

**CENTRAL LAKE COUNTY AREA
TRANSPORTATION IMPROVEMENT
INTERGOVERNMENTAL AGREEMENT**

This **CENTRAL LAKE COUNTY AREA TRANSPORTATION IMPROVEMENT INTERGOVERNMENTAL AGREEMENT (the "Agreement")** is entered into this day of _____, A.D. 20____, by and among the COUNTY OF LAKE, Illinois, an Illinois body politic and corporate, acting by and through its Chair and County Board (hereinafter referred to as the "COUNTY"), the VILLAGE OF GRAYSLAKE, an Illinois municipal corporation, acting by and through its Mayor and Village Board (hereinafter referred to as "GRAYSLAKE"), the VILLAGE OF LIBERTYVILLE, an Illinois municipal corporation, acting by and through its Mayor and Village Board (hereinafter referred to as "LIBERTYVILLE"), the VILLAGE OF MUNDELEIN, an Illinois home rule municipal corporation, acting by and through its Mayor and Village Board (hereinafter referred to as "MUNDELEIN"), and such other municipalities as may subscribe hereto pursuant to the terms of this Agreement. The COUNTY, GRAYSLAKE, LIBERTYVILLE, MUNDELEIN, and any other municipalities that subscribe to this Agreement are hereinafter referred to collectively as "Parties" to this Agreement, and any one is referred to individually as a "Party" to this Agreement.

WITNESSETH

WHEREAS, the Parties all have jurisdictional responsibility over portions of the territory generally described as the Central Lake County Area; and

WHEREAS, the Parties recognize that the quality of life and the public health, safety, and welfare of the Central Lake County Area are dependent on ensuring that public facilities and particularly roadways are designed and developed in a manner that can convey the anticipated vehicular traffic in the area; and

WHEREAS, as additional property in the Central Lake County Area develops, the Parties acknowledge and agree that they and their residents will all benefit by ensuring that adequate rights-of-way and various roadway improvements are provided so that traffic in the Central Lake County Area can be safely and efficiently transported upon and through area roadways; and

WHEREAS, in collaboration with GRAYSLAKE, LIBERTYVILLE, MUNDELEIN, and the Villages of Hainesville, Round Lake Park, and Round Lake (hereinafter collectively referred to as the "VILLAGES"), the COUNTY has evaluated the traffic demands that anticipated future

development will have upon Peterson Road and those existing or planned roadways within the Central Lake County Area that are tributary to or otherwise contribute substantially to vehicular traffic upon Peterson Road or within the Central Lake County Area; and

WHEREAS, in response to such anticipated future development, the COUNTY has identified roadway improvement projects (hereinafter the "IMPROVEMENTS") that will be required so that County Highways can meet the demands of increased traffic generated from said future development, including right-of-way acquisitions necessary to construct the IMPROVEMENTS. Among said IMPROVEMENTS are certain projects listed in the COUNTY's YEAR 2020 TRANSPORTATION PRIORITY PLAN, as well as certain projects not yet listed in any of the COUNTY's published planning documents. The YEAR 2020 TRANSPORTATION PRIORITY PLAN, by this reference is hereby made a part of this Agreement; and

WHEREAS, the COUNTY has also developed cost estimates relating to the IMPROVEMENTS (including the cost of right-of-way acquisitions); and

WHEREAS, in order to provide for the collection of payments to cover the estimated costs of IMPROVEMENTS, the Parties desire to establish a schedule of highway improvement fees (hereinafter "FEES") to equitably assign costs for the IMPROVEMENTS to individual development parcels within the Central Lake County Area, which FEES will be matched by COUNTY funds to cover the full cost of the IMPROVEMENTS; and

WHEREAS, the Parties have determined that the COUNTY's 50% contribution to the cost of the IMPROVEMENTS is reflective of the existing traffic demands for the IMPROVEMENTS as well as traffic to be generated from sources outside the Central Lake County Area, but the FEES to be paid are reflective of the anticipated traffic demands for the IMPROVEMENTS from future development within the Central Lake County Area; and

WHEREAS, the Parties desire to establish a means by which new Developments within the Central Lake County Area will pay appropriate FEES to ensure that necessary IMPROVEMENTS can be funded to protect and preserve the public health, safety, welfare, and convenience, especially while traveling in the Central Lake County Area; and

WHEREAS, the COUNTY has authority to require a permit as a pre-condition to a property accessing upon County Highways, and to that end the COUNTY has enacted its "Highway Access Regulation Ordinance" (the "ACCESS ORDINANCE"); and

WHEREAS, the VILLAGES have authority under 65 ILCS 5/11-15.1-1 *et seq.*, to enter into annexation agreements in connection with the annexation of territory and, pursuant to such annexation agreements require matters not otherwise forbidden by law; and

WHEREAS, the VILLAGES also have authority to enter into agreements regarding the exercise of jurisdiction within their 1.5-mile planning areas pursuant to (but not limited to) Division 11-12 of the Illinois Municipal Code, 65 ILCS 5/11-12-4 *et seq.*; and

WHEREAS, the entire Central Lake County Area lies within the 1.5-mile planning jurisdiction of at least one of the VILLAGES; and

WHEREAS, pursuant to Section 10 of Article VII of the Illinois Constitution of 1970 and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1, *et seq.* ("Cooperation Act"), the COUNTY and any of the VILLAGES may contract or otherwise associate among themselves, or transfer any power or function, in any manner not prohibited by law or ordinance; and

WHEREAS, in addition, the COUNTY and GRAYSLAKE have previously entered into that certain "Agreement for Transportation Improvements" dated April 5, 2005 (the "Central Range Transportation Agreement") affecting certain developments with GRAYSLAKE that are located in the Central Lake County Area; and

WHEREAS, consistent with the objectives of this Agreement, the COUNTY and GRAYSLAKE desire to amend the Central Range Transportation Agreement; and

WHEREAS, the Parties desire to extend participation in this Agreement to all of the VILLAGES, and to that end the COUNTY will be authorized to enter into codicils to this Agreement for purposes of adding Parties to this Agreement; and

WHEREAS, at least 30 days (and not more than 120 days) prior to the approval of this Agreement, GRAYSLAKE, LIBERTYVILLE, MUNDELEIN, and any other municipalities that may subscribe to this Agreement have posted public notice of this Agreement for at least 15 consecutive days and they have caused notice of this Agreement to be published at least once in a paper of general circulation within the Central Lake County Area in accordance with 65 ILCS 5/11-12-9;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, made pursuant to all applicable statutes, local ordinances and authority, the Parties do hereby enter into the following Agreement:

SECTION I
Recitals/Headings

1. It is mutually agreed by and among the Parties that the foregoing preambles are hereby incorporated into and made a part of this Agreement as though fully set forth.
2. It is mutually agreed by and among the Parties that the “headings” as contained in this Agreement are for reference only and the actual written provisions, paragraphs, and words of this Agreement shall control.

