

AGENDA FOR THE BOARD OF TRUSTEES
Monday, May 18, 2026, 7:30 P.M.
Livestream available at Channel 10 and [Village website](#)

Call to Order
Roll Call
Pledge of Allegiance
Presentation – Affordable Housing Update from Amy Kaufman of Community Partners for Affordable Housing (CPAH)
Finance Departmental Objectives Report
Minutes of Previous Meeting
Treasurer’s Report
Bills and Payroll
Public Comment

REPORTS

26-54 Staff Report: Lead Service Line Replacement Updates

CONSENT AGENDA

OLD BUSINESS

NEW BUSINESS

26-55 Resolution Ratifying Agreement for SREC’s with Carbon Solutions

Items for Discussion by Mayor and Board of Trustees
Reports of the Village Manager
Adjournment

Memorandum



DATE: May 1, 2026
TO: Mayor and Board of Trustees
FROM: Eric Burk, Director of Finance
SUBJECT: **Finance Department 6-Month Report**

During the past six months, the Finance Department continued to support the Village's financial stability through disciplined reporting, compliance, debt management, operational improvements and strategic planning. Significant accomplishments include advancement of the 2025 Annual Comprehensive Financial Report, completion of the 2026 budget and capital improvement planning process, reaffirmation of the Village's Aaa bond rating and issuance of bonds for key infrastructure and property-related projects. The department also continues to strengthen internal operations through pension and actuarial analysis, expanded electronic billing and payment options and implementation of project accounting tools. These efforts position the Village to maintain sound financial practices while improving efficiency and service delivery.

Financial Reporting

- Began fieldwork for the 2025 Annual Comprehensive Financial Report (ACFR). As in the prior year, fieldwork was largely completed remotely and was substantially finished by mid-March. The final report is expected to be presented to the Board in June as the Finance Department streamlined the year-end close process to allow auditors to be on-site earlier than in the prior year.
- Completed the annual budget document, capital improvement plan and revenue projections for 2026.
- Submitted the 2026 budget document to GFOA and received notice that it earned the Distinguished Budget Presentation Award. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device.
- Prepared the 2025 annual levy ordinance and abated a portion of the levy related to Qualified Energy Conservation Bond (QECB) rebates. The 2025 levy funds and is payable in 2026. Approved levy documents were filed with both County Clerks.
- Began work on the Village's actuarial analysis of the Police Pension Fund as of January 1, 2026, including determination of the Village's annual police pension contribution. The Pension Fund was 86.02% funded on an actuarial value basis as of December 31, 2024. Preliminary indications suggest that the funding percentage will increase, due in part to investment returns.
- Completed an actuarial valuation of potential Tier II pension enhancements through the Northwest Municipal Conference to help legislators understand the

cost of the proposed changes. Potential enhancements, including increasing the COLA to 3% and raising the salary limitation to the Social Security wage base, could cost the Village approximately \$35 million over the next 30 years. Staff will continue to monitor the progress of these and other potential Tier II pension enhancements.

Debt Management

- Made all required debt service payments and filed the necessary paperwork to receive QECB rebates.
- Completed the ratings review with Moody's, which resulted in the reaffirmation of the Village's Aaa rating.
- Issued general obligation bonds totaling \$6.4 million to finance a portion of capital improvement projects throughout the Village, including street rehabilitation and sidewalk replacement projects, sewer, water, and wastewater treatment facility improvements and improvements to Village-owned buildings. In addition, \$2.2 million was issued to reimburse the TIF Fund for the acquisition of 700 Deerfield Road.

Risk Management / Human Resources

- Continued recruitment for the Human Resources/Risk Manager position.
- Recruited and filled the position of Public Works Analyst.
- Held the employee insurance open enrollment meeting.
- Completed annual ACA forms for Village and Library staff.
- Distributed Village and Library W-2s and Police Pension 1099s.
- Attended a variety of training programs, including the IPELRA Employment Law Seminar and the IPBC Annual Meeting.

Wellness

- Organized a flu shot and health screening event for covered employees and dependents of Village, Library and Park District employees at the Patty Turner Center. The event was funded through wellness incentives offered by the Village's health insurance cooperative. There were 82 participants this year, slightly more than the 75 participants in 2025.
- Offered the following lunchtime sessions to Village, Park District, and Library employees: Safeguarding Your Identity and Combating Scams (November), Holiday Trivia (December), Chair Yoga (January), Movement Therapy (February), IMRF Benefits (March), and Ergonomics in the Workplace (April).

Other Projects

- Continued working with the Invoice Cloud implementation team, which provides electronic billing options in place of paper bills mailed via USPS and expands payment options for the Village's utility billing customers. Of the Village's 6,300 total accounts, 251 registered on the Invoice Cloud portal, 178 elected paperless statements and 245 enrolled in autopay between October 2025 and March 2026. Since going live with Invoice Cloud in November 2024, 1,714 users have registered on the portal, 1,195 have elected paperless statements, and 2,827 have enrolled in autopay.

- Finalized a new resident brochure that is available electronically and in print. This brochure replaced folders containing multiple forms and flyers previously mailed to new Deerfield residents via USPS. The brochure is available under the “New Residents” section of the Community page on the Village’s website.
- Implemented a project accounting system to accurately track costs and proceeds associated with the Village’s annual major special events, including Family Days, Winter Market, Art Festival, Harvest Fest, Winter Lighting Celebration, Food Truck Wednesday and the Farmers’ Market. This will support more accurate budgeting and assist in controlling event-related costs.
- Expanded use of the project accounting system for Village-owned rental properties. This will significantly improve the Village’s ability to track costs and rental proceeds over time related to the ownership and operation of these properties.

Ongoing Tasks

- Processed approximately 3,000 invoices, 35 wire transfers, 1,300 accounts payable checks, 360 vendor EFT/ACH payments, and 50 vendor prenote checks from October 2025 through March 2026.
- Continued promoting vendor payment by EFT/ACH. To date, approximately 210 vendors have enrolled, including about 50 additional vendors between October 2025 and March 2026.
- Generated approximately 2,300 monthly utility bills on a regular basis, resulting in averages of 137 late notices, 37 shutoff notices, and 4 shutoffs from October 2025 through March 2026.
- Processed biweekly payroll for approximately 120 Village employees and 60 Library employees, as well as monthly payroll for approximately 48 Police Pensioners. Submitted withholdings to the appropriate institutions and prepared and filed quarterly Form 941 returns.
- Continued implementing paperless payroll processes, further reducing administrative handling and improving efficiency.
- Processed an average of 100 receipts per day from October 2025 through March 2026.
- Began receiving adjudication payments through Municipal Justice. Four payments were received between October 2025 and March 2026, with additional payments anticipated as cases are resolved through the adjudication process.

The Finance Department will continue to focus on maintaining the Village’s strong financial position through timely reporting, regulatory compliance, prudent debt management and ongoing process improvements. Staff will also continue to monitor legislative, pension and economic developments that may affect the Village’s financial planning and operations. The department remains committed to supporting the Board’s policy direction through sound financial analysis, responsive service and effective stewardship of public resources.

May 4, 2026

The regular meeting of the Board of Trustees of the Village of Deerfield was reconvened on May 4, 2026 at 7:30 p.m. at Deerfield Village Hall. The clerk called the roll and announced that the following were

Present: Dan Shapiro, Mayor
Robert Benton
Larry Berg
Jennifer Goldstone
Jesse Greenberg
Elaine Jacoby
Mary Oppenheim

and that a quorum was present and in attendance. Also present were Village Manager Kent Street and Ben Schuster, Village Attorney.

PLEDGE OF ALLEGIANCE

State wrestling champ Drew Becker led in attendance in the Pledge of Allegiance.

Mr. Becker is a 70 pound seventh grader and State wrestling champion who won in overtime. On behalf of the Village, Mayor Shapiro presented Mr. Becker with a sign that will also be displayed at the Village entrance.

PRESENTATION

Deputy Chief Brian Budny, on behalf of the Deerfield Police Department, Fire Department and Shepard Middle School presented a check for \$3,223 to Katelyn Brenner of the 100 Club of Illinois. Deputy Chief Budny reported in 2025 and 2026, they held the annual Pack the Place charity basketball game and the memorial patch fundraiser. The 100 Club of Illinois supports families of first responders and active first responders in the State. This year, the check was presented in May, in honor of National Police Memorial Week.

Ms. Brenner thanked the Village and first responders. The Pack the Place is a wonderful event and appreciates the community's support.

APPOINTMENT

Communications Coordinator David Fitzgerald-Sullivan noted in his essay, Mr. Campo feels a deep responsibility to the community that welcomed his family when they migrated when he was eight years old. Mr. Campo is happy and grateful for this opportunity.

Trustee Greenberg moved to appoint Antonio Campo as Student Commissioner to the Community Relations Commission. Trustee Oppenheim seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)

NAYS: None (0)

RECOGNITION

Mr. Fitzgerald-Sullivan recognized Lexie Segal, outgoing Student Commissioner of the Community

Relations Commission.

Mayor Shapiro thanked Ms. Segal for the two years she served on the Commission. He presented her with a certificate of appreciation from the Village. Ms. Segal thanked the Village for the honor of serving on the Community Relations Commission.

PROCLAMATION

On behalf of the Village of Deerfield, Mayor Shapiro proclaimed the week of May 17-23, 2026,

as National Public Works Week in Deerfield.

Trustee Benton moved to approve the Proclamation. Trustee Oppenheim seconded the motion. The motion passed unanimously on a voice vote.

Director of Public Works and Engineering, Bob Phillips, reported the Public Works Open House will be on May 16, 2026.

PROCLAMATION

Mayor Shapiro, on behalf of the Village of Deerfield, proclaimed Monday, May 4, 2026, as

Mayor's Monarch Pledge Day in the Village of Deerfield and encouraged residents and Village staff to take steps to increase the planting of milkweed and nectar plants to preserve and strengthen the monarch butterfly population

Trustee Oppenheim moved to accept the proclamation. Trustee Greenberg seconded the motion. The motion passed unanimously on a voice vote.

Mr. Phillips explained there are a number of areas in the community have been nativized to promote monarch butterfly habitats.

PROCLAMATION

On behalf of the Village of Deerfield, Mayor Shapiro proclaimed the week of May 11-17, 2026,

Police Week in the Village of Deerfield and urged all residents to extend appreciation to the Deerfield Police Department and all law enforcement for the vital services they perform and their exemplary dedication to the community.

Trustee Berg moved to approve the Proclamation. Trustee Oppenheim seconded the motion. The motion passed unanimously on a voice vote.

Deputy Chief Chris Fry thanked the Village for the recognition.

DOCUMENT APPROVAL

Trustee Oppenheim moved to approve the minutes from the April 20, 2026, Board of Trustees

meeting. Trustee Benton seconded the motion. The motion passed unanimously on a voice vote.

BILLS AND PAYROLL

Trustee Oppenheim moved to approve the bills and payroll dated May 4, 2026. Trustee Berg seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)

NAYS: None (0)

PUBLIC COMMENT

There were no public comments on non-agenda items.

REPORTS

REPORT AND RECOMMENDATION OF STAFF RE: IMPACT FEES Assistant Village Manager Justin Keenan explained the Village retained the Meech Group to conduct a comprehensive Impact Fee Study evaluating the Village's current fee structure and its competitiveness relative to selected peer communities. Staff presented the initial findings and subsequent updates to the Committee of the Whole on September 2, 2025, October 22, 2025, February 9, 2026, and March 30, 2026, and received valuable feedback from the Village Board at each meeting.

In response to this feedback, staff collaborated with the Meech Group and Economic Development Consultant Dan Gardner to develop a concise presentation outlining the impact fee methodology, including the calculation formula, Level of Service (LOS) standards, and Fair Market Value (FMV) comparisons. The presentation also highlights the recommended updates and illustrates their practical, real-world implications for development within the Village.

