

AGENDA
Village of Antioch, Lake County, Illinois
Municipal Building: 874 Main Street, Antioch, Illinois
VILLAGE BOARD OF TRUSTEES; REGULAR MEETING – 7:30 PM
January 3, 2011

- I. Call to Order**
- II. Pledge of Allegiance** - Led by Cub Scout Pack 191 Den 7
- III. Roll Call**
- IV. Mayoral Report**
 1. Antioch Queen Portrait Presentation
 2. Oath of Office - Officer Zachery Johnson
- V. Citizens Wishing to address the Board** (*The public is invited to make an issue-oriented comment on any matter of public concern not otherwise on the agenda*)
- VI. Consent Agenda** (*Items under the Consent Agenda are considered routine and/or non-controversial and will be approved by one motion. If any one board member wishes to have a separate vote on any item, it will be pulled from the Consent Agenda and voted on separately*)
 1. Approval of the December 20, 2010 Meeting minutes as presented.
 2. Approval of a Resolution for a Special Event Liquor License for the Village of Antioch for Winter Wine Walk – *Resolution No. 11-01.*
- VII. Regular Business**
 3. Consideration of payment of accounts payable as prepared by staff.
 4. Consideration of a Resolution Directing the Village Administrator to Distribute Funds from the Utility Tax Fund to Pay Interest on Economic Recovery Zone Bonds – *Resolution No. 11-02.*
 5. Consideration of a Resolution Authorizing the Village Administrator to Accept a Grant Award from the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) program for the purchase of a New Fire Engine in the amount of \$285,000 – *Resolution No. 11-03.*
 6. Consideration of an Ordinance Amending Section 13-1-3 of the Municipal Code of Antioch Setting Special Tap-On Fees for the Clublands Subdivision – *Ordinance No. 11-01-01.*
- VIII. Administrator's Report**
- IX. Village Clerk's Report**
- X. Trustee Reports**
- XI. Executive Session** – Personnel and Pending Litigation.
- XII. Adjournment**

ALL ORDINANCES SCHEDULED ON THIS AGENDA FOR FIRST OR SECOND READING MAY BE PASSED AT THIS MEETING IF THE VILLAGE BOARD OF TRUSTEES, BY MOTION DULY MADE AND SECONDED, BY MAJORITY VOTE OF THE TRUSTEES IN ATTENDANCE, VOTES TO WAIVE ALL READINGS THEREOF AND THEN MOVES TO PASS SUCH ORDINANCES ACCORDING TO RULE 11 OF SECTION 1-4-6 OF THE VILLAGE CODE AND ACCORDING TO LAW.

No vote may be taken on any item, which has not been listed on the Agenda for the meeting. Any matter not specifically listed on this Agenda, or brought up under "Other Business" may be discussed by Board members at this meeting, but a vote on the matter shall be postponed until the next Board meeting.

STATE OF ILLINOIS
COUNTY OF LAKE

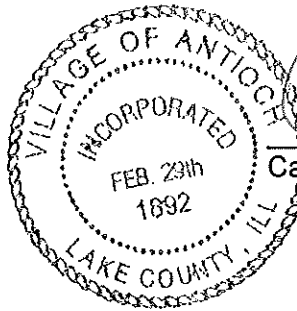
CERTIFICATE

I, Candi L. Rowe certify that I am the duly appointed Village Clerk of the Village of Antioch, Lake County, Illinois.

I certify that the attached document is the Village of Antioch Board of Trustees Meeting Agenda for the January 3, 2011 Regular Village Board meeting.

I further certify that this agenda has been prepared by me and to the best of my knowledge and belief is identical to the agenda posted on the Village of Antioch web site at www.antioch.il.gov.

DATED at Antioch, Illinois this 30th day of December, 2010.



Candi L. Rowe
Candi L. Rowe, Village Clerk

DRAFT MINUTES
VILLAGE OF ANTIOCH
BOARD OF TRUSTEES; REGULAR MEETING
Municipal Building: 874 Main Street, Antioch, IL
December 20, 2010

I. CALL TO ORDER

Mayor Hanson called the December 20, 2010 regular meeting before the Board of Trustees to order at 7:30 p.m. in the Municipal Building: 874 Main Street, Antioch, Illinois.

II. PLEDGE OF ALLEGIANCE

Mayor Hanson and the Village Board of Trustees led the Pledge of Allegiance.

III. ROLL CALL

Following the Pledge of Allegiance, roll call indicated the following Trustees were present: Pierce, Poulos, Sakas, Crosby, and Jozwiak. Also present were Mayor Hanson, Administrator Keim, Attorney Long and Clerk Rowe. Absent: Wolczyk.

IV. MAYORAL REPORT

1. Mayoral Proclamation; Ernest “Ernie” Slavik III, Silver Star Award recipient – Clerk Rowe read the Mayoral Proclamation honoring Ernie Slavik III who recently received his second Silver Star Award for Gallantry in action June 19-20, 1967. Mr. Slavik III was presented this second Silver Star Award by Congresswoman Melissa Bean on December 12, 2010, 43 years after the battle. Mr. Slavik briefly discussed his military experiences while stationed in Vietnam and heroic acts also done by fellow soldiers. He said that he has been an Antioch resident for over 37 years and that he was extremely honored and proud to receive the Mayoral Proclamation from Antioch.

V. CITIZENS WISHING TO ADDRESS THE BOARD

There were no citizens present in the audience who wished to address the Board.

VI. CONSENT AGENDA

Trustee Crosby moved, seconded by Trustee Poulos to approve the following consent agenda items as presented:

1. Approval of the December 6, 2010 meeting minutes as presented.
2. Approval of a Resolution accepting the Municipal Compliance Report for the Fiscal Year Ending April 30, 2010; Resolution No. 10-116
3. Approval of an Ordinance Approving the Sign Variation for V-Land Development; Ordinance No. 10-12-34
4. Approval of a Resolution Designating Certain Funds in its Water Fund Account as the “Retained Earnings Fund” for Radium Removal Contingencies; Resolution No. 10-117

Upon roll call, the vote was:

YES: 4: Pierce, Poulos, Sakas, and Crosby.

NO: 0.

ABSTAIN: 1: Jozwiak.

ABSENT: 1: Wolczyk.

THE MOTION CARRIED.

VII. REGULAR BUSINESS

5. Approval of an Ordinance for Special Service Area Number One Approving Administrative Report and Amended Special Tax Roll for Levy Year 2010 – Trustee Crosby moved, seconded by Trustee Pierce to waive the first and second reading and approve **Ordinance No. 10-12-31** approving the Administrative Report and Amended Special Tax Roll for Special Service Area Number One for Levy Year 2010. Upon roll call, the vote was:

YES: 4: Pierce, Poulos, Sakas, and Crosby.

NO: 0.

ABSTAIN: 1: Jozwiak.

ABSENT: 1: Wolczyk.

THE MOTION CARRIED.

6. Approval of an Ordinance for Special Service Area Number Two Approving Administrative Report and Amended Special Tax Roll for Levy Year 2010 – Trustee Pierce moved, seconded by Trustee Crosby to waive first and second reading and approve **Ordinance No. 10-12-32** approving the Administrative Report and Amended Special Tax Roll for Special Service Area Number Two for Levy Year 2010. Upon roll call, the vote was:

YES: 4: Pierce, Poulos, Sakas, and Crosby.

NO: 0.

ABSTAIN: 1: Jozwiak.

ABSENT: 1: Wolczyk.

THE MOTION CARRIED.

DRAFT MINUTES

7. **Approval of an Ordinance Granting a Variance from Title 10, Chapter 14, Section 6 of the Village Code Related to Wall Signs (Taco Bell/NJB Operations PZB 10-03)** – Trustee Crosby moved, seconded by Trustee Sakas to approve as presented **Ordinance No. 10-12-33** granting a variance from Title 10, Chapter 14, Section 6 of the Antioch Village Code. Upon roll call, the vote was: **YES: 3:** Poulos, Sakas, and Crosby.
NO: 1: Pierce.
ABSTAIN: 1: Jozwiak.
ABSENT: 1: Wolczyk.
THE MOTION CARRIED.

8. **Consideration of accounts payable as prepared by staff** – Trustee Jozwiak moved, seconded by Trustee Poulos to approve payment of accounts payable as prepared by staff and in the amount of \$245,377.85. Upon roll call, the vote was:
YES: 5: Pierce, Poulos, Sakas, Crosby, and Jozwiak.
NO: 0.
ABSENT: 1: Wolczyk.
THE MOTION CARRIED.

9. **Village Board Safety Training** – Safety training will be discussed at a future meeting.

VIII. ADMINISTRATOR’S REPORT

No report.

IX. VILLAGE CLERK’S REPORT

No report.

X. TRUSTEE REPORTS

Trustee Sakas said that Director Dustin Nilsen recently passed the American Institute of Certified Planners exam. He explained this is a national certification that is at the highest possible rank and requires certain levels of expertise and letters of recommendations to qualify. Those present congratulated Director Nilsen on achieving his AICP certification.

Trustee Pierce discussed the recently held Shop with a Cop program and said it’s a great event.

Trustee Poulos discussed the “Make a Difference” program held at the Antioch High School. He suggested that Board members who have the opportunity should attend one of the programs and see a lot of good things being done by high school students.

Trustee Crosby gave a brief update on the fundraising efforts for Corporal John Peck.

Mayor Hanson wished everyone present a very Merry Christmas and happy New Year.

XI. EXECUTIVE SESSION

Mayor and Board of Trustees did not go into executive session.

XII. ADJOURNMENT

There being no further discussion, Trustee Pierce moved, seconded by Trustee Jozwiak to adjourn the regular meeting of the Board of Trustees at 8:10 p.m.

Respectfully submitted,

Candi L. Rowe, RMC/CMC
Village Clerk

Request For Board Action

REFERRED TO BOARD: January 3, 2011

AGENDA ITEM NO: 2

ORIGINATING DEPARTMENT: Village Clerk's Office

SUBJECT: Approval of a Resolution for a Special Event Liquor License for the Village of Antioch for Winter Wine Walk

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

On January 3, 2011 the attached application was submitted to request a Class "E" special event liquor license pursuant to Village Code 4-2-4 for the Village of Antioch's Winter Wine Walk. This event is scheduled to be held on January 22, 2011 from 1:00 pm to 4:30 pm at multiple locations located in Antioch. The following locations do not have a current liquor license and asked for the Class "E" special event liquor license; 924 Main Street, 902 Main Street, 896 Main Street, 891 Main Street, 913 Main Street, 345 Park Ave, 983 Main Street, 414 Lake Street

DOCUMENTS ATTACHED:

1. Resolution

RECOMMENDED MOTION:

Move to approve a resolution for a special event liquor license request from the Village of Antioch for Winter Wine Walk to be held on January 22, 2011, waiving all fees.

RESOLUTION NO. 11-xx

**RESOLUTION AUTHORIZING A SPECIAL EVENT LIQUOR LICENSE
FOR THE VILLAGE OF ANTIOCH FOR THE WINTER WINE WALK**

WHEREAS, the Village of Antioch ("Village") is a municipality located in Lake County, Illinois; and

WHEREAS, the Village of Antioch is requesting a Special Event Liquor License for the Winter Wine Walk event; and

WHEREAS, Winter Wine Walk is scheduled to be held on January 22, 2011 at 924 Main Street, 902 Main St, 896 Main St, 891 Main Street, 913 Main Street, 345 Park Ave, 983 Main St, 414 Lake St, 921 Toft St, 389 Lake St, 881 Main St, 883 Main St, 899 Main St, 384 Lake St, 912 Toft St; and

WHEREAS, the Village of Antioch is requesting that the fees for the special event liquor license be waived;

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Board of Trustees of the Village as follows:

On behalf of the Village, the Village of Antioch is granted a special event liquor license for the Fall Wine Walk, to be held on January 22, 2011 waiving all fees.

PASSED this 3rd day of January, 2011

AYES:

NAYS:

ABSENT:

APPROVED this 3rd day of January, 2011

Lawrence M. Hanson, Mayor

ATTEST:

Candi L. Rowe, Village Clerk

Request For Board Action

REFERRED TO BOARD January 3, 2011

AGENDA ITEM NO: 3

ORIGINATING DEPARTMENT: Finance

SUBJECT: Accounts Payable

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

FINANCIAL IMPACT: \$74,960.65

DOCUMENTS ATTACHED:

1. List of Accounts Payable for 01/03/2011
2. Invoices over \$10,000 – Informational Report
3. Escrow Payable – Informational Report
4. Manual Checks – Informational Report

RECOMMENDED MOTION:

Move to approve payment of accounts payable in the amount of **\$74,960.65**

Village of Antioch, IL

Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
5 ALARM FIRE & SAFETY EQUIPMEN						
GENERAL	FIRE	100-050-440-5352	MAINTENANCE-EQUIPMENT	110628	ANNUAL SERVICE	597.50
GENERAL	FIRE DISTRICT	100-050-490-5352	MAINTENANCE-EQUIPMENT	110628	ANNUAL SERVICE	597.50
Vendor Total						1,195.00
A-ACTION PEST CONTROL INC						
GENERAL	PUBLIC WORKS	100-090-511-5350	MAINT BLDGS	15231	BI-MONTHLY PREVENTATIVE MAINTN	100.00
Vendor Total						100.00
ADT SECURITY SERVICES						
WATER & SEWER	PUBLIC WORKS	800-090-840-5350	MAINT BLDGS	37595500	1ST QTR BILLING 2011	36.00
WATER & SEWER	PUBLIC WORKS	800-090-840-5350	MAINT BLDGS	37595505	1ST QTR FIRE ALARM 2011	36.00
Vendor Total						72.00
AMERICAN HOARDERS						
DEPOT PARKING	ADMINISTRATION	101-010-275-5488	CONTRACT PAYMENT	122710	10 DAYS OF SERVICE DEC	231.98
GENERAL	PUBLIC WORKS	100-090-511-5488	CONTRACT PAYMENT	122710	10 DAYS OF SERVICE DEC	2,652.22
Vendor Total						2,884.20
ANTIOCH AUTO PARTS INC						
WATER & SEWER	PUBLIC WORKS	800-090-820-5568	OPERATING SUPPLIES	802727	MOULDING TAPE/CAR WASH	15.46
Vendor Total						15.46
ANTIOCH CHAMBER OF COMMERCE						
GENERAL	PZB	100-070-242-5448	PROGRAM EXPENSE	61920	MERCHANT BREAKFAST	200.00
Vendor Total						200.00

Village of Antioch, IL
Accounts Payable - January 3, 2011

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ANTIOCH ELECTRIC SERVICES INC						
WATER & SEWER	PUBLIC WORKS	800-090-830-5352	MAINTENANCE-EQUIPMENT	52445	75 FT FLOAT WWEIGHT	575.40
Vendor Total						575.40
ANTIOCH POSTMASTER						
WATER & SEWER	ADMINISTRATION	800-010-810-5432	POSTAGE	20101227	UTILITY BILLS POSTAGE OCT-DEC	174.24
WATER & SEWER	ADMINISTRATION	800-010-810-5432	POSTAGE	201012271	FIRST CLASS RESORT PERMIT FEE	185.00
GENERAL	ADMINISTRATION	100-010-110-5432	POSTAGE	201012273	PERMIT FEE STANDARD MAIL	185.00
Vendor Total						544.24
AUTO TRUCK GROUP						
GENERAL	PUBLIC WORKS	100-090-545-5354	MAINT SIDEWALKS	467102	SALT SPREADER	365.00
Vendor Total						365.00
BAXTER AND WOODMAN INC						
WATER & SEWER	PUBLIC WORKS	800-090-840-5438	OTHER PROFESSIONAL SVC	0154421	WWTP OPERATIONS ASST	7,973.54
WATER & SEWER	PUBLIC WORKS	800-090-841-5438	OTHER PROFESSIONAL SVC	0154422	PRETREATMENT PROGRAM	2,157.00
WATER & SEWER	PUBLIC WORKS	800-090-840-5438	OTHER PROFESSIONAL SVC	0154423	TREATMENT FACILITY	1,247.48
Vendor Total						11,378.02
BRUCE GEBERT						
ESCROW		924-002-000-2426	DEPOSITS PAYABLE	REFUND	SIGN DEPOSIT REFUND	500.00
Vendor Total						500.00

Village of Antioch, IL
Accounts Payable - January 3, 2011

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CALL ONE						
GENERAL	ADMINISTRATION	100-010-110-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	182.69
GENERAL	ENGINEERING	100-030-215-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	38.17
GENERAL	POLICE	100-080-430-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	714.36
GENERAL	FIRE SAFETY	100-050-441-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	324.48
GENERAL	PZB	100-070-216-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	97.04
GENERAL	PARKS & REC	100-060-312-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	264.04
GENERAL	PARKS & REC	100-060-334-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	91.32
GENERAL	PUBLIC WORKS	100-090-511-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	440.49
GENERAL	POLICE	100-080-431-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	106.04
WATER & SEWER	PUBLIC WORKS	800-090-840-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	16.49
GENERAL	ADMINISTRATION	100-010-425-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	48.43
GENERAL	PARKS & REC	100-060-313-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	22.95
WATER & SEWER	PUBLIC WORKS	800-090-830-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	125.19
WATER & SEWER	PUBLIC WORKS	800-090-820-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	36.54
GENERAL	FINANCE	100-040-113-5423	TELEPHONE SERVICE	10106513DC	LOCAL/LONG DIST SRV	16.17
GENERAL	FIRE DISTRICT	100-050-490-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	324.47
WATER & SEWER	PUBLIC WORKS	800-090-830-5423	TELEPHONE SVC	10106513DC	LOCAL/LONG DIST SRV	52.53
Vendor Total						2,901.40
CENTRAL CLEARING						
GENERAL	PUBLIC WORKS	100-090-545-5353	MAINT-STREETS	300906	TREE REMOVAL	1,000.00
GENERAL	PUBLIC WORKS	100-090-545-5355	MAINT-GROUNDS	300906	TREE REMOVAL	500.00
Vendor Total						1,500.00
CHICAGO INTERNATIONAL TRUCKS						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	112044215	SUPPLY KIT	127.45
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	112044393	TANK CABLE	300.67
Vendor Total						428.12

Village of Antioch, IL
Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
COMCAST CABLE						
GENERAL	POLICE	100-080-430-5423	TELEPHONE SVC	001693 DEC	ACCT # 8771100230001693	4.16
						Vendor Total
						4.16
COMMONWEALTH EDISON						
GENERAL	PUBLIC WORKS	100-090-545-5427	ELECTRICITY - ST LIGHTS	076019	ACCT # 1110076019	54.70
WATER & SEWER	PUBLIC WORKS	800-090-830-5426	UTILITY - ELECTRIC	090007 DEC	ACCT # 2150309007	173.65
WATER & SEWER	PUBLIC WORKS	800-090-820-5426	UTILITY - ELECTRIC	11016 DEC	ACCT # 1939011016	183.47
WATER & SEWER	PUBLIC WORKS	800-090-820-5426	UTILITY - ELECTRIC	11046 DEC	ACCT # 1583011046 WELL 7	1,667.08
WATER & SEWER	PUBLIC WORKS	800-090-830-5426	UTILITY - ELECTRIC	11046 DEC	ACCT # 1583011046 JOHNNYS CHOP	519.74
WATER & SEWER	PUBLIC WORKS	800-090-830-5426	UTILITY - ELECTRIC	2803048073	JEWEL LIFT STATION	38.01
WATER & SEWER	PUBLIC WORKS	800-090-830-5426	UTILITY - ELECTRIC	32023 DEC	ACCT # 2583132023	107.13
GENERAL	PUBLIC WORKS	100-090-545-5427	ELECTRICITY - ST LIGHTS	38045 DEC	ACCT # 0102138045	51.99
GENERAL	PUBLIC WORKS	100-090-545-5427	ELECTRICITY - ST LIGHTS	39044 DEC	ACCT # 0579039044	47.23
WATER & SEWER	PUBLIC WORKS	800-090-830-5426	UTILITY - ELECTRIC	40019	ACCT # 3272040019	234.71
WATER & SEWER	PUBLIC WORKS	800-090-820-5426	UTILITY - ELECTRIC	42036 DEC	ACCT # 2043142036	3,057.40
GENERAL	PUBLIC WORKS	100-090-511-5426	UTILITY - ELECTRIC	50011 DEC	ACCT # 2908050011	104.90
WATER & SEWER	PUBLIC WORKS	800-090-820-5426	UTILITY - ELECTRIC	50066 DEC	ACCT # 1703150066	514.24
WATER & SEWER	PUBLIC WORKS	800-090-830-5426	UTILITY - ELECTRIC	51042 DEC	ACCT # 5823051042	172.31
WATER & SEWER	PUBLIC WORKS	800-090-820-5426	UTILITY - ELECTRIC	65005 DEC	ACCT # 1816065005	37.55
WATER & SEWER	PUBLIC WORKS	800-090-830-5426	UTILITY - ELECTRIC	87000 DEC	ACCT # 2740187000	28.65
GENERAL	PUBLIC WORKS	100-090-511-5426	UTILITY - ELECTRIC	90001 DEC	ACCT # 2990290001	100.99
GENERAL	PUBLIC WORKS	100-090-511-5426	UTILITY - ELECTRIC	94004 DEC	ACCT # 1648594004	74.51
WATER & SEWER	PUBLIC WORKS	800-090-830-5426	UTILITY - ELECTRIC	97023 DEC	ACCT # 1818097023	121.69
						Vendor Total
						7,289.95
CREATIVE PRODUCT SOURCING INC						
PUBLIC SAFETY	POLICE	129-080-426-5568	OPERATING SUPPLIES	33877	GRADUATION T-SHIRTS	632.50
						Vendor Total
						632.50

Village of Antioch, IL
Accounts Payable - January 3, 2011

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DAILY HERALD						
GENERAL	POLICE	100-080-430-5571	PUBLICATIONS	352329	SERVICE 12/21/10 - 2/28/11	48.50
<i>Vendor Total</i>						48.50
DAVE HANSON						
WATER & SEWER	PUBLIC WORKS	800-090-820-5331	TRAINING	120910	MONTHLY MEETING	15.00
<i>Vendor Total</i>						15.00
EAST JORDON IRON WORKS INC						
WATER & SEWER	PUBLIC WORKS	800-090-820-5356	MAINT UTILITY SYSTEM	3332316	HYDRANT REPAIR PARTS	707.00
<i>Vendor Total</i>						707.00
FED EX						
GENERAL	POLICE	100-080-430-5569	UNIFORMS	732656105	SHIPPING OF UNIFORMS	15.24
<i>Vendor Total</i>						15.24
FOX VALLEY FIRE & SAFETY						
GENERAL	PUBLIC WORKS	100-090-511-5350	MAINT BLDGS	603500	ANNUAL SERVICE DEC	418.50
<i>Vendor Total</i>						418.50
GALL'S AN ARAMARK CO						
GENERAL	POLICE	100-080-430-5569	UNIFORMS	511051355	LOCKING HOLSTER	49.09
GENERAL	POLICE	100-080-430-5569	UNIFORMS	511051451	UNIFORMS	120.95
<i>Vendor Total</i>						170.04
GENERATION 3 MEDIA						
GENERAL	PARKS & REC	100-060-312-5433	ADVERTISING	03870	HIGH SCHOOL SUPPORT	60.00
<i>Vendor Total</i>						60.00

Village of Antioch, IL
Accounts Payable - January 3, 2011

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GHA TECHNOLOGIES INC						
GENERAL	POLICE	100-080-431-5755	EQUIPMENT~\$25K	630621	DESK TOP/MONITOR	925.00
Vendor Total						925.00
GRAINGER INC						
WATER & SEWER	PUBLIC WORKS	800-090-820-5568	OPERATING SUPPLIES	9414133497	PILOT LIGHT HEAD	11.84
Vendor Total						11.84
HACH COMPANY						
WATER & SEWER	PUBLIC WORKS	800-090-820-5568	OPERATING SUPPLIES	7031792	RUST REMOVER	600.95
WATER & SEWER	PUBLIC WORKS	800-090-840-5568	OPERATING SUPPLIES	7037590	SUPPLIES FOR LAB	277.09
Vendor Total						878.04
HAWKINS WATER TREATMENT INC						
WATER & SEWER	PUBLIC WORKS	800-090-820-5573	CHEMICAL SUPPLIES/TREATMENT	3181439	BULK CHEMICALS	3,570.21
WATER & SEWER	PUBLIC WORKS	800-090-840-5573	CHEMICAL SUPPLIES/TREATMENT	3182476	ALUMINUM SULFATE	3,781.90
Vendor Total						7,352.11
HD SUPPLY WATERWORKS LTD						
WATER & SEWER	PUBLIC WORKS	800-090-820-5596	METERS	2376275	METER	3,048.00
WATER & SEWER	PUBLIC WORKS	800-090-820-5356	MAINT UTILITY SYSTEM	2376286	STEM O-RING	18.69
WATER & SEWER	PUBLIC WORKS	800-090-820-5596	METERS	2401896	METER	113.80
Vendor Total						3,180.49
HINKLEY SPRINGS INC						
GENERAL	FIRE	100-050-440-5565	OFFICE SUPPLIES	121510	COOLER RENTAL/SUPPLIES	87.47
GENERAL	FIRE DISTRICT	100-050-490-5565	OFFICE SUPPLIES	121510	COOLER RENTAL/SUPPLIES	87.46
Vendor Total						174.93

Village of Antioch, IL
Accounts Payable - January 3, 2011

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HYDRAULIC SERVICE & REPAIRS IN						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	252201	AUGER MOTOR	235.00
<i>Vendor Total</i>						235.00
HYDROAIRE INC						
WATER & SEWER	PUBLIC WORKS	800-090-830-5352	MAINTENANCE-EQUIPMENT	7072	REPAIR SUPPLY FLOAT HOLDERS	375.00
<i>Vendor Total</i>						375.00
IAEM						
GENERAL	ADMINISTRATION	100-010-425-5403	PROFESSIONAL DUES	49069	MEMBERSHIP	170.00
<i>Vendor Total</i>						170.00
INTERSTATE ABC						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	21000856	BATTERY	183.90
<i>Vendor Total</i>						183.90
JASON TREAT						
WATER & SEWER	PUBLIC WORKS	800-090-840-5569	UNIFORMS	Dec 2010	REIMBURSEMENT FOR SAFETY SHOES	84.99
<i>Vendor Total</i>						84.99
KALE						
GENERAL	POLICE	100-080-430-5569	UNIFORMS	512462	UNIFORMS	127.00
GENERAL	POLICE	100-080-430-5569	UNIFORMS	512466	UNIFORMS	231.99
GENERAL	POLICE	100-080-430-5569	UNIFORMS	512468	UNIFORMS	160.50
GENERAL	POLICE	100-080-430-5569	UNIFORMS	512469	UNIFORMS	54.00
GENERAL	POLICE	100-080-430-5569	UNIFORMS	512473	SHIPPING OF UNIFORMS	162.50
GENERAL	POLICE	100-080-430-5569	UNIFORMS	513013	UNIFORMS	144.00
<i>Vendor Total</i>						879.99

Village of Antioch, IL
Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
KUNES COUNTRY						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	FOCS43266	HEATER FIXED	1,056.65
<i>Vendor Total</i>						1,056.65
LAKE COUNTY TREASURER						
GENERAL	PUBLIC WORKS	100-090-545-5567	MAINTENANCE SUPPLIES	430007140	SIGN	155.52
<i>Vendor Total</i>						155.52
LAURA ROBY						
GENERAL	PARKS & REC	100-060-314-5448	PROGRAM EXPENSE	MICHAELS	BAGS	9.57
<i>Vendor Total</i>						9.57
LAWSON PRODUCTS INC						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	9888002	PARTS/SUPPLIES	118.91
<i>Vendor Total</i>						118.91
MAIN STREET CAR WASH						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	1006	VEHICLE WASH	246.50
<i>Vendor Total</i>						246.50
MAXIM REBUILDERS						
GENERAL	FIRE	100-050-440-5351	MAINT VEHICLES	92129	REPAIR PARTS	547.50
GENERAL	FIRE DISTRICT	100-050-490-5351	MAINT VEHICLES	92129	REPAIR PARTS	547.50
GENERAL	FIRE	100-050-440-5351	MAINT VEHICLES	92142	REPAIR PARTS	162.50
GENERAL	FIRE DISTRICT	100-050-490-5351	MAINT VEHICLES	92142	REPAIR PARTS	162.50
<i>Vendor Total</i>						1,420.00

Village of Antioch, IL
Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
MCHENRY ANALYTICAL WATER LAB I						
WATER & SEWER	PUBLIC WORKS	800-090-840-5438	OTHER PROFESSIONAL SVC	26330	NPDES PERMIT SAMPLING	528.00
WATER & SEWER	PUBLIC WORKS	800-090-840-5438	OTHER PROFESSIONAL SVC	26417	NPDES PERMIT SAMPLING	146.00
Vendor Total						674.00
MENARDS - ANTIOCH						
GENERAL	PUBLIC WORKS	100-090-511-5568	OPERATING SUPPLIES	18298	RETURN CHARGE	0.14
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	18507	TOOLS	2.99
WATER & SEWER	PUBLIC WORKS	800-090-820-5568	OPERATING SUPPLIES	18507	TOOLS	54.37
WATER & SEWER	PUBLIC WORKS	800-090-820-5350	MAINT BLDGS	18509	FURRING STRIP	13.63
WATER & SEWER	PUBLIC WORKS	800-090-840-5568	OPERATING SUPPLIES	18532	TREATMENT FACILITY SUPPLIES	12.24
GENERAL	FIRE	100-050-440-5568	OPERATING SUPPLIES	18572	ACCT# 32112122	24.43
GENERAL	FIRE DISTRICT	100-050-490-5568	OPERATING SUPPLIES	18572	ACCT# 32112122	24.42
WATER & SEWER	PUBLIC WORKS	800-090-820-5350	MAINT BLDGS	18599	FURRING STRIP SUPPLIES	12.94
WATER & SEWER	PUBLIC WORKS	800-090-840-5352	MAINTENANCE-EQUIPMENT	18762	FIX POLYMER UNIT	5.66
GENERAL	PUBLIC WORKS	100-090-511-5565	OFFICE SUPPLIES	18777	SURGE STRIP	2.99
WATER & SEWER	PUBLIC WORKS	800-090-830-5352	MAINTENANCE-EQUIPMENT	18778	GAS CYLINDER	142.92
GENERAL	PARKS & REC	100-060-312-5331	TRAINING	19113	FAN HEATER	29.98
WATER & SEWER	PUBLIC WORKS	800-090-830-5352	MAINTENANCE-EQUIPMENT	19138	OUTLET COVERS	11.79
GENERAL	PUBLIC WORKS	100-090-511-5350	MAINT BLDGS	19944	SHOP SUPPLIES	41.80
GENERAL	PUBLIC WORKS	100-090-511-5350	MAINT BLDGS	19996	TUFFSKIN	21.89
GENERAL	PUBLIC WORKS	100-090-511-5350	MAINT BLDGS	20060	DOWNSPOUTS	73.33
WATER & SEWER	PUBLIC WORKS	800-090-820-5568	OPERATING SUPPLIES	20075	PAN SET	6.00
Vendor Total						481.52
MORTON SALT, INC						
GENERAL	PUBLIC WORKS	100-090-545-5568	SALT	548050	BULK SALT	5,978.85
GENERAL	PUBLIC WORKS	100-090-545-5568	SALT	549692	BULK SALT	5,035.57
Vendor Total						11,014.42

Village of Antioch, IL
Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
NICOR GAS						
DEPOT PARKING	ADMINISTRATION	101-010-275-5430	UTILITY - GAS	100000 DEC	ACCT # 18-61-54-1000	100.97
GENERAL	PUBLIC WORKS	100-090-511-5430	UTILITY - GAS	13364 DEC	ACCT # 2486613364	32.58
WATER & SEWER	PUBLIC WORKS	800-090-830-5430	UTILITY - GAS	271048 DEC	ACCT # 23458271048	32.27
WATER & SEWER	PUBLIC WORKS	800-090-830-5430	UTILITY - GAS	31000 DEC	ACCT # 1242731000	46.08
GENERAL	PUBLIC WORKS	100-090-511-5430	UTILITY - GAS	310005	ACCT# 46167310005	319.79
GENERAL	FIRE SAFETY	100-050-441-5430	UTILITY - GAS	3816440DEC	ACCT# 00-92-84-1000 0	296.65
GENERAL	FIRE DISTRICT	100-050-490-5430	UTILITY - GAS	3816440DEC	ACCT# 00-92-84-1000 0	296.64
GENERAL	PUBLIC WORKS	100-090-511-5430	UTILITY - GAS	41000 DEC	ACCT # 5936841000	516.95
GENERAL	PUBLIC WORKS	100-090-511-5430	UTILITY - GAS	410008 DEC	ACCT# 71590410008	148.55
WATER & SEWER	PUBLIC WORKS	800-090-820-5430	UTILITY - GAS	81000 DEC	ACCT # 3760681000	29.90
GENERAL	PUBLIC WORKS	100-090-511-5430	UTILITY - GAS	810000 DEC	ACCT # 0070681000	125.87
WATER & SEWER	PUBLIC WORKS	800-090-820-5430	UTILITY - GAS	810001 DEC	ACCT # 14606810001	181.28
GENERAL	PUBLIC WORKS	100-090-511-5430	UTILITY - GAS	810007 DEC	ACCT # 77706810007	352.72
GENERAL	PUBLIC WORKS	100-090-511-5430	UTILITY - GAS	810008 DEC	ACCT # 5860681000	151.30
GENERAL	PUBLIC WORKS	100-090-511-5430	UTILITY - GAS	86087 DEC	ACCT # 0689286087	68.60
Vendor Total						2,700.15
NORTH SUBURBAN WATER WORKS/ASS						
WATER & SEWER	PUBLIC WORKS	800-090-820-5403	PROFESSIONAL DUES	2011 dues	2011 MEMBERSHIP DUES	60.00
Vendor Total						60.00
PEKIN LIFE INSURANCE CO						
GENERAL		100-002-000-2207	LIFE INS WH PAYABLE	310620	EMPLOYEE POLICY	13.90
Vendor Total						13.90
PEST CONTROL SERVICES, INC						
GENERAL	FIRE SAFETY	100-050-441-5350	MAINT BLDGS	45542	MONTHLY SERVICE	67.00
GENERAL	FIRE DISTRICT	100-050-490-5350	MAINT BLDGS	45542	MONTHLY SERVICE	67.00
Vendor Total						134.00

Village of Antioch, IL
Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
PRECISION SERVICE & PARTS, INC						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	07-038674	PARTS/SUPPLIES	105.16
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	07-038677	PARTS/SUPPLIES	50.54
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	07-038690	PARTS/SUPPLIES	27.31
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	07-038797	PARTS/SUPPLIES	484.49
Vendor Total						667.50
R G SMITH EQUIPMENT CO						
GENERAL	PUBLIC WORKS	100-090-511-5352	MAINTENANCE-EQUIPMENT	112953	LATCH	158.92
Vendor Total						158.92
RA ADAMS ENTERPRISES INC						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	447048	MOTOR SPINNER	269.80
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	447168	MOTOR HYDRAULIC	324.75
Vendor Total						594.55
RADICOM INC						
GENERAL	ADMINISTRATION	100-010-425-5352	MAINTENANCE-EQUIPMENT	96816	TOWER ANTENNA LITE REPL	1,131.72
Vendor Total						1,131.72
RAY O'HERRON INC						
GENERAL	POLICE	100-080-430-5569	UNIFORMS	1028359-IN	BADGE HOLDERS	249.00
GENERAL	POLICE	100-080-430-5569	UNIFORMS	1028895-IN	BADGES/HOLDERS	345.13
Vendor Total						594.13
RAYMOND CHEVROLET						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	CVCS321168	LICENSE # 260 FRT END ALIGNMEN	105.90
Vendor Total						105.90