SECTION II
Definitions

In addition to terms defined elsewhere in this Agreement, the following terms, whenever used in this Agreement, shall have the following meanings unless a different meaning is required by the context:

1. "Central Lake County Area": That portion of Lake County, Illinois generally depicted in Exhibit A attached to and made a part of this Agreement.
2. "County Engineer": That person designated by the COUNTY as the County Engineer, or any designee acting at the direction of and on behalf of such designated County Engineer.
3. "Developer": The owner of a Development, as well an assignee, contract purchaser, agent, or other person having control over a Development and responsibility for the Development.
4. "Development": Any residential, commercial, industrial, or other project which is being newly constructed, reconstructed, redeveloped, structurally altered, relocated, or enlarged on any lot, parcel, or tract in the Central Lake County Area in connection with receiving Final Development Approval from the COUNTY or one of the VILLAGES, and which generates additional traffic within the Central Lake County Area. The Parties acknowledge and agree that the reconstruction, structural alteration, relocation, or enlargement of a detached single-

family residence within the Central Lake County Area is not a Development for purposes of this Agreement. In addition, with respect to any property involving Development in multiple phases or plats, each such phase or final plat shall be deemed a separate Development.

5. "Final Development Approval": For any Development, the latter of the grant of Zoning Relief, annexation approval, or final plat approval. If none of the foregoing apply, the issuance of the earlier of a grading permit, a site development permit, a building permit, or a certificate of occupancy.
6. "Fund": The account to be established and maintained by the COUNTY into which any FEES paid pursuant to this Agreement are to be deposited and from which the cost of IMPROVEMENTS may be paid or reimbursed. The Fund shall include six Area Sub-Accounts (as hereinafter defined).
7. "Highway Corridor": Peterson Road and those existing or planned roadways within the Central Lake County Area that are tributary to or otherwise contribute substantially to vehicular traffic upon Peterson Road or within the Central Lake County Area as depicted on Exhibit A.
8. "Highway Improvement Areas": One of six subareas of the Central Lake County Area as depicted on Exhibit A that are used for purposes of this Agreement to allocate the cost of IMPROVEMENTS and to establish the FEES set forth in this Agreement.
9. "Zoning Relief": Any form of discretionary approval authorized under a Party's zoning regulations, including without limitation rezonings, specifically requested zoning text amendments, variations, conditional or special use permits, or final planned unit development approvals, or any final subdivision plat for which any variances are required.

SECTION III

Highway Improvement Areas and Associated FEES

1. It is mutually agreed by and among the Parties hereto that the COUNTY, with the collaboration of the VILLAGES, has evaluated the traffic and transportation effects of future Developments along and upon the Highway Corridor for purposes of identifying IMPROVEMENTS that will be required to serve the additional traffic resulting from such Developments. The COUNTY has also prepared a schedule of FEES to be assessed upon Developments located within any of the six (6) Highway Improvement Areas within the Central Lake County Area as depicted on Exhibit A.

2. The Parties acknowledge and agree that each of the six (6) Highway Improvement Areas have associated FEES, expressed on a per-acre basis, that are intended to offset the cost of IMPROVEMENTS necessitated by the additional traffic to be generated as a result of Developments in the particular Highway Improvement Area. The methodology for the calculation of FEES is described under Section IV of this Agreement; the schedule of FEES is attached hereto as Exhibit B and by this reference made a part of this Agreement.

SECTION IV

Cost of IMPROVEMENTS; Calculation of FEES;

Responsibility for IMPROVEMENTS

1. (a) In the course of identifying the IMPROVEMENTS, the COUNTY has developed estimated costs relating to such IMPROVEMENTS. Based on those cost estimates, the COUNTY has allocated those costs to the various Highway Improvement Areas, and then ascertained a per-acre FEE that will generate sufficient revenues to pay 50% of the costs of the IMPROVEMENTS. It is mutually agreed by and among the Parties hereto that a Development in any Highway Improvement Area will create new demands for IMPROVEMENTS, the cost of which will be, in part, offset by the payment of the FEES. The FEES for a particular Development shall be calculated by multiplying the appropriate per acre FEE, as specified in Exhibit B, by the total acres of the Development located within a particular Highway Improvement Area. It is mutually agreed by and among the Parties that the FEES have been computed on a June 2007-dollars basis and shall be adjusted annually to reflect projected increases in both material costs and labor costs. The adjustment shall be calculated using the Construction Cost Index (Source: ENR Construction Cost Index). The COUNTY may from time-to-time present the Parties with an updated Exhibit B to reflect such annual cost adjustments, but such cost adjustments shall apply irrespective of any updated Exhibit B.

(b) The COUNTY'S identification of, and estimated costs for, the IMPROVEMENTS are set forth in Exhibit B-1, which is attached to and made a part of this Agreement (the "Estimated Improvement Costs"). It is mutually agreed by and among the Parties that the Estimated Improvement Costs have been computed on a June 2007-dollars basis and shall be adjusted annually to reflect projected increases in both material costs and labor costs, which annual adjustment shall be calculated using the Construction Cost Index (Source: ENR Construction Cost Index). The COUNTY may from time-to-time present the Parties with an updated Exhibit B-1 to reflect such cost adjustments, but such cost adjustments shall apply irrespective of any updated Exhibit B-1.