Michio Murakishi made a presentation summarizing the work they have done over the past year and a half. In the recommended fee structure, they made some recommendations on impact fees, to make Deerfield more in line with neighboring communities. The school districts and park districts would be decreased and the library, Village and fire district would increase. The proposed net increase would be about 36 percent.

Trustee Oppenheim noted this has not changed since 1993. Some of the factors need to be reflective of reality. Impact fees involve the number of people, services provided and value of land. She believes these adjustments seem logical and need to be defensible.

Mayor Shapiro explained there are two different schools of thought. First, would increasing the impact fees deter development. Second, as other communities are also looking into this, should Deerfield wait it out and be reactive to what they do. If the Board decides to adopt an Ordinance, they can make it effective at a later date which would allow people to adjust. Mr. Schuster noted the Board could give direction to prepare an Ordinance effective any date. The Board could determine to grandfather those who have a pending Zoning application. Trustee Berg and Trustee Goldstone believe it could have an impact on people in the planning stages.

Trustee Goldstone questioned if there is a way to carve out smaller developments. Trustee Greenberg expressed concern about how the formula is drafted as there is a greater value on the impact to the parks over the impacts to the schools. He would rather see the community impacts and infrastructure dollars prioritized to schools over parks and some other things in the formula. He believes the Village could take greater license to better fit where priorities lie. Trustee Greenberg believes developers on large projects can absorb the fees easier than those developing smaller and more diverse projects.

Trustee Jacoby also has an issue with changing the fees to make more money. She would prefer to wait and see what other municipalities are doing. She would not want to do anything to deter development. Trustee Goldstone believes Deerfield fees should be lower than neighboring towns to encourage the developers to come to Deerfield.

Trustee Oppenheim noted the entire purpose is to provide the Village, schools and parks with what they need to service the new people who come with the development. People currently pay more for the parks than the schools through impact fees but changing this would help bring that disparity down. Trustee Oppenheim does not believe what is being proposed would disincentivize development; rather, she fears the Village is not protecting our entities.

Trustee Berg suggested delaying the decision as there is more discussion and analysis that needs to be done. Trustee Benton noted the Village has held their rates for a long time without looking at them.

Mr. Street noted Deerfield does not have the economies of scale that Highland Park, Glenview and Northbrook have and understands Deerfield does not want to price themselves out of the market.

Mr. Schuster noted another consideration is the BUILD Act. If it is adopted, any single-family lot could be changed to a 2-flat, townhome, or up to an 8-flat, which would have drastic impacts on the needs of the various taxing bodies from a capital investment standpoint. From an impact fee perspective, the BUILD Act could set one formula for the entire State to take away the power for municipalities to set their own formulas, which would make what the Village does essentially moot.

Trustee Oppenheim suggested the State would look at impact fees throughout the State and if Deerfield's impact fees were artificially low, it would not represent what the Village needs to support the impact of increased population which could affect the decision of what a uniform impact fee would be. Mr. Schuster explained it would defer to a State agency to create the formula. He noted an acre of farm land is substantially less than an acre of land in Deerfield.

Mayor Shapiro suggested the possibility of making any development of four (4) units or less exempt from the increased impact fees. If the Board is inclined to pass an Ordinance, he suggested the implementation be at least 120 days. Those who have any zoning or building applications would be grandfathered.

Trustee Goldstone questioned if this could be phased. She would rather have the timeframe at one year, because developers plan that far out.

Trustee Berg is in favor of exempting one to four units, as they would not have the same impact on the schools. Trustee Oppenheim noted two houses have a bigger impact on pipes than one house. Mayor Shapiro noted that is a different impact fee than the schools and parks. Trustee Oppenheim explained it is the same impact fees for police, fire and infrastructure. Trustee Greenberg noted people move to Deerfield due to the schools over the parks, so the Village should provide more for the schools than the parks. Mr. Schuster explained the impact fees are supposed to be directed to the Village's assessment of capital needs based on new housing. The formulas can be set to what the Village reasonably thinks what the impacts are. Ultimately, the Village's fees need to be reasonably calculated as an approximation of the costs. Acreage is the usual way, but a school may not need to purchase land; rather, use their existing land to build additional classrooms. Mr. Schuster suggested the Village could weight the impact fees higher for what is appropriate for each school or the parks. Mr. Murakishi stated some communities assess a facility-based fee in addition to a land-based dedication formula. The formula needs to pass the test that the established formulas have already passed. The fee cannot be allocated to operational costs; rather, capital costs.

Mr. Keenan stated if the Board wanted to move forward with an Ordinance, he would recommend a January 1, 2027 start date.

Trustee Oppenheim moved to accept the report and recommendation of staff regarding impact fees and to continue to revise the proposal based on tonight's discussion regarding the size of developments to give some sort of grace for small developments, develop a timeline to extend implementation to give adequate notice to people considering development and to investigate refiguring the impact for the park district to see if there is a way to bring it lower. Trustee Oppenheim would like to direct staff to prepare an additional proposal from staff to address the above items. Trustee Oppenheim amended her motion to consider the consideration of facilities in addition to acreage formula regarding the schools and park district. Trustee Goldstone seconded the motion. Trustee Greenberg is not prepared to change the Ordinance without additional changes discussed. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)
NAYS: None (0)

CONSENT AGENDA

<u>ORDINANCE 0-26-13 AMENDING THE VILLAGE OF DEERFIELD WAGE AND SALARY PLAN</u>	An Ordinance amending the Village of Deerfield Wage and Salary Plan to include an Assistant Finance Director and an Assistant to the Village Manager.
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Trustee Berg moved to approve the Consent Agenda and adopt the Ordinance. Trustee Oppenheim seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)

NAYS: None (0)

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

RESOLUTION R-26-31 WAIVING THE COMPETITIVE BIDDING AND AUTHORIZING THE PURCHASE OF A NEW POLICE VEHICLE

Deputy Chief Brian Budny reported the current patrol vehicle is a 2016 Ford F150 Super Crew with more than 60,000 miles. The timeline for replacement has been previously extended and the vehicle has been kept in operation longer than anticipated. Replacement of this vehicle is a FY 2026 budgeted item with funds previously allocated to the VEF in the amount of \$55,000. He recommends the purchase of one 2026 Ford F150 Super Crew to replace the current Ford F150 Super Crew. There is a current state contract on this vehicle with the Suburban Purchasing Cooperative (SPC) through Currie Motors. He contacted Currie Motors and Highland Park Ford on the availability of the vehicle we are looking to purchase.

Further discussion with Highland Park Ford regarding the current 2016 Ford F150 Super Crew resulted in a trade-in value of \$9,800. Purchasing the vehicle from Highland Park Ford is \$1,633 less than the current state contract through the Suburban Purchasing Cooperative (SPC).

The current vendor, Havey Communications, Lake Bluff, IL, was contacted and the new vehicle with the needed emergency equipment was referenced. The quote from Havey includes removing all equipment from the existing vehicle, purchasing new equipment, and installing everything into the new vehicle. It should be noted that the current equipment is 10 years old and will not transfer to the 2026 Ford F150 Super Crew. The cost removing equipment from the current vehicle and upfitting the new one would not exceed \$14,000. It was also decided a folding hard cover will be used to cover the truck bed as opposed to the standard cap configuration. Havey Communications works with Bell's Ultimate Truck Outfitters who recommends the BakFlip MX4 for our use. The cost of the BakFlip MX4 would be \$1,400 installed.

The Police Department is seeking to waive the competitive bidding process and is recommending Board authorization to purchase a 2026 Ford F150 Super Crew from Highland Park Ford for a price not to exceed \$46,712 (a savings of \$1,633 from the State contract), accept the trade in value of current 2016 Ford F150 Super Crew of \$9,800, authorize Havey Communications as our changeover technicians and safety equipment supplier at a cost not to exceed \$14,000, Bell's Ultimate Truck Outfitters at a cost not to exceed \$1,400 for the truck bed

hard cover, and Suburban Accents for squad decals at a cost not to exceed \$650. The total cost would not exceed \$52,962.

Trustee Greenberg moved to approve the Resolution waiving the competitive bidding and authorizing the purchase of a new 2026 Ford F150 Super Crew with decals and equipment for a total cost not to exceed \$52,962. Trustee Benton seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)

NAYS: None (0)

**RESOLUTION R-26-32 APPROVING
AN AGREEMENT FOR ENGINEERING
REVIEW SERVICES FOR THE
DISTRICT 109 REFERENDUM
DEVELOPMENT**

Tyler Dickinson, Assistant Director of Public Works and Engineering, reported the District 109 referendum passed in March to address critical infrastructure needs. The proposed plan includes the full reconstruction of two elementary Schools, Wilmot and Walden, and the renovation of

Kipling and South Park schools. Other minor improvements will also take place at Caruso and Shepard Middle Schools.

Through discussions with District 109, it is anticipated that the new Wilmot and Walden schools will be built outside of the footprint of the current buildings. This will allow the existing buildings to remain in use during construction and potentially during renovations of the other two buildings. As a result, there will likely be an interim phase during which two schools operate simultaneously on each site.

As with any development within the Village, the engineering department is tasked with the review of all engineering related matters, including utility plans, stormwater management plans, traffic impacts, and compliance with all required permitting. For larger or more complex situations, staff will often work with area consultants that have the expertise in these specific fields and have the capability to perform the required analysis. Given the likelihood of two functioning schools existing on a site for at least a year, stormwater and traffic impacts will be key components of the engineering review.

Gewalt Hamilton Associates has performed traffic and stormwater related reviews for the Village in recent years and is the most qualified to assist the Village in this review. Staff has received a proposal in the amount of \$50,000 from Gewalt Hamilton Associates to perform the work. Therefore, staff recommends that the Village Board authorize the resolution to approve agreement for engineering review services for the District 109 referendum development in the amount not to exceed \$50,000.

The Trustees asked if the costs would be passed onto the school district. Mr. Dickinson stated this is done on the Village's behalf and the costs are typically not passed along to not-for-profit organizations. Mayor Shapiro believes this is frustrating because this still has to go through the Plan Commission. In the event this passes, they are asking for minding the house created by the

school district's situation. Mr. Street explained the Municipal Code currently provides that the Village does not charge other government agencies for building permit fees. Although this is different, staff needs the resource. The Village did not drive the decision. Trustee Greenberg questioned why this is not being considered by the District 109 Board. Mr. Street explained the Village wants to oversee the consultant. Trustee Greenberg would have preferred an MOU. Mr. Dickinson stated the school wants this to go on a very fast pace. Trustee Oppenheim explained this would protect the Village. Mr. Street will reach out to the school district with the Village's concern.

Trustee Oppenheim moved to adopt a Resolution approving an agreement for Engineering Review services for the District 109 Referendum Development in an amount not to exceed \$50,000 and direct the Village Manager to request reimbursement for these costs. Trustee Benton seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Jacoby, Oppenheim (5)

NAYS: None (0)

ABSTAIN: Greenberg (1)

RESOLUTION R-26-33 APPROVING A WATER MAIN TRANSFER AGREEMENT BETWEEN THE VILLAGE OF DEERFIELD AND GOLZ MOTORS

Director of Public Works and Engineering Bob Phillips reported the water main within these commercial subdivisions are currently owned and maintained privately. Over the past few years, the privately-owned water system has become increasingly problematic, potentially causing negative impacts to the Village water system and surrounding properties. In 2024, a water main break occurred that caused major damage to commercial buildings in the area. The Village has desired to obtain ownership of the water system in this area for several years and recent events have been a catalyst to begin the Jurisdictional Transfer of the water system.

The water system in this area was originally installed in the 1970s and 1980s. As experienced in 2024, the system within these properties has had numerous leaks and breaks throughout and needs to be replaced. Facilitating the work on the water system in this area is challenging, since the Village needs to organize multiple property owners and oversee their work when issues arise in an effort to avoid impacts to the Village system.

