

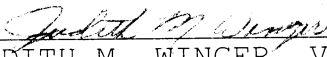
VILLAGE OF PALESTINE, ILLINOIS

ORDINANCE NO. 2005-O-04

AN ORDINANCE TO APPROVE AN INTERGOVERNMENTAL AGREEMENT  
AND A LEASE OF REAL ESTATE WITH ILLIANA CORES, INC.

ADOPTED BY THE BOARD OF TRUSTEES  
OF THE VILLAGE OF PALESTINE, ILLINOIS  
THIS 17th DAY OF MARCH, 2005

PUBLISHED IN PAMPHLET FORM BY AUTHORITY OF  
THE BOARD OF TRUSTEES OF THE VILLAGE OF  
PALESTINE, CRAWFORD COUNTY, ILLINOIS  
THIS 17th DAY OF MARCH, 2005

  
\_\_\_\_\_  
JUDITH M. WINGER, Village Clerk

ORDINANCE NO. 2005-O-04

AN ORDINANCE TO APPROVE AN INTERGOVERNMENTAL AGREEMENT  
AND A LEASE OF REAL ESTATE WITH ILLIANA CORES, INC.

WHEREAS, Article VII, Section 10 of the Constitution of the State of Illinois authorizes units of local government to contract or otherwise associate among themselves in any manner not prohibited by law or by ordinance; and further provides that such units of local government may contract and otherwise associate with individuals, associations and corporations in any manner not prohibited by law or by ordinance; and

WHEREAS, the Village of Palestine and Illiana Cores, Inc., have through their duly authorized representatives had negotiations for the purpose of entering into an INTERGOVERNMENTAL AGREEMENT and a LEASE OF REAL ESTATE which would be in the best interest of the residents of the Village of Palestine by the creation and retention of employment opportunities for the residents of Crawford County, Illinois, and the occupation of an existing facility which will ultimately increase the real estate tax base; and said proposed INTERGOVERNMENTAL AGREEMENT and LEASE OF REAL ESTATE have been presented to the Board of Trustees of the Village of Palestine, Illinois, and it has determined that it is in the best interests of the residents of the Village of Palestine for it to enter into such INTERGOVERNMENTAL AGREEMENT and LEASE OF REAL ESTATE with Illiana Cores, Inc., true and correct copies of

which are attached hereto and incorporated herein by reference as Exhibit A and Exhibit B, respectively.

NOW, THEREFORE, BE IT ORDAINED by the Board of Trustees of the Village of Palestine, Crawford County, Illinois, as follows:

1. That it does hereby approve that certain INTERGOVERNMENTAL AGREEMENT with Illiana Cores, Inc., a true and correct copy of which is attached hereto and incorporated herein by reference as Exhibit A.

2. That it does hereby approve that certain LEASE OF REAL ESTATE with Illiana Cores, Inc., a true and correct copy of which is attached hereto and incorporated hereby by reference as Exhibit B.

3. That the Village President and the Village Clerk be, and they are hereby authorized to executed said INTERGOVERNMENTAL AGREEMENT and LEASE OF REAL ESTATE by and on behalf of the Village of Palestine.

4. All prior motions, resolutions and ordinances of the Village of Palestine, to the extent they are inconsistent with this Ordinance, be, and they are hereby rescinded and repealed.

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

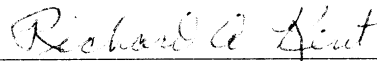
Upon roll call vote the following Trustees voted yea:

Eugene Purcell, Larry Miller, Patricia Schofield,  
Chester Greene, Greta Dennison and Larry Surrells

Upon roll call vote the following Trustees voted nay:

None

Passed, approved and published in pamphlet form this 17th day of March, 2005.

  
\_\_\_\_\_  
RICHARD A. KENT, Mayor

ATTEST:

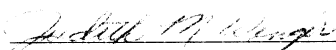
  
\_\_\_\_\_  
JUDITH M. WINGER, Village Clerk

Exhibit A

**INTERGOVERNMENTAL AGREEMENT**

This Agreement is made March 23  
03-23-05, 2005, by  
and between THE VILLAGE OF PALESTINE, Crawford County, Illinois,  
an Illinois Municipal Corporation, hereinafter referred to as  
PALESTINE, and ILLIANA CORES, INC., a Corporation, hereinafter  
referred to as ILLIANA CORES.

