the "Agreement") between Corporate Design & Development Group, LLC (the "Architect") and Hanover Township (the "Township" or "Owner") (collectively, the "Parties").

The Proposal and Agreement are hereby modified as follows:

1. Architect's reimbursable expenses for the project work shall not exceed \$4,000.00.

2. All references to estimated fees in the Agreement are deleted. The architectural and engineering services set forth in the Proposal, as modified herein, shall be performed for the flat fee of \$24,990.00. The architectural and engineering Additional Services as defined on page 4 of the Proposal, as modified herein, to be performed on an hourly rate shall be in accordance with the 2010 Rate Schedule attached hereto as Exhibit A and incorporated herein (the "Rate Schedule").

3. Paragraph 1 of the General Terms and Conditions (Billing and Payment) is modified in accordance with paragraph 2 of this Addendum. Said paragraph 1 is further amended to provide that the payment procedures and interest rate shall be as provided under the Illinois Local Government Prompt Payment Act (50 ILCS 505/2 et seq.).

4. Paragraph 2 of the General Terms and Conditions (Consequential Damages) is modified to provide that the Township is not waiving any right and/or claims for consequential damages.

5. Paragraph 4 of the General Terms and Conditions (Dispute Resolution) is deleted in its entirety.

6. Paragraph 7 of the General Terms and Conditions (Limitation of Liability) is deleted in its entirety and the following substituted therefor: "It is intended by the Parties of this Agreement that Architect's services in connection with the Project Work shall not subject Architect's individual employees, officers, managers, or directors to any personal legal exposure for the risks associated with such Project Work. Therefore notwithstanding anything to the contrary contained herein, the Township agrees that any claim, demand or suit by the Township hereunder shall be directed and/or asserted only against Corporate Design & Development Group, LLC, an Illinois limited liability company, and not personally and individually against the managers, employees, officers or directors of Corporate Design & Development, LLC."

7. Paragraph 9 of the General Terms and Conditions (Ownership of Instruments of Service) is amended by adding the following thereto: "Notwithstanding the foregoing, Architect consents to Drawings, Specifications and other contract documents prepared by Architect and/or its consultants being reproduced and submitted to Contractors who may be submitting bids for the Project Work, and also to Cook County, Illinois in order for the Township to obtain grant funds. Architect

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understands and agrees that such Drawings, Specifications and other contract documents prepared by Architect will be subject to disclosure and/or copying in the event the Township receives a Freedom of Information Act request for said documents and/or is otherwise required by law to furnish and/or disclose said documents.”

8. Paragraph 10 of the General Terms and Conditions (Permits and Approvals) is clarified to provide that Architect’s obligations shall be as set forth under Task 117 (page 4) in the Proposal. The Township shall pay the permit fees charged by the Village of Hanover Park, Illinois and other permit fees, if any, charged by other governmental and/or regulatory entities necessary for the Project Work.

9. Paragraph 11 of the General Terms and Conditions (Rejection of Nonconforming Work) is amended by adding the following thereto: “Notwithstanding the foregoing, Architect shall notify Owner of any nonconforming work prior to Owner’s payment for such nonconforming work.”

10. Paragraph 14, of the General Terms and Conditions is amended by adding the following thereto: “Notwithstanding the foregoing, the Township shall not be liable for payment of any such invoices, costs and/or fees in the event Architect is in default and/or breach hereunder.”

11. The Agreement is hereby modified by adding the following Sections thereto:

15. The plans, specifications and drawings designed by the Architect and its consultants shall comply with all applicable federal, state and local rules, regulations, codes and ordinances, including, but not limited to the Americans with Disabilities Act of 1990, as amended, and the Village of Hanover Park Building Codes as amended (collectively, the “Laws”) in effect at the time said plans and specifications and drawings are prepared by Architect. In the event such codes and regulations are amended following the preparation of said plans, drawings and specifications and/or in the event applicable codes and/or regulations are enacted following such plan and specifications preparation, Architect shall revise same accordingly and shall be compensated for such revisions in accordance with the hourly rates set forth in the Rate Schedule. Architect and its consultants shall similarly comply with all applicable Laws in providing its architectural and/or engineering services hereunder.

16. In the event of breach and/or default under the Agreement, the non-defaulting/non-breaching party shall be entitled to all rights and remedies available at law and/or equity, including reasonable attorney’s fees.