To reduce future water system repairs and the potential for contamination to the entire Village water system, staff is proposing to install new water main between 420 Lake Cook Road and 450 Lake Cook Road (Kleinschmidt/Golz) as a first step toward a jurisdictional transfer of the entire system to the Village. Staff has been in contact with the property owners, who are willing to pay for water main material and restoration. As part of the agreement the owner has agreed to pay the Village for material costs in the amount of \$25,000. The property owners' responsibilities have been identified within formal agreements, and upon completion the system will become the property of the Village of Deerfield.

Trustee Greenberg moved to adopt the Resolution approving a water main transfer agreement between the Village of Deerfield and Golz Motors. Trustee Oppenheim seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)
NAYS: None (0)

RESOLUTION R-26-34 APPROVING A WATER MAIN TRANSFER AGREEMENT BETWEEN THE VILLAGE OF DEERFIELD AND <u>KLEINSCHMIDT, INC.</u>	A Resolution approving a water main transfer agreement between the Village of Deerfield and Kleinschmidt, Inc., 450 Lake Cook Road.
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Trustee Benton moved to adopt the Resolution approving a water main transfer agreement between the Village of Deerfield and Kleinschmidt, Inc. Trustee Greenberg seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)
NAYS: None (0)

RESOLUTION R-26-35 TO PURCHASE WATER MAIN MATERIALS FOR CORPORATE 500 WATER MAIN <u>IMPROVEMENTS</u>	Mr. Phillips reported in order to reduce further water system repairs and the potential for contamination to the entire Village water system, staff proposes installing a new water main between 420 Lake Cook Road and 450 Lake Cook Road
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(Kleinschmidt/Golz) as a first step toward a Jurisdictional Transfer of the entire system to the Village. Staff has been in contact with the property owners, who are willing to pay for water main material and restoration. The property owner's responsibilities have been identified within formal agreements, and upon completion the system will become the property of the Village of Deerfield.

Staff requests that the Board waive the formal bidding procedure and authorize the purchase of water main material for the water main improvements from Mid-American Water at a cost NTE \$63,742.71.

Trustee Greenberg moved to waive the formal bidding and adopt a Resolution to purchase water main materials for water main improvements in an amount not to exceed \$63,742.71. Trustee Oppenheim seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)
NAYS: None (0)

ORDINANCE O-26-14 AMENDING ARTICLE 3 OF CHAPTER 21 OF THE MUNICIPAL CODE OF THE VILLAGE	Mr. Keenan reported Article 3 of Section 21 of the Municipal Code outlines the Village's landscape maintenance requirements. Under the current code,
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OF DEERFIELD, ILLINOIS, 1975, AS
AMENDED REGARDING PLANTS
AND WEEDS

grass and/or weeds exceeding eight inches in height are considered a nuisance. Property owners must be provided with ten day's written notice to remediate the violation before the Village is authorized to abate the nuisance. If the violation is not corrected within that timeframe, the Village may hire a landscape contractor to perform the necessary work.

The proposed Ordinance modifies this process by reducing the compliance period from ten days to five days. In practice, the Village will continue to provide a ten day period for compliance for first violations. However, this change will provide staff with the ability to more quickly to address ongoing issues with repeat offenders.

Staff will continue to prioritize a cooperative and service-oriented approach by working directly with property owners to achieve compliance to avoid fines or adjudication whenever possible. The Village remains committed to maintaining a high level of professionalism and customer service in all interactions. These enhanced enforcement measures are intended specifically to address continued noncompliance by repeat offenders and to uphold the community's property maintenance standards.

Mr. Keenan noted the proposed Ordinance also clarifies and reinforces maintenance responsibilities for parkways adjacent to private property. Section 21-17 establishes that the owner and occupants of private property abutting a public parkway along a public right-of-way are responsible for: (i) removing rubbish and debris from the parkway; and (ii) maintaining the parkway in compliance with Sections 21-15 and 21-16 of the Municipal Code. Failure to fulfill these responsibilities is expressly defined as unlawful and constitutes a nuisance under the Code.

Trustee Benton moved to adopt the Ordinance amending Article 3 of Chapter 21 of the Municipal Code of the Village of Deerfield, Illinois, 1975, as amended, regarding plants and weeds. Trustee Goldstone seconded the motion. The motion passed by the following vote:

AYES: Benton, Berg, Goldstone, Greenberg, Jacoby, Oppenheim (6)

NAYS: None (0)

DISCUSSION.

BUILD BILL

Mayor Shapiro, Mr. Street and others had calls with Senator Julie Morrison and Representative Bob Morgan about the Village's concerns on the BUILD Bill, some of the IEPA requirements for compliance with replacement of lead service lines and frustration with IDOT over salt orders. Senator Morrison was concerned about the IEPA and met with their representative the next day. They discussed the BUILD Bill, which is still fluid, and a lot of people have commented on it.

SHREDDING EVENT

The shredding event was successful.

COMPOST GIVEAWAY

The compost giveaway is this Saturday at Jewett Park Drive and Robert York at 9 a.m.

PUBLIC WORKS OPEN HOUSE

A-Truck, giveaways, exhibits and more.

The Public Works open house is Saturday, May 16, 2026 from 9 a.m. to 1 p.m. They will have Touch-

ART FESTIVAL

The Deerfield Art Festival will take place June 6 and 7 from 10 a.m. to 5 p.m. Pwith original art and activities.

FOOD TRUCK

The inaugural food truck for this year will be on June 3.

FARMERS MARKET

The first Farmers Market will be June 13.

MEETING WITH BOB MORGAN

Representative Morgan's recent town hall meeting. He spoke about the BUILD Bill and has a complete understanding of what the challenges will be.

Trustee Oppenheim, Trustee Benton, Trustee Jacoby and Trustee Goldstone attended

RECYCLING EVENT

There will be a recycling event on June 6 at Public Works.

ADJOURNMENT

Trustee Benton seconded the motion. The motion passed unanimously on a voice vote. The meeting was adjourned at 9:26 p.m.

There being no further business or discussion, Trustee Berg moved to adjourn the meeting.

The next regular Board of Trustees meeting is scheduled to take place on Monday, May 20, 2026, at 7:30 p.m.

APPROVED:

Mayo

ATTEST:

Village Clerk

TREASURER'S REPORT
April 30, 2026

HIGHLIGHT REPORT April 30, 2026

SALES TAX (non home-rule)*

SALES MONTH	RECEIPT MONTH	2024 ACTUAL	2025 ACTUAL	2026 ACTUAL	% CHANGE PRIOR YR. PERIOD	TOTAL 12 MONTHS RUNNING	% CHANGE ANNUAL TOTALS
						4,483,923	
October	January	367,199	384,506	477,793	24.3%	4,530,372	1.0%
November	February	361,263	360,439	471,614	30.8%	4,575,722	1.0%
December	March	353,065	610,694	614,540	0.6%	4,688,907	2.5%
January	April	292,667	315,656	445,776	41.2%	4,741,623	1.1%
February	May	269,903	316,352		17.2%	4,832,063	1.9%
March	June	304,331	349,681		14.9%	4,893,212	1.3%
April	July	319,943	433,128		35.4%	4,994,518	2.1%
May	August	414,750	467,466		12.7%	5,121,667	2.5%
June	September	364,812	455,252		24.8%	5,214,954	1.8%
July	October	405,703	466,852		15.1%	5,326,129	2.1%
August	November	361,443	462,749		28.0%	5,329,975	0.1%
September	December	371,743	498,892		34.2%	5,460,095	2.4%
TOTAL		4,186,822	5,121,667	2,009,723			19.9%
YTD Subtotal		1,374,194	1,671,295	2,009,723			

*excludes all Walgreen's National activity

MAJOR REVENUE SOURCES		Projected			FY	Current FY
Revenue Items	April	Fiscal YTD	YTD	Variance	Budget	Projection
Sales Tax (non-HR)	469,060	2,113,830	1,867,500	246,330	5,602,500	5,602,500
Home Rule Sales Tax	338,517	1,555,693	1,567,333	(11,640)	4,702,000	4,702,000
Water Sales	383,547	1,594,061	2,142,000	(547,939)	6,426,000	6,426,000
Interest*	232,109	798,931	393,667	405,264	1,181,000	1,181,000
Sewer Use Charge	246,844	994,230	1,249,667	(255,437)	3,749,000	3,749,000
Hotel Tax	149,745	505,553	633,333	(127,780)	1,900,000	1,900,000
Electric Utility Tax	77,289	415,151	333,333	81,818	1,000,000	1,000,000
State Income Tax	362,723	1,215,760	1,000,000	215,760	3,000,000	3,200,000
Food & Beverage Tax	66,721	276,732	250,000	26,732	750,000	750,000
Building Permits	106,365	583,731	433,333	150,398	1,300,000	1,300,000

*All budgeted funds (excluding police pension)

OPERATING FUNDS (GENERAL, WATER, SEWER, GARAGE) SUMMARY

Revenues	3,084,548	11,607,626	11,794,187	(186,561)	40,973,770	40,973,770
Expenditures	2,573,501	10,726,456	12,983,159	(2,256,703)	43,396,925	43,396,925

REVENUES AND EXPENDITURES

Sales tax continues to exceed the prior two years due to increase cost of goods and internet sales. The prior month of this year and last year include non-recurring revenue. April receipts include the local grocery tax. Water and sewer billings reflect lower usage months which is typical this time of years. Hotel tax includes payments from all 6 hotels. State income tax increased from last month and is expected to increase next month. Notable expenditures in April include construction & engineering costs. Overall operating expenditures remain below projection due to timing of seasonal/once-a-year expenditures.

CASH AND INVESTMENTS

As of April, 2026, 100% of available cash was invested at an estimated average annualized interest rate of 3.83 compared to an average rate of 3.61% for the 90-day Treasury bill.

CASH POSITION ANALYSIS

April 30, 2026

TOTAL CASH AND INVESTMENTS

	CURRENT MONTH	PRIOR MONTH	CHANGE	EXPLANATION
OPERATING FUNDS				
GENERAL	33,487,684	33,231,629	256,055	Prop tax
WATER	1,325,990	1,399,302	(73,312)	
SEWER	871,531	1,074,241	(202,710)	
REFUSE	1,110,117	1,168,780	(58,663)	
PARKING LOTS	(169,499)	(170,250)	751	
GARAGE	51,865	58,239	(6,374)	
VEH & EQUIP	7,429,945	7,315,122	114,823	Prop tax
DEBT SERVICE	770,164	615,587	154,577	
TOTAL ALL OPERATING	44,877,797	44,692,650	185,147	
CAPITAL FUNDS				
INFRASTRUCT REPLACE.	3,673,397	3,852,797	(179,400)	
BOND PROCEEDS	4,487,186	4,471,597	15,589	
TIF #3 (DOWNTOWN)	591,575	589,834	1,741	
MOTOR FUEL TAX	629,090	564,143	64,947	
TOTAL ALL CAPITAL	9,381,248	9,478,371	(97,123)	
TOTAL CAP. AND OPER.	54,259,045	54,171,021	88,024	
OTHER FUNDS				
POLICE PENSION	77,672,199	73,974,565	3,697,634	Mkt val change
CONSOLIDATED JETSB (911)	3,957,708	3,881,043	76,665	
2011 B SINKING FUND *	10,186,341	10,166,008	20,333	