Village of Antioch, IL

Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
RAYMOND CHEVY-OLDS						
GENERAL	FIRE	100-050-440-5351	MAINT VEHICLES	183103	PARTS	43.97
Vendor Total						43.97
RICMAR INDUSTRIES						
GENERAL	PUBLIC WORKS	100-090-511-5567	CLEANING SUPPLIES	306412	SUPPLIES	183.61
Vendor Total						183.61
RICOH AMERICAS CORP						
GENERAL	FINANCE	100-040-113-5488	CONTRACT PAYMENT	18346002	COPIER	181.18
Vendor Total						181.18
SMITH ENGINEERING CONSULTANTS						
WATER & SEWER	PUBLIC WORKS	800-090-820-5436	ENGINEERING SVC	71205	PROJECT # 8610019701 ADMIN/MGM	144.00
Vendor Total						144.00

Village of Antioch, IL
Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
SPRINT						
GENERAL	POLICE	100-080-430-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	510.71
GENERAL	PZB	100-070-216-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	28.09
GENERAL	ENGINEERING	100-030-215-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	102.35
GENERAL	PARKS & REC	100-060-312-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	40.93
GENERAL	PZB	100-070-217-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	94.89
GENERAL	FIRE SAFETY	100-050-441-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	174.54
GENERAL	FIRE DISTRICT	100-050-490-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	174.53
GENERAL	ADMINISTRATION	100-010-110-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	260.06
GENERAL	ADMINISTRATION	100-010-101-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	22.21
GENERAL	ADMINISTRATION	100-010-115-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	22.66
GENERAL	ADMINISTRATION	100-010-425-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	62.88
GENERAL	FINANCE	100-040-113-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	22.21
WATER & SEWER	PUBLIC WORKS	800-090-820-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	209.81
WATER & SEWER	PUBLIC WORKS	800-090-840-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	44.87
GENERAL	PUBLIC WORKS	100-090-545-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	437.91
GENERAL	PUBLIC WORKS	100-090-511-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	420.26
GENERAL	PARKS & REC	100-060-348-5424	PAGER/CELL PHONE SVC	12122010	CELL PHONE SRV	26.81
Vendor Total						2,655.72
STAPLES BUSINESS ADVANTAGE						
GENERAL	PARKS & REC	100-060-312-5565	OFFICE SUPPLIES	3146703355	OFFICE SUPPLIES	55.51
GENERAL	FIRE	100-050-440-5565	OFFICE SUPPLIES	8017239942	OFFICE SUPPLIES	136.01
GENERAL	FIRE DISTRICT	100-050-490-5565	OFFICE SUPPLIES	8017239942	OFFICE SUPPLIES	136.01
Vendor Total						327.53
TAP PUBLISHING						
GENERAL	ADMINISTRATION	100-010-425-5357	MAINT COMPUTER SYSTEM	20101124	INTERNET SUBSCRIPTION	83.95
Vendor Total						83.95

Village of Antioch, IL
Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
TERMINAL SUPPLY CO						
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	12732-00	PARTS/SUPPLIES	133.82
GENERAL	PUBLIC WORKS	100-090-511-5351	MAINT VEHICLES	12852-00	CLEAR STROBE TUBE	203.29
Vendor Total						337.11
USABLUETOOTH						
WATER & SEWER	PUBLIC WORKS	800-090-840-5568	OPERATING SUPPLIES	292733	PHOSPHATE KIT/BOD BOTTLES	601.89
Vendor Total						601.89
VERITY THREE, INC						
GENERAL	FIRE	100-050-440-5488	CONTRACT PAYMENT	21664	NETWORK SUPPORT	22.00
GENERAL	FIRE DISTRICT	100-050-490-5488	CONTRACT PAYMENTS	21664	NETWORK SUPPORT	22.00
GENERAL	PARKS & REC	100-060-312-5488	CONTRACT PAYMENT	21665	DECEMBER SERVICES	52.00
GENERAL	POLICE	100-080-430-5357	MAINT COMPUTER SYSTEM	21666	DESK TOP SUPPORT	234.00
GENERAL	POLICE	100-080-430-5357	MAINT COMPUTER SYSTEM	21667	LICENSE	40.00
GENERAL	POLICE	100-080-430-5357	MAINT COMPUTER SYSTEM	21727	DESK TOP SUPPORT	261.25
GENERAL	FIRE	100-050-440-5488	CONTRACT PAYMENT	21735	NETWORK SUPPORT	59.38
GENERAL	FIRE DISTRICT	100-050-490-5488	CONTRACT PAYMENTS	21735	NETWORK SUPPORT	59.37
GENERAL	POLICE	100-080-430-5357	MAINT COMPUTER SYSTEM	21832	DESK TOP SUPPORT	380.00
GENERAL	FIRE	100-050-440-5488	CONTRACT PAYMENT	21838	NETWORK SUPPORT	11.88
GENERAL	FIRE DISTRICT	100-050-490-5488	CONTRACT PAYMENTS	21838	NETWORK SUPPORT	11.87
Vendor Total						1,153.75
WAL-MART COMMUNITY						
GENERAL	PARKS & REC	100-060-314-5568	OPERATING SUPPLIES	3757PARKSN	PARKS PROGRAMS	122.24
GENERAL	PUBLIC WORKS	100-090-545-5569	UNIFORMS	PW3773 DEC	JEANS	31.00
GENERAL	PUBLIC WORKS	100-090-511-5565	OFFICE SUPPLIES	PW3773 DEC	SUPPLIES	42.96
GENERAL	PUBLIC WORKS	100-090-511-5565	OFFICE SUPPLIES	PW3773 DEC	SUPPLIES	114.86
GENERAL	PARKS & REC	100-060-348-5448	PROGRAM EXPENSE	SPEV3765NV	WINE WALK	96.06
Vendor Total						407.12

Village of Antioch, IL

Accounts Payable - January 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
WAREHOUSE DIRECT OFFICE PRODUC						
GENERAL	PUBLIC WORKS	100-090-511-5567	CLEANING SUPPLIES	965402-0	PAPER TOWELS	167.24
Vendor Total						167.24
ZEP MANUFACTURING						
GENERAL	PUBLIC WORKS	100-090-545-5568	SALT	30441963	POLAR ICE MELT	660.50
GENERAL	PUBLIC WORKS	100-090-511-5567	CLEANING SUPPLIES	30441963	ZEP RING MASTER	204.20
Vendor Total						864.70

Grand Total:

\$74,960.65

Village of Antioch, IL

Invoices Over \$10,000 Informational Report - JANUARY 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
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Vendor Total

Grand Total:

Village of Antioch, IL

Escrow Payables Informational Report - JANUARY 3, 2011

<u>FUND</u>	<u>DEPARTMENT</u>	<u>GL-EXP-ACCT</u>	<u>DESCRIPTION</u>	<u>INVOICE-NO</u>	<u>REFERENCE</u>	<u>PAYMENT AMOUNT</u>
BRUCE GEBERT						
ESCROW		924-002-000-2426	DEPOSITS PAYABLE	REFUND	SIGN DEPOSIT REFUND	500.00
<i>Vendor Total</i>						<i>500.00</i>

Grand Total:

\$500.00

Date: 1/3/2011

Total 3,296.13

Request For Board Action

REFERRED TO BOARD: January 3, 2011

AGENDA ITEM NO: 4

ORIGINATING DEPARTMENT: Administration

SUBJECT: Consideration of a Resolution Directing the Village Administrator to Distribute Funds from the Utility Tax Fund to Pay Interest on Economic Recovery Zone Bonds.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The American Recovery and Reinvestment Tax Act of 2009 created a new category of bonds called Recovery Zone Bonds ("RZBs") to assist economic development in distressed areas throughout the United States. A benefit to issuers of RZBs is a 45% interest subsidy from the Department of Treasury.

The Village met all the legal requirements related to RZBs, and on June 7, 2010 the Mayor and Board of Trustees approved an Ordinance authorizing the issuance of \$2,975,000 Taxable General Obligation Bonds (Utility Tax Alternate Revenue Source) Series 2010 to finance the costs of constructing and installing certain improvements to capital infrastructure.

Utility Taxes were pledged to pay the principal and interest due on the bonds and the Village Board approved an Ordinance abating the levy of taxes. Staff is requesting the approval of a transfer of \$82,913.73 from the Utility Tax Fund to pay the interest payment due on January 15, 2011.

On October 18, 2010 staff filed Form 8038CP with the IRS requesting reimbursement of 45% or \$37,311.18 of the interest payment due. On receipt of the 45% subsidy offered by the Department of Treasury, \$37,311.18 will be transferred back to the Utility Tax Fund.

DOCUMENTS ATTACHED:

1. Resolution

RECOMMENDED MOTION:

Move to approve a Resolution Directing the Village Administrator to distribute \$82,913.73 from the Utility Tax Fund to Pay Interest due on the Series 2010 Economic Recovery Zone Bonds.

RESOLUTION NO. 11-xx

**A RESOLUTION DIRECTING THE ADMINISTRATOR
TO DISTRIBUTE FUNDS FROM THE UTILITY TAX FUND
TO PAY INTEREST DUE ON ECONOMIC RECOVERY ZONE BONDS**

WHEREAS, the corporate authorities implemented taxes on natural gas and electricity in late 2009, and

WHEREAS, at the same time as the corporate authorities implemented those taxes, they pronounced an intention to exercise strict oversight on expenditures from those revenues and to carefully limit their use to specific causes that the Board may deem sufficiently worthwhile or important and as such, the Village Finance Director has maintained carefully segregated accounting therefore, and

WHEREAS, at the time these measures were adopted, the corporate authorities could not predict that there would shortly be a federal economic stimulus package known as “Economic Recovery Zone Bonds” that would become available, and

WHEREAS, at such time as those bonds were announced by the federal authorities, the corporate authorities held due and proper meetings and adopted appropriate resolutions to take advantage of the said bonds, intending, among other purposes to invest in significant capital projects, including, without limitation, additional road improvements and possibly rebuilding the community’s swimming pool, and a total of approximately \$3,000,000.00 was provided to the community through the bonds, and

WHEREAS, the terms and conditions of the said bonds require interest to be paid on an annual basis, with the first such installment in the amount of \$82,913.73 becoming due on or about January 15, 2010, and

WHEREAS, the corporate authorities deem the payment of interest on the said bonds to be something that would be appropriate to be made from the Utility Tax Fund, because there will be tangible and long range benefits to the community therefrom,

NOW THEREFORE, BE IT RESOLVED by the Village of Antioch, Lake County, Illinois, as follows:

SECTION ONE: The corporate authorities declare that there is good cause shown for an immediate allocation of a portion of the Utility Tax Fund and that therefore the Administrator and Finance Director are specifically directed to arrange for the payment of the sum of \$82,913.73 from this fund to pay the interest due on the Economic Recovery Zone Bonds as described hereinabove.

SECTION TWO: This resolution shall take effect immediately upon passage.

PASSED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF ANTIOCH, ILLINOIS,
ON THIS ____ DAY OF _____, 2011.

ATTEST:

LAWRENCE M. HANSON, MAYOR

CANDI L. ROWE, VILLAGE CLERK

Request for Board Action

REFERRED TO BOARD: January 3, 2011

AGENDA ITEM NO 5

ORIGINATING DEPARTMENT: Fire Department

SUBJECT: Approval of a resolution to accept a grant award from Federal Emergency Management Association (FEMA) Assistance to Firefighters Grant (AFG) program

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

A recent Notice of Grant Award has brought forward the opportunity for the Village to accept a grant to assist in the replacement of a fire engine. In May of 2010 the Fire Department submitted a grant application for consideration by the Federal Emergency Management Association (FEMA) to assist in the replacement of a fire engine. Unit 2124 is currently on reserve status and is a 1973 Pirsch pumper that has reached the end of its serviceable life. This reserve engine was due for replacement in FY 2011 or as funds became available. At present Unit 2124 is our only reserve engine and is the one of four total pumpers. Front line units are a 2002 Freightliner at station 1, a 1994 Spartan at station 2 and a 1990 Pierce at station 3. The typical life of a pumper is 20 years in service.

This grant award gives the Antioch Fire Department a total of \$285,000 to be used in assisting with the purchase of a replacement fire engine for Unit 2124. Under the terms of FEMA AFG grants, the Village and the Fire District must agree to share a portion of the cost for the vehicle purchase. In their original submittal, fire department staff had requested consideration for funds totaling \$425,000. However, the FEMA administrators reduced the amount of the award total to \$300,000 with a proposed match of \$15,000 (five percent) by the recipients. Based upon current delivery prices for new fire engines, it is expected that a new vehicle would cost approximately \$400,000. Under the terms of the program, the Village and Fire District would commit to cost sharing the difference above \$285,000 for a new vehicle. Using the \$400,000 as a maximum estimate, the amount of \$115,000 would be shared by the recipients.

FINANCIAL IMPACT: None at present. The passage of the resolution is required to qualify for the final award by FEMA to receive an AFG grant. Once final approval is confirmed, an amount not to exceed \$115,000 would be shared between the Village and the Fire District. Said cost sharing amount would not be payable until final delivery of the vehicle. Delivery would be estimated to take place in May 2012.

DOCUMENTS ATTACHED:

1. Resolution to accept the FEMA AFG Grant award in the amount of \$285,000

RECOMMENDED MOTION:

Move to approve a resolution supporting the acceptance of the Federal Emergency Management Association (FEMA) 2010 Assistance to Firefighters Grant (AFG) award to assist with the purchase of a new fire engine for the Antioch Fire Department.

RESOLUTION NO. 11-xx

Resolution Authorizing the Village Administrator to Accept a Grant Award from the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) program for the Purchase of a New Fire Engine in the amount of \$285,000

WHEREAS, the Village of Antioch ("Village") is a municipality located in Lake County, Illinois; and

WHEREAS, the Antioch Fire Department operates and maintains a fleet of Fire Engines; and

WHEREAS, one of the Antioch Fire Department Engines has reached the end of its serviceable life and was being considered for replacement in 2011; and

WHEREAS, the Fire Department staff had applied for and has received notice of a grant award pending under the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) program to fund \$285,000 to be used toward the purchase of a replacement Fire Engine; and

WHEREAS, the grant award requires that the recipient provide a cost share of the total purchase price of a replacement Fire Engine; and

WHEREAS, the cost of the replacement Fire Engine is expected to be \$400,000 in total; and

WHEREAS, the cost of the replacement Fire Engine above the amount of the grant award shall be shared equally by the Village of Antioch and the First Fire Protection District of Antioch Township.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Board of Trustees of the Village of Antioch to authorize the Village Administrator to accept the grant award of \$285,000 from the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) program.

ADOPTED by the Mayor and Board of Trustees of the Village of Antioch, Lake County, Illinois on this 3rd day of January 2011.

AYES:

NAYS:

ABSENT:

Lawrence M. Hanson, Mayor

Attest:

Candi L. Rowe, Village Clerk

PROJECT DESCRIPTION AND BUDGET

The Antioch Fire Department (AFD) is a volunteer/paid-on-call department with 90 firefighters covering a rural area of 35 sq. miles located in Lake County, IL. We are located approximately 40 miles north of Chicago and 40 miles south of Milwaukee. We operate out of three (3) unmanned stations. According to the 2000 US Census, the population of our area is 19,442 residents. We have automatic-aid agreements with the eight (8) communities around us for response with either a Ladder or Engine. In addition, we are part of the Mutual Aid Box Alarm System (MABAS) whereby we respond to any of the 28 towns in Lake County, the NE half of McHenry County, and all of Kenosha County, WI. This increases our mutual aid response area to 1174 sq. miles and a population of 975,487.

The Department has the following apparatus: three (3) engines, three (3) tenders, one (1) squad, one (1) ladder, four (4) brush trucks, one (1) fire investigation unit, one (1) dive van, one (1) boat, one (1) rehab unit, two (2) command cars and three (3) utility or pool vehicles.

Our Training Department provides a driver/operator program that meets or exceeds NFPA 1002(Standard for apparatus driver/operator), and our department S.O.G's mandate the use of seatbelts whenever a vehicle is in motion. Furthermore, our response S.O.G. and Safety Policy require any driver/operator of a vehicle to adhere to local traffic laws when responding to, or returning from calls etc.

In 2009, the department responded to 767 calls. There were 23- structure fires, 12- vehicle fires, 30- grass fires, 71- Haz-Mat Calls, 133- service calls to assist local agencies or citizens (separate from Mutual Aid/Auto-Aid), 127- Auto Accidents, 32-EMS/BLS responses, 49-Other calls and 284- good intent/false alarms. We provided Mutual Aid 31 times, and received aid on 17 occasions.

In the spring of 2005 as part of its formal adoption of the National Incident Management System (NIMS.), all employees have received training to the appropriate level, and our personnel are State of Illinois Firefighter II or III, which meets and exceeds NFPA 1001.

We have responsibilities for the following critical infrastructure:

- The Metra North Commuter/ Wisconsin Central Rail lines carrying 6.5 million passengers yearly.
- Route 173, IL- DOT figures the Average Daily Traffic count (ADT) is 15K vehicular. / 12K trucks
- Route 83 with an ADT of approx 14,000 vehicles & trucks per day.
*Each of these two (2) roads serves as evacuation routes for Milwaukee and Chicago cities
- large aviation fuel pipeline carries aviation fuels (capacities withheld for security reason)
- a tank farm (150,000 gals.) fuels (identified on State Police Terrorism Target list)
- Zion nuclear power plant with two (2) units (1,040mw) ea.
- the Midwest Power Generation plant (789mw),
- two (2) sub-stations (255mw),
- the Central Lake County Joint Action Water Agency which serves 198,119 total pop
- We have a 12-mile stretch of I-94 (6-lanes) ADTC of 98,200 vehicles and 12,500 trucks
- The Six Flags theme park is also in this area serving 2.6 million visitors last year.

As an organization, we try to provide our personnel with the necessary tools & equipment to protect them from the hazards they encounter on a daily basis. The AFD has a long tradition of serving the people of the community however; as an organization, we realize a responsibility to protect the long-term health

and safety of our personnel as well. This commitment includes the tools we provide our members with to do the job we ask them to do. We go to great lengths, and expense, in training and equipping them with SCBA , proper gear and apparatus capable of mitigating almost every hazardous situation, however as our community grows we find ourselves behind in the area of apparatus & response capabilities.

The Department is seeking assistance to purchase a 2010 N.F.P.A. 1901 certified Engine to serve as a front line response vehicle; to replace our 1972 Pirsch Engine with an **open-cab** which we currently run as a first out piece of equipment. Since 1972, the department has utilized a Pirsch Engine with a 1000 gpm pump, 500 gallon tank and limited compartments as part of our first due response to incidents within our community. Original plans called to replace this vehicle nearly 10 years ago; however, funding levels made this impossible. In addition, our area has experienced a tremendous amount of growth, requiring the building of additional stations; which resulted in an increased use of our 1972 Engine. This engine lacks many of the basic safety items found on current apparatus including an enclosed cab; engine braking, and transmission/pump interlocks to name a few.

In an effort to extend the service life of this Engine as well as operate within our limited budget, refurbishment was undertaken; however, the lack of available funds prohibited our agency from enclosing the cab; which is a requirement of NFPA 1901 Annex D. In addition, the company has long gone out of business, and parts are no longer available; making repairs lengthy and expensive. The vehicle does not have nor are we able to install Department of Transportation (DOT) mandated 3-point seat belts.

The vehicle is not equipped with safety interlocks for pump or transmission disengagement, which could allow the vehicle to move with the parking brake set. The vehicle is not equipped with an Antilock Braking System (ABS) required on all fire trucks as of 1996, nor is it equipped with an Auxiliary/Secondary Braking system required on all fire trucks over 36,000 pounds.

One of our greatest concerns as a department centers on the fact that NFPA 1901 sets forth a requirement that vehicles with 15 years of service shall be placed in reserve status, vehicles with 20yrs of service shall be retired, and those vehicles built prior to 1979 are considered obsolete!

Our 1972 open cab engine is placed into service with greater frequency due to an increase in the amount of time our front line apparatus are out of service for routine maintenance and repair; due in part to the overall age of our fleet(21yrs). We recognize that we should be replacing many of our vehicles, however due to numerous factors beyond our control; the pool of available funds is simply not there.

From what the department has been able to determine the Engine currently in use is one of the last, if not the last unit of its type and manufacture still operating in Northern Illinois or Southern Wisconsin. Currently, slides of this model are used in Fire Officer I class as a "Remember when we used to operate like this!"

When this engine was purchased our department ran a limited amount of calls, and the fire service, as a whole did not respond to the wide spectrum of calls we do now. As a result the amount of equipment is limited and despite sending it out several times to a local apparatus vendor for improvements, we find ourselves unable to meet basic mission critical functions, such as Rapid Intervention Team functions, Haz-mat responses, as well as Search and Rescue on the scene of a fire.

Due to the diverse geographical area, we protect our front line apparatus are required to be self-sufficient for the first several minutes as travel distances and lack of response personnel affect our operation as well. From auto accidents to water rescues, car fires or structure fires; our vehicles are designed to meet the needs of protecting the personnel who respond on them as well as the type of call they are responding to. Our 1972 Engine lacks the cabinet space, safety equipment, water, & pump capacity to meet these needs.

Additionally our area has experienced an increase in large commercial / light industrial facilities that exceed our current ability to provide the required fire flow.

Project Budget:

2010 Engine:

All NFPA 1901 Required Equipment

E.P.A. Tier 4 motor (ISL 425)

PTO Generator (minimum 10 KW) with extensive vehicle lighting capability (minimum 750 watt floodlights)

Centrifugal single stage pump (min. 1500 gpm)

Cross-lay beds for 2 ½ and 1 ¾ inch preconnected lines

Hose beds for both 2 ½ and 4 inch large diameter hose

Booster tank (750 gallons)

Wheel well air bottle compartments

Rescue style compartments to allow for maximum storage

Rollout equipment trays

Interior cabinetry for EMS equipment

Extrication Equipment

Total Costs = \$425,000

Minus 5% matching funds =\$21,250

TOTAL GRANT FUNDING REQUESTED = \$403,750

If awarded funding we will follow all local procurement policies and if cost savings are realized those funds will be handled in the manner prescribed by the AFG program guidance. We are cognizant of the required paperwork and reporting requirements of this grant and will file all paperwork in a timely manner.

Additionally, we fully understand the requirement to place the unsafe vehicle out of service as set forth within the program guidance.

FINANCIAL NEED

We have tried to be fiscally responsible with our tax revenues, all the while continuing to plan in order to keep pace with our growth. Our community has grown from just under 6200 residents to over 19,442 in a little over 3 years time. This population figure was based upon the special census in 2006, with current projections showing an additional 3400-4100 residents currently living in our community. This growth, coupled with the lack of impact fees and other financial methods commonly used to counter the effect were non-existent up until the past year or so. The new Village Manager has placed safeguards in place to insure that any future development shares the financial impact it will have by holding the developer to a higher standard. In addition, the tax revenues that are typically associated with this type of growth are not fully realized for upwards of two full years for commercial, due to the manner in which the state collects taxes.

We have built two (2) sub-stations since 2000 at a cost of \$2.7 million. The third station required the department to take on a sizeable amount of debt service using bonds; which are scheduled to be retired in 2013. We have placed personnel on duty 24 hours a day, 7 days a week, at our Main Station. The opening of these stations required re-deployment of our apparatus and additional Tenders to address rural water supply issues. As a result, we have no reserve apparatus, and the Tenders are set up to function in that capacity, lacking the necessary hose and equipment to function as an Engine.

With the tremendous growth, our area is experiencing, as well as information received from a consultant's report; a fourth station and the apparatus for that station is the centerpiece of our Capital Improvement plan over the next 5 years. This need for a station and apparatus comes at a time when our departments like many across the nation are doing more with less, as tax revenues continue to decline due to the decrease in property values. In an effort to begin to pay for these improvement the department has set aside a very small amount of funds; approx. \$20,000.

The construction of our stations, increase in staffing to a 24/7 operation, and need for a fourth station are large capital expenditures, ones that were necessary to ensure the quality of service our citizens have come to expect from the department. This type of expenditure would be a burden on any department, especially one of our size and limited resources.

Outlined below are budget figures for 2010:

INCOME

Tax Based Revenues \$1,295,143

EXPENSES

Payroll- \$714,471

Payroll liabilities & benefits- \$140,627

Debt Service- \$65,500

Maintenance-\$63,325

Utilities- \$55,250

Fuel- \$16,000

Training & Travel Expense-\$27,440

Professional Services-\$53,300

Operations/Equipment-\$76,600

Capital Expenditure-\$ 20,000

TOTAL EXPENSES =\$ 1,268,725

The State of Illinois froze the tax rate in 1993 and at the time, our amount collected based on the Equalized Assessed Value (EAV) was the lowest in the county. This did not greatly affect our department at first in part to the relatively low number of calls we ran at the time and the growth mentioned earlier was not even on the horizon. This tax cap allows us to collect a higher amount; however, we must go to a referendum in order to collect the maximum allowable. We have made four (4) unsuccessful attempts with the most recent attempt in February of 2008, where the referendum was defeated by 55% of voters opposing the \$30.00 dollar tax increase on their taxes for one year. This defeat will greatly affect the amount of funding available to provide even the basic equipment as the operating costs continue to rise. With the failure of the referendum, our department examined additional areas whereby we could make cuts to eliminate an additional 20% from our budget to meet rising personnel costs, with the addition of

another crew. The Board of Directors have informed us they do not want any more referendums placed on the ballot due to the current economic situation; with unemployment on the rise and foreclosure rates climbing even faster.

COST BENEFIT

The benefit of the requested grant funding project for a Engine far outweighs the cost; the cost of a firefighter's life and the financial and emotional impact that it has on a family, an organization, and community. It is our goal as well as the AFG program to prevent firefighter deaths and injuries. Providing for the health and safety of firefighters in dangerous working conditions with an NFPA 1901 compliant Engine designed to support and meet our needs accomplishes this goal.

This grant will also greatly benefit the diverse population we protect; from the elderly population; in our Senior Housing Facilities which consists of condo/duplex units all with gusset plate construction. It will also benefit our youth; including our two High Schools(3 story wings with a total population of 4500 students), multiple grade schools and junior highs, and various religious facilities and organizations & private schools. From a regional standpoint, this grant will benefit neighboring agencies, departments, and communities. Our current Engine responds to our neighbors for fire alarms, target hazards, structure fires, and multi story (highest is 8 stories) buildings.

Granting this request offers cost benefit to our department by assuring that we can conduct a safe fire ground response. This improves efficiency which cuts down on fire damage losses and aids in preventing injuries which are costly to us in terms of Workmen's Comp. claims and premium increases and saves these costs from ultimately being passed on to our citizens as operating costs increase. Proper and efficient mitigation of fire losses and proper SAR also offers cost benefit in reducing civilian injuries and deaths through proper SAR and in controlling fire damage losses to control the financial impact consequences to our citizens.

We are promoting fire and all-hazard safety and preparedness as well as firefighter safety and health. We believe our request supports a regional approach, promotes interoperability, and allow us to respond as an all-hazards emergency service. The AFG guidelines clearly state that protecting the health and safety of the public and firefighters from fire and related hazards is a primary goal. Our equipment requests are aimed at improving the safety of not only our firefighters but also the safety, health and survivability of our customers, the citizens we serve.

The department has set aside some funding for equipment purchases and although it is insufficient to cover this entire purchase, we have committed that funding to meet our cost share requirements.

If you take our first due population figures (19,442) and multiply that by the 20-year service life of the equipment (388,840) and divide that figure into the total project costs \$403,750 the cost per person of this request is \$.96 per resident. However when you take into account a percentage of our surrounding communities population; the cost drops considerably and protects an additional 30,000 residents. Furthermore, our role within the MABAS system on a local & regional level within a three county area, the total population served by funding this project exceeds 900,000 residents in our area.

OPERATIONAL OUTCOMES

In the early development of nearly every town, the economic lifeblood of a community was in its downtown area; which is why essential city services were located in the area as well. Our community developed in much the same way, and while our downtown will always remain a vital part of our identity and is important to our community, so shall the area east of town where our commercial corridor and new housing exists.

If our town were to experience the loss of the car dealerships, big box retail such as Wal-Mart or Menards, the effects on our local revenue stream would have an immediate impact. The Village of Antioch is just beginning to see realize the benefits of growth, spending a great deal of time and effort to insure that the businesses coming into town are consistent with the needs of the community. It is therefore all the more reasonable and prudent to evaluate the mechanisms in place to protect this area, evaluate the risk and provide additional capabilities where they are warranted. In other words, if one of the businesses listed above were to experience a fire, the impact to our community would result in, and is not limited to an immediate loss of revenue, loss of jobs and possibly a loss of the business all together. If we had knowledge this loss of revenue or jobs were to occur prior to the event, what course of action would we take as a community to prevent it?

The Antioch Fire Department believes this is a reasonable request that goes directly to providing for the safety of our communities first responders, and we hope the reviewers will review this request favorably.

In closing, the Antioch Fire Department would like to thank the DHS/ FEMA/USFA and Office of Domestic Preparedness for their ongoing support of America's first responders



U.S. DEPARTMENT OF HOMELAND SECURITY

FISCAL YEAR 2010

Assistance to Firefighters Grants

GUIDANCE AND APPLICATION KIT

APRIL 2010



U.S. DEPARTMENT OF HOMELAND SECURITY

Title of Opportunity: Assistance to Firefighters Grants

Federal Agency Name: Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA)

Announcement Type: Initial

Dates: Completed applications may be submitted as early as Monday, April 26, 2010, but must be submitted **no later than 5:00 p.m., Eastern Time on Friday, May 28, 2010.**

Additional overview information: The Fiscal Year (FY) 2010 Assistance to Firefighters Grants (AFG) remains largely unchanged from the previous year's program. In FY 2010, the program will remain focused on firefighter life and safety as well as the safety of the public the firefighters serve. Applicants who demonstrate that their request will have a direct effect on life and safety will receive the highest consideration.

Procurement Integrity

Through audits conducted by the Department of Homeland Security's Office of Inspector General (OIG) and through the Assistance to Firefighters Program Office grant monitoring, it has become apparent that some Assistance to Firefighters Grant (AFG) recipients have not adhered, or are not totally adhering, to the proper procurement requirements when spending grant funds. Anything less than full compliance with Federal procurement policies jeopardizes the integrity of the grant as well as the grant program. Below, we have reiterated the Federal procurement requirements for fire departments and emergency medical service (EMS) organizations grantees when buying goods and services with Federal grant funds. DHS will include a review of grantees' procurement practices as part of the normal monitoring activities.

Competition: All procurement transactions shall be conducted in a manner that provides, to the maximum extent practical, open and free competition. Grantees are expected to promote competition and ensure advantageous pricing by soliciting bids from multiple vendors. Purchases shall be made from the vendor whose bid is responsive to the solicitation and is most advantageous to the grantee when price, quality, and other factors are considered. Grantees may use their own procurement procedures, which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal laws and standards. Grantees who fail to adhere to their own procurement policy, or otherwise fail to fully "compete" any purchase involving Federal funds, may find that their expenditures will be questioned and subsequently disallowed.

Documentation: Grantees are required to maintain and retain backup documentation such as bids, quotes, and cost/price analyses on file for review by Federal personnel. The required documentation for federally funded purchases should include specifications, solicitations, competitive quotes or proposals, basis for selection decisions, purchase orders or contracts, invoices, and cancelled checks. Grantees who fail to fully document their purchases may find that their expenditures will be questioned and subsequently disallowed.

Specifications: Specifications developed for solicitations shall clearly set forth all requirements that the bidder shall fulfill in order for the bid or offer to be evaluated by the recipient. However, those specifications may not be so narrowly constructed or contain features which unduly limit, restrict, or eliminate competition unnecessarily. Grantees may, when developing their solicitations, list factors that will be used in their evaluation of proposals that are submitted, as long as those evaluation factors are not found to limit competition. Finally, grantees cannot impose in-State or local geographical preferences in the evaluation of bids or proposals.

Applicants and grantees are encouraged to obtain product information from vendors in order to be more informed about the items they plan to purchase. However, grantees may not use specifications obtained from vendors for any solicitation with Federal grant funds if the specifications would be found to be restrictive. It is the grantee's

responsibility to assure that vendor specifications are not used in a manner which would result in restricting or limiting competition from other vendors of similar products. Additionally, if a vendor or manufacturer drafts, writes, edits, critiques, or provides any direct consultation on a grant application, that vendor or manufacturer cannot submit a bid for that purchase. Likewise, if a vendor or manufacturer drafts, writes, edits, critiques, or provides any direct consultation on a specification to be used for the solicitation for the purchase of a specific product, that vendor or manufacturer cannot submit a bid for that purchase. See Conflicts of Interest below.

Grantees shall, on request, make available to DHS pre-award review and procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, *etc.*, if 1) the purchase specifies a "brand name" product or 2) the proposed award is to be awarded to other than the apparent low bidder under a sealed bid process. Grantees found to be using proprietary, or otherwise limiting specifications, may find their expenditures questioned and subsequently disallowed.

Personal and Organizational Conflicts of interest: In order to ensure objective vendor performance and eliminate a real or apparent unfair competitive advantage, vendors who develop or write bid specifications, requirements, statements of work (including the grant application), and/or requests for proposals (RFP) shall be excluded from competing for such procurements. Vendors may provide product information to grantees for consideration and use during the grantees' product evaluation and drafting of solicitation specifications. However, it is the grantees' responsibility to assure that the specifications used are not proprietary or unduly limit competition. Additionally, no employee, officer, or agent of the grantee shall participate in the selection, award, or administration of a procurement supported by Federal funds if a real or an apparent conflict of interest would be involved. A conflict of interest could arise when any of the following conditions exists:

- a) An officer, employee, or agent of the grantee has a financial or other interest in the vendor selected for the procurement.
- b) Any member of the grantee's officers', employees', or agents' immediate family has a financial or other interest in the vendor selected for the procurement.
- c) An organization which employs a grantee's officer, employee, or agent is a vendor or has a financial or other interest in the vendor selected for the procurement.

For the purposes of this program, we consider volunteers of an organization and grant writers to be employees, officers, and/or agents of the grantee. As such, no volunteer or member of an organization or anyone involved in the application for funding can participate in, or benefit from, the procurement if Federal funds are involved. Grantees that purchase items with grant funds from vendors who employ any of their volunteers/members will have to document how they avoided a conflict of interest during the procurement process (*i.e.*, specific details regarding how the members/volunteers removed themselves, or how they were prevented from participating in the process). Grantees who fail to fully document their purchases may find that their expenditures will be questioned and subsequently disallowed.

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PART I.

FUNDING OPPORTUNITY DESCRIPTION

Assistance to Firefighters Grants (AFG) provide financial assistance directly to fire departments and nonaffiliated EMS organizations to enhance their capabilities with respect to fire and fire-related hazards. The authority for AFG is derived from the *Federal Fire Prevention and Control Act of 1974* (15 U.S.C. §§ 2229 *et seq.*), as amended. Congress appropriated a total of \$390 million for the FY 2010 AFG (Public Law 110-329). Our primary goal is to help fire departments and nonaffiliated EMS organizations meet their firefighting and emergency response needs. AFG seeks to support organizations that lack the tools and resources necessary to more effectively protect the life and safety of the public and their emergency response personnel with respect to fire and all other hazards.

The purpose of this package is to provide an overview of the AFG, the formal grant guidance, and the application materials needed to apply for funding under this program. Also included is an explanation of DHS requirements for implementation of a successful application. Our job at DHS is to provide clear guidance and application tools to assist applicants. Our customers are entitled to effective assistance during the application process and transparent, disciplined management controls to support grant awards. We intend to be good stewards of Federal resources and common-sense partners with our first responder colleagues.

A. Federal Strategy

The AFG Program is an important part of the Administration's larger, coordinated effort to strengthen homeland security preparedness. Of particular significance are the National Preparedness Guidelines and their associated work products. The National Preparedness Guidelines are an all-hazards vision regarding the Nation's four core preparedness objectives: prevent, protect, respond and recover from both terrorist attacks and catastrophic natural disasters.

The National Preparedness Guidelines define a vision of what to accomplish and a set of tools to forge a unified national consensus about what to do and how to work together at all levels of government to effectively respond to all hazards. First responder participation is integral to the Guidelines' success. DHS expects its first responder partners to be familiar with these national preparedness guidelines and to consider these guidelines when assessing their needs and developing their grant requests.