17. The Agreement and all Addendums thereto shall be construed, and governed in accordance with Illinois law, and the exclusive venue for enforcement of this Agreement shall be the Circuit Court of Cook County, Illinois.

18. Architect shall obtain and maintain at its sole cost insurance of the types of coverages and in the minimum amounts listed below:

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A. Commercial General Liability Insurance

Architect shall maintain commercial general liability (CGL) insurance with a limit of not less than \$2,000,000 each occurrence and \$4,000,000 general aggregate.

CGL insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 10 93, or a substitute form providing equivalent coverage, and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

Hanover Township, and its officials, officers, employees, volunteers, agents, successors and assigns, shall be included as an insured under Architect's CGL coverage, using ISO additional insured endorsement CG 20 26 or a substitute providing equivalent coverage, and under the excess/umbrella liability coverage (collectively, the "Additional Insured"). This insurance shall apply as a primary insurance with respect to any other insurance or self-insurance afforded to the Additional Insured, or any of them. Any insurance or self insurance maintained by the Additional Insured shall be in excess of Architect's insurance and shall not contribute with it.

B. Professional Liability Insurance

Architect shall maintain architect and engineers professional liability insurance with a limit of not less than \$2,000,000 each claim, and \$4,000,000 annual aggregate.

C. Business Auto Liability Insurance

Architect shall maintain business auto liability with a combined single limit of not less than \$1,000,000 each occurrence. Such insurance shall cover liability arising out of any auto including owned, hired and non-owned autos.

Business auto insurance shall be written on Insurance Services Office (ISO) form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01.

D. Workers Compensation Insurance

Architect shall maintain workers compensation as required by statute and employers liability insurance. The employers liability limits shall not be less than \$1,000,000 each accident for bodily injury by accident and \$1,000,000 each employee for bodily injury by disease, with a policy limit of not less than \$1,000,000.

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If the Additional Insured have not been included as an insured under the CGL using ISO additional insured endorsement CG 20 26 under the Commercial General and Excess/Umbrella Liability Insurance required in this Contract, the Architect waives all rights against the Additional Insured, and all of them, for recovery of damages arising out of or incident to the project.

E. Excess/Umbrella Liability Insurance Coverage

Architect shall maintain Excess/Umbrella Liability Insurance coverage of not less than \$5,000,000 per occurrence and \$5,000,000 aggregate.

F. General Insurance Provisions

i. Evidence of Insurance

Prior to beginning work, Architect shall furnish the Township with a certificate(s) of insurance and applicable policy endorsement(s), including but not limited to, additional insured endorsements, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth above.

All certificates shall provide for 30 days' written notice to the Township prior to the cancellation or material adverse change of any insurance referred to therein. Such written notice to the Township shall be by certified mail, return receipt requested.

Failure of the Township to demand such certificate endorsement or other evidence of full compliance with these insurance requirements or failure of the Township to identify a deficiency from evidence that is provided shall not be construed as a waiver of Architect's obligation to maintain such insurance.

The Township shall have the right, but not the obligation, of prohibiting the Architect from beginning work until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by the Township.

Failure to maintain the required insurance may result in termination of this Agreement at Township's option.

Architect shall provide certified copies of all insurance policies required above within 10 days of Township's written request for said copies.

ii. Acceptability of Insurers

For insurance companies which obtain a rating from A.M. Best, that rating should be no less than A, VII using the most recent edition of the A.M. Best's Key Rating Guide. If the Best's rating is less than A, VII or a Best's rating is not obtained, the Township has the right to reject insurance written by an insurer it deems unacceptable.

iii. Cross-Liability Coverage

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If Architect's liability policies do not contain the standard ISO separation of insured's provision, or a substantially similar clause, they shall be endorsed to provide cross-liability coverage.

iv. Deductibles and Self-Insured Protection

Any deductibles or self-insured retentions must be declared to the Township. At the option of the Township, the Architect may be asked to eliminate such deductibles or self-insured retentions as respects the Township, and/or its officers, officials, employees, volunteers and agents or required to procure a bond guaranteeing payment of losses and other related costs including but not limited to investigations, claim administration and defense expenses.

v. Subcontractors and Consultants

Architect shall cause each subcontractor and consultant employed by or acting on behalf of Architect to purchase and maintain insurance of the types and amounts of coverages specified above. When requested by the Township, Architect shall furnish copies of certificates of insurance evidencing coverage for each such subcontractor and consultant.

