VILLAGE OF WINNEBAGO

COMMITTEE OF THE WHOLE

April 01, 2026 at 6:05 PM

108 West Main Street and Virtually

©

To access meeting from any device: https://global.gotomeeting.com/join/856730805

Or by (Toll Free): 1 877 309 2073| Access Code: 856-730-805

1. **RECORDING OF THE MEETING**
2. **CALL TO ORDER**
3. **ROLL CALL**
4. **ESTABLISHMENT OF A QUORUM**
5. **MEETING GUIDELINES**

   Discussion and Vote to Allow an Absent Trustee to Vote By Phone or Other Allowable Means.
6. **PUBLIC COMMENT**

   Each speaker is limited to three (3) minutes. A maximum of thirty (30) minutes shall be generally allowed for public comment at each meeting.
7. **APPROVAL OF MINUTES**
   a. Approval of Committee of the Whole Meeting Minutes from March 18, 2026
8. **DISCUSSION**
   a. An Ordinance Amending Liquor Ordinance No. 97-11 To Add Tap Wall (Self-Pour) Allowance For Class A And B Liquor License Holders
   b. Winnebago Highlands Property Marketing – CBRE Engagement Discussion
   c. LOCiS Discussion
   d. Discussion of State Legislation Impacting Municipalities
9. **EXECUTIVE SESSION (CLOSED SESSION) Pursuant to 5ILCS 120/2(c)**
10. **NEW BUSINESS**
11. **ADJOURNMENT**

Posted: March 27, 2026 at 3:00 p.m. at 108 W. Main Street, Winnebago, IL
and online at www.villageofwinnebago.com Tel 815.335.2020 **|** Fax 815.415-8491

The Committee of the Whole of the Village of Winnebago was held on March 18, 2026, at 6:34 p.m. with President Franklin J. Eubank, Jr. presiding. The link for the employees and the public to attend remotely was made available through GoToMeeting.

ROLL CALL
PRESENT: ACKERMAN – GRAHAM – LEFEVRE – MCKINNON
ABSENT: KIM - SPRINGER

Guests: Attorney Mary Gaziano, Village Administrator Joseph Dienberg, Lieutenant Nick Haff.

4. ESTABLISHMENT OF A QUORUM – A quorum was established.
5. MEETING GUIDELINES - No trustee attended remotely.
6. PUBLIC COMMENT – No one requested the opportunity to address the Board.
7. APPROVAL OF MINUTES
   a. A motion was made by MR. LEFEVRE, seconded by MR. MCKINNON to accept the minutes of the March 04, 2026, meeting as presented. Motion carried on a voice vote.
8. DISCUSSION
   a. The Board discussed the zoning history of the property at 102 North Elida Street. Someone has shown interest in the property to use for a medical purpose. The Board agreed light industrial could have an area as General Business.
   b. There was a discussion of the use of TIF Districts. It was recommended contacting Attorney Galluzzo to handle a TIF for the Village of Winnebago.
   c. The Board agreed Ordinance 234 adopted in 1950 should be repealed. Staff will draft an Ordinance to handle this.
9. EXECUTIVE SESSION pursuant to 5ILCS 120/2(c): Not needed.
10. NEW BUSINESS
    Drafting a new purchasing policy was discussed.
11. ADJOURNMENT
    A motion was made by MR. GRAHAM, seconded by MR. LEFEVRE to adjourn at 7:36 p.m. Motion carried on a voice vote.

UNAPPROVED

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Sally Jo Huggins, Village Clerk

Agenda Item Executive Summary

Item Name	An Ordinance Amending Liquor Ordinance No. 97-11 To Add Tap Wall (Self-Pour) Allowance For Class A And B Liquor License Holders	Committee or Board	Committee

BUDGET IMPACT			
Amount:	N/A	*Budgeted:*	N/A
List what fund:	N/A		

EXECUTIVE SUMMARY

Table Talk Supper Club has requested consideration of a tap wall (self-pour) concept for its establishment. The proposed ordinance was drafted based on materials and vendor information provided for the concept and has been shared with the owner of Table Talk Supper Club for review. At this time, no additional feedback has been received from the restaurant.

The Liquor Commission reviewed the proposed ordinance at its March 11 meeting and recommended approval to the Village Board. The attached ordinance would amend Liquor Ordinance No. 97-11 to allow tap wall (self-pour) systems for Class A and Class B liquor license holders, subject to operational, monitoring, staffing, age-verification, and safety requirements.

ATTACHMENTS (PLEASE LIST)

Draft Ordinance

ACTION REQUESTED

☒For Discussion Only

☐Resolution

☒Ordinance

☐Motion:

MOTION:

Staff:	Joseph Dienberg, Village Administrator	Date:	4/1/2026

ORDINANCE NO. 2026-__

AN ORDINANCE AMENDING LIQUOR ORDINANCE NO. 97-11 TO ADD TAP WALL (SELF POUR) ALLOWANCE FOR CLASS A AND B LIQUOR LICENSE HOLDERS

WHEREAS, the Village's liquor ordinance has four (4) different license classifications that deal with the service of alcohol for consumption on the premises, namely, Class A (for all alcoholic liquors), Class B (for beer and wine), Class C (for hotels and motels), and Class F for bowling alleys; and

WHEREAS, the Village currently has establishments that hold Class A and Class B liquor licenses, but none holding a Class C or Class F liquor license, as the Village does not have any hotels or motels or bowling alleys; and

WHEREAS, the concept of having tap walls (self-pour) at a business that serves alcoholic liquor is a fairly new concept, but one increasing in popularity, and could attract patrons to the Village of Winnebago, and offer additional income opportunity for Village entrepreneurs; and

WHEREAS, it is believed to be in the best interest of the citizenry of the Village of Winnebago to allow tap walls in establishments holding a Class A or Class B liquor license subject to certain terms and conditions.

NOW THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Winnebago, Illinois, as follows:

ARTICLE I

AMENDMENT OF ARTICLE V TO ADD SECTION 2 TO ALLOW FOR TAP WALLS (SELF-POUR) FOR CERTAIN CLASSES OF LIQUOR LICENSES

Section 2. Class A and Class B liquor license holders shall be allowed to install and operate a tap wall (self-pour) apparatus, without applying for an additional liquor license, subject to the following terms and conditions:

A. All sales must comply with Illinois' minimum wage requirements for serving alcohol.

B. Only customers twenty-one (21) years of age or older may operate a self-pour device.

C. A licensee is required to actively and passively monitor customer operated dispenser pours and the consumption of customer operated dispenser poured alcohol, also commonly referred to as tap walls or self-pour.

D. Customers must have their ID and age verified by a trained employee before receiving a Radio Frequency Identification (RFID) card or bracelet to activate the taps. The RFID wristband identifies the user and tracks the amount poured.

E. The RFID card shall be programmed to restrict the amount a customer may pour to 32 ounces for beer, 10 ounces for wine, and 3 ounces for low-proof spirits. A low-proof spirit is a spirit that has an alcohol by volume percentage (ABV) of less than thirty percent (30%). The Bassett trained employee may renew the card after the first session after assessing whether the customer shows signs of intoxication. The licensee must be able to inactivate the access card if necessary to prevent violations of this ordinance. The licensee must deactivate the access card at checkout or at the end of the business day.

F. The customer issued a given RFID card or bracelet must be the sole user of that card or bracelet.

G. All higher proof spirits must be served by a bartender.

H. The licensee must provide constant video monitoring of the customer operated dispensing devices at all times during which the licensed establishment is open to the public. The licensee must keep recorded footage from the video monitoring for at least ninety (90) days and must provide the footage, upon request, to any authorized law enforcement agent.

I. The permit holder must provide and maintain one (1) BASSET certified employee on the floor to serve as an attendant monitoring the customer operated dispensing devices for every thirty-five (35) customers operating the dispensing devices within an establishment.

J. The attendant(s) must remain stationed within a reasonable distance and within the sightline of the customer operated dispensing devices and monitor the service of alcohol guarding against over and under age service, as well as any other applicable regulations.

K. The licensee must not allow additional customers to enter the licensed premises unless it is able to appropriately staff attendants.

L. The licensee and any on-premises manager will be joint and severally liable for any ordinance violations concerning this activity

ARTICLE II

AFFIRMATION OF ORDINANCE NO. 97-11

All other provisions of Ordinance No. 97-11, as amended, not in conflict with the instant ordinance shall remain in full force and effect.

ARTICLE III

EFFECTIVE DATE

This ordinance shall become effective on the date of its passage and approval, with publication to follow immediately thereafter in pamphlet form.

APPROVED:

____

Franklin J. Eubank, Jr., President of the Board of Trustees of the Village of Winnebago, Illinois

ATTEST:

____

Sally Jo Huggins, Village Clerk

PASSED: ______________

APPROVED: ______________

PUBLISHED
(in pamphlet form): ______________

Agenda Item Executive Summary

Item Name	Winnebago Highlands Property Marketing – CBRE Engagement Discussion	Committee or Board	Committee

BUDGET IMPACT			
Amount:	N/A	*Budgeted:*	N/A
List what fund:	N/A		

EXECUTIVE SUMMARY

The Village is seeking Committee input regarding the potential engagement of CBRE to assist with marketing and positioning the Winnebago Highlands property for future development.

CBRE is a global commercial real estate brokerage firm with significant experience and market presence, including strong exposure within the northern Illinois region. Attached materials include examples of CBRE marketing brochures for comparable properties in the area, which highlight their approach to site promotion, including aerial mapping, demographic data, traffic counts, and regional connectivity.

Engaging a firm such as CBRE could provide professional marketing materials, expanded regional and national exposure, and assistance in identifying and recruiting potential developers or end users. This discussion will allow the Committee to evaluate whether to proceed with a formal agreement for brokerage and marketing services, as well as provide direction on next steps for advancing development of the Winnebago Highlands property.