WITNESSETH:

WHEREAS, PALESTINE has negotiated for and intends to  
purchase certain real estate located in LaMotte Township,  
Crawford County, Illinois, more particularly described on  
Exhibit "A", which is attached hereto and incorporated herein by  
reference; and

WHEREAS, the parties hereto are desirous that ILLIANA CORES  
move its manufacturing and administrative operations to said  
premises for the mutual benefit of ILLIANA CORES and the  
residents of PALESTINE's community by the creation and retention  
of employment opportunities for the local residents; and

WHEREAS, the parties have determined that the real estate  
described above is suitable and proper for the needs of ILLIANA  
CORES; and

WHEREAS, Article 8, Section 10 of the Constitution of the  
State of Illinois authorized units of local government to

contract or otherwise associate among themselves in any manner not prohibited by law or by ordinance; and further provides that such units of local government may contract and otherwise associate with individuals, associations and corporations in any manner not prohibited by law or by ordinance; and

WHEREAS, PALESTINE has determined that it is in the best interest of the residents of PALESTINE to enter into this Agreement, and the governing body of PALESTINE has adopted an Ordinance approving this Intergovernmental Agreement and authorizing its execution.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein and of other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged by both parties, the parties hereto agree as follows:

1. PALESTINE shall purchase for no more than the sum of Two Hundred Thousand Dollars (\$200,000) the real estate described on Exhibit A attached hereto. In the event PALESTINE is unable to complete the purchase of said real estate, then this Agreement shall become null and void.

2. PALESTINE shall lease ILLIANA CORES a portion of the real estate described on Exhibit A attached as more specifically identified on the plat attached hereto as Exhibit B on the terms and

conditions as set forth on the form of LEASE attached hereto as Exhibit C.

3. As part of this Intergovernmental Agreement, the principal shareholders, Michael Murray and Randal L. Burtch, of ILLIANA CORES shall jointly and severally guarantee to PALESTINE the full, prompt and faithful payment, performance and discharge by ILLIANA CORES of each of the obligations, provisions and conditions of this Agreement and the Lease, and upon execution of this Agreement, the above shareholders of ILLIANA CORES shall execute a separate instrument for that purpose.

4. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns; provided, however, that neither party shall have the right to assign its interest in this Agreement either voluntarily or by operation of law without the prior written consent and approval of the other party.

5. This Agreement constitutes the entire agreement of the parties and may be altered, modified or amended duly upon the written consent and agreement of both parties after approval by the governing body of each party as required by law.

6. It is hereby agreed that in case any disagreement or difference shall arise at any time hereafter between the parties hereto, or any person claiming under them, in relations to this contract, either as to the construction or operation thereof or the

respective rights and liabilities thereunder, such disagreement or difference shall be submitted to the arbitration of two persons, one to be appointed by each party to this Agreement, and the third to be appointed by the two so appointed. If either party shall refuse or neglect to appoint an arbitrator and serve written notice thereof upon the other party requiring it to appoint an arbitrator, then the arbitrator so first appointed shall have the power to proceed to arbitrate and determine the matters of this agreement or difference as if he were an arbitrator appointed by both the parties hereto for that purpose, and his decision in writing shall be final, provided such decision shall be made within 20 days after such refusal or neglect of the other party to appoint an arbitrator. In case there are three arbitrators selected as above provided such decision shall be made within 20 days after the reference of said arbitrators. All decisions of the arbitrators shall be binding upon the parties hereto as if entered by a court of competent jurisdiction.

7. All notices required hereunder shall be in writing and shall be served personally, by registered or certified mail return receipt requested, or by express delivery service as follows:

If to PALESTINE:

Village President  
Village Hall  
301 S. Main St.  
Palestine, IL 62451



If to ILLIANA CORES:

Randal L. Burtch, President  
P.O. Box 234  
Robinson, IL 62454

In the event of the change of either of the above addresses, to the party whose address changes shall notify the other party in writing of such change and the new address.

8. If for any reason any provision of this Agreement is determined by the Court of competent jurisdiction to be invalid or unenforceable, that provision shall be deemed to be severed and this Agreement shall remain in full force and effect with the provision severed or as modified by Court Order provided that said provision determined invalid does not substantially impair the intent or substance of this Agreement so that the purposes of this Agreement are not fulfilled and the benefits to the parties hereto are not realized. If said provision does substantially impair the intent or substance, the parties shall attempt to agree on an amendment to this Agreement to address the changes necessary as a result of said Court determination. However, if the parties are unsuccessful in negotiating an amendment, this Agreement shall terminate.

9. The waiver by either party of any term, covenant or condition herein, or the failure of such party to insist upon strict and prompt performance therewith, shall not be deemed or construed to constitute a waiver of such terms, covenant or condition, which

shall remain in full force and effect and shall continue to be subject to enforcement.

10. This agreement shall be construed and interpreted in accordance with the laws of the State of Illinois.

11. Each of the parties hereto represent and warrant that the officers executing this Agreement for and on behalf of such party are fully authorized and empowered by the governing body of such party to make, execute and deliver this Agreement for an on behalf of such party.

