

City of Oakbrook Terrace

*City Hall
17W275 Butterfield Rd.
Oakbrook Terrace, IL 60181
www.oakbrookterrace.net*



City Council Meeting Agenda

Tuesday, August 27, 2024
7:00 PM

City Council Board Room

Oakbrook Terrace City Council

Mayor Paul Esposito

City Clerk Michael Shadley

Ward 1

Alderman Charlie Barbari

Alderman Joseph Beckwith

Ward 2

Alderman Frank Vlach

Alderman Dennis Greco

Ward 3

Alderman Bob Rada

Alderwoman Mary Fitzgerald

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. ADDITIONS OR DELETIONS TO THE AGENDA

V. APPROVAL OF MINUTES – CHANGES OR CORRECTIONS

1. Regular Meeting Minutes of August 13, 2024

VI. MOTION TO TAKE FROM THE TABLE

1. Draft Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, And Sikich CPA, LLC

VII. PUBLIC PARTICIPATION

VIII. ACTION ITEMS/CONSENT AGENDA

1. Payment Of City Bills: August 27, 2024, In The Amount Of \$141,489.02

IX. ITEMS REMOVED FROM THE CONSENT AGENDA

X. RECESS TO THE COMMITTEE OF THE WHOLE

XI. MAYOR ESPOSITO

XII. COMMITTEE OF THE WHOLE

1. Fee Waiver For Building & Zoning Permit Fees Pertaining To Stella May Swartz School
2. Draft An Ordinance Authorizing And Ratifying The Issuance Of A Purchase Order For The Purchase Of Two Solar-Powered Blinking Pedestrian Crossing Signs For The City Of Oakbrook Terrace, Illinois
3. Draft Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, And Sikich CPA, LLC
4. Discussion Of Traffic Patterns On MacArthur Drive
5. Employee Retention And Recruitment Within The Police Department
6. Amending The Provisions Of Chapter 35 Entitled “Taxes” Of Title Iii Entitled “Administration” Of The Code Of Oakbrook Terrace, Illinois, By Imposing A Municipal Grocery Retailers’ Occupation Tax And A Municipal Grocery Service Occupation Tax

XIII. COUNCIL MEMBER COMMENTS

XIV. CITY ATTORNEY RAMELLO

XV. CITY CLERK SHADLEY

XVI. CITY ADMINISTRATOR RITZ

XVII. RECONVENE THE CITY COUNCIL MEETING

XVIII. RECESS TO EXECUTIVE SESSION

XIX. EXECUTIVE SESSION

1. Closed Session Pursuant to Section 2 (c) (11) Of The Open Meetings Act To Discuss Pending Litigation

XX. RECONVENE THE CITY COUNCIL MEETING

XXI. OLD BUSINESS

1. Ordinance No. 20 – 30: An Ordinance Authorizing And Ratifying The Issuance Of A Purchase Order For The Purchase Of Two Solar-Powered Blinking Pedestrian Crossing Signs For The City Of Oakbrook Terrace, Illinois
2. Ordinance No. 24 – 31: An Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, And Sikich CPA, LLC

ADJOURN

Next Regular City Council meeting is September 10, 2024

Next Ordinance No. 24 – 32

Next Resolution No. 24 - 10

In compliance with the Americans with Disabilities Act and other applicable Federal and State laws, the City of Oakbrook Terrace meetings will be accessible to individuals with disabilities. Persons requiring auxiliary aids and services should contact the Executive Offices at 17W275 Butterfield Road, Oakbrook Terrace, Illinois 60181, or call (630) 941-8300 in advance of the meeting to inform them of their anticipated attendance.



**Memorandum for the Regular City Council Meeting and
Committee of the Whole for
Tuesday, August 27, 2024, at 7:00 PM**

REGULAR COUNCIL MEETING AGENDA

- I. CALL TO ORDER – Mayor Esposito**
- II. ROLL CALL – City Clerk Shadley**
- III. PLEDGE OF ALLEGIANCE**
- IV. ADDITIONS OR DELETIONS TO THE AGENDA**
- V. APPROVAL OF MINUTES - CHANGES OR CORRECTIONS**
 1. Regular Meeting Minutes of August 13, 2024
- VI. MOTION TO TAKE FROM THE TABLE**
 1. Draft Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, And Sikich CPA, LLC
- VII. PUBLIC PARTICIPATION**
- VIII. ACTION ITEMS/CONSENT AGENDA**
 1. Payment Of City Bills: August 27, 2024, In The Amount Of \$141,489.02

The Mayor asks the City Council members if they would like to remove any item(s) from the Consent Agenda. The Mayor also asks the City Attorney if any items should be removed from the Consent Agenda by the Council because they are not ready or new information is available.

RECOMMENDED MOTION: I move to approve all the items contained on the consent agenda for August 27, 2024 *(as presented)* or *(as amended)*. (Roll Call Vote, Mayor's Vote Not Called).
- ❖ EXPLANATION OF ITEMS ON THE CONSENT AGENDA (For Council Only)**
- IX. ITEMS REMOVED FROM THE CONSENT AGENDA**
- X. RECESS TO THE COMMITTEE OF THE WHOLE**

XI. MAYOR ESPOSITO

XII. COMMITTEE OF THE WHOLE CONSIDERATIONS

1. Fee Waiver For Building & Zoning Permit Fees Pertaining To Stella May Swartz School

Salt Creek District 48 Superintendent Dr. Amy Zaher is requesting a waiver of all zoning fees and building permits for the enhancement of Stella May Swartz School. The school is essential to the community, and by investing in our buildings, we can improve the learning environment for our students and enhance the overall quality of life for our residents. These enhancements will create spaces that can be utilized by the community for various events, programs, and activities, benefiting the entire city. Waiving the zoning fees and building permits would demonstrate the City of Oakbrook Terrace's commitment to education and community well-being.

Recommended Action: If the City Council concurs with the fee waiver, the City Attorney should be directed to create an ordinance for the subsequent Consent Agenda.

2. Draft An Ordinance Authorizing And Ratifying The Issuance Of A Purchase Order For The Purchase Of Two Solar-Powered Blinking Pedestrian Crossing Signs For The City Of Oakbrook Terrace, Illinois

Please review the draft ordinance for the purchase of four (4) blinkersigns from Traffic and Parking Control, Co., Inc. (Tapco) of Brown Deer, Wisconsin. The City Council approved the installation of blinker signs at the trail crossings on MacArthur Drive and Karban Road during the meeting on August 13th. Assistant to the City Administrator Raffel has been tasked with updating the quote from Tapco to include an extra pair of Push Button Bulldog Add-On Option Kit Yellow with LED. The updated quote from Tapco, which consists of the additional purchase and current prices, is attached to the draft ordinance. The solicitation of three (3) quotes from competitive vendors will be waived.

Assistant to the City Administrator Raffel will be in attendance to answer any questions.

Recommended Action: If the City Council concurs with the draft ordinance as presented, then the ordinance will be approved at the reconvened meeting

3. Draft Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, And Sikich CPA, LLC

Please review the draft ordinance regarding an agreement of auditing services between the City of Oakbrook Terrace and Sikich CPA, LLC. During the July 9th meeting, Finance Director Walker spoke to the City Council and recommended entering into an agreement with the auditing firm Sikich, CPA, LLC. The corporate authorities of the City have determined that the services are professional and have

submitted a satisfactory proposal. Other municipalities utilizing Sikich, CPA, LLC services are the Villages of Berkeley, Burr Ridge, Willowbrook, and Western Springs, along with the City of Warrenville.

Finance Director Walker will be in attendance to answer any questions.

Recommended Action: If the City Council concurs with the draft ordinance as presented, then the ordinance will be approved at the reconvened meeting

4. Discussion of Traffic Patterns On MacArthur Drive

Residents of MacArthur Drive have observed a rise in traffic due to new businesses on 22nd Street. During the public participation segment at the meeting on August 13th, residents and the City Council discussed possible ways to reduce traffic on MacArthur Drive. It was suggested that formal discussions be held with a representative from Christopher B. Burke Engineering, Ltd. to explore potential solutions to the problem.

Christopher B. Burke Engineering, Ltd, representative Dan Lynch will be in attendance to answer any questions.

Recommended Action: Informational Only.

5. Employee Retention And Recruitment Within The Police Department

Police Chief Calvello and Deputy Chief Clark will provide an update to the City Council on the retention and recruitment of employees in the police department.

Recommended Action: Informational Only.

6. Draft Ordinance Amending The Provisions Of Chapter 35 Entitled "Taxes" Of Title Iii Entitled "Administration" Of The Code Of Oakbrook Terrace, Illinois, By Imposing A Municipal Grocery Retailers' Occupation Tax And A Municipal Grocery Service Occupation Tax

Please review the draft ordinance to impose a municipal grocery retailers and service occupation tax.

Governor JB Pritzker has proposed a State Fiscal Year (SFY) 2025 budget that includes the elimination of the 1% sales tax on grocery items. Currently, all revenues from the 1% grocery tax go to municipal governments, not the State of Illinois. Removing this tax would lead to a reduction in resource revenue.

Municipal governments are responsible for providing critical programs and services to the residents of our communities, such as police and fire protection, water and sewer, public infrastructure projects, and many others. These programs and services ensure the health, safety, and welfare of the residents we serve. Every dollar in a municipality's budget is dedicated to ensuring the uninterrupted delivery of these core government functions.

The proposal to eliminate the 1% grocery tax would place an undue hardship on the city. At a time of rising pension costs, along with an increasing number of unfunded mandates placed on local units of government by the state, it would be irresponsible for the state to eliminate this municipal-only revenue source and not provide the means to replace those dollars in their entirety. This is not tax relief; our residents will ultimately bear the price of this proposed tax cut.

Recommended Action: After careful consideration, the Mayor and Council shall move the draft ordinance to the subsequent Consent Agenda for approval.

XIII. COUNCIL MEMBER'S COMMENTS

During this portion of the meeting, the Council members can bring up items that are of concern to them in order that they can be placed on a future agenda for discussion.

XIV. CITY ATTORNEY RAMELLO

XV. CITY CLERK SHADLEY

XVI. CITY ADMINISTRATOR RITZ

XVII. RECONVENE THE CITY COUNCIL MEETING

XVIII. RECESS TO EXECUTIVE SESSION

XIX. EXECUTIVE SESSION

1. Closed Session Pursuant to Section 2 (c) (11) Of The Open Meetings Act To Discuss Pending Litigation

XX. RECONVENE THE CITY COUNCIL MEETING

XXI. OLD BUSINESS

1. Ordinance No. 20 – 30: An Ordinance Authorizing And Ratifying The Issuance Of A Purchase Order For The Purchase Of Two Solar-Powered Blinking Pedestrian Crossing Signs For The City Of Oakbrook Terrace, Illinois
2. Ordinance No. 24 – 31: An Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, And Sikich CPA, LLC

ADJOURN

AGENDA ACTION

City of Oakbrook Terrace

AUG 27 2024

*City Hall
17W275 Butterfield Road
Oakbrook Terrace, IL 60181
www.oakbrookterrace.net*



City Council Meeting Minutes

Tuesday, August 13, 2024
7:00 PM

City Council Board Room

Oakbrook Terrace City Council

Mayor Paul Esposito

City Clerk Michael Shadley

Ward 1

Alderman Charlie Barbari

Alderman Joseph Beckwith

Ward 2

Alderman Frank Vlach

Alderman Dennis Greco

Ward 3

Alderman Bob Rada

Alderwoman Mary Fitzgerald

I. CALL TO ORDER

Mayor Esposito called the August 13, 2024, Regular and Committee of the Whole Meeting of the City Council to order at 7:00 P.M.

II. ROLL CALL

Roll call indicated the following City Council members in attendance:

Present: Beckwith, Fitzgerald, Greco, Rada, Vlach, and Mayor Esposito
Absent: Barbari

Also in attendance: Assistant to the City Administrator A. Raffel, Finance Director T. Walker, and City Attorney R. Ramello.

III. PLEDGE OF ALLEGIANCE

Mayor Esposito led everyone in the Pledge of Allegiance.

IV. ADDITIONS OR DELETIONS TO THE AGENDA

1. Executive Session

a. Closed Session Pursuant To Section 2(c)(1) Of The Open Meetings Act Regarding The Appointment, Employment, Discipline, Performance, Or Dismissal Of A Specific Employee Of The City.

Motion to add Executive Session Pursuant To Section 2(c)(1) Of The Open Meetings Act Regarding The Appointment, Employment, Discipline, Performance, Or Dismissal Of A Specific Employee Of The City was made by Alderwoman Fitzgerald and second by Alderman Beckwith. Roll call vote take:

Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach
Nays: None
Absent: Barbari

Motion passed.

V. APPROVAL OF MINUTES – CHANGES OR CORRECTIONS

1. Regular Meeting Minutes of July 23, 2024:

Motion to approve the July 23, 2024, minutes of the Regular City Council and Committee of the Whole, as presented, was made by Alderman Beckwith and seconded by Alderman Greco. Roll call vote was taken:

Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach

Nays: None
Absent: Barbari

Motion passed.

VI. MOTION TO TAKE FROM THE TABLE

1. Draft Ordinance Amending The Provisions Of Title XI (Business Regulations); Chapter 124 (Video Gaming); Subchapter 124.22 (Number Of Licenses) Of The Code Of Oakbrook Terrace To Increase The Maximum Number Of Video Gaming Terminal Licenses (Brooks OBT, Inc. D/B/A Brook’s Kitchen And Bar, 1919 S. Meyers Road):

Motion to Take From The Table Draft Ordinance Amending The Provisions Of Title XI (Business Regulations); Chapter 124 (Video Gaming); Subchapter 124.22 (Number Of Licenses) Of The Code Of Oakbrook Terrace To Increase The Maximum Number Of Video Gaming Terminal Licenses (Brooks OBT, Inc. D/B/A Brook’s Kitchen And Bar, 1919 S. Meyers Road) was made by Alderman Beckwith and seconded by Alderman Greco:

Ayes: Beckwith, Fitzgerald, Greco, and Vlach
Nays: Rada
Absent: Barbari

Motion passed.

VII. PUBLIC PARTICIPATION

Resident Ann Ventura from MacArthur Drive discussed the traffic patterns on MacArthur Drive and wanted to know what action needs to be taken to keep residents safe. She suggested adding a road blockage and showed pictures of examples from the Villages of Villa Park and Oak Brook. Further discussion ensued, and it was agreed to be placed on the next subsequent agenda.

VIII. ACTION ITEMS/CONSENT AGENDA

1. Payment Of City Bills: August 13, 2024, In The Amount Of \$346,690.85.
2. Personnel & Payroll: July 2024
3. Treasurer’s Report: 2024
4. Appointment Of Patricia Freda To Serve On The Planning And Zoning Commission As Chair For A Term To Expire On May 31, 2026.
5. Appointment Of Ann Ventura To Serve On The Planning And Zoning Commission As Vice Chair For A Term To Expire May 31, 2026.
6. Appointment Of Fabio Cavalieri To Serve On The Planning And Zoning Commission As Commissioner For A Term To Expire May 31, 2026.

- 7. Ordinance No. 24–27: An Ordinance To Approve And Authorize The Waiver Of The Building Permit Fee For The Oakbrook Terrace Park District.
- 8. Ordinance No. 24–28: An Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, and Sikich CPA, LLC.

Motion to remove Item/Consent Agenda number 8 -- Ordinance No. 24–28: An Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, and Sikich CPA, LLC, and approve Item/Consent Agenda numbers 1,2,3,4,5,6, and 7 of August 13, 2024, of the Regular City Council and Committee of the Whole was made by Alderman Greco and second by Alderman Beckwith. Roll Call vote was taken:

Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach
Nays: None
Absent: Barbari

Motion passed.

IX. ITEMS REMOVED FROM THE CONSENT AGENDA

- 1. Ordinance No. 24–28: An Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, and Sikich CPA, LLC:

Motion to discuss Action Item/Consent Agenda number 8 -- Ordinance No. 24–28: An Ordinance To Approve And Authorize The Execution Of An Audit Service Agreement Between The City Of Oakbrook Terrace, Illinois and Sikich CPA, LLC was made by Alderman Beckwith and seconded by Alderman Greco.

City Attorney Ramello discussed with the City Council why the ordinance was pulled from the agenda and hoped to have the issue resolved before the next City Council meeting.

Alderman Beckwith expressed his concern about the delay in the agreement and how it would postpone the finance department's audit. He also commented that the delay would coincide with the audit and budget timelines, putting additional stress on the director and her staff.

Motion to table Ordinance No. 24–28: An Ordinance To Approve And Authorize The Execution Of An Auditing Services Agreement Between The City Of Oakbrook Terrace, Illinois, and Sikich CPA, LLC was made by Alderman Greco, and seconded by Alderman Beckwith:

Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach
Nays: None
Absent: Barbari

Motion passed.

X. RECESS TO THE COMMITTEE OF THE WHOLE

Motion to recess to the Committee of the Whole portion of this meeting was made by Alderman Rada and seconded by Alderwoman Fitzgerald. An acclamation vote was taken:

Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach
Nays: None
Absent: Barbari

Motion passed.

XI. MAYOR ESPOSITO

1. Mayor Esposito expressed gratitude to all National Night Out attendees, vendors, sponsors, Sgt. Detective DeMario for organizing the event, and the police officers for their outstanding work.
2. Mayor Esposito announced that the city has received a notice from Big Lots stating they will be closing 300 stores nationwide, including 9 in Illinois. The Big Lots location in Oakbrook Terrace will close at the end of October. He mentioned that Community Development Director Headley has contacted several interested businesses regarding the upcoming vacancy.

XII. COMMITTEE OF THE WHOLE

1. **Draft Ordinance Amending The Provisions Of Title XI (Business Regulations); Chapter 124 (Video Gaming); Subchapter 124.22 (Number Of Licenses) Of The Code Of Oakbrook Terrace To Increase The Maximum Number Of Video Gaming Terminal Licenses (Brooks Obt, Inc. D/B/A Brook's Kitchen And Bar, 1919 S. Mevers Road):**

Mayor Esposito asked the City Council to review the draft ordinance increasing the number of gaming terminal licenses for Brooks Kitchen and Bar from five to six.

City Council in favor of passing the ordinance at the Reconvened Meeting.

2. **Proposed Monthly Financial Statements For Council Review:**

Mayor Esposito asked the City Council to review the submitted monthly reports presented by Finance Director Walker.

Finance Director Walker provided an overview of the updated May and June reports, highlighting specific revenue and expenditure items for the City Council to monitor along with a summary of the city's finances.

Alderman Rada asked for clarification between the Total and FY2024 columns.

Alderman Beckwith commented on the report and wanted clarification regarding an account from Charles Schwab.

Alderwoman Fitzgerald mentioned that the reports were excellent but expressed her concern about the loss of institutional knowledge, lack of documentation, and insufficient checks and balances.

3. **Draft Ordinance To Approve And Authorize The Execution Of A Legal Services Agreement By And Between Ryan & Ryan Law, LLC And The City Of Oakbrook Terrace:**

Mayor Esposito asked the City Council to review the draft ordinance regarding a service agreement between Ryan & Ryan Law, LLC, and the City of Oakbrook Terrace.

City Attorney Ramello explained about a possible conflict of interest if Storino, Ramello & Durkin were to represent both the City of Oakbrook Terrace and the Village of Villa Park with pending property discussions. The conflict of interest would arise if an intergovernmental agreement was to be approved between the two municipalities concerning the property under discussion.

No questions from the City Council. The draft ordinance will be approved at the Reconvened Meeting.

4. **Discussion Of Blinking Traffic Controls On Macarthur Drive:**

Mayor Esposito asked the City Council to review Tapco's quote for the purchase and installation of blinker signs on MacArthur Drive. He explained that the city had been awarded two grants that would cover the cost of purchasing two (2) sets of blinker signs for MacArthur Drive and Karban Road.

The City Council discussed whether to install continuous blinking signs or installing push button light activations. The City Council concurred with the purchase.

XIII. COUNCIL MEMBER COMMENTS

Alderwoman Fitzgerald attended the ICC meeting to discuss the issue with Aqua Water Services and the proposed rate increase to fund infrastructure replacement. She raised concerns about the lack of communication regarding the city's financial reports and the policy concerning staff communication procedures.

Alderman Greco discussed his concerns regarding the lack of procedural knowledge among petitioners and what is expected of them when they address the City Council.

Alderman Beckwith expressed his gratitude to the police department and staff for hosting the National Night Out. In addition, he mentioned the closure of Big Lots and expressed hope that the city could fill the vacancy with a Trader Joe's or another similar store.

Alderman Rada suggested that the city implement the 1% grocery tax that the State of Illinois has scheduled to remove on January 1, 2026.

XIV. CITY ATTORNEY RAMELLO

None

XV. CITY CLERK SHADLEY

None

XVI. ASSISTANT TO THE CITY ADMINISTRATOR RAFFEL

None

XVII. RECONVENE THE CITY COUNCIL MEETING

Motion to reconvene the City Council meeting was made by Alderman Beckwith and seconded by Alderman Greco. An acclamation vote was taken:

Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach

Nays: None

Absent: Barbari

Motion passed.

XVIII. RECESS TO EXECUTIVE SESSION

Motion to discuss Closed Session Pursuant To Section 2(c)(1) Of The Open Meetings Act Regarding The Appointment, Employment, Discipline,

Performance, Or Dismissal Of A Specific Employee Of The City, motion was made by Alderman Greco and seconded by Alderman Rada. Roll call vote was taken:

**Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach
Nays: None
Absent: Barbari**

Motion passed.

XIX. RECONVENE THE CITY COUNCIL MEETING

Motion to reconvene the City Council meeting was made by Alderman Beckwith and seconded by Alderwoman Fitzgerald. An acclamation vote was taken:

**Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach
Nays: None
Absent: Barbari**

Motion passed.

XX. OLD BUSINESS

1. Ordinance No. 24–26: An Ordinance Amending The Provisions Of Title XI (Business Regulations); Chapter 124 (Video Gaming); Subchapter 124.22 (Number Of Licenses) Of The Code Of Oakbrook Terrace To Increase The Maximum Number Of Video Gaming Terminal Licenses (Brooks OBT, Inc. D/B/A Brook’s Kitchen And Bar, 1919 S. Meyers Road):

Motion to Approve Ordinance No. 24–26: An Ordinance Amending The Provisions Of Title XI (Business Regulations); Chapter 124 (Video Gaming); Subchapter 124.22 (Number Of Licenses) Of The Code Of Oakbrook Terrace To Increase The Maximum Number Of Video Gaming Terminal Licenses (Brooks OBT, Inc. D/B/A Brook’s Kitchen And Bar, 1919 S. Meyers Road), was made by Alderman Beckwith and seconded by Alderman Rada. A roll call vote was taken:

**Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach
Nays: None
Absent: Barbari**

Motion passed.

2. Ordinance No. 24–29: An Ordinance To Approve and Authorize The Execution Of A Legal Services Agreement By And Between Ryan & Ryan Law, LLC and The City Of Oakbrook Terrace:

Motion to Approve Ordinance No. 24–29: An Ordinance To Approve and Authorize The Execution Of A Legal Services Agreement By And Between Ryan & Ryan Law, LLC and The City Of Oakbrook Terrace, was made by Alderman Beckwith and seconded by Alderman Greco. A roll call vote was taken:

Ayes: Beckwith, Fitzgerald, Greco, Rada, and Vlach
Nays: None
Absent: Barbari

Motion passed.

ADJOURN

Motion to adjourn was made by Alderman Greco and seconded by Alderman Beckwith at 8:32 p.m.

Acclamation vote made with all Ayes.

Motion carried unanimously.

Respectfully submitted,

Amy Raffel, Recording Secretary

Attested:

Michael Shadley
City Clerk

Next Regular City Council meeting is August 27, 2024

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CITY OF OAKBROOK TERRACE
Bills Payable Summary Report for August 27, 2024

Corporate Fund (01)		
Check Run	\$	92,678.21
Manual Check	\$	2,302.69
Corporate Fund Total (01)	\$	94,980.90
Impact Donation Fund (02)		
Check Run	\$	-
Manual Check	\$	-
Impact Donation Fund Total (02)	\$	-
Water Fund (03)		
Check Run	\$	6,022.48
Manual Check	\$	93.62
Water Fund Total (03)	\$	6,116.10
SSA Debt Service Fund (04)		
Check Run	\$	-
Manual Check	\$	-
SSA Debt Service Fund Total (04)	\$	-
Motor Fuel Tax Fund (05)		
Check Run	\$	-
Manual Check	\$	-
Motor Fuel Tax Fund Total (05)	\$	-
2012 Debt Service Business District (08)		
Check Run	\$	-
Manual Check	\$	-
2012 Debt Service Business District (08)	\$	-
Capital Improvement Fund (09)		
Check Run	\$	40,392.02
Manual Check	\$	-
Capital Improvement Fund Total (09)	\$	40,392.02
2012 Debt Service Business District (12)		
Check Run	\$	-
Manual Check	\$	-
2012 Debt Service Business District (12)	\$	-
Total Bills Payable	\$	141,489.02

CITY OF OAKBROOK TERRACE
 MANUAL BILLS PAYABLE
 August 27, 2024

Account No.	Vendor	Description	Check No.	Date	Amount
01-00-1595-00	AFLAC	August 2024 Premium	113080	8/15/2024	\$ 535.97
01-11-6130-00	Deluxe Business Forms	2 Boxes blank AP checks, 300 pens, ink refill	ACH payment		\$ 790.49
01-02-5668-00	Verizon Wireless	PD Air Cards service for 8/2-9/1/2024	113081	8/15/2024	288.08
01-02-5668-00		USB Port Card for 8/2-9/1/2024			36.01
01-11-5668-00		Finance Phones for 8/2-9/1/2024			68.85
01-04-5668-00		Streets Cell Phones for 8/2-9/1/2024			145.75
01-03-5668-00		Comm. Dev. Cell Phones for 8/2-9/1/2024			84.44
01-02-5668-00		AirCard for 8/2-9/1/2024			36.01
03-12-5668-00		Water Cell Phones for 8/2-9/1/2024			93.62
01-02-5668-00		PD Cell Phones for 8/2-9/1/2024			955.70
01-02-5668-00		NIMS for 8/2-9/1/2024			24.95
01-01-5668-00		Exec. Admin. Cell Phones for 8/2-9/1/2024			126.93
					\$ 1,860.34

\$ 3,186.80

Accounts Payable

GL Distribution Report

User: JEsposito
 Printed: 8/21/2024 - 8:56 AM
 Batch: 00003.08.2024
 Fiscal Period: 4
 JE Date: 08/21/2024



CITY OF OAKBROOK TERRACE
 174225 BUTTERFIELD ROAD
 OAKBROOK TERRACE, IL 60181
 630-541-8300

Fund	DR Amount	CR Amount	Account Number	Description
01 CORPORATE FUND	0.00	92,678.21	01-00-1060-00	HARRIS CHECKING A/P 0129
	92,678.21	0.00	01-00-2010-00	ACCOUNTS PAYABLE
	<u>92,678.21</u>	<u>92,678.21</u>		
03 WATER FUND	0.00	6,022.48	03-00-1060-00	HARRIS A/P 0129
	6,022.48	0.00	03-00-2010-00	ACCOUNTS PAYABLE
	<u>6,022.48</u>	<u>6,022.48</u>		
09 CAPITAL IMPROVEMENT FUND	0.00	40,392.02	09-00-1060-00	Harris A/P 0129
	40,392.02	0.00	09-00-2010-00	Accounts Payable
	<u>40,392.02</u>	<u>40,392.02</u>		
Grand Total:	<u>139,092.71</u>	<u>139,092.71</u>		

Accounts Payable

Computer Check Proof List by Vendor

User: JEsposito
 Printed: 08/21/2024 - 8:51AM
 Batch: 00003.08.2024



CITY OF OAKBROOK TERRACE
 174275 BUTTERFIELD ROAD
 OAKBROOK TERRACE, IL 60181
 630-941-8300

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: advoc	dba: Advocate Medical Group Advocate Health & Hospitals Corp			Check Sequence: 1	ACH Enabled: False
	Refund double-pay on vending mach.(pd. by 2 vi	50.00	08/27/2024	01-00-3220-00	
	Check Total:	50.00			
Vendor: Ander	Anderson Pest Solutions			Check Sequence: 2	ACH Enabled: False
765175	City Hall Pest Control - August 2024	59.50	08/27/2024	01-04-5770-01	
	Check Total:	59.50			
Vendor: anyways	5 East Roosevelt LLC			Check Sequence: 3	ACH Enabled: False
	Refund double-pay on 1 vending machine (Acce	25.00	08/27/2024	01-00-3220-00	
	Check Total:	25.00			
Vendor: Blue	Blue Cross/Shield of Illinois			Check Sequence: 4	ACH Enabled: False
054349	September 2024 Premium - PS Sgts.	8,538.39	08/27/2024	01-02-4535-02	
054349	September 2024 Premium - Finance	5,605.03	08/27/2024	01-11-4530-00	
054349	September 2024 Premium - Admin.	2,758.91	08/27/2024	01-01-4530-00	
054349	September 2024 Premium - PS Officers	17,780.05	08/27/2024	01-02-4535-03	
054349	September 2024 Premium - PS Admin.	6,230.85	08/27/2024	01-02-4530-01	
054349	September 2024 Premium - Streets	6,155.57	08/27/2024	01-04-4530-00	
054349	September 2024 Premium - Comm. Dev.	5,627.69	08/27/2024	01-03-4530-00	
054349	September 2024 Premium - COBRA	1,774.70	08/27/2024	01-00-1590-00	
054349	September 2024 Premium - PS Dets.	3,733.48	08/27/2024	01-02-4535-04	
054349	September 2024 Premium - Water	5,375.79	08/27/2024	03-12-4530-00	
	Check Total:	63,580.46			
Vendor: Callone	Peerless Network, Inc.			Check Sequence: 5	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
55374	Water Dept. Phones - 8/15-9/14/2024	114.74	08/27/2024	03-12-5665-00	
55374	Street Dept. Phones - 8/15-9/14/2024	114.73	08/27/2024	01-04-5665-00	
	Check Total:	229.47			
Vendor: Chada	Michael Chada			Check Sequence: 6	ACH Enabled: False
	Plumbing Inspection Fees - 7/18-8/17/2024	854.36	08/27/2024	01-03-5600-00	
	Check Total:	854.36			
Vendor: cintas	Cintas Corporation			Check Sequence: 7	ACH Enabled: False
4201529820	City Hall Floor Mat Service	273.80	08/27/2024	01-04-5770-01	
4201529833	PD Floor Mat Service	94.37	08/27/2024	01-02-5770-01	
	Check Total:	368.17			
Vendor: Coco	Coco Solutions, LLC			Check Sequence: 8	ACH Enabled: False
1119637	Finance Phone Service - 8/15-9/14/2024	305.75	08/27/2024	01-11-5665-00	
1119637	Comm. Dev. Phone Service - 8/15-9/14/2024	269.79	08/27/2024	01-03-5665-00	
1119637	Admin. Phone Service - 8/15-9/14/2024	593.53	08/27/2024	01-01-5665-00	
1119637	PD Phone Service - 8/15-9/14/2024	629.50	08/27/2024	01-02-5665-00	
	Check Total:	1,798.57			
Vendor: Com Tire	Commercial Tire Service			Check Sequence: 9	ACH Enabled: False
1110184751	PServices truck tires	805.18	08/27/2024	01-04-5663-00	
	Check Total:	805.18			
Vendor: Comcast3	Comcast			Check Sequence: 10	ACH Enabled: False
877120090000005	Business Video & 8 Digital Adapter - 8/19-9/18/	155.08	08/27/2024	01-11-5668-00	
877120090001058	CH Internet - 8/14-9/13/2024	266.85	08/27/2024	01-11-5668-00	
877120090001954	PSB Cable/Internet - 8/8-9/7/2024	371.49	08/27/2024	01-04-5758-00	
	Check Total:	793.42			
Vendor: ComEd	Com Ed			Check Sequence: 11	ACH Enabled: False
0014123333	Res Street Lights x - 7/5-8/5/2024	68.61	08/27/2024	01-04-5760-00	
3240275000	Tornado Warning Siren - 7/5-8/5/2024	34.98	08/27/2024	01-04-5758-00	
7157829000	PAS 17B - 7/5-8/5/2024	52.41	08/27/2024	03-12-5758-00	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
9551820100	Water Tower - 7/5/8/5/2024	128.54	08/27/2024	03-12-5758-00	
	Check Total:	284.54			
Vendor: ComEd3	ComEd			Check Sequence: 12	ACH Enabled: False
0908807000	Spring/Frontage - 7/2-8/1/2024	820.86	08/27/2024	01-04-5760-00	
	Check Total:	820.86			
Vendor: CPS Co.	Chicago Parts & Sound LLC			Check Sequence: 13	ACH Enabled: False
1-0463938	T-8 Truck battery	457.35	08/27/2024	01-04-5663-00	
1CR0081290	Core battery return	-33.00	08/27/2024	01-04-5663-00	
6J0001237	Squad driver's seat replacement	1,213.00	08/27/2024	01-02-5663-00	
	Check Total:	1,637.35			
Vendor: crystal	Crystal Maintenance Plus, Corp			Check Sequence: 14	ACH Enabled: False
32135	City Hall Dept Cleaning Services - September 2024	579.50	08/27/2024	01-04-5770-01	
32135	Police Dept Cleaning Services - September 2024	1,679.50	08/27/2024	01-02-5770-01	
	Check Total:	2,259.00			
Vendor: CTCorp	Current Technologies Corp			Check Sequence: 15	ACH Enabled: False
15063	Dell servers, Storage Array , Msoft windows serv	40,392.02	08/27/2024	09-12-7110-29	
735020	Onsite & Remote IT Support	3,968.75	08/27/2024	01-01-5600-00	
	Check Total:	44,360.77			
Vendor: DJOA	DuPage Juvenile's Officers Assoc			Check Sequence: 16	ACH Enabled: False
	Membership dues - Dets. (7/1/24-6/30/25)	50.00	08/27/2024	01-02-5610-00	
	Check Total:	50.00			
Vendor: ducomm	DU-COMM			Check Sequence: 17	ACH Enabled: False
19119	Translation services - July 2024	11.04	08/27/2024	01-02-5611-00	
	Check Total:	11.04			
Vendor: duprec	DuPage County Recorder			Check Sequence: 18	ACH Enabled: False
40584291	Recording grass lien R2024-047182	57.00	08/27/2024	01-03-5700-00	

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
	Check Total:	57.00			
Vendor: 65-65065	Fastsign Summer Concert signs and decals	4,681.46	08/27/2024	01-01-5780-00	ACH Enabled: False
	Check Total:	4,681.46			
Vendor: 7644956	Flood Bros. Disposal Co. Street Sweep 6/28/24 - 7/19/24	3,279.34	08/27/2024	01-04-5763-00	ACH Enabled: False
	Check Total:	3,279.34			
Vendor: 655220615	Gonzini Elec. & Bldg. Inspection Svcs. - 8/8-8/20/2024	788.64	08/27/2024	01-03-5600-00	ACH Enabled: False
	Check Total:	788.64			
Vendor: 655220615	Granite Telecommunications Water Dept. Phones - August 2024	304.52	08/27/2024	03-12-5665-00	ACH Enabled: False
655220615	Executive Management Charges - August 2024	81.57	08/27/2024	01-01-5668-00	
655220615	Street Dept. Phones - August 2024	304.52	08/27/2024	01-04-5665-00	
655220615	Traffic Enforcement Charges - August 2024	81.57	08/27/2024	01-14-5668-00	
	Check Total:	772.18			
Vendor: 25311177P	JX Entrp T-8 plastic screws	13.68	08/27/2024	01-04-5663-00	ACH Enabled: False
	Check Total:	13.68			
Vendor: 20427	Kentech Consulting Inc. Psych. evaluation on 1 candidate	484.00	08/27/2024	01-10-5775-00	ACH Enabled: False
	Check Total:	484.00			
Vendor: 9010059067	MinoltaC Konica Minolta Business Soluti PD Copier Maint. - 7/5-8/4/2024	99.80	08/27/2024	01-02-5660-00	ACH Enabled: False
9010059666	Exec. Admin. copier maintenance - 7/4-8/3/2024	15.46	08/27/2024	01-01-5660-00	
	Check Total:	115.26			

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
Vendor: Nicorl 23302507688	Bill Payment Center Nicor Gas PD Gas - 7/9-8/8/2024	253.71	08/27/2024	Check Sequence: 26 01-02-5758-00	ACH Enabled: False
81486267503	PSB Gas - 7/9-8/8/2024	164.43	08/27/2024	01-04-5758-00	
97007010008	WMF Gas - 7/9-8/8/2024	46.48	08/27/2024	03-12-5758-00	
	Check Total:	464.62			
Vendor: nik-tina 001	NIK-TINA Security Summer Concert Series 2024 - 6-9/2024 Security	6,250.00	08/27/2024	Check Sequence: 27 01-01-5780-00	ACH Enabled: False
	Check Total:	6,250.00			
Vendor: oherron 2358318	Ray O'Herron Co. Inc. 1 Polo, and 1 shield with heat press - Patrol	88.09	08/27/2024	Check Sequence: 28 01-02-5715-00	ACH Enabled: False
2359243	2 Patches, velcro and patch removal fee - Sgt. De	17.18	08/27/2024	01-02-5715-00	
2359841	1 Taco radio pouch - Patrol	51.30	08/27/2024	01-02-5715-00	
2360111	2 Shirts, 2 pair pants, 1 duty pistol taco - Det.	314.96	08/27/2024	01-02-5715-00	
	Check Total:	471.53			
Vendor: Packey 171323	Packey Webb Ford Sensor switch coolant system - PS-1 2013 Ford I	837.69	08/27/2024	Check Sequence: 29 01-04-5663-00	ACH Enabled: False
	Check Total:	837.69			
Vendor: Runco 946191-0	Runco Office Supplies and Equipment Company CH kitchen supplies	17.63	08/27/2024	Check Sequence: 30 01-01-6120-00	ACH Enabled: False
	Check Total:	17.63			
Vendor: sirva	SIRVA World, Inc Refund double-pay for 2 vend. machines (Variety	50.00	08/27/2024	Check Sequence: 31 01-00-3220-00	ACH Enabled: False
	Check Total:	50.00			
Vendor: Site1 144716023-001	SiteOne Landscape Supply Non-selective herbicide/weed killer	426.74	08/27/2024	Check Sequence: 32 01-04-6132-00	ACH Enabled: False
	Check Total:	426.74			
Vendor: Sweets Marge Marcello				Check Sequence: 33	ACH Enabled: False

Invoice No	Description	Amount	Pmt Date	Acct Number	Reference
47	Treats for NNO 2024	205.00	08/27/2024	01-01-5780-00	
	Check Total:	205.00			
Vendor: Trotsky	Trotsky Investigative Polygraph, Inc.			Check Sequence: 34	ACH Enabled: False
OBT PD 24-02	Polygraph exam for 1 candidate	195.00	08/27/2024	01-10-5775-00	
	Check Total:	195.00			
Vendor: trugreen	Trugreen			Check Sequence: 35	ACH Enabled: False
198195748	Turf Treatment PSB	150.92	08/27/2024	01-04-5765-00	
198277001	Turf Treatment - Municipal Complex	166.01	08/27/2024	01-04-5765-00	
198286338	Turf Treatment - KremI Park	143.37	08/27/2024	01-04-5765-00	
	Check Total:	460.30			
Vendor: WeatherT	WeatherTech			Check Sequence: 36	ACH Enabled: False
45163202	Squad #5 (Silverado) bed cover	1,034.95	08/27/2024	01-02-5663-00	
	Check Total:	1,034.95			
Vendor: Wolfe	Jerry B. Wolfe, Ph.D.			Check Sequence: 37	ACH Enabled: False
	Psych evaluation for 1 candidate	500.00	08/27/2024	01-10-5775-00	
	Check Total:	500.00			
	Total for Check Run:	139,092.71			
	Total of Number of Checks:	37			



SALT CREEK SCHOOL DISTRICT NO. 48

SERVING THE COMMUNITIES OF ELMHURST • OAK BROOK • OAKBROOK TERRACE • VILLA PARK

AGENDA ACTION

AUG 27 2024

www.saltcreek48.org

AMY M. ZAHER, ED.D.
Superintendent of Schools

ADMINISTRATIVE OFFICES
1110 S. VILLA AVE.
VILLA PARK, IL 60181
(630) 279-8400
FAX (630) 279-6167

August 18, 2024

Mayor Paul Esposito
Oakbrook Terrace
17W275 Butterfield Road
Oakbrook Terrace, IL 60181

Dear Mayor Esposito,

I am writing to formally request a waiver of all zoning fees and building permits associated with the enhancement of Stella May Swartz School. As you know, our Salt Creek District 48 schools serve as a cornerstone of the four communities we serve, providing not only education but also essential community resources and spaces.

