

Ordinance No. 11- 11

AN ORDINANCE APPROVING A LEASE OF OFFICE SPACE

BE IT ORDAINED BY THE SOUTH SANGAMON WATER COMMISSION, AS FOLLOWS:

SECTION 1: That certain Lease of Office Space, by and between the Warren-Boynton State Bank and the South Sangamon Water Commission, a copy of which is attached hereto, is hereby approved.

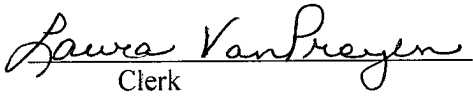
SECTION 2: The Chairman of the Commission is authorized and directed to approve said Lease on behalf of the Commission, and the proper officers of the Commission are authorized and directed to carry out the agreement by its terms.

SECTION 3: This Ordinance is effective immediately.

PASSED this 18th day of October, 2011.


CHAIRMAN

ATTEST:


Clerk

AYES: McLard, Hall

NAYS: none

PASSED: 10/18/11

APPROVED: 10/18/11

ABSENT: Pfeiffer

**LEASE
OF
OFFICE SPACE**

This instrument, made and entered into this 18th day of October, 2011, by and between Warren-Boynton State Bank, a banking corporation organized and existing under the Laws of the State of Illinois, hereinafter referred to as “Lessor” and

South Sangamon Water Commission, a public corporation organized pursuant to Division 135 of the Illinois Municipal Code 65ILCS 5/11-135-1 and pursuant to an agreement between the Villages of Chatham and New Berlin, hereinafter referred to as “Lessee”.

WITNESSETH:

Lessor hereby leases to Lessee and Lessee leases from Lessor commercial office space located on the premises of the Warren-Boynton State Bank, located at 702 West Illinois Street, situated in the Village of New Berlin, County of Sangamon and State of Illinois.

Premises: The commercial office space, consisting of approximately 195 square feet of floor area (“Demised Premises”) is located on the second floor of the Warren-Boynton State Bank building located at 702 West Illinois Street, New Berlin, IL (“Building”). Use and occupancy by Lessee of the Demised Premises shall include the use in common with others of the common areas and facilities as hereinafter more fully provided.

Rent and Term: The initial term of this Lease shall be for three years commencing on January 1, 2012, and terminating on December 31, 2014 (“Initial Term”). Rent for the Initial Term shall be \$250.00 per month, payable on the first day of January, 2012, and on the first day of each and every month thereafter during the term of the Lease.

Renewal Option: The Lessee shall have the option to lease the Demised Premises for two year renewal terms at a rate to be negotiated prior to November 1, 2014.

Exercise of Option: In the event Lessee desires to exercise the option for a Renewal Term of the Lease as provided in the above paragraph, then Lessee shall give to Lessor written notice of its exercise of such renewal option ninety (90) days before the end of the Initial or Renewal Term as provided for herein.

Utility Payments: Lessor shall furnish and pay for all sewer, water, electricity, and natural gas to the Demised Premises during the term of this contract.

Lessor shall furnish central heating and air-conditioning to the Demised Premises with a thermostat to be controlled by Lessee. Lessor does not warrant that any utility services, including water and sewer, will not be interrupted; such services may be interrupted because of

accidents, repairs, alterations, improvements, or any reason beyond the reasonable control of the Lessor.

Telephone and data connectivity "Lessee" shall pay for all telephone and data network connectivity to the "Demised Premises".

Office Furniture and Equipment: The Lessor will furnish a desk and credenza for the use of the Lessee. No other office furniture or equipment will be provided by the Lessor for the use and benefit of the Lessee.

Janitorial Service: Lessor shall furnish and shall pay costs for janitorial service, lighting bulbs, tubes and lighting maintenance, carpet cleaning, and window washing for the Demised Premises.

Parking Area: Lessor shall furnish a parking area and snow removal. Lessee is limited to one parking space.

Security Deposit: Upon execution of this Lease, Lessee shall pay to Lessor the sum of \$500.00 as a security deposit. In the event Lessee complies with all terms of this Lease, said security deposit shall be refunded to Lessee within thirty (30) days of the termination of this Lease and all extensions thereof. In the event of breach of this Lease or damage to the Demised Premises caused by Lessee, Lessor may retain all or a portion of the security deposit and shall in addition retain all remedies at law or equity for breach of the Lease or damage to the Demised Premises.

Improvements: The following terms are agreed between Lessee and Lessor.

- A. Improvements will consist of newly painted walls, crown molding, keyed door and sidelight windows. Lessee will make no improvements without the written consent of the Lessor. .
- B. Lessee shall pay for fire and burglar alarm wiring, sensors, and related security equipment for the Demised Premises, if desired, and any alarm monitoring fees.

Insurance:

- A. *Liability Insurance:* Lessor shall maintain at its cost comprehensive general liability insurance, including public liability and property damage, with a minimum combined single limit of liability of \$1,000,000 for personal injuries or death of persons occurring in or about the Demised Premises.
- B. *Lessor's Building Insurance:* Lessor shall keep the Building insured against damage and destruction by fire, vandalism, and other perils in the amount of the full replacement value of the Building, as the value may exist from time to time.