THE VILLAGE OF PALESTINE, ILLINOIS, AN ILLINOIS MUNICIPAL CORPORATION

By: Richard D. Kent  
RICHARD KENT,  
Village President

ATTEST: Judith M. Winger  
JUDITH WINGER,  
Village Clerk

ILLIANA CORES, INC. A CORPORATION

By: Randall J. Luntz  
Its President

ATTEST: Michelle Hamilton  
Its Secretary

EXHIBIT A

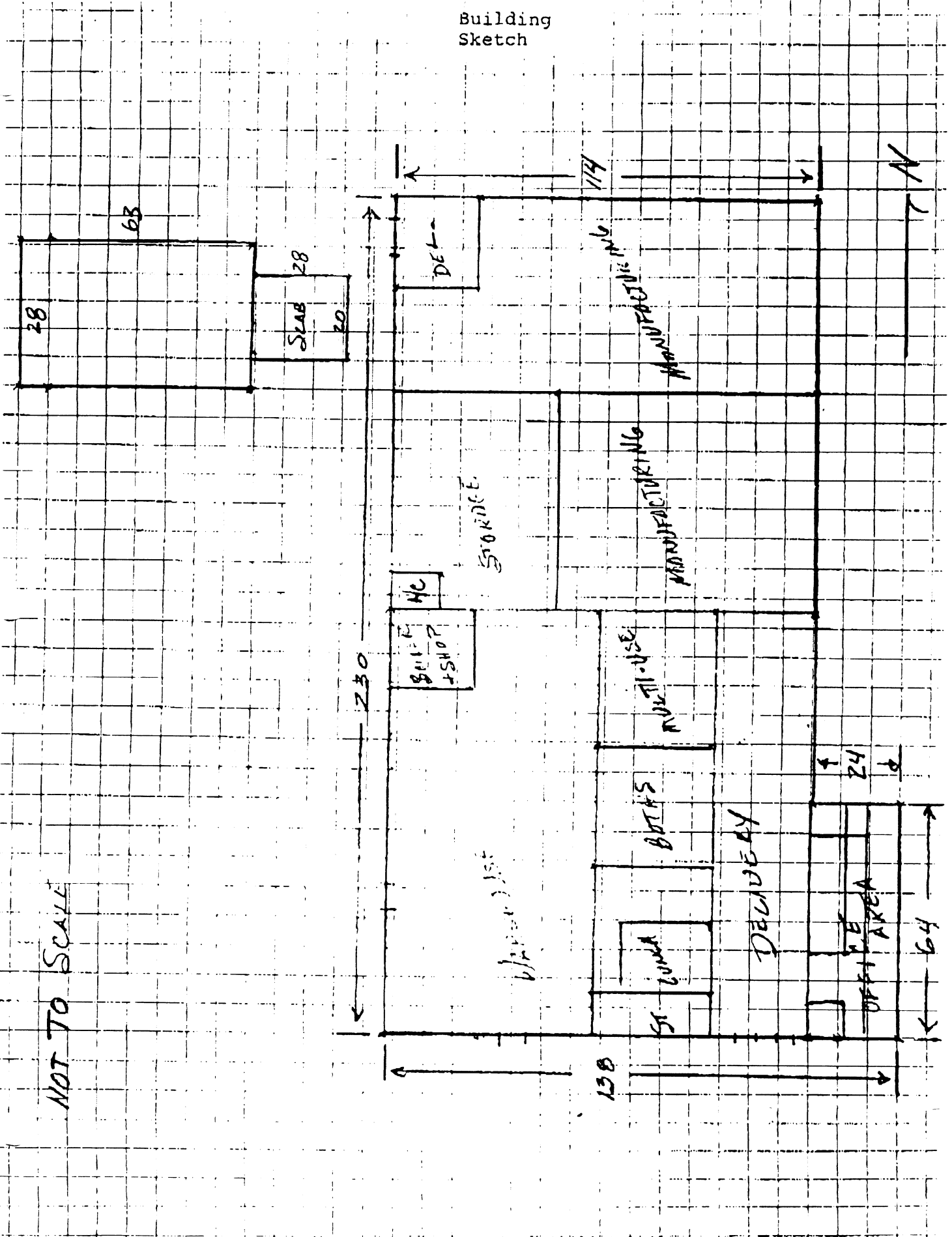
Beginning at a point 1347 feet South and 592 feet East of the Northwest corner of the Southwest Quarter of Section 34, Township 7 North, Range 11 West of the Second principal Meridian, thence East 435.6 feet, thence South 450.0 feet, thence West 435.6 feet, thence North 450.0 feet to the point of beginning.

The above-described land is located in the West Half of the Southwest Quarter of Section 34, Township 7 North, Range 11 West of the Second Principal Meridian, situated in Crawford County, Illinois.

Together with all and singular, the rights, privileges and appurtenances thereunto appertaining or belonging and all buildings and other improvements thereon and all other property attached thereto or used in connection therewith, including but not limited to heating, ventilation, and air conditioning systems and lighting and plumbing fixtures.

EXHIBIT B

Building Sketch



NOT TO SCALE