* Restricted for payment of 2011B bonds in 2028

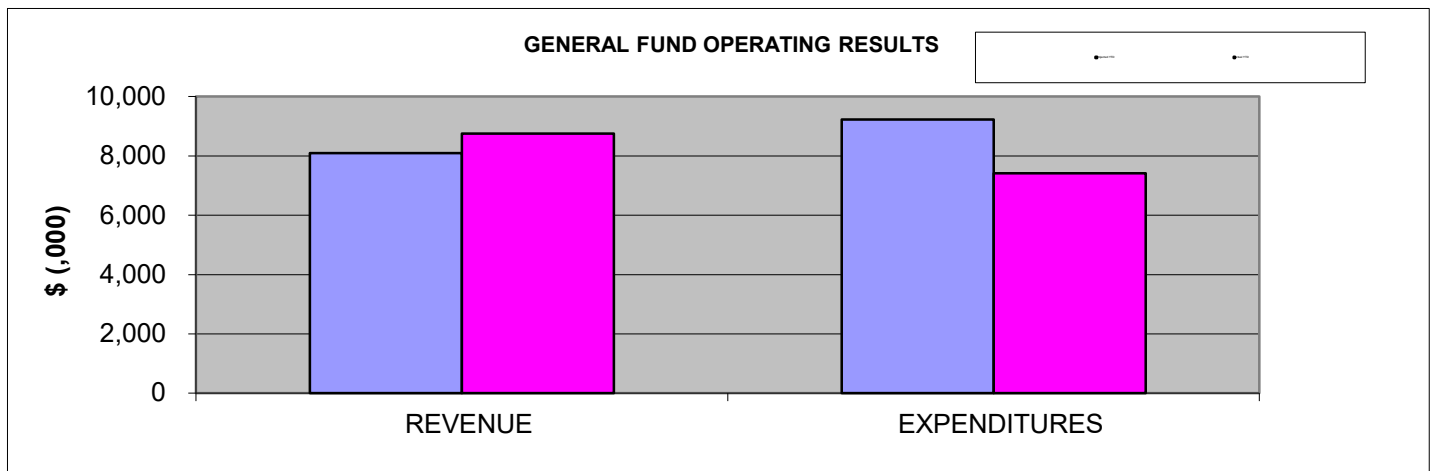
Village of Deerfield
Expenditure Report - April 30, 2026 - 33% of Year

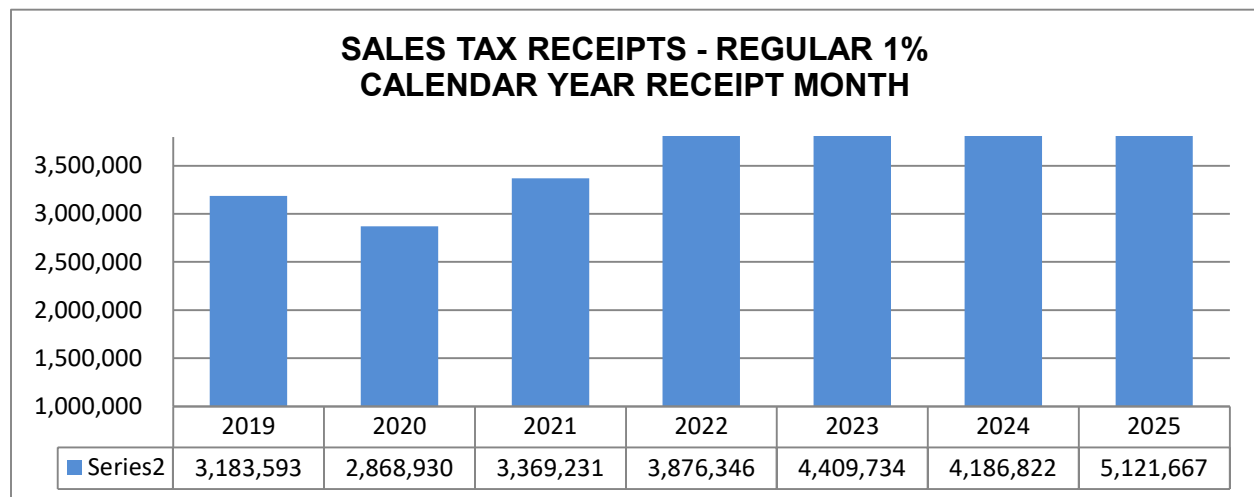
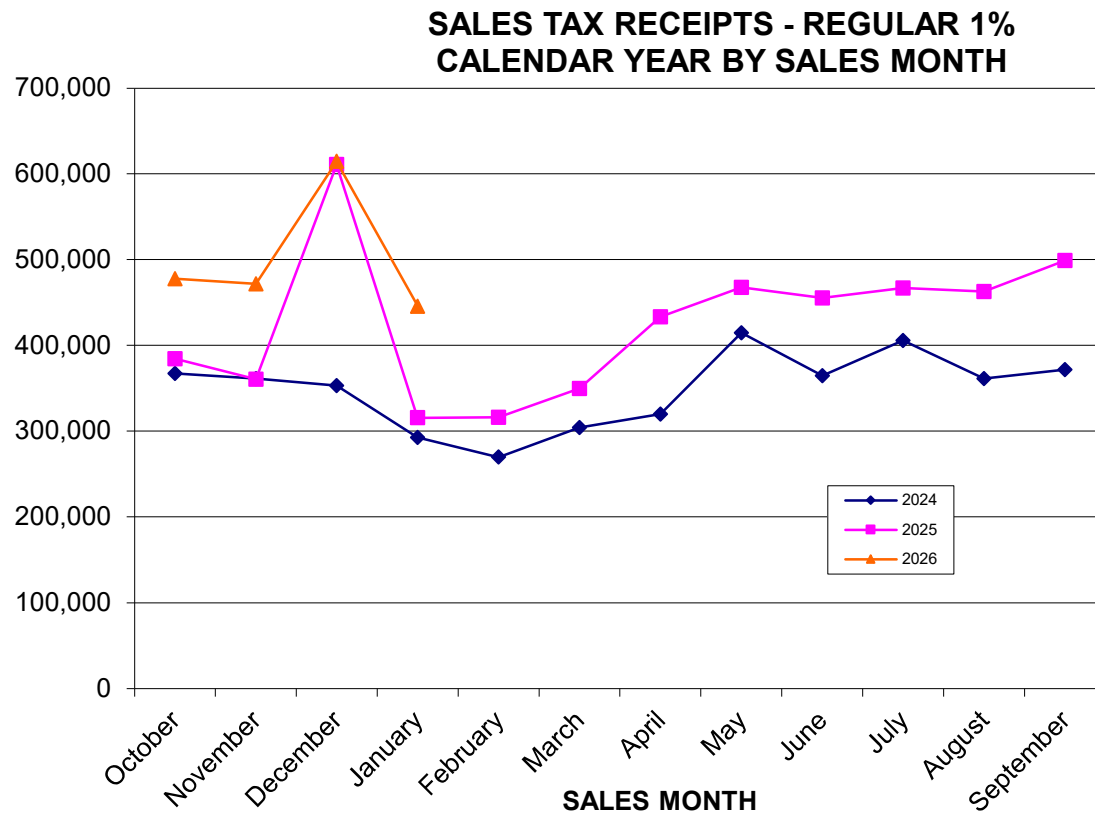
FUND/DEPARTMENT (function)	April Expenditures	Projected Y-T-D	Actual Y-T-D	Variance	Budget 2026	% of Budget	Prior Year %
10 GENERAL FUND							
Finance	202,674	1,562,866	828,846	734,020	5,858,147	14.1%	15.7%
Administration	240,135	1,138,575	902,803	235,772	3,415,724	26.4%	30.7%
Comm. Development	188,602	789,672	679,955	109,717	2,369,017	28.7%	29.3%
Engineering	70,719	517,572	287,455	230,117	1,552,717	18.5%	23.3%
Street	232,193	1,165,950	1,157,453	8,497	3,497,850	33.1%	28.9%
Police	820,664	4,048,147	3,555,323	492,824	13,744,441	25.9%	24.3%
TOTAL GENERAL	1,754,987	9,222,782	7,411,835	1,810,947	30,437,896	24.4%	23.7%
54 SEWER							
Administration	42,933	257,941	368,597	(110,656)	2,451,720	15.0%	6.9%
Cleaning & Maint.	40,090	132,333	156,212	(23,879)	397,000	39.3%	40.2%
Construction	30,101	155,633	101,250	54,383	466,900	21.7%	26.1%
Treatment Plant	213,235	814,857	658,594	156,263	2,444,571	26.9%	31.8%
TOTAL SEWER	326,359	1,360,764	1,284,653	76,111	5,760,191	22.3%	20.8%
50 WATER							
Administration	48,195	293,599	225,480	68,119	880,798	25.6%	24.9%
Main & Hydrant Maint.	51,980	288,767	298,252	(9,485)	866,300	34.4%	37.9%
Distribution	331,608	1,545,097	1,328,312	216,785	4,635,290	28.7%	23.3%
Meter Maintenance	16,975	100,333	27,823	72,510	301,000	9.2%	13.1%
TOTAL WATER	448,758	2,227,796	1,879,867	347,929	6,683,388	28.1%	24.6%
70 GARAGE	43,397	171,817	150,101	21,716	515,450	29.1%	26.4%
TOTAL PUBLIC WORKS	1,050,707	4,926,327	4,472,074	454,253	16,456,879	27.2%	24.3%
58 REFUSE	126,498	678,283	513,699	164,584	2,034,850	25.2%	28.0%
60 PARKING LOT (village)	5,007	32,300	18,703	13,597	96,900	19.3%	23.1%
60 PARKING LOT (combined)	7,859	40,400	22,010	18,390	121,200	18.2%	16.3%
25 TIF #3 (Downtown)	0	113,333	2,014,176	(1,900,843)	340,000	592.4%	0.0%
22 INFRAS. REPLACE.	500,909	1,686,667	792,349	894,318	5,060,000	15.7%	14.9%
14 MFT	0	266,667	0	266,667	800,000	0.0%	0.0%
80 POLICE PENSION	343,264	1,340,667	1,335,854	4,813	4,022,000	33.2%	31.8%
21 VEH/EQUIP REPLACE.	0	611,303	111,365	499,938	1,833,910	6.1%	13.8%
35/36 DEBT SERVICE	105	50,993	323,952	(272,959)	5,053,931	6.4%	0.0%

Village of Deerfield
Revenues vs Expenditures
April 30, 2026
(Amounts x 1,000)

FUND:	2026		2025	
	ACTUAL Month	PROJECTED Y-T-D	ACTUAL Y-T-D	ACTUAL Y-T-D
10 GENERAL				
Revenues:				
Property Taxes	176	326	326	278
St Income Tax	363	1,067	1,216	1,159
Sales Tax (non HR)	469	1,868	2,114	1,993
Electricity Tax	77	333	415	350
Telecomm Tax	107	317	402	209
HR Sales Tax	254	1,175	1,167	1,014
Hotel Tax	150	633	505	526
Interest Earnings	137	250	476	546
Fees & Fines	10	61	40	51
Vehicle Licenses	0	1	1	2
Building Permits	106	433	583	757
Other Rev	551	1,630	1,507	1,288
REVENUE	2,400	8,094	8,752	8,173
EXPENDITURES	1,755	9,223	7,412	7,181
Contribution to				
Fund Balance	645	(1,129)	1,340	
54 SEWER				
REVENUES	251	1,277	1,015	984
EXPENDITURES	326	1,361	1,285	1,142
Contribution to				
Fund Balance	(75)	(84)	(270)	
50 WATER				
REVENUES	396	2,258	1,693	1,656
EXPENDITURES	449	2,228	1,880	1,641
Contribution to				
Fund Balance	(53)	30	(187)	
70 GARAGE				
REVENUES	37	165	147	162
EXPENDITURES	43	172	150	133
Contribution to				
Fund Balance	(6)	(7)	(3)	
22/23 INFRASTRUCTURE REPLACEMENT (Including bond proceeds)				
REVENUES	201	6,367	7,241	815
EXPENDITURES	501	1,687	792	837
Contribution to				
Fund Balance	(300)	4,680	6,449	
14 MFT				
REVENUES	65	293	358	293
EXPENDITURES	0	267	0	0
Contribution to				
Fund Balance	65	26	358	
80 POLICE PENSION				
REVENUES	4,041	587	4,715	1,156
EXPENDITURES	343	1,341	1,336	1,271
Contribution to				
Fund Balance	3,698	(754)	3,379	