(c) In addition to the annual adjustment in the Estimated Improvement Costs as set forth in Section IV.1(b), the COUNTY may, from time-to-time, review the scope and Estimated Improvement Costs set forth in Exhibit B-1. In the event that the COUNTY determines that the scope of the IMPROVEMENTS or the Estimated Improvement Costs require a material re-adjustment, the COUNTY may submit a revised Exhibit B-1. If at least 60% of the Parties approve the revised Exhibit B-1 in writing, then the revised Exhibit B-1 will supersede the then-applicable Estimated Improvement Costs as provided in Section IV.1(b) of this Agreement. Whenever this Agreement references Estimated Improvement Costs as set forth in Exhibit B-1, such reference includes adjustments to those estimates as provided in this paragraph (c).

2. It is mutually agreed by and among the Parties that, except as provided in Section V.4 of this Agreement, the COUNTY is responsible for the design and construction of the IMPROVEMENTS. The scheduling of both the design engineering and roadway construction for the IMPROVEMENTS shall be as determined in the sole judgment of the COUNTY ENGINEER, except that the COUNTY is required to initiate the design of the IMPROVEMENTS within six months after the occurrence of any “trigger event” as set forth in Exhibit B-1, and thereafter commence construction of such IMPROVEMENTS as soon as possible (but in no event later than 24 months) after completion of design engineering and right-of-way acquisition. In addition, except as provided in Section V.4, the COUNTY shall prepare all necessary surveys, design plans and specifications, receive bids, award construction contracts, furnish engineering inspection during construction, and cause the IMPROVEMENTS to be built, in accordance with the approved plans, specifications, and construction contracts. Said plans, specifications, and construction contracts as approved from time-to-time by the COUNTY ENGINEER shall by this reference become a part of this Agreement as if fully set forth.
3. It is anticipated that FEES from Developments within a Highway Improvement Area will be sufficient to pay for 50% of the allocable share of the cost of IMPROVEMENTS for such Highway Improvement Area, and that the COUNTY will finance the remaining 50% of the costs of the IMPROVEMENTS solely from its available transportation funds. In the event that the COUNTY determines that construction of all or a portion of the IMPROVEMENTS associated with a particular Highway Improvement Area is warranted prior to the commencement of all of the contemplated Development within such Highway Improvement Area and the payment of all the FEES as provided for in this Agreement, such prior construction of the IMPROVEMENTS shall not affect the obligations of the Parties under this Agreement to collect (or to cause to be collected) FEES from a Development in accordance with the provisions of this Agreement.

SECTION V

Imposition and Collection of FEES; Credits; Disbursements

1. The Parties acknowledge and agree that any new Development within the Central Lake County Area will generate traffic within the Highway Corridor that, without the offsetting effect of the IMPROVEMENTS, (i) will have adverse impacts on the surrounding properties and the facilities available to serve properties within the Central Lake County Area, (ii) will diminish the value of surrounding properties, and (iii) will threaten the public health, safety, and welfare. To finance such offsetting IMPROVEMENTS, it is necessary to collect the FEES contemplated by this Agreement. Consistent with the foregoing, the Parties agree as follows:
 - a) The VILLAGES that are Parties to this Agreement, and each of them, agree that, as a condition of annexation of any unincorporated territory located within the Central Lake County Area and within a Highway Improvement Area, such VILLAGE shall require the execution of an annexation agreement, which annexation agreement shall include among its terms the payment of FEES in accordance with this Agreement.
 - b) The COUNTY agrees that, as a condition of any Zoning Relief for a Development involving any unincorporated territory located within the Central Lake County Area and within a Highway Improvement Area, the COUNTY will require the owner of such territory to agree to pay the FEES in accordance with this Agreement.
 - c) For any Development of unincorporated territory of Lake County that does not require Zoning Relief, the COUNTY agrees that it will not grant any variances under the ACCESS ORDINANCE except upon the condition that the Developer agrees to pay the FEES in accordance with this Agreement.
 - d) For any Development of property that is located in any of the VILLAGES as of the date of this Agreement (or as of the date that the VILLAGE in question becomes a party to this Agreement) and that is not subject to an annexation or other agreement conforming to the provisions of Section V.1.a or Section VI of this Agreement, the VILLAGE having jurisdiction agrees that it will not grant any Zoning Relief for such Development except upon the condition that the Developer agrees to pay the FEES in accordance with this Agreement.
 - e) In the event that Development of a property can occur without Zoning Relief or occurs

within a VILLAGE that is not a Party, the Parties agree that no variances under the ACCESS ORDINANCE will be granted except upon the condition that the Developer agrees to pay the FEES in accordance with this Agreement.

2. The Party having jurisdiction over a Development shall be responsible for collecting the FEES relating to a Development prior to granting Final Development Approval. Upon the collection of any FEES, a Party shall transfer the FEES to the COUNTY for deposit into the Fund. Alternatively, any Party having jurisdiction over a Development may cause FEES to be paid and collected by requiring that no Development shall receive Final Development Approval unless the FEES have been paid to the COUNTY and a receipt of such payment from the COUNTY is delivered to the Party having jurisdiction. Any FEES collected directly by the COUNTY pursuant to the preceding sentence shall be deposited into the Fund as hereinafter provided.
3. The COUNTY shall establish the Fund at a local bank or trust. The Fund shall have separate interest-bearing sub-accounts for each of the Highway Improvement Areas (the "Area Sub-Accounts"). Upon receipt of any FEES, the COUNTY shall deposit such FEES into the Area Sub-Account relating to the Highway Improvement Area from which the FEES were collected. Interest earned on moneys within any Area Sub-Account of the Fund shall be held in, and shall become part of, such Area Sub-Account. Neither the FEES nor any interest earned thereon within any Area Sub-Account shall be used either (a) for any purpose other than to defray the costs of IMPROVEMENTS for the Highway Improvement Area associated with such Area Sub-Account, or (b) to pay the COUNTY's 50% share of any IMPROVEMENTS.
4. The Parties acknowledge and agree that, as part of a Development, certain of the IMPROVEMENTS (including the provision of right-of-way relating to an IMPROVEMENT) may be provided by the Developer. In such cases, credits against the FEES otherwise due may be granted in accordance with this Section.
 - a) In lieu of paying FEES or in consideration of a reduction in the FEES, a Developer may, as determined by the County Engineer, either: (1) construct all or a portion of the IMPROVEMENTS ("CONSTRUCTION CREDITS"); (2) dedicate right-of-way necessary for the construction of the IMPROVEMENTS ("RIGHT-OF-WAY CREDITS"); or (3) both construct all or a portion of the IMPROVEMENTS and dedicate right-of-way necessary for the construction of the IMPROVEMENTS.
 - b) The dollar value of both CONSTRUCTION CREDITS and RIGHT-OF WAY CREDITS shall be based upon the Estimated Improvement Costs, which credits will be intended to

reflect the cost savings by the COUNTY by virtue of such costs being absorbed as part of the Development.