ATTACHMENTS (PLEASE LIST)

CBRE Property Marketing Brochure – 11024 N. 2nd Street, CBRE Property Marketing Brochure – E. Riverside Boulevard Sites

ACTION REQUESTED

☒For Discussion Only

☐Resolution

☐Ordinance

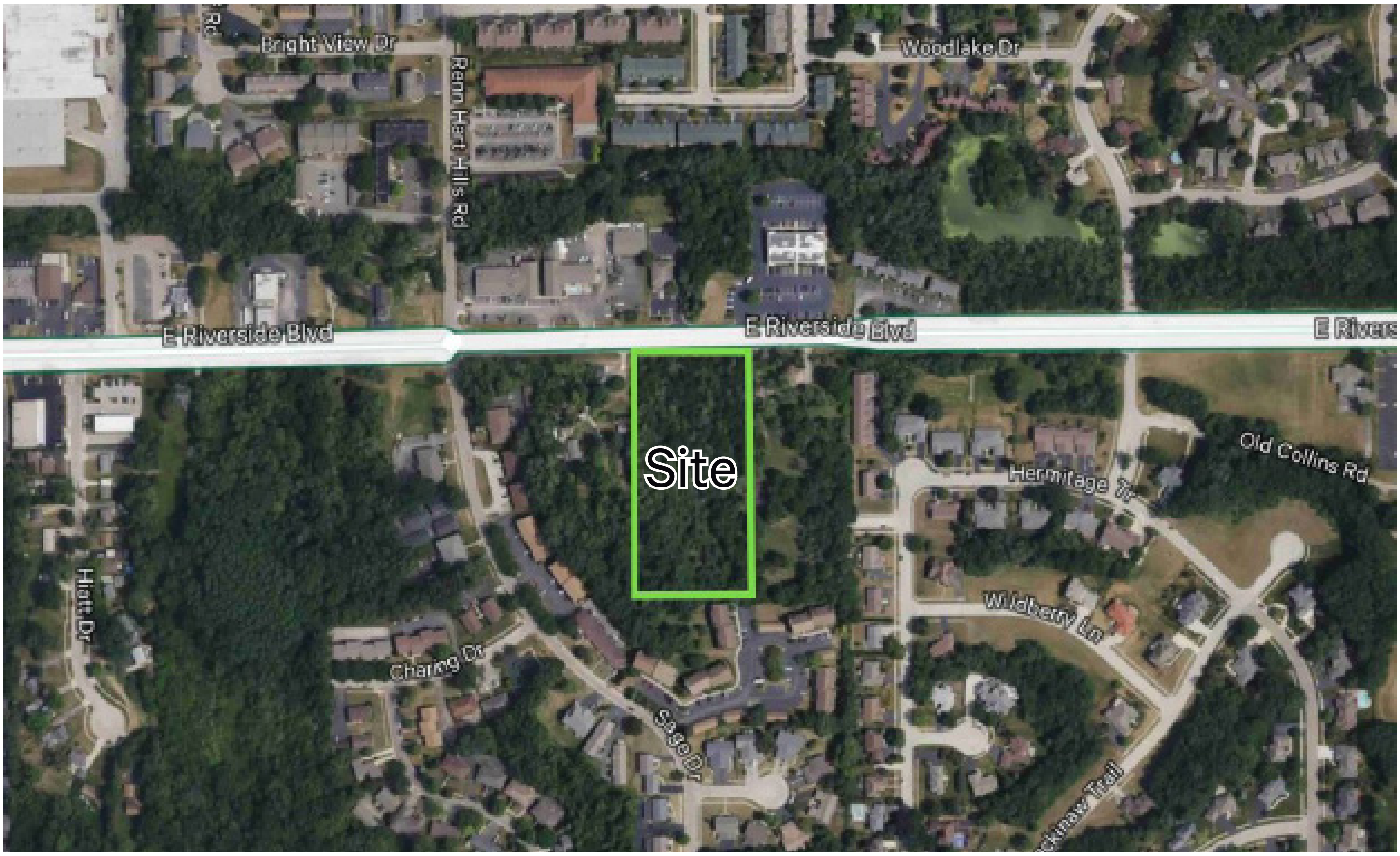
☐Motion:

MOTION:

Staff:	Joseph Dienberg, Village Administrator	Date:	4/1/2026

19XX, 2003, 2015, XXXX and XXXX E. Riverside Blvd.

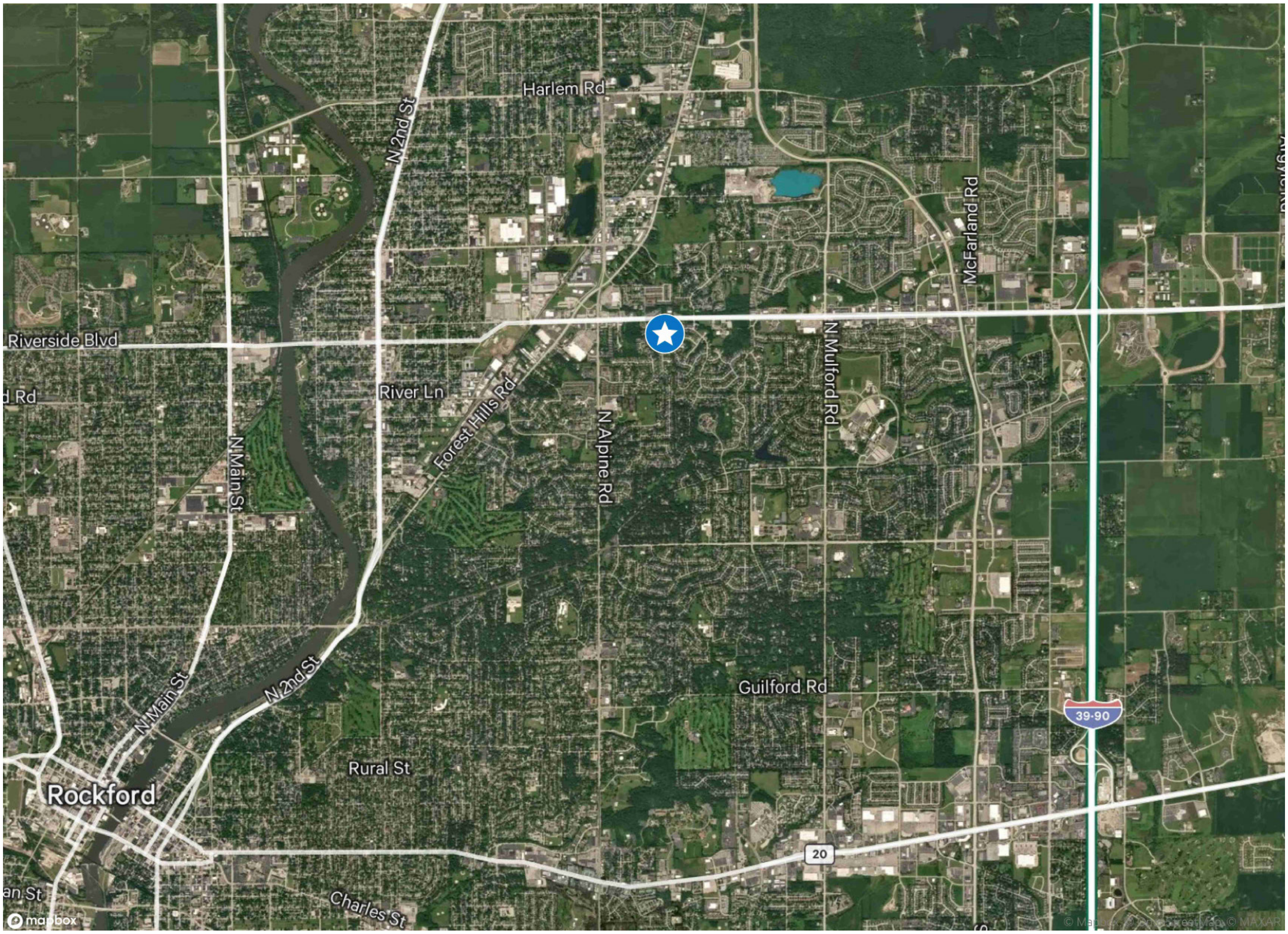
Rockford, IL

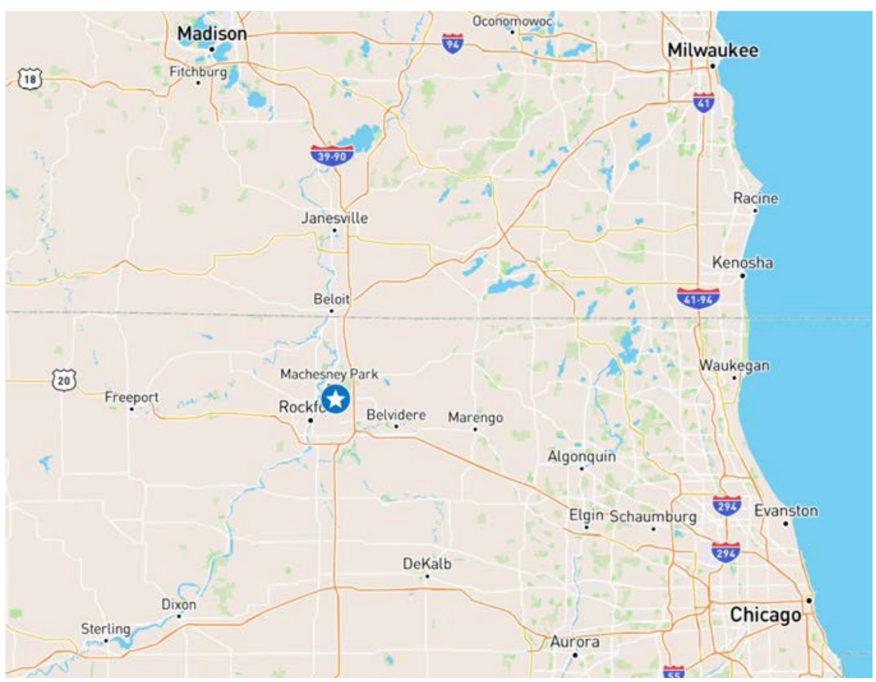


Property Highlights

+ 4.04 Acres
+ Zoned Rockford R3
+ Utilities are to the site at multiple entry points
+ Access permitted from E. Riverside Blvd. and from both Charing and Hiatt Drivers
+ Located in desirable area, close to retail, surrounded by other residential, and with easy access to I-90/E Riverside Blvd. interchange
+ Property in Harlem School District