B. Priority Development Process

Each year, DHS brings together a panel of fire service professionals representing nine major fire service organizations to recommend funding priorities and other implementation criteria for AFG. This criteria development panel is charged with making recommendations to DHS regarding the creation and/or modification of previously established funding priorities, as well as developing criteria for awarding grants. The nine organizations are:

- Congressional Fire Services Institute (CFSI);
- International Association of Arson Investigators (IAAI);
- International Association of Fire Chiefs (IAFC);
- International Association of Fire Fighters (IAFF);
- International Society of Fire Service Instructors (ISFSI);
- National Association of State Fire Marshals (NASFM);
- National Fire Protection Association (NFPA);
- National Volunteer Fire Council (NVFC); and
- North American Fire Training Directors (NAFTD).

The Department considers each recommendation made to it by the criteria development panel and this document reflects the Department's implementation of those recommendations with respect to the priorities, direction, and criteria for awarding grants. All of the funding priorities for the FY 2010 AFG are designed to address the following: first responder safety, enhancing national capabilities, risk, and/or interoperability.

The specific criteria for our highest priorities for each of the funding areas are set forth in *Part I. Section C. Funding Priorities* of this guidance. No one funding area is considered a priority over the others; therefore, the lists are not in any particular order.

C. Funding Priorities

AFG funding priorities differ for fire departments and nonaffiliated EMS organizations. Please read the guidance document with this in mind, and make sure that you are researching the appropriate sections for your organization.

1. Fire Department Priorities

The AFG governing legislation requires DHS to take into account the benefit to be derived from the costs of the grant activity when considering each application for award. DHS has determined that a risk-based focus achieves this cost-benefit consideration and that an applicant's probable frequency of need and use (of the items or materials being requested) as well as the level of population protected by the applicant are both measures of risk as well as indicators of the benefit that could be derived from an award. Therefore, for each activity below, DHS will provide a higher level of consideration to

applicants with significant levels of incidents and to applicants who protect large populations relative to other applicants, regardless of the type of community served.

The criteria development panel has recommended that DHS make a distinction between “new missions” and “new risks.” A department or organization takes on a “new mission” when it expands services into areas not previously offered such as a fire department seeking funding to provide emergency medical services for the first time. A “new risk” presents itself when a department or organization must address risks that have materialized in the department’s area of responsibility, for example, the construction of a chemical plant. A department or organization taking on “new risks” will be afforded higher consideration than departments or organizations taking on a “new mission.”

The criteria development panel recommended that the AFG continue to emphasize the importance of training in the FY 2010 program with respect to fire departments. As such, the FY 2010 application for fire departments will contain questions regarding the applicant’s current training level and interest in attaining higher levels of proficiency. The questions will not affect the preliminary screening of an application (the screening process is discussed fully under Part V of this guidance) for the FY 2010 program, but the questions and answers will be available for consideration by the peer review panelists in their evaluation of the application.

Requests for Chemical, Biological, Radiological, Nuclear, and Explosive (CBRNE) equipment and/or training will be evaluated by the peer review panelists relative to the critical infrastructure the applicant protects. Critical infrastructure includes any system or asset that, if attacked, would result in catastrophic loss of life or catastrophic economic loss. Critical infrastructure includes the following: public water and power systems, major business centers, chemical facilities, nuclear power plants, major rail and highway bridges, petroleum and/or natural gas transmission pipelines and storage facilities, telecommunications facilities, and facilities that support large public gatherings, such as sporting events or concerts.

Additionally, training, equipment, or other initiatives that would have an immediate impact on the life and safety of firefighters and the public will be provided higher consideration than initiatives whose benefits will not be realized in the near-term. Specific rating criteria and funding priorities for the FY 2010 AFG Grant activities are provided below following the descriptions of this year’s eligible program areas. The rating criteria, in conjunction with the program area description, will provide you with an understanding of what information we are seeking about your proposed projects.

a. Fire Operations and Firefighter Safety

Five different fundable activities are included in this program area: firefighter training, firefighting equipment acquisition, firefighter Personal Protective Equipment (PPE), firefighter wellness and fitness, and modifications to fire stations and facilities. You may apply for as many of the activities within this program area as you deem necessary. There are no bonuses or penalties for applying for only one activity or for multiple

activities; however, applicants requesting multitude activities may have a more difficult time providing a succinct justification for all the projects. Among other considerations iterated below, all applications submitted under Fire Operations and Firefighter Safety will be assessed based on the frequency of use (call volume), the effect on the community (population protected), and the effect on firefighter safety. Applicants that demonstrate that their requests will have an immediate effect on life and safety of the firefighters or the community will receive the highest consideration.

All fire department activities must be applied for under the Fire Operations and Firefighter Safety program area, including fire-based EMS training or equipment. Fire-based EMS training and equipment are eligible under the appropriate activity, *e.g.*, firefighter training, firefighter equipment, *etc.* – NOT under EMS.

Equipment requested under AFG must meet all mandatory regulatory requirements, as well as any national and/or DHS-adopted standards, in order to be eligible for purchase with grant funds. The Responder Knowledge Base (RKB), which can be accessed at <http://www.rkb.us>, includes relevant information on first responder standards and allows “guest users” to ask any questions they may have on applicable standards.

Equipment/technology requests should have the goal of achieving compliance with nationally applicable standards and of solving interoperability or compatibility problems. Therefore, applicants should describe in their narrative sections how the purchase of equipment would comply with standards and/or facilitate solving interoperability or compatibility problems.

i. Firefighter Training

Assistance to Firefighter Grants (AFG) are available to train firefighting personnel. Examples of training activities include, but are not limited to the following: Firefighter I and II certifications; First Responder EMS; driver/operator; fire officer; HAZMAT (hazardous materials) response; alternative fuel firefighting; incident command; supervision and safety; CBRNE awareness, performance, planning and management; or train-the-trainer courses in any of these areas.

In implementing the fire service’s recommendations concerning AFG, DHS has determined that the most benefit is derived from training that is instructor-led and hands-on and that leads to a nationally sanctioned or State certification. Therefore, applications focused on national or State certification training, including train-the-trainer initiatives, will receive a higher competitive rating. Training that involves instructors, that requires the students to demonstrate their grasp of knowledge of the training material via testing, and that is integral to a certification, will receive a high competitive rating. Instructor-led training that does not lead to a certification and any self-taught courses are of lower benefit and, therefore, will not be a high priority.

A high competitive advantage is provided to proposed training projects that benefit the highest percentage of applicable personnel (such as the hazardous materials handling

team) within a fire department or that will be open to other departments in the region. Large departments with a high number of active firefighters will receive additional consideration when applying under the Firefighter Training Activity. Training designated to enhance multi-jurisdictional capabilities will receive a higher rating.

Training that brings the department into statutory or Occupational Safety and Health Administration (OSHA) compliance or compliance with federally mandated initiatives (such as knowledge and understanding of the National Incident Management System (NIMS) and/or Incident Command Systems (ICS)) or training that would bring an applicant into compliance with national standards would provide the highest benefit relative to training that is not required. Therefore, requests to meet federally mandated or national standard compliance would receive the highest consideration. Training that is meant to address a local risk is secondary to training that leads to departments meeting statutory compliance or compliance with national standards. Training that does not have statutory compliance or does not meet a national standard will receive a low competitive rating.

Due to the inherent differences among urban, suburban, and rural firefighting conventions, there are different priorities under the Training Activity for departments servicing the different types of communities. However, CBRNE awareness training and Improvised Explosive Device (IED) response awareness training have a high benefit and will receive the highest consideration regardless of the type of community served.

For departments serving rural communities, requests for basic operational-level firefighting training; safety officer training; operational-level rescue; driver training; or first responder EMS, Emergency Medical Technician-Basic (EMT-B), and Emergency Medical Technician-Intermediate (EMT-I) (*i.e.*, training in basic firefighting or EMS duties) has greater benefit than funding officer training, airport rescue and firefighting (ARFF), or other specialized training. In rural communities, after basic training, officer training and ARFF training will receive a lower cost-benefit rating. The lowest consideration will be provided to departments that serve rural communities but are seeking assistance for other specialized types of training, such as mass-casualty, HAZMAT, advance rescue and EMT, or inspector training.

With respect to AFG training priorities for departments serving urban or suburban communities, the criteria development panel recommended that any training requested by an urban or suburban department should be given the highest level of consideration. When considering the relative merit of applications for training from departments serving urban and suburban communities, DHS will give higher priority to training proposals that improve coordination capabilities across first responder disciplines (fire, EMS, and law enforcement) and jurisdictions (local, State, and Federal). Training such as NIMS and ICS related to coordinated incident response (*e.g.*, weapons of mass destruction (WMD) awareness and incident operations, chemical or biological operations, or bomb threats), tactical emergency communications procedures, or similar types of inter-disciplinary, inter-jurisdictional training will receive the highest competitive rating.

ii. Firefighting Equipment Acquisition

AFG funds are available for equipment to enhance the safety or effectiveness of firefighting, rescue, and fire-based EMS functions. Grants also are available for equipment necessary for response to CBRNE incidents.

DHS has determined that the greatest benefits of AFG funding will be achieved by enabling fire departments to purchase firefighting equipment (including rescue, EMS, and CBRNE) that supports a department's existing mission or that replaces used or obsolete firefighting equipment. Our second priority will be to fund departments seeking to expand their functional capabilities within their existing mission areas or to appropriately equip themselves to meet a new risk. The lowest priority is funding equipment to increase a department's reserve supply or to expand a department's services into new mission areas. For departments replacing old or damaged equipment, departments with the oldest equipment will receive the highest priority, and departments with the newest equipment will receive a low priority.

For the FY 2010 AFG, the purchase of equipment that brings the department into compliance with nationally recommended standards (such as the NFPA) or statutory compliance (such as OSHA) will provide the highest benefit to the applicant and, therefore, will receive the highest consideration. The purchase of equipment that brings a department into voluntary compliance with OSHA standards will also receive a high competitive rating but secondary to equipment that leads to a department's statutory compliance. Equipment that brings a department up to a State or local standard or that does not have an effect on statutory compliance or voluntary compliance with a national standard will receive a lower competitive rating. Applicants should designate which compliance standards would be achieved with this activity.

Training is of critical importance to any first responder organization. DHS believes that equipment is of no use if the operator is not trained to use it. As such, applicants must demonstrate that users of equipment purchased with the grant either are, or will be, sufficiently trained to use the equipment. Inability to demonstrate and fulfill this training requirement will result in ineligibility for equipment funding.

AFG's purpose is to protect the life and safety of the public and firefighters from fire and fire-related hazards; therefore, equipment that has a direct effect on firefighters' lives and safety will receive a higher competitive rating over equipment that has no such effect. Equipment promoting interoperability with neighboring jurisdictions will receive additional consideration in the cost-benefit assessment.

iii. Firefighter Personal Protective Equipment (PPE)

AFG funds are available to acquire primarily OSHA-required PPE for firefighting personnel. The primary purpose of AFG is to protect the life and safety of the public and

of firefighters. To achieve this goal and maximize the benefit to the firefighting community, the FY 2010 AFG will give higher priority to funding applicants who need to purchase PPE for the first time (*i.e.*, for new firefighters) over departments replacing old, obsolete, or substandard equipment (*e.g.*, equipment not meeting current NFPA and OSHA standards). In applications that request funding to replace equipment, the age and condition of the PPE that is to be replaced will be the primary consideration with the replacement of older or worn-out equipment receiving higher consideration than requests for replacement of newer equipment.

For departments replacing equipment such as “turnout gear,” the condition of the equipment to be replaced will be factored into the score with a higher priority given to replacing equipment that is damaged, torn, or contaminated over equipment that is worn but usable. For departments replacing old or damaged equipment, departments with the oldest equipment will receive the highest priority, and departments with the newest equipment will receive a low priority.

For departments replacing Self Contained Breathing Apparatus (SCBA), the specific Edition of NFPA 1981 (*Standard on Open-Circuit Self-Contained Breathing Apparatus for Emergency Services*) to which the existing equipment is compliant (2007 Edition, 2002 Edition, 1997 Edition, *etc.*) will be factored into the score with a higher priority given to replacing equipment that is older. For departments replacing old or damaged equipment, departments with the oldest or most worn-out equipment will receive the highest priority, and departments with the newest, most functional equipment will receive a low priority.

The criteria development panel recommended that DHS only consider replacing old, inoperable SCBA and/or upgrading older SCBAs to the new standard within a region if proper justification was provided. Specifically, they recommended that DHS not consider replacement of SCBA that is compliant to the 1997 Edition of NFPA 1981 or the 2002 Edition of NFPA 1981. The criteria development panel also recommended, and DHS agreed, that due to the limited funding available for grants and the recent change in SCBA standards (the 2007 Edition of NFPA 1981), DHS will not consider requests for regional projects that involve wholesale replacement of SCBA within a region.

In concurrence with the recommendations of the criteria development panel, large departments with a high number of firefighters will receive additional consideration. We will also give a high competitive rating to departments that want to purchase enough PPE to bring their compliance up to 100 percent. If the request is for SCBA, the percentage of compliance should be determined from the number of seated positions rather than the number of firefighters. Departments seeking to purchase PPE for a new mission will receive a low rating. Departments seeking to purchase PPE to have for an extra reserve supply will receive the lowest priority.

DHS believes that training is of critical importance to any first responder organization. Applicants who are not, or will not be, sufficiently trained to use the equipment requested under this activity will be ineligible for funding.

iv. Firefighter Wellness and Fitness

For the FY 2010 AFG, fire department wellness/fitness activities must offer periodic health screenings, entry physical examinations, and immunizations. Applicants for grants in this activity must currently offer, or plan to use grant funds to provide **all three benefits** in order to receive consideration for funding for any other initiatives under this activity.

In accordance with the recommendations of the criteria development panel, the greatest benefit will be realized by supporting applications for new wellness/fitness programs. Therefore, higher competitive ratings will be given to applicants who lack wellness/fitness programs. Applicants who already provide the three requisite benefits and wish to expand their wellness/fitness program will receive lower consideration than departments who are seeking to initiate a wellness/fitness activity. Because participation is critical to achieving any benefits from a wellness/fitness activity, we will give higher competitive ratings to departments whose wellness/fitness activities mandate participation and are open to all personnel.

After the provision of the three requisite benefits, the criteria development panel recommended providing the highest consideration to candidate physical agility evaluations. Lower priority is given to formal fitness and injury prevention projects, behavioral health management, injury/illness rehabilitation, and employee assistance.

v. Modifications to Fire Stations and Facilities

The American Recovery and Reinvestment Act of 2009 (Public Law 111-5) provided \$210 million in funding to DHS to construct new fire stations or modify existing fire stations. The construction of fire stations is **NOT** eligible under AFG. Additionally, modifications to fire stations not specifically listed in this section as eligible (*see list below*) are **NOT** eligible under AFG.

FY 2010 AFG Grants may be used to modify fire stations and other facilities to protect the life and safety of firefighting personnel. Eligible projects under this activity must have a direct effect on the life and safety of firefighters. Therefore, we will **NOT** fund any requests for modifications other than those listed below:

- 1) Installation of sprinkler systems;
- 2) Installation of smoke and fire alarm notification systems;
- 3) Installation of vehicle exhaust evacuation systems;
- 4) Installation of vehicle mounted exhaust filtration systems;
- 5) Installation of air improvement systems; and/or
- 6) Installation of emergency power generators.

From the list of eligible activities above, the highest priority has been assigned to sprinkler systems and fire/smoke alarm systems. DHS does not distinguish between the many

technologies for vehicle exhaust extraction systems. Source capture exhaust extraction systems (vehicle mounted and hose-connected systems) are afforded the same consideration as air quality improvement systems or any other vehicle exhaust extraction system under the 2010 grant opportunity.

Grant funds are to be used only to retrofit existing structures that do not have the eligible safety features or to upgrade facilities whose features are outdated. Grant funds under this funding opportunity may not be used for new construction including new additions to existing structures. When requesting funds for modifications to facilities, older structures will receive the highest consideration for funding.

More benefit would be derived from modifying fire stations than from modifying dispatch centers, fire training facilities, or other fire department facilities. The frequency of use would have a direct bearing on the benefits to be derived from grant funds. In addition, the frequency and duration of a facility's occupancy have a direct relationship to the benefits to be realized from awards made under this activity. As such, facilities occupied or otherwise in use, 24-hours-per-day and 7-days-per-week will receive the highest competitive rating. Requests involving facilities that have sleeping quarters will receive a higher competitive rating. Facilities that do not have sleeping quarters and facilities that are used less than full time will receive lower consideration. Facilities used only occasionally, or on an irregular or part-time basis, will receive the lowest consideration.

Activities involving modifications to facilities are subject to all applicable environmental and historic preservation requirements. Applicants seeking assistance to modify their facilities may undergo additional screening. DHS is required to ascertain to what degree the proposed modifications to fire stations or facilities might affect an applicant's structures relative to the National Environmental Policy Act; National Historic Preservation Act of 1966, as amended; National Flood Insurance Program regulations; and, any other applicable laws and Executive Orders. No project can proceed – except for project planning – prior to formal DHS approval. Noncompliance with this provision may jeopardize an applicant's award and subsequent funding.

b. Firefighting Vehicle Acquisition

AFG provides grants for new firefighting vehicles, used fire apparatus originally designed for firefighting, or refurbished apparatus originally designed for firefighting. Funds may also be used to refurbish a vehicle the department currently owns, but only if it is a vehicle originally designed for firefighting. Converted vehicles not originally designed for firefighting are not eligible for refurbishment. New vehicles purchased with AFG funds must be compliant with NFPA 1901 (*Standard for Automotive Apparatus*) or NFPA 1906 (*Standard for Wildland Fire Apparatus*). Used apparatus must be compliant with NFPA 1901 or 1906 for the year the vehicle was manufactured. Refurbished apparatus must meet NFPA 1912 (*Standard for Fire Apparatus Refurbishing*).

In FY 2010, applicants that serve urban or suburban communities may apply for more than one vehicle. However, awards will be limited to only one vehicle per station.

Applicants that serve rural communities are limited to one vehicle per application. If a rural applicant submits an application requesting more than one vehicle, the application will be deemed ineligible. Applicants awarded vehicle grants under AFG in previous years are eligible for another vehicle award this program year.

As required in the two previous grant years, FY 2010 AFG vehicle awardees are required to obtain a prepayment-bond if the grantee advances funds to a manufacturer. Also, the grantee must include in their vehicle purchase contract specific performance requirements and penalties for noncompliance with the requirements. Extensions to a grant's period of performance may not be considered if the requisite prepayment-bond is not obtained and/or if the performance penalties are not included in the purchase contract. Also, extensions to a grant's period of performance will not be considered if the grantee is not diligent in their implementation of the grant activities.

Due to inherent differences among urban, suburban, and rural firefighting conventions, AFG has different priorities in the vehicle program area for departments that serve different types of communities. As stated above, applications from departments that serve urban and suburban communities may submit an application for multiple vehicles. The urban or suburban application may include requests for vehicles from any or all of the three priorities; however, applications that include lower priority vehicles will receive lower consideration. The following table lists the funding priorities for this program area by each type of community.

Firefighting Vehicle Program Priorities			
Priority	Urban Communities	Suburban Communities	Rural Communities
Priority One	Pumper Aerial Quint (Aerial < 76') Quint (Aerial > 76') Rescue	Pumper Aerial Quint (Aerial < 76') Quint (Aerial > 76')	Pumper Brush/Attack Tanker/Tender Quint (Aerial < 76')
Priority Two	Command HAZMAT Light/Air Rehab Foam Truck	Command HAZMAT Rescue Tanker/Tender Brush/Attack Foam Truck	HAZMAT Rescue Aerial Quint (Aerial > 76')
Priority Three	ARFFV ¹ Brush/Attack Fire Boat Tanker/Tender Ambulance	ARFFV ¹ Rehab Light/Air Fire Boat Ambulance	Foam Truck ARFFV ¹ Command Rehab Fire Boat Ambulance Light/Air

The vehicles listed in this matrix will appear on a dropdown menu in the automated application. Included in the menu is an option “other” which is to be used if the type of vehicle to be requested is not on the list. All vehicles requested under “other” will receive the lowest priority.

As with any request, DHS reserves the right to reduce any vehicle request for assistance, in whole or in part, that DHS deems to be excessive or otherwise contrary to the best interests of this program. AFG funding is meant to supplement, rather than replace, an organization’s funding. Grantees must maintain their level of operating expenditures during the grant period at a level equal to, or greater than, the average of their operating expenditures in the two years preceding the year in which assistance is received. (See *Part VI. Section B. Grantee Responsibilities*.) This means that if an organization has a vehicle replacement program where it purchases three new vehicles every year, and that organization is awarded a vehicle grant, that organization will have to maintain its practice of purchasing three new vehicles in the year of the grant in addition to the vehicle(s) awarded under the grant. The vehicle grantee CANNOT use AFG funding as a substitute for its vehicle replacement budget. In order to assure that this requirement is met, DHS may require detailed documentation regarding an applicant’s or grantee’s vehicle purchasing practices and policies.

¹ ARFFV is an Airport Rescue Firefighting Vehicle.

As with other eligible AFG activities, the primary goal in the Firefighting Vehicle Acquisition program is firefighter safety. Applicants seeking to replace unsafe vehicles (i.e., open cab engines or converted tankers) will receive higher consideration than applicants seeking to replace vehicles that have these safety features. The highest consideration is provided to applicants wanting to replace vehicles that have been converted for use as firefighting vehicles, but were not originally designed for firefighting. However, replacement of an unsafe vehicle will still have to be justified in the narrative. Converted vehicles not originally used, nor intended to be used, in emergency operations will not be favorably reviewed merely because they are converted. We will give high consideration to applicants with firefighting vehicles that had an “open-cab” configuration in their original design.

Applicants wanting to benefit from this consideration must certify that the unsafe vehicle will be permanently removed from emergency service if awarded a grant. “Permanently removed from emergency service” means that the grantee cannot use the vehicle for emergency service, nor may the grantee sell or otherwise transfer title to any individual or organization that will use the unsafe vehicle for emergency service. The grantee may NOT sell an unsafe vehicle to another fire department under any circumstances. A grantee that certifies that it will remove the unsafe vehicle from service but then sells the unsafe vehicle to another fire department, or otherwise does not remove the unsafe vehicle from service, is considered to be in default of the grant agreement. Acceptable uses of unsafe vehicles include farm or nursery use, scrap metal, salvage, construction, *etc.*

DHS believes that a greater benefit will be derived from funding an additional vehicle(s) to departments that own few vehicles like the type requested. As such, DHS assigns a higher competitive rating in the apparatus category to fire departments that own fewer firefighting vehicles relative to other departments serving similar types of communities (i.e., urban, suburban, and rural). DHS assesses all vehicles with similar functions when assessing the number of vehicles a department possesses within a particular type. For example, the “pumper” category includes: pumpers, engines, pumper/tankers (apparatus that carries a minimum of 300 gallons of water and has a pump with a capacity to pump a minimum of 750 gallons per minute), rescue-pumpers, quints (with aerials less than 76 feet in length), and urban interface vehicles (Type I). Apparatus that has water capacity in excess of 1,000 gallons and a pump with pumping capacity of less than 750 gallons per minute are considered to be a tanker/tender.

DHS will evaluate the marginal value derived from an additional vehicle of any given type on the basis of call volume. As a result, departments with fewer vehicles of a given type than other departments that service comparable call volumes are more likely to score competitively than departments with more vehicles of that type and comparable call volume unless the need for an additional vehicle of similar type is made apparent in the application.

Urban and suburban applicants may submit requests for more than one vehicle; however, application requests are limited to one vehicle per station as well as by the statutory

funding limits. Applicants must supply sufficient justification for each vehicle included in the request. For those applications with multiple vehicles, the panelists will be instructed to evaluate the marginal benefit to be derived from funding the additional vehicle(s) given the potential use and the population protected. DHS anticipates that the panels will only recommend an award for a multiple vehicles application when the cost-benefit justification is adequately compelling.

DHS assigns a higher competitive rating to departments possessing an aged fleet of firefighting vehicles. In evaluating the age of an applicant's fleet, DHS will take into account the oldest vehicle in the class requested as well as the youngest vehicle in the class requested. DHS will also take into account the average age of the applicants' fleet. In each of these instances, applicants with older vehicles or with an aging fleet will receive higher consideration than applicants with relatively younger vehicles.

DHS will also assign a higher competitive rating to departments that respond to a high volume of incidents. DHS will give higher priority to departments that are seeking vehicles to support existing missions. Conversely, a lower priority will be given to departments that are seeking apparatus with the goal of expanding into new mission areas.

No competitive advantage will be given for the purchase of standard model commercial vehicles relative to custom vehicles or the purchase of used vehicles relative to new vehicles in the preliminary evaluation of applications. DHS has noted that given the size of the department and the size of the community that the department serves, the peer review panelists often prefer low-cost vehicles when evaluating the cost-benefit section of the project narratives. DHS also reserves the right to consider current vehicle costs within the fire service vehicle manufacturing industry when determining the level of funding that will be offered to the potential grantee, particularly if those current costs indicate that the applicant's proposed purchase costs are excessive.

Departments that have formal automatic aid agreements with neighboring departments will receive additional consideration. Departments with formal mutual aid agreements will receive more consideration than departments without formal agreements, but not as much consideration as departments with automatic aid agreements.

Finally, due to the inherent safety benefits to be realized in departments using a comprehensive driver training program meeting NFPA standard 1002 (*Standard for Fire Apparatus Driver/Operator Professional Qualifications*) or its equivalent, we will provide a competitive advantage to requests where the applicant has a comprehensive driver training program. Applicants seeking driver training with their vehicle request will receive a slightly lower competitive rating than departments with a driver training program already in place. Applicants without a comprehensive driver training program that will not implement appropriate driver training in conjunction with their AFG awards or through other resources will **NOT** be considered for a vehicle award.

For the FY 2010 program year, vehicle grantees will be required to certify that they have in place, or that they will adopt policies and standard operating procedures (SOPs) that comply with Chapter 6 of NFPA 1500 (*Standard on Fire Department Occupational Safety and Health Program*). Specifically, the SOPs should require at a minimum: 1) all occupants of the grantee's apparatus to use seatbelts or restraints and 2) all drivers of the grantee's apparatus adhere to all traffic signs, signals, and laws.

2. Nonaffiliated EMS Organization Priorities

AFG funding priorities differ for fire departments and nonaffiliated EMS organizations. Please read the guidance document with this in mind and make sure you are researching the appropriate sections for your organization. Equipment requested under AFG must meet all mandatory regulatory requirements, as well as any national and/or DHS-adopted standards in order to be eligible for purchase with grant funds. The RKB, which can be accessed at <http://www.rkb.us>, includes relevant information on first responder standards and allows "guest users" to ask any questions they may have regarding applicable standards.

AFG may be used to enhance emergency medical services provided by nonaffiliated EMS organizations. EMS funding is limited to no more than 2 percent of the AFG appropriation.

The AFG authorizing legislation requires DHS to take into account the benefit to be derived from the costs of the grant activity when considering each application for award. DHS has determined that the frequency of use and the size of population protected are both a measure of benefit that could be derived from an award. Therefore, for each activity below, DHS will provide a higher level of consideration to organizations with significant levels of incidents and to organizations that protect large populations relative to other applicants, regardless of the type of community served. Organizations with low call volume and/or that serve small communities will receive lower consideration.

The criteria development panel recommended that it is more cost-effective to enhance or expand an existing EMS organization by providing training or equipment than it would be to create a new service. As such, communities that are attempting to initiate EMS services will receive the lowest competitive rating.

Equipment/technology requests should have the goal of solving interoperability or compatibility problems. Therefore, applicants should describe in their narrative sections how the purchase of equipment would comply with standards and/or facilitate solving interoperability or compatibility problems.

Requests for equipment and training to prepare for response to incidents involving CBRNE are available under the applicable equipment and training activities. Applications that include requests for CBRNE equipment or training will be evaluated by the peer review panelists relative to the critical infrastructure the applicant protects. Critical infrastructure includes any system or asset that, if attacked, would result in catastrophic

loss of life or catastrophic economic loss. Critical infrastructure includes the following: public water and power systems, major business centers, chemical facilities, nuclear power plants, major rail and highway bridges, petroleum and/or natural gas transmission pipelines and storage facilities, telecommunications facilities, and facilities that support large public gatherings, such as sporting events or concerts.

Specific rating criteria and funding priorities for AFG FY 2010 grant activities are provided below following the descriptions of eligible program areas. The rating criteria, in conjunction with the program area description, will provide you with an understanding of what information we are seeking about your proposed projects.

a. EMS Operations and Safety

Five different activities are available for funding under this program area: EMS training, EMS equipment acquisition, EMS PPE, EMS wellness and fitness, and modifications to EMS stations and facilities. You may apply for as many of the activities within this program area as you deem necessary. There are no bonuses or penalties for applying for only one activity or for multiple activities; however, we believe that applicants requesting multiple activities have a more difficult time providing a succinct justification for all the projects. Among the other considerations iterated below, all applications submitted under EMS Operations and Safety will be assessed based on the frequency of use (call volume), the affect on the community (population protected), and the affect on the safety of the first-responders. Applicants that demonstrate that their requests will have an immediate effect on life and safety of the first-responders or the community will receive the highest consideration.

If you are a fire-based EMS, you are **NOT** eligible to apply as a nonaffiliated EMS organization.

Applicants should ensure that all projects applied for under the grant program are consistent with national standards and address the goals of interoperable communications and equipment compatibility.

i. EMS Training

AFG provides grants to train EMS personnel. Examples of training activities include, but are not limited to, first responder, basic life support, advanced life support, Paramedic, HAZMAT Operations, or Rescue Operations.

Because training is a prerequisite to the effective use of EMS equipment, organizations whose requests are more focused on training activities will receive a higher competitive rating than organizations whose requests are more focused on equipment. A higher competitive rating will be given to nonaffiliated EMS organizations that are planning to upgrade services to ALS level of response. Specifically, organizations that are seeking to elevate their response level from EMT-B to EMT-I will receive the highest priority and organizations that are seeking to elevate their response level from EMT-I to Emergency

Medical Technician-Paramedic (EMT-P) will receive a high priority. Our second priority is to elevate emergency responders' capabilities from first responder to a BLS level of response (*i.e.* EMT-B). Due to the time and cost, upgrading an organization's response level from EMT-B to EMT-P is a lower priority. Organizations seeking training in rescue or HAZMAT operations will receive lower consideration than organizations seeking training for medical services. Our lowest priority is to fund first responder training. Organizations that are seeking to train a high percentage of their active first responders will receive additional consideration when applying under the EMS Training Activity.

ii. EMS Equipment Acquisition

Because training is a prerequisite to the effective use of EMS equipment, organizations whose requests are more focused on training activities will receive a higher competitive rating than organizations whose requests are more focused on equipment. Training is of critical importance to any first responder organization. DHS believes that equipment is of no use if the operator is not trained to use it. As such, applicants must demonstrate that users of equipment purchased with the grant either are, or will be, sufficiently trained to use the equipment. Inability to demonstrate and fulfill this training requirement will result in ineligibility for equipment funding.

Organizations that are seeking ALS-level capability are the AFG's highest priority. However, organizations that request ALS-support equipment but that are not trained to the ALS level or are not requesting training to the ALS level of response will receive a low priority. Requests seeking assistance to purchase equipment to support BLS level of response are a secondary priority. Organizations seeking equipment for rescue or HAZMAT operations will receive lower consideration than organizations seeking equipment used to provide medical services. Our lowest priority is to fund first responder training.

DHS makes a distinction between "new missions" and "new risks." According to the criteria development panel, an organization takes on a "new mission" when it expands services into areas not previously offered, such as an EMS organization seeking funding to provide water rescue capability for the first time. A "new risk" is when an organization is forced to address risks that have materialized in the organization's area of responsibility; for example, construction of a chemical plant could constitute a "new risk."

Organizations upgrading their equipment for existing services will receive the highest consideration. Organizations taking on "new risks" will be considered the second priority. Organizations taking on a "new mission" will receive a lower priority, due to the risk that an applicant will not be able to financially support and sustain the "new mission" beyond the grant performance period. Organizations that are replacing used or obsolete equipment will receive lower consideration compared to organizations that are upgrading their equipment for existing services. This is because the criteria development group believes that an organization that is merely replacing equipment is not improving their services when compared to organizations that are upgrading their equipment. The lowest priority is funding equipment to increase an applicant's available supply (reserve equipment) or to expand an applicant's services into new mission areas. Finally,

equipment that will bring an organization into compliance with State or Federal regulations will receive higher consideration than equipment that has no statutory basis.

iii. EMS Personal Protective Equipment

AFG allows grant funds to be used to acquire PPE for active EMS first responder personnel, particularly PPE required by OSHA. One of AFG's goals is to protect the life and safety of the public and first responders. To achieve this goal and to maximize the benefit to the EMS community, in FY 2010 AFG will prioritize funding for organizations needing to purchase PPE for the first time. We also will give very high consideration to organizations replacing obsolete or substandard equipment. In these cases, the condition of the equipment to be replaced will be factored into the score, with a higher priority given to replacing equipment that is damaged, torn, or contaminated over equipment that is worn but usable. For organizations replacing old or damaged equipment, those organizations with the oldest equipment will receive the highest priority, and organizations with the newest equipment will receive the lowest priority. In addition, we will give a high competitive rating to EMS organizations with a large percentage of active staff without compliant EMS PPE. However, large organizations with a high number of first responders will receive additional consideration irrespective of their percentage of noncompliant PPE. We will also give a high competitive rating to organizations that want to purchase enough PPE to bring their compliance up to 100 percent. Organizations seeking to purchase PPE for a new mission or to have equipment for a reserve supply will receive the lowest funding priority.

DHS believes that training is of critical importance to any first responder organization, and that equipment is of no use if the operator is not trained to use it. As such, applicants who are not, or will not be, sufficiently trained to use the equipment requested under this activity will not be eligible for funding.

iv. EMS Wellness and Fitness

For the FY 2010 AFG, effective EMS wellness/fitness activities must offer periodic health screenings, entry-level physical examinations, and immunizations. Applicants for grants in this activity must currently offer, or plan to use grant funds to provide **all three benefits** in order to receive consideration and funding for any other initiatives under this activity.

After the provision of the three requisite benefits, the criteria development panel recommended providing the highest consideration to candidate physical agility evaluations. Lower priority is given to formal fitness and injury prevention projects, behavioral health management, injury/illness rehabilitation, and employee assistance.

We will afford higher competitive ratings to applicants lacking wellness/fitness programs over applicants who already employ a wellness/fitness program. Applicants already providing the three requisite benefits that wish to expand their wellness/fitness program will receive a slightly lower consideration than applicants seeking to initiate a

wellness/fitness program. Finally, since participation is critical to achieving any benefits from a wellness/fitness program, we will give higher competitive ratings to organizations whose wellness/fitness programs mandate participation and are open to all personnel.

v. Modifications to EMS Stations and Facilities

The American Recovery and Reinvestment Act of 2009 (Public Law 111-5) provided \$210 million in funding to DHS to construct new fire stations or modify existing fire stations. The construction of EMS stations or facilities is **NOT** eligible under AFG. Additionally, modifications to EMS stations or facilities not specifically listed in this section as eligible (*see list below*) are **NOT** eligible under AFG.

FY 2010 AFG Grants may be used to modify EMS stations and other facilities to protect the life and safety of first responder personnel. Eligible projects under this activity must have a direct effect on the life and safety of first-responders. Therefore, we will **NOT** fund any requests for modifications other than the initiatives listed below:

- 1) Installation of sprinkler systems;
- 2) Installation of smoke and fire alarm notification systems;
- 3) Installation of vehicle exhaust evacuation systems;
- 4) Installation of vehicle mounted exhaust filtration systems;
- 5) Installation of air improvement systems; and/or
- 6) Installation of emergency power generators.

From the list of eligible activities above, the highest priority has been assigned to sprinkler systems and fire/smoke alarm systems. DHS does not distinguish between the many technologies for vehicle exhaust extraction systems. Source capture exhaust extraction systems (vehicle mounted and hose-connected systems) are afforded the same consideration as air quality improvement systems or any other vehicle exhaust extraction system under the 2010 grant opportunity.