- c) To the extent all or a portion of an IMPROVEMENT is to be constructed as part of a Development in exchange for CONSTRUCTION CREDITS, said IMPROVEMENT shall be constructed in accordance with the established roadway design policies of the Lake County Division of Transportation.
 - d) To the extent that right-of-way for the construction of all or a portion of the IMPROVEMENTS is dedicated as part of a Development, the Developer will be required to (i) present to the COUNTY good and transferable title to said right-of-way, (ii) ensure that said right-of-way shall be free and clear of any encumbrances that would preclude use of the right-of-way for IMPROVEMENTS, (iii) provide a Plat of Dedication to the COUNTY that can be used to transfer title to the COUNTY and be in a format acceptable to the County Engineer and the County Recorder's Office, and (iv) execute and deliver such other documents as may reasonably be required to effect the purposes of this paragraph. Such transfer of right-of-way must be completed before any RIGHT-OF-WAY CREDITS shall be credited towards a Development.
 - e) To the extent that a Developer installs IMPROVEMENTS or dedicates rights-of-way so that the value of any CONSTRUCTION CREDITS and any RIGHT-OF-WAY CREDITS is greater than the FEES due from the Development, then the Developer shall be entitled to reimbursement only from the associated Area Sub-Account of the Fund (and not from any other COUNTY or VILLAGE funds), and only to the extent that the value of the CONSTRUCTION CREDITS and RIGHT-OF-WAY CREDITS exceed the amount of the FEES otherwise due from the Development (the "EXCESS CREDITS"). To the extent that such Area Sub-Account lacks sufficient moneys to reimburse the value of the EXCESS CREDITS at the time of completion of the IMPROVEMENTS or dedication of the right-of-way, the COUNTY will pay solely from the applicable Area Sub-Account such EXCESS CREDITS, or portion thereof, to the Developer within 30 days after such moneys become available from the applicable Area Sub-Account. The priority for reimbursing EXCESS CREDITS to Developers from funds available (or that may become available) in the applicable Area Sub-Account shall be based on the first-in-time of the completion of IMPROVEMENTS or the dedication of rights-of-way giving rise to the EXCESS CREDIT.
5. It is mutually agreed by and among the Parties hereto that the computation of FEES does not include the costs of any roadway improvements specifically relating to the access for a

Development [i.e., the addition of turning lanes, the addition of through-travel lanes, the installation of traffic signals, etc., (hereinafter "Development Access Improvements")] to or from any highway as required by the ACCESS ORDINANCE. The Developer shall be wholly responsible for all costs relating to any such Development Access Improvements (the "Development Access Costs"). No CONSTRUCTION FEE CREDITS or RIGHT-OF-WAY CREDITS shall be awarded for, nor shall any amounts from the Fund be used to pay, such Development Access Costs.

6. Whenever the COUNTY undertakes the design and construction of IMPROVEMENTS, the COUNTY shall be authorized to draw moneys from the appropriate Area Sub-Account of the Fund to pay for 50% of the lesser of the actual cost of the IMPROVEMENT or the Estimated Improvement Costs as set forth in Exhibit B-1. The Parties recognize that, in light of the provisions of this Section V.6, the COUNTY may pay more than 50% of the actual cost of the IMPROVEMENTS, in the event the actual cost of the IMPROVEMENT exceeds the estimated Improvement Costs.
7. In the event that moneys remain in any Area Sub-Account of the Fund after the IMPROVEMENTS for the relevant Highway Improvement Area have been completed and all EXCESS CREDITS have been paid, such moneys shall be used first to reimburse the COUNTY for such amounts it contributed in excess of 50% of the cost of the IMPROVEMENTS associated with such Highway Improvement Area. Any moneys remaining in an Area Sub-Account after the COUNTY is so reimbursed shall be used for the long-term capital replacement costs and major maintenance activities relating to the IMPROVEMENTS in the appropriate Highway Improvement Area.

SECTION VI.

Amendment to the Central Range Transportation Agreement

1. The Parties acknowledge and agree that the terms and provisions of this Section have no applicability to any of the Parties except the COUNTY and GRAYSLAKE.
2. The COUNTY and GRAYSLAKE agree that the terms of this Agreement are hereby incorporated into and made a part of that certain "Agreement For Transportation Improvements Between the Village of Grayslake and the County of Lake," dated April 5, 2005 (the "Central Range Transportation Agreement").
3. The COUNTY and GRAYSLAKE agree to amend Sections 2.A through 2.C of the Central Range Transportation Agreement, so that said Sections 2.A through 2.C of the Central Range Transportation Agreement shall hereafter be and read as follows:

Section 2. County Roadway Improvements

A. Village Obligations. The Village agrees to assume full financial responsibility (except as provided in Subsection 2.B and 2.C of this Agreement), and without reimbursement from the County for any associated costs, for the design and construction (including the acquisition, without cost to the County, of any required rights-of-way or easements by negotiation or eminent domain, in the name of either the County for the County highways, the State of Illinois for State roadways, and the Village for Village streets) of the following improvements to County and State roadways:

1. Improvements to the Alleghany Road/Illinois Route 120 Intersection, as generally depicted on the Intersection Plan, and as more specifically depicted on Exhibit B attached to this Agreement (the "Alleghany/Rt. 120 Improvement");
2. Improvements to the Peterson Road/Alleghany Road Intersection, as generally depicted on the Intersection Plan, and as more specifically depicted on Exhibit C attached to this Agreement (the "Peterson/Alleghany Improvement"); and
3. Improvements to the Peterson Road/Illinois Route 83 Intersection as generally depicted on the Intersection Plan, and as more specifically depicted on Exhibit C-1 attached to this Agreement (the "Peterson/Rt. 83 Improvement"), which improvements shall be designed and constructed after such time as at least two movements at the intersection are operating below a level of service "D" pursuant to the standards of the Illinois Department of Transportation ("IDOT").