FUND:	ACTUAL Month	2026 PROJECTED Y-T-D	ACTUAL Y-T-D	2025 ACTUAL Y-T-D
58 REFUSE				
REVENUES	77	278	265	231
EXPENDITURES	126	678	514	498
Contribution to Fund Balance	(49)	(400)	(249)	
35/36 DEBT SERVICE				
REVENUES	175	1,351	344	510
EXPENDITURES	0	51	324	1
Contribution to Fund Balance	175	1,300	20	
60 PARKING				
REVENUES	11	54	48	45
EXPENDITURES	13	73	41	42
Contribution to Fund Balance	(2)	(19)	7	
25 TIF #3 (Downtown)				
REVENUES	2	2,292	2,207	4
EXPENDITURES	0	113	2,014	0
Contribution to Fund Balance	2	2,179	193	
21 VEH/EQUIP REPLACE				
REVENUES	116	379	454	496
EXPENDITURES	0	611	111	235
Contribution to Fund Balance	116	(232)	343	







VILLAGE OF DEERFIELD

BILLS
FOR THE
Monday, May 18, 2026
VILLAGE BOARD MEETING

Invoices for Prelist 051826

Vendor Name	Invoice Number	Description	Amount
AA SERVICE CO HEATING & COOLING	550039038	FURNACE REPAIR	\$894.03
	547291388	REPLACED INDUCER MOTOR ASSEMBLY - 700 DEERFIELD RD	\$3,450.10
	Vendor Total:		\$4,344.13
ABC HUMANE WILDLIFE	891476	VH YELLOW JACKET TREATMENT	\$750.00
	Vendor Total:		\$750.00
ABSOLUTE SOFTWARE INC	INV01860438	IT TRAINING COURSE	\$2,295.00
	Vendor Total:		\$2,295.00
ADVANCED TREECARE	45486	SPRAY TREES - TRAIN STATION	\$168.00
	Vendor Total:		\$168.00
AEP ENERGY	3013128892-042026	A/C 3013128892 03/18/26 THRU 04/17/26	\$2,558.42
	3013128904-050726	A/C 3013128904 04/03/26 THRU 05/04/26	\$823.00
	Vendor Total:		\$3,381.42
AETNA TRUCK PARTS, INC.	754770	SHOP SUPPLIES	\$78.48
	Vendor Total:		\$78.48
ALL-TYPES ELEVATORS INC	20187690	ELEVATOR MAINT.	\$760.00
	Vendor Total:		\$760.00
AMAZON CAPITAL SERVICES	1R1J-4PL3-LDP1	EVENT SUPPLIES	\$56.22
	1RXW-F9TY-KM3F	EVENT SUPPLIES	\$12.32
	1JN9-R4KF-4CLK	EVENT SUPPLIES	\$539.70
	1LGN-LXHV-D34M	IT SUPPLIES	\$20.28
	1DQM-TKYF-LNLG	PATROL EQUIPMENT	\$192.99
	Vendor Total:		\$821.51
ASSOCIATED TECHNICAL SERVICES LTD	42146	AS-NEEDED LEAK DETECTION SERVICES	\$1,012.00
	Vendor Total:		\$1,012.00
AVI SYSTEMS INC	89155432	AV BATTERY	\$158.37
	Vendor Total:		\$158.37

BADGER METER INC	80235516	METER READING FEE	\$2,148.50
		Vendor Total:	\$2,148.50
BANNERVILLE USA INC	039942	LIGHT POLE BANNERS – FOOD TRUCK	\$195.00
		Vendor Total:	\$195.00
BDS GROUP LLC	83350	OFFICE SUPPLIES	\$176.75
		Vendor Total:	\$176.75
BREX SOLUTIONS INC	66143	TAXI SUBSIDY	\$455.00
		Vendor Total:	\$455.00
BUCK, JULIE & MICHAEL	DPHS-26-35/10514	1547 OAKWOOD PL/DEPOSIT REFUND	\$500.00
		Vendor Total:	\$500.00
BURK, ERIC	1739816	MEMBERSHIP IL CPA SOCIETY	\$380.00
		Vendor Total:	\$380.00
BURRIS EQUIPMENT CO.	PS1043159-1	STRING TRIMMER HEAD	\$136.36
		Vendor Total:	\$136.36
CACHOLA, OLIVER	042126	TRAVEL REIMB: LIFESAVER CONF	\$1,337.92
		Vendor Total:	\$1,337.92
CACJR GRANITE CO	03032026	COUNTERTOP FOR WATER ROOM	\$600.00
		Vendor Total:	\$600.00
CAPOZZI, DANIEL OR JENNIFER	05042026	126 MILLSTONE ROAD - DRIVEWAY RESTORATION	\$834.39
		Vendor Total:	\$834.39
CELLEBRITE INC	INVUS295881	ANNUAL MAINTENANCE	\$13,340.40
		Vendor Total:	\$13,340.40
CITY OF HIGHLAND PARK	009155-050126	WATER PURCHASES: APRIL 2026	\$207,973.54
	009530-050126	WATER PURCHASES: APRIL 2026	\$3,352.23
	009161-041126	WATER PURCHASES: APRIL 2026	\$103.64
	020587-050126	WATER PURCHASES: APRIL 2026	\$82,023.91
		Vendor Total:	\$293,453.32
CIVILTECH ENGINEERING INC	3908-03.02-15	HAZEL AVENUE RECONSTRUCTION PROJECT PHASE III	\$32,031.36
	3908-03.02-16	HAZEL AVENUE RECONSTRUCTION PROJECT PHASE III	\$30,177.60
		Vendor Total:	\$62,208.96

CLCJAWA	02/01 - 04/30/2026	COLIFORM TESTING	\$1,426.00
	Vendor Total:		\$1,426.00
CLEAN ART WORKS	5018	CD WINDOW CLEANING	\$290.00
	5017	PD WINDOW CLEANING	\$495.00
	5016	VH WINDOW CLEANING	\$495.00
	5019	WINDOW CLEANING - 700 DEERFIELD RD	\$260.00
	Vendor Total:		\$1,540.00
CLOWNING AROUND ENTERTAINMENT	44880-2	INFLATABLES - FAMILY DAYS	\$3,512.50
	Vendor Total:		\$3,512.50
COMCAST	0517878-042326	WRF INTERNET SRVC: 04/27/26 - 05/26/26	\$238.75
	Vendor Total:		\$238.75
COMED	0890757662-042426	A/C 0890757662 03/25/26 THRU 04/24/26	\$129.26
	7281177868-042726	A/C 7281177868 03/26/26 THRU 04/27/26	\$54.30
	Vendor Total:		\$183.56
CONSTELLATION NEWENERGY INC	0954407596-042826	A/C 0954407596 03/26/26 THRU 04/27/26	\$2,405.37
	1525986889-042226	A/C 1525986889 02/24/26 THRU 03/31/26	\$2,585.46
	1525986889-042726	A/C 1525986889 03/31/26 THRU 04/24/26	\$2,855.91
	3932722831-04/28/26	A/C 3932722831 03/26/26 THRU 04/27/26	\$2,232.65
	3982158955-042826	A/C 3982158955 03/26/26 THRU 04/27/26	\$3,171.71
	4814368098-050526	A/C 4814368098 03/25/26 THRU 04/27/26	\$2,172.72
	6595732910-042826	A/C 6595732910 03/26/26 THRU 04/27/26	\$624.18
	8017052837-042726	A/C 8017052837 03/25/26 THRU 04/24/26	\$20,205.75
	8151203974-042726	A/C 8151203974 03/25/26 THRU 04/24/26	\$150.43
	8823451142-042726	A/C 8823451142 03/25/26 THRU 04/24/26	\$106.40
Vendor Total:			\$36,510.58
CONTINENTAL 744 FUND LLC	45340-REFUND	BILLING ERROR REFUND	\$6,121.25
	Vendor Total:		\$6,121.25
CONTINENTAL WEATHER SERVICE	197071	WEATHER FORECASTING MAY 2026	\$150.00
	Vendor Total:		\$150.00

COOK CTY DEPT OF TRANSPORTATION & HWY	2026-1	TRAFFIC SIGNAL MAINTENANCE	\$6,764.94
		Vendor Total:	\$6,764.94
COPP, KARA	0760 - V2504	EAP BENEFIT REIMB: V2502 / MAY 2026	\$125.00
		Vendor Total:	\$125.00
CORE & MAIN LP	Y862476	1/4 INCH ADJ. RINGS	\$667.92
		Vendor Total:	\$667.92
CRAFTWOOD LUMBER CO	338699	FORMS FOR CONCRETE	\$101.75
		Vendor Total:	\$101.75
CRYSTAL OVERHEAD DOOR INC	64201027	GARAGE DOOR REPAIRS	\$1,830.00
		Vendor Total:	\$1,830.00
CUTLER HARDWARE/WORKWARE	PS-INV060953	APPAREL - HAMILTON	\$260.64
		Vendor Total:	\$260.64
DEPENDABLE FIRE EQUIPMENT INC	91929	FIRE EXTINGUISHER INSPECTIONS	\$495.40
	92071	FIRE EXTINGUISHER INSPECTIONS	\$946.00
		Vendor Total:	\$1,441.40
DIVINCI PAINTERS INC	67101-1	GENERAL MAINTENANCE SUPPORT & PAINTING	\$3,096.00
		Vendor Total:	\$3,096.00
EALLIANCE CORPORATION	EA92071	RPA INVOICE ENTRY SUBSCRIPTION - '25 PMT 2	\$7,500.00
	EA92072	RPA INVOICE ENTRY SUBSCRIPTION - '26 PMT 1	\$7,500.00
		Vendor Total:	\$15,000.00
EJ EQUIPMENT INC	P20484	STOCK	\$356.51
	P20443	VEHICLE #702	\$49.14
	P20522	VEHICLE #702	\$1,579.51
		Vendor Total:	\$1,985.16
ELEVATOR INSPECTION SERVICES	00381151	ELEVATOR INSPECTIONS	\$483.00
		Vendor Total:	\$483.00
ELISCO, AMY	DPHS-25-55/7674	1339 DARTMOUTH LN/DEPOSIT REFUND	\$500.00
		Vendor Total:	\$500.00
ELLIOTT AUTO SUPPLY CO INC	162-232711	STOCK	\$321.49
		Vendor Total:	\$321.49

ELROD FRIEDMAN LLP	27717	MARCH LEGAL SERVICES	\$21,408.00
	Vendor Total:		\$21,408.00
ENDEAVOR HEALTH OMEGA	200714020-031026	DRUG SCREENING: 3/10/26	\$1,151.00
	203402425-042326	MEDICAL: JOHNSON	\$78.00
	208680728-031926	PRE-EMPLOYMENT PHYSICAL	\$180.00
	Vendor Total:		\$1,409.00
FANKE JR, KRIS	05042641053	SHOP TOOL REPAIR	\$63.25
	05112641341	SMALL TOOLS	\$125.00
	Vendor Total:		\$188.25
FEDERAL EXPRESS CORP	9-275-93102	PACKAGE SHIPMENT	\$67.27
	Vendor Total:		\$67.27
FOOT STONE INC	2026-VOD-01	2026 NATIVE VEGETATION MAINT & RESTOR. CONTRACT	\$6,062.50
	Vendor Total:		\$6,062.50
GB SPRINKLER SYSTEMS INC	91837	RPZ CHECK ON SPRINKLERS	\$803.80
	Vendor Total:		\$803.80
GHA TECHNOLOGIES INC	2027333	MULTIFUNCTION POS RECEIPT PRINTER	\$2,038.30
	Vendor Total:		\$2,038.30
GRAINGER INC	9861902022	EMERGENCY SHOWER/EYEWASH STATIONS	\$5,280.00
	9903681402	HOSE FITTINGS	\$249.20
	9910688440	TOOLS FOR BLACKTOP	\$418.04
	Vendor Total:		\$5,947.24
GRAYBAR ELECTRIC COMPANY INC	9352931514	PURCHASE TOWN & COUNTRY LIGHTING AND SUPPLIES	\$18,604.80
	Vendor Total:		\$18,604.80
H & H ELECTRIC CO.	48718	TRAFFIC SIGNAL REPAIR	\$436.40
	Vendor Total:		\$436.40
HOME DEPOT CREDIT SERVICES	8511710	KEY CAPS	\$3.98
	1511289	LANDSCAPING SUPPLIES	\$273.58
	9523140	SHOVELS FOR COMPOST	\$77.88
	5062014	WATER	\$62.86
	Vendor Total:		\$418.30