For Sale





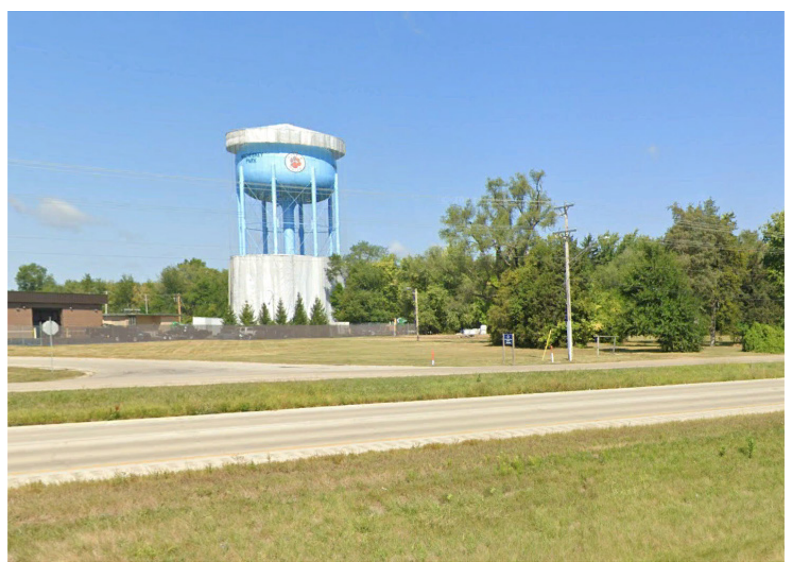
Contact

Karen Walsh
Senior Vice President
815 218 3438
karen.walsh@cbre.com

11024 N. 2nd St.

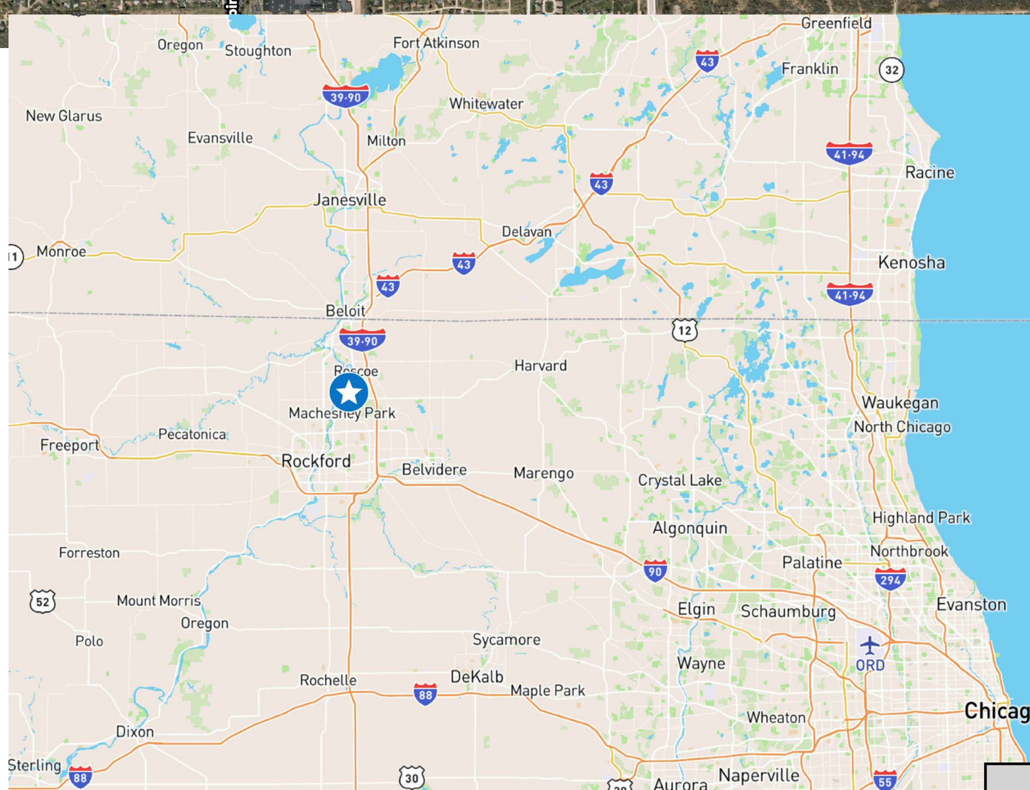
Machesney Park, IL

Property Highlights



+ Industrial/Commercial Development Opportunity
+ 2.15 Acres
+ Situated in North Park Industrial Park and adjacent to Willow Creek Business Park
+ Great proximity to West Lane Rd./Rte. 173, Machesney Park's prime retail corridor
+ High visibility on high traffic Rte. 251 with high 16,400 VPD traffic count
+ In Machesney Park's Enterprise Zone
+ Low Machesney Park taxes
+ Easy access to IL-251/N 2nd via Forest Hills Rd./IL 251 signalized intersection
+ Under 10 min. to I-90/Rte. 173 Interchange

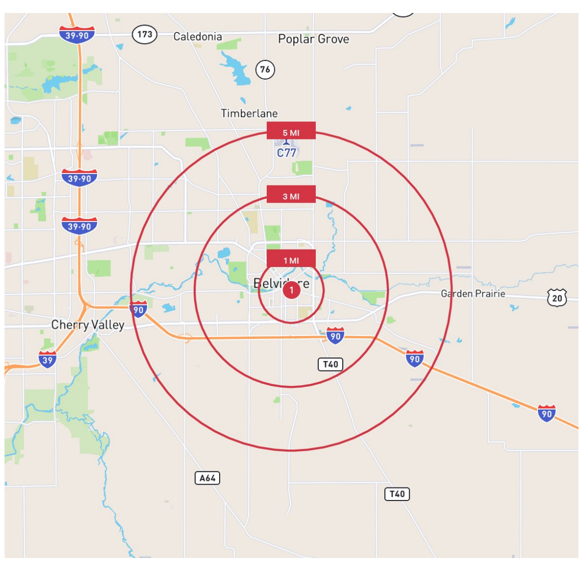
Subject Site
GATEWAY DISTRICT
HOBBY LOBBY
DOLLAR TREE
Office DEPOT
PETSMART
Panera BREAD
SUBWAY
Arby's
KOHL'S
MENARDS
meijer
jiffy lube
AMC THEATRES
DISCOUNT TIRE
MACHESNEY CROSSING
Michaels
ROSS DRESS FOR LESS
FAMOUS footwear
T.J.maxx
five BELOW
FIVE GUYS
OLD NAVY
tropical SMOOTHIE CAFE
maurices
noodles & COMPANY
ANYTIME FITNESS
Advance Auto Parts
ALDI
Pizza Hut
LOWE'S
MOD PIZZA
Freddy's STEAKBURGERS
POTBELLY
BEEF A ROO
BUFFALO WILD WINGS
Jersey Mike's SUBS
Swanson Rd
5,850 VPD
251
Old River Rd
Burden Rd
16,200 VPD
2,750 VPD
Forest Hills Rd
N Perryville Rd
Mitchell Rd
Ralston Rd
11,600 VPD
10,400 VPD
173
12,200 VPD
13,200 VPD
12,200 VPD
17,200 VPD



Oregon
Stoughton
Fort Atkinson
Greenfield
Franklin
New Glarus
Evansville
Whitewater
Milton
Racine
Janesville
Delavan
Monroe
Kenosha
Beloit
Roscoe
Harvard
Machesney Park
Waukegan
North Chicago
Freeport
Pecatonica
Rockford
Belvidere
Marengo
Crystal Lake
Highland Park
Algonquin
Forreston
Northbrook
Palatine
Mount Morris
Oregon
Elgin
Schaumburg
Evanston
Polo
Sycamore
ORD
Wayne
Rochelle
DeKalb
Maple Park
Chicago
Dixon
Wheaton
Sterling
Aurora
Naperville
39-90
43
41-94
12
32
52
90
294
88
30
55