B. Design and Construction Obligations. Unless otherwise mutually agreed by the parties, the Village shall: (i) undertake and complete the design, construction, and installation of the Alleghany/Rt. 120 Improvement not later than 31 December 2007; (ii) ~~the Peterson/Alleghany Improvement not later than 31 December 2008; and (iii) the Peterson/Rt. 83 Improvement within 24 months after the parties mutually agree that the Peterson/Rt. 83 Improvements are required based upon the standards set forth in Section 2.A.3 of this Agreement or 31 December 2008, whichever is later.~~ All such deadlines shall be subject to any force majeure events. The parties agree that, in the event of delays arising from the acquisition of rights of way or other necessary property interests, the securing of required permits from other governmental agencies, or other matters not within the Village's reasonable control, the foregoing completion dates shall be subject to adjustments, but only as mutually agreed by the parties based on their good faith review of the circumstances surrounding such delays. In connection with the design, construction, and installation of the Alleghany/Rt. 120 Improvements, the Peterson/Alleghany Improvements, and the Peterson/Rt. 83 Improvements (collectively, the "***Intersection Improvements***") in accordance with all requirements of law and sound engineering practices, the County shall reasonably cooperate with the Village and shall not unreasonably withhold, delay, or condition any comment, information, approval, or other authorization needed or useful to the Village in order to allow the Village to:

- ~~1. Obtain all easements, rights-of-way, licenses, and other property rights (free of encumbrances or other restrictions) that are necessary or convenient to construct, install, operate, and maintain the Intersection Improvements, including the preparation of appropriate surveys, agreements, and other relevant documents. Such property rights shall include those rights necessary to establish and maintain any required storm water management facilities consistent with the ultimate improvement contemplated for any affected County highway; provided, however, that such rights shall be secured in connection with the Village's approval of developments adjacent to such affected County highways; provided further that, for any portion of the Intersection Improvements undertaken, the Village shall be required to obtain the rights-of-way, easements, or other property interests as may be necessary for such portion of the Intersection Improvement so undertaken and irrespective of the status of development approvals for the properties adjacent to such Intersection Improvements.~~

- ~~2. Secure all permits, approvals, and authorizations that may be necessary or appropriate to construct, install, and operate the Intersection Improvements. In furtherance of this subsection, the Village shall prepare studies and plans as may be required to secure such permits, approvals, or authorizations; and~~

- ~~3. Perform such other activities as the parties may agree upon that are necessary or convenient in connection with the design, construction, installation, and placing into service of the Intersection Improvements, including associated administrative activities.~~

~~Each element of the Intersection Improvements shall be designed and constructed in accordance with the applicable standards, specifications, and plans of the highway authority having jurisdiction over the roadway to be improved. To the extent that federal funding is obtained in connection with any element of the Intersection Improvements, all applicable federal, state, and county standards shall be satisfied in accordance with the terms of such funding. The parties acknowledge and agree that, consistent with the foregoing, the County Engineer shall review and approve all designs, plans, surveys, land conveyance documents, and other pertinent data relating to Intersection Improvements on County highways in accordance with generally applicable County standards and policies.~~

(ii) provide payment of \$2,000,000 to the County not later than 1 November 2009 for the cost of design and construction of the Peterson/Alleghany Improvement; and (iii) provide payment of \$2,000,000 to the County not later than 30 June 2010 for the cost of design and construction of the Peterson/Rt. 83 improvement (the Alleghany/Rt. 120 Improvements, the Peterson/Alleghany Improvements, and the Peterson/Rt. 83 Improvements are hereinafter collectively referred to as the "Intersection Improvements").

In addition the parties agree that up to a total of one acre of additional right-of-way (ROW), located outside of the Central Range Area Boundary, as depicted in EXHIBIT A of this Agreement, would be needed for the north, south and east approaches to complete the improvement at Peterson/Rt. 83. The Village shall pay to the County, within thirty (30) days of the receipt of an invoice from the County, in a lump sum, one hundred percent (100%) of the actual cost to acquire up to a total of one additional acre of ROW needed for the improvement to the intersection.

Further, the Village agrees to obtain all easements, rights-of-way, licenses, and other property rights (free of encumbrances or other restrictions) that are necessary or convenient to construct, install, operate, and maintain the Intersection Improvements, including the preparation of appropriate surveys, agreements, and other relevant documents. Such property rights shall include those rights necessary to establish and maintain any required storm water management facilities consistent with the ultimate improvement contemplated for any affected County highway; provided, however, that such rights shall be secured in connection with the Village's approval of developments adjacent to such affected County highways; provided further that, for any portion of the Intersection Improvements undertaken, the Village shall be required to obtain the rights-of-way, easements, or other property interests as may be necessary for such portion of the Intersection Improvement so undertaken and irrespective of the status of development approvals for the properties adjacent to such Intersection Improvements.

In connection with any acquisition of ROW under this Section 2.B, the Village and the County agree that the parties shall make best efforts to minimize the acquisition costs for any such ROW. The parties further agree that, if the ROW costs exceed more than 120% of the estimated ROW cost as set forth in Exhibit B-1 of that certain "Central Lake County Area Transportation Improvement Intergovernmental Agreement" (the "CLC Transportation IGA"), as adjusted pursuant to the terms of the CLC Transportation IGA, the parties shall confer to assess appropriate reductions in the total ROW to be obtained, sharing of costs for such ROW, or such other approaches that are mutually acceptable to contain the overall ROW cost.