C. *Property Insurance:* Each party shall at its own option keep its own personal property and trade fixtures on the Demised Premises insured.

Real Estate Taxes: The Lessor shall be liable for and shall pay in full when due all general real estate taxes and special assessments levied against the Demised Premises, the Building and improvements thereon.

Repairs and Improvements: Lessee shall keep the Demised Premises and the Building in which the same are located in good condition, ordinary wear and tear excepted. Lessee shall repair and pay for any damage to the Demised Premises including but not limited to broken windows and damaged office furniture during the term of this Lease only if due to the fault of Lessee, its agents, employees or invitees.

Common Area and Facilities: Entrances, hallways and exits thereto, parking, and other facilities furnished by Lessor for the general use, in common with the other occupants of the Building, shall at all times be subject to the use of other Lessees of the premises and Lessor shall have the right from time to time to establish, modify and enforce reasonable rules and regulations with respect to all facilities as are mentioned in this paragraph. A copy of said rules are attached hereto and made a part hereof as Exhibit A. Common areas shall at all times be subject to the control and management of Lessor or its agents.

Condition Upkeep: Lessor at its expense, shall maintain and make necessary repairs to the structural elements and exterior windows of the Building, including maintenance and repair of any mechanical, electric, plumbing, heating, ventilating, and air conditioning (hvac), or any other systems which are located within the Demised Premises, except those which are supplemental or special to the Building's standard systems installed at the request of Lessee, and except wall coverings in the Demised Premises. Lessee shall be responsible for cost of performing repairs caused by the negligence of Lessee, or by the failure of Lessee to perform its obligations under this Lease, except to the extent of insurance proceeds, if any, actually collected by Lessor with regard to the damage necessitating such repairs.

Alterations during Occupancy by Lessee: Lessee may make alterations with the Demised Premises at its own expense only upon prior written permission of Lessor; such permission shall not be unreasonably withheld or delayed. All alterations shall not lessen the fair market value of the Demised Premises or affect the Demised Premises usefulness, and the alteration shall be completed in a good workmanlike manner.

Signage: Exterior signage is prohibited and is not a part of this agreement.

Inspection/Showing of Property: Lessor and his licensees shall have the right to enter the Demised Premises at reasonable times upon reasonable notice for the purpose of inspecting or exhibiting the same or performing the covenants herein required of Lessors. The Demised Premises may be exhibited only during the last three months of the lease term or any extension thereof.

Assignment and Subletting: Lessee may not assign this Lease or sublet the Demised Premises, in whole or in part, without the written consent of the Lessors, such consent shall not be unreasonably withheld or delayed.

Use by Lessee: Lessee shall use the Demised Premises only for an office facility and shall carry on no other activity within said Demised Premises, without the express written consent of the Lessors, and shall commit no waste upon or about the Demised Premises.

Expiration of Lease/Holding Over: Upon the expiration of this Lease or its earlier termination, Lessee shall surrender the Demised Premises to Lessors and shall, by the date of such termination, remove all of its property from said Demised Premises and repair and restore any damage created by the installation, use or removal of such property, other than normal and inevitable wear and tear. Should Lessee hold over, the Lessor's acquiescence after the expiration of the term herein provided, Lessee shall be deemed to be a tenant from month to month at double the amount of the last monthly installment, but otherwise upon the same terms and conditions as elsewhere herein provided, and for purposes of construing the covenants of this Lease, the expiration of such month to month tenancy shall then be deemed to be the expiration of the lease term.

Condemnation or Casualty:

- A. If the Building or any portion thereof which includes a substantial part of the Demised Premises, be taken or condemned by any competent authority for any public use or purpose (including a deed given in lieu of condemnation), the term of this Lease shall end upon, and not before, the date when the possession of the part so taken shall be required for such use or purpose, and without apportionment of the condemnation award. The rent shall be prorated and payable through the date of such termination. If any condemnation proceeding shall be instituted in which it is sought to take or damage any part of the Building, or the land under it, or if the grade of any street or alley adjacent to the Building is materially changed by any competent authority and such change of grade makes it necessary or desirable to remodel the Building to conform to the changed grade, Lessor shall have the right to cancel this Lease upon not less than ninety (90) days notice prior to the date of cancellation designated in the notice. No money or other consideration shall be payable by Lessor to the Lessee for the right of cancellation, and Lessee shall have no right to share in the condemnation award or in any judgment for damages caused by change of grade.
- B. If either the Demised Premises or the building is rendered substantially untenable by fire or other casualty, Lessor may elect, by giving Lessee written notice within five (5) days after the date of said fire or casualty, either to:
 - 1. Terminate this Lease as of the date of the fire or other casualty in which case the obligation to pay rent shall cease; or
 - 2. Repair or restore the Demised Premises except personal property installed by Lessee, to substantially the same condition as existed immediately prior to such

fire or casualty, in which case rent shall abate from the date of the damage until repair or restoration is completed.