Grant funds are to be used only to retrofit existing structures that do not have the eligible safety features or to upgrade facilities whose features are outdated. Grant funds under this funding opportunity may not be used for new construction including new additions to existing structures. When requesting funds for modifications to facilities, older structures will receive the highest consideration for funding.

More benefit would be derived from modifying EMS stations than from modifying dispatch centers, training facilities, or other EMS facilities. The frequency of use would have a direct bearing on the benefits to be derived from grant funds. In addition, the frequency and duration of a facility's occupancy have a direct relationship to the benefits to be realized from awards made under this activity. As such, facilities occupied or otherwise in use 24-hours-per-day and 7-days-per-week will receive the highest competitive rating. Requests involving facilities that have sleeping quarters will receive a higher competitive rating. Facilities that do not have sleeping quarters and facilities that are used less than

full time will receive lower consideration. Facilities used only occasionally, or on an irregular or part-time basis, will receive the lowest consideration.

Activities involving modifications to facilities are subject to all applicable environmental and historic preservation requirements. Applicants seeking assistance to modify their facilities may undergo additional screening. DHS is required to ascertain to what degree the proposed modifications to stations or facilities might affect an applicant's structures relative to the National Environmental Policy Act; National Historic Preservation Act of 1966, as amended; National Flood Insurance Program regulations; and any other applicable laws and Executive Orders. No project can proceed – except for project planning – prior to formal DHS approval. Noncompliance with this provision may jeopardize an applicant's award and subsequent funding.

b. EMS Vehicle Acquisition

FY 2010 AFG may be used to acquire new, used, or refurbished EMS vehicles. Funds may also be used to refurbish a vehicle the organization currently owns. New vehicles purchased with AFG funds must be compliant with current General Services Administration standards, specifically KKK-A-1822E (*Guide for Emergency Medical Services and Systems*), found at <http://apps.fss.gsa.gov/vehiclestandards/assocDocs.cfm#>.

Used apparatus must be compliant with Federal or industry standards for the year the vehicle was manufactured. Refurbished apparatus must also meet applicable standards.

In FY 2010, applicants who serve urban or suburban communities may apply for more than one vehicle. However, awards will be limited to only one vehicle per station. Applicants serving rural communities are limited to one vehicle per application. If a rural applicant submits an application requesting more than one vehicle, we will deem the application ineligible. Applicants awarded vehicle grants under AFG in previous years are eligible for another vehicle award this program year.

Due to the inherent benefits of an ambulance, or any transport vehicle, to an EMS service provider, these types of vehicles are the highest priority compared to non-transport vehicles. Due to the costs associated with obtaining and outfitting non-transport rescue vehicles, non-transport rescue vehicles will receive a lower competitive rating than transport vehicles. Because of the very limited funding for EMS vehicle awards, we anticipate that this program will be very competitive. Therefore, it is unlikely we would fund any vehicles not listed as a "Priority One" this year. Priorities in this year's EMS vehicle program are the same for all communities. The following chart lists priorities in this program area.

EMS Vehicle Program Priorities		
Priority One	Priority Two	Priority Three
<ul style="list-style-type: none"> • Ambulances or transport units to support EMS functions 	<ul style="list-style-type: none"> • First responder non-transport vehicles • Operations vehicles (HAZMAT, rescue) 	<ul style="list-style-type: none"> • Command vehicles • Hovercraft • Other specialty vehicles

As with any request, DHS reserves the right to reduce any vehicle request for assistance, in whole or in part, that DHS deems to be excessive or otherwise contrary to the best interests of this program. AFG funding is meant to supplement, rather than replace, an organization's funding. Grantees must maintain their level of operating expenditures during the grant period at a level equal to, or greater than, the average of their operating expenditures in the two years preceding the year in which assistance is received. (See *Part VI. Section B. Grantee Responsibilities*.) This means that if an organization has a vehicle replacement program where it purchases three new vehicles every year, and that organization is awarded a vehicle grant, that organization will have to maintain its practice of purchasing three new vehicles in the year of the grant in addition to the vehicle(s) awarded under the grant. The vehicle grantee CANNOT use AFG funding as a substitute for its vehicle replacement budget. In order to assure that this requirement is met, DHS may require detailed documentation regarding an applicant's or grantee's vehicle purchasing practices and policies.

As with other eligible AFG activities, one priority of the vehicle acquisition program is the safety of first responders. Therefore, we will give the highest consideration to applicants wanting to replace vehicles that have been converted to use as EMS vehicles, but were not originally designed for EMS and to replace vehicles that did not include seatbelts in their original design. Applicants with these unsafe vehicle characteristics will receive higher consideration over applicants seeking to replace vehicles having these safety features.

Applicants wanting to benefit from this consideration must certify that the unsafe vehicle will be permanently removed from emergency service if awarded a grant. By "permanently removed from emergency service," we mean that the grantee cannot use the vehicle for emergency service, nor may the grantee sell or otherwise transfer title to any individual or organization that will use the unsafe vehicle for emergency service. The grantee may NOT sell an unsafe vehicle to another first responder organization under any

circumstances. A grantee that certifies that it will remove the unsafe vehicle from service but then sells the unsafe vehicle to another response organization or otherwise does not remove the unsafe vehicle from service, is considered to be in default of the grant agreement. Acceptable uses of unsafe vehicles include farm or nursery use, scrap metal, salvage, construction, *etc.*

In addition, more benefit will be realized by funding applicants owning few or no vehicles of the type they are seeking than there would be by providing vehicle funding to an organization with numerous vehicles of the type they are seeking. In assessing the number of vehicles an organization has within a particular class, we will include all vehicles with similar functions. For example, we will include transport vehicles in the same class as ambulances. We will also give a higher competitive rating to applicants who have an aged fleet of emergency vehicles. DHS also reserves the right to consider current vehicle costs within the fire service vehicle manufacturing industry when determining the level of funding that will be offered to the potential grantee, particularly if those current costs indicate that the applicant's proposed purchase costs are excessive.

This grant program will achieve the greatest benefits if we provide vehicles to EMS organizations purchasing basic response vehicles (categorized above in priority order) to meet their existing missions. The highest consideration will be given to EMS organizations that have never owned the vehicles they are requesting or to organizations seeking to replace used or obsolete vehicles. A secondary priority will be to fund EMS organizations seeking to add more vehicles to their existing fleets within their existing mission areas. The lowest priority is funding new apparatus to expand an applicant's services into "new mission" areas. An organization takes on a "new mission" when it expands its services into areas not previously offered, such as an EMS organization seeking funding to create a HAZMAT response team for the first time.

A higher competitive rating will be given to an EMS organization owning few or no response vehicles relative to other organizations serving similar types of communities. A higher competitive rating is also given to organizations that have an aged fleet of vehicles and to organizations with high-mileage vehicles. Organizations with a newer fleet of vehicles, or with vehicles that are not driven extensively, will receive lower consideration. EMS organizations that have formal automatic aid agreements with neighboring departments will receive additional consideration. Organizations with formal mutual aid agreements will receive more consideration than organizations without such arrangements, but not as much consideration as organizations with automatic aid agreements.

Finally, due to the inherent safety benefits to be realized in organizations that utilize a comprehensive driver training program meeting NFPA 1002 or equivalent, we provide a high competitive advantage for applicants who have an established comprehensive driver training program. Applicants seeking driver training with their vehicle request will receive a slightly lower competitive rating. Applicants without a comprehensive driver training program who are not seeking funding for driver training in this application or through other resources will **NOT** be considered for a vehicle award.

No competitive advantage has been assigned to the purchase of standard model commercial vehicles versus custom vehicles, or the purchase of used vehicles versus new vehicles in the preliminary evaluation of applications. The peer review panelists often prefer low-cost vehicles when evaluating the cost-benefit section of the project narratives. We also reserve the right to impose funding limits on requests for vehicles whose costs we deem excessive or otherwise not in the best interest of the program.

PART II.

AWARD INFORMATION

This section identifies the award period of performance and the total amount of funding available under the FY 2010 Assistance to Firefighters Grants (AFG). It also describes the basic distribution method used to determine final grants awards, and identifies all eligible applicants for FY 2010 funding.

Authorizing Statutes

The authority for AFG is derived from the *Federal Fire Prevention and Control Act of 1974* (15 U.S.C. §§ 2229 *et seq.*), as amended.

Period of Performance

The period of performance of an AFG award is 12 months from the date of award. Extensions to the period of performance will be considered only through formal requests to FEMA with specific and compelling justifications as to why an extension is required. Extensions will be considered on a case-by-case basis.

Available Funding

Congress appropriated a total of \$390 million for the FY 2010 AFG. From this amount, \$339.4 million will be made available for AFG grants. We have allocated \$35 million for Fire Prevention and Safety and \$15.6 million for administrative costs. Funds appropriated for the FY 2010 AFG (via P.L. 111-83) are available for obligation and award until September 30, 2011. DHS anticipates that between 20,000 and 22,000 applications for assistance will be received during the FY 2010 AFG application period. DHS also anticipates that it will receive over \$3.0 billion in requests. Finally, DHS anticipates that it will award approximately 4,000 grants with the funding available for grants.

Specific Funding Parameters

This section describes departments and organizations that are eligible to apply for funding under the FY 2010 AFG, the total available funding in FY 2010, and how those funds are allocated. Congress appropriated a total of \$390 million to carry out the activities of the FY 2010 AFG Program. Congress directed DHS to administer these funds as indicated below:

- Up to 5 percent of appropriated funds may be used for program administration; however, FEMA will use only 4 percent of the funds for administration of the grant program (\$15.6 million).

- Up to 2 percent of appropriated funds (\$7.8 million) may be used for awards to nonaffiliated EMS organizations.
- No more than 25 percent of appropriated funds (\$97.5 million) may be used for vehicle awards.
- No less than 3.5 percent of appropriated funds (\$13.65 million) must be awarded for equipment and training grants for both fire-based EMS and nonaffiliated EMS.
- No less than 5 percent of appropriated funds (\$19.5 million) must be made available to make grants that support the conduct of eligible fire prevention activities (Fire Prevention and Safety (FP&S) Grants) and the conduct of research and development activities that improve firefighter safety. However, due to the importance of mitigation activities, the FY 2010 FP&S will be allocated \$35 million for grants. The FP&S program is not part of this AFG solicitation. The FP&S program's application period is expected to commence in the fall of 2010.

When making awards, FEMA must assure that the combined percentage of awards to combination and volunteer departments is equal to, or greater than, the percentage of the Nation's population that these types of departments serve. The National Fire Protection Association has reported (*U.S. Department Profile Through 2008*, issued October 2009²) that combination departments protect 33 percent of the Nation's population and volunteer departments protect 22 percent. As such,

- No more than 45 percent of the \$339.4 million available for AFG awards (\$152,730,000) may be granted to career organizations and departments.
- No less than 33 percent of the \$339.4 million available for AFG awards (\$112,002,000) must be granted to combination organizations (organizations and departments with both paid career and volunteer active duty members).
- No less than 22 percent of the \$339.4 million available for AFG awards (\$74,668, 000) must be granted to all-volunteer organizations (organizations and departments with no active duty paid career members).

Awards will be limited based on population protected by the applicant, as indicated below.

- Applicants who serve a jurisdiction with a population of 500,000 people or less may not receive grant funds in excess of \$1,000,000 for any fiscal year.

² At the time of this writing, the 2009 figures were not available from NFPA.

- Applicants who serve a jurisdiction with more than 500,000, but not more than 1,000,000, people may not receive grant funds in excess of \$1,750,000 for any fiscal year.
- Applicants who serve a jurisdiction of more than 1,000,000 people may not receive grant funds in excess of \$2,750,000 for any fiscal year.

The cumulative total of the Federal share of awards in Operations and Safety, Vehicle Acquisition, and Fire Prevention and Safety will be factored when assessing award amounts and any limitations thereto. Applicants may request funding up to the statutory limit on each of their applications (*i.e.*, an applicant that serves a population of less than 500,000 may request up to \$1,000,000 on their Operations and Safety application and up to \$1,000,000 on their vehicle request); however, the applicant would have to choose which application to accept, if the cumulative value of both applications would exceed the statutory limits if awarded.

For the purposes of this program, applications for regional projects will not be included in the host applicant's funding limitations detailed above. Regional applications will be considered independent of, and unrelated to, any other applications that the host applicant may submit and thus will not be included when assessing the host applicant's Federal funding limits. Regional applications, however, will be subject to their own limitation based on the total population that the regional project will serve. For example, a regional project that serves a population of fewer than 500,000 people will be limited to \$1,000,000.

DHS will also continue to separate FP&S Grants from AFG, and will have a separate application period devoted solely to FP&S Grants. The FP&S application period is planned for fall 2010.

PART III.

ELIGIBILITY INFORMATION

This section provides information and summaries on the eligibility of applicants, the cost sharing requirements that are connected with each grant award, and the eligible costs under each activity funded by the grants

A. Eligible Applicants

Eligible applicants for AFG are limited to fire departments and nonaffiliated EMS organizations. Fire departments or nonaffiliated EMS organizations operating in any of the 50 States plus the District of Columbia, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, Guam, American Samoa, and Puerto Rico are eligible for funding.

A “fire department” is defined as an agency or organization that has a formally recognized arrangement with a State, territory, local, or tribal authority (city, county, parish, fire district, township, town, or other governing body) to provide fire suppression to a population within a fixed geographical area on a first-due basis.

A “nonaffiliated EMS organization” is defined as a public or private nonprofit emergency medical services organization that provides direct emergency medical services, including medical transport, to a specific geographic area on a first-due basis but is not affiliated with a hospital and does not serve a geographic area where emergency medical services are adequately provided by a fire department.

In making the determination regarding “adequately provided,” DHS will conclude that any nonaffiliated EMS organization would be eligible if it is “adequately providing” direct emergency medical services at the time of application submission and is in good standing with the community, (*i.e.*, licensed and/or chartered to provide EMS services to the community). Rescue squads that provide direct emergency medical services, including medical transport, to the community they serve are eligible to apply as a nonaffiliated EMS organization.

By “affiliated” we mean an EMS organization that is receiving any kind of direct support from a hospital in the form of funding, facilities, staff, equipment, or apparatus. Contracting with a hospital on a fee-for-service basis would not constitute an “affiliation” in the context of AFG. Also, for the purpose of these grants, a “hospital” is defined as an organization, clinic, medical center, medical college or university, infirmary, surgery center, or any other institution, association, or foundation that provides medical, surgical, or psychiatric care and/or treatment for the sick or injured.

A municipality (such as a fire district) may submit an application on behalf of a fire or EMS organization when the organization, defined as a fire department or nonaffiliated EMS organization, lacks the legal status to do so, *e.g.*, when the organization falls within the auspices of the municipality or district. The Alaska Village Initiative, a nonprofit organization incorporated in the State of Alaska, will also be considered eligible for purposes of receiving assistance under this program on behalf of any Alaskan Native village.

For the FY 2010 program year, each eligible applicant may submit one application for each of the program areas, (*i.e.*, one application for the Vehicle Acquisition program area, one application for Operations and Safety program area, and one application for a regional project). However, if an eligible applicant submits multiple applications in a single program area (for example two regional project applications for which they are a host or two Operations and Safety applications) we will deem all of the applications in that same program area to be ineligible.

For the purposes of these grants, we consider two or more separate fire departments or nonaffiliated EMS organizations that share facilities as being one organization. This determination is designed to avoid duplication of benefits. For example, it would not be cost-beneficial to purchase two firefighting vehicles for two fire departments that share a facility to serve the same community when so many other communities need new apparatus; nor would it be cost-beneficial to buy two sets of equipment for the same firefighters. We believe that two or more organizations that share facilities should be able to satisfy all of their operational needs with one program area application. Thus, if two or more organizations that share facilities each submit an application in the same program area, we will deem all of those program area applications as ineligible.

A fire department can apply for assistance for its EMS unit, provided the unit falls organizationally under the auspices of the fire department. Fire departments may NOT apply for assistance as a “nonaffiliated EMS organization” under the AFG Program. Fire departments that apply as a nonaffiliated EMS organization will have their application deemed ineligible. Likewise, a nonaffiliated EMS organization may NOT apply for assistance as a fire department. If a nonaffiliated EMS organization submits an application as a fire department, we will deem that application to be ineligible.

Non-Federal airport and/or port authority fire or EMS organizations are eligible only if they have a formally recognized arrangement with the local jurisdiction to provide fire suppression or emergency medical services on a first-due basis outside the confines of the airport or port facilities. Airport or port authority fire and EMS organizations whose sole responsibility is suppression of fires or EMS response on the airport grounds or port facilities are not eligible for funding under AFG.

B. Ineligible Applicants

- Fire departments that are Federal, or contracted by the Federal Government, and are solely responsible under a formally recognized agreement for suppression of fires on Federal installations or land are ineligible for funding.
- Fire stations that are not independent entities, but are part of, controlled by, or under the day-to-day operational direction of a larger fire department or agency are not eligible for funding.
- Fire departments that are for-profit departments (*i.e.*, do not have specific nonprofit status or are not municipally based) are not eligible for funding.
- Auxiliaries, fire service organizations or associations, and State/local agencies such as a forest service, fire marshals, hospitals, and training offices are not eligible for funding.
- Dive teams and search and rescue teams, or any similar organizations that do not provide medical transport, are not eligible for assistance as nonaffiliated EMS organizations.

C. Cost Sharing

Cost sharing under AFG is based on the population protected by the grantee. The cost-share breakdown is as follows:

- Fire departments and nonaffiliated EMS organizations serving populations of over 50,000 or more must match the Federal grant funds with an amount of non-Federal funds equal to 20 percent of the total project cost.
- Fire departments and nonaffiliated EMS organizations serving populations between 20,000 and 50,000 must agree to match the Federal grant funds with an amount of non-Federal funds equal to 10 percent of the total project cost.
- Fire departments and nonaffiliated EMS organizations serving areas with a population of 20,000 or fewer must match the Federal grant funds with an amount of non-Federal funds equal to 5 percent of the total project cost.

Regional projects' cost-share will be based on the total population and demographics of the entire region – not the population of the host applicant. All non-Federal match funds must be in cash; in-kind contributions are not acceptable. No waivers of this requirement will be granted except for applicants located in Insular Areas as provided for in 48 U.S.C. § 1469a (which limits the waiver to grants under \$200,000).

The grantee is not required to have the cash match in hand at the time of application, nor at the time of award. But, before a grant is awarded, DHS will contact potential awardees

to determine whether the grantee has the funding in hand or if the grantee has a viable plan to obtain the funding necessary to fulfill the matching requirement.

FEMA administers cost sharing requirements in accordance with 44 CFR §13.24. To meet matching requirements, the grantee contributions must be reasonable, allowable, allocable and necessary under the grant program and must comply with all Federal requirements and regulations.

D. Allowable Expenses and Cost Restrictions for Fire Departments

1. Firefighter Training

For FY 2010, eligible uses of training funds include, but are not limited to, tuition, exam and course fees, certification and/or recertification expenses, purchase of training curricula, training equipment (including training trailers and other mobile simulators), training props, and training services (such as instructors). Tow-vehicles may be eligible as an expense under this activity if adequately justified; however, we will limit such expenses to \$6,000 per year per application. Compensation to volunteer firefighters for wages lost due to attending training under this activity is an eligible expense if reasonable and justified in the narrative. Overtime expenses paid to career firefighters to attend training, or overtime expenses paid to career firefighters to cover for colleagues who are in training, are eligible expenses if reasonable and justified in the narrative. Although compensation and overtime/backfill expenses are eligible, proposals that contain these costs may be scored less favorably than similar proposals without compensation expenses, due to the cost-benefit element in the evaluation process. Applicants are encouraged to take this into account when formulating their application budget, as it may be better to have a more competitive application than to cover every last expense.

Ineligible activities in this area include the following:

- Construction of facilities, such as classrooms, buildings, towers *etc.*;
- Video-conferencing equipment;
- Firefighting equipment or PPE such as SCBA (for use in training exercises);
- Modular training units that are not trailer-mounted or are otherwise immobile;
- Site preparation to accommodate any training activity, facility, or prop;
- Purchase or lease of real estate; or
- Remodeling that is not directly related to other grant activities.

The necessary remodeling or renovation of an existing facility to accomplish training activities is allowable, if the remodeling or renovation is minor in nature (*e.g.*, limited to minor interior alterations costing less than \$10,000), justified in the narrative, and integral to the completion of the training activities funded by the grant. Remodeling or renovation expenses should be included in the application as an “Other” line-item expense and clearly explained in the narrative.

DHS funds the direct delivery of a variety of classes that can be requested through the State to meet first responders' training needs. These classes are listed in the course catalog found at http://www.firstrespondertraining.gov/odp_webforms.

2. Firefighting Equipment Acquisition

Eligible expenses include expenses necessary to acquire, assemble, and install the requested equipment. Foam and associated equipment used to fight conventional fuel and alternative fuel fires are eligible. Hazardous materials response equipment is eligible. The cost of training department personnel on the use of the new equipment is eligible, but should be requested under the Training Activity. Compressor systems, cascade systems, or similar SCBA refill systems are eligible expenditures in this area. Remodeling or renovation to an existing facility to accommodate equipment purchased with grant funds are allowable if justified in the narrative, and if the remodeling or renovation is minor in nature (*i.e.*, limited to minor interior alterations costing less than \$10,000). Remodeling that is not directly related to other grant activities is not eligible. Traffic signal preemption systems are eligible. The costs of shipping equipment purchased under this program and applicable sales taxes are also eligible expenses.

Individual communications equipment (portable radios) and mobile communications equipment (including mobile repeaters) are eligible, but telephones and cell phones are not eligible. Under the AFG, DHS will limit funding for portable radios to the number of seated positions based on the applicant's firefighting vehicle fleet unless otherwise justified in the narrative, and will only fund the number of mobile radios required to equip the vehicle inventory listed in the application. We will not fund mobile radios for personally owned vehicles, with the exception of the chief fire officer's personal vehicle if adequately justified in the application. Mobile data systems (MDTs) are eligible. Integrated communications systems such as base stations, computer-aided dispatch, fixed-site repeaters, and wireless and broadband mobile data systems are eligible under this activity.

The purchase of any communications systems or equipment under this activity should have the intent or goal of solving interoperability problems, as applicable. Each State will have the opportunity to review requests for communications equipment, with respect to conformity with the State Communications Interoperability Plan (SCIP). The State representative will certify that such requests are consistent with the State Homeland Security Strategy and do not duplicate or conflict with assistance already provided or imminent. If a State representative determines that an application is either inconsistent with the State strategy or duplicates the State's assistance, that portion of the AFG application will not be funded. Further, applicants within States that have not submitted their SCIP to DHS for review and approval will not be eligible for interoperable communications funding. Any applicant seeking funding for eligible equipment should provide details in the narrative section of the application regarding their local plan to enable or enhance interoperable communications within their jurisdiction as well as their efforts to ensure consistency with their State's interoperability plan.

Equipment used in response to CBRNE incidents is also eligible. Equipment exclusively designed for use in CBRNE incidents is eligible this year and includes special monitoring equipment (biological, radioactive, *etc.*) and CBRNE-related pharmaceuticals for first responders, such as auto-injectors.

Requests for EMS equipment are eligible under this Equipment Acquisition Activity. Eligible expenses for EMS equipment in this activity may include, but are not limited to, defibrillators, basic and advanced life support equipment, universal precaution supplies (*i.e.*, personal protective equipment), computers, and infectious disease control and decontamination systems.

Items NOT eligible for funding under Firefighter Equipment Acquisition include the following:

- Construction of facilities, such as buildings, sheds to house communications, towers, or other equipment;
- Repeaters that will not be installed or attached to existing infrastructure;
- Sirens or other outdoor warning devices;
- Signage of any kind;
- Telephones, satellite phones, and cell phones;
- Video-conferencing equipment;
- Bomb disposal equipment and robots;
- Vehicles;
- Vehicle exhaust extraction systems (These systems are only eligible when applied for under Modifications to Fire Stations and Facilities below.);
- ATVs;
- Boats that do not have firefighting capability;
- Personal watercraft;
- Medication, and disposable or otherwise expendable supplies (such as gloves, syringes, and cervical collars); or
- PPE, including clothing for structural and wildland fire suppression, such as “turnout gear” or “bunker gear” (including boots, pants, coats, gloves, hoods, goggles, vests, helmets, coveralls, and fire shelters), SCBAs, spare cylinders, and Personal Alert Safety Systems (PASS).

The purchase of PPE is not eligible under Firefighting Equipment Acquisition. The purchase of Personal Protective Equipment is an eligible grant expense, but only when requested under the Personal Protective Equipment Activity. See below.

3. Firefighter Personal Protective Equipment

Application requests for PASS devices will only be considered if the equipment requested meets current national standards, *i.e.*, integrated and/or automatic or auto-on PASS. This is because of the safety benefits automated PASS devices provide firefighters. Eligible PPE includes clothing for structural or wildland fire suppression, such as “turnout gear” or “bunker gear” (including boots, pants, coats, gloves, hoods, goggles, retro-reflective

highway apparel, vests, helmets, coveralls, and fire shelters), SCBAs, spare cylinders, and PASS (within the limits noted above).

If awarded, SCBA replacement will be based on the number of seated positions in the applicant's fleet (unless the applicant can adequately justify more than one ensemble per seat) and the age of the applicant's SCBA inventory. Specifically, the criteria development panel recommended that DHS not consider replacement of SCBA that is compliant to the 1997 Edition of NFPA 1981 nor the 2002 Edition of NFPA 1981. Applicants requesting replacement of newer SCBA will have to provide justification for such a request. If awarded, DHS will limit the number of spare cylinders funded to one spare cylinder for each SCBA requested, unless the applicant can adequately justify more than one spare per unit.

In addition to "turnout gear" and SCBA, protective clothing for response to hazardous materials incidents and other specialized incidents is eligible under this activity. Protective clothing designed for EMS activities or for response to CBRNE incidents is also eligible in this activity. Eligible PPE for EMS activities includes PPE ensembles (coats and trousers) that afford universal precautions against exposure to infectious diseases, *etc.*

Ineligible expenditures under the PPE Activity include the following:

- Three-quarter length rubber boots;
- Bomb disposal suits;
- Uniforms (formal/parade or station/duty) and uniform items (hats, badges, *etc.*); or
- Firefighting equipment or personal communications equipment such as radios, cell phones, and pagers (See Firefighting Equipment Acquisition above).

4. Firefighter Wellness and Fitness

Eligible expenditures in the Firefighter Wellness and Fitness Activity include the following:

- Procurement of medical services from trained medical professionals (MDs or RNs); to ensure the firefighting personnel are physically able to carry out their duties
- Medical examinations that meet NFPA 1582 (*Standard on Comprehensive Occupational Medical Program for Fire Departments*) as adopted by DHS or that meet the IAFC/IAFF wellness and fitness initiative;
- Implementation of IAFC/IAFF peer fitness trainer programs; or
- Costs for personnel, medical physicals, physical fitness equipment (including shipping charges and sales tax as applicable), and supplies directly related to performance of physicals or physical fitness activities.

Ineligible expenditures include the following:

- Transportation expenses;

- Contractual services with anyone other than medical professionals listed above (e.g., health-care consultants, trainers, and nutritionists);
- Fitness club memberships for firefighters or their families;
- Cash incentives;
- Non-cash incentives (t-shirts or hats of nominal value, vouchers to local businesses, or time-off);
- Purchase of medical equipment;
- Purchase of medical examinations that do not meet NFPA 1582 requirements or the IAFC/IAFF wellness and fitness initiative;
- Construction of facilities to house a fitness activity, such as exercise or fitness rooms, showers, *etc.*; or
- Purchase of real estate.

Minor remodeling or renovation to an existing facility are allowable if justified in the narrative, if minor in nature (*i.e.*, limited to minor interior alterations costing less than \$10,000), and integral to the completion of the Wellness and Fitness Activity (*See Part III, Section F. Other Allowable Costs* for more details). Remodeling that is not directly related to other grant activities is not eligible. Remodeling expenses should be included in the budget as an “Other” line-item expense and explained in the narrative.

5. Modifications to Fire Stations and Facilities

Grant funds are to be used only to retrofit existing structures that do not have the eligible safety features or to upgrade facilities whose features are outdated. Under no circumstances may grant funds be used to supplement new construction. Additionally, no modification may change the footprint or the profile of a structure.

When requesting funds for modifications to facilities, older structures will receive the highest consideration for funding. NFPA 1500, *Standard on Fire Department Occupational Safety and Health Program*, was first adopted in 1987. In the 2002 Edition of NFPA 1500 (1500 §§ A.9.1.6), NFPA provided extensive guidance concerning exposures to potential carcinogens. Therefore, it is the position of the criteria development panel that fire departments should have taken the standard into consideration when planning the construction of new facilities; as such they recommend that requests to upgrade any structures that were built subsequent to 2003 receive the lowest consideration. Under no circumstances may grant funds be used to supplement new construction.

When requesting funding for emergency power generators, it is the AFG Program’s expectation that departments will request generators sufficient to provide power for **only** those functions that are operationally imperative (*i.e.*, bay doors, communications equipment, emergency lighting, heat, *etc.*) and no more (*i.e.*, banquet facilities).

There are no monetary limits on the individual initiatives under this activity, but no applicant can request more than \$100,000 per fire station under its authority. Applicants may request funding for modifications for each station if they have multiple stations, up to

the \$100,000 per station limit, as long as the entire request does not exceed the Federal share limit (see Part II Section C).

The necessary remodeling or renovation of an existing facility to accomplish modification activities is allowable if the remodeling or renovation is minor in nature (*i.e.*, limited to minor interior alterations costing less than \$10,000 and/or requisite activities associated with installation of equipment when 1) occurring immediately adjacent to the facility and 2) the project area has been previously disturbed), justified in the narrative, and integral to the completion of the requested activities. Remodeling or renovation expenses should be included in the application as an “Other” line-item expense and clearly explained in the narrative. Maintenance expenditures such as cleaning or painting of apparatus bays are not eligible under the AFG. Modifications are also effected by environmental and historic laws and regulations, see page 67 for more information on these requirements.

6. Firefighting Vehicle Acquisition

Eligible expenditures under this program include the cost of the vehicle and associated equipment necessary to conform to applicable national standards (NFPA 1901 or 1906). New, used, or refurbished vehicles are eligible; however, any used or refurbished vehicles must conform to the national standards that were in effect the year the vehicle was manufactured. DHS also reserves the right to consider current vehicle costs within the fire service vehicle manufacturing industry when determining the level of funding that will be offered to the potential grantee, particularly if those current costs indicate that the applicant’s proposed purchase costs are excessive.

An allowance for transportation to inspect a vehicle under consideration or during a vehicle’s production would be eligible if reasonable and justified in the grant narrative. Any additional costs associated with the purchase and installation of a vehicle-mounted exhaust filtration system for any vehicle purchased with grant funds would also be eligible. The costs associated with driver-operator training may be eligible for any vehicle award if justified in the narrative.

Applicants will NOT be allowed to modify the scope of work of a vehicle award (*i.e.*, change the type of vehicle to be purchased after the application is submitted). Vehicles contracted for or otherwise purchased prior to the end of the established application period are not eligible for funding. Vehicles contracted for prior to award are not eligible. However, if an applicant is forced, due to unforeseen circumstances, to purchase the same vehicle requested in an application and that vehicle is *placed into service* prior to award, that expense may be eligible if the purchase meets all the conditions of a pre-award expense (See the section on Pre-award Costs under “Other Allowable Costs” on page 42 below). ATVs and other specialty access vehicles are eligible, but must be requested as an “other” vehicle in the application’s drop-down menu. Aircraft, bulldozers, and construction-related equipment are not eligible for purchase with AFG funds.

E. Allowable Expenses and Cost Restrictions for Nonaffiliated EMS Organizations

1. EMS Training

Eligible uses of EMS training funds include, but are not limited to:

- Tuition, exam, and course fees;
- Certification or recertification expenses;
- Purchase of training curricula, training equipment, training props, and training services (such as instructors); and
- Attendance at formal training forums or conferences that provide continuing-education credits.

Compensation to volunteer emergency responders for wages lost due to attending training under this activity is an eligible expense if reasonable and justified in the grant narrative. Overtime expenses paid to emergency responders to enable them to attend training, or overtime expenses paid to emergency responders to cover for colleagues in training, are eligible expenses if reasonable and justified in the grant narrative. Although compensation and overtime/backfill are eligible expenses, proposals containing this type of compensation expense may be scored less favorably than similar proposals without compensation expenses due to the cost-benefit element in the evaluation process.

Ineligible activities in this area include the following:

- Construction of facilities, such as classrooms, buildings, and towers;
- Site preparation to accommodate any training activity, facility, or prop; or
- Purchase or lease of real estate.

The necessary remodeling or renovation of an existing facility to accomplish training activities funded by the grant is allowable if the remodeling or renovation is minor in nature (e.g., limited to minor interior alterations costing less than \$10,000), justified in the narrative, and integral to the completion of the training activities funded by the grant. Remodeling that is not directly related to other grant activities is not eligible under this program (See *Part III, Section F. Other Allowable Costs*). Remodeling expenses should be included in the application as an “Other” line-item expense and clearly explained in the narrative.

DHS funds the direct delivery of a variety of classes that can be requested through the State to meet first responders’ training needs. These classes are listed in the course catalog found at http://www.firstrespondertraining.gov/odp_webforms.

2. EMS Equipment Acquisition

Eligible expenses for equipment acquisition include basic and advanced life support equipment (ALS) to support first responders through paramedics, with higher priority given to organizations requesting equipment to support service at the advance life

support level. Examples of eligible items available under this section include, but are not limited to the following:

- Basic life-support equipment;
- Advanced life-support equipment;
- Rescue tools;
- Communications equipment (mobile and portable radios);
- HAZMAT and decontamination equipment;
- Computers;
- Automated external defibrillators; or
- Infectious disease control and decontamination systems.

Items that are eligible for funding, but a lower priority, include tents, shelters, generators, lights, and heating and cooling units.

Protective clothing is NOT eligible under this equipment category, but is eligible under the PPE Activity below.

For FY 2010, individual communications equipment (portable radios) and/or mobile communications equipment (including mobile repeaters) are eligible; but, telephones, cell phones, satellite phones, repeaters that will not be installed or attached to existing infrastructure are not eligible. Sirens or other outdoor warning devices are not eligible. Signage of any kind is not eligible.

We will only fund the number of mobile radios required to equip the vehicle inventory listed in the application. We will not fund mobile radios for personally owned vehicles under EMS. Mobile data systems are eligible. Integrated communications systems such as base stations, computer-aided dispatch, fixed-site repeaters, and wireless and broadband mobile data systems are eligible under this activity. The purchase of any communications systems or equipment under this activity should have the intent or goal of solving interoperability problems. Each State will have the opportunity to review requests for communication systems to ensure compliance with statewide interoperable communications plans and the State Homeland Security Strategy. Applicants seeking funding for EMS equipment should provide details in the application's narrative section regarding their local plan to enable jurisdiction-wide interoperable communications.

Any equipment requested under this section, particularly decontamination and HAZMAT equipment, is fundable to the current level of your capabilities (*i.e.*, we will not fund level-A equipment for organizations only trained to the HAZMAT operations level, unless the application also includes a request for training compatible with the equipment request). The costs of shipping any equipment purchased under this program and applicable sales taxes are also eligible expenses.

Other items that are not eligible under the EMS Equipment Acquisition Activity include: vehicles (such as ambulances), vehicle exhaust extraction systems (these systems are only eligible when applied for under Modifications to Fire Stations and Facilities below), ATVs, boats, personal watercraft, equipment used for firefighting, medications, disposable

or otherwise expendable supplies (such as gloves, syringes, and cervical collars), body armor, uniforms, and new construction such as communications towers or facilities. The purchase of Personal Protective Equipment is not eligible under EMS Equipment Acquisition. The purchase of PPE is an eligible grant expense, but only when requested under the Personal Protective Equipment Activity. See below.