HOMER, AMANDA	042126	REIMB: RECRUITMENT	\$222.09
	Vendor Total:		\$222.09
HR GREEN INC	201129	INSPECTION SERVICES	\$3,106.25
	201130	LAKE COOK CROSSING INSPECTIONS	\$3,601.25
	Vendor Total:		\$6,707.50
ILLINOIS SECRETARY OF STATE	27-FG55069	LIC PLATE RENEWAL: U1	\$151.00
	Vendor Total:		\$151.00
ILLINOIS STATE TREASURER	127526	HAZEL AVENUE - IDOT BILL	\$960,792.24
	Vendor Total:		\$960,792.24
IMS INFRASTRUCTURE MNGMNT SRVCS LP	260430-44	PAVEMENT CONDITION SURVEY 2026	\$11,320.00
	Vendor Total:		\$11,320.00
INVOICE CLOUD	4200-2026_4	ONLINE U/B PORTAL	\$2,787.77
	Vendor Total:		\$2,787.77
IRELAND HEATING & AIR COND CO	108803	INSPECT BOILER PUMP AT TRAIN STATION	\$180.00
	Vendor Total:		\$180.00
JORDAN FOX	041926	TRAVEL REIMB	\$267.86
	Vendor Total:		\$267.86
JUDY'S PIZZA	5.1.26	LUNCHEON	\$330.32
	Vendor Total:		\$330.32
KAPLAN PAVING LLC	DPHS-26-48/10473	215 PINE ST/DEPOSIT REFUND	\$200.00
	DPHS-26-4/9943	555 MALLARD LN/DEPOSIT REFUND	\$200.00
	Vendor Total:		\$400.00
KEENAN, JUSTIN	8468628153	POSTER FRAMING	\$463.20
	Vendor Total:		\$463.20
KEESBURY, RYAN OR KATHLEEN	DPHS-26-28/10404	735 JONQUIL TER/DEPOSIT REFUND	\$540.00
	Vendor Total:		\$540.00
KETTLEWELL, ANDREW & SARAH	DPHS-26-1/9727	520 APPLETREE LN/DEPOSIT REFUND	\$200.00
	Vendor Total:		\$200.00
KNAPHEIDE EQUIPMENT CO - CHICAGO	INV-79-2725064-01	2026 BIG-TEX 14FT-20 TILT TRAILER	\$9,993.00
	Vendor Total:		\$9,993.00

KOTRA INC	5714/A2618	CDL COURSE - SAUL VEGA	\$3,700.00
	Vendor Total:		\$3,700.00
LAKE COUNTY COLLECTOR	PTAX/2025/1ST&2ND	PROPERTY TAX/TY2025/INSTALLMENTS 1&2	\$44,382.20
	Vendor Total:		\$44,382.20
LECHNER SERVICES	3644813	MATS – TRAIN STATION	\$126.91
	3644814	MATS – WRF	\$40.14
	3647135	MATS PW/ENG	\$111.45
	3647126	VILLAGE HALL MATS	\$66.60
	Vendor Total:		\$345.10
LEVY, LESLIE	DPHS-26-15/10146	717 PRICE LN/DEPOSIT REFUND	\$600.00
	Vendor Total:		\$600.00
LITTLE TOMMY'S PLUMBING SHOP	i32958	INSTALL DRINKING FOUNTAIN	\$1,176.00
	Vendor Total:		\$1,176.00
LRS HOLDINGS LLC	0007200378	REFUSE SERVICE: APRIL 2026	\$155,905.90
	Vendor Total:		\$155,905.90
MACON COUNTY LAW ENF TRAINING CTR	26-1741	BASIC ACADEMY: FOX	\$8,140.00
	Vendor Total:		\$8,140.00
MATHEWS, AUSTIN	042426	TRAVEL REIMB: PEER SUPPORT	\$184.96
	Vendor Total:		\$184.96
MATRIX IMAGING SOLUTIONS LLC	DP2602144	UB STMTS, LATE NOTICES & MAILING INSERTS: APR 2026	\$1,684.61
	Vendor Total:		\$1,684.61
MC SQUARED ENERGY SERVICES LLC	0073344000-042826	A/C 0073344000 02/24/26 THRU 03/25/26	\$63.32
	0374251222-042826	A/C 0374251222 02/24/26 THRU 03/25/26	\$65.89
	1200151222-042826	A/C 1200151222 02/24/26 THRU 03/25/26	\$53.97
	3877615000-042826	A/C 3877615000 02/25/26 THRU 03/25/26	\$265.07
	4146722000-042826	A/C 4146722000 02/24/26 THRU 03/25/26	\$1,605.34
	4495161222-042826	A/C 4495161222 02/24/26 THRU 03/25/26	\$56.27
	5636326000-042826	A/C 5636326000 02/25/26 THRU 03/26/26	\$54.96
	5811087000-042826	A/C 5811087000 02/24/26 THRU 03/25/26	\$60.24
	7619462000-042826	A/C 7619462000 02/25/26 THRU 03/26/26	\$181.75

MC SQUARED ENERGY SERVICES LLC	7970082222-042826	A/C 7970082222 02/25/26 THRU 03/26/26	\$161.91
	9613233333-042826	A/C 9613233333 02/25/26 THRU 03/25/26	\$238.66
	Vendor Total:		\$2,807.38
MENONI & MOCOGNI, INC.	0082698-00	CONCRETE RESTORATION	\$1,229.40
	0082705-00	CONCRETE RESTORATION	\$1,151.00
	0082892-00	CONCRETE RESTORATION	\$1,620.60
	0082704-00	CONCRETE RESTORATION	\$1,831.00
	0082966-00	DIRT	\$236.67
	0083677-00	DIRT FOR RESTORATION	\$420.60
	0083759-00	DIRT FOR RESTORATION	\$333.12
	0083716-00-B	PUBLIC WORKS EXCAVATION HAUL OUT	\$850.00
	0083716-00	STONE FOR BACKFILL	\$1,980.00
	Vendor Total:		\$9,652.39
MGT IMPACT SOLUTIONS, LLC	MGT37962	ECON DEVELOPMENT CONSULTING	\$4,614.63
	GHR3001480	HR/RISK MANAGER RECRUITMENT	\$5,500.00
	Vendor Total:		\$10,114.63
MICA	2026-2027 ADD'L	700 DEERFIELD RD 2026-2027 ADDITIONAL PREMIUM	\$327.00
	2026-2027	ANNUAL PREMIUM 2026-2027	\$842,718.00
	260401	MICA DEDUCTIBLE	\$1,466.35
	Vendor Total:		\$844,511.35
MICEK, KEVIN	5-5-2026	ILLINOIS PUBLIC SERVICE INSTITUTE TRAINING	\$1,898.16
	Vendor Total:		\$1,898.16
MICROSYSTEMS INC	20260277	BLUE LAKE SOFTWARE	\$233.00
	20260298	DOCUMENT SCANNING AND CONVERSION	\$2,533.40
	Vendor Total:		\$2,766.40
MID AMERICAN WATER OF WAUCONDA INC	291868W	PURCHASE MISC. WATER SYSTEM MATERIAL	\$545.04
	Vendor Total:		\$545.04
MIDWEST TIME RECORDER INC	204636	AOD - APRIL 2026	\$347.05
	Vendor Total:		\$347.05
MILIEU DESIGN LLC	193003	LANDSCAPE MAINTENANCE CONTRACT 2026	\$5,883.67
	193002	VH 2026 LANDSCAPE MAINTENANCE CONTRACT	\$1,814.72

MILIEU DESIGN LLC		Vendor Total:	\$7,698.39
MITSOGO INC	C35BE16ATF	MOBILE DEVICE MANAGEMENT PLATFORM SUBSCRIPTION	\$2,770.20
		Vendor Total:	\$2,770.20
MSC INDUSTRIAL SUPPLY CO	8383957001	MATERIALS	\$900.99
		Vendor Total:	\$900.99
MUNICIPAL CLERKS OF ILLINOIS	050126	ANNUAL MEMBERSHIP FEE	\$20.00
		Vendor Total:	\$20.00
MUNICIPAL GIS PARTNERS INC	8663	ANNUAL GIS SERVICES CONTRACT	\$8,311.17
		Vendor Total:	\$8,311.17
MURAKISHI, MICHIO	20260032	TIF CONSULTING AND IMPACT FEE	\$1,650.00
		Vendor Total:	\$1,650.00
MURRIN, MICHAEL	APRIL26	PLUMBING INSPECTIONS (69) - APRIL 2026	\$4,830.00
		Vendor Total:	\$4,830.00
MUTUAL ACE HARDWARE	666670	AIR FILTER - 700 DEERFIELD RD	\$139.16
	666484	FILTERS FOR VILLAGE HALL	\$133.17
	666659	FITTINGS	\$35.93
	666790	HOSE NOZZLE	\$25.66
		Vendor Total:	\$333.92
NEUMANN, JAMES	042826	REIMB: IGFOA LUNCH & LEARN	\$20.00
		Vendor Total:	\$20.00
NORTH CENTRAL LABORATORIES	534878	LAB SUPPLIES	\$526.93
	534877	LAB THERMOMETER	\$82.49
		Vendor Total:	\$609.42
NORTH SHORE LAWNSPRINKLER	1035575	VH IRRIGATION SUPPLIES	\$264.82
	1035576	VILLAGE HALL IRRIGATION	\$2,000.00
		Vendor Total:	\$2,264.82
NORTH SHORE TURF INC	7551	GRASS CUTTING	\$120.00
		Vendor Total:	\$120.00
NORTHWEST MUNICIPAL CONFERENCE	11327	FY 26-27 NW MUNICIPAL CONF DUES	\$9,789.96
		Vendor Total:	\$9,789.96
ODP BUSINESS SOLUTIONS LLC	466124109001	OFFICE SUPPLIES	\$46.26

ODP BUSINESS SOLUTIONS LLC	466124465001	OFFICE SUPPLIES	\$8.49
		Vendor Total:	\$54.75
PACE ANALYTICAL SERVICES LLC	267212325	LEAD AND COPPER TESTING FOR 2026	\$840.00
		Vendor Total:	\$840.00
PASSPORT LABS INC	INV-1060424	MOBILE PAY PARKING TRANSACTION FEE	\$1,110.45
		Vendor Total:	\$1,110.45
PAVLYSHYN, PETRO	DPHS-25-169/8963	551 DEERFIELD RD/DEPOSIT REFUND	\$500.00
		Vendor Total:	\$500.00
PETER BAKER & SON CO.	55502	BLACKTOP FOR WESTGATE	\$5,295.55
		Vendor Total:	\$5,295.55
RED WING SHOE INDUSTRIAL STORE	969ST1-4310213	WORK BOOTS	\$169.99
		Vendor Total:	\$169.99
RED'S GARDEN CENTER INC	449916	DELIVERY FEE FOR DOWNTOWN PLANTINGS	\$165.00
	450620	PURCHASE GENERAL PLANTING MATERIAL	\$90.75
		Vendor Total:	\$255.75
RUSSO POWER EQUIPMENT INC	SPI21581490	JUMPING JACK	\$209.55
		Vendor Total:	\$209.55
SAM'S CLUB DIRECT	6377	OPERATING SUPPLIES	\$167.98
		Vendor Total:	\$167.98
SCHENCK, RANDALL	INV-204	VILLAGE TURF MAINTENANCE CONTRACT 2026	\$5,996.81
		Vendor Total:	\$5,996.81
SCHINDLER ELEVATOR CORP	4623235224	ELEVATOR REPAIR/MAINTENANCE - 700 DEERFIELD RD	\$577.18
	4623235225	ELEVATOR REPAIR/MAINTENANCE - 700 DEERFIELD RD	\$1,939.50
		Vendor Total:	\$2,516.68
SCHROEDER ASPHALT SERVICES, INC.	2026-164	2026 STREET REHABILITATION PROJECT - MFT	\$246,024.29
		Vendor Total:	\$246,024.29
SE INC	26-4809	APRIL CLEANING ADJUSTMENT	\$195.33
	26-4817	CEMETERY LANDSCAPING	\$862.50
	26-4823	CEMETERY PLANTINGS	\$3,604.70
	26-4758	CEMETERY SPRING CLEANUP	\$1,086.75
	26-4766	GENERAL MAINTENANCE & OPERATIONS SUPPORT	\$1,799.76