C. Alternative Funding Sources. The Village reserves the right to seek funds from parties other than the County to pay for the construction and installation of the Intersection Improvements. To the extent that the County is awarded any grants from any source (other than the County or a County-related funding source) for the express purpose of undertaking any of the Intersection Improvements, or portions thereof, such grants shall be applied to satisfying the Village's obligation to finance the construction and installation of the Intersection Improvements. In the event that a grant is awarded to the County for any portion of the Intersection Improvements, the Village shall nevertheless: (1) remain responsible for the design, engineering, and construction of such Intersection

improvements; (2) be financially responsible for any local "matching" funds for such grant; and (3) approve and execute any agreement or other documentation that may be necessary in connection with securing or administering such grant. To the extent that the County notifies the Village of its intent to pursue a grant for any portion of the Intersection Improvements and the Village concurs with such effort in writing, the Village shall cooperate with and assist the County in securing such grant, which cooperation shall include the payment or reimbursement of reasonable expenses that the County incurs in preparing any grant application.

4. Except as expressly provided in this Section, the COUNTY and GRAYSLAKE acknowledge and agree that the terms of the Central Range Transportation Agreement as originally approved remain in full force and effect.

SECTION VII.

Additional Parties

The Parties agree that it is desirable to have the Villages of Hainesville, Round Lake Park, and Round Lake, or any of the foregoing, included as Parties to this Agreement. To that end, GRAYSLAKE, LIBERTYVILLE, and MUNDELEIN agree that, in the event that the COUNTY obtains the approval of any of the Villages of Hainesville, Round Lake Park, or Round Lake to the terms of this Agreement and secures such Village's signature to the Codicil attached hereto as Exhibit C and by this reference made a part of this Agreement, then upon such execution of the Codicil, that Village will be deemed a Party to this Agreement as if it were a Party from the outset, and no further approvals from the other Parties shall be required.

SECTION VIII.

General Provisions

1. Payments due to the COUNTY by any of the Parties hereto, in accordance with the provisions of this Agreement shall be made in a lump sum for the full amount due prior to issuance of any access permit under the ACCESS ORDINANCE or within thirty (30) days after any Final Development Approval (in the event that the proposed Development does not require access to a County Highway).
2. This Agreement shall not be construed, in any manner or form, to limit the power or authority of the COUNTY or the COUNTY ENGINEER to maintain, operate, improve, manage, construct, reconstruct, repair, widen or expand COUNTY Highways as best determined, as provided by law.

3. Nothing contained in this Agreement is intended or shall be construed as in any manner or form creating or establishing a relationship of co-partners amongst any of the Parties hereto, or as appointing any of the Parties as an agent of the COUNTY or any other Party. The Parties and each of them is and shall remain independent of the COUNTY and each other with respect to all services performed under this Agreement.
4. Each party warrants and represents to the other parties and agrees that (1) this Agreement (or the Codicil, as the case may be) has been executed by duly authorized agents or officers of such Party and that all such agents and officers have executed the same in accordance with the lawful authority vested in them, pursuant to all applicable and substantive requirements; (2) this Agreement is binding and valid and will be specifically enforceable against each of the Parties to the extent permitted by law; and (3) this Agreement does not violate any presently existing applicable order, writ, injunction, or decree of any court or government department, commission, board, bureau, agency, or instrumentality applicable to any of the Parties.
5. It is mutually agreed by and among the Parties hereto that this Agreement shall be deemed to take effect on October 15, 2009, provided the duly authorized agents of the Parties hereto duly execute this Agreement by affixing their signatures prior to October 15, 2009. In the event the date that the last authorized agents of the Parties hereto affix their signatures to this Agreement is subsequent to October 15, 2009, the effective date of this Agreement shall then be the first day of the month which follows the date that the last authorized agent of the Parties hereto affixes their signature. For any of the VILLAGES that becomes a Party as a result of the execution of a Codicil pursuant to Section VII, this Agreement will be effective with respect to that VILLAGE as of the execution date of such Codicil.
6. It is mutually agreed by and between the Parties hereto that all notices, requests, and other communications made under this Agreement shall be made in writing and shall be sent by way of standard U.S. Postal Service mail delivery as follows:

If to the COUNTY:

County Engineer
Lake County Division of Transportation
600 W. Winchester Rd.
Libertyville, IL 60048
(or most current address)

If to the VILLAGE OF GRAYSLAKE:

Mayor
Village of Grayslake
10 S. Seymour Ave.
Grayslake, IL 60030
(or most current address)

If to the VILLAGE OF LIBERTYVILLE:

Mayor
Village of Libertyville
118 W. Cook St.
Libertyville, IL 60048
(or most current address)

If to the VILLAGE OF MUNDELEIN:

Mayor
Village of Mundelein
440 E. Hawley St.
Mundelein, IL 60060
(or most current address)

7. This Agreement shall be enforceable in any court of competent jurisdiction by any of the Parties hereto by any appropriate action at law or in equity, including any action to secure the performance of the representations, promises, covenants, agreements and obligations contained herein.
8. The Parties agree that:
 - a. if suit is brought with respect to the Development of land that is incorporated as of the effective date of this Agreement, then the COUNTY and the VILLAGE within whose boundaries the Development is to occur shall mutually participate in the defense of any such action and equally share the costs of defense of any such action;
 - b. if suit is brought with respect to the Development of land that had been annexed as of the date that the alleged cause of action arises, then the VILLAGE within whose boundaries the Development is to occur shall be responsible for the defense of any such action, including all costs of defense of any such action;

- c. if suit is brought with respect to the Development of land that is unincorporated as of the date that the alleged cause of action arises, then the COUNTY shall be responsible for the defense of any such action, including all costs of defense of any such action;
- d. For any other suit challenging this Agreement or participation under the terms of this Agreement, all the Parties shall mutually participate in the defense of any such action and equally share the costs of defense of any such action.

To the extent that a suit is brought seeking to recover moneys paid to the Fund, to the extent permitted by law any judgment requiring repayment of such moneys shall be paid from the Area Sub-Account that had originally received the moneys in question. To the extent that an action involves multiple counts, such mutual defense will extend only to those counts directly challenging this Agreement.