For Sale

	1 Mile		3 Miles		5 Miles	
POPULATION						
2024 Population - Current Year Estimate	11,908		25,521		31,631	
2029 Population - Five Year Projection	11,599		24,908		30,925	
2020 Population - Census	12,118		26,022		32,238	
2010 Population - Census	12,702		26,580		32,843	
2020-2024 Annual Population Growth Rate	-0.41%		-0.46%		-0.45%	
2024-2029 Annual Population Growth Rate	-0.52%		-0.49%		-0.45%	
HOUSEHOLDS						
2024 Households - Current Year Estimate	4,525		9,404		11,642	
2029 Households - Five Year Projection	4,533		9,421		11,682	
2020 Households - Census	4,530		9,421		11,654	
2010 Households - Census	4,514		9,194		11,369	
2020-2024 Compound Annual Household Growth Rate	-0.03%		-0.04%		-0.02%	
2024-2029 Annual Household Growth Rate	0.04%		0.04%		0.07%	
2024 Average Household Size	2.60		2.69		2.70	
HOUSEHOLD INCOME						
2024 Average Household Income	$74,247		$80,805		$92,452	
2029 Average Household Income	$84,834		$92,405		$105,244	
2024 Median Household Income	$60,317		$66,676		$75,830	
2029 Median Household Income	$71,511		$78,136		$85,895	
2024 Per Capita Income	$27,634		$29,788		$34,064	
2029 Per Capita Income	$32,467		$34,970		$39,811	
HOUSING UNITS						
2024 Housing Units	**4,835**		**9,952**		**12,292**	
2024 Vacant Housing Units	310	6.4%	548	5.5%	650	5.3%
2024 Occupied Housing Units	4,525	93.6%	9,404	94.5%	11,642	94.7%
2024 Owner Occupied Housing Units	2,901	60.0%	6,476	65.1%	8,570	69.7%
2024 Renter Occupied Housing Units	1,624	33.6%	2,928	29.4%	3,072	25.0%
EDUCATION						
2024 Population 25 and Over	**7,881**		**16,902**		**21,182**	
HS and Associates Degrees	5,175	65.7%	10,893	64.4%	13,651	64.4%
Bachelor's Degree or Higher	1,059	13.4%	2,200	13.0%	3,567	16.8%
PLACE OF WORK						
2024 Businesses	356		703		830	
2024 Employees	4,032		11,963		16,287	



Contact

Karen Walsh
Senior Vice President
815 218 3438
karen.walsh@cbre.com

Agenda Item Executive Summary

Item Name	LOCiS Discussion	Committee or Board	Committee

BUDGET IMPACT			
Amount:	N/A	*Budgeted:*	N/A
List what fund:	N/A		

EXECUTIVE SUMMARY

This item provides an update on the Village's software implementation with LOCiS and summarizes recent discussions regarding performance, timeline delays, and contractual considerations. The Village has expended approximately $13,000 to date under the agreement for software, not including additional Training Costs.

Despite nearly 2 years of coordination across utility billing, payroll, accounts payable/receivable, and permitting, the Village has not received a functional system or the necessary support to proceed to go-live. Delays include a missed go-live at the end of 2024, a roughly six-month period without communication or progress, and a recent cancellation of scheduled in-person training with less than 24 hours' notice.

Staff have experienced ongoing challenges, including repeated need to validate accounting structures, lack of clear implementation guidance, and unresolved core system components. As a result, the Village has been required to continue utilizing its existing software beyond the anticipated transition timeline.

LOCiS has indicated they could complete implementation within approximately two weeks with dedicated onsite support, though this has not been demonstrated to date, while also acknowledging shortcomings in project execution thus far. This timeline would not allow for planned resident communication regarding new payment links and related system changes that are central to the go-live process.

While the agreement states that payments are noncancelable and nonrefundable, those payments are made in exchange for the delivery and use of the software and related services. To date, the Village has not received a system that is operational for its intended use. The Village has also incurred additional costs through engaging specialists to validate its accounting structure, as well as continued costs and staff time associated with maintaining its existing software beyond the anticipated transition timeline. LOCiS did indicate that refunds related to training may be considered in cases where training provided was inadequate.

Frontline staff who would be responsible for daily use of the system no longer have confidence in the product given the Village's experience throughout the 2-year implementation process.

Staff is seeking direction from the Committee of the Whole on how to proceed regarding the LOCiS Agreement, including consideration of continuing with LOCiS or pursuing termination of the agreement.

ATTACHMENTS (PLEASE LIST)

LOCiS Agreement

ACTION REQUESTED

☒For Discussion Only

☐Resolution

☐Ordinance

☐Motion:

MOTION:

Staff:	Joseph Dienberg, Village Administrator	Date:	4/1/2026

4000 W. Jefferson St.
Joliet, Illinois 60431-4718
(815) 744-0011
Fax (815) 744-8182

Village of Winnebago		**Date:**	June 3, 2024
Joey Dienberg			
108 W Main St		**Phone:**	(815) 335-2020
Winnebago, IL 61088		**e-Mail:**	jdienberg@villageofwinnebago.com

Dear Mr.Dienberg,

I would like to thank you for joining the LOCiS program and we welcome you to the LOCiS family.

Enclosed you will find a Software License Agreement, Current Rate Structure and corresponding invoices. Please sign and return all copies to our **Joliet Office along with a check per the invoice enclosed.** Once we have received all signed agreements, and your check, we will forward executable copies for your records.

If you have any questions or if I can be of any further assistance, please, don't hesitate to call.

Sincerely,

Frank Zima

Frank Zima
System Consultant
LOCIS

SOFTWARE LICENSE AGREEMENT

(LOCIS V.8)

This Software License Agreement is made and entered into as of the last date of execution below ("Effective Date") by and between Local Government Computer and Information Service, Inc. ("LOCIS"), an Illinois corporation and the undersigned (hereinafter referred to as "Licensee") determines the rights and licenses granted to the Licensee supplied by LOCIS hereunder. LOCIS and Licensee are collectively referred to herein as "Parties" and individually as "Party".

1. DEFINITIONS.

1.1. "<u>Custom Developments</u>" means changes to the Software (hereinafter defined) in order to incorporate any specific configurations or customizations requested by Licensee and approved of by LOCIS in writing.

1.2. "<u>Documentation</u>" means all documents related to Software supplied by LOCIS to Licensee, whether in physical or electronic format, including any amendments or changes thereto.

1.3. "<u>Fees</u>" means the fees to be paid for Software, Custom Development and Services provided by LOCIS.

1.4. "<u>Intellectual Property</u>" means any and all registered and unregistered rights granted, applied for, or otherwise now or hereinafter in existence under or related to any patents, patent applications (including any foreign, divisional, continuation or continuations-in-part, reissues, reexams, and extensions based on or related to the same), copyrights, mask works, trademarks, service marks, trade names, domain names/websites, inventions, improvements (whether patentable or not), trade secrets, Confidential Information, moral rights, and any other intellectual property and similar proprietary rights, in any part of the world.

1.5. "<u>Invoice</u>" means the document in, or a form substantially similar to the document in Appendix A, signed by the Parties, from time to time, indicating the Software and/or Services that LOCIS will provide to Licensee, the terms, and the Fees for the provision of such Software and/or Services.

1.6. "<u>User</u>" means Licensee and any Licensee's affiliates, employees, agents, contractors, and any other individual or entity that accesses Licensee’s copy of the Software.

1.7. "Services" means any services provided by LOCIS to Licensee related to the Software, Customer Developments, Support as defined in Section 1.9, and any other Services LOCIS agrees to in writing to provide Licensee.

1.8. "Software" means the LOCIS software application Licensee licensed as described in the Invoice, together with any Custom Developments and any and all Updates, enhancements or modifications of the Software made by LOCIS unless otherwise agreed to in writing by the Parties.

1.9. "Support" refers to the support services as described in the Licensee's Software License Standard Support Terms, as amended from time to time.

2. PROVISION OF SOFTWARE AND SERVICES.

2.1. License. Subject to the terms and conditions of this Agreement, LOCIS hereby grants to Licensee a revocable, non-exclusive, non-assignable, non-transferable, and non-sub licensable license(“License”) to use the Software. In this Agreement, the use of the Software includes to download, install, and access the Software and the Documentation but only for the number of concurrent Users as identified in the Invoice and only for such purposes as hereinafter provided. Licensee is not granted rights to any Support unless Licensee purchases Support through the Software License Standard Support Terms, which are incorporated herein by reference.

2.2. Delivery. Subject to the terms and conditions of this Agreement, LOCIS will provide Licensee with the necessary access to the Software (including providing the necessary license codes) or to download the Software, as the case may be. LOCIS intends that all materials will be delivered to Licensee in an electronic format. If Licensee requires delivery of the Software or Documents in any other manner, then LOCIS may deliver such physical materials to Licensee, provided that (1) Licensee shall pay any additional or increased cost for delivery; (2) Licensee provides written instruction for the delivery of such physical material and (3) Licensee acknowledges and assumes any and all risk of loss associated with the delivery of the physical material to Licensee.

2.3. Custom Developments. LOCIS may provide Licensee with Custom Developments for an additional Fee. All Custom Developments will be provided as a License. Any agreement for the provision of such Custom Developments must be in writing (similar to the Invoice) and shall be subject to terms of this Agreement. Notwithstanding, LOCIS may provide additional services as agreed to in writing by the Parties, which may incur additional fees and shall be subject to the terms of this Agreement. If the scope of work changes, the Parties will use good faith efforts to negotiate any changes to the Fees or other terms.

2.4. Support. The Software License Standard Support Terms apply only if Licensee has purchased Support. After the Support term or the term of this Agreement expires, Licensee has no further rights to receive any Support including Upgrades, Updates, and Standard Telephone Support. LOCIS may, at LOCIS’s sole discretion and approval, engage or otherwise utilize a third party to provide LOCIS with the Support. Licensee may change the Support offered at any time, effective as of the commencement of any Support renewal period.

2.5. Installation Upon a Server. If the Software is to be installed upon the Licensee's server, LOCIS will provide its normal software installation services pursuant to the Invoice. Any other installation services shall be agreed upon in writing by LOCIS and may incur additional fees.

2.6. User Access and Enabling Keys. Licensee acknowledges that access to the Software may be managed by license management software and enabling keys, which have specific hardware and system requirements. Licensee agrees and warrants that all hardware upon which the Software will be installed shall meet the hardware and system requirements specified by LOCIS from time to time, including without limitation, remaining connected to a working internet connection.