By investing in our school buildings, we are not only improving the learning environment for our students but also enhancing the overall quality of life for our residents. These enhancements will create spaces that can be utilized by the community at large for various events, programs, and activities.

We believe that these improvements will significantly benefit the entire city. By waiving the zoning fees and building permits, the City of Oakbrook Terrace would demonstrate its commitment to education and community well-being.

We would be happy to schedule a meeting to discuss this request in more detail and address any questions or concerns you may have.

Thank you for your time and consideration of this important matter.

Sincerely,

A handwritten signature in black ink that reads "Dr. Amy M. Zaher".

Dr. Amy M. Zaher
Superintendent
Salt Creek District 48

"Teaching Tomorrow's Leaders"

ORDINANCE NO. 24 -

AUG 27 2024

AN ORDINANCE AUTHORIZING AND RATIFYING THE ISSUANCE OF A PURCHASE ORDER FOR THE PURCHASE OF TWO SOLAR-POWERED BLINKING PEDESTRIAN CROSSING SIGNS FOR THE CITY OF OAKBROOK TERRACE, ILLINOIS

WHEREAS, the City of Oakbrook Terrace (the “City”) is a home-rule unit of local government under Article VII, Section 6 of the 1970 Illinois Constitution and, except as limited by such Section, it may exercise any power and perform any function pertaining to its government and affairs;

WHEREAS, two-thirds of the corporate authorities of the City holding office have determined that funds are available and that it is necessary, desirable and in the best interests of the City that the City purchase two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions from Traffic and Parking Control Co., Inc. of Brown Deer, Wisconsin; and

WHEREAS, in the opinion of two-thirds of the corporate authorities of the City holding office, it is advisable, necessary and in the public interest that the City waive advertisement for bids, waive the procedure prescribed for the submission of competitive bids, **waive obtaining three written quotes directly from the vendors solicit proposals** in the open market and purchase two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions from Traffic and Parking Control Co., Inc. of Brown Deer, Wisconsin, on the terms and conditions therein provided;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and the city council of the City of Oakbrook Terrace, DuPage County, Illinois:

Section 1: The facts and statements contained in the preambles to this ordinance are found to be true and correct and are hereby adopted as part of this ordinance.

Section 2: It is hereby determined that it is advisable, necessary and in the public interest that the City waive advertising for competitive bids, waive the procedure prescribed for the submission of competitive bids, waive obtaining three written quotes directly from the vendors and authorize the issuance of a purchase order for two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions from Traffic and Parking Control Co., Inc. of Brown Deer, Wisconsin.

Section 3: The City Administrator on behalf of the City shall be and is hereby authorized to issue a purchase order, or in the alternative, the action of the City Administrator is hereby ratified in executing and issuing a purchase order to Traffic and Parking Control Co., Inc. of Brown Deer, Wisconsin, for two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions in the amount of Thirteen Thousand Nine Hundred Seventy-Six and 71/100 Dollars (\$13,976.71), a copy of the Purchase Order for which is attached hereto marked as Exhibit “A” and made a part hereof.

Section 4: All ordinances and resolutions, or parts thereof, in conflict with the provisions of this ordinance are, to the extent of such conflict, expressly repealed.

Section 5: This ordinance shall be in full force and effect upon its passage by two-thirds of the corporate authorities of the City holding office, approval and publication in accordance with law.

ADOPTED this 27th day of August 2024, pursuant to a roll call vote as follows:

AYES: _____

NAYES: _____

ABSENT: _____

ABSTENTION: _____

APPROVED by me this 27th day of August 2024.

Paul Esposito, Mayor of the City of
Oakbrook Terrace, DuPage County, Illinois

ATTESTED and filed in my office,
this 27th day of August 2024.

Michael Shadley, Clerk of the City of
Oakbrook Terrace, DuPage County, Illinois

APPROVAL OF CITY ADMINISTRATOR

I hereby approve the Purchase Order for two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions in the amount of Thirteen Thousand Nine Hundred Seventy-Six and 71/100 Dollars (\$13,976.71), a copy of the Purchase Order for which is attached hereto marked as Exhibit "A" and made a part hereof.

James D. Ritz, City Administrator

Exhibit "A"

**CITY OF OAKBROOK TERRACE, ILLINOIS
PURCHASE ORDER
TERMS AND CONDITIONS**

1. SERVICES & DELIVERABLES.

Seller agrees to perform the services ("Services") and/or provide the goods or Service deliverables (collectively referred to as "Goods"), described in any purchase order, in accordance with the applicable purchase order, scope of work and with these Terms and Conditions ("Agreement"). Upon acceptance of a purchase order, shipment of Goods or commencement of a Service, Seller shall be bound by the provisions of this Agreement, including all provisions set forth on the face of any applicable purchase order, whether Seller acknowledges or otherwise signs this Agreement or the purchase order, unless Seller objects to such terms in writing prior to shipping Goods or commencing Services.

This writing does not constitute a firm offer within the meaning of Section 2-205 of the Illinois Commercial Code (810 ILCS 5/2-205) and may be revoked at any time prior to acceptance. This Agreement may not be added to, modified, superseded or otherwise altered, except by writing signed by the City of Oakbrook Terrace City Manager.

Any terms or conditions contained in any acknowledgment, invoice or other communication of Seller, which are inconsistent with the terms and conditions herein, are hereby rejected. To the extent that this Agreement might be treated as an acceptance of Seller's prior offer, such acceptance is expressly made on condition of assent by Seller to the terms hereof and shipment of the Goods, or beginning performance of any Services by Seller shall constitute such assent. The City of Oakbrook Terrace hereby reserves the right to reschedule any delivery or cancel any purchase order issued at any time prior to shipment of the Goods or prior to commencement of any Services. The City of Oakbrook Terrace shall not be subject to any charges or other fees as a result of such cancellation.

2. DELIVERY.

Time is of the essence. Delivery of Goods shall be made pursuant to the schedule, via the carrier and to the place specified on the face of the applicable purchase order. The City of Oakbrook Terrace reserves the right to return, shipping charges collect, all Goods received in advance of the delivery schedule. If no delivery schedule is specified, the order shall be filled promptly and delivery will be made by the most expeditious form of land transportation. If no method of shipment is specified in the purchase order, Seller shall use the least expensive carrier. In the event Seller fails to deliver the Goods within the time specified, the City of Oakbrook Terrace may, at its option, decline to accept the Goods and terminate the Agreement or may demand its allocable fair share of Seller's available Goods and terminate the balance of the Agreement. Seller shall package all items in suitable containers to permit safe transportation and handling. Each delivered container must be labeled and marked to identify contents without opening and all boxes and packages must contain packing sheets listing contents. The City of Oakbrook Terrace's purchase order number must appear on all shipping containers, packing sheets, delivery tickets and bills of lading.

3. IDENTIFICATION, RISK OF LOSS & DESTRUCTION OF GOODS.

Identification of the Goods shall occur in accordance with Section 2-501 of the Illinois Commercial Code (810 ILCS 5/2-501). Seller assumes all risk of loss until receipt by the City of Oakbrook Terrace. Title to the Goods shall pass to the City of Oakbrook Terrace upon receipt by it of the Goods at the designated destination. If the Goods ordered are destroyed prior to title passing to the City of Oakbrook Terrace, the City of Oakbrook Terrace may at its option cancel the Agreement or require delivery of substitute Goods of equal quantity and quality. Such delivery will be made as soon as commercially practicable. If loss of Goods is partial, the City of Oakbrook Terrace shall have the right to require delivery of the Goods not destroyed.

4. PAYMENT.

As full consideration for the performance of the Services, delivery of the Goods and the assignment of rights to the City of Oakbrook Terrace as provided herein, the City of Oakbrook Terrace shall pay Seller (i) the amount agreed upon and specified in the applicable purchase order; or (ii) Seller's quoted price on date of shipment (for Goods), or the date Services were started (for Services), whichever is lower. Applicable taxes and other charges such as

Exhibit "A"

shipping costs, duties, customs, tariffs, imposts and government-imposed surcharges shall be stated separately on Seller's invoice. Payment is made when the City of Oakbrook Terrace's check is mailed. Payment shall not constitute acceptance. All personal property taxes assessable upon the Goods prior to receipt by the City of Oakbrook Terrace of Goods conforming to the purchase order shall be borne by Seller. Seller shall invoice the City of Oakbrook Terrace for all Goods delivered and all Services actually performed. Each invoice submitted by Seller must be provided to the City of Oakbrook Terrace within ninety (90) days of completion of the Services or delivery of Goods and must reference the applicable purchase order, and the City of Oakbrook Terrace reserves the right to return all incorrect invoices. Unless otherwise specified on the face of a purchase order, the City of Oakbrook Terrace shall pay the invoiced amount after receipt and approval of a correct invoice pursuant to the terms of the Local Government Prompt Payment Act (50 ILCS 505/1 *et seq.*).

5. WARRANTIES.

5.1 Services: Seller represents and warrants that all Services shall be completed in a professional, workmanlike manner, with the degree of skill and care that is required by current, good and sound professional procedures. Further, Seller represents and warrants that the Services shall be completed in accordance with applicable specifications and shall be correct and appropriate for the purposes contemplated in this Agreement. Seller represents and warrants that the performance of Services under this Agreement will not conflict with, or be prohibited in any way by, any other agreement or statutory restriction to which Seller is bound.

5.2 Goods: Seller warrants that all Goods provided will be new and will not be used or refurbished. Seller warrants that all Goods delivered shall be free from defects in materials and workmanship and shall conform to all applicable specifications for a period of twelve (12) months from the date of delivery to the City of Oakbrook Terrace or for the period provided in Seller's standard warranty covering the Goods, whichever is longer. Seller hereby agrees that it will make spare parts available to the City of Oakbrook Terrace for a period of five (5) years from the date of shipment at Seller's then current price, less applicable discounts. Additionally, Goods purchased shall be subject to all written and oral express warranties made by Seller's agents, and to all warranties provided for by the Illinois Commercial Code. All warranties shall be construed as conditions as well as warranties and shall not be exclusive. Seller shall furnish to the City of Oakbrook Terrace Seller's standard warranty and service guaranty applicable to the Goods. All warranties and service guaranties shall run to the City of Oakbrook Terrace.

If the City of Oakbrook Terrace identifies a warranty problem with the Goods during the warranty period, the City of Oakbrook Terrace will promptly notify Seller of such problems and will return the Goods to Seller, at Seller's expense. Within five (5) business days of receipt of the returned Goods, Seller shall, at the City of Oakbrook Terrace's option, either repair or replace such Goods, or credit the City of Oakbrook Terrace's account for the same. Replacement and repaired Goods shall be warranted for the remainder of the warranty period or six (6) months, whichever is longer.

6. INSPECTION.

The City of Oakbrook Terrace shall have a reasonable time after receipt of Goods or Service deliverables and before payment to inspect them for conformity hereto, and Goods received prior to inspection shall not be deemed accepted until the City of Oakbrook Terrace has run an adequate test to determine whether the Goods conform to the specifications hereof. Use of a portion of the Goods for the purpose of testing shall not constitute an acceptance of the Goods. If Goods tendered do not wholly conform to the provisions hereof, the City of Oakbrook Terrace shall have the right to reject such Goods. Nonconforming Goods will be returned to Seller freight collect, and risk of loss will pass to Seller upon the City of Oakbrook Terrace's delivery to the common carrier.

7. INDEPENDENT CONTRACTOR.

The City of Oakbrook Terrace is interested only in the results obtained under this Agreement; the manner and means of achieving the results are subject to Seller's sole control. Seller is an independent contractor for all purposes, without express or implied authority to bind the City of Oakbrook Terrace by contract or otherwise. Neither Seller nor its employees, agents or subcontractors ("Seller's Assistants") are agents or employees of the City of Oakbrook Terrace, and, therefore, are not entitled to any employee benefits of the City of Oakbrook Terrace, including, but not

Exhibit "A"

limited to, any type of insurance. Seller shall be responsible for all costs and expenses incident to performing its obligations under this Agreement and shall provide Seller's own supplies and equipment.

8. SELLER RESPONSIBLE FOR TAXES AND RECORDS.

The City of Oakbrook Terrace is a unit of government. No charges will be allowed for taxes from which the City of Oakbrook Terrace is exempt. The City of Oakbrook Terrace is not liable for the Illinois Retailer's Occupation Tax, the Service Occupation Tax or the Service Use Tax. The City of Oakbrook Terrace is also exempt from Federal Excise Transportation Tax. Seller shall be solely responsible for filing the appropriate federal, state and local tax forms and paying all such taxes or fees, including estimated taxes and employment taxes, due with respect to Seller's receipt of payment under this Agreement. The City of Oakbrook Terrace shall have no responsibility to pay or withhold from any payment to Seller under this Agreement, any federal, state or local taxes or fees. The City of Oakbrook Terrace will report amounts paid to Seller required to be reported by the Internal Revenue Code and the regulations issued thereunder by filing Form 1099-MISC with the Internal Revenue Service.

9. INSURANCE.

Seller shall be solely responsible for maintaining and requiring Seller's assistants to maintain such adequate health, auto, workers' compensation, unemployment compensation, disability, liability, and other insurance, as is required by law or as is the common practice in Seller's trades or businesses, whichever affords greater coverage. Upon request, Seller shall provide the City of Oakbrook Terrace with certificates of insurance or evidence of coverage before commencing performance under this Agreement. Seller shall provide adequate coverage for any City of Oakbrook Terrace property under the care, custody or control of Seller or Seller's assistants.

10. INDEMNITY.

Seller shall indemnify, hold harmless, and at the City of Oakbrook Terrace's request, defend the City of Oakbrook Terrace, its officers, trustees, agents and employees, against all claims, liabilities, damages, losses and expenses, including attorneys' fees and cost of suit arising out of or in any way connected with the Goods or Services provided under this Agreement, including, without limitation, (i) any claim based on the death or bodily injury to any person, destruction or damage to property, or contamination of the environment and any associated clean-up costs; (ii) Seller's failing to satisfy the Internal Revenue Service's guidelines for an independent contractor; (iii) any claim based on the negligence, omissions or willful misconduct of Seller or any Seller's assistants; and (iv) any claim by a third party against the City of Oakbrook Terrace alleging that the Goods or Services, the results of such Services, or any other products or processes provided under this Agreement infringe a patent, copyright, trademark, trade secret or other proprietary right of a third party, whether such are provided alone or in combination with other products, software or processes. Seller shall not settle any such suit or claim without the City of Oakbrook Terrace's prior written approval. Seller agrees to pay or reimburse all costs that may be incurred by the City of Oakbrook Terrace in enforcing this indemnity, including attorneys' fees.

Should the City of Oakbrook Terrace's use of any Goods or Services purchased from Seller be enjoined, be threatened by injunction, or be the subject of any legal proceeding, Seller shall, at its sole cost and expense, either (a) substitute fully equivalent non-infringing Goods or Services; (b) modify the Goods or Services so that they no longer infringe but remain fully equivalent in functionality; (c) obtain for the City of Oakbrook Terrace the right to continue using the Goods or Services; or (d) if none of the foregoing is possible, refund all amounts paid for the infringing Goods or Services.

11. CONFIDENTIALITY.

Seller may acquire knowledge of the City of Oakbrook Terrace Confidential Information (as defined below) in connection with its performance hereunder and agrees to keep such City of Oakbrook Terrace Confidential Information in confidence during and following termination or expiration of this Agreement. "City of Oakbrook Terrace Confidential Information" includes, but is not limited to, all information, whether written or oral, in any form, considered confidential by the City of Oakbrook Terrace relating to the business or governmental affairs of the City of Oakbrook Terrace which is disclosed directly or indirectly to Seller. In addition, the City of Oakbrook Terrace Confidential Information means any third party's proprietary or confidential information disclosed to Seller

Exhibit "A"

in the course of providing Services or Goods to the City of Oakbrook Terrace. City of Oakbrook Terrace Confidential Information does not include any information (i) which Seller lawfully knew without restriction on disclosure before the City of Oakbrook Terrace disclosed it to Seller; (ii) which is now or becomes publicly known through no wrongful act or failure to act of Seller; (iii) which Seller developed independently without use of the City of Oakbrook Terrace Confidential Information, as evidenced by appropriate documentation; or (iv) which is hereafter lawfully furnished to Seller by a third party as a matter of right and without restriction on disclosure. In addition, Seller may disclose Confidential Information which is required to be disclosed pursuant to a requirement of a government agency or law so long as Seller provides prompt notice to the City of Oakbrook Terrace of such requirement prior to disclosure.

Seller agrees not to copy, alter or directly or indirectly disclose any the City of Oakbrook Terrace Confidential Information. Additionally, Seller agrees to limit its internal distribution of the City of Oakbrook Terrace Confidential Information to Seller's employees and contractors who have a need to know, and to take steps to ensure that the dissemination is so limited, including the execution by Seller's employees and contractors of nondisclosure agreements with provisions substantially similar to those set forth herein. In no event will Seller use less than the degree of care and means that it uses to protect its own information of like kind, but in any event not less than reasonable care to prevent the unauthorized use of the City of Oakbrook Terrace Confidential Information.

Seller further agrees not to use the City of Oakbrook Terrace Confidential Information except in the course of performing hereunder and will not use such City of Oakbrook Terrace Confidential Information for its own benefit or for the benefit of any third party. The mingling of the City of Oakbrook Terrace Confidential Information with information of Seller shall not affect the confidential nature or ownership of the same as stated hereunder. Seller agrees not to design or manufacture any products which incorporate the City of Oakbrook Terrace Confidential Information. All the City of Oakbrook Terrace Confidential Information is and shall remain the property of the City of Oakbrook Terrace. Upon the City of Oakbrook Terrace's written request or the termination of this Agreement, Seller shall return, transfer or assign to the City of Oakbrook Terrace all the City of Oakbrook Terrace Confidential Information, including all Work Product, as defined herein, and all copies thereof.

12. OWNERSHIP OF WORK PRODUCT.

For purposes of this Agreement, "Work Product" shall include, without limitation, all designs, discoveries, creations, works, devices, masks, models, work in progress, service deliverables, inventions, products, computer programs, procedures, improvements, developments, drawings, notes, documents, business processes, information and materials made, conceived or developed by Seller alone or with others which result from or relate to the Services performed hereunder. Standard Goods manufactured by Seller and sold to the City of Oakbrook Terrace without having been designed, customized or modified for the City of Oakbrook Terrace do not constitute Work Product. All Work Product shall at all times be and remain the sole and exclusive property of the City of Oakbrook Terrace. Seller hereby agrees to irrevocably assign and transfer to the City of Oakbrook Terrace and does hereby assign and transfer to the City of Oakbrook Terrace all of its worldwide right, title and interest in and to the Work Product including all associated intellectual property rights. The City of Oakbrook Terrace will have the sole right to determine the treatment of any Work Product, including the right to keep it as trade secret, execute and file patent applications on it, to use and disclose it without prior patent application, to file registrations for copyright or trademark in its own name or to follow any other procedure that the City of Oakbrook Terrace deems appropriate. Seller agrees: (a) to disclose promptly in writing to the City of Oakbrook Terrace all Work Product in its possession; (b) to assist the City of Oakbrook Terrace in every reasonable way, at the City of Oakbrook Terrace's expense, to secure, perfect, register, apply for, maintain, and defend for the City of Oakbrook Terrace's benefit all copyrights, patent rights, mask work rights, trade secret rights, and all other proprietary rights or statutory protections in and to the Work Product in the City of Oakbrook Terrace's name as it deems appropriate; and (c) to otherwise treat all Work Product as the City of Oakbrook Terrace Confidential Information as described above. These obligations to disclose, assist, execute and keep confidential survive the expiration or termination of this Agreement. All tools and equipment supplied by the City of Oakbrook Terrace to Seller shall remain the sole property of the City of Oakbrook Terrace.

Seller will ensure that Seller's assistants appropriately waive any and all claims and assign to the City of Oakbrook Terrace any and all rights or any interests in any Work Product or original works created in connection with this

Exhibit "A"

Agreement. Seller irrevocably agrees not to assert against the City of Oakbrook Terrace or its direct or indirect customers, assignees or licensees any claim of any intellectual property rights of Seller affecting the Work Product.

The City of Oakbrook Terrace will not have rights to any works conceived or reduced to practice by Seller which were developed entirely on Seller's own time without using equipment, supplies, facilities or trade secret or the City of Oakbrook Terrace Confidential Information, unless (i) such works relate to the City of Oakbrook Terrace's business, or the City of Oakbrook Terrace's actual or demonstrably anticipated research or development; or (ii) such works result from any Services performed by Seller for the City of Oakbrook Terrace.

13. TERMINATION.

The City of Oakbrook Terrace may terminate this Agreement upon written notice to Seller if Seller fails to perform or otherwise breaches this Agreement, files a petition in bankruptcy, becomes insolvent, or dissolves. In the event of such termination, the City of Oakbrook Terrace shall pay Seller for the portion of the Services satisfactorily performed and those conforming Goods delivered to the City of Oakbrook Terrace through the date of termination, less appropriate offsets, including any additional costs to be incurred by the City of Oakbrook Terrace in completing the Services.

The City of Oakbrook Terrace may terminate this Agreement, or any Service(s), for any other reason upon thirty (30) days' written notice to Seller. Seller shall cease to perform Services and/or provide Goods under this Agreement on the date of termination specified in such notice. In the event of such termination, the City of Oakbrook Terrace shall be liable to Seller only for those Services satisfactorily performed and those conforming Goods delivered to the City of Oakbrook Terrace through the date of termination, less appropriate offsets.

Seller may terminate this Agreement upon written notice to the City of Oakbrook Terrace if the City of Oakbrook Terrace fails to pay Seller within sixty (60) days after Seller notifies the City of Oakbrook Terrace in writing that payment is past due.

Upon the expiration or termination of this Agreement for any reason: (a) each party will be released from all obligations to the other arising after the date of expiration or termination, except for those which by their terms survive such termination or expiration; and (b) Seller will promptly notify the City of Oakbrook Terrace of all the City of Oakbrook Terrace Confidential Information or any Work Product in Seller's possession and, at the expense of Seller and in accordance with the City of Oakbrook Terrace's instructions, will promptly deliver to the City of Oakbrook Terrace all such the City of Oakbrook Terrace Confidential Information and/or Work Product.

14. REMEDIES.

If Seller breaches this Agreement, the City of Oakbrook Terrace shall have all remedies available by law and at equity. For the purchase of Goods, Seller's sole remedy in the event of breach of this Agreement by the City of Oakbrook Terrace shall be the right to recover damages in the amount equal to the difference between market price at the time of breach and the purchase price specified in the Agreement. No alternate method of measuring damages shall apply to this transaction. Seller shall have no right to resell Goods for the City of Oakbrook Terrace's account in the event of wrongful rejection, revocation of acceptance, failure to make payment or repudiation by the City of Oakbrook Terrace; and any resale so made shall be for the account of Seller.

15. FORCE MAJEURE.

The City of Oakbrook Terrace shall not be liable for any failure to perform including failure to (i) accept performance of Services; or (ii) take delivery of the Goods as provided caused by circumstances beyond its control which make such performance commercially impractical including, but not limited to, acts of God, fire, flood, acts of war, government action, accident, labor difficulties or shortage, inability to obtain materials, equipment or transportation. In the event the City of Oakbrook Terrace is so excused, either party may terminate the Agreement; and the City of Oakbrook Terrace shall at its expense and risk, return any Goods received to the place of shipment.

16. SEVERABILITY.

Exhibit "A"

If any provision of this Agreement shall be deemed to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

17. LIMITATION OF LIABILITY.

IN NO EVENT SHALL THE CITY OF OAKBROOK TERRACE BE LIABLE TO SELLER OR SELLER'S ASSISTANTS, OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF, OR IN CONNECTION WITH, THIS AGREEMENT, WHETHER OR NOT THE CITY OF OAKBROOK TERRACE WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

18. ASSIGNMENT; WAIVER.

Seller may not assign this Agreement or any of its rights or obligations under this Agreement, without the prior written consent of the City of Oakbrook Terrace. Any assignment or transfer without such written consent shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the City of Oakbrook Terrace without restriction. A waiver of any default hereunder or of any term or condition of this Agreement shall not be deemed to be a continuing waiver or a waiver of any other default or any other term or condition.

19. NONEXCLUSIVE AGREEMENT.

This is not an exclusive agreement. The City of Oakbrook Terrace is free to engage others to perform Services or provide Goods the same as or similar to Seller's. Seller is free to, and is encouraged to, advertise, offer and provide Seller's Services and/or Goods to others provided, however, that Seller does not breach this Agreement.

20. NOTICES.

Except for Purchase Orders which may be sent by local mail, facsimile transmission, or electronically transmitted, all notices, and other communications hereunder shall be in writing, and shall be addressed to Seller or to an authorized City of Oakbrook Terrace representative, and shall be considered given when (a) delivered personally; (b) sent by confirmed telex or facsimile; (c) sent by commercial overnight courier with written verification receipt; or (d) three (3) days after having been sent, postage prepaid, by first class or certified mail.

21. SURVIVAL OF OBLIGATIONS.

Any obligations and duties which by their nature extend beyond the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement.

22. GOVERNING LAW.

This Agreement shall be construed in accordance with, and disputes shall be governed by, the laws of the State of Illinois, excluding its conflict of law rules. The Circuit Court of DuPage County, Illinois, or the United States District Court for the Northern District of Illinois, Eastern Division, shall have jurisdiction and venue over all controversies arising out of, or relating to, this Agreement. The applicability of the U.N. Convention on Contracts for the International Sale of Goods is hereby expressly waived by the parties, and it shall not apply to the terms and conditions of this Agreement.

23. ENTIRE AGREEMENT; MODIFICATION.

This Agreement is the complete, final and exclusive statement of the terms of the agreement between the parties and supersedes any and all other prior and contemporaneous negotiations and agreements, whether oral or written, between them relating to the subject matter hereof. This Agreement may not be varied, modified, altered, or amended except in writing, including a purchase order or a change order issued by the City of Oakbrook Terrace, signed by the parties. The terms and conditions of this Agreement shall prevail, notwithstanding any variance with the terms and conditions of any acknowledgment or other document submitted by Seller. Notwithstanding the

Exhibit "A"

foregoing, this Agreement will not supersede or take the place of any written agreement which is signed by both parties and covers the same subject matter as this Agreement or its related purchase orders.

24. COMPLIANCE WITH LAWS.

24.1 General: Seller shall comply fully with all applicable federal, state and local laws in the performance of this Agreement including, but not limited to, all applicable employment, tax, export control and environmental laws.

24.2 Hazardous Materials: If Goods include hazardous materials, Seller represents and warrants that Seller understands the nature of any hazards associated with the manufacture, handling and transportation of such hazardous materials.

24.3 Customs: Upon the City of Oakbrook Terrace's request, Seller will promptly provide the City of Oakbrook Terrace with a statement of origin for all Goods and United States Customs documentation for Goods wholly or partially manufactured outside of the United States.

25. INJUNCTIVE RELIEF.

Seller acknowledges and agrees that the obligations and promises of Seller under this Agreement are of a unique, intellectual nature giving them particular value. Seller's breach of any of the promises contained in this Agreement will result in irreparable and continuing damage to the City of Oakbrook Terrace for which there will be no adequate remedy at law and, in the event of such breach, the City of Oakbrook Terrace will be entitled to seek injunctive relief, or a decree of specific performance.

26. CERTIFICATIONS.

Seller hereby certifies to the City of Oakbrook Terrace the following:

26.1 Seller is not delinquent in the payment of taxes to the Illinois Department of Revenue in accordance with 65 ILCS 5/11-42.1-1;

26.2 Seller is not barred from contracting as a result of a violation of either Section 33E-3 (bid-rigging) or 33E-4 (bid-totaling) of the Criminal Code of 1961 (720 ILCS 5/33E-3 and 5/33E-4);

26.3 Seller is not in default, as defined in 5ILCS 385/2, on an educational loan, as defined in 5ILCS 385/1;

26.4 Seller maintains and will maintain a drug-free workplace in accordance with the Drug Free Workplace Act (30 ILCS 580/1 *et seq.*);

26.5 Seller provides equal employment opportunities in accordance with the Illinois Human Rights Act (775 ILCS 5/1-101 *et seq.*);

26.6 Seller is in compliance with 775 ILCS 5/2-105(A)(4) requiring a written sexual harassment policy;

26.7 No City of Oakbrook Terrace officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of any interest in the seller; or, if the Seller's stock is traded on a nationally recognized securities market, that no City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of more than one percent (1%) of the Seller, but if any City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of less than one percent (1%) of such Seller, the Seller has disclosed to the City in writing the name(s) of the holder of such interest;

26.8 No officer or employee of City of Oakbrook Terrace has solicited any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited

Exhibit "A"

to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer from the Seller in violation of Section 30.33 of the Code of Oakbrook Terrace, Illinois;

26.9 The Seller has not given to any officer or employee of the City of Oakbrook Terrace any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer in violation of Section 30.33 of the Code of Oakbrook Terrace, Illinois; and

26.10 Neither the Seller nor any of its principals, shareholders, members, partners, or affiliates, as applicable, is a person or entity named as a specially designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a specially designated National and Blocked Person and that the Contractor and its principals, shareholders, members, partners, or affiliates, as applicable, are not, directly or indirectly, engaged in, and are not facilitating, the transactions contemplated by this Agreement on behalf of any person or entity named as a Specially Designated National and Blocked Person.

City of Oakbrook Terrace

Purchase Order

17W275 Butterfield Road
 Oakbrook Terrace, IL 60181-4041
 Phone 630-941-8300
 Fax 630-941-7254

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Supplier Name	Traffic and Parking Control Co., Inc.	Order Date:	August 27, 2024
Address 1	5100 West Brown Deer Rd	Payment Terms:	
Address 2		F.O.B. Point:	
City, State Zip	Brown Deer, WI 53223	Freight Terms:	
E Mail:		Acct Code:	
Phone:	800-236-0112	Tax Exempt No.:	
Attn:			

Ship To:
 City of Oakbrook Terrace
 17W275 Butterfield Road
 Oakbrook Terrace, IL 60181-4041
 Phone: 630-941-8300
 Attn: James Ritz, City Administrator

Invoice To:
 City of Oakbrook Terrace
 17W275 Butterfield Road
 Oakbrook Terrace, IL 60181-4041
 Phone: 630-941-8300
 Attn: James Ritz, City Administrator

Tax ID:	Ship via:	Required Ship Date:				
Item	Quantity	Part No.	Description	UM	Price	Total
1	2	500029	Ped. Xing - Solar 65/55, W11-15 Blinker Sign, B2B, Ped Posts		\$1,725.00	\$3,450.00
2	2	142048	Controller, 12V, 108045, Hollow, Radio, Out1/Out2		\$174.95	\$349.90
3	2	SLR-55-B	Universal Cabinet Mounting Bracket, SOP Cabinets 108766, 108045, 120652, Includes U-Bolt Hardware		\$633.00	\$1,266.00
4	2	101494	65W/12V Solar Panel Package, Top Of Pole Mount 4.5 Dia.		\$325.00	\$650.00
5	4	2180-C00451DF	Battery, Universal battery, Solar 12V 50Ah AGM UB12500 - Internal Thread		\$1,100.00	\$4,400.00
6	2	101620	Blinker Sign, W11-15, 30", Trail Xing, DG3, FYG, Direct Fire, 8 Amber LEDs		\$235.00	\$470.00
7	2	373-01757	Push Button Bulldog Add-On Option Kit Yellow, With LED		\$50.00	\$100.00
8	2	373-01759	W16-7PR,24"x12"x.080 DG3 FYG, Down Diagonal Right Arrow (Fed Spec) Sign		\$50.00	\$100.00
9	2	373-13	W16-7PL,24"x12"x.080 DG3 FYG, Down Diagonal Left Arrow (Fed Spec) Sign		\$390.00	\$780.00
10	2	203-00014	Standard Aluminum Pole, 13' Schedule 40 6061-T6 4.5" O.D. T.O.E.		\$335.00	\$670.00
11	8	3177-00042	Base, Aluminum Square Pedestal, No Paint Door, SP-5444-PNC		\$53.90	\$431.20
12	8	030-00006	J-Bolt, 1"x 42"+4" ATSM F1554 GR-105 92k 12" Thread Full Galvanized with Nut & Lock Washer		\$5.30	\$42.40
13	2	109673	Washer Flat 1-1/16"ID x2.5OD"x.125" Galvanized For 1" A/B, for use w/ J-bolts (not incl)		\$69.95	\$139.90
14	2	107265	Sign Mounting Kit, Banded, Flared Leg, Anti-Vandal For Mounting B2B Blinker Signs to a Large Pole		\$46.00	\$92.00
15			Sign Mounting Kit, Banded, Flared Leg, Standard For Mounting B2B Static Signs to a Large Pole			
16			Shipping and Handling		Not Included	

			TOTAL			\$13,976.71
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Purchase Order Comments

Authorized by:

Casey Calvello, Chief of Police

Approved by:

James Ritz, City Administrator

City of Oakbrook Terrace

17W275 Butterfield Road

Oakbrook Terrace, IL 60181-4041

Phone 630-941-8300

Fax 630-941-7254

Supplier Name Traffic and Parking Control Co., Inc.