- 9. The provisions of this Agreement are severable. If any provision, paragraph, section, subdivision, clause, phrase, or word of this Agreement is for any reason held to be contrary to law, or contrary to any rule or regulation having the force and effect of law, such decision shall not affect the remaining portions of this Agreement.
- 10. This Agreement supersedes all oral agreements and negotiations amongst the Parties hereto relating to the subject matter hereof. Any prior formal agreements amongst or between any of the Parties hereto shall remain in full force and effect except as modified by this Agreement.
- 11. Any alterations, amendments, deletions, or waivers of any provision of this Agreement shall be valid only when expressed in writing and duly executed by all of the Parties hereto.
- 12. This Agreement shall be binding upon and inure to the benefit of the Parties hereto, their successors, and assigns.
- 13. This Agreement may be executed in multiple identical counterparts, and all of said counterparts shall, individually and taken together, constitute this Agreement.
- 14. The Parties shall establish and maintain at all times during the term of this Agreement permanent books and records relating to the matters set forth in this Agreement. Each Party shall have the right to inspect and copy such records of the other during normal business hours, and the Parties hereby waive all copying and related costs. In addition, the COUNTY agrees that, as part of its ordinary and customary annual audit process, separate

schedules for each Area Sub-Account setting forth revenues received and expenditures made shall be included.

15. This Agreement, and any Codicils to this Agreement, shall be certified by the Clerk of each of the Parties and recorded in the Office of the Lake County Recorder. Every recordation of a Codicil shall be deemed a re-affirmation and re-approval of this Agreement. This Agreement shall remain in full force and effect for a twenty (20) year period, and thereafter shall be automatically renewed for subsequent twenty (20) year periods, until all FEES are collected and all IMPROVEMENTS are completed as contemplated in this Agreement. If any provision of this Agreement would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such easements, rights, restrictions, agreements, or covenants shall continue only until 21 years after the death of the last survivor of the now living lawful descendants of any now living current or former President of the United States, or the duration of such statutory limitation (but only to the extent such statutory limitation is the only basis on which such provision is authorized).

[Signature page to follow.]

ATTEST:

Village Clerk

VILLAGE OF GRAYSLAKE

By: _____
Mayor

Date: _____

ATTEST:

Village Clerk

VILLAGE OF LIBERTYVILLE

By: _____
Mayor

Date: _____

ATTEST:

Village Clerk

VILLAGE OF MUNDELEIN

By: _____
Mayor

Date: _____

RECOMMENDED FOR EXECUTION

Martin G. Buehler, P.E.
Director of Transportation/ County Engineer
Lake County

ATTEST:

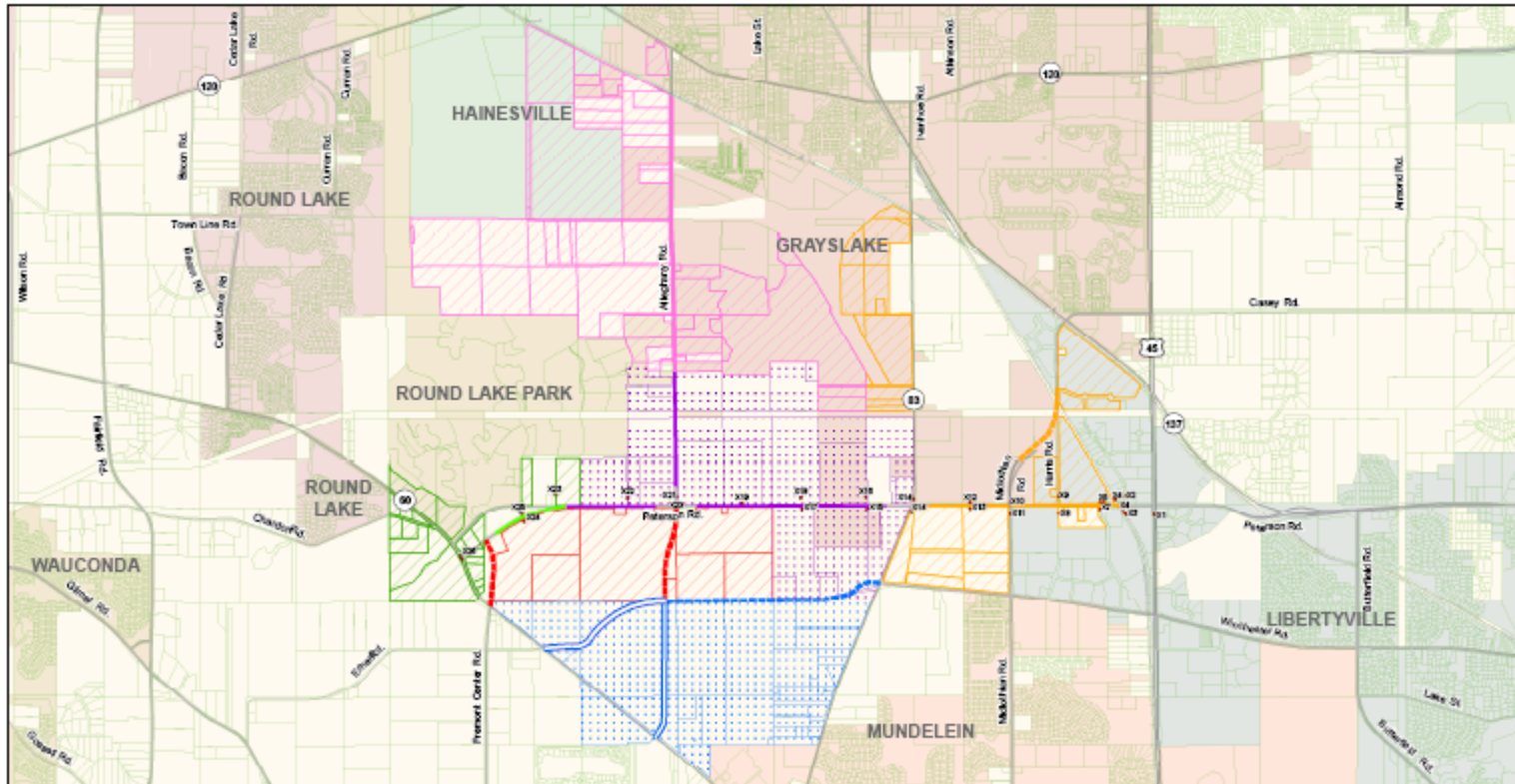
County Clerk
Lake County

COUNTY OF LAKE

By: _____
Chair
Lake County Board

Date: _____

EXHIBIT A
Central Lake County Areawide Highway Improvements
Highway Improvement Areas