- C. If Lessor elects to proceed pursuant to subsection 2 above, Lessor's notice shall contain Lessor's estimate in its sole and absolute discretion of the time required to substantially complete such repair or restoration. If such estimate indicates that the time so required will exceed sixty (60) days from the date of the casualty, then Lessee shall have the right to terminate this Lease as of the date of the casualty by giving written notice to Lessor not later than ten (10) days after the date of Lessor's notice. If Lessor's estimate indicates that the repair or restoration can be substantially completed within sixty (60) days, or if Lessee fails to exercise its said right to terminate this Lease, this Lease shall remain in full force and effect but payment of rent shall abate from date of casualty until date of completion of repairs.

Waiver of Covenants: Waiver of performance or observance of any covenant herein in any instance shall not be taken to be a waiver of such covenant as to any other instance unless expressly so agreed in writing.

Default: Should Lessee fail to pay moneys herein required to be paid by it when the same become due or otherwise default in any of the covenants herein required of it, Lessor shall give written notice of such default to Lessee, and if the same be not cured within thirty (30) days thereafter, then Lessor may, by notice to Lessee, elect to reenter and take possession of the Demised Premises, in which event Lessee shall do the acts specified herein which otherwise it would be obligated to do upon termination of the Lease and shall not thereafter have possession. Lessor may, but need not, let the Demised Premises at such rentals as Lessor, in its absolute discretion, deems best, and Lessor may, at any time thereafter, terminate the term of this Lease, but unless and until such term is terminated or expires by its own limitation, all rent received by Lessor for such Demised Premises shall be applied to rents and obligations due hereunder from Lessee to Lessor, and to reasonable expenses theretofore or thereafter incurred by Lessor in enforcing its rights hereunder, including, but not limited to, attorney's fees, and the remainder, if any, shall be paid over to Lessee.

Notices: All notices under this Lease shall be in writing and shall either be served upon the party to receive such notice or shall be mailed to such party by certified or registered mail, return receipt, with postage prepaid.

Notices to Lessor to be addressed to:

James A. Weast, Senior Vice President
Warren-Boynton State Bank
PO Box 19
New Berlin IL 62670-0019
billpfeffer@wbsb.com
217-488-6091 Ext 2225
Fax 217 488-6216

or such other addresses as Lessor may from time to time designate by notice to Lessee.

Notices to Lessee to be addressed to

Del M. McCord
PO Box 83
New Berlin Il 62670-0083

E-Mail: dmccord@chathamil.net

Phone: 217-341-3419

Fax: (217) 483-3422

or such other address as Lessee may from time to time designate by notice to Lessor.

Broker Warranty: The parties warrant that no real estate broker was used in this transaction or has a claim for compensation as a result of execution and/or performance of this Lease.

Successors: This agreement and each of the covenants thereof shall be binding upon and inure to the respective parties hereto, their representatives, heirs, successors and assigns. When appropriate, the neuter gender shall be taken to include the masculine or feminine of both and the singular shall be taken to include the plural.

Quiet Enjoyment: Lessor warrants that it has the full right and title to execute and perform this Lease and to grant the estate demised, and the Lessee, upon the payment of the required rent and performing the terms, conditions, covenants and agreements contained in this Lease, shall peaceably and quietly have, hold and enjoy the Demised Premises during the Initial Term and any Renewal Term.

In witness whereof, the parties have executed this lease as of the aforesaid date.

Lessor:

Lessee:

WARREN-BOYNTON STATE BANK

SOUTH SANGAMON WATER COMMISSION

By: Thomas C. White
Thomas C. White

By: Del M. McCord
Del M. McCord

Its: President & CEO

Its: Chairman

EXHIBIT A

1. Smoking is prohibited in the Demised Premises and the Building.
2. Unless handicapped, Lessee shall park away from the front entry of the Building so that Lessor's customers may use the parking in closest proximity to the entries.
3. Lessee shall have access to the demised premises from 7:30 A.M. until 5:30 P.M. Monday through Friday and from 7:30 A.M. until 12:00 P.M. on Saturdays.
4. Lessee shall not have access to the premises on Sunday's, and the following Holidays:
 - a. Martin Luther King's Birthday (mid-January)
 - b. President's Day (mid-February)
 - c. Columbus Day (mid-October)
 - d. Veteran's Day (mid-November)
 - e. New Year's Day
 - f. Memorial Day
 - g. October 4th
 - h. Labor Day
 - i. Thanksgiving Day
 - j. Christmas Day
5. Lessee shall have access to the public restroom facilities and the employee lounge. All other areas of the Building, excepting the bank's public areas, are off limits to Lessee.
6. Lessee and its employees occupying the Demised Premises will sign a "Confidentiality Agreement" provided by the Lessor and shall at all times respect and adhere to the Lessor's practice of securing the confidentiality of its customer's information.

ORDINANCE CERTIFICATE

STATE OF ILLINOIS)
) SS
COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk of the South Sangamon Water Commission.

I do further certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 11- 11, adopted by the Commission on the 18th day of October, 2011, said Ordinance being entitled:

AN ORDINANCE APPROVING A LEASE OF OFFICE SPACE

I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Commission, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Commission this 18th day of October, 2011.


Clerk