Address 1 5100 West Brown Deer Rd

Address 2

City, State, Zip Brown Deer, WI 53223

Empty rectangular box for stamp or signature.

Purchase Order Comments

Please sign below and return acknowledgement of this purchase order.

Name & Title

Date



Safe travels:

Traffic and Parking Control Co., Inc.
5100 West Brown Deer Rd
Brown Deer, WI 53223
Phone No.:800-236-0112
E-Mail: customerservice@tapconet.com

SALES QUOTE

SALES QUOTE DATE

6/22/2023

SALES QUOTE NUMBER

Q23009894

CUSTOMER NO.

C110580

Page: 1

BILL TO

City of Oakbrook Terrace
Amy Raffel
17w275 Butterfield Rd
Oakbrook Terrace, IL 60181-4041
United States of America

SHIP TO

City of Oakbrook Terrace
Amy Raffel
17w275 Butterfield Rd
Oakbrook Terrace, IL 60181-4041
United States of America

Ext. Document No.	SHIP VIA	TERMS	SALESPERSON	VALID UNTIL
65W BLINKERSIGN CROSSING SYSTEM	BEST RATE Prepaid & Add	Net 30 DAYS	Amy Schmidt-Borden	9/18/2024

Item/Description	U/M	Quantity	Unit Price	Total Price
Ped. Xing - Solar 65/55, W11-15 BlinkerSign, B2B, Ped Posts				
500029 Controller, 12V, 108045, Hollow, Radio, Out1/Out2	Each	2	1,725.00	3,450.00
142048 Universal Cabinet Mounting Bracket, SOP Cabinets 108766, 108045, 120652, Includes U-Bolt Hardware	Each	2	174.95	349.90
SLR-55-B 65W/12V Solar Panel Package, Top Of Pole Mount 4.5 Dia.	Each	2	633.00	1,266.00
101494 Battery, Universal battery, Solar 12V 50Ah AGM UB12500 - Internal Thread	Each	2	325.00	650.00
2180-C00451DF BlinkerSign, W11-15, 30", Trail Xing, DG3, FYG, Direct Fire, 8 Amber LEDs	Each	4	1,100.00	4,400.00
101620 Push Button Bulldog Add-On Option Kit Yellow, With LED	Kit	2	235.00	470.00
373-01757 W16-7PR,24"x12"x.080 DG3 FYG,Down Diagonal Right Arrow (Fed Spec) Sign	Each	2	50.00	100.00
373-01759 W16-7PL,24"x12"x.080 DG3 FYG,Down Diagonal Left Arrow (Fed Spec) Sign	Each	2	50.00	100.00

All prices are listed in US Dollar (USD)
For terms and conditions, please visit <https://tapconet.com/terms-conditions>



Safe travels:

Traffic and Parking Control Co., Inc.
5100 West Brown Deer Rd
Brown Deer, WI 53223
Phone No.:800-236-0112
E-Mail: customerservice@tapconet.com

SALES QUOTE

SALES QUOTE DATE

6/22/2023

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CUSTOMER NO.

C110580

Page: 2

BILL TO

City of Oakbrook Terrace
Amy Raffel
17w275 Butterfield Rd
Oakbrook Terrace, IL 60181-4041
United States of America

SHIP TO

City of Oakbrook Terrace
Amy Raffel
17w275 Butterfield Rd
Oakbrook Terrace, IL 60181-4041
United States of America

Ext. Document No.	SHIP VIA	TERMS	SALESPERSON	VALID UNTIL
65W BLINKERSIGN CROSSING SYSTEM	BEST RATE Prepaid & Add	Net 30 DAYS	Amy Schmidt-Borden	9/18/2024

Item/Description	U/M	Quantity	Unit Price	Total Price
373-13 Standard Aluminum Pole, 13' Schedule 40 6061-T6 4.5" O.D. T.O.E.	Each	2	390.00	780.00
203-00014 Base,Aluminum Square Pedestal, No Paint Door, SP-5444-PNC	Each	2	335.00	670.00
3177-00042 J-Bolt,1"x 42"+4" ATSM F1554 GR-105 92k 12" Thread Full Galvanized with Nut & Lock Washer	Each	8	53.90	431.20
030-00006 Washer Flat 1-1/16"ID x2.5OD"x.125" Galvanized For 1" A/B, for use w/ J-bolts (not incl)	Each	8	5.30	42.40
109673 Sign Mounting Kit, Banded, Flared Leg, Anti-Vandal For Mounting B2B Blinker Signs to a Large Pole	Each	2	69.95	139.90
107265 Sign Mounting Kit, Banded, Flared Leg, Standard For Mounting B2B Static Signs to a Large Pole	Each	2	46.00	92.00

Plus Shipping and Handling

Furnish only quote. Installation is not included.
Solar powered equipment requires no shading or obstructions
Estimated lead time: 4-6 Weeks

All prices are listed in US Dollar (USD)
For terms and conditions, please visit <https://tapconet.com/terms-conditions>



Safe travels:

Traffic and Parking Control Co., Inc.
5100 West Brown Deer Rd
Brown Deer, WI 53223
Phone No.:800-236-0112
E-Mail: customerservice@tapconet.com

SALES QUOTE

SALES QUOTE DATE

6/22/2023

SALES QUOTE NUMBER

Q23009894

CUSTOMER NO.

C110580

Page: 3

BILL TO

City of Oakbrook Terrace
Amy Raffel
17w275 Butterfield Rd
Oakbrook Terrace, IL 60181-4041
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SHIP TO

City of Oakbrook Terrace
Amy Raffel
17w275 Butterfield Rd
Oakbrook Terrace, IL 60181-4041
United States of America

Ext. Document No.	SHIP VIA	TERMS	SALESPERSON	VALID UNTIL
65W BLINKERSIGN CROSSING SYSTEM	BEST RATE Prepaid & Add	Net 30 DAYS	Amy Schmidt-Borden	9/18/2024

Item/Description	U/M	Quantity	Unit Price	Total Price
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Thank You - Amy Schmidt-Borden
Email: amy.schmidtborden@tapconet.com
Office Number: 262-649-5218

Subtotal:	12941.40
Invoice Discount:	0.00
Total Sales Tax:	1,035.31
Total:	13,976.71

All prices are listed in US Dollar (USD)
For terms and conditions, please visit <https://tapconet.com/terms-conditions>

AUG 27 2024

AN ORDINANCE TO APPROVE AND AUTHORIZE THE EXECUTION OF AN AUDITING SERVICES AGREEMENT BETWEEN THE CITY OF OAKBROOK TERRACE, ILLINOIS, AND SIKICH CPA, LLC

WHEREAS, the City of Oakbrook Terrace (the “City”) is a home-rule unit of local government under Article VII, Section 6 of the 1970 Illinois Constitution and, except as limited by such section, it may exercise any power and perform any function pertaining to its government and affairs;

WHEREAS, pursuant to the Illinois Municipal Auditing Law contained in Division 8 of Article 8 of the Illinois Municipal Code (65 ILCS 5/8-8-1 *et seq.*), the City is required to have an audit of the funds and accounts of the City to be made by an accountant or accountants employed by the City (the “Services”);

WHEREAS, the corporate authorities of the City have determined that the Services are professional services which by their nature are not adaptable to award by competitive bidding and are, pursuant to Section 30.70 of the Code of Oakbrook Terrace, Illinois, thereby exempt from the competitive bidding requirements and, therefore, it is advisable, necessary and in the best interest that the City waive the requirement of advertising for competitive bids for the Services and determine that the requirements to be met and the means and methods to be used in procuring the Services shall be by the submission of a satisfactory proposal in response to a request for proposals;

WHEREAS, the City along with Villages of Berkeley, Burr Ridge, Willowbrook, and Western Springs and the city of Warrenville solicited proposals for auditing services for fiscal years 2025 through and including 2029 (hereinafter referred to as the “Services”);

WHEREAS, the City received three (3) proposals for the Services;

WHEREAS, the City evaluated the proposals submitted and determined that Sikich CPA, LLC was the most qualified firm to submit a proposal and the proposal submitted by Sikich CPA, LLC in the amount of:

Audit Year	Compensation
2024	Fifty-six Thousand and 00/100 Dollars (\$56,000.00) for the City Audit; Four Thousand and 00/100 Dollars (\$4,000) for the Single Audit, if applicable, and Two Thousand and 00/100 Dollars (\$2,000) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.
2025	Fifty-eight Thousand Two Hundred Forty and 00/100 Dollars (\$58,240.00) for the City Audit.

	<p>Four Thousand One Hundred Sixty and 00/100 Dollars (\$4,160) for the Single Audit, if applicable, and</p> <p>Two Thousand Eighty and 00/100 Dollars (\$2,080) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>
2026	<p>Sixty Thousand Five Hundred Seventy and 00/100 Dollars (\$60,570.00) for the City Audit.</p> <p>Four Thousand Three Hundred Thirty and 00/100 Dollars (\$4,330) for the Single Audit, if applicable, and</p> <p>Two Thousand One Hundred Sixty-five and 00/100 Dollars (\$2,165) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>
2027	<p>Sixty-two Thousand Nine Hundred Ninety-five and 00/100 Dollars (\$62,995.00) for the City Audit.</p> <p>Four Thousand Five Hundred Five and 00/100 Dollars (\$4,505) for the Single Audit, if applicable, and</p> <p>Two Thousand Two Hundred Fifty-Three and 00/100 Dollars (\$2,253) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>
2028	<p>Sixty-five Thousand Five Hundred Fifteen and 00/100 Dollars (\$65,515.00) for the City Audit.</p> <p>Four Thousand Six Hundred Eighty-five and 00/100 Dollars (\$4,685) for the Single Audit, if applicable, and</p> <p>Two Thousand Three Hundred Forty-three and 00/100 Dollars (\$2,343) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>

for the Services was satisfactory; that it is advisable, necessary and in the best interest of the City to accept the proposal of Sikich CPA, LLC for the Services; and that the City enter into and authorize the execution of the Auditing Services Agreement between the City and Sikich CPA, LLC for the Services (the "Agreement"), a copy of which Agreement is attached hereto marked as Exhibit "A" and made a part hereof;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and the City Council of the City of Oakbrook Terrace, DuPage County, Illinois, as follows:

Section 1: The facts and statements contained in the preambles to this ordinance are found to be true and correct and are hereby adopted as part of this ordinance.

Section 2: The City Council hereby determines that Services are professional services which by their nature are not adaptable to award by competitive bidding and are, pursuant to Section 30.70 of the Code of Oakbrook Terrace, Illinois, thereby exempt from the competitive bidding requirements and, therefore, it is advisable, necessary and in the best interest that the City waive the requirement of advertising for competitive bids for the Services and determine that the requirements to be met and the means and methods to be used in procuring the Services shall be by the submission of a satisfactory proposal in response to a request for proposals.

Section 3: The City Council hereby determines that Sikich CPA, LLC was the most qualified firm to submit a proposal and the proposal submitted by Sikich CPA, LLC for the Services was satisfactory; therefore, it is advisable, necessary and in the best interest of the City to accept the proposal of Sikich CPA, LLC for the Services; and that the City enter into and authorize the execution of the Agreement for the Services.

Section 4: The Mayor shall be and is hereby authorized and directed to execute and the City Clerk shall be and is hereby authorized and directed to attest on behalf of the City the Agreement for the Services substantially in the form attached hereto as Exhibit "A," with such terms therein, consistent with this ordinance, as may be approved by the officials executing the same, their execution thereof constituting conclusive evidence of their approval of the same, subject to review and approval of such Agreement by the Mayor and the Corporation Counsel and to the extent that such acts may have already been performed, such acts are hereby ratified.

Section 5: All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of the conflict.

[The remainder of this page is left blank intentionally.]

Section 6: This ordinance shall be in full force and effect upon its passage, approval and publication in accordance with law.

ADOPTED this 27th day of August 2024, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

ABSTENTION: _____

APPROVED by me this 27th day of August 2024.

Paul Esposito, Mayor of the City of
Oakbrook Terrace, DuPage County, Illinois

ATTESTED and filed in my office,
this 27th day of August 2024.

Michael Shadley, Clerk of the City of
Oakbrook Terrace, DuPage County, Illinois

Exhibit "A"

**AUDITING SERVICES AGREEMENT
BY AND BETWEEN
CITY OF OAKBROOK TERRACE, ILLINOIS,
AND
SIKICH CPA LLC**

AUDITING SERVICES AGREEMENT

BY AND BETWEEN

CITY OF OAKBROOK TERRACE, ILLINOIS

AND

SIKICH CPA LLC

This Agreement is made this 27th day of August 2024 (the “Agreement”) between the City of Oakbrook Terrace, Illinois (the “City”), an Illinois municipal corporation, and Sikich CPA, LLC, a Virginia limited liability company, located at 1415 West Diehl Road, Suite 400, Naperville, Illinois 60563 (the “Auditor” or “Sikich”) for auditing services for the City. The Auditor hereby agrees as hereinafter set forth:

- 1. Scope of Services.** The Auditor shall perform the services as and when required for the City as set forth in this Agreement, including the General Conditions, General Requirements and the Specifications of Services all of which are hereby made a part of this Agreement as if herein set out verbatim. The services described in the Specification of Services are hereinafter referred to as the “Services.”
- 2. Commencement and Completion of Services.** The Auditor shall be prepared and ready to commence the Services provided for in this Agreement at the direction of the City, following execution of this Agreement by the City. Subject to reasonable allowances for delay in the Services due to causes beyond the control of Auditor, Auditor shall complete all Services to be performed under this Agreement in a timely manner. The Auditor acknowledges that time is of the essence of this Agreement and in the performance and completion of Auditor’s Services.
- 3. City’s Cooperation.** The City shall (i) provide Auditor with relevant material, data and information in its possession pertaining to the City’s financial transactions; (ii) consult with Auditor when requested; and (iii) ensure reasonable cooperation of the City’s employees in Auditor’s activities.
- 4. Auditor’s Compensation.** The City shall pay Auditor for the performance of the Services a stipulated sum of:

Audit Year	Compensation
2024	Fifty-six Thousand and 00/100 Dollars (\$56,000.00) for the City Audit; Four Thousand and 00/100 Dollars (\$4,000) for the Single Audit, if applicable, and Two Thousand and 00/100 Dollars (\$2,000) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.

2025	<p>Fifty-eight Thousand Two Hundred Forty and 00/100 Dollars (\$58,240.00) for the City Audit.</p> <p>Four Thousand One Hundred Sixty and 00/100 Dollars (\$4,160) for the Single Audit, if applicable, and</p> <p>Two Thousand Eighty and 00/100 Dollars (\$2,080) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>
2026	<p>Sixty Thousand Five Hundred Seventy and 00/100 Dollars (\$60,570.00) for the City Audit.</p> <p>Four Thousand Three Hundred Thirty and 00/100 Dollars (\$4,330) for the Single Audit, if applicable, and</p> <p>Two Thousand One Hundred Sixty-Five and 00/100 Dollars (\$2,165) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>
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5. Payments. Not more frequently than once each month, on or before the tenth business day of the month, the Auditor may submit to the City Administrator a statement of professional Services performed in an amount in the proportion to the Services performed by the Auditor in the preceding month bears to the total Services to be performed under this Agreement. The City may withhold payments, in whole or in part, for a material breach of this Agreement, including, but not limited to, the Auditor's failure to perform the Services or meet the schedule deadlines according to the terms

of this Agreement, except when such delays are caused by the City. The Auditor's compensation shall be paid in accordance with the Local Government Prompt Payment Act (50 ILCS 505/1 *et seq.*).

6. Confidentiality.

6.1 It is anticipated that the City will disclose to Auditor certain proprietary information which is identified as proprietary and confidential at the time of disclosure or which can reasonably be regarded as confidential ("Confidential Information"). The disclosure of Confidential Information shall not be construed to grant to Auditor any ownership or other proprietary interest in the Confidential Information. Auditor does not acquire any title, ownership or other intellectual property right or license by virtue of such disclosure. Auditor shall employ diligent efforts to maintain the secrecy and confidentiality of all Confidential Information. Auditor will not at any time, either directly or indirectly, disclose, use or communicate or attempt to disclose, use or communicate to any person, firm or corporation any Confidential Information or any other information concerning the business, services, finances or operations of the City except as expressly authorized by the City. Auditor shall treat such Confidential Information at all times as confidential, provided, however, that the Confidential Information may be disclosed only for purposes of the performance of the Services to employees of the City or Auditor with a need to know for purposes of the performance of the Services hereunder. Auditor acknowledges that each of the following can contain Confidential Information of the City and that the disclosure of any of the following by Auditor without the City's express authorization would be harmful and damaging to the City's interests:

6.1.1 All information relating to the Services being performed by Auditor under this Agreement regardless of its type or form which is not known to the public;

6.1.2 Financial information, emergency response and homeland security information and law enforcement records which are not known to the public.

6.2 This itemization of Confidential Information is not exclusive, as there may be other information that is included within this covenant of confidentiality. This information is confidential whether or not it is expressed on paper, disk, diskette, electronic memory, magnetic media, optical media, monitor, screen or any other medium or form of expression. The phrase "directly or indirectly" includes, but is not limited to, acting through the Auditor's wife, children, parents, brothers, sisters or any other relatives, friends, partners, trustees, agents or associates.

6.3 Except with respect to Sikich's working papers, all books, papers, records, lists, files, forms, reports, documents, manuals, handbooks, instructions, computer programs, computer software, computer disks and diskettes, printouts, backups and computer databases relating in any manner to the City's business, services, programs, software or residents, whether prepared by Auditor or anyone else, are the exclusive property of the City. Except with respect to Sikich's working papers, all papers, notes, data, reference material, documentation, programs, diskettes (demonstration or otherwise), magnetic media, optical media, printouts,

backups and all other media and forms of expression that in any way include, incorporate or reflect any Confidential Information of the City are the exclusive property of the City.

6.4 Auditor shall have no obligation to keep confidential any Confidential Information disclosed hereunder, which Auditor can demonstrate by clear and convincing evidence: (a) was rightfully in Auditor's possession before receipt from the City other than through prior disclosure by the City; or (b) is or becomes a matter of general public knowledge through no breach of this Agreement; or (c) is rightfully received by Auditor from a third party without an obligation of confidentiality; or (d) is independently developed by Auditor; or (e) is disclosed under operation of law, governmental regulation, including, but not limited to, regulation by the Securities and Exchange Commission or the Securities Department of the Illinois Secretary of State or court order, provided Auditor first gives the City notice and a reasonable opportunity to secure confidential protection of such Confidential Information.

6.5 Upon termination of this Agreement or earlier at the City's request at any time, Auditor shall (a) immediately cease using the Confidential Information, and (b) promptly deliver to the City all tangible embodiments of the Confidential Information. The requirements of the preceding sentence will not apply to archived copies of electronically exchanged Confidential Information made as a matter of routine information technology backup and to Confidential Information or copies thereof which must be stored by the Auditor according to provisions of mandatory law, provided that such Confidential Information or copies thereof shall be subject to a confidentiality obligation until such time as it meets an exception as set forth in Section 6.4 above according to the terms and conditions set forth herein.

6.6 In the event of breach of the confidentiality provisions of this Agreement, it shall be conclusively presumed that irreparable injury may result to the City and there may be no adequate remedy at law. The City shall be entitled to obtain temporary and permanent injunctions, without bond and without proving damages, to enforce this Agreement. The City may be entitled to damages for any breach of the injunction, including, but not limited to, compensatory, incidental, consequential, exemplary and punitive damages. The confidentiality provisions of this Agreement survive the termination or performance of this Agreement.

7. Work Made for Hire.

7.1 Except with respect to Sikich's working papers, all work product created or developed hereunder, including, but not limited to, specifications, reports and any other documents prepared by Auditor in connection with any or all of the Services delivered to the City is for the use of and shall be the exclusive property of the City. All books, papers, notes, records, lists, data, files, forms, reports, accounts, documents, manuals, handbooks, instructions, computer programs, computer software, computer disks and diskettes, magnetic media, electronic files, printouts, backups and computer databases created or modified by Auditor relating in any manner to the Services performed by Auditor or by anyone else and used by Auditor in performance of the Services shall be a "work made for hire" as defined by the laws of the United States regarding copyrights.

7.2 Auditor hereby irrevocably assigns and transfers to the City and its successors and assigns all of its right, title, interest and ownership in the Services, including, but not limited to, copyrights, trademarks, patents, trade secret rights, all intellectual property rights and the rights to secure any renewals, reissues and extensions thereof. Auditor grants permission to the City to register the copyright and other rights in the Services in the City's name. Auditor shall give the City or any other person designated by the City all assistance reasonably necessary to perfect its rights under this Agreement and to sign such applications, documents, assignment forms and other papers as the City requests from time to time to further confirm this assignment. Auditor further grants to the City full, complete and exclusive ownership of the Services. Auditor shall not use the Services for the benefit of anyone other than the City, without the City's prior written permission. Upon completion of the Services or other termination of this Agreement, Auditor shall deliver to the City all copies of any and all materials relating or pertaining to this Agreement. Auditor irrevocably and unconditionally waives all rights in all such Services products. Auditor warrants that all work product of Auditor will be original, except as otherwise agreed in writing with the City.

7.3 In the event that the City provides Auditor with materials, equipment or property of any kind, all such materials, equipment and property shall remain the property of the City; and Auditor shall immediately deliver all such materials, equipment and property to the City at the conclusion of Services hereunder or at any earlier time upon demand by the City.

8. Insurance Requirements. Auditor shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Auditor, its agents, representatives, employees or subcontractors.

8.1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

8.1.1 Commercial General Liability - Occurrence form; and

8.1.2 Automobile Liability; and

8.1.3 Professional Liability/ Errors and Omissions policy; and

8.1.4 Worker's Compensation as required by the Labor Code of the State of Illinois and Employers' Liability Insurance.

8.2. Minimum Limits of Insurance. Auditor shall maintain limits no less than:

8.2.1 Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Minimum General Aggregate shall be no less than \$1,000,000 per person per aggregate;

8.2.2 Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage;

8.2.3 Professional Liability: \$1,000,000 single limit for errors and omissions, professional/malpractice liability;

8.2.4 Worker's Compensation and Employers' Liability: Worker's Compensation limits as required by the Labor Code of the State of Illinois and Employers' Liability limits of \$500,000 per accident.

8.3 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City.

8.4 Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:

8.4.1 Commercial General Liability and Automobile Liability Coverages:

8.4.1.1 The City, its officials, employees and volunteers are to be covered as insureds as respects liability arising out of Services performed by or on behalf of Auditor as well as equipment procured, owned, leased, hired or borrowed by Auditor. The coverage shall contain no special limits on the scope of the protection afforded to the City, its officials, employees or volunteers.

8.4.1.2 Auditor's insurance coverage shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers shall be in excess of Auditor's insurance and shall not contribute with it.

8.4.1.3 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officials, employees or volunteers.

8.4.1.4 Coverage shall state that Auditor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

8.4.2 Worker's Compensation and Employers' Liability Coverage:

The insurer shall agree to waive all rights of subrogation against the City, its officials, employees or volunteers for losses arising from Services performed by Auditor for the City.

8.4.3 All Coverages:

Each insurance policy required by this clause shall be endorsed to state that the coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

8.4.4 Acceptability of Insurers:

8.4.4.1 The insurance carrier used by Auditor shall have a minimum insurance rating of A:VII according to the AM Best Insurance Rating Schedule and licensed to do business in the State of Illinois.

8.4.4.2 Auditor shall furnish the City with certificates of insurance naming the City, its officials, agents, employees and volunteers as additional insureds, and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may be on forms provided by the City and are to be received and approved by the City before any Services commences. The City reserves the right to request full, certified copies of the insurance policies.

9. Certifications. This Agreement shall be accompanied by an Auditor's Certification in the form provided by the City which is hereby made a part of this Agreement as if herein set out verbatim. The Auditor shall certify the following:

9.1 Illinois Taxes. The Auditor shall certify that, if it is a partnership, it is not, and its general partners are not, and, if it is a corporation, its shareholders holding more than five percent (5%) of the outstanding shares of the corporation, its officers and directors and if it is a limited liability company, are not delinquent in the payment of taxes to the Illinois Department of Revenue in accordance with 65 ILCS 5/11-42.1-1.

9.2 Bid Rigging. The Auditor shall certify that, if it is a partnership, it has not and its general partners have not, and, if it is a corporation, its shareholders holding more than five percent (5%) of the outstanding shares of the corporation, its officers and directors have not been barred from contracting with a unit of state or local government as a result of a violation of Section 33E-3 or 33E-4 of the Criminal Code of 1961.

9.3 Educational Loan. The Auditor shall certify that, if it is an individual, it is not; if it is a partnership, its general partners are not, and, if it is a corporation, its shareholders holding more than five percent (5%) of the outstanding shares of the corporation, its officers and directors are not in default, as defined in 5 ILCS 385/2, on an educational loan, as defined in 5 ILCS 385/1.

9.4 Illinois Department of Employment Security Non-Delinquency. The Auditor shall certify that it is not delinquent in any obligation to the Illinois Department of Employment Security.

9.5 Drug-free Workplace. The Auditor shall certify that it will provide a drug-free workplace by:

9.5.1 Publishing a statement:

9.5.1.1 Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the Auditor's workplace;

9.5.1.2 Specifying the actions that will be taken against employees for violations of such prohibition;

9.5.1.3 Notifying the employee that, as a condition of employment on such contract, the employee will:

9.5.1.3.1 Abide by the terms of the statement; and

9.5.1.3.2 Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

9.5.2 Establishing a drug-free awareness program to inform employees about:

9.5.2.1 The dangers of drug abuse in the workplace;

9.5.2.2 The Auditor's policy of maintaining a drug-free workplace;

9.5.2.3 Any available drug counseling, rehabilitation and employee assistance program; and

9.5.2.4 The penalties that may be imposed upon employees for drug violations;

9.5.3 Making it a requirement to give a copy of the statement required by subparagraph 9.5.1 to each employee engaged in the performance of the contract and to post the statement in a prominent place in the workplace;

9.5.4 Notifying the City within ten (10) days after receiving notice under subparagraph 9.5.1.3.2 from an employee or otherwise receiving actual notice of such conviction;

9.5.5 Imposing a sanction on or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is so convicted, as required by 30 ILCS 580/5;

9.5.6 Assisting employees in selecting a course of action in the event drug counseling treatment and rehabilitation is required and indicating that a trained referral team is in place;

9.5.7 Making a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

9.6 Equal Employment Opportunity. The Auditor shall certify that it provides equal employment opportunities in accordance with the Illinois Human Rights Act (775 ILCS 580/1 *et seq.*) and is in compliance with 775 ILCS 5/2-105(A)(4) requiring a written sexual harassment policy.

9.7 Prohibited Interest in Contract. The Auditor shall certify that:

9.7.1 No City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of any interest in the Auditor; or

9.7.2 No City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of more than one percent (1%) of the Auditor; but if any City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of less than one percent (1%) of such Auditor, the Auditor has disclosed to the City in writing the name(s) of the holder of such interest.

9.8 Gift Ban.

9.8.1 The Auditor shall certify that no officer or employee of the City has solicited any gratuity, discount, entertainment, hospitality, loan, forbearance or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer from the Auditor in violation of Section 2-889 of the Code of Ordinances, City of Oakbrook Terrace, Illinois adopted by the City pursuant to the requirements of the Illinois State Gift Ban Act; and

9.8.2 The Auditor shall certify that the Auditor has not given to any officer or employee of the City any gratuity, discount, entertainment, hospitality, loan, forbearance or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer in violation of Section 2-889 of the Code of Ordinances, City of Oakbrook Terrace, Illinois adopted by the City pursuant to the requirements of the Illinois State Gift Ban Act.

9.9 Patriot Act. The Auditor shall certify that neither it nor any of its principals, shareholders, members, partners or affiliates, as applicable, is a person or entity named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a Specially Designated National and Blocked Person and that the Auditor and its principals, shareholders, members, partners or affiliates, as applicable, are not, directly or indirectly, engaged in, and are not facilitating, the transactions contemplated by this Agreement on behalf of any person or entity named as a Specially Designated National and Blocked Person.

10. Conflicts of Interest. The Auditor has disclosed and is under a continuing obligation to disclose to the City, financial or other interests (public or private, direct or indirect) that may be a

potential conflict of interest or which would prohibit the Auditor from having or continuing this Agreement, including those which may conflict in any manner with any of the Auditor's obligations under this Agreement. The Auditor shall not employ any person with a conflict to perform under this Agreement. A conflict of interest exists if:

10.1 A shareholder, director, officer member or partner of the Auditor (i) holds an elective office in City; (ii) is an appointed officer or employee of the City;

10.2 A City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of any interest in the Auditor; or, if the Auditor's stock is traded on a nationally recognized securities market, that no City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of more than one percent (1%) of the Auditor, but if any City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of less than one percent (1%) of the Auditor, the Auditor has disclosed to the City in writing the name(s) of the holder of such interest.

11. Solicitation of City Employees. The Auditor shall notify the City Administrator if it solicits or intends to solicit for employment any of the City's employees during any part of the procurement process or during the term of the Agreement and shall notify the Mayor if it solicits or intends to solicit for employment the City Administrator during any part of the procurement process or during the term of this Agreement.

12. Record Retention. The Auditor shall maintain its records relating to the performance of the Agreement in compliance with the requirements of the Local Records Act (50 ILCS 205/1 *et seq.*) and the Freedom of Information Act (5 ILCS 140/1 *et seq.*) until written approval for the disposal of such records is obtained from the Local Records Commission. All books and records required to be maintained by the Auditor shall be available for review and audit by the City. The Auditor shall cooperate with the City (a) with any request for public records made pursuant to the Freedom of Information Act (5 ILCS 140/1 *et seq.*), (b) with any request for public records made pursuant to any audit, and (c) by providing full access to and copying of all relevant books and records within a time period which allows the City to timely comply with the time limits imposed by the Freedom of Information Act (5 ILCS 140/1 *et seq.*). Failure by the Auditor to maintain the books, records and supporting documents required by this section or the failure by the Auditor to provide full access to and copying of all relevant books and records within a time period which allows the City to timely comply with the time limits imposed by the Freedom of Information Act (5 ILCS 140/1 *et seq.*) shall establish a presumption in favor of the City for the recovery of any funds paid by the City under this Agreement or for the recovery for any penalties or attorney's fees imposed by the Freedom of Information Act (5 ILCS 140/1 *et seq.*). The obligations imposed by this section shall survive final payment and the termination of the other obligations imposed by this Agreement.

13. Equal Employment Opportunity.

13.1. In the event of the Auditor's non-compliance with the provisions of this Equal Employment Opportunity Clause, the Illinois Human Rights Act or the Rules and Regulations of the Illinois Department of Human Rights, the Auditor may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations; and this Agreement may be canceled or voided in whole or in part, and other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this Agreement, the Auditor agrees as follows:

13.1.1. The Auditor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, sexual orientation, military status or an unfavorable discharge from military service; and, further, it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any underutilization.

13.1.2. If the Auditor hires additional employees in order to perform this contract or any portion of this contract, it will determine the availability (in accordance with the Illinois Department of Human Rights Rules and Regulations) of minorities and women in the areas from which the Auditor may reasonably recruit; and the Auditor will hire for each job classification for which employees are hired in a way that minorities and women are not underutilized.

13.1.3. In all solicitations or advertisements for employees placed by the Auditor or on the Auditor's behalf, the Auditor will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, sexual orientation, military status or an unfavorable discharge from military service.

13.1.4. The Auditor will send to each labor organization or representative of workers with which the Auditor has or is bound by a collective bargaining or other agreement or understanding, a notice advising the labor organization or representative of the Auditor's obligations under the Act and the Illinois Department of Human Rights Rules and Regulations. If any labor organization or representative fails or refuses to cooperate with the Auditor in the Auditor's efforts to comply with the Illinois Human Rights Act and Illinois Department of Human Rights Rules and Regulations, the Auditor will promptly notify the Illinois Department of Human Rights; and the City and will recruit employees from other sources when necessary to fulfill its obligations under the contract.

13.1.5. The Auditor will submit reports as required by the Illinois Department of Human Rights Rules and Regulations, furnish all relevant information as may from time to time be requested by the Department or the contracting agency and in all respects comply with the Illinois Human Rights Act and the Illinois Department of Human Rights Rules and Regulations.

13.1.6. The Auditor will permit access to all relevant books, records, accounts and work sites by personnel of the City and the Illinois Department of Human Rights for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and the Illinois Department of Human Rights Rules and Regulations.

13.1.7. The Auditor will include verbatim or by reference the provisions of this clause in every subcontract awarded under which any portion of the contract obligations are undertaken or assumed so that the provisions will be binding upon the subcontractor. In the same manner as with other provisions of this contract, the Auditor will be liable for compliance with applicable provisions of this clause by subcontractors; and further, it will promptly notify the City and the Illinois Department of Human Rights in the event any subcontractor fails or refuses to comply with the provisions. In addition, the Auditor will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

14. Prohibition of Segregated Facilities. The Auditor will not maintain or provide for its employees any segregated facilities at any of its establishments and not permit its employees to perform their services at any location, under its control, where “segregated facilities” means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color or national origin because of habit, local custom or otherwise. The Auditor shall (except where it has obtained identical certifications from proposed subcontractors and material suppliers for specific time periods) obtain certifications in compliance with this subparagraph from proposed subcontractors or material suppliers prior to the award of a subcontract or the consummation of material supply agreements, exceeding \$10,000.00 which are not exempt from the provisions of the Equal Opportunity Clause; and the Auditor will retain such certifications in its files.

15. Sexual Harassment Policy. The Auditor has and will have in place and will enforce a written sexual harassment policy in compliance with 775 ILCS 5/2-105(A)(4).

16. Term. The term of this Agreement shall commence on August 13, 2024, and shall terminate on July 31, 2025. The term of this Agreement may, at the option of the City, be renewed for four (4) additional one- (1-) year terms, provided that the City appropriates an amount in subsequent years sufficient to pay the amounts due under this Agreement. Notwithstanding anything to the contrary herein, the term of this Agreement shall not exceed the term of the City’s Mayor holding office at the time the Agreement is executed.

17. Appropriation. This Agreement shall become effective only after an appropriation therefor has been made. The term of this Agreement shall be for one year following the effective date of the appropriation. This Agreement shall remain in full force and effect until terminated by the City or the Auditor as provided herein.

18. Suspension; Termination of Agreement.

18.1 Termination for Funding. The City's obligations hereunder shall cease immediately in any year for which the board of trustees of the City or other legally applicable funding source fails to make an appropriation sufficient to provide for the City's performance of its obligations under this Agreement. The City shall give the Auditor notice of such termination for funding as soon as practicable after the City becomes aware of the failure of funding.