3. EMS Personal Protective Equipment

Examples of eligible clothing include EMS “turnout gear,” non disposable universal precautionary supplies (*i.e.*, medical PPE), extrication jumpsuits, rescue helmets, gloves, and boots. Protective clothing must meet national standards or local EMS protocols. The purchase of SCBA may also be eligible if the EMS organization has a formally adopted standard operating procedure that requires SCBA availability and adequately justifies the request. If you apply for funding for SCBA, you may be required to submit documentation to support the eligibility of SCBA.

Any equipment requested under this section, particularly decontamination and HAZMAT suits, are fundable to the current level of your training (*i.e.*, we will not fund level-A suits for organizations only trained to the HAZMAT operations level unless the application also includes a request for training compatible with the equipment request). Uniforms (formal/parade or station/duty) and uniform items (hats, badges, *etc.*) are not eligible expenses under this activity. In addition, nonaffiliated EMS organizations may not apply for non-EMS PPE such as body armor, wildland firefighting gear, and firefighting “turnout gear.” Personal communications equipment, such as radios and pagers, are not eligible under this activity, but are eligible under the EMS Equipment Acquisition Activity.

4. EMS Wellness and Fitness

Eligible expenditures in the Wellness and Fitness Activity for EMS personnel may include the procurement of medical services from trained medical professionals (MDs or RNs) to ensure that EMS personnel are physically able to carry out their duties. The purchase of medical equipment is not an eligible expenditure under this category. Eligible expenditures to carry out wellness/fitness activities may include costs for personnel physicals, physical fitness equipment (including shipping charges and sales tax, as applicable), and supplies directly related to the performance of physicals or physical fitness activities.

Ineligible expenses include the following:

- Transportation expenses;
- Contractual services with anyone other than medical professionals listed above (*e.g.*, health care consultants, trainers, and nutritionists);
- Fitness club memberships for EMS personnel and their families;
- Cash incentives;
- Non-cash incentives (t-shirts or hats of nominal value, vouchers to local businesses, or time-off);

- Construction of facilities to house a fitness program (exercise or fitness rooms, showers, *etc.*); or
- Purchase of real estate.

Minor remodeling or renovation to an existing facility are allowable if justified in the narrative if the remodeling or renovation is minor in nature (*i.e.*, limited to minor interior alterations costing less than \$10,000), and if the remodeling is integral to the completion of the wellness and fitness activities funded by the grant. Remodeling that is not directly related to other grant activities is not eligible. Remodeling expenses should be included in the budget as an “Other” line-item expense and explained in the narrative.

5. Modification to EMS Stations and Facilities

When requesting funding for emergency power generators, it is the AFG Program’s expectation that EMS organizations will request generators sufficient to provide power for **only** those functions that are operationally imperative (*i.e.*, bay doors, communications equipment, emergency lighting, heat, *etc.*) and no more (*i.e.*, banquet facilities).

There are no monetary limits on individual initiatives under this activity. However, no applicant may request more than \$100,000 in modifications per station under its authority. If you have multiple stations, you may request funding for modifications for each station up to this \$100,000 per station limit, as long as the entire request does not exceed the Federal share limit.

The necessary remodeling or renovation of an existing facility to accomplish modification activities is allowable, if the remodeling or renovation is minor in nature (*i.e.*, limited to minor interior alterations costing less than \$10,000 and/or requisite activities associated with installation of equipment when 1) occurring immediately adjacent to the facility and 2) the project area has been previously disturbed); justified in the narrative; and integral to the completion of the requested activities. Remodeling or renovation expenses should be included in the application as an “Other” line-item expense and clearly explained in the narrative. Maintenance expenditures such as cleaning or painting of apparatus bays are not eligible under the AFG. Modifications are also effected by environmental and historic laws and regulations; see page 67 for more information on these requirements.

6. EMS Vehicle Acquisition

EMS vehicle awardees will be required to obtain a bond if funds are advanced to the manufacturer and include specific performance requirements and penalties for noncompliance with the requirements as part of the contract with the vehicle manufacturer. Extensions to a grant’s period of performance may not be considered if the requisite bond is not included in the purchase contract.

Eligible expenses under this program area would include ONLY the cost of the vehicle and requested driver training. We will NOT provide funding for associated equipment. New, used, or refurbished vehicles are eligible; however, all used or refurbished vehicles

must conform to the national standards that were in effect the year the vehicle was manufactured. ATVs, Gators™, and similar equipment are NOT vehicles and are not eligible under this category. DHS also reserves the right to consider current vehicle costs within the fire service vehicle manufacturing industry when determining the level of funding that will be offered to the potential grantee, particularly if those current costs indicate that the applicant's proposed purchase costs are excessive.

An allowance for transportation to inspect a vehicle under consideration, or during a vehicle's production, would be eligible if reasonable and justified in the grant narrative. Additionally, operator training may be eligible for any vehicle award if reasonable and justified in the narrative.

Applicants will not be allowed to modify the scope of work of a vehicle award, (*i.e.*, change the type of vehicle requested after award). Vehicles contracted for, or otherwise purchased, prior to the end of the established application period are not eligible for funding. Vehicles contracted for prior to award are not eligible. However, if an applicant is forced, due to unforeseen circumstances, to purchase the same vehicle requested in an application and that vehicle is *placed into service* prior to award, that expense may be eligible if the purchase meets all the conditions of a pre-award expense (See the section on Pre-award Costs under "Other Allowable Costs" on page 42 below). Aircraft, bulldozers, and construction-related equipment are not eligible.

F. Other Allowable Costs

This section describes additional costs that may be paid using AFG Grant funds.

1. Administrative Costs: Administrative costs are allowable under any of the program areas listed above in accordance with 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87) or 2 CFR Part 230, Cost Principles for Non-Profit Organizations (OMB Circular A-122), as applicable. Applicants may apply for administrative costs if the costs are directly related to the implementation of the program for which they are applying. Administrative costs are identifiable costs directly associated with the implementation and management of the grant and cannot exceed 3 percent of the award.

If you are requesting administrative expenses, you must list the costs under the "Other" category in the budget, and explain the purpose for the administrative costs in your project narrative. Administrative costs should be based on actual expenses, not a percentage of the overall grant. We will reimburse actual expenses only. Examples of eligible administrative costs include shipping, office supplies, and computers associated with the National Fire Incident Reporting System (NFIRS) reporting requirements. Grant funds may not be used for insurance, Internet service provider fees, or any similar monthly service fees. The cost of a grant writer (if specifically listed on your application) is eligible and can be charged to the grant as administrative costs in accordance with the provisions outlined in Item 7. below. We will assess the reasonableness of the

administrative costs requested in each application and determine if they are reasonable and in the best interest of the program.

2. Indirect Costs: Indirect costs are those incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. A cost may not be allocated to an award as an indirect cost, if any other cost incurred for the same purpose, in like circumstances, has been assigned to an award as a direct cost. Typical examples of indirect costs include depreciation or use allowances on buildings and equipment; the costs of operating and maintaining facilities; general administration; and other general expenses, such as the salaries and expenses of executive officers, personnel administration, and accounting.

If you have an approved indirect cost rate, you may charge indirect costs to the grant. If you are charging indirect costs to the grant, you must submit documentation supporting the indirect cost rate to us for review prior to submitting any claims for reimbursement of indirect costs. Appropriate documentation for an approved indirect rate is a federally approved indirect cost rate agreement. We will allow the rate to be applied as long as it is consistent with its established terms. For example, some indirect cost rates may not apply to capital procurements; in these cases, indirect cost rates would not be applicable for an equipment or vehicle grant.

3. Audit Costs: Grantees must comply with the organizational audit requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, which states that recipients of Federal funding that expend more than \$500,000 in Federal funds (from all Federal sources) in their fiscal year are required to have a single audit. (For more information about OMB Circulars, go to www.whitehouse.gov/omb/circulars.) If a single audit is required, a portion of the audit cost would be allowable, if included in the application budget. We will allow you to charge a prorated share of the costs of the single audit to the grant. For example, if you expend \$100,000 from the AFG and \$400,000 from the Forest Service during your fiscal year, we will allow you to charge one-fifth of the audit cost to the AFG Grant. We do not require any other audits; therefore, you cannot charge any other audit expenses to the grant.

4. Remodeling or Renovation Costs: Remodeling or renovation to an existing facility are allowable only if minor in nature (*i.e.*, limited to minor interior alterations costing less than \$10,000 and/or requisite activities associated with installation of equipment when 1) occurring immediately adjacent to the facility and 2) the project area has been previously disturbed). To be eligible, the remodeling must be essential to the successful completion of the grant's scope of work. The purchase of real estate and construction costs are not eligible. Construction includes major alterations to a building and/or changes to the profile or footprint of the structure. Enhancements to existing structures such as the installation of apparatus bay ventilation systems and retrofitting fire stations with sprinkler systems are eligible for application under the appropriate fire department or EMS organization Modification to Facilities Activity. See page 67 for more information on environmental and historic considerations and requirements.

5. Pre-award Costs: Generally, grantees cannot use grant funds to pay for products and services contracted for or purchased prior to the effective date of the grant. However, expenses incurred after the application deadline, but prior to award, may be eligible for reimbursement if the expenses were justified, unavoidable, consistent with the grant's scope of work, and specifically approved in writing by DHS. We will consider requests for reimbursement for pre-award costs on a case-by-case basis.

6. Pre-application Costs: Expenses, obligations, commitments, or contracts incurred or entered into prior to the application deadline are not eligible to be included as a grant expense with the exception of grant preparation costs [See G. below].

7. Grant Writer Fees: Fees for grant writers may be included as a pre-award or pre-application expenditure. Fees payable on a contingency basis are not an eligible expense. For grant writer fees to be eligible as a pre-award expenditure, the fees must be specifically identified and listed in the "Request Details" section of the application. In addition, the fees must have been paid prior to any contact with grants management staff or an award (*i.e.*, paid within 30 days of the end of the application period). Applicants may be required to provide documentation to support these pre-award expenditures.

Hiring a grant writer, or use of any other third party in preparing the application, does not eliminate the applicant's responsibility for ensuring that information contained in the application is true and correct. Applicants who submit false information with their applications, or misrepresent their organizations in any material manner, will have their applications deemed ineligible by the AFG Program Office and referred to DHS OIG for further action, as appropriate.

8. Prepayments: A grantee may not use grant funds to prepay for any products or services in advance of delivery of the products or rendering of services. A down payment for the purchase of a vehicle is allowable if required in the purchase contract, but we will only allow up to 25 percent of the Federal share to be drawn for this purpose. No additional funds beyond the down payment will be provided in advance of the delivery of the vehicle. Any costs over-and-above the 25 percent limit such as the cost of a chassis or any other fees or services must be borne by the grantee or deferred until final payment is drawn. Federal funds may not be used for any other periodic or progress payments, except the final payment, which should not be requested until after the vehicle is received, inspected, and accepted by the grantee.

G. Other Funding Restrictions

DHS grant funds may only be used for the purpose set forth in the grant, and must be consistent with the statutory authority for the award. Grant funds may not be used for matching funds for other Federal grants/cooperative agreements, lobbying, or intervention in Federal regulatory or adjudicatory proceedings. In addition, Federal funds may not be used to sue the Federal government or any other government entity.

Pre-award costs are allowable only with the written consent of DHS and if they are included in the award agreement.

Federal employees are prohibited from serving in any capacity (paid or unpaid) on any proposal submitted under this program. Federal employees may not receive funds under this award.

H. Reasonableness of a Request

The peer review panelists will review all of the applications in the competitive range and judge each application on its own merits. The panelists will consider all expenses budgeted, including administrative and indirect costs, as part of the cost-benefit determination, and may recommend appropriate adjustments. Regardless of the eligibility of any costs requested, DHS reserves the right to reduce any requests for assistance, in whole or in part, that DHS deems to be excessive or otherwise contrary to the best interests of this program.

Applicants who submit false information with their applications, or misrepresent their organizations in any material manner, will have their applications deemed ineligible by the AFG Program Office and referred to the DHS OIG for further action, as appropriate.

I. National Incident Management System Implementation Compliance

In accordance with Homeland Security Presidential Directive (HSPD)-5, *Management of Domestic Incidents*, the adoption of the National Incident Management System (NIMS) is a requirement to receive Federal assistance, through grants, contracts, and other activities. The NIMS provides a consistent nationwide template to enable all levels of government, tribal nations, nongovernmental organizations, and private sector partners to work together to prevent, protect against, respond to, recover from, and mitigate the effects of incidents, regardless of cause, size, location, or complexity.

Federal FY 2009 NIMS implementation must be considered prior to allocation of any Federal awards in FY 2010. The primary grantee/administrator of FY 2010 AFG award funds is responsible for determining if sub-awardees have demonstrated sufficient progress in NIMS implementation to disburse awards.

PART IV.

APPLICATION AND SUBMISSION INFORMATION

This section summarizes the process for applying for the FY 2010 AFG Grant.

A. Automated Grant Application

Applications under the FY 2010 AFG will be accessible at <https://portal.fema.gov>. The application will also be accessible from the U.S. Fire Administration's (USFA) Website (www.usfa.fema.gov), and grants.gov Website (www.grants.gov). We have designed the automated application with many built-in "help screens" and "drop-down menus" to assist applicants throughout the application process. The application can be saved and retrieved as many times as needed to complete it - up to the application deadline or the submittal of the application.

However, once you have submitted your application, you cannot change it. You will not be allowed to update your application to correct errors discovered after submission or to reflect changes in your organization's circumstances regardless of severity. You will be automatically notified via e-mail once we have received your application.

An applicant tutorial will be available from the program office. The tutorial explains the grant program, helps applicants with the online grant application, provides tips for navigating the application screens, and summarizes FY 2010 program changes. The tutorial also provides a review of lessons learned during previous grant periods.

You may decide to hire or engage a grant writer to assist you in the application process. However, as the applicant, you are responsible not only for the cost associated with using outside assistance but also for all information contained in your application. By submitting the application, you are certifying that all of the information contained therein is true and is an accurate reflection of your organization. Therefore, prior to submission, please review all work produced by grant writers, or other third parties, on your behalf. Applicants who falsify their applications or misrepresent their organizations in any material manner will have their applications deemed ineligible by the AFG Program Office and referred to the DHS OIG for further action, as appropriate.

Paper applications will be accepted, but are discouraged due to the inherent delays associated with processing them. Also, successful applicants who submit paper applications must continue to manage their grants via paper, including payment requests, requests for modifications, reporting, *etc.*; whereas, applicants who apply online can perform all of these functions online. In addition, paper applications do not provide the

built-in help that is available to online applicants. Finally, there is no assurance that your paper application is complete when submitted. If you do not have access to the Internet, contact us at 1-866-274-0960 to request a paper copy of the application via regular mail. We will not send paper applications via overnight delivery, fax, or e-mail.

The only eligible paper application is the application that we send you. Do not use any paper application that you did not receive directly from us. Do not print the screens from this year's online application and submit them as a paper application. Do not use a previous year's application. Any paper application that is not in the correct format will be deemed ineligible.

Applications for the FY 2010 AFG will be accepted starting on or about Monday, April 26, 2010, at 8:00 a.m. Eastern Time. Up-to-date application information will be posted on the AFG and USFA Websites. Completed applications must be received by 5:00 p.m. Eastern Time on Friday, May 28, 2010. Applications submitted by mail must be postmarked by May 26, 2010. Applications not submitted electronically must be mailed to:

Fire Grant Program Technical Assistance Center
U.S. Fire Administration, Room I-207
16825 South Seton Avenue
Emmitsburg, Maryland 21727-8998

We will not be responsible for applications mailed to any address other than the address listed above. Late, incomplete, or faxed applications will NOT be accepted. No electronically submitted applications other than those submitted online via the automated grant application system will be accepted.

B. Content and Form of Application

Eligible applicants apply for AFG funding online via the "e-grants" application. The system will allow an authorized representative of an applicant to log in and create a username and password for the applicant. The selection of the authorized representative is at the discretion of each applicant. If your organization submitted an application in previous years, we advise you to use the same username and password used for previous applications. If your organization is submitting more than one FY 2010 application, you must use the same username and password used for prior year applications, as well as for each FY 2010 application.

When filling out the on-line application, applicants are required to provide general information regarding the applicant and the community they serve. The applicant will provide detailed information regarding the items or activities for which they are seeking funding. The applicant will also have to provide a narrative description of their project including the cost of the project, their financial needs, and the benefits that the project will have on the applicant's operations. Finally, the applicants will have to fill out Standard Form LLL, Disclosure of Lobbying Activities (if the grantee has engaged or intends to

engage in lobbying activities) and FEMA Form 20-16C, Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements.

The program title listed in the CFDA is “*Assistance to Firefighters Grant Program.*” The CFDA number is 97.044.

C. DUNS Number

Effective October 1, 2003, all Federal grant applicants must contain a Dun & Bradstreet Data Universal Numbering System (DUNS) number. The DUNS number helps the Federal Government identify organizations that receive Federal funding and ensures consistent name and address data for electronic grant applications. Additional information about DUNS numbers can be found on the Dun & Bradstreet Website at <http://fedgov.dnb.com/webform/displayHomePage.do;jsessionid=B9E740A165>.

There is no charge to obtain a DUNS number, and it is the applicant's responsibility to obtain one. Extensions may not be granted for applicants who were unable to obtain a DUNS number prior to the end of the application period. Applicants are encouraged to apply for a DUNS number as soon as possible by calling 1-866-705-5711; as it may take several weeks to obtain the number online. The DUNS number must be entered in a special data field on the AFG application.

D. Project Period

The project period for any award under AFG will be 12 months from the date of the award.

E. Application Details

As in previous years, the AFG application includes general questions about your organization and community, as well as specific questions about the proposed project. The answers to these questions will be used to evaluate your application and to determine whether your organization serves an urban, suburban, or rural community. Characteristics such as population, water supply, land use, number of stations, call volume, and the number of inhabitable structures over four-stories tall in the jurisdiction indicates the type of community served. For the purpose of AFG Grants, a “story” is the habitable or occupiable space between a floor and a ceiling of a structure. We will allow you to self-declare the type of community you serve; however, we will also use these characteristics to assist us in determining the type of community you serve. If your declaration and our determination differ, you will be prompted to justify your declaration in the narrative section of the application.

The designation of community type is important because we have established different funding priorities in some of the activity areas, depending on the type of community served. These funding priorities are delineated in each program area below, if applicable.

The community designation (*i.e.*, urban, suburban, or rural) may also affect the ranking of your application, depending on the program area or activity for which you are applying. This is why you must justify your designation in the narrative of the application if your designation is different from ours.

After completing the general questions, you will be asked a series of activity-specific questions relative to the program area selected and the activities for which you plan to apply. Answer the questions for each of the activities that support your project. Lastly, you will be required to provide a written narrative describing the planned project. The narrative portion of the application should provide details of the activities for which you are seeking funding, including budget details for each activity. The narrative should also describe your organization's financial need and elaborate on the benefits your community and/or organization will gain from the expenditure of the grant funds. Applications should particularly note how the grant would enhance your department's ability to protect critical infrastructure. Finally, the narrative should explain the extent to which the grant would enhance your daily operations and/or how the grant will positively impact your ability to protect life and property.

We recommend that you type your narrative offline in any word processing software, such as Word, Word Perfect, or Notepad. Once the narrative is complete, you can copy it or "cut-and-paste" it from the word processing document into the narrative block of the application. Space for the narrative is limited and cannot exceed five pages. Any narrative beyond the five-page limit will be cut off by the electronic system and will not be a part of your application submission. Do **NOT** type the narrative using only capital letters. For more specific information regarding the application and the narrative section, we advise you to review the applicant tutorial.

F. Project Development

As in previous years, the AFG Program allows applicants to formulate a very comprehensive grant proposal. Depending on the program area for which you apply, your grant proposal may include a number of related "activities" to address all of your needs within a programmatic or functional area. This approach provides you with the opportunity to develop a more comprehensive grant project that addresses a broader range of your organization's needs. Be advised that your application should include only activities that can be completed within a 1-year period of performance.

In FY 2010, ***you may submit one application per application period in each of the program areas***, (*i.e.*, one application under Operations and Safety, one under Vehicle Acquisition, and/or a separate application as a regional host). If multiple applications are submitted on behalf of one organization within one of these program areas, either intentionally or unintentionally, we will deem all of that organization's applications in that program area to be ineligible. For example, if any applicant submits two applications for Operations and Safety, both applications will be deemed ineligible.

When formulating your grant proposal(s), keep in mind the legislative funding limits (See Part II.). If an applicant receives awards under both the Operations and Safety and Vehicle Acquisition program areas, the total of both awards cannot exceed the legislatively established funding limit.

1. Fire Department Projects

Fire departments may submit applications for either or both of the following program areas. AFG awards are subject to the statutory funding limitations discussed above. Under Operations and Safety, you may include as many activities within the program area as necessary to meet your needs. The eligible program areas and associated activities for the FY 2010 AFG are listed below.

- ***Firefighter Operations and Safety.*** Eligible activities for fire departments under this program area are limited to training, equipment, PPE, wellness and fitness, and modifications to fire stations and facilities. If an EMS unit falls organizationally under the auspices of a fire department, the fire department may submit requests for EMS training and equipment on behalf of their department's EMS unit under the appropriate functional area (*i.e.*, training or equipment, respectively). However, a fire department CANNOT apply as a nonaffiliated EMS organization, even if its application is solely for EMS equipment or training. Requests for equipment, PPE, and training to prepare for response to incidents involving CBRNE are eligible under the appropriate activities in this program area. Applicants should ensure that all projects applied for under AFG are consistent with national standards and address interoperable communications and equipment compatibility.
- ***Firefighter Vehicle Acquisition.*** Eligible apparatus available to fire departments under this program area include, but are not limited to, pumpers, brush trucks, tankers/tenders, rescue vehicles, ambulances, quints, aerials, foam units, and fire boats. Urban and suburban departments may apply for multiple vehicles on one application; however, urban and suburban applications will be limited to one vehicle per station (at the time of the application). Rural fire departments may apply for only **one** vehicle per year. Applications from fire departments that serve rural communities and are requesting more than one vehicle will be deemed ineligible. For FY 2010, there is no restriction on vehicle requests based on previous AFG vehicle awards. Applicants who received vehicles under prior year AFG awards are eligible to receive a vehicle grant in FY 2010. Activities related to a vehicle grant such as driver/operator training and equipment for a vehicle should be included in the vehicle request, not as part of an Operations and Safety request.

As stated above, for FY 2010 you may submit one application for assistance in each of these two program areas. Within your selected program area (Operations and Safety or Vehicle Acquisition), you may develop a comprehensive project to

address all of your needs by applying for as many of the eligible activities that you determine are necessary. For example, if you determine that your needs are in the Operations and Safety program area, you could apply for any one of the activities under that program area, any combination of activities, or all of the activities listed within that area. If you need a vehicle, you must apply under the Vehicle Acquisition program area. You may not apply for a vehicle under the Operations and Safety program area. Any equipment or training requested in a vehicle application must be specifically relevant to the requested vehicle and consistent with applicable NFPA standards (1002, 1901, 1961, *etc.*).

2. Nonaffiliated EMS Organizations

Nonaffiliated EMS organizations are eligible to apply for assistance during the FY 2010 AFG application period. The nonaffiliated EMS portion of AFG mirrors what is available to fire departments. EMS applicants may apply for assistance under either the Operations and Safety program area or the Vehicle Acquisition program area, or both using separate applications. EMS awards are subject to the statutory funding limitations, as discussed in Part 1 of this guidance. The EMS Operations and Safety program area provides a range of eligible activities that enable applicants to formulate a very comprehensive grant proposal to meet all operational needs. The EMS Vehicle Acquisition area allows applicants to apply for a vehicle to enhance emergency response capabilities and may include operator training, as necessary.

For the FY 2010 application period, you may submit ***one application per program area***; however, you are limited to only ***one*** application in each of the two program areas listed below. Your application should include only activities that can be completed within the 1-year period of performance. EMS program areas and associated activities eligible under the FY 2010 AFG are listed below.

- ***EMS Operations and Safety.*** Eligible activities available to nonaffiliated EMS organizations under this program area are limited to EMS training, EMS equipment, including PPE, wellness and fitness, and modifications to stations and facilities. Requests for equipment, PPE, and training to prepare for responding to incidents involving CBRNE are eligible for funding under the appropriate activities in this program area. Applicants should ensure that all projects applied for under the grant program are consistent with national standards and address interoperable communications and equipment compatibility.
- ***EMS Vehicle Acquisition.*** Eligible apparatus available to nonaffiliated EMS organizations under this area include, but are not limited to, ambulances, transport units, and rescue squads. Small specialty access equipment such as ATVs, snowmobiles, and Gators™, or other similar vehicles are not eligible under the vehicles acquisition category or under the EMS Operations and Safety program area. Urban and suburban

organizations may apply for multiple EMS vehicles on one application; however, urban and suburban applications will be limited to one vehicle per station in operation (at the time of the application). Rural organizations may apply for only **one** vehicle per year. You may not include equipment for your EMS vehicle in your request; however, your request may include driver/operator training. Applications from EMS organizations that serve rural communities that request more than one vehicle will be deemed ineligible. Previous AFG vehicle grant recipients are eligible to receive a vehicle grant in FY 2010.

3. Regional Projects

Any eligible applicant, whether a fire department or a nonaffiliated EMS organization, may act as a “host applicant” and apply for large-scale or regional projects on behalf of itself and any number of organizations in neighboring jurisdictions. A regional project is one in which multiple organizations serving more than one local jurisdiction benefit directly from the activities implemented with the grant funds. A county fire department applying for a countywide communications system is NOT a regional project because it does not benefit multiple “seats-of-government.” Regional projects are designed to facilitate interoperability and efficiency among the participating jurisdictions. As such, the only activities available for application under a regional project are training and equipment acquisition (such as communications equipment) that positively affect interoperability between jurisdictions. Purchase of turnouts, SCBA, wellness and fitness, modification to facilities, and vehicle acquisition activities are not eligible as regional projects.

Regional projects require one eligible applicant to act as the “host” for the project. Regional applications may only include activities that are meant to address the identified regional risk. Regional applications cannot include the purchase of resources or any activities meant solely for the host applicant. As in last year’s program, host applicants in FY 2010 may apply for funding to address their own needs beyond the scope of the regional project in a separate application(s). The “host” will be responsible for fulfilling all grant requirements such as reporting to NFIRS, control of and accounting for the funds, and distribution and control of the property. Additionally, the host is responsible for assuring that the cost share is met. The cost share for regional projects is based on the total population and demographics of the entire region.

DHS has the discretion to waive the legislatively established funding limits under AFG. In order to encourage interest and participation in this critical strategy to address interoperability, DHS may exercise that discretion if the funding of a regional application is at risk of exceeding statutory funding caps, (*i.e.*, the funding of the regional request combined with other AFG awards would cause the host applicant to exceed the legislatively established funding limits).

In general, equipment purchased as a result of a regional project will be physically distributed to all the departments that are beneficiaries of the project. This physical distribution of the equipment to other first responder organizations is the single characteristic that distinguishes eligible regional projects from projects that are not regional in nature but may have an impact on a region via mutual aid. For example, a project that would not be considered to have an effect on interoperability (and thus would not be considered a regional project) would be an application for an air compressor or a hazardous materials (HAZMAT) response vehicle. In this example, the assets would be shared with neighboring departments under mutual or automatic aid agreements, but physically located in the awardee's department and not disseminated among the participants; as such, this project would not qualify as a regional project.

Examples of viable regional projects would be a multi-jurisdictional communications system or standardization of training. As stated above, regional projects should be designed to address issues of communications or equipment interoperability among multiple jurisdictions.

In order to apply for a regional project, the host organization must:

- 1) be an eligible applicant, (*i.e.*, either a fire department or a nonaffiliated EMS organization – a county, county association, city, or an emergency management organization is **not** eligible and could not apply for a regional project), and
- 2) agree, if awarded, to be responsible for all aspects of the grant including, but not limited to, accountability for the assets and all reporting requirements.

In the regional application, the host organization will be required to describe the characteristics of the entire region that will be affected by the project (*i.e.*, the population of the affected region, not the applicant's "first-due" population). The applicant must provide detailed information in the project narrative describing the nature of the project including the project's budget, the effect the project will have on the region, and the need for the project. This includes a detailed description of the following:

- The proposed project and the project budget.
- The financial need for the project.
- The benefits that would result.
- The extent to which the grant would enhance daily operations.
- How the grant will positively impact the regional ability to protect life and property.

In addition, the applicant must include a list of all the participating organizations that will benefit from the regional project, if the project is approved. Fire departments or nonaffiliated EMS organizations that will benefit from a regional project may also apply for funding under AFG, as long as they are not requesting the same items as the host applicant for the regional project. For example, if a host applicant applies for a multi-jurisdictional communications project, a participating organization that will receive some of the communications equipment can apply for other needs as long as it does not apply for duplicative communications equipment. Host applicants MAY NOT apply for items to address other needs beyond the regional project on the regional application; but, as indicated above, a host applicant may submit a request to meet its own, non-regional needs in a separate application.

When evaluating the benefits of any regional project, we will take into account the other partners that will be involved in the project, whether they are other fire departments, nonaffiliated EMS organizations, or other public service organizations. We will also take into consideration the extent to which the non-fire/EMS partners will contribute to the overall costs of the regional project.

PART V.

APPLICATION REVIEW AND EVALUATION PROCESS INFORMATION

This section summarizes the multi-level review and evaluation process used to select applications for AFG funding.

A. Prescreening Process

As explained earlier, funding priorities and criteria for evaluating AFG applications are established based on recommendations from the criteria development panel. We will rank all submitted applications based on the substance of the application relative to the established funding priorities for the type of community served. Answers to the application's activity-specific questions provide information used to determine each application's ranking relative to the stated priorities.

If you apply for more than one activity in your selected project, each activity will be scored separately. Then the scores will be prorated based on each individual activity's funding level, compared to the total requested funding in your application. For example, under the Operations and Safety program area, if you apply for \$9,000 in training and \$1,000 in equipment, the training portion of the proposal will represent 90 percent of the score and the equipment will represent 10 percent of the score. The number of activities included in the application will not affect the application - negatively or positively.

B. Peer Review Process

Applications that best address the grant funding priorities (as outlined below) will score higher than applications that are inconsistent with the priorities. Applications scoring the highest will be determined to be within the "competitive range" and will undergo further evaluation through a peer review process. It has been DHS practice to review a sufficient number of applications to assure that the AFG Program's goals and objectives will be met. To achieve this, the number of applications reviewed each year is the number of applications whose cumulative requests total 200 percent of the appropriated funding for AFG. As such, with \$390 million appropriated for AFG in FY 2010, DHS will consider approximately \$800 million in applications to be in the competitive range and reviewed by a panel of peers.

A panel of at least three peer review panelists will evaluate each application in the competitive range using the project narrative, along with answers to the general questions and the activity-specific questions. During the panel review process, panelists will provide a subjective but qualitative judgment on the merits of each request.

Applications that include requests for equipment and/or training will be evaluated by the panelists relative to the critical infrastructure within the applicant's area of first-due

response. Critical infrastructure includes any system or asset that, if attacked or impacted by a hazardous event, would result in catastrophic loss of life or catastrophic economic loss. Critical infrastructure includes the following: public water or power systems, major business centers, chemical facilities, nuclear power plants, major rail and highway bridges, petroleum and natural gas transmission pipelines or storage facilities, telecommunications facilities, or facilities that support large public gatherings, such as sporting events or concerts. Panelists will assess such infrastructure and the hazards confronting the community, as explained in the narrative, to determine the benefits that will be realized from a grant to the applicant.

Panelists will evaluate and score the following project elements:

- 1) The clarity of your proposed project, including the project's budget detail.
- 2) The organization's financial need.
- 3) The benefits that would result from an award relative to the cost.
- 4) The extent to which the grant would enhance daily operations.

Each of these four elements carries equal weight when factored into the panelists' scores (*i.e.*, one-fourth).

Each application will be judged on its own merits, not compared to other applications. As part of the cost-benefit review, the panelists will consider all expenses budgeted, including the individual costs of the items requested as well as the extraneous costs such as warranties or maintenance costs, administrative costs, and/or indirect costs. Panelists may object to costs that are requested but not fully explained in the application. Panelists will review each application in its entirety and rate the application according to the established evaluation criteria.

Keep in mind that we will use the answers to the activity-specific questions when conducting our initial assessment. The answers to these questions are the primary basis for determining whether an application warrants further evaluation through peer review. Applicants whose answers indicate that their project is consistent with the established priorities (as outlined below) will have a better chance of reaching the competitive range and the second level, *e.g.*, the peer review, than those applicants whose projects do not reflect the established priorities. Applicants who submit false information with their applications or misrepresent their organizations in any material manner will have their applications deemed ineligible by the AFG Program Office and referred to the DHS OIG for further action, as appropriate.

Each application that scores high under the peer review process will be deemed in the fundable range. Applications that are in the fundable range will undergo both a Technical Review by a subject matter specialist as well as a Program Office review prior to being recommended for award. In the Technical Review, the subject matter specialists will

assess the technical feasibility of the application addressing the needs of the applicant. After the Technical Review, the Program Office will conduct an additional review to assess the request with respect to costs and quantities and eligibility prior to recommending the application for award.

C. State Strategy and Communications Technical Review

Each State will provide a representative to the AFG Program Office to conduct a technical review of peer-reviewed applications from the State's perspective. This State review will focus on requests for CBRNE-related equipment or training and/or interoperable communications equipment or training. After the panel review process is complete, the designated State homeland security official will review the application to ensure that requests for communications systems conform to the State's SCIP. The State representative will further certify that such requests are consistent with the State Homeland Security Strategy and do not duplicate or conflict with assistance already provided or imminent. If a State representative determines that an application is either inconsistent with the State strategy or duplicates the State's assistance, that portion of the AFG application will not be funded.

D. Anticipated Announcement and Award Dates

DHS will commence the panel review process within 60 days of the end of the application period. Award decisions for the FY 2010 program will be completed on or before September 30, 2011.

PART VI.

AWARD ADMINISTRATION INFORMATION

This section summarizes the administration of awards including award procedures and grantee responsibilities.

A. Award Procedure

Upon approval of an application, FEMA will provide an award package to the applicant through the automated AFG application system. An email notice of award will also be sent to the applicant's primary point of contact. The grantee should carefully read the award and special condition documents. If there are any questions or concerns, please contact the Help Desk at (866) 274-0960.

Awards will be made using the results of peer-reviewed applications as the primary basis for our decisions, regardless of program. However, there are some exceptions to strictly using the peer review results. For example, the AFG authorizing legislation restricts how the funds may be used. Grant awards for vehicles may not exceed 25 percent of the total appropriated funding, and nonaffiliated EMS organizations may not receive more than 2 percent of appropriated funding. Once we reach these limits, we must deviate from the rank order with respect to the remaining vehicle requests or nonaffiliated EMS requests.

Additionally, career organizations are limited to 45 percent of the available funding and volunteer and combination organizations are required to receive no less than 22 percent and 33 percent of the available funding, respectively. Achieving this delineation may also require deviating from the peer review results.

To fulfill our obligations under the law, we may also make funding decisions using the size and nature of the community served (urban, suburban, or rural), the type of organization (career, combination, or volunteer), and the geographic location of the organization. In these instances where we are making decisions based on geographic location, we will use States as the basic geographic unit. The geographic location of an applicant will be used primarily as a final discriminator, (e.g., in cases where applicants have similar qualifications, we may use the geographic location of the applicants to maximize the diversity of the awardees).

Fire departments that have received funding under the AFG in previous years are eligible to apply for funding in the current year. However, due to our responsibilities under the authorizing statute to assure adequate distribution of awards among certain types of organizations (career, combination, and volunteer) and certain types of communities

(urban, suburban, or rural), we reserve the right to fund or not to fund previous grant recipients under this program in order to fulfill statutory requirements. We may also take into account an applicant's performance on prior grants when making funding decisions on current applications.

As stated earlier, each application will be evaluated based on the answers to the activity-specific questions. The applications that best address the established funding priorities will be deemed to be in the "competitive range" and subject to a second-level review. This second-level review is conducted via a panel of peer reviewers who will assess the application's merits with respect to the detail provided in the narrative on the activity, the applicant's financial need, and the purported benefit to be derived for the cost. The peer reviewers will independently score each application, discuss the merits and shortcomings of the application, and reconcile any major discrepancies, if necessary. A consensus is allowed but not required.