SE INC	26-4832	GENERAL MAINTENANCE & OPERATIONS SUPPORT	\$1,362.75
	26-4748	GENERAL MAINTENANCE & OPERATIONS SUPPORT	\$854.46
	26-4741	GENERAL MAINTENANCE & OPERATIONS SUPPORT	\$2,007.92
	26-4719	GENERAL MAINTENANCE & OPERATIONS SUPPORT	\$1,800.92
	26-4762	GENERAL MAINTENANCE & OPERATIONS SUPPORT	\$1,217.85
	26-4790	GENERAL MAINTENANCE & OPERATIONS SUPPORT	\$900.00
	26-4814	LANDSCAPING / APRIL 2026 / 1219 CARLISLE	\$295.00
	26-4803	LANDSCAPING / APRIL 2026 / 333 WARWICK	\$295.00
	26-4818	LANDSCAPING CEMETERY APRIL	\$1,500.00
	26-4740	LCR RETAINING WALL	\$7,007.88
	26-4784	MAR VILLAGE CLEANING SERVICES	\$7,052.00
	26-4813	OFFICE SUPPLIES	\$93.57
	26-4776	PAINT/PREP WORK - 333 WARWICK	\$13,263.00
	26-4718	PD WOMEN'S LOCKER ROOM LABOR	\$2,858.86
	26-4802	SPRING CLEANUP - 1219 CARLISLE	\$395.00
	26-4815	SPRING CLEANUP - 333 WARWICK	\$395.00
	Vendor Total:		\$48,848.25
SOKORELIS, JOANNA	050126	REIMB: 5/1 REFRESHMENTS	\$196.39
	Vendor Total:		\$196.39
SPALDING, SHAWN	5-5-2026	ILLINOIS PUBLIC SERVICE INSTITUTE TRAINING	\$1,069.50
	Vendor Total:		\$1,069.50
STEINER, CARRIE	29901-V2103	EAP BENEFIT REIMB: V2103 / APRIL 2026	\$130.00
	29900-V2502	EAP BENEFIT REIMB: V2502 / APRIL 2026	\$130.00
	Vendor Total:		\$260.00
STREET, KENT	042026	CHICAGO TRIBUNE SUBSCRIPTION	\$56.00
	Vendor Total:		\$56.00
TECHNOLOGY MANAGEMENT REV FUND	T2618558	LEADS: MAR 26	\$344.45
	Vendor Total:		\$344.45
TG WHEELING LLC	95623C	VEHICLE #709	\$1,384.50
	Vendor Total:		\$1,384.50
THE MCKNIGHT GROUP LLC	050526 - V2002	EAP BENEFIT REIMB: V2002 / APRIL 2026	\$770.00

THE MCKNIGHT GROUP LLC	050526 - V2308	EAP BENEFIT REIMB: V2308 / APRIL 2026	\$140.00
	Vendor Total:		\$910.00
THE MULCH CENTER	INV115812	DIRT FOR STUMP HOLES	\$280.00
	Vendor Total:		\$280.00
THIRD MILLENIUM ASSOCIATES INC	34446	2026 VS APP MAILING / PROGRAMMING & SYSTEM SET-UP	\$8,563.47
	34379-P	POSTAGE FOR VEHICLE STICKER MAILING	\$5,102.33
	Vendor Total:		\$13,665.80
TOTAL PAVING & BRICK SERVICES	DPHS-25-228/10638	1635 OVERLAND TRL/DEPOSIT REFUND	\$500.00
	Vendor Total:		\$500.00
TPM GRAPHICS INC	102167	D-TALES PRINTING	\$2,935.00
	Vendor Total:		\$2,935.00
TRAFFIC AND PARKING CONTROL INC	I824260	SURFACE MOUNT FOR SIGN POST	\$576.73
	Vendor Total:		\$576.73
TRAFFIC CONTROL & PROTECTION INC	19378	BARRICADES / CONES	\$4,857.50
	Vendor Total:		\$4,857.50
UNITED DISPATCH LLC	81136	TAXI SUBSIDY	\$3,025.00
	Vendor Total:		\$3,025.00
URBAN FOREST MANAGEMENT INC	260120	TREE INSPECTION - 1035 HAZEL 1-2026	\$47.50
	260122	TREE INSPECTION - 1070 WARRINGTON 1-2026	\$86.25
	260119	TREE INSPECTION - 14 FORESTWAY -1-2026	\$86.25
	260116	TREE INSPECTION - 1410 BERKLEY CT 1-2026	\$86.25
	260123	TREE INSPECTION - 1504 WINCANTON 1-2026	\$28.75
	260118	TREE INSPECTION - 1505 HACKBERRY 1-2026	\$86.25
	260121	TREE INSPECTION - 1540 LAUREL 1-2026	\$86.25
	260117	TREE INSPECTION - 544 CASTLEWOOD 1-2026	\$86.25
	Vendor Total:		\$593.75
US ALLIANCE FIRE PROTECTION INC	1046-F174310	ANNUAL SPRINKLER INSPECTION: VH/POLICE	\$1,718.00
	Vendor Total:		\$1,718.00
VERIZON COMMUNICATIONS INC	320000082474	CELL SRVC / GPS: 04/01/26 – 04/30/26	\$18.95
	Vendor Total:		\$18.95

VERTICAL SUPPLY GROUP INC	INV-1225983	TREE TRIMMING HELMET	\$149.99
	Vendor Total:		\$149.99
VIKING CHEMICAL CO	197173	BISULFITE, NA	\$683.60
	Vendor Total:		\$683.60
WALGREEN NATIONAL CORP	051226/rebate	SALES TAX REBATE: FEBRUARY 2026	\$61,003.22
	Vendor Total:		\$61,003.22
WEISS, MATT	OGRCMW-032026-0368	REIMBURSEMENT	\$75.00
	051326	REIMBURSEMENT	\$45.39
	Vendor Total:		\$120.39
WESTRICH, GEOFF AND ANDREA	10962	HEARING OFFICER - APRIL	\$306.25
	Vendor Total:		\$306.25
Invoices Grand Total		051826 Invoices Total:	\$3,058,259.40

Pre-Paid Wire Transactions for Prelist 051826

Vendor Name	Invoice Number	Description	Amount
DEERFIELD POLICE PENSION	POLPEN051526	POLPEN CONTRIBS 05/15/26 PR	\$23,238.04
	Vendor Total:		\$23,238.04
FEDERAL TAXES	PR051526	FICA/MC/FIT 05/15/26 PR	\$124,281.36
	Vendor Total:		\$124,281.36
ICMA	MSQRROTH051526	MSQR ROTH 05/15/26 PR	\$7,150.00
	MSQRREG051526	MSQR 457 REG&ROTH 05/15/26 PR	\$25,643.36
	Vendor Total:		\$32,793.36
ILLINOIS DEPT OF REVENUE	PR051526	SIT 05/15/26 PR	\$24,244.21
	Vendor Total:		\$24,244.21
IPBC	APRIL 2026	MEDICAL/DENTAL/LIFE INSURANCE: APRIL 2026	\$445,558.85
	Vendor Total:		\$445,558.85
PITNEY BOWES	70877R05082026	REPLENISH POSTAGE METER	\$2,000.00
	Vendor Total:		\$2,000.00
Wire Grand Total		051826 Pre-Paid Wire Transactions Total:	\$652,115.82

Journal Entry Transactions for Prelist 051826

Vendor Name	Description	Amount
US BANK	TRUST FEES/SINK ACCT/APR 26	\$104.51
	TRUST FEES/VILL ACCT/APR 26	\$193.34
	Vendor Total:	\$297.85
ILLINOIS NATIONAL BANK	BANK ANALYSIS FEE/1190/APR 26	\$20.14
	Vendor Total:	\$20.14
DEERFIELD BANK & TRUST	BANK ANALYSIS FEE/1010/APR 26	\$971.51
	MATRIX CC SERVICES: APR 26	\$344.61
	OTC CC FEES: APR 26	\$170.99
	INVOICE CLOUD CC FEES: APR 26	\$1,426.67
	Vendor Total:	\$2,913.78
NORTHBROOK BANK & TRUST	PASSPORT CC FEES: APR 26	\$718.02
	Vendor Total:	\$718.02
AUTHORIZE.NET	PASSPORT AUTHNET FEES: APR 26	\$34.85
	Vendor Total:	\$34.85
DEERFIELD LIBRARY	LIBRARY SHARE OF PPRT DEC 25 - JAN 26	\$4,506.13
	Vendor Total:	\$4,506.13

051826 Journal Entry Transactions Total: \$8,490.77

To the Finance Director:

The payment of the previously listed accounts has been approved by the Village of Deerfield Board of Trustees at their meeting held on Monday, May 18, 2026, and you are hereby authorized to pay them from the appropriate funds.

Treasurer of the Village of Deerfield

REQUEST FOR BOARD ACTION

Agenda Item: 26-54

Subject: Staff Report: Lead Service Line Replacement Update

Action Requested: Accept Report

Originated By: Public Works and Engineering

Referred To: Mayor and Board of Trustees

Summary of Background and Reason for Request

As the Board is aware, the Illinois Governor signed into law Public Act 102-0613 (formerly HB 3739), also known as the Lead Service Line (LSL) Replacement and Notification Act in 2021. As the name implies, this Act's main focus is to require municipalities to develop and implement a lead service line replacement plan which includes both the public and private section of the water service.

The original timeline required all Village lead water services to be replaced by 2042. However, recent legislation and revised United States Environmental Protection Agency (USEPA) requirements state that Community Water Suppliers (CWS) in Illinois must facilitate the replacement of all LSLs within a 10-year period, starting in late 2027, with a required replacement rate of 30% by the end of 2030. Staff has already begun LSL replacements through routine operations, the voluntary cost sharing program, and capital projects. The current rate is not sufficient to remain compliant within the updated timeline. Accordingly, an accelerated replacement rate and increased funding will need to be implemented in the near future. Staff will continue to investigate the remaining water services that are made of unknown material to develop a more accurate inventory and refine future budgeting requirements. Additional discussion and updated cost options will be prepared for budgeting purposes, which will be presented to the Mayor and Village Board later this year.

Reports and Documents Attached

Memo

Date Referred to Board: May 18, 2026

Action Taken _____

Memorandum



TO: Kent Street, Village Manager

FROM: Tyler Dickinson, PE, Assistant Director of PW&E

DATE: May 13, 2026

RE: Report: Lead Service Line Replacement Update

Background:

In 2021, the Illinois Governor signed into law Public Act 102-0613 (formerly HB 3739), also known as the Lead Service Line (LSL) Replacement and Notification Act. As the name implies, this Act's main focus is to require municipalities to develop and implement a LSL replacement plan which includes both the public and private section of the water service.