18.2 Termination for Cause This Agreement additionally may be terminated by the either Party upon written notice to the other Party, upon the occurrence of any one or more of the following events, without prejudice to any other right or remedy:

18.2.1 If the Auditor commences a voluntary case under any chapter of the Bankruptcy Code (Title 11, United States Code), as now or hereinafter in effect, or if the Auditor takes any equivalent or similar action by filing a petition or otherwise under any other federal or state law in effect at such time relating to bankruptcy or insolvency;

18.2.2 If a petition is filed against the Auditor under any chapter of the Bankruptcy Code as now or hereafter in effect at the time of filing, or if a petition is filed seeking any such equivalent or similar relief against the Auditor under any other federal or state law in effect at the time relating to bankruptcy or insolvency;

18.2.3 If the Auditor makes a general assignment for the benefit of creditors;

18.2.4 If a trustee, receiver, custodian or agent of the Auditor is appointed under applicable law or under contract, whose appointment or authority to take charge of property of the Auditor is for the purpose of enforcing a lien against such property or for the purpose of general administration of such property for the benefit of the Auditor's creditors;

18.2.5 If the Auditor admits in writing an inability to pay its debts generally as they become due;

18.2.6 If either party commits a material breach of this Agreement and doesn't cure such material breach after fifteen days' notice of such breach; or

18.2.7 If Sikich CPA fails to maintain its license as a certified public accounting firm.

18.3 Suspension or Termination for Public Convenience. The City may, by written order, suspend or terminate the Agreement or any portion thereof after determining that for reasons beyond either the City's or Auditor's control, the Auditor is prevented from proceeding with or completing the Services as originally contracted for and that suspension or termination would, therefore, be in the public interest. Such reasons for suspension or termination may include, but need not be necessarily limited to, Executive Orders of the Governor or President relating to an epidemic, pandemic or other public health occurrence, prosecution of war or national defense, state or national emergency which creates a serious shortage of equipment or materials, orders from duly constituted authorities relating to energy conservation and restraining orders or injunctions obtained by third-party citizen action

resulting from national or local environmental protection laws or where the issuance of such order or injunction is primarily caused by acts or omissions of persons or agencies other than the Auditor. When the Agreement, or any portion thereof, is definitely terminated or canceled and the Auditor released before all items of Services included in the Agreement have been completed, payment will be made for the actual Services performed through the date of termination. No claims for loss of anticipated profits shall be considered.

19. Assignment and Subletting of Agreement. The Agreement shall be deemed to be exclusive between City and Auditor. This Agreement shall not be assigned or sublet by the Auditor without first obtaining permission in writing from the City (which shall not be unreasonably withheld); except that Sikich may assign this Agreement and the Specification of Services hereunder to any affiliate, related entity or alternative practice participant in connection with an internal restructuring or reorganization.

20. Indemnification. The Auditor shall defend, indemnify and hold harmless the City, its officials, employees and volunteers against all injuries, deaths, loss, damages, claims, suits, liabilities, judgments, costs and expenses, which may in any way accrue against the City, its officials, employees and volunteers, arising in whole or in part in consequence of the negligent or willful misconduct in performance of the Services by Auditor, its employees or subcontractors, or which may in any way result therefor, except that arising out of the negligence or willful act of the City, its officials, employees and volunteers.

21. Notices. Written notices between City and Auditor shall be deemed sufficiently given after being placed in the United States mail, registered or certified, postage pre-paid, addressed to the above parties as follows:

A. If to the City:

City of Oakbrook Terrace
17W275 Butterfield Road
Oakbrook Terrace, Illinois 60181
Attn: James D. Ritz, City Administrator

With a copy to:

Richard J. Ramello, Corporation Counsel
Storino, Ramello & Durkin'
9501 Technology Boulevard
Suite 4200
Rosemont, Illinois 60018

B. If to Auditor:

Sikich CPA LLC
1415 West Diehl Road
Suite 400
Naperville, IL 60563
Attention: Nick Bava, CPA, MAS

With a copy to:

Sikich LLC
1415 West Diehl Road
Suite 400
Naperville, IL 60653
Attention: Office of General Counsel

C. Either party may change its mailing address by giving written notice to the other party as provided above. Whenever this contract requires one party to give the other notice, such notice shall be given only in the form and to the addresses described in this paragraph.

22. Entire Agreement. This Agreement, including the General Conditions, General Requirements, the Specifications of Services and the Auditor's Certification, represent the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations or understandings, whether written or oral. This Agreement may only be amended or a provision hereof waived by the parties by written instrument executed by authorized signatories of the City and Auditor.

23. Illinois Department of Professional Regulation Filing. The Auditor certifies that the person performing the audit or supervising the performance of the audit has complied with the necessary filing requirements of and has been issued a license as a certified public accountant from the Illinois Department of Professional Regulation. The Auditor shall at all times during the term of this Agreement, and any renewals thereof, hold a valid license as a certified public accountant issued

by the Division of Professional Regulation of the Illinois Department of Financial and Professional Regulation. The City shall have the unconditional right to terminate this Agreement should the Auditor's license as a certified public accountant be suspended, revoked, not renewed or otherwise terminated.

24. Severability. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or such other documents, or the applications of such term, covenant or condition, to persons or circumstances other than those as to which it be held invalid or unenforceable shall not be affected thereby; and each term, covenant or condition of this Agreement or such other document shall be valid and shall be enforced to the fullest extent permitted by law.

25. Compliance with Laws. The Auditor shall at all times observe and comply with all federal, state and local laws, ordinances and regulations which in any manner affect the performance of the Services and all such orders or enactments as exist at the present and which may be enacted later of legislative bodies or tribunals having legal jurisdiction or which may have effect over the Services. The Auditor shall indemnify and save harmless the City and all of its officers, agents, employees and servants against any claim or liability arising from or based on the violation of such law, ordinance, regulation, order or enactment.

26. Personal Liability of Public Officials. In carrying out any of the provisions of this Agreement or in exercising any power or authority granted to the public officials or employees of the City, there shall be no personal liability imposed upon those public officials or employees, it being understood in such matters they act as agents and representatives of the City. By entering into this Agreement with the City, the Auditor covenants and agrees it shall neither commence nor prosecute any action or suit whatsoever against the officers or employees of the City for any action or omission done or not done in the course of their administration of this Agreement. The Auditor agrees to pay all attorneys' fees and all costs incurred by the City, its officers and employees on account of action or suit in violation of this section.

27. Applicable State Law. This Agreement shall be construed under and governed by the laws of the State of Illinois; and all actions brought to enforce any item of this Agreement shall be so brought in the Circuit Court of the Eighteenth Judicial Circuit, DuPage County, Illinois.

28. Authorization. Each party warrants to the other party that it is authorized to execute, deliver and perform this Agreement. Each party warrants to the other party that the execution, delivery and performance of this Agreement does not constitute a breach or violation of any agreement, undertaking, law or ordinance by which that party is bound. Each individual signing this Agreement on behalf of a party warrants to the other that such individual is authorized to execute this Agreement in the name of the party on whose behalf he or she executes it. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original, and all of which shall constitute the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers as of the date first set forth above.

City: **City of Oakbrook Terrace, Illinois**

By: _____
Paul Esposito, Mayor

ATTEST:

By: _____
Michael Shadley, City Clerk

Auditor: **Sikich CPA LLC**

By: _____
Nick Bava, Principal

ATTEST:

By: _____
_____ , _____

CITY OF OAKBROOK TERRACE, ILLINOIS

GENERAL CONDITIONS

1. **Introduction.** The following General Conditions supplement the provisions of the Agreement and shall govern the performance of the Services. In case of conflict with any part or parts of the Agreement. The General Conditions shall take precedence and shall govern. The Auditor represents to the City of Oakbrook Terrace that it is a firm employing licensed certified public accountants, as that term is defined in Section 0.03 of the Illinois Public Accounting Act, or the substantial equivalent of a licensed certified public accountant, as provided under Section 5.2 of the Illinois Public Accounting Act, that is staffed and prepared to perform an audit of the City's financial statements and records and expresses an assurance or disclaim an opinion on the City's audited financial statements. The services shall meet or exceed the current requirements of The Illinois Municipal Auditing Law contained in Division 8 of Article 8 of the Illinois Municipal Code (65 ILCS 5/8-8-1 *et seq.*)

The audit shall be of the fiscal year ending April 30, 2024. The Services also include stipulated sum fees to perform the Services for the fiscal years ending April 30, 2025, April 30, 2026, April 30, 2027 and April 30, 2028. The City shall have the right to renew the Agreement for the fiscal years April 30, 2025, April 30, 2026, April 30, 2027 and April 30, 2028, provided that the corporate authorities of the City appropriate funds sufficient to pay the obligations due under the Auditing Services Agreement for those fiscal years.

These General Conditions, the Special Provisions and the Specifications of Services are each an integral part of the Agreement. The Auditor is required to review the contract documents in detail and acknowledge its understanding of the technical aspects of the audit Services.

2. **Definitions.** The following terms shall, unless the context otherwise indicates, have the following meanings:

- 2.1 "Act" means The Illinois Municipal Auditing Law contained in Division 8 of Article 8 of the Illinois Municipal Code (65 ILCS 5/8-8-1 *et seq.*);
- 2.2 "Auditor" means Sikich CPA LLC, a licensed certified public accountant, as that term is defined in Section 0.03 of the Illinois Public Accounting Act, or the substantial equivalent of a licensed CPA, as provided under Section 5.2 of the Illinois Public Accounting Act, who performs the audit of the City's financial statements and records and expresses an assurance or disclaims an opinion on the audited financial statements;
- 2.3 "City" means the City of Oakbrook Terrace;
- 2.4 "Annual Comprehensive Financial Report" or "ACFR" means the written report of the Auditor and all appended statements and schedules relating thereto, presenting or recording the findings of an examination or audit of the financial transactions, affairs or condition of the City prepared in compliance with the Act and the GASB (Government Accounting Standards Board) requirements;
- 2.5 "Comptroller" means the Comptroller of the State of Illinois;
- 2.6 "Corporate authorities" means the City of Oakbrook Terrace's city council;

- 2.7 “Generally accepted accounting principles” means accounting principles generally accepted in the United States;
- 2.8 “Generally accepted auditing standards” means auditing standards generally accepted in the United States; and
- 2.9 “Supplemental report” means the annual statement filed, in addition to any audit report, by the City.
- 3.0 Qualifications.** The Auditor must possess experience and competency in auditing units of local government in Illinois. The minimum qualifications for the Auditor are:
- 3.1 The audit shall be conducted under the supervision of a licensed Certified Public Accountant with significant experience and knowledge of Illinois local government auditing and reporting requirements. All assigned key professional staff shall be properly licensed to practice public accounting in Illinois. The senior field auditor must have three to five years’ actual experience in supervising a local government audit. The senior field auditor must be onsite during the audit. The Auditor shall remain independent of the City as defined by generally accepted auditing standards/the U.S. General Accounting Office’s Government Auditing Standards;
- 3.2 The Auditor shall keep its staff current in the industry and in governmental organizations;
- 3.3 The Auditor shall be members of the American Institute of Certified Public Accountants (AICPA), the AICPA’s Governmental Audit Quality Center and the Illinois CPA Society; and
- 3.3 The Auditor shall meet the continuing professional education requirements of Government Auditing Standards.
- 4.0 Audit requirements.**
- 4.1 The Auditor shall perform an audit of the funds and accounts of the City for the fiscal year for which the Auditor is employed to provide Services;
- 4.2 The audit shall include all of the accounts and funds of the City. The audit shall be begun as soon as possible after the close of the fiscal year. The audit shall be completed and the ACFR submitted within 180 days after the close of the City’s fiscal year, unless an extension of time shall be granted by the Comptroller in writing; provided that the Auditor shall not be responsible for any delays caused by the City;
- 4.3 In addition to the ACFR, the Auditor shall assist the City in filing with the Comptroller any required supplemental report on forms devised and approved by the Comptroller;
- 4.4 All audits and reports to be filed with the Comptroller must be submitted electronically; and
- 4.5 The ACFR shall include the name of the City’s purchasing agent who oversees all competitively bid contracts. If there is no purchasing agent, the name of the person responsible for oversight of all competitively bid contracts shall be listed.

5.0 Scope of Services. The Auditor shall:

- 5.1 Audit all funds of the City. In addition, the audit shall include, as necessary, a Federal Single Audit (if applicable) as well as Tax Increment Financing (TIF) compliance reports, if the City has created any TIF districts;
- 5.2 Audit all City funds (except for the City's Police Pension Fund) in compliance with generally accepted accounting principles;
- 5.3 Prepare, edit and produce all sections of the City's ACFR, including all typing and reproduction in written "hard copy" format and in a format capable of being downloaded onto the City's internet site (i.e., Adobe Acrobat-PDF file format). The report is to be consistent with GASB and GFOA Certificate of Achievement for Excellence in Financial Reporting practice requirements;
- 5.4 If the City has created any TIF districts, examine the accounts relating to the City's TIFs and prepare the report on compliance with the Illinois Tax Increment Redevelopment Allocation Act;
- 5.5 INTENTIONALLY OMITTED
- 5.6 Provide an annual management letter recommending improvements;
- 5.7 Prepare adjusting journal entries (AJEs) as needed in conjunction with the audit;
- 5.8 Express an opinion on the fair presentation of the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information including the related disclosures in conformity with accounting principles generally accepted in the United States of America and Government Auditing Standards, if applicable;
- 5.9 Perform certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Boards as mandated by generally accepted auditing standards;
- 5.10 Attend at least one meeting of the City's corporate authorities to present audit results to elected officials and management;
- 5.11 Assist the City in obtaining the Government Finance Officers' Association "Certificate of Achievement for Excellence in Financial Reporting" for each of the ACFR prepared by the Auditor; and
- 5.12 Prepare and assist the City in submitting the ACFR with the Comptroller.

6.0 Tax Increment Financing Report. If the City has created any TIF districts, the Auditor shall prepare the examination report to be filed under subsection (d) of Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and the reports to be filed under subsection (d) of Section 11-74.6-22 of the Industrial Jobs Recovery Law in the Illinois Municipal Code. The reports must be separate from any other annual report to be filed with the Comptroller. The report shall be in the format for the reporting of information described in paragraphs (1.5) and (5) and in subparagraph (G) of paragraph (7) of subsection (d) of Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and the information described in paragraphs (1.5) and (5) and in subparagraph (G) of paragraph (7) of subsection (d) of Section 11-74.6-22 of the Industrial Jobs Recovery Law.

- 6.1 INTENTIONALLY REMOVED.
- 6.2 INTENTIONALLY REMOVED.
- 7.0 Annual Comprehensive Financial Report (ACFR).**
- 7.1 The ACFR shall include the financial statements for the governmental activities, business-type activities, each major fund and the aggregate remaining fund information and the related disclosures. The ACFR shall also include the professional opinion or opinions of the Auditor with respect to the financial statements or, if an opinion cannot be expressed, a declaration that the Auditor is unable to express an opinion and an explanation of the reasons the Auditor cannot do so. The ACFR shall include a representation by the Auditor that the audit has been performed in accordance with generally accepted auditing standards.
- 7.2 This Agreement entered into with the Auditor shall not impose limitations on the scope of the audit to the extent that the effect of the limitations will result in the modification of the opinion or opinions of the Auditor.
- 7.3 INTENTIONALLY REMOVED.
- 7.4 The ACFR shall contain financial statements prepared in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards.
- 7.5 The ACFR shall comply with Section 8-8-5 of The Illinois Municipal Auditing Law (65 ILCS 5/8-8-5).
- 8.0 ACFR Certification.** When the Auditor has completed the audit, not less than the number of copies of the ACFR set forth in Section 13.0 shall be signed by the Auditor and shall immediately be filed with the City. Each ACFR shall include the certification of the Auditor that the audit has been performed in compliance with generally accepted auditing standards.
- 9.0 ACFR Disclosure.** Within sixty (60) days of the issuance of the ACFR, the Auditor shall do each of the following:
- 9.1 Provide a copy of the management letter and a copy of any audited financial statements to each member of the City's corporate authorities and a copy for posting on the City's website; and
- 9.2 Present the information from the audit to the City's corporate authorities either in person or by a live phone or web connection during a public meeting.
- 10.0 ACFR Submittal.** The City intends to send its ACFR to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. In accordance with this award program, the Auditor shall assure that the City's ACFR conforms to the provisions of the program and shall prepare annually the City's response to comments made by the award program on the preceding year's report as submitted to the program. The Auditor shall assist the City in filing the required application and supporting documents to apply for this award. All appropriate and reasonable changes that are required by the prior year's comments are to be incorporated into the current year's report.

11.0 Technical Standards. The audit must be made in accordance with generally accepted accounting principles (GAAP) as applied to government entities. The audit must be made in accordance with generally accepted auditing standards (GAAS) including the pronouncements of the Governmental Accounting Standards Board (GASB) and its predecessors, and the requirements of the American Institute of Certified Public Accountants (AICPA) “Audit of State and Local Government Units.”

12.0 Audit Timetable Requirements. The City will make all records and management personnel available to meet with the Auditor’s personnel any time after the award of the contract. The standard practice has been that the City prepares the audit work papers between May through the end of July for the preceding fiscal year. The work papers and reports are typically ready for the Auditor by the first week of August. Draft copies of the CAFR, Single Audit, TIF Report, and the Management Letter are due to the City for review no later than the second week of September. Comments and revisions are due back to the Auditor by the end of the third week of September. Final reports (CAFR, Management Letter, Single Audit, TIF Compliance Reports) are due to the City no later than the first Tuesday in October. The Auditor shall provide a timetable for the Auditor’s Services to accommodate the City’s requirements such as:

- 12.1 Preliminary Fieldwork and Planning:** Preliminary fieldwork and planning shall occur in December of the audit year, but no later than May 15 following the audit fiscal year;
- 12.2 Detailed Requested Items List:** The Auditor shall provide the City a list of all schedules to be prepared by the City prior to the audit but no later than the first business day of May following the audit fiscal year;
- 12.3 Final Fieldwork:** Final audit fieldwork shall begin no later than the second week of August following the audit fiscal year throughout the duration of the contract;
- 12.4 Draft Reports:** The auditor shall supply electronic copies of the draft CAFR, Single Audit Report, TIF Report, and City Council Communication Letter by or no later than September 15th of each year;
- 12.5 Final Reports:** All financial statements and reports must be delivered to the City in final and complete form by or no later than the first Tuesday in October of each year.

13.0 Reports Required. The Auditor shall issue to the City the following reports:

Description of Document	Bound Paper Copies	Searchable Portable Document Format Copies
Annual Comprehensive Financial Report (ACFR)	15	1
Single Audit Report, if applicable	15	1
Management Letter	15	1
State of Illinois Comptroller’s Report	1	1

- 13.1** In addition to the reports indicated above, the Auditor shall inform the City's corporate authorities of each of the following:
- 13.1.1** The Auditor shall communicate in a letter to management any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure which could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements;
 - 13.1.2** The Auditor shall be required to make an immediate written report of all irregularities and illegal acts of which they become aware;
 - 13.1.3** The Auditor's responsibility under generally accepted auditing standards;
 - 13.1.4** Significant accounting policies;
 - 13.1.5** Management judgments and accounting estimates;
 - 13.1.6** Significant audit adjustments;
 - 13.1.7** Other information in documents containing audited financial statements;
 - 13.1.8** Disagreements with management;
 - 13.1.9** Management consultation with other accountants;
 - 13.1.10** Major issues discussed with management prior to retention;
 - 13.1.11** Difficulties encountered in performing the audit; and
 - 13.1.12** Any other communications required by the GASB.
- 14.0 Funds to be Audited.** The City utilizes fund structures in accordance with current governmental accounting standards. The number and type of funds may change over time as circumstances dictate. For the avoidance of doubt, Auditor shall not audit the City's Police Pension Fund. Specific information regarding recent ACFRs may be found at <https://www.oakbrookterrace.net>.
- 15.0 Additional Professional Services.** Should it become necessary for the City to request that the Auditor render any additional services to either supplement the Services or to perform additional services as a result of the specific recommendations included in any report issued on this engagement, the City reserves the right to make, in writing, at any time during the performance of the Services, changes in the Services to be performed or the performance of extra Services to complete the project satisfactorily. All change orders shall be made in writing. Such changes in the Services to be performed or the performance of extra Services shall not invalidate the Agreement. The Auditor shall perform the Services as altered. If the alterations or changes significantly change the character of the Services to be performed under the Agreement, an adjustment will be made to the Agreement. The basis for the adjustment, either a lump sum price or hourly rates shall be agreed upon by the Auditor and the City prior to the performance of the Services. If a basis cannot be agreed upon, then an adjustment will be made either for or against the Auditor in such amount as the City Administrator may determine to be fair and equitable.

All alterations, cancellations, extensions and deductions shall be authorized in writing by the City Administrator before Services are started. Such authorizations shall describe the Services to be performed and the method of payment. Claims for extra Services that have not been authorized in writing by the City Administrator will be rejected.

All change orders less than \$20,000 may be approved by the City Administrator. All change orders or series of change orders which authorize or necessitate an increase or decrease in the cost of the Services by a total of \$20,000 or shall require City Council approval.

16.0 City Responsibilities for Audit.

16.1 The City shall:

16.1.1 Prepare confirmation letters;

16.1.2 Prepare and generate unaudited fully-adjusted trial balances for all funds;

16.1.3 Prepare the letter of transmittal, management's discussion and analysis (MD&A) and the exhibits in the statistical section of the ACFR;

16.1.4 Provide budget figures in a format that can be used in the ACFR;

16.1.5 Provide all standard client prepared work papers and schedules for assets, liabilities, fund balance/net position, expenses and revenues as applicable; and

16.1.6 Provide a reasonable workspace with adequate seating for up to five individuals and supporting equipment brought in and used by the Auditor.

16.2 Any other supporting work expected to be provided by the City shall be requested in writing by the Auditor.

17.0 Audit Standards.

17.1 The following Audit standards will govern the audits:

17.1.1 AICPA "Statement of Auditing Standards" (GAAS);

17.1.2 U.S. General Accounting Office – "Standards of Audits of Governmental Organizations, Programs, Activities and Functions", (and applicable "Compliance supplements");

17.1.3 AICPA Audits of State and Local Governmental Units (The Industry Audit Guide);

17.1.4 Pronouncements of the GASB and its predecessors; and

17.1.5 Any requirements of state or other grantors.

It will be the responsibility of the Auditor to procure any of the standards or guides governing this audit.

18.0 Federal Programs. The audits of federally assisted programs shall be made on a City-wide basis (the Single Audit Act of 1996) and in accordance with the standards and compliance audits in the Standards for Audit issued by the Government Accountability Office (GAO) to meet the requirements of OMB Circular A-133 - Audits of States Local Governments, and

Non-Profit Organizations; and the audit must meet the requirements of the Government Auditing Standards issued by the Comptroller General of the United States and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”). Grant funds for which the Act does not apply shall be audited and included in the Annual Comprehensive Financial Report. They shall be audited in compliance with federal or state regulations.

GENERAL REQUIREMENTS

The following General Requirements supplement the provisions of the General Conditions and shall govern the performance of the Services. In case of conflict with any part or parts of the General Conditions, the General Requirements shall take precedence and shall govern. The Agreement is intended to serve as the framework for entering into separate Specification of Services. The Specification of Services entered into pursuant to the Agreement shall be: (a) executed by authorized individuals on behalf of each of the parties, and (b) incorporated into the Agreement. Unless otherwise agreed by the parties, all Specification of Services that are entered into pursuant to the Agreement shall be governed by the terms of the Agreement and are hereby made part of, and incorporated into, the Agreement. In the event of a conflict between the Agreement and a Specification of Services, the terms of the Agreement shall prevail, unless the Specification of Services expressly references the specific provision in the Agreement to be modified by the Specification of Services. The Agreement shall not govern engagements related to the Auditor's affiliated entities or the Auditor's services or offerings other than CPA Services, and a separate agreement for such services will be required. To the extent the term of a Specification of Services extends beyond the expiration or earlier termination of the Agreement, the terms of the Agreement shall apply to such Specification of Services until expiration of such Specification of Services.

The General Requirements governing the Agreement are as follows:

ENGAGEMENT ADMINISTRATION

Sikich LLC ("Sikich LLC") and Sikich CPA (collectively, the "Auditor") currently practice as an alternative practice structure in accordance with the AICPA Professional Code of Conduct and applicable law, regulations and professional standards. Sikich CPA is a licensed certified public accounting firm and provides audit and attest services to its clients. Sikich LLC is not a licensed CPA firm and does not perform audit or attest services.

Sikich LLC has a contractual arrangement with Sikich CPA whereby Sikich LLC provides Sikich CPA with professional and support personnel and other support services to allow Sikich CPA to perform its professional services. From time to time, Sikich CPA may consult with Sikich LLC in the provision of services pursuant to this engagement. The City hereby consents to Sikich CPA's sharing the City's information with Sikich LLC in support of the services to be provided by the Auditor for the purpose of performing the Services for which the Auditor is engaged hereunder. Unless the City indicates otherwise, the City's acceptance of the terms of this engagement shall be understood by the Auditor as the City's consent to make disclosures to Sikich LLC and its employees of confidential information that the Auditor may obtain in the course of its engagement.

As part of the alternative practice structure, Sikich LLC has agreed to comply with the AICPA Code of Professional Conduct, as applied to an alternative practice structure, and applicable federal, state and local rules with respect to the confidentiality of client information. Accordingly, neither Sikich LLC nor the Auditor will disclose confidential client information without the City's consent, except (i) to any government agency or regulatory body to the extent and in the form or manner necessary or required to comply with any rule, regulation or order of such government agency or regulatory order, or (ii) pursuant to subpoena or other legal process. Sikich LLC and the Auditor utilize appropriate safeguards, policies and procedures to maintain the confidentiality of confidential client information.

In connection with the Agreement, the Auditor may communicate with the City or others via e-mail transmission. As e-mails can be intercepted and read, disclosed or otherwise used or communicated by an unintended third-party or may not be delivered to each of the parties to whom they are directed and only to such parties, the Auditor cannot guarantee or warrant that e-mails from the Auditor will be properly delivered and read only by the addressee. Therefore, the Auditor shall use secure messaging with respect to any emails that contain confidential information. Auditor shall exercise reasonable care to avoid the interception or unintentional disclosure of e-mails transmitted by the Auditor or in connection with the performance of the Agreement. Communications by email are authorized unless written objection is provided to us prior to any such communication. For the avoidance of doubt, all other confidential information shall be transmitted between the parties through Auditor's document portal.

The Auditor may from time to time, and depending on the circumstances, use third-party service providers in serving the City's account. The Auditor may share confidential information about the City with these service providers but remain committed to maintaining the confidentiality and security of the City's information. Accordingly, the Auditor will maintain internal policies, procedures, and safeguards designed to protect the confidentiality of the City's confidential information. In addition, the Auditor will enter into confidentiality agreements with all service providers to maintain the confidentiality of the City's information and the Auditor will take reasonable precautions to determine that such service providers have appropriate procedures in place to prevent the unauthorized release of the City's confidential information to others. In the event that the Auditor is unable to secure an appropriate confidentiality agreement, the City will be asked to provide its consent prior to the sharing of its confidential information with the third-party service provider. Furthermore, the Auditor will remain responsible for the work provided by any such third-party service providers engaged by the Auditor.

The City acknowledges and agrees that in connection with the performance of the Services, the Auditor may utilize services of subsidiaries, affiliates, divisions and/or third parties located outside of the United States ("Offshore Resources") to provide the Services. Offshore Resources may have access to confidential information from offshore locations. The Auditor represents to the City that with respect to each Offshore Resource utilized in providing Services to the City, the Auditor has technical, legal, and/or other safeguards, measures and controls in place designed to protect the City's confidential information from unauthorized disclosure or use. Accordingly, the City's agreement above extends to disclosure, ability to access, and use of the City's confidential information by the Offshore Resources for the purposes set forth in this section. Any services performed by an Offshore Resource shall be performed in accordance with the terms set forth herein, and the Auditor shall remain responsible to the City for the performance of the Services.

The City hereby explicitly acknowledges and consents to the Auditor's (and, through the alternative practice structure, Sikich LLC's) use of third-party cloud computing services to store confidential and proprietary information and other data of the City and agrees that such use of such cloud services coupled with the use of encrypted devices, password protections and firewall protection shall constitute our best efforts to safeguard such information and data from unauthorized disclosure. The City further agrees that, subject to applicable law, the Auditor shall only be liable for such unauthorized disclosure or use if it has been finally judicially determined by a court of competent jurisdiction that the Auditor did not take commercially reasonable measures to protect the

confidential and proprietary information and other data of the City from unauthorized disclosure or use.

MANAGEMENT RESPONSIBILITIES

The Auditor, in its sole professional judgment, reserves the right to refuse to take any action that could be construed as assuming management responsibilities. The City agrees to make all management decisions, perform all management functions, and assume all management responsibilities for the Services; oversee the Services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the Services performed; and to accept responsibility for the results of the Services, including decisions regarding the implementation of any recommendations provided by us. The City will establish and maintain internal controls relevant to its organization, including the security of email accounts or other methods used to communicate with the Auditor's engagement team members, and monitoring the effectiveness of their operation.

FEES; INVOICES

The Auditor's fees for the Services are detailed in Section 4 of the Agreement.

The Auditor may suspend its Services if the City's account becomes overdue according to the provisions of the Local Government Prompt Payment Act. and will not be resumed until the City's account complies with the provisions of the Local Government Prompt Payment Act. If the Auditor elects to terminate its Services for nonpayment, or other reasonable causes such as failure to provide the information or cooperation necessary for successful performance of the Auditor's Services, the Auditor's provision of Services will be deemed to have been completed upon written notification of termination, even if the Auditor has not completed its report. The City will be obligated to compensate the Auditor for all time expended and to reimburse the Auditor for all out-of-pocket expenditures through the date of termination.

The City shall not solicit the staff of the Auditor for employment, and no offer of employment shall be discussed with any of the Auditor's professionals during the professional engagement period. Following such period, the City shall inform the engagement Principal before entering into any substantive employment discussions with any Sikich personnel. In the event that the City desires to hire a member of the Sikich staff within one year of the completion of the Agreement, a recruiting fee will be assessed at 30% of the first-year salary per hire and paid to the Auditor upon our notification of such hiring.

RECORD RETENTION; CONFIDENTIALITY

The Auditor shall keep its records related to this Agreement in compliance with the requirements of the Local Records Act (50 ILCS 205/1 *et seq.*). However, the Auditor shall not keep any original City records, and the Auditor will return those to the City at the completion of the Services rendered under the Agreement.

All information obtained in the course of performing the Services, including, but not limited to, statements, records, schedules, working papers, memorandums, reports, and all other documents and work product prepared by or through the Auditor, will be considered confidential matters not to be disclosed to any other person or persons without the City's prior written permission, unless

otherwise required pursuant to the Freedom of Information Act (5 ILCS 140/1 *et seq.*), professional standards, statutory or regulatory authority, or court order. The foregoing obligation of confidentiality shall not apply to any information that was in the public domain at the time of the communication thereof to the Auditor.

As a result of the Auditor's prior or future services to the City, the Auditor might be requested or required to provide information or documents to the City or a third party in a legal, administrative, regulatory inquiry or arbitration or similar proceeding in which the Auditor is not a party. If this occurs, the Auditor's efforts in complying with such requests will be deemed billable to the City as a separate engagement. The Auditor shall be entitled to compensation for its time and reasonable reimbursement for its expenses (including legal fees) in complying with the request.

DISPUTE RESOLUTION; GOVERNING LAW

If any dispute, controversy, or claim arises in connection with the performance or breach of this Agreement, either party may, on written notice to the other party, request that the matter be mediated. Such mediation will be conducted by a mediator appointed by and pursuant to the Rules of the American Arbitration Association or such other neutral facilitator acceptable to both parties. Both parties will exert their commercially reasonable best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute or controversy. Each party may disclose any facts to the other party or the mediator which it, in good faith, considers necessary to resolve the matter. All such discussions, however, will be for the purpose of assisting in settlement efforts and will not be admissible in any subsequent litigation or proceeding against the disclosing party. Except as agreed by both parties in writing, the mediator will keep confidential all information disclosed during negotiations. The mediation proceedings will conclude within sixty (60) days from receipt of the written notice unless extended or terminated sooner by mutual consent. Each party will be responsible for its own expenses. The fees and expenses of the mediator, if any, will be borne equally by the parties.

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS.

INDEPENDENT CONTRACTOR

It is understood and agreed that the Auditor will for all purposes be an independent contractor, will not hold itself out as representing or acting in any manner for the City, and neither the Auditor nor the City will have any authority to bind the other party to any contract or in any other manner. The Auditor and the City do not intend to create a joint employer relationship, and the Auditor and the City each represents that it is the sole employer of its employees. The Auditor shall not and does not have the right to control the City's employees' essential terms and conditions of employment, including hiring its employees, determining their wages and benefits, or assigning, scheduling, training, disciplining, or terminating the City's employees.

OFAC REPRESENTATION

The City represents and warrants the following with respect to the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"): (a) the City does not have any nexus with persons or entities on any of OFAC's sanctions list (e.g., SSI, SDN, FSE, etc.) either through large shareholders, employees, beneficial owners, vendors, affiliated entities (i.e., affiliates or

subsidiaries), third parties, customer base or otherwise; (b) the City does not have any operations in any comprehensive OFAC sanctioned country (Cuba, Iran, Syria, Sudan, North Korea, the Crimea); (c) the City does not have any operations in any limited OFAC sanctioned country program; or (d) the City does not remit payment for the Auditor's fees and expenses from an OFAC sanctioned country.

NO THIRD-PARTY BENEFICIARIES

The Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the parties, provided, that Sikich LLC shall be a third-party beneficiary of the provisions herein that make reference to Sikich LLC.

FORCE MAJEURE

The Auditor shall not be deemed in default of any provision of the Agreement or be liable for any delay, failure in performance, or interruption of the Services resulting directly or indirectly from acts of God, electronic virus attack or infiltration, civil or military authority action, civil disturbance, war, strike and other labor disputes, fires, floods, other catastrophes, and other forces beyond its reasonable control.

SURVIVAL

Those provisions that by their nature are intended to survive termination or expiration of this Agreement and any right or obligation of the parties in this Agreement which, by its express terms of nature and context is intended to survive termination or expiration of this Agreement, shall so survive any such termination or expiration.

MISCELLANEOUS

Authority: Due Authorization; Enforceability: Each party hereto represents and warrants that it has all requisite power and authority to enter into the Agreement and to perform its obligations hereunder. Each party hereto further represents and warrants that the Agreement has been duly and validly authorized by all necessary corporate action and has been duly executed and delivered by each such party and constitutes the legal, valid and binding agreement of each such party, enforceable in accordance with its terms.

Counsel Representation: The terms of the Agreement have been negotiated by the parties hereto, who have each been represented by counsel, there shall be no presumption that any of the provisions of the Agreement shall be construed adverse to any party as "drafter" in the event of a contention of ambiguity in the Agreement, and the parties waive any statute or rule of law to such effect.

Headings: Headings used herein are for convenience of reference only and shall not affect the interpretation or construction of the Agreement.

SPECIFICATION OF SERVICES
No. 259345-2024-AUD

This Specification of Services (the “Specification of Services”) dated August 13, 2024, is entered into by and between Sikich CPA LLC (the “Auditor”) and the City of Oakbrook Terrace (the “City”) pursuant to the Auditing Services Agreement dated August 13, 2024, between the Auditor and the City (the “Agreement”), all terms of which are hereby incorporated herein by reference.

NOW, THEREFORE, for and in consideration of the foregoing premises, and the agreements of the parties set forth below, the Auditor and the City agree as follows:

AUDIT SCOPE AND OBJECTIVES

The Services to be provided under this Specification of Services will include an audit of the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information and the related disclosures, which collectively comprise the basic financial statements of the City as of and for the year ended April 30, 2024 (the “financial statements”).

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (“RSI”), such as management’s discussion and analysis (“MD&A”), to supplement the City’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of the Auditor’s Services, the Auditor will apply certain limited procedures to the City’s RSI in accordance with auditing standards generally accepted in the United States of America (“GAAS”). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to the Auditor’s inquiries, the basic financial statements, and other knowledge the Auditor obtained during its audit of the basic financial statements. The Auditor will not express an opinion or provide any assurance on the information because the limited procedures do not provide the Auditor with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

- Management’s Discussion and Analysis.
- Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual, for the General Fund and any major special revenue funds.
- Schedule of Changes in the Employer’s Other Postemployment Benefit (OPEB) Liability and Related Ratios.
- Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios for the Illinois Municipal Retirement Fund and Police Pension Fund.

- Schedule of Employer Contributions for the Illinois Municipal Retirement Fund and Police Pension Fund.
- Schedule of Investment Returns for the Police Pension Fund.
- Notes to Required Supplementary Information.

The Auditor has also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. The Auditor will subject the following supplementary information to the auditing procedures applied in its audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and the Auditor will provide an opinion on it in relation to the financial statements as a whole in a report combined with its Auditor's report on the financial statements:

- Combining and Individual Fund Financial Statements and Schedules
- Schedule of Expenditures of Federal Awards (if applicable)
- Consolidated Year End Financial Report (if applicable)

In connection with the Auditor's audit of the basic financial statements, the Auditor will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If based on the work performed, the Auditor concludes that an uncorrected material misstatement of the other information exists, the Auditor is required to describe it in its report.

- Introductory Section
- Statistical Section

The objectives of the Auditor's audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an Auditor's report that includes the Auditor's opinion about whether the City's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the paragraph above when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, and, if required, the standards for financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States, will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards, if applicable.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The Auditor will conduct its audit in accordance with GAAS and, if applicable, the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and will include tests of the City's accounting records and other procedures the Auditor considers necessary to enable the Auditor to express such opinions. As part of an audit in accordance with GAAS and Government Auditing Standards, the Auditor exercises professional judgment and maintains professional skepticism throughout the audit.