Once every application in the competitive range has been through the panel review, the applications will be ranked according to the average score awarded by the panel. The ranking will be summarized in a Technical Report prepared by the AFG Program Office. The AFG Program Office will then make award recommendations to the grants management specialists in the Grants Management Division of the Grants Programs Directorate. The grants management specialists will then contact the applicant to discuss and/or negotiate the content of the application before making final award decisions.

We will select a sufficient number of awardees from this one application period to obligate all of the FY 2010 funding available. Awards will be announced over several months as decisions are made. Awards will not be made in any specified order, (*i.e.*, not by State, program, or any other characteristic).

Award amounts are limited based on the population of the jurisdiction. Specifically, an applicant that serves a jurisdiction with a population of 500,000 or less may not receive grant funds in excess of \$1,000,000 for any fiscal year. An applicant that serves a jurisdiction with more than 500,000, but not more than 1,000,000, people may not receive grant funds in excess of \$1,750,000 for any fiscal year. Finally, an applicant that serves a jurisdiction of more than 1,000,000 people may not receive grant funds in excess of \$2,750,000 in any fiscal year.

B. Grantee Responsibilities

AFG award recipients (grantees) must agree to:

(1) Perform, within the designated period of performance, all tasks (scope of work) as outlined in the grantee's application and approved by the AFG Program Office in accordance with the Articles of Agreement. Failure to adhere to the policies, terms, and conditions of the award as set forth in this document, as well as the award package and all references, including clarifications provided in the AFG Program's frequently asked questions, may result in loss of the current award as well as future eligibility.

(2) Share in the costs of the projects funded under this grant program. Fire departments and nonaffiliated EMS organizations serving populations of over 50,000 or more must match the Federal grant funds with an amount of non-Federal funds equal to 20 percent of the total project cost. Fire departments and nonaffiliated EMS organizations serving populations between 20,000 and 50,000 must agree to match the Federal grant funds with an amount of non-Federal funds equal to 10 percent of the total project cost. Fire departments and nonaffiliated EMS organizations serving areas with a population of 20,000 or fewer must match the Federal grant funds with an amount of non-Federal funds equal to 5 percent of the total project cost. Regional project cost-share will be based on the total population and demographics of the entire region. All non-Federal match funds must be in cash; in-kind contributions are not acceptable. No waivers of this requirement will be granted except for applicants located in Insular Areas as provided for in 48 U.S.C. § 1469a.

The grantee is not required to have the cash match in hand at the time of application, nor at the time of award. But, before a grant is awarded, DHS will contact potential awardees to determine whether the grantee has the funding in hand or if the grantee has a viable plan to obtain the funding necessary to fulfill the matching requirement.

(3) Maintain operating expenditures for the 1-year grant period of performance in the areas funded by this grant activity at a level equal to, or greater than, the average of their operating expenditures in the 2 years preceding the year in which this assistance is received. This program is meant to supplement rather than replace an organization's funding.

(4) Retain grant files and supporting documentation for 3 years after the conclusion and closeout of the grant or any audit subsequent to closeout.

(5) Ensure all procurement transactions are conducted in a manner to provide, to the maximum extent practical, open and free competition. Grantees are expected to promote competition and ensure advantageous pricing by soliciting bids from multiple vendors and to select the lowest bidder able to meet the requirements. Procurements shall be made from the bidder whose offer is responsive to the solicitation and is most advantageous to the grantee when price, quality, and other factors are considered. The grantee must follow its established procurement processes when purchasing vehicles, equipment, and services with AFG funds. If the grantee has no established procedures, it should obtain at least two quotes/bids for the items being procured and document the process used in the grant files. Sole-source purchasing is not an acceptable procurement method except in unusual circumstances. Grantees who fail to adhere to their own procurement policy or otherwise fail to fully "compete" any transaction involving Federal funds may find that their expenditures will be questioned and subsequently disallowed.

Specifications developed for solicitations shall clearly set forth all requirements that the bidder shall fulfill in order for the bid or offer to be evaluated by the recipient. However, those specifications may not be so narrowly constructed or contain features which unduly

limit, restrict, or eliminate competition unnecessarily. See also Item 7 below regarding conflicts of interest.

Grantees shall, on request, make available to DHS, pre-award review and procurement documents, such as request for proposals or invitations for bids, independent cost estimates, *etc.*, if a) the procurement specifies a "brand name" product, or b) the proposed award is to be awarded to other than the apparent low bidder under a sealed bid process. Grantees found to be using proprietary specifications may find that their expenditures will be questioned and subsequently disallowed.

(6) Conduct all bidding activities (solicitation, receipt, and evaluation) after award, *i.e.*, during the period of performance. Quotes obtained prior to submittal of the application - for the purposes of applying for this grant - are not considered to be sufficient to satisfy the requirements for competition as outlined at 44 CFR Part 13. Grantees may be jeopardizing their awards if they do not adhere to the requirements set forth herein.

(7) Avoid conflicts of interest in order to ensure objective vendor performance and eliminate a real or an apparent unfair, competitive advantage. Grantees must assure that anyone that develops or drafts specifications, requirements, statements of work (*including the grant application*), invitations for bids and/or requests for proposals are excluded from competing for such procurements. Grantees must assure that no employee, officer, or agent of their organization participates in the selection, award, or administration of any procurement supported by Federal funds if a real or an apparent conflict of interest would be involved. A conflict of interest could arise when any of the following conditions exists:

- a) An officer, employee, or agent of the grantee has a financial or other interest in the vendor selected for the procurement.
- b) Any member of the grantee's officers', employees', or agents' immediate family has a financial or other interest in the vendor selected for the procurement.
- c) An organization which employs a grantee's officer, employee, or agent, is a vendor or has a financial or other interest in the vendor selected for the procurement.
- d) An officer, employee, or agent of the grantee is a Federal employee.

For the purposes of this program, we consider volunteers of an organization and grant writers to be employees, officers and/or agents of the grantee. As such, grantees must assure that no volunteer or member of their organizations or anyone involved in the application for funding participates in, or benefits from, the procurement if Federal funds are involved. Grantees who select vendors that employ volunteers or members of the organization will have to document how they avoided a conflict of interest during their procurement process. Grantees who fail to fully document their purchases may find that their expenditures will be questioned and subsequently disallowed. Grantees who have membership who are also Federal employees must take appropriate steps to assure that the Federal employees are not involved in any portion of the grant process and do not benefit from the grant in any fashion.

(8) Submit a performance report to DHS after 6 months as well as a final performance closeout report. If a grant's period of performance is extended for any reason, the grantee must submit performance reports every 6 months until the grant is closed out. At grant closeout, the grantee must report how the grant funding was used and the benefits realized from the award in a detailed final report. An accounting of the funds must also be included. Applicants should be aware that prior performance including timely submission of performance and closeout reports will be taken into consideration in evaluating future awards.

(9) Make grant files, books, and records available, if requested, for inspection to ensure compliance with any requirement of the grant program. Grantees are required to maintain and retain backup documentation such as bids, quotes, and cost/price analyses on file for Federal auditors. The required documentation for federally funded purchases should include specifications, solicitations, purchase orders, invoices, cancelled checks, copies of competitive quotes or proposals, and basis for selection. Grantees who fail to fully document their purchases may find that their expenditures will be questioned and subsequently disallowed.

(10) If the grantee is a fire department, agree to provide information through established reporting channels to the USFA NFIRS for the period covered by the assistance. Nonaffiliated EMS organizations do not have to comply with the NFIRS reporting requirement. If a fire department does not participate in the incident reporting system and does not have the capacity to report at the time of the award, that grantee must agree to provide information to the NFIRS system for a 12-month period commencing as soon as they develop the capacity to report. We expect non-reporting grantees to pursue the capacity to report immediately after notification of award, and for these non-reporting grantees to be actively reporting to NFIRS within the approved period of performance. AFG Program grantees from previous years will not be allowed to closeout their grants until they demonstrate that they are complying with this requirement. Failure to close out previous years' grants may affect the consideration of future awards.

(11) Follow the audit requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Grantees who expend \$500,000 or more in Federal funds during the year they were awarded (from all Federal sources) must have a single audit performed in accordance with the Circular. (For more information about the Circulars, go to www.whitehouse.gov/omb/circulars.)

(12) Comply with Homeland Security Presidential Directive-5 (HSPD-5). Starting October 1, 2004, HSPD-5 requires all recipients of Federal preparedness funding – including recipients of Federal grants and contracts – to adopt NIMS as a condition for receipt of Federal funds. Recipients of FY 2010 AFG funds must comply with this directive. AFG recipients will be considered in compliance with this NIMS requirement if the grantee: 1) has an operational knowledge of ICS; 2) has an understanding of NIMS' principles and policies; and 3) agrees to adopt and/or comply with all directives, ordinances, rules, orders, edicts, *etc.*, passed down by local or State authorities with respect to incident management. Organizations already trained in ICS do not need

retraining if the previous training was consistent with DHS standards. In order for us to document compliance, grantees will be required to certify their recognition of NIMS/ICS as part of the grant closeout process.

(13) Vehicle awardees are required to obtain a prepayment bond if they advance any funding to the vehicle manufacturer. Vehicle awardees may be required to submit documentation regarding their purchase as a condition of receiving payment.

(14) Vehicle awardees are required to include a performance clause in their contract. The clause will specify a delivery date for the vehicle under contract and include a provision for penalty for non-delivery on the specified date. Non-delivery by the contract's guaranteed date will require a penalty for nonperformance that is no less than \$100 per day until the date that the vehicle is delivered. Delivery is not acceptable unless the vehicle is operational, functioning, and ready to be placed in service.

C. Monitoring

Grant recipients will be monitored periodically by DHS staff, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based reviews and on-site monitoring visits. Monitoring will involve the review and analysis of the financial, programmatic, performance and administrative issues relative to each project and will identify areas where technical assistance and other support may be needed.

D. Grant Closeout Process

Within 90 days after the end of the period of performance, grantees must submit a final closeout report detailing all accomplishments throughout the project. The grantee is responsible for returning any funds that have been drawn down but remain as unliquidated in grantee financial records. After the closeout report has been reviewed and approved by DHS, a closeout notice will be completed to close out the grant.

E. Financial Reporting Requirements

Recipients of any AFG grants awarded on or after October 1, 2009, also will be required to submit a semi-annual Federal Financial Report (FFR) via the automated system on the Standard Form 425. The FFR is intended to provide Federal agencies and grant recipients with a standard format and consistent reporting requirements throughout the government. The FFR, to be submitted using the online e-grant system, will be due semi-annually based on the calendar year beginning with the period after the award is made. Grant recipients will be required to submit a FFR throughout the entire period of performance of the grant.

Reporting Periods for the FFR:

January 1 through June 30	(Report due by July 31)
July 1 through December 31	(Report due by January 30)

At the end of the grant's period of performance, all grantees are required to produce a final report on how the grant funding was used and the benefits realized from the award. Grantees must submit a final financial report and a final performance report within 90 days after the end of the period of performance. After these reports have been reviewed and approved by DHS, grantees receive an official notice the closeout has been accepted and completed. Any remaining grant funds are deobligated. The grantee is responsible for returning any funds that have been drawn down but remain unliquidated.

F. Standard Financial Requirements

The grantees must, in addition to the assurances made as part of the application, comply with all applicable statutes, regulations, executive orders, OMB Circulars, terms and conditions of the award, and the approved application.

- 1. Standard Financial Requirements.** The grantee shall comply with all applicable laws and regulations. A non-exclusive list of regulations commonly applicable to DHS grants are listed below:

1.1 – Administrative Requirements.

- 44 CFR Part 13, *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*
- 2 CFR Part 215, *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations* (OMB Circular A-110)

1.2 – Cost Principles.

- 2 CFR Part 225, *Cost Principles for State, Local, and Indian tribal Governments* (OMB Circular A-87)
- 2 CFR Part 220, *Cost Principles for Educational Institutions* (OMB Circular A-21)
- 2 CFR Part 230, *Cost Principles for Non-Profit Organizations* (OMB Circular A-122)
- 48 CFR 31.2, Federal Acquisitions Regulations (FAR), *Contracts with Commercial Organizations*

- 1.3 – Duplication of Benefits.** There may not be a duplication of any Federal assistance by governmental entities, per 2 CFR Part 225, Basic Guidelines Section C.3 (c), which states: Any cost allocable to a particular Federal award or cost objective under the principles provided for in this Authority may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal awards, or for other reasons. However, this prohibition would not preclude governmental units from shifting costs that are allowable under two or more awards in accordance with existing program

agreements. Non-governmental entities are also subject to this prohibition per 2 CFR Parts 220 and 230 and 48 CFR 31.2.

- 2. Payment.** DHS/FEMA uses the Direct Deposit/Electronic Funds Transfer (DD/EFT) method of payment to Recipients. Requests for payment are submitted via the automated AFG grant system.

2.1 – Advance Payment. In accordance with Treasury regulations at 31 CFR Part 205, the Recipient shall maintain procedures to minimize the time elapsing between the transfer of funds and the disbursement of said funds (See 44 CFR Part 13.21(i)) regarding payment of interest earned on advances. In order to request an advance, the Recipient must maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of funds from DHS and expenditure and disbursement by the Recipient. When these requirements are not met, the Recipient will be required to be on a reimbursement for costs incurred method.

NOTE: FUNDS WILL NOT BE AUTOMATICALLY TRANSFERRED UPON ISSUANCE OF THE GRANT. GRANTEEES MUST SUBMIT A REQUEST FOR ADVANCE/REIMBURSEMENT (SF-270) IN ORDER FOR THE FUNDS TO BE TRANSFERRED TO THE GRANTEE’S ACCOUNT.

2.2 – Cash Management. In accordance with 44CFR13.21(3)(i) grantees and sub-grantees shall promptly, but at least quarterly, remit interest earned on advances to the Federal agency, except for interest exempt under the Intergovernmental Cooperation Act (31USC 6501 et seq.) and the Indian Self-Determination Act (23 USC 450). The grantee or sub-grantee may keep interest amounts up to \$100 per year for administrative expenses.

- 3. Non-supplanting Requirement.** Grant funds will be used to supplement existing funds, and will not replace (supplant) funds that have been appropriated for the same purpose. Applicants or grantees may be required to supply documentation certifying that a reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

4. Administrative Requirements.

4.1 – Compliance with Federal civil rights laws and regulations. The grantee is required to comply with Federal civil rights laws and regulations. Specifically, the grantee is required to provide assurances as a condition for receipt of Federal funds that its programs and activities comply with the following:

- *Title VI of the Civil Rights Act of 1964*, as amended, 42. U.S.C. §2000 et seq. – Provides that no person on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program or activity receiving

Federal financial assistance. Title VI also extends protection to persons with Limited English Proficiency (LEP). (42 U.S.C. §2000d et seq.)

- *Title IX of the Education Amendments of 1972*, as amended, 20 U.S.C. §1681 et seq. – Provides that no person, *on the basis of sex*, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any education program or activity receiving Federal financial assistance.
- *Section 504 of the Rehabilitation Act of 1973*, as amended, 29 U.S.C. §794 – Provides that no otherwise qualified individual with a disability in the United States, shall, *solely* by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or subject to discrimination in any program or activity receiving Federal financial assistance.
- *The Age Discrimination Act of 1975*, as amended, 20 U.S.C. §6101 et seq. – Provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.

Grantees must comply with all regulations, guidelines, and standards adopted under the above statutes. The grantee is also required to submit information, as required, to the DHS Office for Civil Rights and Civil Liberties concerning its compliance with these laws and their implementing regulations.

4.2 – Services to Limited English Proficient (LEP) persons. Recipients of FEMA financial assistance are required to comply with several Federal civil rights laws, including Title VI of the Civil Rights Act of 1964, as amended. These laws prohibit discrimination on the basis of race, color, religion, natural origin, and sex in the delivery of services. National origin discrimination includes discrimination on the basis of limited English proficiency. To ensure compliance with Title VI, recipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. The grantee is encouraged to consider the need for language services for LEP persons served or encountered both in developing their proposals and budgets and in conducting their programs and activities. Reasonable costs associated with providing meaningful access for LEP individuals are considered allowable program costs. For additional information, see <http://www.lep.gov>.

4.3 – Certifications and Assurances. Certifications and assurances regarding the following apply:

- *Lobbying.* – 31 U.S.C. §1352, *Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions.* – Prohibits the use of Federal funds in lobbying members and employees of Congress, as well as employees of Federal agencies, with respect to the award or amendment of any Federal grant, cooperative agreement, contract, or loan. FEMA and DHS have codified restrictions upon lobbying at 44 CFR Part 18 and 6 CFR Part 9. (Refer to form included in application package.)
- *Drug-free Workplace Act*, as amended, 41 U.S.C. §701 et seq. – Requires the recipient to publish a statement about its drug-free workplace program and give a copy of the statement to each employee (including consultants and temporary personnel) who will be involved in award-supported activities at any site where these activities will be carried out. Also, place(s) where work is being performed under the award (i.e., street address, city, state and zip code) must be maintained on file. The recipient must notify the Grants Officer of any employee convicted of a violation of a criminal drug statute that occurs in the workplace. For additional information, see 44 CFR Part 17.
- *Debarment and Suspension.* – Executive Orders 12549 and 12689 provide protection from fraud, waste, and abuse by debarring or suspending those persons that deal in an irresponsible manner with the Federal government. The recipient must certify that they are not debarred or suspended from receiving Federal assistance. For additional information, see 2 CFR Part 3000.
- *Federal Debt Status.* – The recipient may not be delinquent in the repayment of any Federal debt. Examples of relevant debt include delinquent payroll or other taxes, audit disallowances, and benefit overpayments. (See OMB Circular A-129) (Refer to SF-424, item number 17.)
- *Hotel and Motel Fire Safety Act of 1990.* – In accordance with section 6 of the *Hotel and Motel Fire Safety Act of 1990*, 15 U.S.C. §2225a, the recipient agrees to ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds, complies with the fire prevention and control guidelines of the *Federal Fire Prevention and Control Act of 1974*, 15 U.S.C. §2225.

Grantees must comply with all regulations, guidelines, and standards adopted under the above statutes.

4.4 – Integrating individuals with disabilities into emergency planning.

Section 504 of the *Rehabilitation Act of 1973*, as amended, prohibits discrimination against people with disabilities in all aspects of emergency mitigation, planning, response, and recovery by entities receiving financial funding from FEMA. In

addition, Executive Order 13347, *Individuals with Disabilities in Emergency Preparedness* signed in July 2004, requires the Federal government to support safety and security for individuals with disabilities in situations involving disasters, including earthquakes, tornadoes, fires, floods, hurricanes, and acts of terrorism. Executive Order 13347 requires the Federal government to encourage consideration of the needs of individuals with disabilities served by State, local, and tribal governments in emergency preparedness planning.

4.5 – Whistleblower Protection. Each recipient or sub-recipient awarded funds made available under the ARRA shall promptly refer to the FEMA Office of Inspector General any credible evidence that a principal, employee, agent, contractor, sub-recipient, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds (ARRA Sec. 1553). The DHS Office of Inspector General can be reached at <http://www.oig.Department.gov/fraud/hotline/>.

4.6 – Environmental Planning and Historic Preservation Compliance. FEMA is required to consider the potential impacts to the human and natural environment of projects proposed for FEMA grant funding. FEMA, through its Environmental Planning and Historic Preservation (EHP) Program, engages in a review process to ensure that FEMA-funded activities comply with various Federal laws including: *National Environmental Policy Act*, *National Historic Preservation Act*, *Endangered Species Act*, the *Clean Water Act*, and Executive Orders on Floodplains (11988), Wetlands (11990), Environmental Justice (12898). The goal of these compliance requirements is to protect our nation's water, air, coastal, wildlife, agricultural, historical, and cultural resources, as well as to minimize potential adverse effects to low-income and minority populations.

The grantee shall provide all relevant information to FEMA to ensure compliance with applicable Federal EHP requirements. Any project with the potential to impact natural or biological resources or historic properties cannot be initiated until FEMA has completed the required EHP review. In addition to a detailed project description that describes what is to be done with the grant funds, how it will be done, and where it will be done, grantees shall provide detailed information about the project (where applicable), including, but not limited to, the following:

- Project location (i.e., exact street address or map coordinates)
- Total extent of ground disturbance and vegetation clearing
- Extent of modification of existing structures
- Construction equipment to be used, staging areas, etc.
- Year that any affected buildings or structures were built
- Natural, biological, and/or cultural resources present within the project area and vicinity, including wetlands, floodplains, geologic resources, threatened or endangered species, or National Register of Historic Places listed or eligible properties, etc.

- Visual documentation such as good quality, color and labeled site and facility photographs, project plans, aerial photos, maps, etc.
- Alternative ways considered to implement the project (not applicable to procurement of mobile and portable equipment)

For projects that have the potential to impact sensitive resources, FEMA must consult with other Federal, State, and tribal agencies such as the U.S. Fish and Wildlife Service, State Historic Preservation Offices, and the U.S. Army Corps of Engineers, as well as other agencies and organizations responsible for the protection and/or management of natural and cultural resources, including Federally-recognized Indian tribes, Tribal Historic Preservation Offices, and the Department of the Interior, Bureau of Indian Affairs. For projects with the potential to have adverse effects on the environment and/or historic properties, FEMA's EHP review process and consultation may result in a substantive agreement between the involved parties outlining how the grantee will avoid the effects, minimize the effects, or, if necessary, compensate for the effects. Grantees who are proposing communication tower projects are encouraged to complete their Federal Communications Commission (FCC) EHP process prior to preparing their EHP review materials for FEMA, and to include their FCC EHP materials with their submission to FEMA. Completing the FCC process first and submitting all relevant EHP documentation to FEMA will help expedite FEMA's review.

Because of the potential for adverse effects to EHP resources or public controversy, some projects may require an additional assessment or report, such as an Environmental Assessment, Biological Assessment, archaeological survey, cultural resources report, wetlands delineation, or other document, as well as a public comment period. Grantees are responsible for the preparation of such documents, as well as for the implementation of any treatment or mitigation measures identified during the EHP review that are necessary to address potential adverse impacts. Grantees may use grant funds toward the costs of preparing such documents. The use of grant funds for mitigation or treatment measures that are not typically allowable expenses will be considered on a case-by-case basis. Failure of the grantee to meet Federal, State, local and territorial EHP requirements, obtain required permits, and comply with any conditions that may be placed on the project as the result of FEMA's EHP review may jeopardize Federal funding.

Recipients shall not undertake any project without the prior approval of FEMA, and must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project description will require re-evaluation for compliance with these EHP requirements. If ground disturbing activities occur during project implementation, the recipient must ensure monitoring of ground disturbance, and if any potential archeological resources are discovered, the recipient will immediately cease construction in that area and notify their FEMA Program Office, and the appropriate State Historic Preservation Office. Any

projects that have been initiated prior to approval will result in a non-compliance finding and will not be eligible for funding.

For more information on FEMA's EHP requirements, Grantees should refer to FEMA's Information Bulletin #329, *Environmental Planning and Historic Preservation Requirements for Grants*, available at <http://ojp.usdoj.gov/odp/docs/info329.pdf>. Additional information and resources can also be found at <http://www.fema.gov/plan/ehp/ehp-applicant-help.shtm>.

PART VII.

FEMA CONTACTS

This section describes several resources that may help applicants in completing an AFG Grant application.

AFG Help Desk. AFG staffs a help desk throughout the application period. The help desk can provide assistance with navigation through the automated application as well as provide programmatic assistance with respect to questions of eligibility. The help desk can be contacted at 1-866-274-0960 or via email at firegrants@dhs.gov. The help desk hours of operation during the application period are from 8:00 a.m. to 8:00 p.m., Monday through Friday; and 9:00 a.m. to 4:00 p.m., on Saturday. All times listed are eastern times.

DHS Regional Fire Program Specialists. Each of the DHS Regions has specialists that can assist applicants with the application process. Interested parties may contact the AFG helpdesk for information on the nearest regional specialists.

PART VIII.

OTHER INFORMATION

Excess Funds

Occasionally, due to successful competitive bid processes, some grantees have funds remaining after the completion of the obligations outlined above. Fire department grantees have four options for the use of the excess funds if they complete the approved scope of work prior to the end of the performance period. Requests for use of excess funds must be submitted for consideration prior to the end of the approved period of performance, and any initiatives requested must be completed within the approved period of performance or within a reasonable extension to the period of performance (e.g., 3 to 4 months after the period of performance). The four options are as follows:

- (1) Grantees may use the greater of 1 percent of their award amount or \$5,000 to continue or expand the activities for which they received the award. For example, if a grantee has funds remaining after completion of the activities listed in their grant agreement, the grantee may use excess funds (subject to the above limitation) to purchase other eligible items without seeking DHS approval.
- (2) Grantees may use excess funds to create or expand a fire or injury prevention project. Excess funds above the amounts discussed in paragraph (1) above must be used for fire or injury prevention activities or returned to DHS [See option (3) below]. In order to use excess funds for fire or injury prevention activities, a grantee must submit an amendment to their grant. The amendment request should explain the following:
 - i) Fire or injury prevention efforts currently underway in your organization.
 - ii) Where the use of excess funds would fit within your existing efforts, if applicable.
 - iii) What fire or injury problem you are trying to address with these funds.
 - iv) The target audience for your fire or injury prevention project(s), and how this audience was identified.
 - v) How you will implement/deliver your project(s).
 - vi) How you will evaluate the effectiveness of the requested fire or injury prevention project(s).
- (3) Grantees may use up to 50 percent of their excess funds for training and/or wellness/fitness activities. In order to implement this option, the grantee must submit

an amendment and explain the proposed project and the timeframe to complete the project.

- (4) Grantees may return excess funds to DHS. To exercise this option, a grantee must closeout their grant and state in the final performance report that the remaining funds are not necessary to fulfill grant obligations. The grantee must also indicate that they understand that the funds will be deobligated and unavailable for future expenses. Deobligation of excess funds will decrease the Federal portion of the grant and the amount of the grantee's match.

Fire department grantees that complete the approved scope of work prior to the end of the performance period and still have grant funds available may use the excess funds in a combination of activities from the options above. Nonaffiliated EMS organizations that have excess funds may exercise the same options as a fire department; however, EMS organizations may not expend grant funds for fire prevention activities. Rather, EMS organizations are restricted to uses that only involve injury prevention projects and initiatives.

COPY OF EMAIL NOTIFICATION OF GRANT AWARD

From: Day, Andrea [<mailto:andrea.day@dhs.gov>]

Sent: Wednesday, December 22, 2010 6:37 PM

To: CLienhardt@Antioch.IL.Gov; JNixon@antioch.il.gov

Cc: Day, Andrea

Subject: ANTIOCH FIRE DEPARTMENT, Illinois: EMW-2010-FV-04186 - QUESTIONNAIRE

Importance: High

Dear 2010 Assistance to Firefighters Grant Program Applicant:

I am Andrea Day, the Grants Management Specialist from the Federal Emergency Management Agency (FEMA) Grant Programs Directorate, assigned to review your Fiscal Year (FY) 2010 AFG (Assistance to Firefighters Grant) grant application. Your application was favorably reviewed by a panel of your peers. As such, I have a few matters to discuss/verify with you prior to processing your application any further. Please be advised, this is not a notification of award; it is only a preliminary discussion of your application. If the Program Office has made reductions to your original request, please maintain a copy of your E-mail accepting the reductions to your original application for your official records.

1) The Program Office has made the following reductions to your grant:

The total project cost was reduced per the Program Office comments from \$425,000 to \$300,000. The federal share was reduced from \$403,750 to \$285,000. The applicant share was reduced from \$21,250 to \$15,000.

The approved cost for fire engine apparatus is \$300,000, not \$425,000.

If you are selected for a grant award, will you accept this reduction?

2a) If you are selected for a grant award, can your department meet the required cost-share?

2b) How are you planning to meet the required cost-share?

3) If you are selected for an award, do you understand that the grant funds can only be used to purchase the number and types of items listed in the Request Details section of the approved grant application. Any changes to the number of items listed in request details must be approved by FEMA. You understand that you have to complete the project (i.e., order the goods or services, receive the goods or services, and accept the goods or services) within the grant's one-year period of performance?

4). If you are selected, do you understand that your department will be required to report to National Fire Incident Reporting System (NFIRS) for one year commencing at

your earliest convenience during the performance period of the grant? Nonaffiliated EMS organizations do not have to comply with the NFIRS reporting requirement.

* If you need assistance reporting to NFIRS, you may call the support center toll free number 1-888-382-3827.

5) Is your department fully compliant with the National Incident Management System (NIMS) directives issued by your State and your local jurisdiction?

6a) After you submitted this application, did your department have an urgent need to purchase any of the items requested in the application? If so, please provide the following information:

- what was purchased
- quantity of items purchase
- cost of the items purchased
- date item/items were purchased
- rationale for purchase prior to award

6b) If you used a grant writer and included the grant writer's fee in your budget, please fax a copy of the bank statement and canceled check (front and back) that was paid to the grant writer to 202-786-9905, to the attention of the Grants Management Specialist who contacted you. Please include the following information: Grant Number, FD name, city and state.

7) Do you have any changes to your contact information provided in your application, such as the names of the individuals, phone numbers, or email addresses? If so please update your application prior to award. If you have listed your agencies primary phone number, and it is not staffed fulltime, please contact information where someone can be reached right away.

* If the primary point of contact has a new email address, please follow the instructions below:

Using the same user name and id when you applied for the grant, log into <https://portal.fema.gov>. Once you are into the Status screen, you will select Edit Profile located in the top of the screen. Your next screen will reveal your personal information where you will see your current email address listed. Once you have edited the email address you will click on the Save button. You will then receive a confirmation screen that your profile has been updated but you are NOT finished – you must click near the top left Authorized Applications. You will then click on Firefighters Grant link near the top left to ensure that all updated profile information is transferred through the system.

8a) Do you have any changes to your DUNS number, EIN number **(36-6005772)** or your banking information listed in your application?

8b) Are you sharing an EIN with your city and/or county? If so, please name the parent entity.

8c) Do you have authorization to use this EIN#?

(9) Does your department have any previous AFG/SAFER/FP&S grants that are past their period of performance and have not been properly closed out? If so this may complicate awarding further grants (Performance on prior awards is taken into consideration when processing new applications. Closing out overdue AFG grants may facilitate further processing of your FY2010 application.).

10) Have you received any other Federal funding this fiscal year?

If you responded yes, please indicate the name of the agency that awarded you federal funding and a brief summary of the items that were awarded.

11a) VEHICLE Applicants only: Do you understand that vehicle awardees will be required to include a Penalty Clause as part of the contract with the vehicle manufacturer. If you request the 25 % of federal funds for down payment as discussed in the program guidance you will be required to obtain a prepayment bond.

Please note, extensions to a grant's period of performance may not be considered if a Penalty clause and a performance bond are not included in the purchase contract.

11b) Do you certify that you currently have a comprehensive driver/operator training program (compliant with NFPA 1002) already in place or, if you do not have a comprehensive driver/operator training program and you are awarded a grant, do you certify that your Department will have a program in place within one year of the award?

11c) Do you verify that the vehicle being replaced will be completely removed from service? In order to comply with this requirement, you may NOT donate, sell, give, or transfer your unsafe vehicle to any other emergency response organization for the purpose of emergency response.

Again, this is not a notification of award; it is only a preliminary discussion of your application. Once I complete my review, and receive your favorable reply to this message, I will forward your application on to the next phase. If your department is selected you will be notified by e-mail through our on-line grants system. In that email, you will be directed to a website to print the award forms and other pertinent information.

Sincerely,
Andrea Day
Grants Management Specialist
Grant Management Division
FEMA/DHS

Request For Board Action

REFERRED TO BOARD January 3, 2011

AGENDA ITEM NO: 6

ORIGINATING DEPARTMENT: Administration

SUBJECT: Consideration of an Ordinance Amending Section 13-1-3 of the Municipal Code of Antioch Setting Special Tap-On Fees for the Clublands Subdivision

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The Village has long required payments for the privilege of connecting to the water and sewer lines, which payments are colloquially known as "tap fees" or "tap-on fees". Consistent with statutory provisions regulating the same and local ordinances, the funds generated have been used for the construction, extension, maintenance and improvements to the Village's water and sewer system which is a critical issue that is central to safeguarding public health. Construction and maintenance in turn depend on the continued receipt of adequate funds for pipes, pumps, equipment, vehicles and personnel needed for the monitoring, rehabilitation and repairs of the lines and other facilities.

During the development of the Clublands Subdivision by Neumann Homes, Inc. ("Neumann Homes") in the early 2000's, there were certain disputes between the Neumann Homes and the Village which resulted in the Village expending significant funds to install and maintain certain components of the water system providing potable water to that subdivision. The subsequent bankruptcy of Neumann Homes resulted in the creation of certain legal impediments to the Village's being able to obtain full and fair reimbursement from Neumann Homes for the expenses it incurred, and it also generated the existence of a claim by Neumann Homes' bankrupt estate for reimbursement for the funds Neumann Homes expended.

Pursuant to the provisions of an Order of the United States Bankruptcy Court, Northern District of Illinois, Eastern Division in the case of In Re: Neumann Homes, Inc., causes number 07-21412 through 07-20417 and 07-21468 through 07-21470 by Judge Eugene B. Wedoff on July 23, 2008, and pursuant to the agreements memorialized therein, a special tap fee in the amount of \$4,000.00 per residence is hereby imposed on all residential properties located within the Clublands Subdivision for the privilege of tapping into the Village's existing water system, which special tap fee is imposed in lieu of any and all other water tap fees imposed by the Village pursuant to law. This special tap fee shall apply to all building permits for houses constructed on lots in the Clublands Subdivision applied for or issued at any time after the adoption of this amendatory ordinance.

FINANCIAL IMPACT:

DOCUMENTS ATTACHED:

1. Ordinance

RECOMMENDED MOTION:

Move to accept the first reading of An Ordinance Amending Section 13-1-3 of the Municipal Code of Antioch Setting Special Tap-On Fees for the Clublands Subdivision.

Or

Move to waive first and second reading and approve An Ordinance Amending Section 13-1-3 of the Municipal Code of Antioch Setting Special Tap-On Fees for the Clublands Subdivision.