2.7. Additional Purchases. Licensee may purchase additional concurrent Users, additional software add-ins or hosting services by contacting LOCIS. Upon LOCIS's acceptance of Licensee's order for additional purchases, LOCIS will process Licensee's order and issue an Invoice to Licensee. Delivery of any additional purchases will be made solely upon LOCIS's agreement and receipt of payment in full for the additional purchases in accordance with the Invoice and the terms of this Agreement, and execution of any additional agreements for the provision of such services.

3. FEES.

3.1 Fees. LOCIS will invoice Licensee with payment terms for agreed upon Services. LOCIS may also separately invoice Licensee for Custom Developments, Support or other Services provided hereunder, at LOCIS's billing rate, as amended from time to time. A copy of LOCIS's current billing rate is attached as Appendix A. If Licensee feels an Invoice is incorrect, Licensee may request an adjustment in writing within thirty (30) days of the date of the Invoice.

3.2 Payment. Unless otherwise agreed to in writing by the Parties, all fees required under this Agreement shall be paid to LOCIS prior to the delivery of the Software to Licensee or prior to the provision of any Services. All payments are noncancelable and nonrefundable. Licensee may make payment by credit card. Credit card payment is subject to the approval of the financial institution issuing the credit card. If the credit card information provided by Licensee is incorrect or invalid, LOCIS will not be able to process Licensee's payment. LOCIS assumes no responsibility or liability if the financial institution refuses to accept or honor your check or credit card. In the event LOCIS is unable to process any payment for any reason or receives notice that Licensee's check is refused or Licensee's credit card payment rejected or disputed, LOCIS may reject Licensee's application to receive Services and license the Software and/or may suspend Licensee's receipt of Services or access to the Software until valid payment in full is received. We will strive to provide notice of such rejected payment by emailing Licensee at the email address provided to us.

3.3 Taxes. The License fees and fees for Custom Developments, Support or other Services do not include any applicable taxes, which such taxes shall be paid by Licensee and will be separately stated on the Invoice. Licensee must reimburse LOCIS and hold LOCIS harmless for all sales, use, VAT, excise property, withholding or other taxes, if any, which LOCIS may be required to collect or remit on behalf of Licensee to applicable taxing jurisdictions in connection with the License, Software, Documentation, Support or other Services provided to Licensee under the terms of this Agreement.

3.4 Interest and Late Fees. Past due accounts shall be charged interest on a monthly basis calculated at the greater of: (i) one and one-half percent (1.5%) per month of the unpaid balance or (ii) the maximum rate allowable by law.

4. TERM AND TERMINATION.

4.1 Term. The term of this Agreement shall be begin on the Effective Date and continue for a period of one (1) year and shall automatically renew for subsequent one (1) year periods, unless a party gives notice to the other party thirty (30) days prior to the expiration of the then current term of an intent not to renew.

4.2 Termination. Either Party may terminate this Agreement if the other Party breaches any of its material terms or conditions and fails to cure such breach within thirty (30) calendar days of written notice thereof; provided, however, that if the breach cannot be reasonably cured within thirty (30) days, the Agreement shall not terminate as long as the breaching Party shall have commenced a cure within that time period and shall, with reasonable diligence, prosecute the cure without interruption until completed. Notwithstanding the foregoing (a) in the event such breach by Licensee is a failure to pay Fees, such breach must be cured within five (5) days after receipt of written notice, otherwise the LOCIS may terminate this Agreement; (b) LOCIS may terminate this Agreement in the event the Licensee (i) files for or has filed against it a bankruptcy petition, and such petition is not dismissed within sixty (60) days of the filing date; (ii) ceases to conduct business in the normal course; (iii) makes an assignment for the benefit of its creditors, (iv) is liquidated or otherwise dissolved, (v) becomes insolvent or unable to pay its debts in the normal course, or (vi) has a receiver, trustee or custodian appointed for it; and (c) LOCIS may suspend access to the Software and/or Services, at any time and without notice, in the event LOCIS reasonably believes Licensee materially breached a provision of this Agreement, including without limitation a failure to pay any amount due and owing, and the misuse of the Software, Documentation, or Confidential Information. Termination is not an exclusive remedy, and all other remedies will be available whether or not the License is terminated.

4.3 Rights After Expiration or Termination. Upon expiration or termination of this Agreement, LOCIS will immediately terminate Licensee’s access to and use of the Documentation and the Software, along with any other Services. Upon expiration or termination of this Agreement, Licensee shall immediately cease to make use of the Software, Documentation, Custom Developments, Services and any Confidential Information received from LOCIS and Licensee must uninstall the Software, delete any installation files and return to LOCIS any other Software, Documentation or other materials provided by LOCIS, whether in written or electronic form, regarding the Software, Documentation or Services provided under this Agreement and certify in writing such return or destruction. Termination is not an exclusive remedy. The following paragraphs shall survive any termination of this Agreement: 1, 3, 5, 6, 7, 8, 9, 10, 11, 13 and 14.

5. CUSTOMER OBLIGATIONS.

5.1 Restrictions on Use. Access to and use of the Software and Documentation is intended solely for Licensee's internal business use and as provided for herein. Licensee must not (and must ensure that Licensee, Licensee's affiliates, employees, agents, contractors, and any other individual or entity that accesses Licensee's copy of the Software) (i) decompile, mirror, translate, disassemble or otherwise reverse engineer any part of the Software or Documentation, source code, algorithms, or underlying ideas of the Software or Documentation; (ii) copy, assign, provide, lease, lend, subcontract, sublicense, re-publish or use for timesharing, service bureau or hosting purposes any or all of the Software or Documentation; (iii) reproduce, modify, copy, distribute, publish, display or create derivative works of any or all of the Software or Documentation or (iv) alter, remove, or obscure any copyright, trademark or other proprietary notices or confidentiality legends on or in the Software or Documentation. Licensee must inform Licensee's affiliates, employees, agents, contractors, and any other individual or entity that accesses Licensee's copy of the Software, that they are subject to, and must comply with all of the terms of this Agreement, and any other agreement incorporated herein. Licensee shall be liable for the failure of Licensee's, or any of Licensee's affiliates, employees, agents, contractors, and any other individual or entity that accesses Licensee's copy of the Software, Custom Developments, or Services failure to comply with the terms of this Agreement, or any agreement incorporated herein.

5.2 Prohibited Uses. Licensee may not use the Software or Documentation, or any part or component thereof (i) for any purpose other than Licensee's internal business purposes and as permitted by this Agreement (ii) to post, submit or transmit unlawful, harmful, tortuous, defamatory, profane, libelous, hateful or otherwise offensive material, (iii) to discuss, incite or otherwise solicit illegal activity, (iv) in any manner that violates or infringes upon the rights of any individual or other person, including, but not limited to intellectual property, publicity or privacy rights, or (v) in any manner that violates any law, rule, or regulation governing this Agreement or any agreement incorporated herein.

5.3 Audit. During the term of this Agreement and for one (1) year thereafter, Licensee must maintain accurate records of Licensee's use of the Software, Documentation, and Confidential Information. Upon ten (10) days prior written notice to Licensee, LOCIS or its designated agent shall have the right to inspect Licensee's records during business hours solely for the purpose of verifying Licensee's compliance with the terms of this Agreement. In the event such audit reveals a material noncompliance with the terms of this Agreement, Licensee must reimburse LOCIS for all reasonable costs of such audit.

6. CONFIDENTIALITY.

6.1 Definition. "Confidential Information" means information of LOCIS which is disclosed under this Agreement in oral, written, graphic, machine recognizable, electronic or any other visually perceptible form by one of us to the other, and which is considered to be proprietary or trade secret by LOCIS, including, without limitation, customers, suppliers, business practices, business plans, technical information, software (including the Software and Custom Developments), source code, product ideas, plans, methods, processes, designs, know-how, experience, concepts, formulas, algorithms, research, studies, discoveries, inventions, technologies, and marketing information of products and services. LOCIS's Confidential Information expressly includes, without limitation, the Software and Documentation. Confidential Information shall not include information which the Licensee can document: (i) was in the possession of or known by it without an obligation of confidentiality prior to receipt of the information, (ii) is or becomes general public knowledge through no act or fault of the Licensee, (iii) is or becomes lawfully available to the receiving party from a third party without an obligation of confidentiality, or (iv) is independently developed by the receiving party without use of any Confidential Information.

6.2 Use of Confidential Information. Use of Confidential Information is expressly prohibited except as hereinafter provided. Confidential Information may not be, directly or indirectly, copied, reproduced, distributed or otherwise used by the Licensee except to the extent necessary for the Licensee to perform under the terms of this Agreement and then only for the sole benefit of the Licensee. Licensee may not, directly or indirectly, sell, license, lease, assign, transfer or disclose the Confidential Information, except as allowed under the terms of this Agreement or upon written consent LOCIS. Licensee may permit its Users to use the Software, Custom Developments and Documentation solely on Licensee's behalf, provided such Users are subject to or agree in writing to be bound by confidentiality and other restrictions, at least as stringent as those in this Agreement, before accessing the Software, Documentation or Confidential Information; and Licensee shall be liable for any breach of this Agreement by any User and indemnify LOCIS pursuant to Article 10.

6.3 Disclosure Required by Law. In the event that any Confidential Information is required to be disclosed pursuant to any law, code, regulation or court order from a court of competent jurisdiction, the Licensee shall give the LOCIS immediate notice of such requirement and shall use its best efforts to seek or to cooperate with the LOCIS in seeking a protective order with respect to the Confidential Information requested.