The Auditor will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. The Auditor will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. The Auditor will plan and perform the audit to obtain reasonable 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 government or to acts by management or employees acting on behalf of the City. Because the determination of waste and abuse is subjective, Government Auditing Standards (if applicable) do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because the Auditor will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and, if required, Government Auditing Standards. 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, the Auditor will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to the Auditor's attention. The Auditor will also inform the appropriate level of management of any violations of laws or governmental regulations that come to the Auditor's attention, unless clearly inconsequential. The Auditor's responsibility as auditors is limited to the period covered by the Auditor's audit and does not extend to any later periods for which the Auditor is not engaged as auditors.

The Auditor will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

The Auditor's 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 assets and liabilities by correspondence with selected customers, creditors, and financial institutions. The Auditor will request written representations from the City's attorneys as part of the provision of Services, and they may bill the City for responding to this inquiry.

The Auditor's audit of the financial statements does not relieve the City of its responsibilities.

AUDIT PROCEDURES – INTERNAL CONTROL

The Auditor will obtain an understanding of the City and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for the Auditor's opinions. Tests of controls may be performed to test the effectiveness of certain controls that the Auditor considers relevant to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. The Auditor's tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and accordingly, no opinion will be expressed in its report on internal control issued pursuant to Government Auditing Standards (if applicable). The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, the Auditor will express no such opinion. However, during the audit, the Auditor will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, and if required Government Auditing Standards.

AUDIT PROCEDURES - COMPLIANCE

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, the Auditor will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of the Auditor's audit will not be to provide an opinion on overall compliance, and the Auditor will not express such an opinion in its report on compliance issued pursuant to Government Auditing Standards, if applicable.

NONATTEST SERVICES

Nonattest Services expected to be performed during the Auditor's audit of the Financial Statements as of and for the year ended April 30, 2024, and other deliverables are as follows:

- Assistance in preparing the financial statements based on information provided by the City.

These and other nonattest services provided do not constitute an audit under GAAS and, if required, Government Auditing Standards, and such services will not be conducted in accordance with GAAS and Government Auditing Standards.

The Auditor will perform the nonattest services in accordance with applicable professional standards. The Auditor, in its sole professional judgment, reserves the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. The Auditor will advise management with regard to the nonattest services listed above, but management must make all decisions with regard to those matters.

The City shall assume all management responsibilities for the nonattest services the Auditor provides. The City will be required to acknowledge in the management representation letter the nonattest services provided and that the City has evaluated the adequacy of the Auditor's nonattest services and has reviewed and approved the results of those services prior to their completion and has accepted responsibility for them. Further, the City shall oversee the nonattest services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; to evaluate the adequacy and results of those services; and accept responsibility for them.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Auditor's audit will be conducted on the basis that the City acknowledges and understands its responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. The City is responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements, in accordance with GAAS and Government Auditing Standards (if required).

Management is responsible for making drafts of financial statements, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). The City is also responsible for providing the Auditor with (1) access to all information of which the City is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that the Auditor may request for the purpose of the audit; and (3) unrestricted access to persons within the City from whom the Auditor determines it necessary to obtain audit evidence. At the conclusion of its audit, the Auditor will require certain representation from the City about its responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and Government Auditing Standards, if required.

The City's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to the Auditor in the management representation letter that the

effects of any uncorrected misstatements aggregated by the Auditor during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

The City is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing the Auditor about all known or suspected fraud affecting the City involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. The City's responsibilities include informing the Auditor of the City's knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, regulators, or others. In addition, the City is responsible for identifying and ensuring that the City complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that the Auditor reports in accordance with GAAS and Government Auditing Standards (if required).

The City is responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. The City shall include the Auditor's report on the supplementary information in any document that contains, and indicates that the Auditor has reported on the supplementary information. The City shall include the audited financial statements with any presentation of the supplementary information that includes the Auditor's report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with the Auditor's report thereon. The City's responsibilities include acknowledging to the Auditor in the written representation letter that (1) the City is responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) the City believes the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) the City has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

The City is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this Agreement. This responsibility includes relaying to the Auditor corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. The City is also responsible for providing management's views on its current findings, conclusions, and recommendations, as well as the City's planned corrective actions, for the report, and for the timing and format for providing that information, in accordance with GAAS and Government Auditing Standards (if required).

If the Auditor's report will be included within a document containing other information, such as an annual report, the City will be asked to provide the final version of the other information, prior to the

date of the Auditor's report so that required audit procedures can be completed prior to issuance. If the final version of the other information cannot be obtained prior to the date of the Auditor's report, the other information shall be provided as soon as practicable, and the City will not issue the annual report prior to providing them to the Auditor. If other information is provided after the date of the Auditor's report, the Auditor may need to take appropriate action in accordance with GAAS, including performing required procedures as soon as practical, communicating the matter to those charged with governance and considering the need to obtain legal advice. If the other information is materially misstated, the Auditor will ask management to correct the information or communicate with those charged with governance if management does not correct the information or take other appropriate action to have the uncorrected material misstatement brought to the attention of anyone in receipt of the annual report and the Auditor's report.

REPORTING

The Auditor will issue a written report upon completion of its audit of the financial statements. The Auditor will make reference to the independent component auditor firm and their audit of Police Pension Fund in its report on the City's financial statements. The Auditor's report will be addressed to the City Council. Circumstances may arise in which the Auditor's report may differ from its expected form and content based on the results of the Auditor's audit. Depending on the nature of these circumstances, it may be necessary for the Auditor's to modify its opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to the Auditor's report, or if necessary, withdraw from this engagement. If the Auditor's opinions are other than unmodified, it will discuss the reasons with the City in advance. If circumstances occur related to the condition of the City's records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in the Auditor's professional judgment prevent it from completing the audit or forming an opinion on the financial statements, the Auditor retains the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the Agreement.

The Auditor will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during the Auditor's audit it becomes aware that the City is subject to an audit requirement that is not encompassed in the terms of this engagement, the Auditor will communicate to management and those charged with governance that an audit in accordance with GAAS and the standards for financial audits contained in Government Auditing Standards may not satisfy the relevant legal, regulatory, or contractual requirements.

ENGAGEMENT ADMINISTRATION, FEES AND OTHER

The assistance to be supplied by the City's personnel is described in the workpaper request lists for preliminary (interim) and final fieldwork, which outline the specific schedules and information the Auditor is requesting for this Agreement. The workpaper request lists will be discussed with and coordinated with Tanya Walker, Finance Director. The timely and accurate completion of this work is an essential condition to the Auditor's completion of the audit, financial statement preparation, and issuance of the Auditor's audit report. This Specification of Services assume all records, documentation, and information the Auditor requested in connection with the audit and financial statement preparation assistance services (and outlined in the workpaper request lists) are complete and available at the beginning of the respective phases of the provision of Services. It also assumes key personnel are available to the Auditor for the duration of the audit and preparation of the financial statements. The Auditor understands that the City's employees will prepare all cash, accounts receivable, and other confirmations the Auditor requests and will locate any documents selected by the Auditor for testing.

The Auditor is committed to the timely completion of the audit, performance of nonattest services as described above, and delivery of final reports for the fee set forth in this Specification of Services. The fees quoted in this Specification of Services are based on certain assumptions. Circumstances may arise during the engagement that may significantly affect the targeted completion dates or the Auditor's fee estimate. As a result, changes to the fees may be necessary. Such circumstances include, but are not limited to, the following:

1. All requested information is not (a) provided by the City on the date requested, (b) completed in a format acceptable to the Auditor, (c) mathematically correct, (d) complete and accurate, or (e) in agreement with the appropriate City records (e.g., general ledger accounts, completed trial balance). The Auditor will provide the City with a separate listing of required schedules, information requests and the dates such items are needed.
2. Changes to the timing of the engagement due to lack of timeliness by the City, or at its request. Changes to the timing of the engagement usually require reassignment of personnel used by the Auditor in the performance of services hereunder. However, because it is often difficult to reassign individuals to other engagements, the Auditor may incur significant unanticipated costs.
3. Significant delays in responding to the Auditor's requests for information, such as reconciling variances, providing requested supporting documentation (e.g., invoices, contracts, and other documents), or responding to its inquiries of the City's management.
4. Requests by the City for the Auditor to complete schedules or obtain information previously mutually agreed to be completed by or provided by the City.

In addition, certain circumstances warranting an adjustment to the fees or a modification to this Specification of Services may include, but are not limited to the following:

1. Requests by the City for the Auditor to perform nonattest services in addition to those identified and described in the "Nonattest Services" section above.

2. Other time deemed outside the scope of services of the engagement as set forth in this Specification of Services. Final reports will be issued upon the City's approval of the preliminary drafts. The Auditor's engagement ends on delivery of its final report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific Specification of Services for that service. Nick Bava is the engagement Principal and is responsible for supervising the provision of Services and signing the report or authorizing another individual to sign it. The Auditor expects to begin its audit in September 2024.

Circumstances that result in the Auditor's performing extra Services shall be promptly reported to the City Administrator. Extra Services shall not be started until authorization from the City Administrator is received, which authorization shall state the Services to be performed and the method of payment for each Service to be performed. No payment will be made for Services performed without such order. Extra Services will be paid for at either a lump sum price or hourly rates agreed upon by the Auditor and the City.

The Auditor will provide copies of its reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of the Auditor's reports are to be made available for public inspection.

The audit documentation for this engagement constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the granting agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. The Auditor will notify the City of any such request. If requested, access to such audit documentation will be provided under the supervision of the Auditor's personnel. Furthermore, upon request, the Auditor may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven (7) years after the report release date or for any additional period requested by a regulatory agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, the Auditor will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

The Auditor's fee for these Services will not exceed \$56,000 for the City's audit, \$4,000 for the Single Audit, if applicable, and \$2,000 for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable. Lastly, depending on the level of effort required, there may be an additional fee (discussed with the City) associated with the implementation of GASB Statement No. 96, Subscription-Based IT Arrangements.

In accordance with professional standards, any discussions during the period of the audit engagement between the City and a member of the Auditor's audit engagement team regarding potential employment or association with the City creates an impairment of independence for the Auditor's employee and possibly the firm. Such a situation could require the Auditor to temporarily or permanently remove that person from the City's audit engagement or to perform additional

procedures or re-perform procedures, which would increase the Auditor's fees. Should the Auditor not become aware of the impairment until after the conclusion of the provision of Services, the Auditor's independence would be deemed to have been impaired. Please inform appropriate City personnel to refrain from any such discussions with any of the Auditor's staff while the audit Services are ongoing and notify Nick Bava immediately if the City becomes aware that any such discussions may have occurred.

This Specification of Services is governed by the terms and conditions of the Agreement. The terms of the Agreement are hereby expressly incorporated by reference into and made a part of this Specification of Services. In the event of a conflict between the terms and conditions of the Agreement and this Specification of Services, the terms of the Agreement shall take precedence and control over those of this Specification of Services unless otherwise expressly and specifically set forth herein. In the event of a conflict between the terms and conditions of this Specification of Services and any related exhibits, attachments, or proposals, the terms of this Specification of Services shall take precedence and control over those of the exhibit, attachment, or proposal hereto unless otherwise expressly and specifically set forth herein. Any capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement. This Specification of Services may be executed (including by facsimile and PDF signature) in one or more counterparts, with the same effect as if the parties had signed the same document. This Specification of Services may be modified or amended only by a written document signed by both parties.

ACCEPTANCE

The City and the Auditor acknowledge having read this Specification of Services in its entirety, have had full opportunity to consider its terms in consultation with their respective attorneys, have had full and satisfactory explanation of the same, and fully understand and agree to be bound by the terms of this Specification of Services.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Specification of Services to be executed by their duly authorized officers as of the date first set forth above.

City: **City of Oakbrook Terrace, Illinois**

By: _____
Paul Esposito, Mayor

ATTEST:

By: _____
Michael Shadley, City Clerk

Auditor: **Sikich CPA LLC**

By: _____
Nick Bava, Principal

ATTEST:

By: _____

SPECIFICATION OF SERVICES
No. 259345-2024-UGG

This Specification of Services (this "Specification of Services") dated August 13, 2024, is entered into by and between Sikich CPA LLC the "Auditor" and City of Oakbrook Terrace the "City" pursuant to the Auditing Services Agreement dated August 13, 2024, between the Auditor and the City (the "Agreement") and the Specification of Services for the audit of the City's financial statements in accordance with auditing standards generally accepted in the United States of America all terms of which are hereby incorporated herein by reference.

NOW, THEREFORE, for and in consideration of the foregoing premises, and the agreements of the parties set forth below, the Auditor and the City agree as follows:

AUDIT SCOPE AND OBJECTIVES

The objective of the Auditor's Single Audit also includes reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.

AUDITOR'S RESPONSIBILITIES FOR THE COMPLIANCE AUDIT OF SINGLE AUDIT GUIDELINES

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by the Auditor, even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. 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 major programs. However, the Auditor will inform the appropriate level of management of any violations of laws or governmental regulations that come to its attention, unless clearly inconsequential. The Auditor will include such matters in the reports required for a Single Audit. The Auditor's responsibility as auditors is limited to the period covered by its audit and does not extend to any later periods for which the Auditor is not engaged as auditors.

The Auditor's procedures may include direct confirmation of receivables and certain other assets and liabilities by correspondence with funding sources.

AUDIT PROCEDURES – INTERNAL CONTROL

The Auditor will obtain an understanding of the City and its environment, including the system of internal control, sufficient to identify and assess the risks of material noncompliance, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for its opinion. The risk of not detecting material noncompliance resulting from fraud is higher than one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

AUDIT PROCEDURES – COMPLIANCE

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, the Auditor will perform tests of the City’s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and the Auditor will not express such an opinion in its report on compliance issued pursuant to Government Auditing Standards.

NONATTEST SERVICES

RESPONSIBILITIES OF MANAGEMENT FOR THE COMPLIANCE AUDIT OF SINGLE AUDIT GUIDELINES

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of the Agreement. This responsibility includes relaying to the Auditor corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or studies. The City is also responsible for providing management’s views on the Auditor’s current findings, conclusions, and recommendations, as well as the City’s planned corrective actions, for the report and for the timing and format for providing that information.

REPORTING

The Auditor will issue a written report upon completion of its Single Audit. The Auditor’s report will be addressed to the City Council. Circumstances may arise in which the Auditor’s report may differ from its expected form and content based on the results of its audit. Depending on the nature of these circumstances, it may be necessary for the Auditor to modify its opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to its Auditor’s report, or if necessary, withdraw from this engagement. If the Auditor’s opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, the Auditor will discuss the reasons with the City in advance. If circumstances occur related to the condition of the City’s records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent it from completing the Single Audit or forming an opinion on the financial statements or the Single Audit compliance, the Auditor retains the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the Agreement.

ENGAGEMENT ADMINISTRATION, FEES, AND OTHER

At the conclusion of the engagement, the Auditor will complete the appropriate sections of the Data Collection Form that summarizes its audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. The Auditor will coordinate with the City the electronic submission and certification. If applicable, the Auditor will provide copies of its report for the City to include with the reporting package the City will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the Auditor's reports or nine months after the end of the audit period.

The Auditor will provide copies of its reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of the Auditor's report are to be made available for public inspection.

All information obtained in the course of performing the Auditor's Services, including, but not limited to, statements, records, schedules, working papers, memorandums, reports, and all other documents and work product prepared by the Auditor, will be considered confidential matters not to be disclosed to any other person or persons without the City's prior written permission. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the granting agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. The Auditor will notify the City of any such request. If requested, access to such audit documentation will be provided under the supervision of the Auditor's personnel. Furthermore, upon request, the Auditor may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this Agreement will be retained for a minimum of seven (7) years after the report release date or for any additional period requested by a regulatory agency. If the Auditor is aware that a federal awarding agency or auditee is contesting an audit finding, the Auditor will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation. The Auditor does not keep any original client records, so the Auditor will return those to the City at the completion of the Services rendered under the Agreement. When records are returned to the City, it is its responsibility to retain and protect its records for possible future use, including potential examination by any government or regulatory agencies.

The Auditor is committed to the timely completion of the audit, performance of nonattest services as described above, and delivery of final reports for the fee set forth in this Specification of Services. The fees quoted in this Specification of Services are based on certain assumptions. Circumstances may arise during the engagement that may significantly affect the targeted completion dates or the Auditor's fee estimate. As a result, changes to the fees may be necessary. Such circumstances include, but are not limited to, the following:

1. All requested information is not (a) provided by the City on the date requested, (b) completed in a format acceptable to the Auditor, (c) mathematically correct, (d) complete and accurate, or (e) in agreement with the appropriate City records (e.g., general ledger accounts, completed trial balance). The Auditor will provide the City with a separate listing of required schedules, information requests and the dates such items are needed.
2. Changes to the timing of the engagement due to lack of timeliness by the City, or at the City's request. Changes to the timing of the engagement usually require reassignment of personnel used by the Auditor in the performance of the Services hereunder. However, because it is often difficult to reassign individuals to other engagements, the Auditor may incur significant unanticipated costs.
3. Significant delays in responding to the Auditor's requests for information, such as reconciling variances, providing requested supporting documentation (e.g., invoices, contracts, and other documents), or responding to the Auditor's inquiries of the City's management.
4. Requests by the City for the Auditor to complete schedules or obtain information previously mutually agreed to be completed by or provided by the City.

In addition, certain circumstances warranting an adjustment to the fees or a modification to this Specification of Services may include, but are not limited to, the following:

1. Requests by the City for the Auditor to perform nonattest services in addition to those identified and described in the "Nonattest Services" section above.
2. Other time deemed outside the scope of services of the engagement as set forth in this Specification of Services. Final reports will be issued upon the City's approval of the preliminary drafts. The Auditor's engagement ends on delivery of its final report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific Specification of Services for that service. Nick Bava is the engagement Principal and is responsible for supervising the provision of Services and signing the reports or authorizing another individual to sign them. The Auditor expects to begin its audit in September 2024.

Circumstances that result in the Auditor's performing extra Services shall be promptly reported to the City Administrator. Extra Services shall not be started until authorization from the City Administrator is received, which authorization shall state the Services to be performed and the method of payment for each Service to be performed. No payment will be made for Services performed without such order. Extra Services will be paid for at either a lump sum price or hourly rates agreed upon by the Auditor and the City.

This Specification of Services is governed by the terms and conditions of the Agreement. The terms of the Agreement are hereby expressly incorporated by reference into and made a part of this Specification of Services. In the event of a conflict between the terms and conditions of the Agreement and this Specification of Services, the terms of the Agreement shall take precedence and control over those of this Specification of Services unless otherwise expressly and specifically set

forth herein. In the event of a conflict between the terms and conditions of this Specification of Services and any related exhibits, attachments, or proposals, the terms of this Specification of Services shall take precedence and control over those of the exhibit, attachment, or proposal hereto unless otherwise expressly and specifically set forth herein. Any capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement. This Specification of Services may be executed (including by facsimile and PDF signature) in one or more counterparts, with the same effect as if the parties had signed the same document. This Specification of Services may be modified or amended only by a written document signed by both parties.

ACCEPTANCE

The City and the Auditor acknowledge having read this Specification of Services in its entirety, have had full opportunity to consider its terms in consultation with their respective attorneys, have had full and satisfactory explanation of the same, and fully understand and agree to be bound by the terms of this Specification of Services.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Specification of Services to be executed by their duly authorized officers as of the date first set forth above.

City: **City of Oakbrook Terrace, Illinois**

By: _____
Paul Esposito, Mayor

ATTEST:

By: _____
Michael Shadley, City Clerk

Auditor: **Sikich CPA LLC**

By: _____
Nick Bava, Principal

ATTEST:

By: _____

AUG 27 2024

ORDINANCE NO. 24 –

**AN ORDINANCE AMENDING THE PROVISIONS OF CHAPTER 35 ENTITLED
“TAXES” OF TITLE III ENTITLED “ADMINISTRATION” OF THE CODE OF
OAKBROOK TERRACE, ILLINOIS, BY IMPOSING A
MUNICIPAL GROCERY RETAILERS’ OCCUPATION TAX AND A
MUNICIPAL GROCERY SERVICE OCCUPATION TAX**

WHEREAS, the City of Oakbrook Terrace (the “City”) is a home-rule unit of local government under Article VII, Section 6 of the 1970 Illinois Constitution and, except as limited by such Section, it may exercise any power and perform any function pertaining to its government and affairs;

WHEREAS, Section 1-2-1 of the Illinois Municipal Code, 65 ILCS 5/1-2-1 authorizes the corporate authorities of the City to pass all ordinances and make all rules and regulations proper or necessary, to carry into effect the powers granted to the City, with such fines or penalties as may be deemed proper;

WHEREAS, the Municipal Grocery Occupation Tax Law codified as Section 8-11-24 of the Illinois Municipal Code, 65 ILCS 5/8-11-24, authorizes the corporate authorities of the City to impose a tax, to be effective or after January 1, 2026, upon all persons engaged in the business of selling groceries at retail in the City at the rate of one percent (1%) of the gross receipts from the sales of the groceries (the “Municipal Grocery Retailers’ Occupation Tax”);

WHEREAS, the Municipal Grocery Retailers’ Occupation Tax, the Municipal Grocery Service Occupation Tax and all civil penalties that may be assessed as an incident of the taxes are to be administered, collected and enforced by the Illinois Department of Revenue;

WHEREAS, Section 8-11-24 of the Illinois Municipal Code, 65 ILCS 5/8-11-24, requires any municipality imposing a Municipal Grocery Retailers’ Occupation Tax to also impose a Service Occupation Tax at the same rate, upon all persons engaged, in the City, in the business of making sales of service, who, as an incident to making those sales of service, transfer groceries as an incident to a sale of service (the “Municipal Grocery Service Occupation Tax”);

WHEREAS, the City Council has determined that it is desirable, necessary and in the best interests of the City and its residents that the City amend the Code of Oakbrook Terrace, Illinois to impose both a Municipal Grocery Retailers’ Occupation Tax and a Municipal Grocery Service Occupation Tax as permitted by Section 8-11-24 of the Illinois Municipal Code, 65 ILCS 5/8-11-24; and,

NOW THEREFORE, BE IT HEREBY ORDAINED by the City Council of the City of Oakbrook Terrace, DuPage County, Illinois, as follows:

Section 1. Recitals. The facts and statements contained in the preamble to this ordinance are found to be true and correct and are hereby adopted as part of this ordinance.

Section 2. Adoption of Municipal Grocery Retailers' Occupation Tax. Chapter 35 Entitled "Taxes" of Title III Entitled "Administration" of the Code of Oakbrook Terrace, Illinois, as amended, is hereby further amended by adding thereto a subchapter entitled "Municipal Grocery Retailers' Occupation Tax" and Sections 35.160 entitled "MUNICIPAL GROCERY RETAILERS' OCCUPATION TAX IMPOSED; RATE," 35.161 entitled "COLLECTION OF TAX" and 35.162 entitled "EFFECTIVE DATE" to read as follows:

Municipal Grocery Retailers' Occupation Tax

§ 35.160 MUNICIPAL GROCERY RETAILERS' OCCUPATION TAX IMPOSED; RATE. A tax is hereby imposed upon all persons engaged in the business of selling groceries at retail in the City at the rate of one percent (1%) of the gross receipts from such sales made in the course of such business.

§ 35.161 COLLECTION OF TAX. The tax imposed by Section 35.160 shall be remitted by all persons engaged in the business of selling groceries at retail in the City to the Illinois Department of Revenue. Any tax required to be collected pursuant to or as authorized by Section 35.160 and any such tax collected by a retailer and required to be remitted to the Illinois Department of Revenue shall constitute a debt owed by the retailer to the State of Illinois. The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Illinois Department of Revenue. The Illinois Department of Revenue shall have full power to administer and enforce the tax imposed by Section 35.160.

§ 35.162 EFFECTIVE DATE. The tax imposed by Section 35.160 shall take effect on the later of: (i) January 1, 2026; (ii) the first day of July next following the adoption and filing of this ordinance with the Illinois Department of Revenue, if filed on or before the preceding first day of April; or (iii) the first day of January next following the adoption and filing of this ordinance with the Illinois Department of Revenue, if filed on or before the preceding first day of October.

Section 3. Adoption of Municipal Grocery Retailers' Occupation Tax. Chapter 35 Entitled "Taxes" of Title III Entitled "Administration" of the Code of Oakbrook Terrace, Illinois, as amended, is hereby further amended by adding thereto a subchapter entitled "Municipal Grocery Retailers' Occupation Tax" and Sections 35.170 entitled "MUNICIPAL GROCERY SERVICE OCCUPATION TAX IMPOSED; RATE," 35.171 entitled "COLLECTION OF TAX" and 35.172 entitled "EFFECTIVE DATE" to read as follows:

Municipal Grocery Service Occupation Tax

§ 35.170 MUNICIPAL GROCERY SERVICE OCCUPATION TAX IMPOSED; RATE. A tax is hereby imposed upon all persons engaged in the City in the business of making sales of service, who, as an incident to making those sales of service, transfer groceries as an incident to a sale of service at the rate of one percent (1%) of the gross receipts from such sales made in the course of such business.

§ 35.171 COLLECTION OF TAX. The tax imposed by Section 35.170 shall be remitted by all persons engaged in the business of selling groceries at retail in the City to

the Illinois Department of Revenue. Any tax required to be collected pursuant to or as authorized by Section 35.170 and any such tax collected by a retailer and required to be remitted to the Illinois Department of Revenue shall constitute a debt owed by the retailer to the State of Illinois. The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Illinois Department of Revenue. The Illinois Department of Revenue shall have full power to administer and enforce the tax imposed by Section 35.170.

§ 35.172 EFFECTIVE DATE. The tax imposed by Section 35.170 shall take effect on the later of: (i) January 1, 2026; (ii) the first day of July next following the adoption and filing of this ordinance with the Illinois Department of Revenue, if filed on or before the preceding first day of April; or (iii) the first day of January next following the adoption and filing of this ordinance with the Illinois Department of Revenue, if filed on or before the preceding first day of October.

Section 4. Severability. If any provision of this ordinance, or the application of any provision of this ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this ordinance.

Section 5. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of the conflict.

Section 6. Filing of Ordinance. Once approved, the City Clerk shall be and is hereby directed and authorized to certify a copy of this ordinance and to promptly file a certified copy of this ordinance with the Illinois Department of Revenue.

[The remainder of this page is left blank intentionally.]

Section 7. Effective Date. This ordinance shall be in full force and effect after its passage, approval and publication in pamphlet form on the later of: (i) January 1, 2026; (ii) the first day of July next following the adoption and filing of this ordinance with the Illinois Department of Revenue, if filed on or before the preceding first day of April; or (iii) the first day of January next following the adoption and filing of this ordinance with the Illinois Department of Revenue, if filed on or before the preceding first day of October.

ADOPTED this 10th day of September 2024, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

ABSTENTION: _____

APPROVED by me this 10th day of September 2024.

Paul Esposito, Mayor of the City of
Oakbrook Terrace, DuPage County, Illinois

ATTESTED and filed in my office
this 10th day of September 2024.

Michael Shadley, Clerk of the City of
Oakbrook Terrace, DuPage County, Illinois

CERTIFICATION OF ORDINANCE

I, Michael Shadley, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Oakbrook Terrace, DuPage County, Illinois (the "City"), and that as such official, I am the keeper of the records and files of the City Council of the City (the "Corporate Authorities").

I do further certify that the foregoing is a full, true and complete copy of Ordinance No. 24 - __ entitled:

AN ORDINANCE AMENDING THE PROVISIONS OF CHAPTER 35 ENTITLED "TAXES" OF TITLE III ENTITLED "ADMINISTRATION" OF THE CODE OF OAKBROOK TERRACE, ILLINOIS, BY IMPOSING A MUNICIPAL GROCERY RETAILERS' OCCUPATION TAX AND A MUNICIPAL GROCERY SERVICE OCCUPATION TAX

A true, correct and complete copy of said ordinance was passed and approved at a meeting of the Corporate Authorities held on the 10th day of September 2024.

I do further certify that on the 10th day of September 2024 said ordinance was published in pamphlet form as authorized and directed by the Corporate Authorities.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the City, this 10th day of September 2024.

Michael Shadley, Clerk
City of Oakbrook Terrace, Illinois

AUG 27 2024

ORDINANCE NO. 24 - 30

**AN ORDINANCE AUTHORIZING AND RATIFYING THE ISSUANCE OF A
PURCHASE ORDER FOR THE PURCHASE OF TWO SOLAR-POWERED BLINKING
PEDESTRIAN CROSSING SIGNS FOR THE
CITY OF OAKBROOK TERRACE, ILLINOIS**

WHEREAS, the City of Oakbrook Terrace (the “City”) is a home-rule unit of local government under Article VII, Section 6 of the 1970 Illinois Constitution and, except as limited by such Section, it may exercise any power and perform any function pertaining to its government and affairs;

WHEREAS, two-thirds of the corporate authorities of the City holding office have determined that funds are available and that it is necessary, desirable and in the best interests of the City that the City purchase two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions from Traffic and Parking Control Co., Inc. of Brown Deer, Wisconsin; and

WHEREAS, in the opinion of two-thirds of the corporate authorities of the City holding office, it is advisable, necessary and in the public interest that the City waive advertisement for bids, waive the procedure prescribed for the submission of competitive bids, waive obtaining three written quotes directly from the vendors solicit proposals in the open market and purchase two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions from Traffic and Parking Control Co., Inc. of Brown Deer, Wisconsin, on the terms and conditions therein provided;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and the city council of the City of Oakbrook Terrace, DuPage County, Illinois:

Section 1: The facts and statements contained in the preambles to this ordinance are found to be true and correct and are hereby adopted as part of this ordinance.

Section 2: It is hereby determined that it is advisable, necessary and in the public interest that the City waive advertising for competitive bids, waive the procedure prescribed for the submission of competitive bids, waive obtaining three written quotes directly from the vendors and authorize the issuance of a purchase order for two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions from Traffic and Parking Control Co., Inc. of Brown Deer, Wisconsin.

Section 3: The City Administrator on behalf of the City shall be and is hereby authorized to issue a purchase order, or in the alternative, the action of the City Administrator is hereby ratified in executing and issuing a purchase order to Traffic and Parking Control Co., Inc. of Brown Deer, Wisconsin, for two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions in the amount of Thirteen Thousand Nine Hundred Seventy-Six and 71/100 Dollars (\$13,976.71), a copy of the Purchase Order for which is attached hereto marked as Exhibit “A” and made a part hereof.

Section 4: All ordinances and resolutions, or parts thereof, in conflict with the provisions of this ordinance are, to the extent of such conflict, expressly repealed.

Section 5: This ordinance shall be in full force and effect upon its passage by two-thirds of the corporate authorities of the City holding office, approval and publication in accordance with law.

ADOPTED this 27th day of August 2024, pursuant to a roll call vote as follows:

AYES: _____

NAYES: _____

ABSENT: _____

ABSTENTION: _____

APPROVED by me this 27th day of August 2024.

Paul Esposito, Mayor of the City of
Oakbrook Terrace, DuPage County, Illinois

ATTESTED and filed in my office,
this 27th day of August 2024.

Michael Shadley, Clerk of the City of
Oakbrook Terrace, DuPage County, Illinois

APPROVAL OF CITY ADMINISTRATOR

I hereby approve the Purchase Order for two (2) solar-powered blinking pedestrian crossing signs constituting personal property necessary for the City to perform essential governmental functions in the amount of Thirteen Thousand Nine Hundred Seventy-Six and 71/100 Dollars (\$13,976.71), a copy of the Purchase Order for which is attached hereto marked as Exhibit "A" and made a part hereof.

James D. Ritz, City Administrator

Exhibit "A"

**CITY OF OAKBROOK TERRACE, ILLINOIS
PURCHASE ORDER
TERMS AND CONDITIONS**

1. SERVICES & DELIVERABLES.

Seller agrees to perform the services ("Services") and/or provide the goods or Service deliverables (collectively referred to as "Goods"), described in any purchase order, in accordance with the applicable purchase order, scope of work and with these Terms and Conditions ("Agreement"). Upon acceptance of a purchase order, shipment of Goods or commencement of a Service, Seller shall be bound by the provisions of this Agreement, including all provisions set forth on the face of any applicable purchase order, whether Seller acknowledges or otherwise signs this Agreement or the purchase order, unless Seller objects to such terms in writing prior to shipping Goods or commencing Services.

This writing does not constitute a firm offer within the meaning of Section 2-205 of the Illinois Commercial Code (810 ILCS 5/2-205) and may be revoked at any time prior to acceptance. This Agreement may not be added to, modified, superseded or otherwise altered, except by writing signed by the City of Oakbrook Terrace City Manager.

Any terms or conditions contained in any acknowledgment, invoice or other communication of Seller, which are inconsistent with the terms and conditions herein, are hereby rejected. To the extent that this Agreement might be treated as an acceptance of Seller's prior offer, such acceptance is expressly made on condition of assent by Seller to the terms hereof and shipment of the Goods, or beginning performance of any Services by Seller shall constitute such assent. The City of Oakbrook Terrace hereby reserves the right to reschedule any delivery or cancel any purchase order issued at any time prior to shipment of the Goods or prior to commencement of any Services. The City of Oakbrook Terrace shall not be subject to any charges or other fees as a result of such cancellation.

2. DELIVERY.

Time is of the essence. Delivery of Goods shall be made pursuant to the schedule, via the carrier and to the place specified on the face of the applicable purchase order. The City of Oakbrook Terrace reserves the right to return, shipping charges collect, all Goods received in advance of the delivery schedule. If no delivery schedule is specified, the order shall be filled promptly and delivery will be made by the most expeditious form of land transportation. If no method of shipment is specified in the purchase order, Seller shall use the least expensive carrier. In the event Seller fails to deliver the Goods within the time specified, the City of Oakbrook Terrace may, at its option, decline to accept the Goods and terminate the Agreement or may demand its allocable fair share of Seller's available Goods and terminate the balance of the Agreement. Seller shall package all items in suitable containers to permit safe transportation and handling. Each delivered container must be labeled and marked to identify contents without opening and all boxes and packages must contain packing sheets listing contents. The City of Oakbrook Terrace's purchase order number must appear on all shipping containers, packing sheets, delivery tickets and bills of lading.

3. IDENTIFICATION, RISK OF LOSS & DESTRUCTION OF GOODS.

Identification of the Goods shall occur in accordance with Section 2-501 of the Illinois Commercial Code (810 ILCS 5/2-501). Seller assumes all risk of loss until receipt by the City of Oakbrook Terrace. Title to the Goods shall pass to the City of Oakbrook Terrace upon receipt by it of the Goods at the designated destination. If the Goods ordered are destroyed prior to title passing to the City of Oakbrook Terrace, the City of Oakbrook Terrace may at its option cancel the Agreement or require delivery of substitute Goods of equal quantity and quality. Such delivery will be made as soon as commercially practicable. If loss of Goods is partial, the City of Oakbrook Terrace shall have the right to require delivery of the Goods not destroyed.

4. PAYMENT.

As full consideration for the performance of the Services, delivery of the Goods and the assignment of rights to the City of Oakbrook Terrace as provided herein, the City of Oakbrook Terrace shall pay Seller (i) the amount agreed upon and specified in the applicable purchase order; or (ii) Seller's quoted price on date of shipment (for Goods), or the date Services were started (for Services), whichever is lower. Applicable taxes and other charges such as

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shipping costs, duties, customs, tariffs, imposts and government-imposed surcharges shall be stated separately on Seller's invoice. Payment is made when the City of Oakbrook Terrace's check is mailed. Payment shall not constitute acceptance. All personal property taxes assessable upon the Goods prior to receipt by the City of Oakbrook Terrace of Goods conforming to the purchase order shall be borne by Seller. Seller shall invoice the City of Oakbrook Terrace for all Goods delivered and all Services actually performed. Each invoice submitted by Seller must be provided to the City of Oakbrook Terrace within ninety (90) days of completion of the Services or delivery of Goods and must reference the applicable purchase order, and the City of Oakbrook Terrace reserves the right to return all incorrect invoices. Unless otherwise specified on the face of a purchase order, the City of Oakbrook Terrace shall pay the invoiced amount after receipt and approval of a correct invoice pursuant to the terms of the Local Government Prompt Payment Act (50 ILCS 505/1 *et seq.*).