G. Indemnification

To the fullest extent permitted by law, Architect shall indemnify and hold harmless Hanover Township and its officers, officials, employees, volunteers, successors and assigns (collectively, the "Indemnified Parties") from and against all liability claims, damages, liens, lien rights, losses and expenses, including, but not limited, to, reasonable legal fees (attorneys' and paralegals' fees and court costs), arising out of or resulting from the performance of the Architect's work and/or work performed on behalf of Architect hereunder provided that any such liability, claim, damage, loss or expense (i) is attributable to bodily injury, sickness, disease or death, or injury to or destruction or damage of tangible property, including the loss of use therefrom, and (ii) is caused in whole or in part by any wrongful or negligent act or omission of the Architect, its employees, agents, consultants, contractors, subcontractors of any tier and/or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable; except to the extent caused by the negligence of a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation to indemnify which would otherwise exist as to any party or person described in this paragraph. Architect shall similarly indemnify and hold harmless the Indemnified Parties for any liability, claim, damage, lien, lien rights, loss or expense arising out of or attributable to Architect's breach of and/or default under this Agreement. These indemnification obligations shall survive the expiration and/or termination of the Agreement.

19. Architect shall exercise professional skill and judgment in the manner which can be reasonably expected from other architects and engineers (as the case may be) performing similar services to those required hereunder

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including, but not limited to, any drawings, specifications, certifications, and/or representations made by Architect and/or its consultants hereunder.

20. The Architect shall assist the Owner at no additional cost to Owner, in reviewing mechanic's lien waivers and supporting affidavits submitted with requests for payments and other payment request documentation to determine that the quantities and amounts set forth in such waivers and supporting affidavits are accurate and that waivers and affidavits have been submitted by all necessary parties.

21. Architect shall not issue a final Certificate of Payment until the Contractor has complied with the requirements of the Contract Documents. The Architect shall certify that the work conforms to the requirements of the Contract Documents. The Architect shall expedite and coordinate substantial completion, final acceptance, Contractor's final payment and facility turnover.

22. Architect shall assist Owner in reviewing and evaluating bid submittals to determine the lowest responsible and responsive bidder meeting specifications at no additional cost to Owner.

23. The Architect shall visit the Site and intervals appropriate to the stage of construction, but not less than four (4) times during the Construction Phase, to become generally familiar with the progress and quality of the Work to determine if the Work is proceeding in accordance with the Contract Documents. While the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work, the Architect shall make on-site observations as reasonably may be required to ascertain the quality of the construction work and, on the basis of such on-site observations, the Architect shall keep Owner informed of the progress and quality of the Work and shall exercise reasonable care to guard the Owner against defects and deficiencies in the Work of the Contract, and against payment for Work that has not been completed or material that has not been used in the Work or stored on the construction site. Site visits in excess of four (4) times during the Construction Phase required herein shall be considered an Additional Service and compensation of such services shall be at the hourly rates set forth in the Rate Schedule. The initial four (4) Site visits are included in the flat fee set forth in the Proposal.

24. The survey referenced under Task 103 shall be an ALTA/ACMS land title survey prepared by an Illinois professional land surveyor registered in the State of Illinois and shall certify to Hanover Township and the Village of Hanover Park that said survey is in accordance with the "Minimum Standard Detail Requirements for ALTA/ACMS Land Title Surveys" jointly established and adopted by ALTA and NSPS in 2005. The Table "A" items shall be those required by the Village of Hanover Park relative to the variance and any other zoning relief and permits required for the project and as necessary for the project work to be performed.

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25. Miscellaneous.

A. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Notwithstanding the foregoing Architect may not assign its rights, duties and obligations hereunder without the express written consent of Owner, which Owner may withhold in its sole and absolute discretion. Any such assignment without Owner's written consent shall be null and void.

B. The invalidity of any covenant, restriction, condition, limitation or any other part or provision of this Agreement shall not impair or effect in any manner the validity, enforceability or effect of the remainder hereof. The Parties agree that their intention is to enforce and carry out, to the maximum extent allowed by law, the provision of this Agreement. All Parties hereto acknowledge their intent and belief that all provisions are valid and enforceable.