7. OWNERSHIP OF INTELLECTUAL PROPERTY.

LOCIS (together with its suppliers, as applicable) retains all right, title and interest in and to the Software, Documentation, Custom Developments, and related Intellectual Property, and any work product and related Intellectual Property created by or for LOCIS as a result of any Services, including without limitation any Custom Developments. Upon full payment to LOCIS of all sums due for the any Custom Development, the Custom Developments will become "Software" with the rights and restrictions set forth in this Agreement. Nothing in this Agreement conveys any ownership interest therein to Licensee, other than the limited right to access and use the Software and Documentation as provided in this Agreement. Any suggestions, solutions, improvements, corrections or other contributions Licensee provides regarding the Software or Documentation shall become the property of LOCIS and Licensee hereby assigns all such rights to LOCIS without charge.

8. WARRANTY.

8.1 Limited Warranty. The LOCIS warrants for a period of ninety (90) days from the date of delivery of Software hereunder that (i) such Software, as so delivered, if properly used and installed, shall substantially conform to the Custom Developments and operate in accordance with the then current Documentation; (ii) the Software shall be and has been developed in accordance with industry standards under normal use; and (iii) support and other services will be provided in material accordance with industry standards. No other representations or warranties as to the use, functionality or operation of the Software, Documentation, Custom Developments or Services are made by LOCIS other than as expressly stated in this Agreement. Licensee's exclusive remedy under this section is the replacement of any defective media on which the Software is furnished.

8.2 System Requirements. Licensee recognizes that the Software is intended to perform with, and LOCIS provides the Services based upon, the system requirements specified by LOCIS, as those may be updated by LOCIS from time to time. LOCIS shall have no liability for any failure of the Services or the Software based upon Licensee's failure to comply with such system requirements.

8.3 No Warranty. The warranties set forth in this Agreement do not apply to (i) any third-party software and any hardware furnished with or accompanying the Software; (ii) any modifications of the Software made by Licensee or the User, or otherwise without the consent of the LOCIS; (iii) use of the Software, Documentation, or Confidential Information by Licensee or the User for any purpose other than that authorized in this Agreement, (iv) use of the Software or Documentation by Licensee or the User, in combination with any other software, data or products that are defective, incompatible with, or are not otherwise authorized by LOCIS for use with the Software or Documentation, (v) the failure of Licensee or the User, to use any bug fixes, corrections, patches, updates, upgrades or new or corrected versions of the Software or Documentation made available to Licensee by LOCIS; (vi) any malfunction of Licensee's software, hardware, computers, computer-related equipment, network connection, or other items Licensee utilizes to operate the Software, and (vii) an event of Force Majeure. LOCIS uses third party cloud storage and services in the provision of the Services. LOCIS makes no representations or warranties and will not have any liability for (i) the failure or unavailability of such third-party storage and services or (ii) the dissemination of any information held by such third-party cloud storage and services provider.

8.4 Disclaimer. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND ARE MADE IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, WHICH ARE HEREBY DISCLAIMED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF NONINFRINGEMENT, TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTIES ARISING OUT OF A USE IN TRADE OR COURSE OF DEALING OR PERFORMANCE. LOCIS DOES NOT WARRANT (i) THAT ACCESS TO OR USE OF ALL OR ANY PART OF THE SOFTWARE OR DOCUMENTATION WILL BE CONTINUOUS, ERROR-FREE OR UNINTERRUPTED, (ii) THAT THE RESULTS

ARISING OUT OF LICENSEE'S USE OF THE SOFTWARE OR DOCUMENTATION WILL BE ACCURATE, COMPLETE OR ERROR-FREE, OR (iii) THAT THE SOFTWARE OR DOCUMENTATION WILL MEET LICENSEE'S NEEDS. LOCIS FURTHER DISCLAIMS ANY AND ALL LIABILITY, INCLUDING ANY EXPRESS OR IMPLIED WARRANTIES, WHETHER ORAL OR WRITTEN, FOR THIRD PARTY CLOUD STORAGE AND SERVICES. THE LICENSEE ACKNOWLEDGES THAT NO REPRESENTATION HAS BEEN MADE BY THE LOCIS AS TO THE FITNESS OF THE THIRD-PARTY SERVICES FOR THE INTENDED PURPOSE.

9. INDEMNIFICATION.

9.1. Licensee's Indemnification. Licensee will indemnify, defend, and hold harmless LOCIS from and against any and all liability, damage, loss or expense (including reasonable attorneys' fees) arising out of (i) any claim, demand, action or proceeding, statutory or otherwise, based on allegations arising as a result of Licensee's or User's use of the Software, Documentation or Services by Licensee in a manner not expressly described or permitted by this Agreement; (ii) Licensee's or User's infringement, misuse, or misappropriation of any third party Intellectual Property rights, (iii) use of the Software, Documentation or Services by Licensee or User in any unlawful manner or for any unlawful purpose, (iv) breach or alleged breach of any obligation, representation or warranty contained in this Agreement by Licensee or User, (v) the negligent or willful acts or omissions of Licensee or the User resulting in any bodily injury or death to any person or loss, disappearance, or damage to tangible or intangible property.

9.2. LOCIS's Indemnification. LOCIS will at its own expense (including payment of attorneys' fees) defend Licensee in the event that any suit is brought against Licensee based on a claim from a third party that Licensee's use of the Software as permitted by this Agreement directly infringes any valid U.S. Intellectual Property right and shall indemnify Licensee from any amounts finally assessed against Licensee in a resulting judgment or settlement of such claims. Notwithstanding the foregoing, LOCIS shall have no obligations under this Section 9.2 if any claim for infringement is solely or in part based upon or arising out of (i) any modification or alteration to the Software not made by LOCIS, (ii) any combination or use of the Software with products, hardware or services not supplied by LOCIS or approved for use with the Software or Documentation in writing by LOCIS, (iii) Licensee's continuance of allegedly infringing activity after being notified of such activities, or after being informed of modifications that would have avoided the alleged infringement, (iv) Licensee's failure to use corrections or enhancements made available by LOCIS, (v) use of the Software not in accordance with the applicable Documentation or outside the scope of this Agreement, (vi) Licensee's use of the Software in an otherwise patented processes or business method, or (vii) the use of the Software in a manner for which it was neither designed nor contemplated. LOCIS shall not be liable for any cost or expense of defense incurred by Licensee in connection with any such suit or claim, without LOCIS's prior and specific written consent.

9.3. Notification. The indemnification obligations set forth above will apply only if and to the extent (i) the indemnified party gives prompt written notice to the indemnifying party of the assertion of any such claims, demands, action or proceeding, (ii) the indemnifying party has the right to select counsel and control the defense and all negotiations for settlement thereof and (iii) the indemnified party provides all reasonable information, assistance and cooperation required to defend such claim, demand, action or proceeding. The indemnifying party shall not settle or dispose of any such claim, demand, action or proceeding without written notification to the indemnified party provided the settlement or disposal materially adversely impacts the indemnified party.

9.4. Remedies. If any portion of the Software or Documentation becomes, or in LOCIS' opinion is likely to become, the subject of a claim of infringement, then LOCIS may, at its sole discretion, (i) procure for Licensee the right to continue using the Software or Documentation, (ii) replace or modify the Software or Documentation so that it becomes non-infringing without material loss of functionality, or (iii) if the preceding remedies in (i) and (ii) are in LOCIS' judgment not reasonably practicable, terminate this Agreement, along with the License, and refund to Licensee the balance of any related Fees pre-paid but unearned prior to such termination. The foregoing remedies constitute Licensee’s sole and exclusive remedies under this Section 9.4, and LOCIS’s entire liability and obligation, with respect to any suit or claim for infringement or misappropriation of third-party Intellectual Property or other right by the license and/or use of the Software.

10. LIMITATION OF LIABILITY.

LOCIS IS NOT LIABLE OR RESPONSIBLE FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF DATA, COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY BREACH OF THIS AGREEMENT, EVEN IF LOCIS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS LIMITATION APPLIES TO ALL CAUSES OF ACTION, WHETHER ASSERTED ON THE BASIS OF CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), STATUTE OR OTHERWISE. UNLESS OTHERWISE SPECIFICALLY STATED, ALL REMEDIES AVAILABLE UNDER THIS AGREEMENT AND ALL REMEDIES PROVIDED BY LAW WILL BE DEEMED CUMULATIVE AND NOT EXCLUSIVE. REGARDLESS OF THE FORM OF ANY CLAIM LICENSEE MAY HAVE ARISING UNDER OR RELATING TO THIS AGREEMENT, LOCIS'S LIABILITY FOR ANY DAMAGES TO LICENSEE UNDER THIS AGREEMENT SHALL NOT EXCEED THE LESSER OF (I) THE REMEDY SPECIFICALLY STATED IN THIS AGREEMENT OR (II) THE FEES LICENSEE HAS PAID TO LOCIS PURSUANT TO THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

11. MARKETING.

Licensee agrees and authorizes LOCIS to identify Licensee as a customer of LOCIS using Licensee’s name and/or logo in LOCIS's written promotional and marketing materials, as well as in any oral or visual presentations regarding the business of LOCIS.

12. COMPLIANCE WITH LAWS/GOVERNMENT APPROVALS.

Each party warrants that it will comply in all respects with all government laws and regulations, including without limitation any and all export restrictions. Licensee will not knowingly transfer, export or re-export Software, Custom Developments or Documentation or LOCIS's Intellectual Property or Confidential Information, directly or indirectly, to (i) any country to the extent export to such country at the time of export requires an export license or other governmental approval, without first obtaining such license or approval or (ii) any country prohibited by the Department of Treasury or its Office of Foreign Asset Control or to any individual on the list of Specially Designated Nationals. Licensee may not sell, transfer, export or re-export any Software or Documentation or LOCIS's Intellectual Property or Confidential Information for use in activities that involve the design, development, production, use or stockpiling of nuclear, chemical or biological weapons or missiles. nor use products in any facility that engages in activities relating to such weapons. Licensee are responsible for and take all necessary steps to obtain any approval and effect any registration of this Agreement required under the laws, regulations or practices of any country, and shall indemnify LOCIS for any damage arising out of Licensee's application for or failure to apply for such approvals.