- Improvement Area 1 (192.9 Acres)
potential fee = \$1,000
- Improvement Area 2 (554.8 Acres)
potential fee = \$2,700
- Improvement Area 3 (296 Acres)
potential fee = \$1,500
- Improvement Area 4 (669.2 Acres)
potential fee = \$7,000
- Improvement Area 5 (675.7 Acres)
potential fee = \$1,100
- Improvement Area 6 (1149.6 Acres)
potential fee = \$1,800

- Designated County Highway Extensions
- Potential County Highway Extensions
- Highway Corridor
- Highway Improvements



EXHIBIT B

Schedule of FEES

Highway Corridor	Cost per Acre*
1	\$3600
2	\$2190
3	\$6920
4	\$7500
5	\$8120
6	\$3630

* Costs per acre have been calculated using June 2007 estimated construction dollars.

Exhibit B-1

Schedule of IMPROVEMENTS, Estimated Costs, and Trigger Events

IMPROVEMENT by Area and Highway Corridor or Highway Extension	Estimated Design & Construction Cost per mile¹	ROW Estimated Costs per mile¹	Total IMPROVEMENT Cost¹	Trigger Event for Design of IMPROVEMENT²
Area 1 Peterson east of IL 60	\$2,612,500	n/a	\$1,385,417	Average Daily Traffic exceeds 16,000 vehicles ³
Area 2 Fremont Center	\$2,612,500	n/a	\$1,097,250	FEES and CREDITS paid/attributed to the Fund in the amount of 50% of the Total Estimated Improvement Costs
Area 2 Alleghany south of Peterson	\$2,612,500	n/a	\$1,332,275	FEES and CREDITS paid/attributed to the Fund in the amount of 50% of the Total Estimated Improvement Costs
Area 3 Peterson east of IL 60 to IL 83	\$5,225,000	\$827,200	\$7,444,206	Average Daily Traffic exceeds 16,000 vehicles ³
Area 3 Alleghany north of Peterson	\$5,225,000	\$827,200	\$3,570,798	Average Daily Traffic exceeds 16,000 vehicles ³
Area 4 Winchester east of Alleghany	\$2,612,500	\$3,106,400	\$6,509,454	FEES and CREDITS paid/attributed to the Fund in the amount of 50% of the Total Estimated Improvement Costs
Area 4 Winchester west of Alleghany	\$2,612,500	\$3,106,400	\$4,122,654	FEES and CREDITS paid/attributed to the Fund in the amount of 50% of the Total Estimated Improvement Costs

Area 4 Alleghany south of Winchester	\$2,612,500	\$3,106,400	\$4,122,654	FEES and CREDITS paid/attributed to the Fund in the amount of 50% of the Total Estimated Improvement Costs
Area 5 Midlothian north of Peterson	\$2,612,500	n/a	\$940,500	FEES and CREDITS paid/attributed to the Fund in the amount of 50% of the Total Estimated Improvement Costs
Area 5 Peterson IL 83 to IL 45	\$5,225,000	\$827,200	\$6,778,464	Design currently in progress
Area 6 Alleghany south of Rt 120	\$5,225,000	\$827,200	\$8,715,168	Average Daily Traffic exceeds 16,000 vehicles ³

¹ Roadway Improvements Costs have been calculated using the June 2007 Estimated Unit Costs and Standards from the published Lake County Division of Transportation 2007-2012 Proposed Highway Improvement Program, Section 7, UNIT COSTS – Roadways.

² The triggers for design of the Improvements that are based on collection of FEES (as opposed to traffic counts) shall be met when there are sufficient moneys on hand in the appropriate Area Sub-Account to fund 50% of a particular IMPROVEMENT to be paid from such Area Sub-Account. The COUNTY reserves the right to determine the order that IMPROVEMENTS within a Highway Improvement Area shall be undertaken. For purposes of calculating the moneys available in an Area Sub-Account for an IMPROVEMENT, both the amount of FEES paid into such Area Sub-Account of the Fund and the value of CONSTRUCTION CREDITS and RIGHT-OF-WAY CREDITS relating to the IMPROVEMENT in question shall be considered.

³ In the event that an Area Sub-Account has sufficient funds available (as calculated in accordance with Note 2 above) to undertake the construction of an IMPROVEMENT whose trigger is based on a traffic count that has not yet been achieved, the COUNTY shall commence design of such IMPROVEMENT notwithstanding the fact that the traffic-count trigger has not been met. Construction, however, shall not be required to commence until the later of (i) satisfaction of the traffic count trigger as determined by the County Engineer, or (ii) 24 months following completion of design engineering and right-of-way acquisition.

EXHIBIT C

Additional Parties Codicil

THIS INSTRUMENT IS A CODICIL to that certain "Central Lake County Area Transportation Improvement Intergovernmental Agreement" (the "IGA") and is entered into by and between _____ (the "Village") and the COUNTY OF LAKE (the "County") pursuant to Section VII of the IGA.

The Village hereby acknowledges and agrees that it has: (a) taken all of the procedural steps described in the IGA required before considering the approval of the IGA; (b) approved this Codicil by the duly authorized action of its corporate authorities; (c) pursuant to such approval elected to accept all of the terms and conditions of the IGA and to be bound thereby; and (d) authorized its President and Clerk to execute this Codicil on behalf of the Village.

The County, pursuant to its authority under Section VII of the IGA, hereby accepts the Village's approval of the Codicil by causing the Codicil to be executed by the County Board Chairman and County Clerk.

The County and the Village agree to cause their respective clerks to certify a true and correct copy of this Codicil and thereafter record it in the office of the Lake County Recorder.

IN WITNESS WHEREOF, the duly authorized persons on behalf of the Village and the County have signed this Codicil as follows:

ATTEST:

Village Clerk

VILLAGE OF _____
By: _____
President
Date: _____

ATTEST:

County Clerk
Lake County

COUNTY OF LAKE
By: _____
Chair
Lake County Board
Date: _____