5. WARRANTIES.

5.1 Services: Seller represents and warrants that all Services shall be completed in a professional, workmanlike manner, with the degree of skill and care that is required by current, good and sound professional procedures. Further, Seller represents and warrants that the Services shall be completed in accordance with applicable specifications and shall be correct and appropriate for the purposes contemplated in this Agreement. Seller represents and warrants that the performance of Services under this Agreement will not conflict with, or be prohibited in any way by, any other agreement or statutory restriction to which Seller is bound.

5.2 Goods: Seller warrants that all Goods provided will be new and will not be used or refurbished. Seller warrants that all Goods delivered shall be free from defects in materials and workmanship and shall conform to all applicable specifications for a period of twelve (12) months from the date of delivery to the City of Oakbrook Terrace or for the period provided in Seller's standard warranty covering the Goods, whichever is longer. Seller hereby agrees that it will make spare parts available to the City of Oakbrook Terrace for a period of five (5) years from the date of shipment at Seller's then current price, less applicable discounts. Additionally, Goods purchased shall be subject to all written and oral express warranties made by Seller's agents, and to all warranties provided for by the Illinois Commercial Code. All warranties shall be construed as conditions as well as warranties and shall not be exclusive. Seller shall furnish to the City of Oakbrook Terrace Seller's standard warranty and service guaranty applicable to the Goods. All warranties and service guaranties shall run to the City of Oakbrook Terrace.

If the City of Oakbrook Terrace identifies a warranty problem with the Goods during the warranty period, the City of Oakbrook Terrace will promptly notify Seller of such problems and will return the Goods to Seller, at Seller's expense. Within five (5) business days of receipt of the returned Goods, Seller shall, at the City of Oakbrook Terrace's option, either repair or replace such Goods, or credit the City of Oakbrook Terrace's account for the same. Replacement and repaired Goods shall be warranted for the remainder of the warranty period or six (6) months, whichever is longer.

6. INSPECTION.

The City of Oakbrook Terrace shall have a reasonable time after receipt of Goods or Service deliverables and before payment to inspect them for conformity hereto, and Goods received prior to inspection shall not be deemed accepted until the City of Oakbrook Terrace has run an adequate test to determine whether the Goods conform to the specifications hereof. Use of a portion of the Goods for the purpose of testing shall not constitute an acceptance of the Goods. If Goods tendered do not wholly conform to the provisions hereof, the City of Oakbrook Terrace shall have the right to reject such Goods. Nonconforming Goods will be returned to Seller freight collect, and risk of loss will pass to Seller upon the City of Oakbrook Terrace's delivery to the common carrier.

7. INDEPENDENT CONTRACTOR.

The City of Oakbrook Terrace is interested only in the results obtained under this Agreement; the manner and means of achieving the results are subject to Seller's sole control. Seller is an independent contractor for all purposes, without express or implied authority to bind the City of Oakbrook Terrace by contract or otherwise. Neither Seller nor its employees, agents or subcontractors ("Seller's Assistants") are agents or employees of the City of Oakbrook Terrace, and, therefore, are not entitled to any employee benefits of the City of Oakbrook Terrace, including, but not

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limited to, any type of insurance. Seller shall be responsible for all costs and expenses incident to performing its obligations under this Agreement and shall provide Seller's own supplies and equipment.

8. SELLER RESPONSIBLE FOR TAXES AND RECORDS.

The City of Oakbrook Terrace is a unit of government. No charges will be allowed for taxes from which the City of Oakbrook Terrace is exempt. The City of Oakbrook Terrace is not liable for the Illinois Retailer's Occupation Tax, the Service Occupation Tax or the Service Use Tax. The City of Oakbrook Terrace is also exempt from Federal Excise Transportation Tax. Seller shall be solely responsible for filing the appropriate federal, state and local tax forms and paying all such taxes or fees, including estimated taxes and employment taxes, due with respect to Seller's receipt of payment under this Agreement. The City of Oakbrook Terrace shall have no responsibility to pay or withhold from any payment to Seller under this Agreement, any federal, state or local taxes or fees. The City of Oakbrook Terrace will report amounts paid to Seller required to be reported by the Internal Revenue Code and the regulations issued thereunder by filing Form 1099-MISC with the Internal Revenue Service.

9. INSURANCE.

Seller shall be solely responsible for maintaining and requiring Seller's assistants to maintain such adequate health, auto, workers' compensation, unemployment compensation, disability, liability, and other insurance, as is required by law or as is the common practice in Seller's trades or businesses, whichever affords greater coverage. Upon request, Seller shall provide the City of Oakbrook Terrace with certificates of insurance or evidence of coverage before commencing performance under this Agreement. Seller shall provide adequate coverage for any City of Oakbrook Terrace property under the care, custody or control of Seller or Seller's assistants.

10. INDEMNITY.

Seller shall indemnify, hold harmless, and at the City of Oakbrook Terrace's request, defend the City of Oakbrook Terrace, its officers, trustees, agents and employees, against all claims, liabilities, damages, losses and expenses, including attorneys' fees and cost of suit arising out of or in any way connected with the Goods or Services provided under this Agreement, including, without limitation, (i) any claim based on the death or bodily injury to any person, destruction or damage to property, or contamination of the environment and any associated clean-up costs; (ii) Seller's failing to satisfy the Internal Revenue Service's guidelines for an independent contractor; (iii) any claim based on the negligence, omissions or willful misconduct of Seller or any Seller's assistants; and (iv) any claim by a third party against the City of Oakbrook Terrace alleging that the Goods or Services, the results of such Services, or any other products or processes provided under this Agreement infringe a patent, copyright, trademark, trade secret or other proprietary right of a third party, whether such are provided alone or in combination with other products, software or processes. Seller shall not settle any such suit or claim without the City of Oakbrook Terrace's prior written approval. Seller agrees to pay or reimburse all costs that may be incurred by the City of Oakbrook Terrace in enforcing this indemnity, including attorneys' fees.

Should the City of Oakbrook Terrace's use of any Goods or Services purchased from Seller be enjoined, be threatened by injunction, or be the subject of any legal proceeding, Seller shall, at its sole cost and expense, either (a) substitute fully equivalent non-infringing Goods or Services; (b) modify the Goods or Services so that they no longer infringe but remain fully equivalent in functionality; (c) obtain for the City of Oakbrook Terrace the right to continue using the Goods or Services; or (d) if none of the foregoing is possible, refund all amounts paid for the infringing Goods or Services.

11. CONFIDENTIALITY.

Seller may acquire knowledge of the City of Oakbrook Terrace Confidential Information (as defined below) in connection with its performance hereunder and agrees to keep such City of Oakbrook Terrace Confidential Information in confidence during and following termination or expiration of this Agreement. "City of Oakbrook Terrace Confidential Information" includes, but is not limited to, all information, whether written or oral, in any form, considered confidential by the City of Oakbrook Terrace relating to the business or governmental affairs of the City of Oakbrook Terrace which is disclosed directly or indirectly to Seller. In addition, the City of Oakbrook Terrace Confidential Information means any third party's proprietary or confidential information disclosed to Seller

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in the course of providing Services or Goods to the City of Oakbrook Terrace. City of Oakbrook Terrace Confidential Information does not include any information (i) which Seller lawfully knew without restriction on disclosure before the City of Oakbrook Terrace disclosed it to Seller; (ii) which is now or becomes publicly known through no wrongful act or failure to act of Seller; (iii) which Seller developed independently without use of the City of Oakbrook Terrace Confidential Information, as evidenced by appropriate documentation; or (iv) which is hereafter lawfully furnished to Seller by a third party as a matter of right and without restriction on disclosure. In addition, Seller may disclose Confidential Information which is required to be disclosed pursuant to a requirement of a government agency or law so long as Seller provides prompt notice to the City of Oakbrook Terrace of such requirement prior to disclosure.

Seller agrees not to copy, alter or directly or indirectly disclose any the City of Oakbrook Terrace Confidential Information. Additionally, Seller agrees to limit its internal distribution of the City of Oakbrook Terrace Confidential Information to Seller's employees and contractors who have a need to know, and to take steps to ensure that the dissemination is so limited, including the execution by Seller's employees and contractors of nondisclosure agreements with provisions substantially similar to those set forth herein. In no event will Seller use less than the degree of care and means that it uses to protect its own information of like kind, but in any event not less than reasonable care to prevent the unauthorized use of the City of Oakbrook Terrace Confidential Information.

Seller further agrees not to use the City of Oakbrook Terrace Confidential Information except in the course of performing hereunder and will not use such City of Oakbrook Terrace Confidential Information for its own benefit or for the benefit of any third party. The mingling of the City of Oakbrook Terrace Confidential Information with information of Seller shall not affect the confidential nature or ownership of the same as stated hereunder. Seller agrees not to design or manufacture any products which incorporate the City of Oakbrook Terrace Confidential Information. All the City of Oakbrook Terrace Confidential Information is and shall remain the property of the City of Oakbrook Terrace. Upon the City of Oakbrook Terrace's written request or the termination of this Agreement, Seller shall return, transfer or assign to the City of Oakbrook Terrace all the City of Oakbrook Terrace Confidential Information, including all Work Product, as defined herein, and all copies thereof.

12. OWNERSHIP OF WORK PRODUCT.

For purposes of this Agreement, "Work Product" shall include, without limitation, all designs, discoveries, creations, works, devices, masks, models, work in progress, service deliverables, inventions, products, computer programs, procedures, improvements, developments, drawings, notes, documents, business processes, information and materials made, conceived or developed by Seller alone or with others which result from or relate to the Services performed hereunder. Standard Goods manufactured by Seller and sold to the City of Oakbrook Terrace without having been designed, customized or modified for the City of Oakbrook Terrace do not constitute Work Product. All Work Product shall at all times be and remain the sole and exclusive property of the City of Oakbrook Terrace. Seller hereby agrees to irrevocably assign and transfer to the City of Oakbrook Terrace and does hereby assign and transfer to the City of Oakbrook Terrace all of its worldwide right, title and interest in and to the Work Product including all associated intellectual property rights. The City of Oakbrook Terrace will have the sole right to determine the treatment of any Work Product, including the right to keep it as trade secret, execute and file patent applications on it, to use and disclose it without prior patent application, to file registrations for copyright or trademark in its own name or to follow any other procedure that the City of Oakbrook Terrace deems appropriate. Seller agrees: (a) to disclose promptly in writing to the City of Oakbrook Terrace all Work Product in its possession; (b) to assist the City of Oakbrook Terrace in every reasonable way, at the City of Oakbrook Terrace's expense, to secure, perfect, register, apply for, maintain, and defend for the City of Oakbrook Terrace's benefit all copyrights, patent rights, mask work rights, trade secret rights, and all other proprietary rights or statutory protections in and to the Work Product in the City of Oakbrook Terrace's name as it deems appropriate; and (c) to otherwise treat all Work Product as the City of Oakbrook Terrace Confidential Information as described above. These obligations to disclose, assist, execute and keep confidential survive the expiration or termination of this Agreement. All tools and equipment supplied by the City of Oakbrook Terrace to Seller shall remain the sole property of the City of Oakbrook Terrace.

Seller will ensure that Seller's assistants appropriately waive any and all claims and assign to the City of Oakbrook Terrace any and all rights or any interests in any Work Product or original works created in connection with this

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Agreement. Seller irrevocably agrees not to assert against the City of Oakbrook Terrace or its direct or indirect customers, assignees or licensees any claim of any intellectual property rights of Seller affecting the Work Product.

The City of Oakbrook Terrace will not have rights to any works conceived or reduced to practice by Seller which were developed entirely on Seller's own time without using equipment, supplies, facilities or trade secret or the City of Oakbrook Terrace Confidential Information, unless (i) such works relate to the City of Oakbrook Terrace's business, or the City of Oakbrook Terrace's actual or demonstrably anticipated research or development; or (ii) such works result from any Services performed by Seller for the City of Oakbrook Terrace.

13. TERMINATION.

The City of Oakbrook Terrace may terminate this Agreement upon written notice to Seller if Seller fails to perform or otherwise breaches this Agreement, files a petition in bankruptcy, becomes insolvent, or dissolves. In the event of such termination, the City of Oakbrook Terrace shall pay Seller for the portion of the Services satisfactorily performed and those conforming Goods delivered to the City of Oakbrook Terrace through the date of termination, less appropriate offsets, including any additional costs to be incurred by the City of Oakbrook Terrace in completing the Services.

The City of Oakbrook Terrace may terminate this Agreement, or any Service(s), for any other reason upon thirty (30) days' written notice to Seller. Seller shall cease to perform Services and/or provide Goods under this Agreement on the date of termination specified in such notice. In the event of such termination, the City of Oakbrook Terrace shall be liable to Seller only for those Services satisfactorily performed and those conforming Goods delivered to the City of Oakbrook Terrace through the date of termination, less appropriate offsets.

Seller may terminate this Agreement upon written notice to the City of Oakbrook Terrace if the City of Oakbrook Terrace fails to pay Seller within sixty (60) days after Seller notifies the City of Oakbrook Terrace in writing that payment is past due.

Upon the expiration or termination of this Agreement for any reason: (a) each party will be released from all obligations to the other arising after the date of expiration or termination, except for those which by their terms survive such termination or expiration; and (b) Seller will promptly notify the City of Oakbrook Terrace of all the City of Oakbrook Terrace Confidential Information or any Work Product in Seller's possession and, at the expense of Seller and in accordance with the City of Oakbrook Terrace's instructions, will promptly deliver to the City of Oakbrook Terrace all such the City of Oakbrook Terrace Confidential Information and/or Work Product.

14. REMEDIES.

If Seller breaches this Agreement, the City of Oakbrook Terrace shall have all remedies available by law and at equity. For the purchase of Goods, Seller's sole remedy in the event of breach of this Agreement by the City of Oakbrook Terrace shall be the right to recover damages in the amount equal to the difference between market price at the time of breach and the purchase price specified in the Agreement. No alternate method of measuring damages shall apply to this transaction. Seller shall have no right to resell Goods for the City of Oakbrook Terrace's account in the event of wrongful rejection, revocation of acceptance, failure to make payment or repudiation by the City of Oakbrook Terrace; and any resale so made shall be for the account of Seller.

15. FORCE MAJEURE.

The City of Oakbrook Terrace shall not be liable for any failure to perform including failure to (i) accept performance of Services; or (ii) take delivery of the Goods as provided caused by circumstances beyond its control which make such performance commercially impractical including, but not limited to, acts of God, fire, flood, acts of war, government action, accident, labor difficulties or shortage, inability to obtain materials, equipment or transportation. In the event the City of Oakbrook Terrace is so excused, either party may terminate the Agreement; and the City of Oakbrook Terrace shall at its expense and risk, return any Goods received to the place of shipment.

16. SEVERABILITY.

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If any provision of this Agreement shall be deemed to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

17. LIMITATION OF LIABILITY.

IN NO EVENT SHALL THE CITY OF OAKBROOK TERRACE BE LIABLE TO SELLER OR SELLER'S ASSISTANTS, OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF, OR IN CONNECTION WITH, THIS AGREEMENT, WHETHER OR NOT THE CITY OF OAKBROOK TERRACE WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

18. ASSIGNMENT; WAIVER.

Seller may not assign this Agreement or any of its rights or obligations under this Agreement, without the prior written consent of the City of Oakbrook Terrace. Any assignment or transfer without such written consent shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the City of Oakbrook Terrace without restriction. A waiver of any default hereunder or of any term or condition of this Agreement shall not be deemed to be a continuing waiver or a waiver of any other default or any other term or condition.

19. NONEXCLUSIVE AGREEMENT.

This is not an exclusive agreement. The City of Oakbrook Terrace is free to engage others to perform Services or provide Goods the same as or similar to Seller's. Seller is free to, and is encouraged to, advertise, offer and provide Seller's Services and/or Goods to others provided, however, that Seller does not breach this Agreement.

20. NOTICES.

Except for Purchase Orders which may be sent by local mail, facsimile transmission, or electronically transmitted, all notices, and other communications hereunder shall be in writing, and shall be addressed to Seller or to an authorized City of Oakbrook Terrace representative, and shall be considered given when (a) delivered personally; (b) sent by confirmed telex or facsimile; (c) sent by commercial overnight courier with written verification receipt; or (d) three (3) days after having been sent, postage prepaid, by first class or certified mail.

21. SURVIVAL OF OBLIGATIONS.

Any obligations and duties which by their nature extend beyond the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement.

22. GOVERNING LAW.

This Agreement shall be construed in accordance with, and disputes shall be governed by, the laws of the State of Illinois, excluding its conflict of law rules. The Circuit Court of DuPage County, Illinois, or the United States District Court for the Northern District of Illinois, Eastern Division, shall have jurisdiction and venue over all controversies arising out of, or relating to, this Agreement. The applicability of the U.N. Convention on Contracts for the International Sale of Goods is hereby expressly waived by the parties, and it shall not apply to the terms and conditions of this Agreement.

23. ENTIRE AGREEMENT; MODIFICATION.

This Agreement is the complete, final and exclusive statement of the terms of the agreement between the parties and supersedes any and all other prior and contemporaneous negotiations and agreements, whether oral or written, between them relating to the subject matter hereof. This Agreement may not be varied, modified, altered, or amended except in writing, including a purchase order or a change order issued by the City of Oakbrook Terrace, signed by the parties. The terms and conditions of this Agreement shall prevail, notwithstanding any variance with the terms and conditions of any acknowledgment or other document submitted by Seller. Notwithstanding the

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foregoing, this Agreement will not supersede or take the place of any written agreement which is signed by both parties and covers the same subject matter as this Agreement or its related purchase orders.

24. COMPLIANCE WITH LAWS.

24.1 General: Seller shall comply fully with all applicable federal, state and local laws in the performance of this Agreement including, but not limited to, all applicable employment, tax, export control and environmental laws.

24.2 Hazardous Materials: If Goods include hazardous materials, Seller represents and warrants that Seller understands the nature of any hazards associated with the manufacture, handling and transportation of such hazardous materials.

24.3 Customs: Upon the City of Oakbrook Terrace's request, Seller will promptly provide the City of Oakbrook Terrace with a statement of origin for all Goods and United States Customs documentation for Goods wholly or partially manufactured outside of the United States.

25. INJUNCTIVE RELIEF.

Seller acknowledges and agrees that the obligations and promises of Seller under this Agreement are of a unique, intellectual nature giving them particular value. Seller's breach of any of the promises contained in this Agreement will result in irreparable and continuing damage to the City of Oakbrook Terrace for which there will be no adequate remedy at law and, in the event of such breach, the City of Oakbrook Terrace will be entitled to seek injunctive relief, or a decree of specific performance.

26. CERTIFICATIONS.

Seller hereby certifies to the City of Oakbrook Terrace the following:

26.1 Seller is not delinquent in the payment of taxes to the Illinois Department of Revenue in accordance with 65 ILCS 5/11-42.1-1;

26.2 Seller is not barred from contracting as a result of a violation of either Section 33E-3 (bid-rigging) or 33E-4 (bid-totaling) of the Criminal Code of 1961 (720 ILCS 5/33E-3 and 5/33E-4);

26.3 Seller is not in default, as defined in 5ILCS 385/2, on an educational loan, as defined in 5ILCS 385/1;

26.4 Seller maintains and will maintain a drug-free workplace in accordance with the Drug Free Workplace Act (30 ILCS 580/1 *et seq.*);

26.5 Seller provides equal employment opportunities in accordance with the Illinois Human Rights Act (775 ILCS 5/1-101 *et seq.*);

26.6 Seller is in compliance with 775 ILCS 5/2-105(A)(4) requiring a written sexual harassment policy;

26.7 No City of Oakbrook Terrace officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of any interest in the seller; or, if the Seller's stock is traded on a nationally recognized securities market, that no City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of more than one percent (1%) of the Seller, but if any City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of less than one percent (1%) of such Seller, the Seller has disclosed to the City in writing the name(s) of the holder of such interest;

26.8 No officer or employee of City of Oakbrook Terrace has solicited any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited

Exhibit "A"

to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer from the Seller in violation of Section 30.33 of the Code of Oakbrook Terrace, Illinois;

26.9 The Seller has not given to any officer or employee of the City of Oakbrook Terrace any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer in violation of Section 30.33 of the Code of Oakbrook Terrace, Illinois; and

26.10 Neither the Seller nor any of its principals, shareholders, members, partners, or affiliates, as applicable, is a person or entity named as a specially designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a specially designated National and Blocked Person and that the Contractor and its principals, shareholders, members, partners, or affiliates, as applicable, are not, directly or indirectly, engaged in, and are not facilitating, the transactions contemplated by this Agreement on behalf of any person or entity named as a Specially Designated National and Blocked Person.

City of Oakbrook Terrace

Purchase Order

17W275 Butterfield Road
 Oakbrook Terrace, IL 60181-4041
 Phone 630-941-8300
 Fax 630-941-7254

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Supplier Name	Traffic and Parking Control Co., Inc.	Order Date:	August 27, 2024
Address 1	5100 West Brown Deer Rd	Payment Terms:	
Address 2		F.O.B. Point:	
City, State Zip	Brown Deer, WI 53223	Freight Terms:	
E Mail:		Acct Code:	
Phone:	800-236-0112	Tax Exempt No.:	
Attn:			

Ship To:
 City of Oakbrook Terrace
 17W275 Butterfield Road
 Oakbrook Terrace, IL 60181-4041
 Phone: 630-941-8300
 Attn: James Ritz, City Administrator

Invoice To:
 City of Oakbrook Terrace
 17W275 Butterfield Road
 Oakbrook Terrace, IL 60181-4041
 Phone: 630-941-8300
 Attn: James Ritz, City Administrator

Tax ID:	Ship via:	Required Ship Date:				
Item	Quantity	Part No.	Description	UM	Price	Total
1	2	500029	Ped. Xing - Solar 65/55, W11-15 Blinker Sign, B2B, Ped Posts		\$1,725.00	\$3,450.00
2	2	142048	Controller, 12V, 108045, Hollow, Radio, Out1/Out2		\$174.95	\$349.90
3	2	SLR-55-B	Universal Cabinet Mounting Bracket, SOP Cabinets 108766, 108045, 120652, Includes U-Bolt Hardware		\$633.00	\$1,266.00
4	2	101494	65W/12V Solar Panel Package, Top Of Pole Mount 4.5 Dia.		\$325.00	\$650.00
5	4	2180-C00451DF	Battery, Universal battery, Solar 12V 50Ah AGM UB12500 - Internal Thread		\$1,100.00	\$4,400.00
6	2	101620	Blinker Sign, W11-15, 30", Trail Xing, DG3, FYG, Direct Fire, 8 Amber LEDs		\$235.00	\$470.00
7	2	373-01757	Push Button Bulldog Add-On Option Kit Yellow, With LED		\$50.00	\$100.00
8	2	373-01759	W16-7PR,24"x12"x.080 DG3 FYG, Down Diagonal Right Arrow (Fed Spec) Sign		\$50.00	\$100.00
9	2	373-13	W16-7PL,24"x12"x.080 DG3 FYG, Down Diagonal Left Arrow (Fed Spec) Sign		\$390.00	\$780.00
10	2	203-00014	Standard Aluminum Pole, 13' Schedule 40 6061-T6 4.5" O.D. T.O.E.		\$335.00	\$670.00
11	8	3177-00042	Base, Aluminum Square Pedestal, No Paint Door, SP-5444-PNC		\$53.90	\$431.20
12	8	030-00006	J-Bolt, 1"x 42"+4" ATSM F1554 GR-105 92k 12" Thread Full Galvanized with Nut & Lock Washer		\$5.30	\$42.40
13	2	109673	Washer Flat 1-1/16"ID x2.5OD"x.125" Galvanized For 1" A/B, for use w/ J-bolts (not incl)		\$69.95	\$139.90
14	2	107265	Sign Mounting Kit, Banded, Flared Leg, Anti-Vandal For Mounting B2B Blinker Signs to a Large Pole		\$46.00	\$92.00
15			Sign Mounting Kit, Banded, Flared Leg, Standard For Mounting B2B Static Signs to a Large Pole			
16			Shipping and Handling		Not Included	

City of Oakbrook Terrace

17W275 Butterfield Road

Oakbrook Terrace, IL 60181-4041

Phone 630-941-8300

Fax 630-941-7254

Supplier Name Traffic and Parking Control Co., Inc.

Address 1 5100 West Brown Deer Rd

Address 2

City, State, Zip Brown Deer, WI 53223

Empty rectangular box for stamp or signature.

Purchase Order Comments

Please sign below and return acknowledgement of this purchase order.

Name & Title

Date

AUG 27 2024

ORDINANCE NO. 24 - 31

**AN ORDINANCE TO APPROVE AND AUTHORIZE THE EXECUTION OF AN
AUDITING SERVICES AGREEMENT BETWEEN THE
CITY OF OAKBROOK TERRACE, ILLINOIS, AND SIKICH CPA, LLC**

WHEREAS, the City of Oakbrook Terrace (the “City”) is a home-rule unit of local government under Article VII, Section 6 of the 1970 Illinois Constitution and, except as limited by such section, it may exercise any power and perform any function pertaining to its government and affairs;

WHEREAS, pursuant to the Illinois Municipal Auditing Law contained in Division 8 of Article 8 of the Illinois Municipal Code (65 ILCS 5/8-8-1 *et seq.*), the City is required to have an audit of the funds and accounts of the City to be made by an accountant or accountants employed by the City (the “Services”);

WHEREAS, the corporate authorities of the City have determined that the Services are professional services which by their nature are not adaptable to award by competitive bidding and are, pursuant to Section 30.70 of the Code of Oakbrook Terrace, Illinois, thereby exempt from the competitive bidding requirements and, therefore, it is advisable, necessary and in the best interest that the City waive the requirement of advertising for competitive bids for the Services and determine that the requirements to be met and the means and methods to be used in procuring the Services shall be by the submission of a satisfactory proposal in response to a request for proposals;

WHEREAS, the City along with Villages of Berkeley, Burr Ridge, Willowbrook, and Western Springs and the city of Warrenville solicited proposals for auditing services for fiscal years 2025 through and including 2029 (hereinafter referred to as the “Services”);

WHEREAS, the City received three (3) proposals for the Services;

WHEREAS, the City evaluated the proposals submitted and determined that Sikich CPA, LLC was the most qualified firm to submit a proposal and the proposal submitted by Sikich CPA, LLC in the amount of:

Audit Year	Compensation
2024	Fifty-six Thousand and 00/100 Dollars (\$56,000.00) for the City Audit; Four Thousand and 00/100 Dollars (\$4,000) for the Single Audit, if applicable, and Two Thousand and 00/100 Dollars (\$2,000) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.
2025	Fifty-eight Thousand Two Hundred Forty and 00/100 Dollars (\$58,240.00) for the City Audit.

	<p>Four Thousand One Hundred Sixty and 00/100 Dollars (\$4,160) for the Single Audit, if applicable, and</p> <p>Two Thousand Eighty and 00/100 Dollars (\$2,080) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>
2026	<p>Sixty Thousand Five Hundred Seventy and 00/100 Dollars (\$60,570.00) for the City Audit.</p> <p>Four Thousand Three Hundred Thirty and 00/100 Dollars (\$4,330) for the Single Audit, if applicable, and</p> <p>Two Thousand One Hundred Sixty-five and 00/100 Dollars (\$2,165) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>
2027	<p>Sixty-two Thousand Nine Hundred Ninety-five and 00/100 Dollars (\$62,995.00) for the City Audit.</p> <p>Four Thousand Five Hundred Five and 00/100 Dollars (\$4,505) for the Single Audit, if applicable, and</p> <p>Two Thousand Two Hundred Fifty-Three and 00/100 Dollars (\$2,253) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>
2028	<p>Sixty-five Thousand Five Hundred Fifteen and 00/100 Dollars (\$65,515.00) for the City Audit.</p> <p>Four Thousand Six Hundred Eighty-five and 00/100 Dollars (\$4,685) for the Single Audit, if applicable, and</p> <p>Two Thousand Three Hundred Forty-three and 00/100 Dollars (\$2,343) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.</p>

for the Services was satisfactory; that it is advisable, necessary and in the best interest of the City to accept the proposal of Sikich CPA, LLC for the Services; and that the City enter into and authorize the execution of the Auditing Services Agreement between the City and Sikich CPA, LLC for the Services (the "Agreement"), a copy of which Agreement is attached hereto marked as Exhibit "A" and made a part hereof;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and the City Council of the City of Oakbrook Terrace, DuPage County, Illinois, as follows:

Section 1: The facts and statements contained in the preambles to this ordinance are found to be true and correct and are hereby adopted as part of this ordinance.

Section 2: The City Council hereby determines that Services are professional services which by their nature are not adaptable to award by competitive bidding and are, pursuant to Section 30.70 of the Code of Oakbrook Terrace, Illinois, thereby exempt from the competitive bidding requirements and, therefore, it is advisable, necessary and in the best interest that the City waive the requirement of advertising for competitive bids for the Services and determine that the requirements to be met and the means and methods to be used in procuring the Services shall be by the submission of a satisfactory proposal in response to a request for proposals.

Section 3: The City Council hereby determines that Sikich CPA, LLC was the most qualified firm to submit a proposal and the proposal submitted by Sikich CPA, LLC for the Services was satisfactory; therefore, it is advisable, necessary and in the best interest of the City to accept the proposal of Sikich CPA, LLC for the Services; and that the City enter into and authorize the execution of the Agreement for the Services.

Section 4: The Mayor shall be and is hereby authorized and directed to execute and the City Clerk shall be and is hereby authorized and directed to attest on behalf of the City the Agreement for the Services substantially in the form attached hereto as Exhibit "A," with such terms therein, consistent with this ordinance, as may be approved by the officials executing the same, their execution thereof constituting conclusive evidence of their approval of the same, subject to review and approval of such Agreement by the Mayor and the Corporation Counsel and to the extent that such acts may have already been performed, such acts are hereby ratified.

Section 5: All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of the conflict.

[The remainder of this page is left blank intentionally.]

Section 6: This ordinance shall be in full force and effect upon its passage, approval and publication in accordance with law.

ADOPTED this 27th day of August 2024, pursuant to a roll call vote as follows:

- AYES:** _____
- NAYS:** _____
- ABSENT:** _____
- ABSTENTION:** _____

APPROVED by me this 27th day of August 2024.

Paul Esposito, Mayor of the City of
Oakbrook Terrace, DuPage County, Illinois

ATTESTED and filed in my office,
this 27th day of August 2024.

Michael Shadley, Clerk of the City of
Oakbrook Terrace, DuPage County, Illinois

Exhibit "A"

**AUDITING SERVICES AGREEMENT
BY AND BETWEEN
CITY OF OAKBROOK TERRACE, ILLINOIS,
AND
SIKICH CPA LLC**

AUDITING SERVICES AGREEMENT
BY AND BETWEEN
CITY OF OAKBROOK TERRACE, ILLINOIS
AND
SIKICH CPA LLC

This Agreement is made this 27th day of August 2024 (the “Agreement”) between the City of Oakbrook Terrace, Illinois (the “City”), an Illinois municipal corporation, and Sikich CPA, LLC, a Virginia limited liability company, located at 1415 West Diehl Road, Suite 400, Naperville, Illinois 60563 (the “Auditor” or “Sikich”) for auditing services for the City. The Auditor hereby agrees as hereinafter set forth:

- 1. Scope of Services.** The Auditor shall perform the services as and when required for the City as set forth in this Agreement, including the General Conditions, General Requirements and the Specifications of Services all of which are hereby made a part of this Agreement as if herein set out verbatim. The services described in the Specification of Services are hereinafter referred to as the “Services.”
- 2. Commencement and Completion of Services.** The Auditor shall be prepared and ready to commence the Services provided for in this Agreement at the direction of the City, following execution of this Agreement by the City. Subject to reasonable allowances for delay in the Services due to causes beyond the control of Auditor, Auditor shall complete all Services to be performed under this Agreement in a timely manner. The Auditor acknowledges that time is of the essence of this Agreement and in the performance and completion of Auditor’s Services.
- 3. City’s Cooperation.** The City shall (i) provide Auditor with relevant material, data and information in its possession pertaining to the City’s financial transactions; (ii) consult with Auditor when requested; and (iii) ensure reasonable cooperation of the City’s employees in Auditor’s activities.
- 4. Auditor’s Compensation.** The City shall pay Auditor for the performance of the Services a stipulated sum of:

Audit Year	Compensation
2024	Fifty-six Thousand and 00/100 Dollars (\$56,000.00) for the City Audit; Four Thousand and 00/100 Dollars (\$4,000) for the Single Audit, if applicable, and Two Thousand and 00/100 Dollars (\$2,000) for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable.

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5. Payments. Not more frequently than once each month, on or before the tenth business day of the month, the Auditor may submit to the City Administrator a statement of professional Services performed in an amount in the proportion to the Services performed by the Auditor in the preceding month bears to the total Services to be performed under this Agreement. The City may withhold payments, in whole or in part, for a material breach of this Agreement, including, but not limited to, the Auditor's failure to perform the Services or meet the schedule deadlines according to the terms

of this Agreement, except when such delays are caused by the City. The Auditor's compensation shall be paid in accordance with the Local Government Prompt Payment Act (50 ILCS 505/1 *et seq.*).

6. Confidentiality.

6.1 It is anticipated that the City will disclose to Auditor certain proprietary information which is identified as proprietary and confidential at the time of disclosure or which can reasonably be regarded as confidential ("Confidential Information"). The disclosure of Confidential Information shall not be construed to grant to Auditor any ownership or other proprietary interest in the Confidential Information. Auditor does not acquire any title, ownership or other intellectual property right or license by virtue of such disclosure. Auditor shall employ diligent efforts to maintain the secrecy and confidentiality of all Confidential Information. Auditor will not at any time, either directly or indirectly, disclose, use or communicate or attempt to disclose, use or communicate to any person, firm or corporation any Confidential Information or any other information concerning the business, services, finances or operations of the City except as expressly authorized by the City. Auditor shall treat such Confidential Information at all times as confidential, provided, however, that the Confidential Information may be disclosed only for purposes of the performance of the Services to employees of the City or Auditor with a need to know for purposes of the performance of the Services hereunder. Auditor acknowledges that each of the following can contain Confidential Information of the City and that the disclosure of any of the following by Auditor without the City's express authorization would be harmful and damaging to the City's interests:

6.1.1 All information relating to the Services being performed by Auditor under this Agreement regardless of its type or form which is not known to the public;

6.1.2 Financial information, emergency response and homeland security information and law enforcement records which are not known to the public.

6.2 This itemization of Confidential Information is not exclusive, as there may be other information that is included within this covenant of confidentiality. This information is confidential whether or not it is expressed on paper, disk, diskette, electronic memory, magnetic media, optical media, monitor, screen or any other medium or form of expression. The phrase "directly or indirectly" includes, but is not limited to, acting through the Auditor's wife, children, parents, brothers, sisters or any other relatives, friends, partners, trustees, agents or associates.

6.3 Except with respect to Sikich's working papers, all books, papers, records, lists, files, forms, reports, documents, manuals, handbooks, instructions, computer programs, computer software, computer disks and diskettes, printouts, backups and computer databases relating in any manner to the City's business, services, programs, software or residents, whether prepared by Auditor or anyone else, are the exclusive property of the City. Except with respect to Sikich's working papers, all papers, notes, data, reference material, documentation, programs, diskettes (demonstration or otherwise), magnetic media, optical media, printouts,

backups and all other media and forms of expression that in any way include, incorporate or reflect any Confidential Information of the City are the exclusive property of the City.

6.4 Auditor shall have no obligation to keep confidential any Confidential Information disclosed hereunder, which Auditor can demonstrate by clear and convincing evidence: (a) was rightfully in Auditor's possession before receipt from the City other than through prior disclosure by the City; or (b) is or becomes a matter of general public knowledge through no breach of this Agreement; or (c) is rightfully received by Auditor from a third party without an obligation of confidentiality; or (d) is independently developed by Auditor; or (e) is disclosed under operation of law, governmental regulation, including, but not limited to, regulation by the Securities and Exchange Commission or the Securities Department of the Illinois Secretary of State or court order, provided Auditor first gives the City notice and a reasonable opportunity to secure confidential protection of such Confidential Information.

6.5 Upon termination of this Agreement or earlier at the City's request at any time, Auditor shall (a) immediately cease using the Confidential Information, and (b) promptly deliver to the City all tangible embodiments of the Confidential Information. The requirements of the preceding sentence will not apply to archived copies of electronically exchanged Confidential Information made as a matter of routine information technology backup and to Confidential Information or copies thereof which must be stored by the Auditor according to provisions of mandatory law, provided that such Confidential Information or copies thereof shall be subject to a confidentiality obligation until such time as it meets an exception as set forth in Section 6.4 above according to the terms and conditions set forth herein.