13. GENERAL PROVISIONS.

13.1 Assignment. This Agreement will inure to the benefit of and be binding upon the Parties and the Parties' respective permitted transferees, successors and assigns. Notwithstanding the foregoing, Licensee may not assign or otherwise transfer this Agreement or Licensee's rights and obligations under this Agreement without the prior written consent of LOCIS, and any purported assignment or other transfer without such consent will be void and of no force or effect. LOCIS may assign and/or transfer this Agreement or LOCIS's rights and obligations under this Agreement at any time and without the consent of Licensee.

13.2 Equitable Relief. Any breach of Sections 6 or 7 will cause irreparable harm to the other party. The Parties agree that the non-breaching party may enforce the provisions of Sections 6 or 7 by seeking an injunction, specific performance or other equitable relief without prejudice to any other rights and remedies the non-breaching party may have.

13.3 Modification and Waiver; Severability. Any modifications of this Agreement must be in writing and signed by the Parties. A waiver by either party of a term or condition will not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Agreement. Should any arbitrator or court of competent jurisdiction determine that any term or provision of this Agreement is unenforceable, or otherwise invalid, the offending term or provision will be modified to the minimum extent necessary to render it enforceable. If such modification is not possible, the term or provision will be severed from this Agreement with the remaining terms to be enforced to the fullest extent possible under the law.

13.4 Force Majeure. A delay in or failure of performance under or related to this Agreement by a party shall not constitute a default or breach, nor shall a party be liable to the other party for loss or damage under or related to this Agreement, if and to the extent that such delay, failure, loss, or damage is caused by an occurrence beyond the reasonable control of a party, its agents, employees, contractors, subcontractors, and consultants, including, but not limited to, acts of God or the public enemy, expropriation or confiscation of facilities, compliance with any order or request of any governmental authority or person purporting to act therefor, acts of declared or undeclared war, weapon of war employing atomic fission or radioactive force, whether in the time of peace or war, public disorders, rebellion, sabotage, revolution, earthquakes, tornadoes, floods, riots, strikes, labor or employment difficulties, delays in transportation, national emergencies, epidemics, pandemics (including, but not limited to, the COVID-19 pandemic and all related stay-at-home, shelter-in-place, and social distancing orders and directives), or any other causes, whether direct or indirect, and whether or not of the same class or kind as those specifically above named, not within the reasonable control of a party, its agents, employees, contractors, subcontractors, and consultants, and which by the exercise of reasonable diligence a party is unable to prevent. A party will not be entitled to the benefits of this section unless it gives reasonably prompt written notice to the other party of the existence of any event, occurrence, or condition which it believes permits a delay in or an excuse of the performance of its obligations pursuant to this section; provided, however, if the other party is already aware of such event, occurrence, or condition, no such written notice shall be required. Each party acknowledges and agrees that the COVID-19 pandemic, the related stay-at-home, shelter-in-place, and social distancing orders and directives, collectively constitute an event of force majeure under this section, and that none of the entities were required to provide notice of such event of force majeure to the other entities. Each party shall work in good faith to address and mitigate the effects of such event of force majeure and to commence performance under and related to this Agreement as soon as reasonably practical. This section is not applicable to Licensee's obligation to pay Fees. If a Force Majeure event continues to exist for more than 30 consecutive days, either Party may terminate this Agreement by providing written notice to the other Party.

13.5 Independent Contractors. The Parties will be deemed to have the status of independent contractors, and nothing in this Agreement will be deemed to place the Parties in the relationship of employer-employee, principal-agent, or partners or joint ventures. Neither party has the authority to bind, commit or make any representations, claims or warranties on behalf of the other party without obtaining the other party's prior written approval. Licensee is responsible for paying all of Licensee's federal and state taxes, withholding, social security, insurance, and other benefits on behalf of Licensee and Licensee's employees. If the Internal Revenue Service, any state or local agency, or a court of competent jurisdiction determines that LOCIS is a subject to withholding and payroll taxes (e.g., federal income tax, FICA, FUTA, etc.), Licensee will indemnify and hold LOCIS harmless from all such withholding and payroll taxes, and related interest and penalties, if any, assessed against LOCIS in connection with such determination.

13.6 Notices. Any notices shall be in writing in the English language and effective (i) immediately, if delivered by hand; (ii) after ten (10) days if sent by first class certified or registered mail, return receipt requested; (iii) upon written confirmation of receipt issued by the recipient to the sender, if sent by email; (iv) the next business day, if sent by commercial overnight courier service, to the address below, or such other address as a Party provides to the other; or (v) the next business day, if successfully sent by facsimile to the number below, or such other number as a Party provides to the other.

LOCIS's address for such notices is set forth below. Licensee's address for such notices will be the address on file with LOCIS as provided by Licensee. Such address or contact information may be revised from time to time by provision of notice as described in this section.

LOCIS
4000 W. Jefferson St.
Joliet, IL 60431

13.7 Governing Law and Dispute Resolution. This Agreement is to be construed and governed by the laws of the United States and the State of Illinois without regard to conflict of law's provisions. The Parties agree that this Agreement is not subject to and shall not be interpreted under the United Nations Conventions on Contracts for the International Sale of Goods or the Uniform Computer Information Transactions Act as it may exist in any state. Any dispute arising out of or in connection with this Agreement, which cannot be settled amicably between the Parties, must be brought exclusively in the appropriate court located in Will County, Illinois, and Licensee expressly waives any and all objections regarding jurisdiction and forum nonconviens. If either LOCIS or Licensee employs attorneys to enforce any rights arising out of or relating to this Agreement, the prevailing party will be entitled to recover reasonable attorneys' fees and costs.

13.8 Electronic Signatures. Facsimile signatures or any other form of electronic signatures are binding and fully enforceable to the same extent as written signatures. Licensee understands that Licensee's act of accessing or using the Software constitutes Licensee's electronic signature and consent to the terms of this Agreement.

14. ENTIRE AGREEMENT.

This Agreement, together with its Appendices, one or more Invoices and any Custom Developments, constitute the entire agreement between Licensee and LOCIS with respect to the subject matter discussed. In case of a conflict between the terms of the Agreement and any appendices, Invoices, or Custom Developments, this Agreement shall control to the extent of the inconsistency.

LOCIS:	**Local Government Computer and Information Services Inc.**	**LICENSEE:**	Village of Winnebago
SIGNATURE:		**SIGNATURE:**	
NAME (PRINTED)	FRANK J. MCKAY	**NAME (PRINTED)**	
TITLE:	PRESIDENT	**TITLE:**	
DATE:		**DATE:**	

Rates as of contract date.
All rates subject to change.
Appendix A

Current Rate Structure

BILLING RATES

Effective January 1, 2024

SERVICES

Technical Support – Training – On-Site Implementation Onsite or remote training, implementation, assistance or normal support of the use of the software.	**$100.00 Per Hour**
IT/Network Administration System Administration, set-up, support, and modification to existing network environment, support of network environment, support of network, administration for security/user levels, hardware additions. All services that involve network system integration including Anti-Virus/Spyware software/configuration or having to reconfigure any pre-existing software which prohibits LOCiS from operating correctly.	**$110.00 Per Hour**
Accounting/Auditing Assistance Provide assistance in audit preparation, bank reconciliation, balancing, generating and verifying financial statements, ledgers and appropriate corrections/adjustments. Providing the required assistance in designing (reorganizing or renumbering) the chart of accounts for detail analysis and board/audit review.	**$110.00 Per Hour**
Consulting / System Design/Programming Specific request for modification to existing program or data conversion from existing system to the LOCiS Modules. Programming and Import/Export to other 3rd Party Application. The review of existing operations and the design and layout of future changes for both internal operation (Software) and external operation (Hardware / Networking). System Administration, set-up, support, and modification to existing network environment, support of network environment, support of network, administration for security/user levels, hardware additions. All services that involve network system integration.	**$175.00 Per Hour**
Travel Time from Office* Travel time from the LOCIS / technician office to your site will be charged	**$ 60.00 Per Hour**

* All rates listed above are Monday through Friday 8 to 5 excluding holidays. Any hours of work which are provided outside of normal business hours are billed at 125 percent of the normal rate of work.

INITIAL _______

Agenda Item Executive Summary

Item Name	Discussion of State Legislation Impacting Municipalities	Committee or Board	Committee

BUDGET IMPACT			
Amount:	N/A	*Budgeted:*	N/A
List what fund:	N/A		

EXECUTIVE SUMMARY

The Village Board is asked to discuss whether it wishes to take a formal position through resolutions either supporting or opposing recent State of Illinois legislative proposals impacting municipalities.

The Illinois Municipal League (IML) has urged municipal leaders to oppose the Governor's proposed reduction to the Local Government Distributive Fund (LGDF), which would decrease the municipal share of state income tax revenues and result in reduced funding growth for local governments.

Additionally, IML is opposing several housing-related legislative proposals associated with the Governor's "BUILD" initiative. These proposals would preempt local control over zoning and land use decisions by establishing statewide standards and requirements.

In a recent Illinois Municipal League Statehouse Briefing distributed on Monday, March 23, IML encouraged municipalities to adopt resolutions opposing both the LGDF reduction and the proposed housing preemption legislation.

This item is presented for discussion to determine if the Village Board would like to take a formal position on either or both matters and consider adoption of future resolutions.