C. This Agreement constitutes the entire agreement between the Parties. No covenants, assurances of additional payments or consideration, promises, representations or warranties have been made except as specifically set forth herein and no provision hereof may be waived, modified or altered except in writing executed by all Parties.

D. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

E. The Parties acknowledge that this Agreement was freely negotiated by each of the Parties hereto, each of whom was represented by separate counsel; accordingly, this Agreement shall be construed according to the fair meaning of its terms, and not against any party.

F. Each of the undersigned signing as an officer or agent on behalf of the respective party to this Agreement warrants that he or she holds such capacity as is specified beneath his or her name and further warrants that he or she is authorized to execute and effectuate this Agreement and that he or she does so voluntarily and in his or her official capacity.

G. Facsimile signatures shall be sufficient for purposes of executing, negotiating, and finalizing this Agreement."

H. In the event of any conflict between the terms and conditions of the Addendum and the Agreement, the terms and conditions of the Addendum shall control.

[SIGNATURE PAGE FOLLOWS]

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Hanover Township

Corporate Design & Development
Group, LLC

Brian P. McGuire, Supervisor

Christian Kalischefski, President

Attest:

Attest:

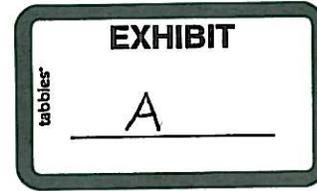
Katy Dolan Baumer, Clerk

Its: _____



CORPORATE
DESIGN + DEVELOPMENT
GROUP, LLC

2675 Pratum Avenue
Hoffman Estates, IL 60192
224.293.6960 Office
224.293.6966 Fax



CORPORATE DESIGN + DEVELOPMENT GROUP, LLC
2010 RATE SCHEDULE

PRINCIPAL	\$150.00 / HR
PRESIDENT	\$130.00 / HR
VICE PRESIDENT	\$120.00 / HR
CONSTRUCTION MANAGER	\$110.00 / HR
PROJECT MANAGER	\$110.00 / HR
SR. PROJECT ARCHITECT	\$110.00 / HR
ASST. PROJECT ARCHITECT	\$ 80.00 / HR
CAD TECHNICIAN	\$ 75.00 / HR
CAD TECHNICIAN	\$ 70.00 / HR
ADMINISTRATIVE ASSISTANT	\$ 50.00 / HR

RESOLUTION _____

A RESOLUTION APPROVING OF A PROPOSAL FOR ARCHITECTUAL AND ENGINEERING SERVICES FOR THE HANOVER TOWNSHIP FOOD PANTRY RENOVATIONS

BE IT RESOLVED by the Supervisor and Board of Town Trustees (the “Board”) of Hanover Township, Cook County, Illinois, as follows:

SECTION ONE: The Proposal dated September 15, 2010 for architectural and engineering services for the Hanover Township food pantry renovations (the “Proposal”) as modified by Addendum No. One thereto dated October 5, 2010 (the “Addendum”) between Corporate Design & Development Group, LLC and Hanover Township (the “Township”), copies of which are attached hereto and incorporated herein, is hereby approved, subject to approval by the Township Administrator and Township attorney.

SECTION TWO: The Township Supervisor is hereby authorized to sign the Proposal and Addendum on behalf of the Township following approval by the Township Administrator and Township attorney.

SECTION THREE: SEVERABILITY. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION FOUR: REPEAL OF PRIOR RESOLUTIONS. All prior Ordinances and Resolutions in conflict or inconsistent herewith are hereby expressly repealed only to the extent of such conflict or inconsistency.

SECTION FIVE: EFFECTIVE DATE. This Resolution shall be in full force

and effect upon its passage and approval.

ROLL CALL VOTE:

AYES:

NAYS:

ABSENT:

PASSED: October 5, 2010

APPROVED: October 5, 2010

Brian P. McGuire, Supervisor

ATTEST:

Katy Dolan Baumer, Clerk

C E R T I F I C A T I O N

I, the undersigned, do hereby certify that I am the Township Clerk of Hanover Township, Cook County, Illinois, and that the foregoing is a true, complete and exact copy of Resolution _____, enacted on October 5, 2010, and approved on October 5, 2010, as the same appears from the official records of Hanover Township.

Katy Dolan Baumer, Clerk