6.6 In the event of breach of the confidentiality provisions of this Agreement, it shall be conclusively presumed that irreparable injury may result to the City and there may be no adequate remedy at law. The City shall be entitled to obtain temporary and permanent injunctions, without bond and without proving damages, to enforce this Agreement. The City may be entitled to damages for any breach of the injunction, including, but not limited to, compensatory, incidental, consequential, exemplary and punitive damages. The confidentiality provisions of this Agreement survive the termination or performance of this Agreement.

7. Work Made for Hire.

7.1 Except with respect to Sikich's working papers, all work product created or developed hereunder, including, but not limited to, specifications, reports and any other documents prepared by Auditor in connection with any or all of the Services delivered to the City is for the use of and shall be the exclusive property of the City. All books, papers, notes, records, lists, data, files, forms, reports, accounts, documents, manuals, handbooks, instructions, computer programs, computer software, computer disks and diskettes, magnetic media, electronic files, printouts, backups and computer databases created or modified by Auditor relating in any manner to the Services performed by Auditor or by anyone else and used by Auditor in performance of the Services shall be a "work made for hire" as defined by the laws of the United States regarding copyrights.

7.2 Auditor hereby irrevocably assigns and transfers to the City and its successors and assigns all of its right, title, interest and ownership in the Services, including, but not limited to, copyrights, trademarks, patents, trade secret rights, all intellectual property rights and the rights to secure any renewals, reissues and extensions thereof. Auditor grants permission to the City to register the copyright and other rights in the Services in the City's name. Auditor shall give the City or any other person designated by the City all assistance reasonably necessary to perfect its rights under this Agreement and to sign such applications, documents, assignment forms and other papers as the City requests from time to time to further confirm this assignment. Auditor further grants to the City full, complete and exclusive ownership of the Services. Auditor shall not use the Services for the benefit of anyone other than the City, without the City's prior written permission. Upon completion of the Services or other termination of this Agreement, Auditor shall deliver to the City all copies of any and all materials relating or pertaining to this Agreement. Auditor irrevocably and unconditionally waives all rights in all such Services products. Auditor warrants that all work product of Auditor will be original, except as otherwise agreed in writing with the City.

7.3 In the event that the City provides Auditor with materials, equipment or property of any kind, all such materials, equipment and property shall remain the property of the City; and Auditor shall immediately deliver all such materials, equipment and property to the City at the conclusion of Services hereunder or at any earlier time upon demand by the City.

8. Insurance Requirements. Auditor shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Auditor, its agents, representatives, employees or subcontractors.

8.1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

8.1.1 Commercial General Liability - Occurrence form; and

8.1.2 Automobile Liability; and

8.1.3 Professional Liability/ Errors and Omissions policy; and

8.1.4 Worker's Compensation as required by the Labor Code of the State of Illinois and Employers' Liability Insurance.

8.2. Minimum Limits of Insurance. Auditor shall maintain limits no less than:

8.2.1 Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Minimum General Aggregate shall be no less than \$1,000,000 per person per aggregate;

8.2.2 Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage;

8.2.3 Professional Liability: \$1,000,000 single limit for errors and omissions, professional/malpractice liability;

8.2.4 Worker's Compensation and Employers' Liability: Worker's Compensation limits as required by the Labor Code of the State of Illinois and Employers' Liability limits of \$500,000 per accident.

8.3 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City.

8.4 Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:

8.4.1 Commercial General Liability and Automobile Liability Coverages:

8.4.1.1 The City, its officials, employees and volunteers are to be covered as insureds as respects liability arising out of Services performed by or on behalf of Auditor as well as equipment procured, owned, leased, hired or borrowed by Auditor. The coverage shall contain no special limits on the scope of the protection afforded to the City, its officials, employees or volunteers.

8.4.1.2 Auditor's insurance coverage shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers shall be in excess of Auditor's insurance and shall not contribute with it.

8.4.1.3 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officials, employees or volunteers.

8.4.1.4 Coverage shall state that Auditor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

8.4.2 Worker's Compensation and Employers' Liability Coverage:

The insurer shall agree to waive all rights of subrogation against the City, its officials, employees or volunteers for losses arising from Services performed by Auditor for the City.

8.4.3 All Coverages:

Each insurance policy required by this clause shall be endorsed to state that the coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

8.4.4 Acceptability of Insurers:

8.4.4.1 The insurance carrier used by Auditor shall have a minimum insurance rating of A:VII according to the AM Best Insurance Rating Schedule and licensed to do business in the State of Illinois.

8.4.4.2 Auditor shall furnish the City with certificates of insurance naming the City, its officials, agents, employees and volunteers as additional insureds, and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may be on forms provided by the City and are to be received and approved by the City before any Services commences. The City reserves the right to request full, certified copies of the insurance policies.

9. Certifications. This Agreement shall be accompanied by an Auditor's Certification in the form provided by the City which is hereby made a part of this Agreement as if herein set out verbatim. The Auditor shall certify the following:

9.1 Illinois Taxes. The Auditor shall certify that, if it is a partnership, it is not, and its general partners are not, and, if it is a corporation, its shareholders holding more than five percent (5%) of the outstanding shares of the corporation, its officers and directors and if it is a limited liability company, are not delinquent in the payment of taxes to the Illinois Department of Revenue in accordance with 65 ILCS 5/11-42.1-1.

9.2 Bid Rigging. The Auditor shall certify that, if it is a partnership, it has not and its general partners have not, and, if it is a corporation, its shareholders holding more than five percent (5%) of the outstanding shares of the corporation, its officers and directors have not been barred from contracting with a unit of state or local government as a result of a violation of Section 33E-3 or 33E-4 of the Criminal Code of 1961.

9.3 Educational Loan. The Auditor shall certify that, if it is an individual, it is not; if it is a partnership, its general partners are not, and, if it is a corporation, its shareholders holding more than five percent (5%) of the outstanding shares of the corporation, its officers and directors are not in default, as defined in 5 ILCS 385/2, on an educational loan, as defined in 5 ILCS 385/1.

9.4 Illinois Department of Employment Security Non-Delinquency. The Auditor shall certify that it is not delinquent in any obligation to the Illinois Department of Employment Security.

9.5 Drug-free Workplace. The Auditor shall certify that it will provide a drug-free workplace by:

9.5.1 Publishing a statement:

9.5.1.1 Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the Auditor's workplace;

9.5.1.2 Specifying the actions that will be taken against employees for violations of such prohibition;

9.5.1.3 Notifying the employee that, as a condition of employment on such contract, the employee will:

9.5.1.3.1 Abide by the terms of the statement; and

9.5.1.3.2 Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

9.5.2 Establishing a drug-free awareness program to inform employees about:

9.5.2.1 The dangers of drug abuse in the workplace;

9.5.2.2 The Auditor's policy of maintaining a drug-free workplace;

9.5.2.3 Any available drug counseling, rehabilitation and employee assistance program; and

9.5.2.4 The penalties that may be imposed upon employees for drug violations;

9.5.3 Making it a requirement to give a copy of the statement required by subparagraph 9.5.1 to each employee engaged in the performance of the contract and to post the statement in a prominent place in the workplace;

9.5.4 Notifying the City within ten (10) days after receiving notice under subparagraph 9.5.1.3.2 from an employee or otherwise receiving actual notice of such conviction;

9.5.5 Imposing a sanction on or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is so convicted, as required by 30 ILCS 580/5;

9.5.6 Assisting employees in selecting a course of action in the event drug counseling treatment and rehabilitation is required and indicating that a trained referral team is in place;

9.5.7 Making a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

9.6 Equal Employment Opportunity. The Auditor shall certify that it provides equal employment opportunities in accordance with the Illinois Human Rights Act (775 ILCS 580/1 *et seq.*) and is in compliance with 775 ILCS 5/2-105(A)(4) requiring a written sexual harassment policy.

9.7 Prohibited Interest in Contract. The Auditor shall certify that:

9.7.1 No City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of any interest in the Auditor; or

9.7.2 No City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of more than one percent (1%) of the Auditor; but if any City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of less than one percent (1%) of such Auditor, the Auditor has disclosed to the City in writing the name(s) of the holder of such interest.

9.8 Gift Ban.

9.8.1 The Auditor shall certify that no officer or employee of the City has solicited any gratuity, discount, entertainment, hospitality, loan, forbearance or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer from the Auditor in violation of Section 2-889 of the Code of Ordinances, City of Oakbrook Terrace, Illinois adopted by the City pursuant to the requirements of the Illinois State Gift Ban Act; and

9.8.2 The Auditor shall certify that the Auditor has not given to any officer or employee of the City any gratuity, discount, entertainment, hospitality, loan, forbearance or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer in violation of Section 2-889 of the Code of Ordinances, City of Oakbrook Terrace, Illinois adopted by the City pursuant to the requirements of the Illinois State Gift Ban Act.

9.9 Patriot Act. The Auditor shall certify that neither it nor any of its principals, shareholders, members, partners or affiliates, as applicable, is a person or entity named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a Specially Designated National and Blocked Person and that the Auditor and its principals, shareholders, members, partners or affiliates, as applicable, are not, directly or indirectly, engaged in, and are not facilitating, the transactions contemplated by this Agreement on behalf of any person or entity named as a Specially Designated National and Blocked Person.

10. Conflicts of Interest. The Auditor has disclosed and is under a continuing obligation to disclose to the City, financial or other interests (public or private, direct or indirect) that may be a

potential conflict of interest or which would prohibit the Auditor from having or continuing this Agreement, including those which may conflict in any manner with any of the Auditor's obligations under this Agreement. The Auditor shall not employ any person with a conflict to perform under this Agreement. A conflict of interest exists if:

10.1 A shareholder, director, officer member or partner of the Auditor (i) holds an elective office in City; (ii) is an appointed officer or employee of the City;

10.2 A City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of any interest in the Auditor; or, if the Auditor's stock is traded on a nationally recognized securities market, that no City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of more than one percent (1%) of the Auditor, but if any City officer, spouse or dependent child of a City officer, agent on behalf of any City officer or trust in which a City officer, the spouse or dependent child of a City officer or a beneficiary is a holder of less than one percent (1%) of the Auditor, the Auditor has disclosed to the City in writing the name(s) of the holder of such interest.

11. Solicitation of City Employees. The Auditor shall notify the City Administrator if it solicits or intends to solicit for employment any of the City's employees during any part of the procurement process or during the term of the Agreement and shall notify the Mayor if it solicits or intends to solicit for employment the City Administrator during any part of the procurement process or during the term of this Agreement.

12. Record Retention. The Auditor shall maintain its records relating to the performance of the Agreement in compliance with the requirements of the Local Records Act (50 ILCS 205/1 *et seq.*) and the Freedom of Information Act (5 ILCS 140/1 *et seq.*) until written approval for the disposal of such records is obtained from the Local Records Commission. All books and records required to be maintained by the Auditor shall be available for review and audit by the City. The Auditor shall cooperate with the City (a) with any request for public records made pursuant to the Freedom of Information Act (5 ILCS 140/1 *et seq.*), (b) with any request for public records made pursuant to any audit, and (c) by providing full access to and copying of all relevant books and records within a time period which allows the City to timely comply with the time limits imposed by the Freedom of Information Act (5 ILCS 140/1 *et seq.*). Failure by the Auditor to maintain the books, records and supporting documents required by this section or the failure by the Auditor to provide full access to and copying of all relevant books and records within a time period which allows the City to timely comply with the time limits imposed by the Freedom of Information Act (5 ILCS 140/1 *et seq.*) shall establish a presumption in favor of the City for the recovery of any funds paid by the City under this Agreement or for the recovery for any penalties or attorney's fees imposed by the Freedom of Information Act (5 ILCS 140/1 *et seq.*). The obligations imposed by this section shall survive final payment and the termination of the other obligations imposed by this Agreement.

13. Equal Employment Opportunity.

13.1. In the event of the Auditor's non-compliance with the provisions of this Equal Employment Opportunity Clause, the Illinois Human Rights Act or the Rules and Regulations of the Illinois Department of Human Rights, the Auditor may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations; and this Agreement may be canceled or voided in whole or in part, and other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this Agreement, the Auditor agrees as follows:

13.1.1. The Auditor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, sexual orientation, military status or an unfavorable discharge from military service; and, further, it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any underutilization.

13.1.2. If the Auditor hires additional employees in order to perform this contract or any portion of this contract, it will determine the availability (in accordance with the Illinois Department of Human Rights Rules and Regulations) of minorities and women in the areas from which the Auditor may reasonably recruit; and the Auditor will hire for each job classification for which employees are hired in a way that minorities and women are not underutilized.

13.1.3. In all solicitations or advertisements for employees placed by the Auditor or on the Auditor's behalf, the Auditor will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, sexual orientation, military status or an unfavorable discharge from military service.

13.1.4. The Auditor will send to each labor organization or representative of workers with which the Auditor has or is bound by a collective bargaining or other agreement or understanding, a notice advising the labor organization or representative of the Auditor's obligations under the Act and the Illinois Department of Human Rights Rules and Regulations. If any labor organization or representative fails or refuses to cooperate with the Auditor in the Auditor's efforts to comply with the Illinois Human Rights Act and Illinois Department of Human Rights Rules and Regulations, the Auditor will promptly notify the Illinois Department of Human Rights; and the City and will recruit employees from other sources when necessary to fulfill its obligations under the contract.

13.1.5. The Auditor will submit reports as required by the Illinois Department of Human Rights Rules and Regulations, furnish all relevant information as may from time to time be requested by the Department or the contracting agency and in all respects comply with the Illinois Human Rights Act and the Illinois Department of Human Rights Rules and Regulations.

13.1.6. The Auditor will permit access to all relevant books, records, accounts and work sites by personnel of the City and the Illinois Department of Human Rights for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and the Illinois Department of Human Rights Rules and Regulations.

13.1.7. The Auditor will include verbatim or by reference the provisions of this clause in every subcontract awarded under which any portion of the contract obligations are undertaken or assumed so that the provisions will be binding upon the subcontractor. In the same manner as with other provisions of this contract, the Auditor will be liable for compliance with applicable provisions of this clause by subcontractors; and further, it will promptly notify the City and the Illinois Department of Human Rights in the event any subcontractor fails or refuses to comply with the provisions. In addition, the Auditor will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

14. Prohibition of Segregated Facilities. The Auditor will not maintain or provide for its employees any segregated facilities at any of its establishments and not permit its employees to perform their services at any location, under its control, where “segregated facilities” means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color or national origin because of habit, local custom or otherwise. The Auditor shall (except where it has obtained identical certifications from proposed subcontractors and material suppliers for specific time periods) obtain certifications in compliance with this subparagraph from proposed subcontractors or material suppliers prior to the award of a subcontract or the consummation of material supply agreements, exceeding \$10,000.00 which are not exempt from the provisions of the Equal Opportunity Clause; and the Auditor will retain such certifications in its files.

15. Sexual Harassment Policy. The Auditor has and will have in place and will enforce a written sexual harassment policy in compliance with 775 ILCS 5/2-105(A)(4).

16. Term. The term of this Agreement shall commence on August 13, 2024, and shall terminate on July 31, 2025. The term of this Agreement may, at the option of the City, be renewed for four (4) additional one- (1-) year terms, provided that the City appropriates an amount in subsequent years sufficient to pay the amounts due under this Agreement. Notwithstanding anything to the contrary herein, the term of this Agreement shall not exceed the term of the City’s Mayor holding office at the time the Agreement is executed.

17. Appropriation. This Agreement shall become effective only after an appropriation therefor has been made. The term of this Agreement shall be for one year following the effective date of the appropriation. This Agreement shall remain in full force and effect until terminated by the City or the Auditor as provided herein.

18. Suspension; Termination of Agreement.

18.1 Termination for Funding. The City's obligations hereunder shall cease immediately in any year for which the board of trustees of the City or other legally applicable funding source fails to make an appropriation sufficient to provide for the City's performance of its obligations under this Agreement. The City shall give the Auditor notice of such termination for funding as soon as practicable after the City becomes aware of the failure of funding.

18.2 Termination for Cause This Agreement additionally may be terminated by the either Party upon written notice to the other Party, upon the occurrence of any one or more of the following events, without prejudice to any other right or remedy:

18.2.1 If the Auditor commences a voluntary case under any chapter of the Bankruptcy Code (Title 11, United States Code), as now or hereinafter in effect, or if the Auditor takes any equivalent or similar action by filing a petition or otherwise under any other federal or state law in effect at such time relating to bankruptcy or insolvency;

18.2.2 If a petition is filed against the Auditor under any chapter of the Bankruptcy Code as now or hereafter in effect at the time of filing, or if a petition is filed seeking any such equivalent or similar relief against the Auditor under any other federal or state law in effect at the time relating to bankruptcy or insolvency;

18.2.3 If the Auditor makes a general assignment for the benefit of creditors;

18.2.4 If a trustee, receiver, custodian or agent of the Auditor is appointed under applicable law or under contract, whose appointment or authority to take charge of property of the Auditor is for the purpose of enforcing a lien against such property or for the purpose of general administration of such property for the benefit of the Auditor's creditors;

18.2.5 If the Auditor admits in writing an inability to pay its debts generally as they become due;

18.2.6 If either party commits a material breach of this Agreement and doesn't cure such material breach after fifteen days' notice of such breach; or

18.2.7 If Sikich CPA fails to maintain its license as a certified public accounting firm.

18.3 Suspension or Termination for Public Convenience. The City may, by written order, suspend or terminate the Agreement or any portion thereof after determining that for reasons beyond either the City's or Auditor's control, the Auditor is prevented from proceeding with or completing the Services as originally contracted for and that suspension or termination would, therefore, be in the public interest. Such reasons for suspension or termination may include, but need not be necessarily limited to, Executive Orders of the Governor or President relating to an epidemic, pandemic or other public health occurrence, prosecution of war or national defense, state or national emergency which creates a serious shortage of equipment or materials, orders from duly constituted authorities relating to energy conservation and restraining orders or injunctions obtained by third-party citizen action

resulting from national or local environmental protection laws or where the issuance of such order or injunction is primarily caused by acts or omissions of persons or agencies other than the Auditor. When the Agreement, or any portion thereof, is definitely terminated or canceled and the Auditor released before all items of Services included in the Agreement have been completed, payment will be made for the actual Services performed through the date of termination. No claims for loss of anticipated profits shall be considered.

19. Assignment and Subletting of Agreement. The Agreement shall be deemed to be exclusive between City and Auditor. This Agreement shall not be assigned or sublet by the Auditor without first obtaining permission in writing from the City (which shall not be unreasonably withheld); except that Sikich may assign this Agreement and the Specification of Services hereunder to any affiliate, related entity or alternative practice participant in connection with an internal restructuring or reorganization.

20. Indemnification. The Auditor shall defend, indemnify and hold harmless the City, its officials, employees and volunteers against all injuries, deaths, loss, damages, claims, suits, liabilities, judgments, costs and expenses, which may in any way accrue against the City, its officials, employees and volunteers, arising in whole or in part in consequence of the negligent or willful misconduct in performance of the Services by Auditor, its employees or subcontractors, or which may in any way result therefor, except that arising out of the negligence or willful act of the City, its officials, employees and volunteers.

21. Notices. Written notices between City and Auditor shall be deemed sufficiently given after being placed in the United States mail, registered or certified, postage pre-paid, addressed to the above parties as follows:

A. If to the City:

City of Oakbrook Terrace
17W275 Butterfield Road
Oakbrook Terrace, Illinois 60181
Attn: James D. Ritz, City Administrator

With a copy to:

Richard J. Ramello, Corporation Counsel
Storino, Ramello & Durkin'
9501 Technology Boulevard
Suite 4200
Rosemont, Illinois 60018

B. If to Auditor:

Sikich CPA LLC
1415 West Diehl Road
Suite 400
Naperville, IL 60563
Attention: Nick Bava, CPA, MAS

With a copy to:

Sikich LLC
1415 West Diehl Road
Suite 400
Naperville, IL 60653
Attention: Office of General Counsel

C. Either party may change its mailing address by giving written notice to the other party as provided above. Whenever this contract requires one party to give the other notice, such notice shall be given only in the form and to the addresses described in this paragraph.

22. Entire Agreement. This Agreement, including the General Conditions, General Requirements, the Specifications of Services and the Auditor's Certification, represent the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations or understandings, whether written or oral. This Agreement may only be amended or a provision hereof waived by the parties by written instrument executed by authorized signatories of the City and Auditor.

23. Illinois Department of Professional Regulation Filing. The Auditor certifies that the person performing the audit or supervising the performance of the audit has complied with the necessary filing requirements of and has been issued a license as a certified public accountant from the Illinois Department of Professional Regulation. The Auditor shall at all times during the term of this Agreement, and any renewals thereof, hold a valid license as a certified public accountant issued

by the Division of Professional Regulation of the Illinois Department of Financial and Professional Regulation. The City shall have the unconditional right to terminate this Agreement should the Auditor's license as a certified public accountant be suspended, revoked, not renewed or otherwise terminated.

24. Severability. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or such other documents, or the applications of such term, covenant or condition, to persons or circumstances other than those as to which it be held invalid or unenforceable shall not be affected thereby; and each term, covenant or condition of this Agreement or such other document shall be valid and shall be enforced to the fullest extent permitted by law.

25. Compliance with Laws. The Auditor shall at all times observe and comply with all federal, state and local laws, ordinances and regulations which in any manner affect the performance of the Services and all such orders or enactments as exist at the present and which may be enacted later of legislative bodies or tribunals having legal jurisdiction or which may have effect over the Services. The Auditor shall indemnify and save harmless the City and all of its officers, agents, employees and servants against any claim or liability arising from or based on the violation of such law, ordinance, regulation, order or enactment.

26. Personal Liability of Public Officials. In carrying out any of the provisions of this Agreement or in exercising any power or authority granted to the public officials or employees of the City, there shall be no personal liability imposed upon those public officials or employees, it being understood in such matters they act as agents and representatives of the City. By entering into this Agreement with the City, the Auditor covenants and agrees it shall neither commence nor prosecute any action or suit whatsoever against the officers or employees of the City for any action or omission done or not done in the course of their administration of this Agreement. The Auditor agrees to pay all attorneys' fees and all costs incurred by the City, its officers and employees on account of action or suit in violation of this section.

27. Applicable State Law. This Agreement shall be construed under and governed by the laws of the State of Illinois; and all actions brought to enforce any item of this Agreement shall be so brought in the Circuit Court of the Eighteenth Judicial Circuit, DuPage County, Illinois.

28. Authorization. Each party warrants to the other party that it is authorized to execute, deliver and perform this Agreement. Each party warrants to the other party that the execution, delivery and performance of this Agreement does not constitute a breach or violation of any agreement, undertaking, law or ordinance by which that party is bound. Each individual signing this Agreement on behalf of a party warrants to the other that such individual is authorized to execute this Agreement in the name of the party on whose behalf he or she executes it. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original, and all of which shall constitute the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers as of the date first set forth above.

City: **City of Oakbrook Terrace, Illinois**

By: _____
Paul Esposito, Mayor

ATTEST:

By: _____
Michael Shadley, City Clerk

Auditor: **Sikich CPA LLC**

By: _____
Nick Bava, Principal

ATTEST:

By: _____

CITY OF OAKBROOK TERRACE, ILLINOIS

GENERAL CONDITIONS

1. **Introduction.** The following General Conditions supplement the provisions of the Agreement and shall govern the performance of the Services. In case of conflict with any part or parts of the Agreement. The General Conditions shall take precedence and shall govern. The Auditor represents to the City of Oakbrook Terrace that it is a firm employing licensed certified public accountants, as that term is defined in Section 0.03 of the Illinois Public Accounting Act, or the substantial equivalent of a licensed certified public accountant, as provided under Section 5.2 of the Illinois Public Accounting Act, that is staffed and prepared to perform an audit of the City's financial statements and records and expresses an assurance or disclaim an opinion on the City's audited financial statements. The services shall meet or exceed the current requirements of The Illinois Municipal Auditing Law contained in Division 8 of Article 8 of the Illinois Municipal Code (65 ILCS 5/8-8-1 *et seq.*)

The audit shall be of the fiscal year ending April 30, 2024. The Services also include stipulated sum fees to perform the Services for the fiscal years ending April 30, 2025, April 30, 2026, April 30, 2027 and April 30, 2028. The City shall have the right to renew the Agreement for the fiscal years April 30, 2025, April 30, 2026, April 30, 2027 and April 30, 2028, provided that the corporate authorities of the City appropriate funds sufficient to pay the obligations due under the Auditing Services Agreement for those fiscal years.

These General Conditions, the Special Provisions and the Specifications of Services are each an integral part of the Agreement. The Auditor is required to review the contract documents in detail and acknowledge its understanding of the technical aspects of the audit Services.

2. **Definitions.** The following terms shall, unless the context otherwise indicates, have the following meanings:
- 2.1 "Act" means The Illinois Municipal Auditing Law contained in Division 8 of Article 8 of the Illinois Municipal Code (65 ILCS 5/8-8-1 *et seq.*);
 - 2.2 "Auditor" means Sikich CPA LLC, a licensed certified public accountant, as that term is defined in Section 0.03 of the Illinois Public Accounting Act, or the substantial equivalent of a licensed CPA, as provided under Section 5.2 of the Illinois Public Accounting Act, who performs the audit of the City's financial statements and records and expresses an assurance or disclaims an opinion on the audited financial statements;
 - 2.3 "City" means the City of Oakbrook Terrace;
 - 2.4 "Annual Comprehensive Financial Report" or "ACFR" means the written report of the Auditor and all appended statements and schedules relating thereto, presenting or recording the findings of an examination or audit of the financial transactions, affairs or condition of the City prepared in compliance with the Act and the GASB (Government Accounting Standards Board) requirements;
 - 2.5 "Comptroller" means the Comptroller of the State of Illinois;
 - 2.6 "Corporate authorities" means the City of Oakbrook Terrace's city council;

- 2.7 “Generally accepted accounting principles” means accounting principles generally accepted in the United States;
- 2.8 “Generally accepted auditing standards” means auditing standards generally accepted in the United States; and
- 2.9 “Supplemental report” means the annual statement filed, in addition to any audit report, by the City.
- 3.0 Qualifications.** The Auditor must possess experience and competency in auditing units of local government in Illinois. The minimum qualifications for the Auditor are:
- 3.1 The audit shall be conducted under the supervision of a licensed Certified Public Accountant with significant experience and knowledge of Illinois local government auditing and reporting requirements. All assigned key professional staff shall be properly licensed to practice public accounting in Illinois. The senior field auditor must have three to five years’ actual experience in supervising a local government audit. The senior field auditor must be onsite during the audit. The Auditor shall remain independent of the City as defined by generally accepted auditing standards/the U.S. General Accounting Office’s Government Auditing Standards;
- 3.2 The Auditor shall keep its staff current in the industry and in governmental organizations;
- 3.3 The Auditor shall be members of the American Institute of Certified Public Accountants (AICPA), the AICPA’s Governmental Audit Quality Center and the Illinois CPA Society; and
- 3.3 The Auditor shall meet the continuing professional education requirements of Government Auditing Standards.
- 4.0 Audit requirements.**
- 4.1 The Auditor shall perform an audit of the funds and accounts of the City for the fiscal year for which the Auditor is employed to provide Services;
- 4.2 The audit shall include all of the accounts and funds of the City. The audit shall be begun as soon as possible after the close of the fiscal year. The audit shall be completed and the ACFR submitted within 180 days after the close of the City’s fiscal year, unless an extension of time shall be granted by the Comptroller in writing; provided that the Auditor shall not be responsible for any delays caused by the City;
- 4.3 In addition to the ACFR, the Auditor shall assist the City in filing with the Comptroller any required supplemental report on forms devised and approved by the Comptroller;
- 4.4 All audits and reports to be filed with the Comptroller must be submitted electronically; and
- 4.5 The ACFR shall include the name of the City’s purchasing agent who oversees all competitively bid contracts. If there is no purchasing agent, the name of the person responsible for oversight of all competitively bid contracts shall be listed.

- 5.0 Scope of Services.** The Auditor shall:
- 5.1** Audit all funds of the City. In addition, the audit shall include, as necessary, a Federal Single Audit (if applicable) as well as Tax Increment Financing (TIF) compliance reports, if the City has created any TIF districts;
 - 5.2** Audit all City funds (except for the City's Police Pension Fund) in compliance with generally accepted accounting principles;
 - 5.3** Prepare, edit and produce all sections of the City's ACFR, including all typing and reproduction in written "hard copy" format and in a format capable of being downloaded onto the City's internet site (i.e., Adobe Acrobat-PDF file format). The report is to be consistent with GASB and GFOA Certificate of Achievement for Excellence in Financial Reporting practice requirements;
 - 5.4** If the City has created any TIF districts, examine the accounts relating to the City's TIFs and prepare the report on compliance with the Illinois Tax Increment Redevelopment Allocation Act;
 - 5.5** INTENTIONALLY OMITTED
 - 5.6** Provide an annual management letter recommending improvements;
 - 5.7** Prepare adjusting journal entries (AJEs) as needed in conjunction with the audit;
 - 5.8** Express an opinion on the fair presentation of the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information including the related disclosures in conformity with accounting principles generally accepted in the United States of America and Government Auditing Standards, if applicable;
 - 5.9** Perform certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Boards as mandated by generally accepted auditing standards;
 - 5.10** Attend at least one meeting of the City's corporate authorities to present audit results to elected officials and management;
 - 5.11** Assist the City in obtaining the Government Finance Officers' Association "Certificate of Achievement for Excellence in Financial Reporting" for each of the ACFR prepared by the Auditor; and
 - 5.12** Prepare and assist the City in submitting the ACFR with the Comptroller.
- 6.0 Tax Increment Financing Report.** If the City has created any TIF districts, the Auditor shall prepare the examination report to be filed under subsection (d) of Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and the reports to be filed under subsection (d) of Section 11-74.6-22 of the Industrial Jobs Recovery Law in the Illinois Municipal Code. The reports must be separate from any other annual report to be filed with the Comptroller. The report shall be in the format for the reporting of information described in paragraphs (1.5) and (5) and in subparagraph (G) of paragraph (7) of subsection (d) of Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and the information described in paragraphs (1.5) and (5) and in subparagraph (G) of paragraph (7) of subsection (d) of Section 11-74.6-22 of the Industrial Jobs Recovery Law.

- 6.1 INTENTIONALLY REMOVED.
- 6.2 INTENTIONALLY REMOVED.
- 7.0 **Annual Comprehensive Financial Report (ACFR).**
- 7.1 The ACFR shall include the financial statements for the governmental activities, business-type activities, each major fund and the aggregate remaining fund information and the related disclosures. The ACFR shall also include the professional opinion or opinions of the Auditor with respect to the financial statements or, if an opinion cannot be expressed, a declaration that the Auditor is unable to express an opinion and an explanation of the reasons the Auditor cannot do so. The ACFR shall include a representation by the Auditor that the audit has been performed in accordance with generally accepted auditing standards.
- 7.2 This Agreement entered into with the Auditor shall not impose limitations on the scope of the audit to the extent that the effect of the limitations will result in the modification of the opinion or opinions of the Auditor.
- 7.3 INTENTIONALLY REMOVED.
- 7.4 The ACFR shall contain financial statements prepared in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards.
- 7.5 The ACFR shall comply with Section 8-8-5 of The Illinois Municipal Auditing Law (65 ILCS 5/8-8-5).
- 8.0 **ACFR Certification.** When the Auditor has completed the audit, not less than the number of copies of the ACFR set forth in Section 13.0 shall be signed by the Auditor and shall immediately be filed with the City. Each ACFR shall include the certification of the Auditor that the audit has been performed in compliance with generally accepted auditing standards.
- 9.0 **ACFR Disclosure.** Within sixty (60) days of the issuance of the ACFR, the Auditor shall do each of the following:
- 9.1 Provide a copy of the management letter and a copy of any audited financial statements to each member of the City's corporate authorities and a copy for posting on the City's website; and
- 9.2 Present the information from the audit to the City's corporate authorities either in person or by a live phone or web connection during a public meeting.
- 10.0 **ACFR Submittal.** The City intends to send its ACFR to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. In accordance with this award program, the Auditor shall assure that the City's ACFR conforms to the provisions of the program and shall prepare annually the City's response to comments made by the award program on the preceding year's report as submitted to the program. The Auditor shall assist the City in filing the required application and supporting documents to apply for this award. All appropriate and reasonable changes that are required by the prior year's comments are to be incorporated into the current year's report.

- 11.0 Technical Standards.** The audit must be made in accordance with generally accepted accounting principles (GAAP) as applied to government entities. The audit must be made in accordance with generally accepted auditing standards (GAAS) including the pronouncements of the Governmental Accounting Standards Board (GASB) and its predecessors, and the requirements of the American Institute of Certified Public Accountants (AICPA) “Audit of State and Local Government Units.”
- 12.0 Audit Timetable Requirements.** The City will make all records and management personnel available to meet with the Auditor’s personnel any time after the award of the contract. The standard practice has been that the City prepares the audit work papers between May through the end of July for the preceding fiscal year. The work papers and reports are typically ready for the Auditor by the first week of August. Draft copies of the CAFR, Single Audit, TIF Report, and the Management Letter are due to the City for review no later than the second week of September. Comments and revisions are due back to the Auditor by the end of the third week of September. Final reports (CAFR, Management Letter, Single Audit, TIF Compliance Reports) are due to the City no later than the first Tuesday in October. The Auditor shall provide a timetable for the Auditor’s Services to accommodate the City’s requirements such as:
- 12.1 Preliminary Fieldwork and Planning:** Preliminary fieldwork and planning shall occur in December of the audit year, but no later than May 15 following the audit fiscal year;
 - 12.2 Detailed Requested Items List:** The Auditor shall provide the City a list of all schedules to be prepared by the City prior to the audit but no later than the first business day of May following the audit fiscal year;
 - 12.3 Final Fieldwork:** Final audit fieldwork shall begin no later than the second week of August following the audit fiscal year throughout the duration of the contract;
 - 12.4 Draft Reports:** The auditor shall supply electronic copies of the draft CAFR, Single Audit Report, TIF Report, and City Council Communication Letter by or no later than September 15th of each year;
 - 12.5 Final Reports:** All financial statements and reports must be delivered to the City in final and complete form by or no later than the first Tuesday in October of each year.
- 13.0 Reports Required.** The Auditor shall issue to the City the following reports:

Description of Document	Bound Paper Copies	Searchable Portable Document Format Copies
Annual Comprehensive Financial Report (ACFR)	15	1
Single Audit Report, if applicable	15	1
Management Letter	15	1
State of Illinois Comptroller’s Report	1	1

- 13.1** In addition to the reports indicated above, the Auditor shall inform the City's corporate authorities of each of the following:
- 13.1.1** The Auditor shall communicate in a letter to management any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure which could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements;
 - 13.1.2** The Auditor shall be required to make an immediate written report of all irregularities and illegal acts of which they become aware;
 - 13.1.3** The Auditor's responsibility under generally accepted auditing standards;
 - 13.1.4** Significant accounting policies;
 - 13.1.5** Management judgments and accounting estimates;
 - 13.1.6** Significant audit adjustments;
 - 13.1.7** Other information in documents containing audited financial statements;
 - 13.1.8** Disagreements with management;
 - 13.1.9** Management consultation with other accountants;
 - 13.1.10** Major issues discussed with management prior to retention;
 - 13.1.11** Difficulties encountered in performing the audit; and
 - 13.1.12** Any other communications required by the GASB.
- 14.0 Funds to be Audited.** The City utilizes fund structures in accordance with current governmental accounting standards. The number and type of funds may change over time as circumstances dictate. For the avoidance of doubt, Auditor shall not audit the City's Police Pension Fund. Specific information regarding recent ACFRs may be found at <https://www.oakbrookterrace.net>.
- 15.0 Additional Professional Services.** Should it become necessary for the City to request that the Auditor render any additional services to either supplement the Services or to perform additional services as a result of the specific recommendations included in any report issued on this engagement, the City reserves the right to make, in writing, at any time during the performance of the Services, changes in the Services to be performed or the performance of extra Services to complete the project satisfactorily. All change orders shall be made in writing. Such changes in the Services to be performed or the performance of extra Services shall not invalidate the Agreement. The Auditor shall perform the Services as altered. If the alterations or changes significantly change the character of the Services to be performed under the Agreement, an adjustment will be made to the Agreement. The basis for the adjustment, either a lump sum price or hourly rates shall be agreed upon by the Auditor and the City prior to the performance of the Services. If a basis cannot be agreed upon, then an adjustment will be made either for or against the Auditor in such amount as the City Administrator may determine to be fair and equitable.