ORDINANCE 11 - _____

**AN ORDINANCE AMENDING §13-1-3 OF THE MUNICIPAL CODE OF ANTIOCH
SETTING SPECIAL TAP-ON FEES FOR THE CLUBLANDS SUBDIVISION**

WHEREAS, the Village has long required payments for the privilege of connecting to the water and sewer lines, which payments are colloquially known as “tap fees” or “tap-on fees”, and

WHEREAS, consistent with statutory provisions regulating the same and local ordinances, the funds so generated have been used for the construction, extension, maintenance and improvements to the Village’s water and sewer system, and

WHEREAS, construction and continued maintenance of the water and sewer system is a critical issue that is central to the safeguarding of public health, and that construction and maintenance in turn depends on the continued receipt of adequate funds for pipes, pumps, equipment, vehicles and personnel needed for the monitoring, rehabilitation and repairs of the lines and other facilities, and

WHEREAS, during the development of the Clublands Subdivision by Neumann Homes, Inc. (“Neumann Homes”) in the early 2000’s, there were certain disputes between the Neumann Homes and the Village which resulted in the Village expending significant funds to install and maintain certain components of the water system providing potable water to that subdivision, and

WHEREAS, Neumann Homes also expended significant funds in the said installations, and

WHEREAS, the Clublands Subdivision is comprised of the geographical territory legally described on Exhibit A hereto, and

WHEREAS, the subsequent bankruptcy of Neumann Homes resulted in the creation of certain legal impediments to the Village’s being able to obtain full and fair reimbursement from Neumann Homes for the expenses it incurred as referenced hereinabove, and it also generated the existence of a claim by Neumann Homes’ bankrupt estate for reimbursement for the funds Neumann Homes expended, and

WHEREAS, the Clublands Subdivision was owned by Neumann Homes subject to a mortgage placed upon the land by the Cole Taylor Bank, and during the pendency of the Neumann Homes bankruptcy, a series of negotiations were conducted between the Village, Neumann Homes and Cole Taylor Bank, among others, which ultimately resulted in the entry by United States Bankruptcy Judge Eugene B. Wedoff of an Order in the bankruptcy proceedings known as a “Relief from Stay Order”, and other orders related to the development and disposition of the Clublands Subdivision, and

WHEREAS, these orders collectively allowed the Village to pursue claims against the surety bonds issued by the Fidelity & Deposit Company of Maryland (“F&D”) regarding certain Public Improvements in the Clublands Subdivision; allowed the Village and F&D to complete Public Improvements in the Clublands Subdivision; allowed the Village to draw upon funds remaining in SSA-2; and provided for the conveyance of Neumann Homes’ interest in the Clublands Subdivision to Cole Taylor Bank, and

WHEREAS, a true copy of the Relief from Stay Order entered on July 23, 2008 is attached hereto as Exhibit B, and it is incorporated herein by reference, and

WHEREAS, paragraph 1(f) of the Relief from Stay Order provides for the tap fees in the Clublands Subdivision to be increased to \$4,000.00 per lot, and

WHEREAS, Neumann Homes, Cole Taylor Bank, F&D and the Village agreed to the entry of the Relief from Stay Order and the increase of the tap fees to \$4,000.00 per lot, and

WHEREAS, this increase in tap fees will expedite the recovery and reimbursement of the costs and expenses for construction of the Public Improvements, including the water treatment plant and related water systems, and will further provide for the continued maintenance of the systems for the benefit of the owners and residents of properties within the Clublands Subdivision, and

WHEREAS, under the unique situation described hereinabove, and within the specific grant of permission of the bankruptcy court, coupled with the agreement of the bankrupt debtor as the property owner (Neumann Homes), the lending mortgagee holding a security interest in the land (Cole Taylor Bank), the surety (F&D) and the Village, there is a good and sufficient justification for applying a larger fee for the privilege of tapping into the Village’s water supply system in Clublands Subdivision, despite the general applicability of tap fees on a uniform basis throughout the Village in all other geographical areas thereof, and

NOW THEREFORE, BE IT ORDAINED by the Village of Antioch, Lake County, Illinois, as follows:

SECTION ONE: The foregoing recitals are incorporated herein and made a substantive part of this Ordinance, and comprise the specific findings of the corporate authorities on the matters therein set forth.

SECTION TWO: Section 13-1-3 of the Antioch Municipal Code is hereby amended by the addition of the following subsection B.1.3, which shall hereafter read as follows:

3. CLUBLANDS SUBDIVISION SPECIAL RATES. Pursuant to the provisions of an Order of the United States Bankruptcy Court, Northern District of Illinois, Eastern Division in the case of In Re: Neumann Homes, Inc., causes number 07-21412 through 07-20417 and 07-21468 through 07-21470 by Judge Eugene B. Wedoff on July 23, 2008, and pursuant to the agreements memorialized therein, a special tap fee in the amount of \$4,000.00 per residence is hereby imposed on all residential properties located within the Clublands Subdivision for the privilege of tapping into the Village’s existing water

system, which special tap fee is imposed in lieu of any and all all other water tap fees imposed by the Village pursuant to law. This special tap fee shall apply to all building permits for houses constructed on lots in the Clublands Subdivision applied for or issued at any time after the adoption of this amendatory ordinance on January 3, 2011. Nothing in this paragraph shall affect any other fees, taxes, permits, licenses or other charges or requirements imposed by law upon the lots in the Clublands Subvision.

SECTION TWO: This Ordinance shall be in full force and effect from and after its passage, approval and publication as required by law.

PASSED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF ANTIOCH, ILLINOIS,
ON THIS ____ DAY OF _____, 2011.

ATTEST:

LAWRENCE M. HANSON, MAYOR

CANDI L. ROWE, VILLAGE CLERK

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:)	Case Nos. 07-20412 through 07-20417, and
)	07-21468 through 07-21470
)	(Jointly Administered)
NEUMANN HOMES, INC.,)	
<u>et al.</u> , ¹)	Chapter 11
)	
Debtors.)	Hon. Eugene R. Wedoff

**STIPULATION AND AGREED ORDER REGARDING VILLAGE OF ANTIOCH'S
MOTION FOR RELIEF FROM STAY (DOCKET NO. 123) AND THE VILLAGE OF
ANTIOCH'S SUPPLEMENTAL MOTION FOR RELIEF FROM STAY (DOCKET NO. 610)**

Upon the Village of Antioch's Motion for Relief from Stay [Docket No. 123] (the "Stay Motion") and the Village of Antioch's Supplemental Motion for Relief from Stay [Docket No. 610] (the "Supplemental Stay Motion" and together with the Stay Motion, the "Motions")² of the Village of Antioch (the "Village"), for entry of an order (the "Order") for relief from the automatic stay, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Village, by agreement with the Debtors, including Neumann Homes, Inc. ("Neumann"), and Fidelity and Deposit Company of Maryland ("F&D"), as surety under certain subdivision and site improvement bonds issued with respect to the Debtors' "Clublands Development" (which is identified as the "Development" in the Public Infrastructure Agreement for Special Service Area Number 2: Clublands (the "Infrastructure Agreement")),

¹ The Debtors consist of: Neumann Homes, Inc. (EIN: 36-3372185); NDC Fabrications, LLC (EIN: 20-3927889); Neumann Homes of Colorado, LLC (EIN: 30-0016357); Neumann Homes of Michigan, LLC (EIN: 20-0266814); Neumann Homes of Wisconsin, LLC (EIN: 13-4233135); Neu Pro Co., LLC (EIN: 20-3927922); NH Sky Ranch, LLC (EIN: 20-2680457); Precision Framing Systems, LLC (EIN: 61-1404308); and Sky Ranch, LLC (EIN: 20-2680547).

² Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Motions.

attached to the Supplemental Stay Motion as Exhibit "B", including the Water Treatment Plant¹ and all other on-site and off-site public improvements relating to the Clublands Development), shall be, and is hereby granted relief from the automatic stay such that:

(a) The Village may declare Neumann to be in breach or default of its obligations under the Infrastructure Agreement and related agreements for the purpose of completing certain Public Improvements identified in the Punchlists (attached as Exhibits H through K to the Supplemental Stay Motion insofar as they pertain to the Clublands Development) and Priority Lists (attached as Exhibits O through Q to the Supplemental Stay Motion insofar as they pertain to the Clublands Development) (without limiting the claims that are preserved herein, the undertakings set forth herein with respect to the completion of the Public Improvements, subject to their performance, constituting a cure of any performance defaults relating to those Public Improvements under Section 365 of the Bankruptcy Code.) Subject to Paragraph 1(f) and all other available defenses, the Village's claim under the Applicable Development Agreements (as defined later herein, together with all other related agreements) for reimbursement of its costs and expenses, including reasonable attorneys' fees arising out of the breach or default of the Debtors to complete the Public Improvements is fully preserved even though the Public Improvements may be completed by the Village, F&D or future developers;

(b) The Village may make demand upon F&D to perform its obligations under the Site Improvement Bond No. 08614792 dated October 29, 2002 in the original amount of \$3,122,003.13, (the "Phase 1 Bond") and Subdivision/Site Improvement

¹ The Water Treatment Plant is the subject of an agreement dated October 4, 2004 between Neumann and the Village entitled "Agreement For Construction of Potable Water Improvements" and is also subject to litigation pending in the Circuit Court of Lake County, Illinois as Case No. 06 L 919.

Bond No. 08663983 dated September 29, 2004 in the revised amount of \$3,316,832.20, (the "Phase 3 Bond") (collectively, the "Bonds") with respect to those aspects of the Public Improvements identified in the Punchlists and Priority Lists;

(c) F&D, under the terms and conditions of those certain completion agreements (the "Completion Agreements") which have been executed by the Village and F&D and are attached hereto as Group Exhibit A, shall perform its obligations, or a portion of its obligations, under the Bonds issued for Phase 1 and Phase 3 of the Clublands Development by either completing the items identified as the "A" items on the Phase 1 Priority List and identified as the "A" items on the Phase 3 Priority List for Clublands or, if so elected by F&D prior to August 15, 2008, by paying the penal sum of either the Phase 1 Bond or the Phase 3 Bond or both. Payment by F&D of the penal sum of either bond shall constitute a complete discharge of F&D's obligations under the bond for which the penal sum is paid. In the event that F&D elects to pay the penal sum of either the Phase 1 Bond or the Phase 3 Bond, the Village shall make no use or distribution of such funds other than for installation of the Public Improvements as identified as the "A" items on the Priority List for Clublands Phase 1 or Clublands Phase 3, as applicable. Unless otherwise agreed to by the Debtors and the Village, if there are funds remaining after the Village completes said Public Improvements, the Village shall apply that surplus (the "Surety Surplus") against any allowed cure or administrative claims as provided in Paragraph (f). The Village and F&D may not in the Completion Agreements or otherwise agree without the consent of the Debtors or the respective purchaser of Clublands Phase 1 or Clublands Phase 3, which consent shall not be unreasonably withheld, (i) to extend the completion date of the "A" items on the Phase 1 Priority List and the Phase 3 Priority List beyond November 30, 2008, or (ii) to materially reduce the scope of the "A" items identified in the Phase 1 Priority List

and "A" items identified in the Phase 3 Priority List. In the event that F&D elects not to pay the penal sum but instead undertakes to complete the construction or installment of a particular section or area of a public improvement, it shall complete such construction or installment in accordance with the terms of the Completion Agreement. The Village reserves its rights to make further demands upon the Bonds and any other bonds issued relating to the Clublands Development, including any bonds relating to the Water Treatment Plant.

(d) The Village may complete the Public Improvements for Clublands Phase 2, as identified on the relevant Punchlist (attached as Exhibit I to the Supplemental Stay Motion). The Village shall substantially complete the Public Improvements for Clublands Phase 2 which are identified as the Village's Responsibility Report for Phase II, which is attached as Exhibit B hereto, on or before November 30, 2008 (weather permitting, or by June 30, 2009), provided that, and to the extent that, funds from SSA-2 are available for the Phase 2 Public Improvements. To the extent there are not sufficient SSA-2 funds for the Village to complete the Public Improvements listed on the Village's Responsibility Report for Phase 2 (Exhibit B), the Village may nevertheless complete such improvements provided that any future buyer shall not be responsible for more than 10% of the costs of such improvements, with the future buyer's liability capped at \$60,000 (the "Phase 2 Cap"). The Village may not deny a permit or certificate of occupancy to the future builder on account of the improvements listed as the Village's responsibility on Exhibit B not having been completed, but the Village may deny permits if the future builder does not contribute its share toward the Phase 2 Cap. For informational purposes only, the Village shall provide to the Debtor copies of the bid documents three (3) business days before they are issued for bid and copies of bids received (along with an indication of the awarded bid) within three (3) business days before work commences. The Debtor may provide

comments or input on the bid process or awarded bids, but any such comments or input shall not prevent the Village from proceeding with the Public Improvements, the parties reserving all of their rights and defenses with respect thereto. Once work on any particular section or area of a Public Improvement has been commenced, it shall be substantially completed by November 30, 2008 (weather permitting, or by June 30, 2009). To the extent consistent with the underlying SSA-2 documents, the Village shall promptly draw upon the SSA-2 Improvement Fund for any such items as to which SSA-2 funding is available.

(e) Provided that F&D or its contractor installs Public Improvements in Phase 1 and/or Phase 3 as contemplated by this Order, F&D may assert one or more claims against the Debtors in connection with the performance of its obligations under the surety bonds which are the subject of the Motion, the completion of the Public Improvements and the matters for which the stay is lifted, which, by F&D's agreement, shall be limited to:

(i) a secured claim as to each development phase which (i) is junior in all respects to the liens of Cole Taylor Bank (including the "carve out" agreement between the Debtors and Cole Taylor Bank as to the sharing of proceeds from the sale of a development in which Cole Taylor Bank has a lien) and any other existing liens on the development, including any special service tax liens, (ii) pertains only to the cost of work designated as "new work" (as opposed to "repair work") by agreement between F&D and the Debtors, (iii) is limited in amount to 20% of the actual cost incurred by F&D of completing the new work in a particular phase of a development which is not reimbursed from any third party source multiplied by a fraction, the numerator of which is equal to the number of lots owned by the Debtors in such development phase as of the date hereof and the denominator of which is equal to the total number of lots in such development phase times, and (iv) attaches only to the proceeds of the sale of Phase 1 and/or Phase 3, as applicable and

(ii) an unsecured claim for the actual costs incurred by F&D for completing the Public Improvements that is not reimbursed by the secured claim described in clause (i) or any third party source.

If F&D pays the penal sum of either bond to the Village, the Village shall, on or before June 30, 2009, construct the Public Improvements for Phase 1 or Phase 3 up to the extent of the funds

received from F&D and from available SSA-2 funds which are remaining after completion of the Public Improvement in Phase 2 and reimbursement of engineering fees as stated in the Completion Agreement. The Village may assert a secured claim as set forth in this paragraph 1(e)(i) and (ii) above, but only to the extent the costs to complete the Improvements for Phase 1 or Phase 3 exceed the amounts that the Village receives from F&D or from SSA-2 for the Phase 1 or Phase 3 Improvements. For informational purposes only, the Village shall provide to the Debtor copies of the bid documents three (3) business days before they are issued for bid and copies of bids received (along with an indication of the awarded bid) within three (3) business days before work commences. The Debtor may provide comments or input on the bid process or awarded bids, but any such comments or input shall not prevent the Village from proceeding with the Public Improvements, the parties reserving all of their rights and defenses with respect thereto.

(f) The Village reserves all of its rights (including any right to setoff) to assert an administrative or cure claim as to any matters relating to the Clublands Development, including the Water Treatment Plant (and the Debtors and all other parties reserve all rights to contest any such claims), provided that, (i) the Village may assert an administrative or cure claim for the construction costs for the Phase 2 Public Improvements as identified on the relevant Punch Lists only to the extent the Village, after using its best efforts, cannot recover those construction costs from SSA-2 funds or from surety bonds and, provided further, that the maximum amount that the Village may claim for the construction costs of such improvements, after receipt of SSA-2 funds or surety funds, will be \$500,000, (ii) the Village shall not assert any secured claims relating to the Clublands Development against the Debtors except as set forth in the preceding paragraph (e), nor any administrative or cure claims as to which funding from

another source is otherwise available and (iii) the only source of repayment for any allowed administrative or cure claim (including any right to setoff or recoupment) relating to the Clublands Development shall be (x) the potable water tap fees associated with the remaining lots owned by the Debtors as of the date hereof, which by agreement of the Debtors and the Village shall be increased from approximately \$2,000 per lot to \$4,000 per lot and recapture fees associated with the Service Area for the Water Treatment Plant; (y) previously paid tap fees which are held in escrow by the Village, (or, to the extent any amounts which should still be in escrow have previously been drawn by the Village, credit in the amount so drawn); and (z) any Surety Surplus. Any amounts remaining in any of the categories of funds described in (iii) (x)-(z) above, after payment of any cure or administrative claims of the Village as allowed by subsequent agreement between the Village and the Debtors or by subsequent order of this Court shall belong to the Debtors up to the amounts owed to the Debtors under any Applicable Development Agreement (as defined in Paragraph 2) or in any other related agreement. Any amounts remaining in said categories after all amounts due the Debtors have been paid shall be retained by the Village. The Village shall provide an accounting to the Debtors within fourteen (14) days of the entry of this Order as to the collection and any application of tap fees paid by the Debtors as well as any other recapture fees associated with the Service Area for the water treatment plant. To the extent that it is subsequently determined by agreement of the Village and the Debtors or by court order that any escrow funds were withdrawn by the Village in a manner not in accordance with the applicable agreements governing the use of such funds, the Village shall immediately restore such escrow by the amount of such withdrawals. The Village and the Debtors agree to use reasonable efforts to resolve any cure or administrative claims as promptly as possible. Pending resolution of such claims issues and subject to approval of the board of the

Village at its next regularly scheduled board meeting, the Debtors and the Village agree to split on a 50/50 basis the escrow funds currently held by the Village from the tap fees. Any disbursement of these tap fees is subject to a retention of \$76,318.80, plus interest, with respect to the lien asserted by Joseph J. Henderson & Son, Inc. and a retention of \$7,000.00 with respect to the lien or claim asserted by Lake County Grading Company, LLC ("LCG"), which liens or claims pertain to the Water Treatment Plant, and which liens or claims are disputed. The disbursement of the remaining funds to the Village and the Debtor shall be applied against any claims that either such party may otherwise have in such funds.

(g) The Village and F&D may draw and use currently available SSA-2 Funds in conformity with the underlying SSA documents to the extent that either such party has rights thereunder. The Village and/or F&D (as applicable) shall defend, indemnify and hold harmless the Debtors for (i) any and all third-party claims asserted against the Debtors for any use of such funds drawn by the Village or F&D subsequent to the entry of this Order, and (ii) any fees, costs or expenses incurred by the Debtors in the absence of any defense provided by the Village and/or F&D (as applicable) or incurred by the Debtors in assisting the Village and/or F&D at their request, respectively, in defending against such asserted claims. Neither F&D nor the Village shall file any claims (other than unsecured claims) against the Debtors with respect to the SSA-2 funds. Until further Order of Court or until agreement between the Village, the Debtors and LCG, the sum of \$189,189.45, plus statutory interest, if any, shall remain in the SSA-2 Improvement Fund with respect to the lien asserted by LCG, which lien is disputed. To the extent there are any excess SSA-2 Funds available after all permitted Village and F&D draws are accounted for, the Debtors reserve the right to submit draw requests in accordance with the bond documents and all relevant agreements, and the Village and all other parties reserve all

rights to contest any claims or interest which the Debtors may assert with respect to the SSA-2 Funds.

(b) By agreement of the Debtors, after the Public Improvements have been completed and accepted by the Village's engineers, the Public Improvements shall be dedicated to the Village in accordance with Section 3.9 of the Infrastructure Agreements.

2. (a) Based upon the information which the Village received from its engineers and otherwise to the Village's best knowledge, the Village represents that the Punchlists, the Priority Lists, the FBRR Reports (defined below and attached hereto) and the requirements set forth in the Applicable Development Agreements² with respect to Phase 4 constitute the nature and extent of the Public Improvements that remain to be installed, completed and/or constructed with respect to the Clublands Development as of the date the Punchlists were prepared. As a result of the undertakings of the Village and F&D under paragraph 1 of this Order and the other agreements reflected herein and without expanding or diminishing the scope of those undertakings, neither the Debtors nor any successor or purchaser of their assets shall have any obligation to perform or bear any expense with respect to the completion of the Public Improvements with respect to the Clublands Development other than:

(i) As to the Debtors, the claims allowable against the Debtors under paragraph 1 hereof,

(ii) As to any purchaser of Phase 1, the "Future Builder's Responsibilities" Report (the "FBRR Report") for Phase 1, a copy of

² "Applicable Development Agreements" for Clublands shall consist of the "Public Infrastructure Agreement For Special Service Area Number 2: Clublands" dated June 5, 2003; the Settlement Agreement involving Bill Anest dated November 21, 2002; the Clublands Development Agreement dated October 28, 2002; P.U.D. Ordinances, applications and related documents; the Final Plans and Final Plat of Subdivision for Clublands; all documents relating to the bonds issued for Special Service Area Number 2 (SSA-2); all engineering plans prepared by Manhard Consulting Ltd. for Clublands, including all revisions thereto; and all Landscape Improvement Plans prepared by Ives/Ryan Group, Inc., and revisions thereto, and any agreements relating to the Miller Road drainage issues.

which is attached as Exhibit C, to the extent such items were obligations of the Debtors under the Applicable Development Agreements;

(iii) As to any purchaser of Phase 2, (x) the FBRR Report for Phase 2, a copy of which is attached hereto as Exhibit D, to the extent such items were obligations of the Debtors under the Applicable Development Agreements and (y) the Phase 2 Cap;

(iv) As to any purchaser of Phase 3 East, the FBRR Report for Phase 3 East, a copy of which is attached as Exhibit E, to the extent such items were obligations of the Debtors under the Applicable Development Agreements;

(v) As to any purchaser of Phase 3 West, the FBRR Report for Phase 3 West, a copy of which is attached as Exhibit F, to the extent such items were obligations of the Debtors under the Applicable Development Agreements;

(vi) As to any purchaser of Phase 4, all Public Improvements which were the responsibility of the Debtor for Phase 4, and any drainage issues relating to Miller Road (whether included as part of Phase 3 or Phase 4 but subject to any required easements having been obtained), to the extent such items were obligations of the Debtors under the Applicable Development Agreements;

(vii) As to any and all purchasers, all requirements for the issuance of permits generally imposed by the Village unless otherwise provided under the Applicable Development Agreements with the Debtors;

(viii) The Village reserves the right to require in connection with a sale hearing that any and all purchasers submit surety bonds acceptable to the Village for the construction of the Public Improvements identified in 2(ii)-2(vi) above, whether required by any Applicable Development Agreement, by statute, or otherwise, and the Debtors and any such purchaser(s) reserve the right to contest the same. Without limiting the foregoing, such reservation shall include the right of the Village, as part of the sales process, to object to any assumption and assignment of any Applicable Development Agreement based on the need for adequate assurances of future performance by the purchasers and the right of the Debtor and any purchaser(s) to contest the same. The Village also reserves the right to require any and all purchasers to comply with all applicable ordinances, codes, rules and regulations, and all applicable federal, state and local laws and the Debtors and any such purchaser(s) reserve the right to contest the same as not applicable;

(ix) Commitment by the purchaser of Phase 4 to build the Clubhouse for Clublands to the extent, if any, that the Debtors were obligated to construct the Clubhouse under the Applicable Development Agreements or any

other related agreements or as may otherwise be agreed to by the purchaser of Phase 4 and the Village.

(x) With respect to Phases 1, 2, 3 East and 3 West, to the extent any Public Improvement is not identified on the Priority Lists or the applicable SEC Report, the Village, the Debtors, any subsequent purchaser and F&D shall, in good faith, attempt to ascertain and assign responsibility for the completion of such Public Improvement based upon the delegation of responsibilities for the construction and completion the Public Improvements otherwise set forth herein. If the parties are unable to reach an agreement, the purchaser for the Phase on which such Public Improvement is located shall bear responsibility for such Public Improvement unless, upon motion of the Debtors or such purchaser, the Court, by final and non-appealable order, determines that the Village or F&D should be assigned responsibility for the completion of such Public Improvement based upon (a) the general delegation of responsibilities for the construction and completion of the Public Improvements otherwise set forth herein, (b) as to F&D only, limited to the terms, conditions and limitations (including the penal sum limitation) contained in the Bonds; and (c) as to the Village, limited to funds available from SSA-2 funds, the Bonds or the Surety Surplus. The Village may not deny a permit or certificate of occupancy to the future builder on account of the Village not completing such Public Improvements.

(b) Except as permitted herein, neither the Village nor F&D may assert any secured, administrative or cure claim against the Debtors with respect to the Clublands Development. Notwithstanding the foregoing, the following rights and obligations are fully reserved by any interested party:

(i) Nothing herein shall be construed as affecting or in any way prohibiting or permitting any party from asserting any rights related to the Village of Antioch Special Service Area Number Two, including any right to assess, tax, levy, collect, enforce, or take any action permitted pursuant to the certain Series 2003 Trust Indenture and Series 2003 Bonds, and applicable law, related to the Village of Antioch Special Service Area Number Two and any right to contest same; and

(ii) Unsecured claims (which do not also constitute administrative or cure claims) that may be filed herein by Antioch or F&D.

3. The Village shall cooperate with any purchaser of Clublands Phase 4 and shall issue the second funding phase of SSA-2 ("Phase 2 Funding") subject to the following terms and conditions.

(a) Antioch will market the bonds but will not guarantee that the bonds will be sold;

(b) Antioch will issue the Phase 2 Funding in accordance with the terms and conditions of the underlying documents governing the issuance and funding of the Phase 2 Funding. The Court shall retain jurisdiction to determine that legal obligation; and

(c) The Phase 2 Funding shall proceed at the time designated in any existing agreement between the Village and the Debtor. Otherwise, the timing of the Phase 2 Funding shall proceed pursuant to agreement between the Village and the successor or assignee of Neumann.

4. The Village and F&D (as applicable) shall (i) indemnify and hold harmless the Debtors (and any successor to the Debtors or purchaser of their assets) from and against any claim or lien which may be asserted against the Debtors (and any successor to the Debtors or purchaser of their assets) by suppliers of labor and material in connection with the completion of any Public Improvements by the Village or F&D as contemplated by this Order, provided that such labor or material were provided subsequent to the entry of this Order, (ii) only employ insured or bonded contractors to complete the said Public Improvements, and (iii) name the Debtors (and any successor to the Debtors or purchaser of their assets identified at the time that any contract is entered into with any such contractor), at no cost to the Debtors (or any successor to the Debtors or purchaser of their assets), as additional insureds under any policy of liability insurance procured or furnished by the Village or F&D or furnished by a prime contractor in connection with the completion of the Public Improvements contemplated by this Order.

5. Notwithstanding any provision to the contrary, the Village has stay relief to draw upon the SSA-2 Administrative Fund in accordance with the Bond Documents. The Debtors agree not to assert any objection to the Village's right to draw upon the SSA-2 Administrative Fund for reimbursement of the Village's fees and expenses, provided that such draws do not exceed \$500,000 and that the Debtors are released from any claims that have been paid thereby.

6. Notwithstanding any provision herein to the contrary, this order does not address any claims or other matters pertaining to or arising from the NeuHaven (Deercrest) Development and all such matters asserted in the Motions shall be continued to July 16, 2008.

7. The agreements set forth herein are expressly based upon the Village and F&D having executed the Completion Agreements prior to the entry of this Order.

8. For informational purposes only, the Village shall provide the Debtors with notice of any SSA-2 draws within three business days after any such draws.

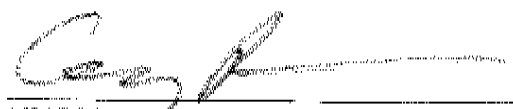
9. Notwithstanding anything contained herein, the Debtors reserve the right to seek to reject any of the Applicable Development Agreements and all parties reserve the right to contest the same.

10. While this Order refers to the development as "Phase 1", "Phase 2", "Phase 3 East", "Phase 3 West" and "Phase 4" consistent with the existing development documents, as a result of the different stage of completion of all or a portion of the various phases, the Clublands Development has been divided into Parcel A, Parcel B and Parcel C for marketing and bidding purposes. To the extent that all or a portion of a "phase" is included within a "parcel", the buyer of such "parcel" shall have all the rights set forth herein and,

subject to the terms of a subsequent sale order, all of the obligations set forth herein with respect to the "phase" or portion of a "phase" that comprise such "parcel".

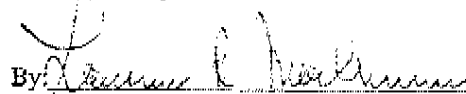
11. This Order shall be effective and enforceable immediately upon entry hereof and shall not be stayed for ten days after the entry of this Order.

AGREED AND STIPULATED TO:



SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP
George N. Panagakis (ARDC No. 06205271)
Stephen D. Williamson (ARDC No. 06244130)
Chicago, Illinois 60606-1285
(312) 407-0700
Attorney's for Debtors and
Debtors-in-Possession

VILLAGE OF ANTIOCH, an Illinois
Municipal corporation


By: _____

FIDELITY & DEPOSIT COMPANY OF
MARYLAND

By: _____

Dated: Chicago, Illinois
July 23, 2008


United States Bankruptcy Judge

Lawrence R. Moelmann (ARDC No. 1937448)
HINSHAW & CULBERTSON LLP
222 North LaSalle Street
Suite 300
Chicago, IL 60601
(312) 704-3000
Attorneys for the Village of Antioch

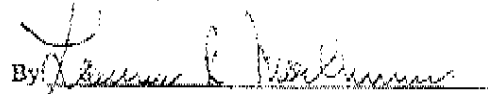
subject to the terms of a subsequent sale order, all of the obligations set forth herein with respect to the "phase" or portion of a "phase" that comprise such "parcel".

11. This Order shall be effective and enforceable immediately upon entry hereof and shall not be stayed for ten days after the entry of this Order.

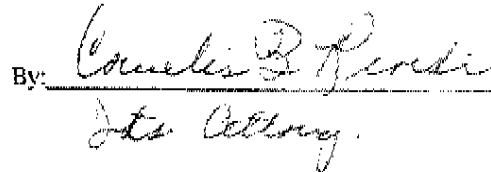
AGREED AND STIPULATED TO:

SKADDEN, ARPS, SLATE,
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Attorneys for Debtors and
Debtors-in-Possession

VILLAGE OF ANTIOCH, an Illinois
Municipal corporation

By: 

FIDELITY & DEPOSIT COMPANY OF
MARYLAND

By: 
Its Attorney.

Dated: Chicago, Illinois
July ____, 2008

United States Bankruptcy Judge

Lawrence R. Moelmann (ARDC No. 1937448)
HINSHAW & CULBERTSON LLP
222 North LaSalle Street
Suite 300
Chicago, IL 60601
(312) 704-3000
Attorneys for the Village of Antioch

Exhibit A

EXECUTION COPY

ANTIOCH CLUBLANDS PHASE 1 COMPLETION AGREEMENT

This Completion Agreement ("Agreement") is made by and between the Village of Antioch (the "Village" or "Antioch") and Fidelity & Deposit Company of Maryland ("F&D") and is effective this 27th day of May, 2008

RECITALS

- A. Neumann Homes, Inc. ("Neumann") and the Village entered into a certain Infrastructure Agreement ("IA") dated June 5, 2003 (a copy of which is attached as Exhibit B to the Stay Relief Motion (defined below in Recital "F")), for the development of a subdivision commonly known as "Clublands Phase I." (the "Subdivision") The IA among other things, requires that Neumann construct site improvements or infrastructure (collectively, the "Improvements") in the Subdivision for the health, safety and welfare of the residents. Attached hereto and made a part hereof as Exhibit A is a list of all of the documents (the "Improvement Documents") governing installation of the Improvements, which Neumann is obligated to install in Clublands Phase I.
- B. As required by the IA, in order to secure performance of Neumann's obligation to construct the Improvements, Neumann procured and delivered to the Village Subdivision/Site Improvement Bond No. 8614792 (the "Phase I Bond") dated October 29, 2002, in the original penal sum of \$3,122,003.13 (a copy of the Phase I Bond is attached hereto as Exhibit "B"), which was issued by F&D. as surety, and names Neumann, as principal, and the Village, as obligee;

- C. Smith Engineering Consultants ("SEC"), the engineers for the Village, prepared a summary or punchlist of Public Improvements for Clublands - Phase 1 (attached to the Stay Relief Motion as Exhibit "H"), which shall be referred to as the "Phase 1 Punchlist." SEC, with input from Forecon International - Michigan, Ltd., F&D's consultant, prepared a priority list for Phases 1, which is attached to the Stay Relief Motion (as Exhibit "O" (referred to as the "Phase 1 Priority List"), which the Village contends should be completed on a priority basis;
- D. The Village contends that Neumann is in breach of the IA because Neumann has ceased all work on the Improvements for a period of six (6) consecutive months without reasonable cause for delay;
- E. Neumann filed a voluntary Petition for Relief under Chapter 11 of the United States Bankruptcy Code ("Code") on or about November 1, 2007 (the "Petition Date");
- F. The Village has presented to the Bankruptcy Court the Supplemental Motion of the Village of Antioch for Relief from Stay (the "Stay Relief Motion");
- G. The Village, F&D, and Neumann have agreed on the form and content of an agreed order (the "Draft Stay Relief Order") that may be entered in the Neumann Bankruptcy Proceedings with respect to the Stay Relief Motion, which provides in part that upon entry thereof the Village may declare Neumann to be in breach of its obligations under the IA so that the Village may demand that F&D perform its obligations under the Phase 1 Bond. A copy of the Draft Stay Relief Order is attached hereto as Exhibit C;
- H. Upon entry of the Draft Stay Relief Order, the Village intends to declare Neumann in default of its obligations under the IA and to make a demand upon F&D to perform its obligations under the Phase 1 Bond and, in contemplation of those events occurring, this

Agreement contains the terms and conditions under which F&D will perform such obligations.

AGREEMENT

NOW, THEREFORE, in consideration for the terms and conditions set forth in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which is acknowledged, the Village and F&D agree as follows:

1. The Recitals are incorporated herein.
2. Antioch and F&D agree to the entry of a stay relief order in a form substantially similar to the Draft Stay Relief Order granting relief to Antioch to declare Neumann in default of its obligations under the IA and to make a demand under the Phase 1 Bond.
3. Upon the entry of the Stay Relief Order referred to in paragraph 2 above, Antioch shall declare Neumann to be in breach of its obligations under the IA with respect to the completion of the Improvements, including, without limitation, those items identified in the Phase 1 Priority List. Antioch shall also make a written demand upon F&D to fulfill certain of its obligations under Phase 1 Bond by completing the items on the Phase 1 Priority List. The foregoing declaration of default and written demand are conditions precedent to F&D's obligations under this Agreement and under the Phase 1 Bond.
4. Provided that the foregoing conditions are satisfied, F&D agrees to complete the "A" items on the Phase 1 Priority List (the "Priority "A" Items) in accordance with the terms and conditions of Improvement Documents insofar as they are applicable to the Priority "A" Items. F&D shall hire a contractor to complete all such items. Without limiting the foregoing, F&D shall require its contractor to comply with all insurance requirements contained in the Improvement Documents and shall comply with any applicable prevailing wage law. F&D shall

require the contractor to furnish payment and performance bonds in the amount of the contract awarded to said contractor and further require that the Village be named as an additional obligee thereto. The Priority "A" Items shall be completed on or before October 31, 2008 (the "Completion Date"). Time is of the essence. However, subject to the requirements of paragraph 5 hereof, F&D may request extensions of Completion Date, which requests shall not be unreasonably denied, provided that F&D has pursued completion of the Priority "A" Items with reasonable promptness. In the event that the construction of the work is interrupted or prevented by acts of God, acts of war or rebellion, labor disturbances (other than those caused by F&D or its contractor), acts of Government or governmental officers or any cause beyond the control of F&D, F&D shall not be responsible for any losses or damages, including attorneys fees, resulting from any delays caused by the foregoing.

5. F&D and the Village agree that this Agreement cannot be modified or amended to materially reduce the scope of work identified on the Priority "A" Items or to extend the Completion Date beyond October 31, 2008, without the consent of Neumann or its designee, which consent shall not be unreasonably withheld.

6. As part of the Draft Stay Relief Order, Neumann may convey to Antioch the improvements constructed to date by Neumann in Phase 1. By accepting such improvements, Antioch does not release F&D from its obligations under the Phase 1 Bond.

7. Antioch has previously issued Special Service Area Number 2 Special Tax Bonds (SSA-2) for certain improvements regarding Clublands. The Village represents to F&D, based upon information received from the SSA-2 Trustee, that the balance in the SSA-2 Improvement Fund as of May 21, 2008 is \$932,956.26, which includes accrued interest (the "SSA Balance"). The Village has advised F&D that it will not honor any request by F&D for payment from the

SSA Improvement Fund for work performed by F&D or its contractor on Phase 1. F&D reserves any and all rights and remedies available to it to contest the Village's decision to not honor any such requests for payment. F&D does not intend to waive any such rights or remedies. Similarly, the Village reserves any and all rights and defenses to any such claims that may be asserted by F&D.

8. Currently, a mechanic lien claim under Section 23 of the Illinois mechanic Lien Act has been served by Lake County Grading seeking to impose a lien upon the SSA Balance.

9. In the event either party obtains a final and non-appealable order from a court of competent jurisdiction declaring that the disbursement of the SSA Balance was improper, both the Village and F&D agree to restore to the SSA-2 Improvement Fund the amount of any improper disbursement of the SSA Balance received by F&D and/or the Village. F&D is not responsible for restoring funds which had been improperly disbursed to Antioch, and Antioch is not responsible for restoring funds which had been improperly disbursed to F&D.