ATTACHMENTS (PLEASE LIST)

IML Memo – LGDF Reduction, IML Memo – Municipal Housing Authority / BUILD Proposal

ACTION REQUESTED

☒For Discussion Only

☐Resolution

☐Ordinance

☐Motion:

MOTION:

Staff:	Joseph Dienberg, Village Administrator	Date:	April 1, 2026

DATE: **March 4, 2026**

TO: **IML Board of Directors**

FROM: **Brad Cole, Chief Executive Officer**

RE: **Preserve Municipal Housing Authority**

On February 18, Governor JB Pritzker, in his State of the State Address and State Budget Address, outlined a significant housing initiative that is a broad preemption of local authority for land use and zoning. Governor Pritzker presented the "Building Up Illinois Developments" (BUILD) plan as an affordability solution to housing issues allegedly caused by local zoning and land use policy. Immediately following the speech, the Illinois Municipal League (IML) released a statement (available via this link) advocating for the preservation of municipal authority to implement housing programs and reiterating that the issue of cost and availability of housing in Illinois is not caused by comprehensive planning and local zoning. Yesterday, IML sent a letter (available via this link) requesting to be included in all future conversations, legislative working group meetings and/or other discussions that pertain to the BUILD plan and as relates to municipal authority.

BUILD proposes statewide zoning standards, including minimum lot sizes, mandates increased residential density allowances, legalizes accessory dwelling units, limits minimum parking requirements, authorizes third-party plan reviewers and building inspectors and creates a statewide formula related to impact fees. The BUILD plan broadly preempts local authority on issues that are entirely local.

IML has a dedicated webpage for housing, land use and zoning resources, iml.org/housing (available via this link), to inform state and local officials and to advocate against the preemptions and mandates in this legislation. The webpage features community statements, IML fact sheets, bill positions and tracking, correspondence, position papers, publications and other resources, and will be updated with additional information as IML advocates against broad housing preemption proposals.

To the extent there are concerns, rightfully, with the cost or availability of housing, the issue is not caused by comprehensive planning or local zoning. More direct causes are state mandates affecting residential construction costs, state policies that pressure local property tax rates upward and developer costs. Illinois communities vary widely in geography, population density, infrastructure capacity and housing demand. Uniform statewide standards cannot adequately reflect those differences or the planning efforts underway or completed in many municipalities. Zoning and land use decisions are best made locally by the leaders elected in each community.

IML is asking local officials to contact their State Representative and State Senator to voice opposition to housing, land use and zoning proposals that will negatively impact all municipalities.

Please share with your legislators the impact of these mandates and preemptions on your community and ask them to commit to support existing municipal authority. All legislators must hear from their local officials on these critical issues. Once you have spoken with your legislator, please submit feedback to us through this online submission form (available via this link), so IML can track each legislator's committed position.

IML has also developed a model resolution (available via this link) that may be adopted by your city, village or town in general support of the existing municipal housing authority for land use and zoning. This resolution reiterates that community-led policies for land use and zoning should be preserved. If your municipality adopts IML's model resolution or any similar resolution, please send a copy to us by email at IMLLegislation@iml.org.

BUILD preemptions have been filed in seven different pieces of legislation for consideration by the General Assembly. The IML bill summary page for each bill is linked below, as is each respective bill position paper:

- HB 5626: Housing Omnibus (available via this link);
  - IML's position paper is available via this link.

- SB 4060: Middle Housing (available via this link);
  - IML's position paper is available via this link.

- SB 4061: Building Code – Single Stair (available via this link);
  - IML's position paper is available via this link.

- SB 4062: Impact Mitigation Fees (available via this link);
  - IML's position paper is available via this link.

- SB 4063: Building Plans/Inspect (available via this link);
  - IML's position paper is available via this link.

- SB 4064: Residential Parking (available via this link); and,
  - IML's position paper is available via this link.

- SB 4071: Accessory Dwelling Units (available via this link).
  - IML's position paper is available via this link.

IML is opposed to each of these bills, as each contains unfunded mandates or preemptions of municipal authority or both. IML staff will continue to monitor and engage on any prospective legislative developments and advocate on behalf of protecting and preserving municipal authority.

As always, please feel welcome to contact me with any comments or questions. I may be reached by phone at (217) 525-1220 or by email at bcole@iml.org. Thanks.

BRAD COLE | Chief Executive Officer
ILLINOIS MUNICIPAL LEAGUE
500 East Capitol Avenue | PO Box 5180 | Springfield, Illinois 62705
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DATE: **February 23, 2026**

TO: **IML Board of Directors**

FROM: **Brad Cole, Chief Executive Officer**
Illinois Municipal League

RE: **Governor Pritzker's Proposed Reduction to LGDF**

Last week, we distributed information to all municipal officials about Governor JB Pritzker's State of the State Address and State Budget Address (available via this link).

As widely reported in multiple media outlets (see links below), the Illinois Municipal League (IML) is strongly opposed to Governor Pritzker's proposal to reduce the Local Government Distributive Fund (LGDF) formula from 6.47% to 6.28% of individual income taxes, which would eliminate expected natural growth in LGDF revenues based on the State Fiscal Year (SFY) 2027 proposed budget projections. The Governor's proposal suggests that the actual dollar amount of LGDF distributions would essentially remain flat; however, this is the same manner in which previous cuts were implemented and that have had decades of negative impact on municipalities. Any such reduction in the LGDF formula rate is unacceptable. My statement on LGDF cuts is available via this link. IML has a dedicated LGDF webpage, iml.org/lgdf (available via this link).

LGDF is a designated portion of state income tax revenues, which municipalities and counties receive as a percentage of those revenues and are shared by the state on a per capita basis.

IML has compiled a chart (available via this link) on historic LGDF rates and the resulting revenue gap and an infographic (available via this link) on lost LGDF revenue.

Governor Pritzker's proposed reduction in the LGDF formula from 6.47% to 6.28% in SFY 2027 is a reduction of approximately $67.5 million to local governments based on SFY 2025 disbursements. Since SFY 2011, as state expenditures have increased from $33.98 billion to a proposed $56.032 billion in SFY 2027, total annual LGDF distributions will have increased from $1.013 billion to $2.303 billion proposed for SFY 2027 (available via this link). Had the LGDF formula remained at 10%, LGDF distributions would have been $3.667 billion in SFY 2027 (available via this link), a difference of more than $1.3 billion lost by municipalities in SFY 2027. As state income tax revenues have naturally increased, the state has withheld the majority of additional revenues to be used for its own purposes.

The proposed LGDF formula reduction comes along with continued state actions that shift more and more financial responsibility to local governments, including:

- Personal Property Replacement Tax (PPRT) Diversions: In Governor Pritzker's SFY 2027 proposed budget, PPRT diversions exceed $407 million, bringing total diversions since 2009 to more than $4.26 billion. IML has a dedicated PPRT webpage, iml.org/pprt (available via this link).

- Public Safety Pension Mandates: While pension benefits are determined by the state, municipal governments are mandated to fund those benefits with local employer contributions. Downstate and suburban police officer and firefighter pension systems, alone, carry approximately $12.08

billion in unfunded liabilities. IML has a dedicated public safety pension fund reform webpage, iml.org/pensions (available via this link).

- Lead Service Line Replacement Mandate: Compliance with the Lead Service Line Replacement and Notification Act and the Illinois Pollution Control Board's rulemaking is estimated to cost $20.9 billion statewide. IML has a dedicated lead service line replacement webpage, iml.org/lead (available via this link).

- Property Tax Exemptions: Statewide expansions of residential property tax exemptions reduce municipal revenue without state reimbursement. As of 2024, exemptions represent more than $42.3 billion in Equalized Assessed Value. IML's *Residential Property Tax Exemptions* fact sheet is available via this link.

- Elimination of the Statewide Grocery Sales Tax: The state's removal of the 1% statewide grocery sales tax eliminated approximately $325 million annually in municipal revenue. IML has a dedicated grocery sales tax webpage, iml.org/grocerytax (available via this link).

- SAFE-T Act Compliance: Ongoing mandates for officer-worn body cameras and related public safety administrative requirements impose long-term operational costs on municipalities. IML's *Officer-Worn Body Cameras* fact sheet is available via this link.

Municipalities are absorbing costs while the state retains a greater share of growing income tax revenues. Reducing the LGDF formula has a negative impact on local budgets and risks increased pressure on property tax payers.

The Illinois Municipal League is asking local officials to contact their State Representative and State Senator to voice opposition to this proposed reduction to LGDF.

Please share with your legislators the impact to your community of Governor Pritzker's proposed $67.5 million reduction in LGDF, while also mentioning the $12.9 billion in total LGDF cuts since 2011. Ask your legislators to commit to fully funding LGDF and all state shared revenues. All legislators must hear from their local officials on this critical issue.

Once you have spoken with your legislator, please submit feedback to us through this online submission form (available via this link), so IML can track each legislator's committed position.

As always, please feel welcome to contact me if you have any comments or questions. Thanks.

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Media coverage:

Chicago Tribune: "In State of the State address, Gov. JB Pritzker pitches affordability and Illinois resilience to Trump": https://www.chicagotribune.com/2026/02/18/pritzker-illinois-2026-state-of-the-state/

WREX: "Rockford mayor shares concerns for cuts to Local Government Distributive Fund" https://www.wrex.com/news/rockford-mayor-shares-concerns-for-cuts-to-local-government-distributive-fund/article_8ff0ead9-70e0-4f87-9ffc-9597d0256cf8.html

WMAY-FM: "Patrick Pfingsten Talks with Illinois Municipal League Executive Director Brad Cole" https://www.iheart.com/podcast/1300-pm-springfield-interviews-94970930/episode/patrick-pfingsten-talks-with-illinois-municipal-league-executive-director-brad-cole-323989536