All alterations, cancellations, extensions and deductions shall be authorized in writing by the City Administrator before Services are started. Such authorizations shall describe the Services to be performed and the method of payment. Claims for extra Services that have not been authorized in writing by the City Administrator will be rejected.

All change orders less than \$20,000 may be approved by the City Administrator. All change orders or series of change orders which authorize or necessitate an increase or decrease in the cost of the Services by a total of \$20,000 or shall require City Council approval.

16.0 City Responsibilities for Audit.

16.1 The City shall:

16.1.1 Prepare confirmation letters;

16.1.2 Prepare and generate unaudited fully-adjusted trial balances for all funds;

16.1.3 Prepare the letter of transmittal, management's discussion and analysis (MD&A) and the exhibits in the statistical section of the ACFR;

16.1.4 Provide budget figures in a format that can be used in the ACFR;

16.1.5 Provide all standard client prepared work papers and schedules for assets, liabilities, fund balance/net position, expenses and revenues as applicable; and

16.1.6 Provide a reasonable workspace with adequate seating for up to five individuals and supporting equipment brought in and used by the Auditor.

16.2 Any other supporting work expected to be provided by the City shall be requested in writing by the Auditor.

17.0 Audit Standards.

17.1 The following Audit standards will govern the audits:

17.1.1 AICPA "Statement of Auditing Standards" (GAAS);

17.1.2 U.S. General Accounting Office – "Standards of Audits of Governmental Organizations, Programs, Activities and Functions", (and applicable "Compliance supplements");

17.1.3 AICPA Audits of State and Local Governmental Units (The Industry Audit Guide);

17.1.4 Pronouncements of the GASB and its predecessors; and

17.1.5 Any requirements of state or other grantors.

It will be the responsibility of the Auditor to procure any of the standards or guides governing this audit.

18.0 Federal Programs. The audits of federally assisted programs shall be made on a City-wide basis (the Single Audit Act of 1996) and in accordance with the standards and compliance audits in the Standards for Audit issued by the Government Accountability Office (GAO) to meet the requirements of OMB Circular A-133 - Audits of States Local Governments, and

Non-Profit Organizations; and the audit must meet the requirements of the Government Auditing Standards issued by the Comptroller General of the United States and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”). Grant funds for which the Act does not apply shall be audited and included in the Annual Comprehensive Financial Report. They shall be audited in compliance with federal or state regulations.

GENERAL REQUIREMENTS

The following General Requirements supplement the provisions of the General Conditions and shall govern the performance of the Services. In case of conflict with any part or parts of the General Conditions, the General Requirements shall take precedence and shall govern. The Agreement is intended to serve as the framework for entering into separate Specification of Services. The Specification of Services entered into pursuant to the Agreement shall be: (a) executed by authorized individuals on behalf of each of the parties, and (b) incorporated into the Agreement. Unless otherwise agreed by the parties, all Specification of Services that are entered into pursuant to the Agreement shall be governed by the terms of the Agreement and are hereby made part of, and incorporated into, the Agreement. In the event of a conflict between the Agreement and a Specification of Services, the terms of the Agreement shall prevail, unless the Specification of Services expressly references the specific provision in the Agreement to be modified by the Specification of Services. The Agreement shall not govern engagements related to the Auditor's affiliated entities or the Auditor's services or offerings other than CPA Services, and a separate agreement for such services will be required. To the extent the term of a Specification of Services extends beyond the expiration or earlier termination of the Agreement, the terms of the Agreement shall apply to such Specification of Services until expiration of such Specification of Services.

The General Requirements governing the Agreement are as follows:

ENGAGEMENT ADMINISTRATION

Sikich LLC ("Sikich LLC") and Sikich CPA (collectively, the "Auditor") currently practice as an alternative practice structure in accordance with the AICPA Professional Code of Conduct and applicable law, regulations and professional standards. Sikich CPA is a licensed certified public accounting firm and provides audit and attest services to its clients. Sikich LLC is not a licensed CPA firm and does not perform audit or attest services.

Sikich LLC has a contractual arrangement with Sikich CPA whereby Sikich LLC provides Sikich CPA with professional and support personnel and other support services to allow Sikich CPA to perform its professional services. From time to time, Sikich CPA may consult with Sikich LLC in the provision of services pursuant to this engagement. The City hereby consents to Sikich CPA's sharing the City's information with Sikich LLC in support of the services to be provided by the Auditor for the purpose of performing the Services for which the Auditor is engaged hereunder. Unless the City indicates otherwise, the City's acceptance of the terms of this engagement shall be understood by the Auditor as the City's consent to make disclosures to Sikich LLC and its employees of confidential information that the Auditor may obtain in the course of its engagement.

As part of the alternative practice structure, Sikich LLC has agreed to comply with the AICPA Code of Professional Conduct, as applied to an alternative practice structure, and applicable federal, state and local rules with respect to the confidentiality of client information. Accordingly, neither Sikich LLC nor the Auditor will disclose confidential client information without the City's consent, except (i) to any government agency or regulatory body to the extent and in the form or manner necessary or required to comply with any rule, regulation or order of such government agency or regulatory order, or (ii) pursuant to subpoena or other legal process. Sikich LLC and the Auditor utilize appropriate safeguards, policies and procedures to maintain the confidentiality of confidential client information.

In connection with the Agreement, the Auditor may communicate with the City or others via e-mail transmission. As e-mails can be intercepted and read, disclosed or otherwise used or communicated by an unintended third-party or may not be delivered to each of the parties to whom they are directed and only to such parties, the Auditor cannot guarantee or warrant that e-mails from the Auditor will be properly delivered and read only by the addressee. Therefore, the Auditor shall use secure messaging with respect to any emails that contain confidential information. Auditor shall exercise reasonable care to avoid the interception or unintentional disclosure of e-mails transmitted by the Auditor or in connection with the performance of the Agreement. Communications by email are authorized unless written objection is provided to us prior to any such communication. For the avoidance of doubt, all other confidential information shall be transmitted between the parties through Auditor's document portal.

The Auditor may from time to time, and depending on the circumstances, use third-party service providers in serving the City's account. The Auditor may share confidential information about the City with these service providers but remain committed to maintaining the confidentiality and security of the City's information. Accordingly, the Auditor will maintain internal policies, procedures, and safeguards designed to protect the confidentiality of the City's confidential information. In addition, the Auditor will enter into confidentiality agreements with all service providers to maintain the confidentiality of the City's information and the Auditor will take reasonable precautions to determine that such service providers have appropriate procedures in place to prevent the unauthorized release of the City's confidential information to others. In the event that the Auditor is unable to secure an appropriate confidentiality agreement, the City will be asked to provide its consent prior to the sharing of its confidential information with the third-party service provider. Furthermore, the Auditor will remain responsible for the work provided by any such third-party service providers engaged by the Auditor.

The City acknowledges and agrees that in connection with the performance of the Services, the Auditor may utilize services of subsidiaries, affiliates, divisions and/or third parties located outside of the United States ("Offshore Resources") to provide the Services. Offshore Resources may have access to confidential information from offshore locations. The Auditor represents to the City that with respect to each Offshore Resource utilized in providing Services to the City, the Auditor has technical, legal, and/or other safeguards, measures and controls in place designed to protect the City's confidential information from unauthorized disclosure or use. Accordingly, the City's agreement above extends to disclosure, ability to access, and use of the City's confidential information by the Offshore Resources for the purposes set forth in this section. Any services performed by an Offshore Resource shall be performed in accordance with the terms set forth herein, and the Auditor shall remain responsible to the City for the performance of the Services.

The City hereby explicitly acknowledges and consents to the Auditor's (and, through the alternative practice structure, Sikich LLC's) use of third-party cloud computing services to store confidential and proprietary information and other data of the City and agrees that such use of such cloud services coupled with the use of encrypted devices, password protections and firewall protection shall constitute our best efforts to safeguard such information and data from unauthorized disclosure. The City further agrees that, subject to applicable law, the Auditor shall only be liable for such unauthorized disclosure or use if it has been finally judicially determined by a court of competent jurisdiction that the Auditor did not take commercially reasonable measures to protect the

confidential and proprietary information and other data of the City from unauthorized disclosure or use.

MANAGEMENT RESPONSIBILITIES

The Auditor, in its sole professional judgment, reserves the right to refuse to take any action that could be construed as assuming management responsibilities. The City agrees to make all management decisions, perform all management functions, and assume all management responsibilities for the Services; oversee the Services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the Services performed; and to accept responsibility for the results of the Services, including decisions regarding the implementation of any recommendations provided by us. The City will establish and maintain internal controls relevant to its organization, including the security of email accounts or other methods used to communicate with the Auditor's engagement team members, and monitoring the effectiveness of their operation.

FEES; INVOICES

The Auditor's fees for the Services are detailed in Section 4 of the Agreement.

The Auditor may suspend its Services if the City's account becomes overdue according to the provisions of the Local Government Prompt Payment Act. and will not be resumed until the City's account complies with the provisions of the Local Government Prompt Payment Act. If the Auditor elects to terminate its Services for nonpayment, or other reasonable causes such as failure to provide the information or cooperation necessary for successful performance of the Auditor's Services, the Auditor's provision of Services will be deemed to have been completed upon written notification of termination, even if the Auditor has not completed its report. The City will be obligated to compensate the Auditor for all time expended and to reimburse the Auditor for all out-of-pocket expenditures through the date of termination.

The City shall not solicit the staff of the Auditor for employment, and no offer of employment shall be discussed with any of the Auditor's professionals during the professional engagement period. Following such period, the City shall inform the engagement Principal before entering into any substantive employment discussions with any Sikich personnel. In the event that the City desires to hire a member of the Sikich staff within one year of the completion of the Agreement, a recruiting fee will be assessed at 30% of the first-year salary per hire and paid to the Auditor upon our notification of such hiring.

RECORD RETENTION; CONFIDENTIALITY

The Auditor shall keep its records related to this Agreement in compliance with the requirements of the Local Records Act (50 ILCS 205/1 *et seq.*). However, the Auditor shall not keep any original City records, and the Auditor will return those to the City at the completion of the Services rendered under the Agreement.

All information obtained in the course of performing the Services, including, but not limited to, statements, records, schedules, working papers, memorandums, reports, and all other documents and work product prepared by or through the Auditor, will be considered confidential matters not to be disclosed to any other person or persons without the City's prior written permission, unless

otherwise required pursuant to the Freedom of Information Act (5 ILCS 140/1 *et seq.*), professional standards, statutory or regulatory authority, or court order. The foregoing obligation of confidentiality shall not apply to any information that was in the public domain at the time of the communication thereof to the Auditor.

As a result of the Auditor's prior or future services to the City, the Auditor might be requested or required to provide information or documents to the City or a third party in a legal, administrative, regulatory inquiry or arbitration or similar proceeding in which the Auditor is not a party. If this occurs, the Auditor's efforts in complying with such requests will be deemed billable to the City as a separate engagement. The Auditor shall be entitled to compensation for its time and reasonable reimbursement for its expenses (including legal fees) in complying with the request.

DISPUTE RESOLUTION; GOVERNING LAW

If any dispute, controversy, or claim arises in connection with the performance or breach of this Agreement, either party may, on written notice to the other party, request that the matter be mediated. Such mediation will be conducted by a mediator appointed by and pursuant to the Rules of the American Arbitration Association or such other neutral facilitator acceptable to both parties. Both parties will exert their commercially reasonable best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute or controversy. Each party may disclose any facts to the other party or the mediator which it, in good faith, considers necessary to resolve the matter. All such discussions, however, will be for the purpose of assisting in settlement efforts and will not be admissible in any subsequent litigation or proceeding against the disclosing party. Except as agreed by both parties in writing, the mediator will keep confidential all information disclosed during negotiations. The mediation proceedings will conclude within sixty (60) days from receipt of the written notice unless extended or terminated sooner by mutual consent. Each party will be responsible for its own expenses. The fees and expenses of the mediator, if any, will be borne equally by the parties.

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS.

INDEPENDENT CONTRACTOR

It is understood and agreed that the Auditor will for all purposes be an independent contractor, will not hold itself out as representing or acting in any manner for the City, and neither the Auditor nor the City will have any authority to bind the other party to any contract or in any other manner. The Auditor and the City do not intend to create a joint employer relationship, and the Auditor and the City each represents that it is the sole employer of its employees. The Auditor shall not and does not have the right to control the City's employees' essential terms and conditions of employment, including hiring its employees, determining their wages and benefits, or assigning, scheduling, training, disciplining, or terminating the City's employees.

OFAC REPRESENTATION

The City represents and warrants the following with respect to the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"): (a) the City does not have any nexus with persons or entities on any of OFAC's sanctions list (e.g., SSI, SDN, FSE, etc.) either through large shareholders, employees, beneficial owners, vendors, affiliated entities (i.e., affiliates or

subsidiaries), third parties, customer base or otherwise; (b) the City does not have any operations in any comprehensive OFAC sanctioned country (Cuba, Iran, Syria, Sudan, North Korea, the Crimea); (c) the City does not have any operations in any limited OFAC sanctioned country program; or (d) the City does not remit payment for the Auditor's fees and expenses from an OFAC sanctioned country.

NO THIRD-PARTY BENEFICIARIES

The Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the parties, provided, that Sikich LLC shall be a third-party beneficiary of the provisions herein that make reference to Sikich LLC.

FORCE MAJEURE

The Auditor shall not be deemed in default of any provision of the Agreement or be liable for any delay, failure in performance, or interruption of the Services resulting directly or indirectly from acts of God, electronic virus attack or infiltration, civil or military authority action, civil disturbance, war, strike and other labor disputes, fires, floods, other catastrophes, and other forces beyond its reasonable control.

SURVIVAL

Those provisions that by their nature are intended to survive termination or expiration of this Agreement and any right or obligation of the parties in this Agreement which, by its express terms of nature and context is intended to survive termination or expiration of this Agreement, shall so survive any such termination or expiration.

MISCELLANEOUS

Authority: Due Authorization; Enforceability: Each party hereto represents and warrants that it has all requisite power and authority to enter into the Agreement and to perform its obligations hereunder. Each party hereto further represents and warrants that the Agreement has been duly and validly authorized by all necessary corporate action and has been duly executed and delivered by each such party and constitutes the legal, valid and binding agreement of each such party, enforceable in accordance with its terms.

Counsel Representation: The terms of the Agreement have been negotiated by the parties hereto, who have each been represented by counsel, there shall be no presumption that any of the provisions of the Agreement shall be construed adverse to any party as "drafter" in the event of a contention of ambiguity in the Agreement, and the parties waive any statute or rule of law to such effect.

Headings: Headings used herein are for convenience of reference only and shall not affect the interpretation or construction of the Agreement.

SPECIFICATION OF SERVICES
No. 259345-2024-AUD

This Specification of Services (the “Specification of Services”) dated August 13, 2024, is entered into by and between Sikich CPA LLC (the “Auditor”) and the City of Oakbrook Terrace (the “City”) pursuant to the Auditing Services Agreement dated August 13, 2024, between the Auditor and the City (the “Agreement”), all terms of which are hereby incorporated herein by reference.

NOW, THEREFORE, for and in consideration of the foregoing premises, and the agreements of the parties set forth below, the Auditor and the City agree as follows:

AUDIT SCOPE AND OBJECTIVES

The Services to be provided under this Specification of Services will include an audit of the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information and the related disclosures, which collectively comprise the basic financial statements of the City as of and for the year ended April 30, 2024 (the “financial statements”).

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (“RSI”), such as management’s discussion and analysis (“MD&A”), to supplement the City’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of the Auditor’s Services, the Auditor will apply certain limited procedures to the City’s RSI in accordance with auditing standards generally accepted in the United States of America (“GAAS”). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to the Auditor’s inquiries, the basic financial statements, and other knowledge the Auditor obtained during its audit of the basic financial statements. The Auditor will not express an opinion or provide any assurance on the information because the limited procedures do not provide the Auditor with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

- Management’s Discussion and Analysis.
- Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual, for the General Fund and any major special revenue funds.
- Schedule of Changes in the Employer’s Other Postemployment Benefit (OPEB) Liability and Related Ratios.
- Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios for the Illinois Municipal Retirement Fund and Police Pension Fund.

- Schedule of Employer Contributions for the Illinois Municipal Retirement Fund and Police Pension Fund.
- Schedule of Investment Returns for the Police Pension Fund.
- Notes to Required Supplementary Information.

The Auditor has also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. The Auditor will subject the following supplementary information to the auditing procedures applied in its audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and the Auditor will provide an opinion on it in relation to the financial statements as a whole in a report combined with its Auditor's report on the financial statements:

- Combining and Individual Fund Financial Statements and Schedules
- Schedule of Expenditures of Federal Awards (if applicable)
- Consolidated Year End Financial Report (if applicable)

In connection with the Auditor's audit of the basic financial statements, the Auditor will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If based on the work performed, the Auditor concludes that an uncorrected material misstatement of the other information exists, the Auditor is required to describe it in its report.

- Introductory Section
- Statistical Section

The objectives of the Auditor's audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an Auditor's report that includes the Auditor's opinion about whether the City's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the paragraph above when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, and, if required, the standards for financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States, will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards, if applicable.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The Auditor will conduct its audit in accordance with GAAS and, if applicable, the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and will include tests of the City's accounting records and other procedures the Auditor considers necessary to enable the Auditor to express such opinions. As part of an audit in accordance with GAAS and Government Auditing Standards, the Auditor exercises professional judgment and maintains professional skepticism throughout the audit.

The Auditor will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. The Auditor will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. The Auditor will plan and perform the audit to obtain reasonable 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 government or to acts by management or employees acting on behalf of the City. Because the determination of waste and abuse is subjective, Government Auditing Standards (if applicable) do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because the Auditor will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and, if required, Government Auditing Standards. 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, the Auditor will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to the Auditor's attention. The Auditor will also inform the appropriate level of management of any violations of laws or governmental regulations that come to the Auditor's attention, unless clearly inconsequential. The Auditor's responsibility as auditors is limited to the period covered by the Auditor's audit and does not extend to any later periods for which the Auditor is not engaged as auditors.

The Auditor will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

The Auditor's 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 assets and liabilities by correspondence with selected customers, creditors, and financial institutions. The Auditor will request written representations from the City's attorneys as part of the provision of Services, and they may bill the City for responding to this inquiry.

The Auditor's audit of the financial statements does not relieve the City of its responsibilities.

AUDIT PROCEDURES – INTERNAL CONTROL

The Auditor will obtain an understanding of the City and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for the Auditor's opinions. Tests of controls may be performed to test the effectiveness of certain controls that the Auditor considers relevant to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. The Auditor's tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and accordingly, no opinion will be expressed in its report on internal control issued pursuant to Government Auditing Standards (if applicable). The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, the Auditor will express no such opinion. However, during the audit, the Auditor will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, and if required Government Auditing Standards.

AUDIT PROCEDURES - COMPLIANCE

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, the Auditor will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of the Auditor's audit will not be to provide an opinion on overall compliance, and the Auditor will not express such an opinion in its report on compliance issued pursuant to Government Auditing Standards, if applicable.

NONATTEST SERVICES

Nonattest Services expected to be performed during the Auditor's audit of the Financial Statements as of and for the year ended April 30, 2024, and other deliverables are as follows:

- Assistance in preparing the financial statements based on information provided by the City.

These and other nonattest services provided do not constitute an audit under GAAS and, if required, Government Auditing Standards, and such services will not be conducted in accordance with GAAS and Government Auditing Standards.

The Auditor will perform the nonattest services in accordance with applicable professional standards. The Auditor, in its sole professional judgment, reserves the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. The Auditor will advise management with regard to the nonattest services listed above, but management must make all decisions with regard to those matters.

The City shall assume all management responsibilities for the nonattest services the Auditor provides. The City will be required to acknowledge in the management representation letter the nonattest services provided and that the City has evaluated the adequacy of the Auditor's nonattest services and has reviewed and approved the results of those services prior to their completion and has accepted responsibility for them. Further, the City shall oversee the nonattest services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; to evaluate the adequacy and results of those services; and accept responsibility for them.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Auditor's audit will be conducted on the basis that the City acknowledges and understands its responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. The City is responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements, in accordance with GAAS and Government Auditing Standards (if required).

Management is responsible for making drafts of financial statements, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). The City is also responsible for providing the Auditor with (1) access to all information of which the City is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that the Auditor may request for the purpose of the audit; and (3) unrestricted access to persons within the City from whom the Auditor determines it necessary to obtain audit evidence. At the conclusion of its audit, the Auditor will require certain representation from the City about its responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and Government Auditing Standards, if required.

The City's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to the Auditor in the management representation letter that the

effects of any uncorrected misstatements aggregated by the Auditor during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

The City is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing the Auditor about all known or suspected fraud affecting the City involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. The City's responsibilities include informing the Auditor of the City's knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, regulators, or others. In addition, the City is responsible for identifying and ensuring that the City complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that the Auditor reports in accordance with GAAS and Government Auditing Standards (if required).

The City is responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. The City shall include the Auditor's report on the supplementary information in any document that contains, and indicates that the Auditor has reported on the supplementary information. The City shall include the audited financial statements with any presentation of the supplementary information that includes the Auditor's report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with the Auditor's report thereon. The City's responsibilities include acknowledging to the Auditor in the written representation letter that (1) the City is responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) the City believes the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) the City has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

The City is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this Agreement. This responsibility includes relaying to the Auditor corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. The City is also responsible for providing management's views on its current findings, conclusions, and recommendations, as well as the City's planned corrective actions, for the report, and for the timing and format for providing that information, in accordance with GAAS and Government Auditing Standards (if required).

If the Auditor's report will be included within a document containing other information, such as an annual report, the City will be asked to provide the final version of the other information, prior to the

date of the Auditor's report so that required audit procedures can be completed prior to issuance. If the final version of the other information cannot be obtained prior to the date of the Auditor's report, the other information shall be provided as soon as practicable, and the City will not issue the annual report prior to providing them to the Auditor. If other information is provided after the date of the Auditor's report, the Auditor may need to take appropriate action in accordance with GAAS, including performing required procedures as soon as practical, communicating the matter to those charged with governance and considering the need to obtain legal advice. If the other information is materially misstated, the Auditor will ask management to correct the information or communicate with those charged with governance if management does not correct the information or take other appropriate action to have the uncorrected material misstatement brought to the attention of anyone in receipt of the annual report and the Auditor's report.

REPORTING

The Auditor will issue a written report upon completion of its audit of the financial statements. The Auditor will make reference to the independent component auditor firm and their audit of Police Pension Fund in its report on the City's financial statements. The Auditor's report will be addressed to the City Council. Circumstances may arise in which the Auditor's report may differ from its expected form and content based on the results of the Auditor's audit. Depending on the nature of these circumstances, it may be necessary for the Auditor's to modify its opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to the Auditor's report, or if necessary, withdraw from this engagement. If the Auditor's opinions are other than unmodified, it will discuss the reasons with the City in advance. If circumstances occur related to the condition of the City's records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in the Auditor's professional judgment prevent it from completing the audit or forming an opinion on the financial statements, the Auditor retains the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the Agreement.

The Auditor will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during the Auditor's audit it becomes aware that the City is subject to an audit requirement that is not encompassed in the terms of this engagement, the Auditor will communicate to management and those charged with governance that an audit in accordance with GAAS and the standards for financial audits contained in Government Auditing Standards may not satisfy the relevant legal, regulatory, or contractual requirements.

ENGAGEMENT ADMINISTRATION, FEES AND OTHER

The assistance to be supplied by the City's personnel is described in the workpaper request lists for preliminary (interim) and final fieldwork, which outline the specific schedules and information the Auditor is requesting for this Agreement. The workpaper request lists will be discussed with and coordinated with Tanya Walker, Finance Director. The timely and accurate completion of this work is an essential condition to the Auditor's completion of the audit, financial statement preparation, and issuance of the Auditor's audit report. This Specification of Services assume all records, documentation, and information the Auditor requested in connection with the audit and financial statement preparation assistance services (and outlined in the workpaper request lists) are complete and available at the beginning of the respective phases of the provision of Services. It also assumes key personnel are available to the Auditor for the duration of the audit and preparation of the financial statements. The Auditor understands that the City's employees will prepare all cash, accounts receivable, and other confirmations the Auditor requests and will locate any documents selected by the Auditor for testing.

The Auditor is committed to the timely completion of the audit, performance of nonattest services as described above, and delivery of final reports for the fee set forth in this Specification of Services. The fees quoted in this Specification of Services are based on certain assumptions. Circumstances may arise during the engagement that may significantly affect the targeted completion dates or the Auditor's fee estimate. As a result, changes to the fees may be necessary. Such circumstances include, but are not limited to, the following:

1. All requested information is not (a) provided by the City on the date requested, (b) completed in a format acceptable to the Auditor, (c) mathematically correct, (d) complete and accurate, or (e) in agreement with the appropriate City records (e.g., general ledger accounts, completed trial balance). The Auditor will provide the City with a separate listing of required schedules, information requests and the dates such items are needed.
2. Changes to the timing of the engagement due to lack of timeliness by the City, or at its request. Changes to the timing of the engagement usually require reassignment of personnel used by the Auditor in the performance of services hereunder. However, because it is often difficult to reassign individuals to other engagements, the Auditor may incur significant unanticipated costs.
3. Significant delays in responding to the Auditor's requests for information, such as reconciling variances, providing requested supporting documentation (e.g., invoices, contracts, and other documents), or responding to its inquiries of the City's management.
4. Requests by the City for the Auditor to complete schedules or obtain information previously mutually agreed to be completed by or provided by the City.

In addition, certain circumstances warranting an adjustment to the fees or a modification to this Specification of Services may include, but are not limited to the following:

1. Requests by the City for the Auditor to perform nonattest services in addition to those identified and described in the "Nonattest Services" section above.

2. Other time deemed outside the scope of services of the engagement as set forth in this Specification of Services. Final reports will be issued upon the City's approval of the preliminary drafts. The Auditor's engagement ends on delivery of its final report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific Specification of Services for that service. Nick Bava is the engagement Principal and is responsible for supervising the provision of Services and signing the report or authorizing another individual to sign it. The Auditor expects to begin its audit in September 2024.

Circumstances that result in the Auditor's performing extra Services shall be promptly reported to the City Administrator. Extra Services shall not be started until authorization from the City Administrator is received, which authorization shall state the Services to be performed and the method of payment for each Service to be performed. No payment will be made for Services performed without such order. Extra Services will be paid for at either a lump sum price or hourly rates agreed upon by the Auditor and the City.

The Auditor will provide copies of its reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of the Auditor's reports are to be made available for public inspection.

The audit documentation for this engagement constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the granting agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. The Auditor will notify the City of any such request. If requested, access to such audit documentation will be provided under the supervision of the Auditor's personnel. Furthermore, upon request, the Auditor may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven (7) years after the report release date or for any additional period requested by a regulatory agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, the Auditor will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

The Auditor's fee for these Services will not exceed \$56,000 for the City's audit, \$4,000 for the Single Audit, if applicable, and \$2,000 for the GAGAS opinion as required through the State Grant Accountability and Transparency Act (GATA), if applicable. Lastly, depending on the level of effort required, there may be an additional fee (discussed with the City) associated with the implementation of GASB Statement No. 96, Subscription-Based IT Arrangements.

In accordance with professional standards, any discussions during the period of the audit engagement between the City and a member of the Auditor's audit engagement team regarding potential employment or association with the City creates an impairment of independence for the Auditor's employee and possibly the firm. Such a situation could require the Auditor to temporarily or permanently remove that person from the City's audit engagement or to perform additional

procedures or re-perform procedures, which would increase the Auditor's fees. Should the Auditor not become aware of the impairment until after the conclusion of the provision of Services, the Auditor's independence would be deemed to have been impaired. Please inform appropriate City personnel to refrain from any such discussions with any of the Auditor's staff while the audit Services are ongoing and notify Nick Bava immediately if the City becomes aware that any such discussions may have occurred.

This Specification of Services is governed by the terms and conditions of the Agreement. The terms of the Agreement are hereby expressly incorporated by reference into and made a part of this Specification of Services. In the event of a conflict between the terms and conditions of the Agreement and this Specification of Services, the terms of the Agreement shall take precedence and control over those of this Specification of Services unless otherwise expressly and specifically set forth herein. In the event of a conflict between the terms and conditions of this Specification of Services and any related exhibits, attachments, or proposals, the terms of this Specification of Services shall take precedence and control over those of the exhibit, attachment, or proposal hereto unless otherwise expressly and specifically set forth herein. Any capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement. This Specification of Services may be executed (including by facsimile and PDF signature) in one or more counterparts, with the same effect as if the parties had signed the same document. This Specification of Services may be modified or amended only by a written document signed by both parties.

ACCEPTANCE

The City and the Auditor acknowledge having read this Specification of Services in its entirety, have had full opportunity to consider its terms in consultation with their respective attorneys, have had full and satisfactory explanation of the same, and fully understand and agree to be bound by the terms of this Specification of Services.

[Signature Page Follows]

**SPECIFICATION OF SERVICES
No. 259345-2024-UGG**

This Specification of Services (this "Specification of Services") dated August 13, 2024, is entered into by and between Sikich CPA LLC the "Auditor" and City of Oakbrook Terrace the "City" pursuant to the Auditing Services Agreement dated August 13, 2024, between the Auditor and the City (the "Agreement") and the Specification of Services for the audit of the City's financial statements in accordance with auditing standards generally accepted in the United States of America all terms of which are hereby incorporated herein by reference.

NOW, THEREFORE, for and in consideration of the foregoing premises, and the agreements of the parties set forth below, the Auditor and the City agree as follows:

AUDIT SCOPE AND OBJECTIVES

The objective of the Auditor's Single Audit also includes reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.

AUDITOR'S RESPONSIBILITIES FOR THE COMPLIANCE AUDIT OF SINGLE AUDIT GUIDELINES

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by the Auditor, even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. 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 major programs. However, the Auditor will inform the appropriate level of management of any violations of laws or governmental regulations that come to its attention, unless clearly inconsequential. The Auditor will include such matters in the reports required for a Single Audit. The Auditor's responsibility as auditors is limited to the period covered by its audit and does not extend to any later periods for which the Auditor is not engaged as auditors.

The Auditor's procedures may include direct confirmation of receivables and certain other assets and liabilities by correspondence with funding sources.

AUDIT PROCEDURES – INTERNAL CONTROL

The Auditor will obtain an understanding of the City and its environment, including the system of internal control, sufficient to identify and assess the risks of material noncompliance, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for its opinion. The risk of not detecting material noncompliance resulting from fraud is higher than one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

AUDIT PROCEDURES – COMPLIANCE

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, the Auditor will perform tests of the City’s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and the Auditor will not express such an opinion in its report on compliance issued pursuant to Government Auditing Standards.

NONATTEST SERVICES

RESPONSIBILITIES OF MANAGEMENT FOR THE COMPLIANCE AUDIT OF SINGLE AUDIT GUIDELINES

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of the Agreement. This responsibility includes relaying to the Auditor corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or studies. The City is also responsible for providing management’s views on the Auditor’s current findings, conclusions, and recommendations, as well as the City’s planned corrective actions, for the report and for the timing and format for providing that information.

REPORTING

The Auditor will issue a written report upon completion of its Single Audit. The Auditor’s report will be addressed to the City Council. Circumstances may arise in which the Auditor’s report may differ from its expected form and content based on the results of its audit. Depending on the nature of these circumstances, it may be necessary for the Auditor to modify its opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to its Auditor’s report, or if necessary, withdraw from this engagement. If the Auditor’s opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, the Auditor will discuss the reasons with the City in advance. If circumstances occur related to the condition of the City’s records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent it from completing the Single Audit or forming an opinion on the financial statements or the Single Audit compliance, the Auditor retains the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the Agreement.

ENGAGEMENT ADMINISTRATION, FEES, AND OTHER

At the conclusion of the engagement, the Auditor will complete the appropriate sections of the Data Collection Form that summarizes its audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. The Auditor will coordinate with the City the electronic submission and certification. If applicable, the Auditor will provide copies of its report for the City to include with the reporting package the City will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the Auditor's reports or nine months after the end of the audit period.

The Auditor will provide copies of its reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of the Auditor's report are to be made available for public inspection.

All information obtained in the course of performing the Auditor's Services, including, but not limited to, statements, records, schedules, working papers, memorandums, reports, and all other documents and work product prepared by the Auditor, will be considered confidential matters not to be disclosed to any other person or persons without the City's prior written permission. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the granting agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. The Auditor will notify the City of any such request. If requested, access to such audit documentation will be provided under the supervision of the Auditor's personnel. Furthermore, upon request, the Auditor may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this Agreement will be retained for a minimum of seven (7) years after the report release date or for any additional period requested by a regulatory agency. If the Auditor is aware that a federal awarding agency or auditee is contesting an audit finding, the Auditor will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation. The Auditor does not keep any original client records, so the Auditor will return those to the City at the completion of the Services rendered under the Agreement. When records are returned to the City, it is its responsibility to retain and protect its records for possible future use, including potential examination by any government or regulatory agencies.

The Auditor is committed to the timely completion of the audit, performance of nonattest services as described above, and delivery of final reports for the fee set forth in this Specification of Services. The fees quoted in this Specification of Services are based on certain assumptions. Circumstances may arise during the engagement that may significantly affect the targeted completion dates or the Auditor's fee estimate. As a result, changes to the fees may be necessary. Such circumstances include, but are not limited to, the following:

1. All requested information is not (a) provided by the City on the date requested, (b) completed in a format acceptable to the Auditor, (c) mathematically correct, (d) complete and accurate, or (e) in agreement with the appropriate City records (e.g., general ledger accounts, completed trial balance). The Auditor will provide the City with a separate listing of required schedules, information requests and the dates such items are needed.
2. Changes to the timing of the engagement due to lack of timeliness by the City, or at the City's request. Changes to the timing of the engagement usually require reassignment of personnel used by the Auditor in the performance of the Services hereunder. However, because it is often difficult to reassign individuals to other engagements, the Auditor may incur significant unanticipated costs.
3. Significant delays in responding to the Auditor's requests for information, such as reconciling variances, providing requested supporting documentation (e.g., invoices, contracts, and other documents), or responding to the Auditor's inquiries of the City's management.
4. Requests by the City for the Auditor to complete schedules or obtain information previously mutually agreed to be completed by or provided by the City.

In addition, certain circumstances warranting an adjustment to the fees or a modification to this Specification of Services may include, but are not limited to, the following:

1. Requests by the City for the Auditor to perform nonattest services in addition to those identified and described in the "Nonattest Services" section above.
2. Other time deemed outside the scope of services of the engagement as set forth in this Specification of Services. Final reports will be issued upon the City's approval of the preliminary drafts. The Auditor's engagement ends on delivery of its final report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific Specification of Services for that service. Nick Bava is the engagement Principal and is responsible for supervising the provision of Services and signing the reports or authorizing another individual to sign them. The Auditor expects to begin its audit in September 2024.

Circumstances that result in the Auditor's performing extra Services shall be promptly reported to the City Administrator. Extra Services shall not be started until authorization from the City Administrator is received, which authorization shall state the Services to be performed and the method of payment for each Service to be performed. No payment will be made for Services performed without such order. Extra Services will be paid for at either a lump sum price or hourly rates agreed upon by the Auditor and the City.

This Specification of Services is governed by the terms and conditions of the Agreement. The terms of the Agreement are hereby expressly incorporated by reference into and made a part of this Specification of Services. In the event of a conflict between the terms and conditions of the Agreement and this Specification of Services, the terms of the Agreement shall take precedence and control over those of this Specification of Services unless otherwise expressly and specifically set

forth herein. In the event of a conflict between the terms and conditions of this Specification of Services and any related exhibits, attachments, or proposals, the terms of this Specification of Services shall take precedence and control over those of the exhibit, attachment, or proposal hereto unless otherwise expressly and specifically set forth herein. Any capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement. This Specification of Services may be executed (including by facsimile and PDF signature) in one or more counterparts, with the same effect as if the parties had signed the same document. This Specification of Services may be modified or amended only by a written document signed by both parties.

ACCEPTANCE

The City and the Auditor acknowledge having read this Specification of Services in its entirety, have had full opportunity to consider its terms in consultation with their respective attorneys, have had full and satisfactory explanation of the same, and fully understand and agree to be bound by the terms of this Specification of Services.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Specification of Services to be executed by their duly authorized officers as of the date first set forth above.

City: **City of Oakbrook Terrace, Illinois**

By: _____
Paul Esposito, Mayor

ATTEST:

By: _____
Michael Shadley, City Clerk

Auditor: **Sikich CPA LLC**

By: _____
Nick Bava, Principal

ATTEST:

By: _____