10. The parties agree that the current penal sum of the Phase 1 Bond is \$5,122,003.13 (the "Penal Sum"). F&D shall be entitled to reduction of the Penal Sum by the amount paid by F&D (i) for completion of the Priority "A" Items, including, without limitation, amounts paid by F&D for the correction of any defective work installed by Neumann or any of its contractors and (ii) for any engineering or other professional expenses contemplated by the construction documents, such as the preparation of record drawings. Except for the foregoing engineering fees, the Penal Sum of the Phase 1 Bond shall not be reduced by amounts paid by F&D for engineering, consulting or legal expenses incurred by F&D or construction costs incurred for the correction of defective work installed by F&D or any of its subcontractors. Effective upon the Village's acceptance of and F&D's conveyance to the Village of the completed "A" items

identified in the Phase 1 Priority List (the "Accepted Improvements") and except for latent defects of which the Village, upon reasonable inspection, could not have discovered as of the date of said conveyance, the Village releases F&D from any and all additional claims, liabilities and damages, including attorneys' fees, with respect to the Accepted Improvements.

11. Subject to the foregoing reduction and release, Antioch reserves any and all rights and claims which it has or may hereafter have under the Phase I Bond, at law or in equity and agrees that F&D's liability to the Village is limited to Penal Sum which remains after reduction of the Penal Sum due to completion of the Priority "A" items, as provided herein. F&D reserves any and all rights and defenses available to it under the Phase I Bond, at law or in equity. The Village and F&D do not intend to waive any such rights, claims and/or defenses.

12. F&D shall provide to the Village a written warranty from the contractor(s) it retains to perform the work on the Priority "A" items which guarantees to the Village the workmanship and material furnished by the said contractor(s) for one year commencing on the date of substantial completion of such work. F&D and its contractor(s) shall have no responsibility for warranting any of the work performed by Neumann or its contractors.

13. F&D shall be represented at the Project by D. Eugene Morgan or another designee of Forcon International - Michigan, Ltd., (the "Authorized Representative"). The Authorized Representative will represent the F&D in dealing with the Village on day-to-day construction issues with respect to the work. The Authorized Representative shall have, on behalf of the F&D, the authority to negotiate all change orders for extra work requested or required by Village. All change orders shall be executed by F&D. All requests for change orders must be submitted to Mr. D. Eugene Morgan, Forcon International - Michigan, Ltd., P.O. Box 389, 7513 South

Harbor Drive, Pentwater, MI 49449. The authorized representative for the Village shall be Ms. Jill Velan, Village Administrator, whose address is set forth in paragraph 15 below.

14. This Agreement contains the entire understandings and agreements of the parties hereto. All oral or written agreements prior to the effective date of this Agreement and which relate to this Agreement and the matters set forth herein are declared null and void. Any modification of this Agreement must be made in writing and executed by the parties hereto

15. Any notice required to be made under the terms of this Contract shall be deemed made if either party mails such notice by first class mail, postage prepaid, as follows:

As to the Village:

Ms. Jill Velan, Administrator
Village of Antioch
874 Main Street
Antioch, IL 60002
Tel.: (815) 395-1000;
Fax: (815) 395-1920
email: jvelan@antioch.il.gov

with a copy to:

Lawrence R. Moelmann
Hinshaw & Culbertson, LLP
222 N. La Salle Street
Suite 300
Chicago, IL 60601
Tel.: (312) 704-3229
Fax: (312) 704-3001
email: lmoelmann@hinshawlaw.com

As to F&D:

D. Eugene Morgan
Forcon International - Michigan, Ltd.
P.O. Box 389
7513 South Harbor Drive
Pentwater, MI 49449
Tel.: (231) 869-2017
Fax: (231) 869-2123
email: emaorgan@forcon.com

with a copy to:

Cornelius F. Riordan
Riordan, Donnelly, Lipinski & McKee, Ltd.
10 N. Dearborn Street
Fourth Floor
Chicago, IL 60602
Tel: (312) 589-6010
Fax: (312) 663-1028
email: criordan@rdmlaw.com

16. It is understood and agreed by F&D and the Village that this Agreement shall be construed without any regard to any presumption or other rule requiring construction against the party causing this Agreement.

17. This Completion Agreement may be executed in counterparts. Signatures transmitted by facsimile or e-mail shall have the same legal effect as original signature.

18. Other than as specifically provided herein at paragraph 5, the parties agree that no third party shall have any rights under this agreement.

19. This agreement shall be governed by the law of the state of Illinois.

IN WITNESS WHEREOF, the parties have executed this Completion Agreement this 27th day of May, 2008.

ATTEST:

By: Candice Rowe
Its Clerk

VILLAGE OF ANTIOCH, an Illinois
Municipal corporation

By: [Signature]
Its Village Administrator

FIDELITY & DEPOSIT COMPANY OF
MARYLAND

By: Gregory W. Kilburn
Claims Counsel

EXECUTION COPY

ANTIOCH CLUBLANDS PHASE 3 COMPLETION AGREEMENT

This Completion Agreement ("Agreement") is made by and between the Village of Antioch (the "Village" or "Antioch") and Fidelity & Deposit Company of Maryland ("F&D") and is effective this 27th day of May, 2008

RECITALS

- A. Neumann Homes, Inc. ("Neumann") and the Village entered into a certain Infrastructure Agreement ("IA") dated June 5, 2003 (a copy of which is attached as Exhibit B to the Stay Relief Motion (defined below in Recital "F")), for the development of a subdivision commonly known as "Clublands Phase 3." (the "Subdivision") The IA among other things, requires that Neumann construct site improvements or infrastructure (collectively, the "Improvements") in the Subdivision for the health, safety and welfare of the residents. Attached hereto and made a part hereof as Exhibit A is a list of all of the documents (the "Improvement Documents") governing installation of the Improvements, which Neumann is obligated to install in Clublands Phase 3
- B. As required by the IA, in order to secure performance of Neumann's obligation to construct the Improvements, Neumann procured and delivered to the Village Subdivision/Site Improvement Bond No. -08663983 (the "Phase 3 Bond") dated September 29, 2004, in the original penal sum of \$8,053,2213.00, with a revised and current penal sum in the amount of \$3,316,832.20 (a copy of the Phase 3 Bond is attached to the Stay Relief Motion as part of Group Exhibit "D"), which was issued by F&D, as surety, and names Neumann, as principal, and the Village, as obligee;

- C. Smith Engineering Consultants ("SEC"), the engineers for the Village, prepared summaries or punchlists of Public Improvements for Clublands - Phase 3 West (attached to the Stay Relief Motion as Exhibit "J") and for Clublands - Phase 3 East (attached to the Stay Relief Motion as Exhibit "K"), which collectively shall be referred to as the "Phase 3 Punchlists." SEC, with input from Forcon International - Michigan, Ltd., F&D's consultant, prepared priority lists for Phases 3 West and East, which are attached to the Stay Relief Motion (as Exhibits "P" and "Q" (collectively referred to as the "Phase 3 Priority Lists"), which the Village contends should be completed on a priority basis;
- D. The Village contends that Neumann is in breach of the IA because Neumann has ceased all work on the Improvements for a period of six (6) consecutive months without reasonable cause for delay;
- E. Neumann filed a voluntary Petition for Relief under Chapter 11 of the United States Bankruptcy Code ("Code") on or about November 1, 2007 (the "Petition Date");
- F. The Village has presented to the Bankruptcy Court the Supplemental Motion of the Village of Antioch for Relief from Stay (the "Stay Relief Motion");
- G. The Village, F&D, and Neumann have agreed on the form and content of an agreed order (the "Draft Stay Relief Order") that may be entered in the Neumann Bankruptcy Proceedings with respect to the Stay Relief Motion, which provides in part that upon entry thereof the Village may declare Neumann to be in breach of its obligations under the IA so that the Village may demand that F&D perform its obligations under the Phase 3 Bond. A copy of the Draft Stay Relief Order is attached hereto as Exhibit B;
- H. Upon entry of the Draft Stay Relief Order, the Village intends to declare Neumann in default of its obligations under the IA and to make a demand upon F&D to perform its

obligations under the Phase 3 Bond and, in contemplation of those events occurring, this Agreement contains the terms and conditions under which F&D will perform such obligations.

AGREEMENT

NOW, THEREFORE, in consideration for the terms and conditions set forth in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which is acknowledged, the Village and F&D agree as follows:

1. The Recitals are incorporated herein.
2. Antioch and F&D agree to the entry of a stay relief order in a form substantially similar to the Draft Stay Relief Order granting relief to Antioch to declare Neumann in default of its obligations under the IA and to make a demand under the Phase 3 Bond.
3. Upon the entry of the Stay Relief Order referred to in paragraph 2 above, Antioch shall declare Neumann to be in breach of its obligations under the IA with respect to the completion of the Improvements, including, without limitation, those items identified in the Phase 3 Priority Lists. Antioch shall also make a written demand upon F&D to fulfill certain of its obligations under Phase 3 Bond by completing the items on the Phase 3 Priority Lists. The foregoing declaration of default and written demand are conditions precedent to F&D's obligations under this Agreement and under the Phase 3 Bond.
4. Provided that the foregoing conditions are satisfied, F&D agrees to complete the "A" items on the Phase 3 Priority Lists (the "Priority "A" Items") in accordance with the terms and conditions of Improvement Documents insofar as they are applicable to the Phase 3 Priority Lists. F&D shall hire a contractor to complete all such items. Without limiting the foregoing, F&D shall require its contractor to comply with all insurance requirements contained in the

Improvement Documents and shall comply with any applicable prevailing wage law. F&D shall require the contractor to furnish payment and performance bonds in the amount of the contract awarded to said contractor and further require that the Village be named as an additional obligee thereto. The Priority "A" Items shall be completed on or before October 31, 2008 (the "Completion Date"). Time is of the essence. However, subject to the requirements of paragraph 5 hereof, F&D may request extensions of Completion Date, which requests shall not be unreasonably denied, provided that F&D has pursued completion of the Priority "A" Items with reasonable promptness. In the event that the construction of the work is interrupted or prevented by acts of God, acts of war or rebellion, labor disturbances (other than those caused by F&D or its contractor), acts of Government or governmental officers or any cause beyond the control of F&D, F&D shall not be responsible for any losses or damages, including attorneys fees, resulting from any delays caused by the foregoing.

5. F&D and the Village agree that this Agreement cannot be modified or amended to materially reduce the scope of work identified on the Priority "A" Items or to extend the Completion Date beyond October 31, 2008, without the consent of Neumann or its designee, which consent shall not be unreasonably withheld.

6. As part of the Draft Stay Relief Order, Neumann may convey to Antioch the improvements constructed to date by Neumann in Phase 3. By accepting such improvements, Antioch does not release F&D from its obligations under the Phase 3 Bond.

7. Antioch has previously issued Special Service Area Number 2 Special Tax Bonds (SSA-2) for certain improvements regarding Clublands. The Village represents to F&D, based upon information received from the SSA-2 Trustee, that the balance in the SSA-2 Improvement Fund as of May 21, 2008 is \$932,956.26, which includes accrued interest (the "SSA Balance").

Antioch has advised F&D that it intends to draw from the SSA Balance the sum of \$90,000.00 for engineering costs and an additional sum sufficient to pay for completion of the Public Improvements for Clublands - Phase II. F&D agrees not to contest the withdrawal of \$90,000.00 from the SSA-2 Improvement Fund in the partial payment of engineering costs, and the Village agrees not to withdraw more than \$90,000.00 from the SSA-2 Improvement Fund for the payment of engineering costs. Except for the foregoing \$90,000 withdrawal, F&D has advised the Village that it objects to any withdrawal of the SSA Balance which are not authorized by the agreement(s) governing the use and disbursement of funds in the SSA Improvement Fund and, consequently, any such requisition and withdrawal of funds from the SSA Balance is done without F&D's agreement or consent. F&D reserves any and all rights and remedies available to it to contest the Village's withdrawal of funds from the SSA Balance. F&D does not intend to waive any such rights or remedies. Similarly, the Village reserves any and all rights and defenses to any such claims that may be asserted by F&D. Antioch agrees to pay to F&D any and all remaining funds in the SSA-2 Improvement Fund for in accordance with the agreements governing said fund to partially cover the costs related to the Phase 3 Priority Items, provided that there are no asserted liens or encumbrances against such funds. F&D's acceptance of any such payment shall not constitute a waiver or release by F&D of any rights or remedies available to F&D with respect to the Village's use of such funds.

8. Currently, a mechanic lien claim under Section 23 of the Illinois mechanic Lien Act has been served by Lake County Grading seeking to impose a lien upon the SSA Balance.

9. In the event either party obtains a final and non-appealable order from a court of competent jurisdiction declaring that the disbursement of the SSA Balance was improper, both the Village and F&D agree to restore to the SSA-2 Improvement Fund the amount of any

improper disbursement of the SSA Balance received by F&D and/or the Village. F&D is not responsible for restoring funds which had been improperly disbursed to Antioch, and Antioch is not responsible for restoring funds which had been improperly disbursed to F&D.

10. The parties agree that the current penal sum of the Phase 3 Bond is \$3,316,832.20 (the "Penal Sum"). F&D shall be entitled to reduction of the Penal Sum by the amount paid by F&D (i) for completion of the Priority "A" Items, including, without limitation, amounts paid by F&D for the correction of any defective work installed by Neumann or any of its contractors and (ii) for any engineering or other professional expenses contemplated by the construction documents, such as the preparation of record drawings. Except for the foregoing engineering fees, the Penal Sum of the Phase 3 Bond shall not be reduced by amounts paid by F&D for engineering, consulting or legal expenses incurred by F&D or construction costs incurred for the correction of defective work installed by F&D or any of its subcontractors. Effective upon the Village's acceptance of and F&D's conveyance to the Village of the certain Public Improvements identified as "A" Items in the Phase 3 Priority Lists (the "Accepted Improvements") and except for latent defects of which the Village, upon reasonable inspection, could not have discovered as of the date of said conveyance, the Village releases F&D from any and all additional claims, liabilities and damages, including attorneys' fees, with respect to the Accepted Improvements.

11. Subject to the foregoing reduction and release, Antioch reserves any and all rights and claims which it has or may hereafter have under the Phase 3 Bond, at law or in equity and agrees that F&D's liability to the Village is limited to Penal Sum which remains after reduction of the Penal Sum due to completion of the Priority "A" Items, as provided herein. F&D reserves any and all rights and defenses available to it under the Phase 3 Bond, at law or in equity. The Village and F&D do not intend to waive any such rights, claims and/or defenses.

12. F&D shall provide to the Village a written warranty from the contractor(s) it retains to perform the work on the Priority "A" Items which guarantees to the Village the workmanship and material furnished by the said contractor(s) for one year commencing on the date of substantial completion of such work. F&D and its contractor(s) shall have no responsibility for warranting any of the work performed by Neumann or its contractors.

13. F&D shall be represented at the Project by D. Eugene Morgan or another designee of Forcon International - Michigan, Ltd., (the "Authorized Representative"). The Authorized Representative will represent the F&D in dealing with the Village on day-to-day construction issues with respect to the work. The Authorized Representative shall have, on behalf of the F&D, the authority to negotiate all change orders for extra work requested or required by Village. All change orders shall be executed by F&D. All requests for change orders must be submitted to Mr. D. Eugene Morgan, Forcon International - Michigan, Ltd., P.O. Box 389, 7513 South Harbor Drive, Pentwater, MI 49449. The authorized representative for the Village shall be Ms. Jill Velan, Village Administrator, whose address is set forth in paragraph 15 below.

14. This Agreement contains the entire understandings and agreements of the parties hereto. All oral or written agreements prior to the effective date of this Agreement and which relate to this Agreement and the matters set forth herein are declared null and void. Any modification of this Agreement must be made in writing and executed by the parties hereto.

15. Any notice required to be made under the terms of this Contract shall be deemed made if either party mails such notice by first class mail, postage prepaid, as follows:

As to the Village:
Ms. Jill Velan, Administrator
Village of Antioch
874 Main Street
Antioch, IL 60002
Tel.: (815) 395-1000;

Fax: (815)395-1920
email: jvelan@antioch.il.gov

with a copy to:
Lawrence R. Moelmann
Hinshaw & Culbertson, LLP
222 N. La Salle Street
Suite 300
Chicago, IL 60601
Tel.: (312) 704-3229
Fax: (312) 704-3001
email: lmoelmann@hinshawlaw.com

As to F&D:
D. Eugene Morgan
Forcon International – Michigan, Ltd.
P.O. Box 389
7513 South Harbor Drive
Pewaukee, MI 49449
Tel.: (9231) 869-2017
Fax: (231) 869-2123
email: gmmorgan@forcon.com

with a copy to:
Cornelius F. Riordan
Riordan, Donnelly, Lipinski & McKee, Ltd.
10 N. Dearborn Street
Fourth Floor
Chicago, IL 60602
Tel: (312) 589-6010
Fax: (312) 663-1028
email: criordan@rdlmilaw.com

16. It is understood and agreed by F&D and the Village that this Agreement shall be construed without any regard to any presumption or other rule requiring construction against the party causing this Agreement.

17. This Completion Agreement may be executed in counterparts. Signatures transmitted by facsimile or e-mail shall have the same legal effect as original signature.

18. Other than as specifically provided herein at paragraph 5, the parties agree that no third party shall have any rights under this agreement.

19. This agreement shall be governed by the law of the state of Illinois.

IN WITNESS WHEREOF, the parties have executed this Completion Agreement this 27th day of May, 2008.

ATTEST:

By: Candice Rowe
Its Clerk

VILLAGE OF ANTIOCH, an Illinois
Municipal corporation

By: [Signature]
Its Village Administrator

FIDELITY & DEPOSIT COMPANY OF
MARYLAND

By: Gregory W. DeBour
Claims Counsel

Exhibit B

The Village's Responsibility Report - Clublands Phase II

In general, the Village of Antioch (the "Village") will complete the Public Improvements for the Clublands Phase II Subdivision in accordance with the Stay Relief Order entered in the Neumann Homes Bankruptcy proceedings. In an effort to further clarify the work that must be completed by the Village in Clublands Phase II Subdivision, SEC Group, Inc. has prepared the list below. The list was taken from the Clublands Phase II - Acceptance Review No. 1 letter prepared by SEC dated December 20, 2007. The Village's responsibilities do not extend to the lots owned by the Debtors at the time the bankruptcy proceedings were commenced (Lots 158-162, 164, 171 and 174). The future builder/developer will have responsibility for these lots as stated in Exhibit D.

- I. The future builder/developer must submit Record Drawings of the lot grading and overland flow routes (if located on and adjacent to the lot they own) to the Village for review/approval prior to the occupancy permit being issued for that home. The lot record drawings will allow the Village to verify that the finished lot grading and overland flow routes are construction in accordance with the approved engineering plans.
- II. Erosion control measures on the site must be repaired and maintained and it is anticipated that the Village will repair the site erosion control deficiencies prior to the property being sold. The Village will repair the damaged silt fence and straw bales, establish temporary vegetation on disturbed areas, and maintain erosion control measures until the site is stabilized.
- III. The Village will remove all garbage and debris from the vacant lots and will stabilize the lots with temporary seeding (clay buster) until an adequate mat of vegetation is established.
- IV. The Village will address the deficiencies with the wetlands and stormwater storage basins.
- V. The Village is responsible for correcting the deficiencies noted with the sanitary sewer.
- VI. The Village is responsible for correcting the deficiencies noted with the storm sewer system.
- VII. The Village is responsible for correcting the deficiencies noted with the water main improvements.
- VIII. The Village is responsible for installing all missing street signage and correcting all deficiencies noted with the street signage.
- IX. The Village is responsible for correcting all the deficiencies with the street lights system.

Exhibit B

- X. The Village is responsible for correcting the deficiencies in the roadways and repairing the damaged curb and installing the final lift of asphalt on the roadways.
- XI. The Village is responsible for installing the sidewalk on Lots 164 and 171 along with repairing the deficient sidewalk as noted.
- XII. The Village is responsible for repairing all deficiencies with existing driveway aprons.
- XIII. The Village is responsible for completing the Notice of Termination.
- XIV. The Village is responsible for installing the pavement markings once the final surface course of asphalt is installed.
- XV. The Village is responsible for installing the subdivision survey monumentation.
- XVI. The Village's staff is responsible for submitting the final documents (Bill of Sale, Maintenance Guarantee, etc) to the Village Board and requesting acceptance of the improvements once all the work is completed.

Exhibit C

The Future Builders Responsibility Report -- Clublands Phase I

The future builder/developer who will purchase the Clublands Phase I Subdivision will have to finish constructing the improvements and homes in accordance with the approved Engineering Plans, Village Ordinances, and Agreements that were in place with Neumann Homes. As subsequently defined and or superseded by the Order, the future builder/developer will be responsible for installing the driveway aprons, sidewalk and landscaping on and adjacent to their lots that they are constructing homes on. Plus, the future builder/developer is responsible for protecting the completed public and private improvements from damages while they are completing their work. In an effort to further clarify the work that must be completed by the future builder/developer in Clublands Phase I Subdivision, SEC Group, Inc. has prepared the list below. The list was taken from the Acceptance Review No. 1 letter prepared by SEC dated December 20, 2007.

- I. The future builder/developer must submit Record Drawings of the lot grading and overland flow routes (if located on and adjacent to the lot they own) to the Village for review/approval prior to the occupancy permit being issued for that home. The lot record drawings will allow the Village to verify that the finished lot grading and overland flow routes are construction in accordance with the approved engineering plans.
- II. The future builder/developer must maintain the sites, including the erosion control measures for their lot grading and overland flow routes (if located on and adjacent to the lot they own) once they take ownership until the work is completed and accepted by the Village.
- III. The future builder/developer must complete the lot grading work in accordance with the approved engineering plans (overland flow routes, no ponding, etc). If a utility structure on a lot requires adjustment in elevation in order to conform to the finished lot grading, then the future builder/developer will adjust the structure once the final grading work is completed. The future builder/developer will have the responsibility of maintaining their lots (mowing, clean up debris, erosion control, etc) until the home construction is completed and the improvements accepted by the Village.
- IV. The future builder/developer will be responsible for installing all missing landscaping, repairing damaged landscaping on their lots and guarantee all landscaping installed in the ROW adjacent (front or side yards) to their lots for a period of one (1) year after the work is accepted by the Village Board. Additionally, the future builder/developer will be responsible for removing the asphalt parking lot, grading Lots 4, 10-13 in accordance with the approved engineering plans.
- V. The future builder/developer is responsible for installing the sidewalk on Lots 10-14.

Exhibit C

- VI. The future builder/developer is responsible for installing all new driveway aprons for their lots.
- VII. The future builder/developer may apply for his own IEPA NOI for the lots that he is purchasing.
- VIII. The future builder/developer will be responsible for submitting the final documents (Bill of Sale, Maintenance Guarantee, etc) for the public improvements (sidewalks, driveway aprons, landscaping, etc) constructed/completed on and adjacent to their lots.

The future builder/developer of the vacant lots will be responsible for protecting the existing public (roadways, utilities, sidewalks, etc) and private (landscaping, detention basins, fences, etc) improvements and shall make good any damage caused to these properties. The future builder/developer may submit an irrevocable letter of credit, cash bond or surety bond to the Village of Antioch as a performance guarantee for completing the installation of the public improvements installed (sidewalks, landscaping, erosion control etc.) for their lots and for protecting the existing improvements, if required by any applicable development agreement, statute, ordinance, or otherwise. Once the work is accepted by the Village Board, the future builder developer will replace the performance guarantee with a maintenance guarantee in accordance with the Village Ordinances and procedures.

Exhibit D

The Future Builders Responsibility Report – Clublands Phase II

The future builder/developer who will purchase the Clublands Phase II Subdivision will have to finish constructing the improvements and homes in accordance with the approved Engineering Plans, Village Ordinances, and Agreements that were in place with Neumann Homes. As subsequently defined and or superseded by this Order, the future builder/developer will be responsible for the installation of sidewalks, driveway aprons, and landscaping on and adjacent to their lots. The future builder/developer is responsible for protecting the completed public and private improvements from damages while they are completing their work. In an effort to further clarify the work that must be completed by the future builder/developer in Clublands Phase II Subdivision, SEC Group, Inc. has prepared the list below. The list was taken from the Clublands Phase II - Acceptance Review No. 1 letter prepared by SEC dated December 20, 2007. The lots for which the future builder/developer will be responsible are lots 158-164, 171 and 174.

- I. The future builder/developer must submit Record Drawings of the lot grading and overland flow routes (if located on and adjacent to the lot they own) to the Village for review approval prior to the occupancy permit being issued for that home. The lot record drawings will allow the Village to verify that the finished lot grading and overland flow routes are construction in accordance with the approved engineering plans.
- II. The future builder/developer must maintain the sites, including erosion control measures for their lot grading and overland flow routes (if located on and adjacent to the lot they own) from the time they purchase the property until their work is completed and accepted by the Village Board.
- III. The future builder/developer must complete the lot grading work in accordance with the approved engineering plans (overland flow routes, no ponding, etc). If a utility structure on a lot requires adjustment in elevation in order to conform to the finished lot grading, then the future builder/developer will adjust the structure once the final grading work is completed. The future builder/developer will have the responsibility of maintain their lots (mowing, clean up debris, erosion control, etc) until the home construction is completed and the improvements accepted by the Village Board.
- IV. The future builder/developer will be responsible for installing all missing landscaping, repairing damaged landscaping on their lots (Lots 158-162, 164, 171 and 174) and guarantee all landscaping in the ROW adjacent (front or side yards) to these lots for a period of 1 year after the improvements are accepted by the Village Board.
- V. The future builder/developer is responsible for installing the sidewalk on Lots 158-162 and 174.
- VI. The future builder/developer is responsible for installing all new driveway aprons for their lots.

Exhibit D

- VII. The future builder/developer must apply for his own IEPA NOI for the lots that he is purchasing.
- VIII. The future builder/developer will be responsible for submitting the final documents (Bill of Sale, Maintenance Guarantee, etc) for the public improvements (sidewalks, driveway aprons, landscaping, etc) constructed/completed on and adjacent to their lots to the Village.

The future builder/developer of the vacant lots will be responsible for protecting the existing public (roadways, utilities, sidewalks, etc) and private (landscaping, detention basins, fences, etc) improvements and shall make good any damage caused to these properties. The future builder/developer may submit an irrevocable letter of credit, cash bond or surety bond to the Village of Antioch as a performance guarantee for completing the installation of the public improvements installed (sidewalks, landscaping, erosion control etc.) for their vacant lots and for protecting the existing improvements, if required by any applicable development agreement, statute, ordinance or otherwise. Once the work is accepted by the Village Board, the future builder/developer will replace the performance guarantee with a maintenance guarantee in accordance with the Village Ordinances and procedures.

Exhibit E

The Future Builders Responsibility Report – Clublands Phase III East

Since this subdivision is only partially mass graded and constructed, the future builder/developer who purchases the Clublands Phase III East Subdivision will have to finish constructing the improvements in accordance with the approved Engineering Plans, Village Ordinances, and Agreements that were in place with Neumann Homes. As subsequently defined and or superseded by the Order, the future builder/developer is responsible for completing the site mass grading, installation of the remaining subdivision improvements and for installing the Miller Road Off Site Storm Sewer Outlet, conditioned upon the obligation, if any, of the Grub School Drainage District securing necessary easements to the extent required pursuant to the settlement and development agreements. The future builder/developer is responsible for protecting the completed public and private improvements from damages while they are completing their work. In an effort to further clarify the work that must be completed by the future builder/developer in Clublands Phase III East Subdivision, SEC Group, Inc. has prepared the list below. The list was taken from the Clublands Phase III East - Acceptance Review No. 1 letter prepared by SEC dated December 20, 2007.

- I. The future builder/developer must submit Record Drawings of the improvements they construct, including but not limited to underground utilities, detention basin volumes and etc. Additionally, the record drawings for lot grading and overland flow routes (if located on and adjacent to the lot they own) must be submitted to the Village for review/approval prior to the occupancy permit being issued for that home. The lot record drawings will allow the Village to verify that the finished lot grading and overland flow routes are constructed in accordance with the approved engineering plans.
- II. The future builder/developer must maintain the sites, including erosion control, from their purchase date until their work is completed and accepted by the Village Board. This is a permit requirement for Lake County SMC, ACOE, and IEPA; and the lack of maintenance and upkeep of the erosion control measures will result in fines per the permits.
- III. Since the subdivision is only partially mass graded and constructed, the future builder/developer must complete the subdivision and lot grading work in accordance with the approved engineering plans. It is our understanding that Neumann Homes intended to utilize the excess structural fill material and topsoil (including the stockpiles) from Phase III East to complete the mass grading of Clublands Phase IV. The future builder/developer of Clublands Phase III East must install the Miller Road Off-Site Storm Sewer Outlet, unless the developer of Clublands Phase IV undertakes that responsibility with an acceptable surety bond. The future builder/developer will have the responsibility of maintaining their lots (mowing, clean up debris, erosion control, etc) until the home construction is completed and the improvements accepted by the Village Board.

Exhibit E

- IV. The future builder/developer must finish constructing Detention Basin 4 and construct the remaining stormwater basins as shown on the approved engineering plans. Additionally, the future builder/developer of Clublands Phase III East must construct the Miller Road Off-Site Storm Sewer unless the developer of Clublands Phase IV undertakes that responsibility with an acceptable surety bond.
- V. The future builder/developer will be responsible for installing all missing landscaping per the approved landscaping plan (including tot lots), repairing damaged landscaping on all lots except 637-647 and 663-666. Additionally, the future builder/developer must guarantee all landscaping in the ROW adjacent (front or side yards) to these lots for a period of 1 year after the improvements are accepted by the Village Board.
- VI. The future builder/developer must complete the installation of the remaining sanitary sewer systems, repair any deficiencies and guarantee the work in accordance with Village ordinances and procedures once the improvements are accepted by the Village Board.
- VII. The future builder/developer of Phase III East must install the Miller Road Off Site Storm Sewer unless the developer of Clublands Phase IV undertakes that responsibility with an acceptable surety bond. Additionally, the future builder/developer must complete the installation of the remaining storm sewer system, repair any deficiencies and guarantee the work in accordance with Village ordinances and procedures once the improvements are accepted by the Village Board.
- VIII. The future builder/developer must complete the installation of the remaining water main distribution system, repair any deficiencies and guarantee the work in accordance with Village ordinances and procedures once the improvements are accepted by the Village Board.
- IX. The future builder/developer will be responsible for completing/maintaining street signage work on Forest Ridge Drive, Tall Oaks Drive, Crescent Drive, Newway Lane, and Heritage Oaks, until the improvements are accepted by the Village Board.
- X. The future builder/developer will be responsible for completing the installation of the remaining street lights in Clublands Phase III East Subdivision, repair any deficiencies and guarantee the work in accordance with Village ordinances and procedures once the improvements are accepted by the Village Board.
- XI. The future builder/developer will be responsible for completing and maintaining the remaining roads (Forest Ridge Drive, Tall Oaks Drive, Crescent Drive, Newway Lane, and Heritage Oaks), including removing/replacing damaged pavement and curb on the remaining streets prior to installing the surface course of asphalt.

Exhibit E

- XII. Once the surety repairs the damaged existing sidewalks, all other sidewalks will be installed and maintained by the future builder/developer until the improvements are accepted by the Village Board.
- XIII. The future builder/developer is responsible for installing all new driveway aprons for their lots.
- XIV. The future builder/developer may apply for his own IEPA NOI for the areas that he is purchasing.
- XV. The future builder/developer must install all other pavement markings once they [the surety] install the surface course of asphalt on the roads.
- XVI. The future builder/developer will be responsible for submitting the final documents (Bill of Sale, Maintenance Guarantee, etc) for the public improvements (sidewalks, driveway aprons, landscaping, etc) constructed/completed on and adjacent to their lots to the Village.

The future builder/developer of the vacant lots will be responsible for protecting the existing public (roadways, utilities, sidewalks, etc) and private (landscaping, detention basins, fences, etc) improvements and shall make good any damage caused to these properties. The future builder/developer may submit an irrevocable letter of credit, cash bond or surety bond to the Village of Antioch as a performance guarantee for completing the installation of the public improvements installed (sidewalks, landscaping, erosion control etc.) and for protecting the existing improvements, if required by any applicable development agreement, statute, ordinance or otherwise. Once the work is accepted by the Village Board, the future builder/developer will replace the performance guarantee with a maintenance guarantee in accordance with the Village Ordinances and procedures.

Exhibit F

The Future Builders Responsibility Report – Clublands Phase III West

The future builder/developer who will purchase the Clublands Phase III West Subdivision will have to finish constructing the improvements and homes in accordance with the approved Engineering Plans, Village Ordinances, and Agreements that were in place with Neumann Homes. As subsequently defined and or superseded by the Order, the future builder/developer will be responsible for the installation of sidewalks, driveway aprons and landscaping on and adjacent to their lots. The future builder/developer is responsible for protecting the completed public and private improvements from damages while they are completing their work. In an effort to further clarify the work that must be completed by the future builder/developer in Clublands Phase III West Subdivision, SEC Group, Inc. has prepared the list below. The list was taken from the Clublands Phase III West - Acceptance Review No. 1 letter prepared by SEC dated December 20, 2007.

- I. The future builder/developer must submit Record Drawings of the lot grading and overland flow routes (if located on and adjacent to the lot they own) to the Village for review/approval prior to the occupancy permit being issued for that home. The lot record drawings will allow the Village to verify that the finished lot grading and overland flow routes are constructed in accordance with the approved engineering plans.
- II. The future builder/developer must maintain the sites, including erosion control, for their lot grading and overland flow routes (if located on and adjacent to the lot they own) from their purchase date until the work is completed and accepted by the Village Board. This is a permit requirement for Lake County SMC, ACOE, and IEPA; and the lack of maintenance and upkeep of the erosion control measures will result in fines per the permits.
- III. The future builder/developer must complete the lot grading work for their lots in accordance with the approved engineering plans (overland flow routes, no ponding, etc.). If a utility structure on a lot requires adjustment in elevation in order to conform to the finished lot grading, then the future builder/developer will adjust the structure once the final grading work is completed. The future builder/developer will have the responsibility of maintaining their lots (mowing, clean up debris, erosion control, etc) until the home construction is completed and the improvements accepted by the Village.
- IV. The future builder/developer will be responsible for installing all missing landscaping, repairing damaged landscaping on Lots 198, 210-216, 219, 220, 225-228, 231-236, 238, 239, 269-274, 277, 282, 283, 278, 284, 286, 293-309, 305, 307, 309-314, 324-335, 337, 338-344, 349, 351-353, 335-360, 362 and 369. Additionally, the future builder/developer must guarantee all landscaping in the ROW adjacent (front or side yards) to these lots for a period of 1 year after the improvements are accepted by the Village Board.

Exhibit F

- V. The future builder/developer will be responsible for installing the sidewalk on Lots 210-216, 219, 225-228, 231-236, 269-274, 277, 284, 286, 293-303, 305, 307, 309-314, 324-335, 337, 338-344, 349, 351-353 and 354-360.
- VI. The future builder/developer is responsible for installing all new driveway aprons for their lots.
- VII. The future builder/developer may apply for his own IEPA NOI for the lots that he is purchasing.
- VIII. The future builder/developer will be responsible for submitting the final documents (Bill of Sale, Maintenance Guarantee, etc) for the public improvements (sidewalks, driveway aprons, landscaping, etc) constructed/completed on and adjacent to their lots to the Village.

The future builder/developer of the vacant lots will be responsible for protecting the existing public (roadways, utilities, sidewalks, etc) and private (landscaping, detention basins, fences, etc) improvements and shall make good any damage caused to these properties. The future builder/developer may submit an irrevocable letter of credit, cash bond or surety bond to the Village of Antioch as a performance guarantee for completing the installation of the public improvements installed (sidewalks, landscaping, erosion control etc.) and for protecting the existing improvements, if required by any applicable development agreement, statute, ordinance or otherwise. Once the work is accepted by the Village Board, the future builder/developer will replace the performance guarantee with a maintenance guarantee in accordance with the Village Ordinances and procedures.