Staff has been working toward positively identifying water service line material over the last few years, and to date estimates that 400 LSLs exist within the Village system. To help reduce this number, the Village Board approved a voluntary Lead Water Service Line Replacement cost sharing program. Through this program, and the redevelopment of older properties that include a replacement of their lead water service lines, the Village's overall LSL inventory will diminish slowly over time. However, the currently approved program and the reduction of LSLs due to turnover, or reconstruction, will not position the Village to meet ever-changing, and increasingly more stringent, replacement requirements. Therefore, additional considerations that may impact future budgets are required, and will be brought before the Mayor and Village Board during upcoming budget discussions.

Regulatory Changes:

In early 2026, the Illinois EPA adopted a new set of requirements related to the replacement of LSLs, which aligns with the recently enacted USEPA Lead and Copper Improvement regulations. Among the many changes adopted is an updated timeline and annual replacement requirement. Community Water Systems (CWS) are now given a period of 10 years to complete the work, starting in late 2027, down from the original 15-year timeframe as stated in the original House Bill. The new regulations include a replacement rate of 10% per year across a 3-year rolling average, thereby requiring 30% completed by the end of 2030. It should be noted that both the USEPA and IEPA regulations remain silent on the cost responsibility for private services between the parkway/ROW and the house. Each CWS has proposed its own rules for cost responsibilities in these instances.

Current Inventory and Replacement Progress:

The Village is currently estimating that there are approximately 400 LSLs within the Village system. However, there are still water services of unknown material that need to be visually identified prior to confirming that number. As such, Public Works will continue to work toward identifying the material of unknown services and refining the inventory. Once the unknown services have been identified and a more accurate final quantity is established, future budgetary discussions will be more appropriate.

In 2025, 24 LSLs were replaced between redeveloped properties and Capital Improvement projects (such as Hazel Avenue reconstruction). This year, approximately 12 LSLs will be replaced during the Street Rehabilitation project, while additional LSLs will be replaced through upcoming private redevelopments and the cost sharing program. LSLs in future years will continue to be replaced through these mechanisms but are not expected to meet the 10% replacement rate requirement.

Program and Funding Options:

In order to remain compliant with the new 10% replacement rate, the Village will need to increase the annual replacement rate and transition from a voluntary program to a more targeted, robust replacement program. Assuming 400 total LSLs, the replacement will need to increase to around 40 LSLs annually, which will cost approximately \$600,000 per year, or \$6M over the 10-year timeframe. This cost could be minimized if the Village includes a residential cost sharing component to the future program.

It is up to each CWS to determine the timing and duration of their program, based upon program funding and staff time. Some CWS are opting to replace all LSLs over an expedited time frame, while others will utilize the full 10-year period. Regardless of the duration of the work, the replacement of the LSLs is estimated to cost approximately \$6M in today's dollars, though the annual expenditure would depend on the duration required to complete the replacements, inflation, supply and demand, contractor availability, etc.

Though alternatives may arise over time, the following are possible funding options:

Option 1: Public Water Supply Loan Program (PWSLP)

A low interest loan program, funded through Illinois State Revolving Fund, to provide financial assistance to eligible public water systems on projects that maintain compliance with the requirements of the Safe Drinking Water Act and Illinois statutes/regulations. The IEPA has announced a 0% interest loan for up to 30 years, for LSLs within qualifying communities. Similar to other funding sources, the IEPA utilizes a scoring system to distribute funds. The IEPA scoring system is based on factors such as poverty and median household income, and due to the scoring metrics it is unlikely that the Village would be successful in obtaining funds for a specific year through the open program. However, when the intended project funds are underutilized, CWS's that score lower but are shovel ready can solicit for these funds through the bypass (contingency) funding process.

If a loan is accepted through this program, 100% of those funds must be expended within the State's budget year (July 1 – June 30). Under this option annual funding will not be guaranteed, therefore it would be recommended to limit the full LSL replacements to a shorter project duration, two to three years, versus spreading the program out over a 10-year period. This would help limit the duration of impacts and better control potential cost increases associated with material, contractor availability, and inflation. Shorter project duration, however, does put a burden on staff with respect to bidding and coordination of the work.

Option 2: Local Revenue Sources

The Village could opt to fund all work through local funds. This could be an annual program with a designated expenditure over 10 years, ending in 2038. The program may also take the shape of a large scale and short duration, two-to-three-year, project that would be completed by 2029/2030. Performing the work in a shorter timespan allows the Village to control costs, without the added cost of inflation or supply/demand, though is a heavy burden on staff to coordinate.

Option 3: U.S. Congressional Direct Spending

The third option is through U.S. Congressional Direct Spending. U.S. Senators can advocate for programs critical to the nation, constituents, and their states that promote economic growth, education, and health care initiatives. Funds are allocated each fiscal year by the U.S. Senate Committee on Appropriations and it is likely that this process would also take into account similar factors as the IEPA (poverty, income, etc.). If a loan is accepted through this program, it would be recommended to again expedite the full LSL replacements to two to three years for similar reasons as previously mentioned.

Conclusion:

Recent legislation and revised USEPA requirements state that CWS in Illinois must facilitate the replacement of all LSLs within a 10-year period, starting in late 2027, with a required replacement rate of 30% the end of 2030. Staff has already begun LSL replacements through routine operations, the voluntary cost sharing program, and capital projects. The current rate is not sufficient to remain compliant within the updated timeline. Accordingly, an accelerated replacement rate and increased funding will need to be implemented in the near future. Staff will continue to investigate the remaining water services that are made of unknown material to develop a more accurate inventory and refine future budgeting requirements. Additional discussion and updated cost options will be prepared for budgeting purposes, which will be presented to the Mayor and Village Board later this year.

REQUEST FOR BOARD ACTION

Agenda Item: 26-55

Subject: Resolution Ratifying Agreement for SREC's with Carbon Solutions

Action Requested: Ratify the signing of the Agreement with Carbon Solutions

Originated By: Department of Public Works and Engineering

Referred To: Mayor and Village Board of Trustees

Summary of Background and Reason for Request

The Water Reclamation Facility (WRF) Solar Array has been constructed and is currently producing energy. As discussed in the lead up to this project, there are federal and state solar energy incentives that the project is eligible to receive. To receive these incentives the Village must work with a state approved Solar Renewable Energy Credit (SREC) broker.

The "SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program" is an agreement with Carbon Solutions to sell our SRECs per the confines of the Illinois Adjustable Block Program. This agreement has been reviewed and amended with assistance from the Village Attorney.

The agreement also includes an application fee of \$8,400.00 and SREC collateral of \$40,666.77 is required to be sent to Carbon Solutions, a total up front cost of \$49,066.77. The SREC revenue is projected to be \$505,623.51 over a period of 15 years, per the program schedule.

The Department of Public Works and Engineering recommends that the Board of Trustees approve a Resolution Ratifying the SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program including the Addendum: Negotiated Revisions.

Reports and Documents Attached:

Resolution
Agreement with Addendum

Date Referred to Board: 5.18.26

Action Taken: _____

VILLAGE OF DEERFIELD

RESOLUTION NO. 2026-_____

A RESOLUTION WAIVING COMPETITIVE BIDDING AND APPROVING AN AGREEMENT WITH CARBON SOLUTIONS SREC LLC TO PROVIDE SOLAR RENEWABLE ENERGY CREDIT BROKER SERVICES

WHEREAS, the Village of Deerfield ("**Village**") is a home rule municipality in accordance with Article VII, Section 6 of the Constitution of the State of Illinois of 1970; and

WHEREAS, the Village is dedicated to investing in green technology and reducing its carbon footprint; and

WHEREAS, the Village constructed a solar array at the Village's water reclamation facility ("**Array**"); and

WHEREAS, Carbon Solutions SREC, LLC ("**Broker**") is authorized to serve as a broker of solar tax credits through the Illinois Shines Adjustable Block Program; and

WHEREAS, the Village desires to retain Broker to sell tax credits related to the Village's Array pursuant to the agreement attached as **Exhibit A** ("**Agreement**"); and

WHEREAS, the Mayor and Board of Trustees have determined that waiving bidding and ratifying and approving the Agreement with Broker will serve and be in the best interest of the Village and its residents;

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE BOARD OF DEERFIELD, LAKE AND COOK COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: RECITALS. The Village Board hereby adopts the foregoing recitals as its findings, as if fully set forth herein.

SECTION 2: WAIVER OF COMPETITIVE BIDDING. Pursuant to Section 9-16 of the Village Code and the Village's home rule authority, the Village Board waives the requirement of competitive bidding for solar credit broker services.

SECTION 3: APPROVAL OF AGREEMENT. Pursuant to its home rule authority, the Village Board hereby ratifies and approves the Agreement with Broker in substantially the same form as attached as **Exhibit A** and in a final form approved by the Village Attorney.

SECTION 4: AUTHORIZATION TO EXECUTE AGREEMENT. The Village Board hereby authorizes and directs the Mayor to execute and attest, on behalf of the Village, a purchase order upon receipt by the Village Clerk of at least one original copy of the Agreement executed by Broker; provided, however, that if the executed copy of the Agreement is not received by the Village Clerk within 30 days after the effective date of this Resolution, then this Resolution will, at the option of the Village Board, be null and void.

SECTION 5: EFFECTIVE DATE. This Resolution shall be in full force and effect from and after its passage and approval by two-thirds of the Village Board according to law.

AYES:

NAYS:

ABSTAIN:

ABSENT:

PASSED:

APPROVED:

RESOLUTION NO.

ATTEST:

Daniel C. Shapiro, Mayor

Kent S. Street, Village Clerk

CARBON SOLUTIONS SREC, LLC

2045 W Grand Ave Ste B, PMB #58751 | Chicago, IL 60612 | 312.971.6245 | SREC@carbonsolutionsgroup.com

ADDENDUM: NEGOTIATED REVISIONS

*To the SREC Aggregation and Purchase Agreement
for the Illinois Adjustable Block Program*

*Village of Deerfield Wastewater Treatment Facility
1045 Hackberry Rd, Deerfield, IL 60015
420 kW AC / 574.56 kW DC • Group B (ComEd)*

This Addendum: Negotiated Revisions (this “Addendum”) is provided alongside and incorporated into the SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program (the “Agreement”) between Carbon Solutions SREC, LLC (“Buyer”) and the Village of Deerfield (“Seller”), collectively the “Parties.” Capitalized terms used but not defined herein shall have the meanings set forth in the Agreement.

The Parties have negotiated the revisions set forth below to address certain municipal-law considerations applicable to Seller as a unit of Illinois local government, while preserving the commercial structure of the Agreement. The Parties agree that the Agreement is hereby amended as set forth in this Addendum. Except as expressly modified by this Addendum, all terms and conditions of the Agreement, including all Cover Sheets and Attachments, remain in full force and effect. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control.

Recitals

WHEREAS, the Parties are entering into the Agreement contemporaneously with the execution of this Addendum;

WHEREAS, Seller is a unit of Illinois local government and is subject to (i) the Illinois Freedom of Information Act, 5 ILCS 140 (“FOIA”), (ii) the Local Records Act, 50 ILCS 205, (iii) the Illinois Constitution, Article VIII, §1(a), and (iv) the Local Government and Governmental Employees Tort Immunity Act, 745 ILCS 10/, each of which constrains Seller’s ability to enter into certain contractual provisions of general commercial application;

WHEREAS, the Parties wish to tailor certain provisions of the Agreement to accommodate Seller’s municipal-law considerations while preserving the commercial structure of the Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Cover Sheet A — System Owner Name

The “Name of System Owner (Seller)” field on Cover Sheet A is hereby amended from “Village of Deerfield Wastewater Treatment Facility” to “Village of Deerfield.” The Parties acknowledge and agree that this revision shall be applied consistently throughout the executed package wherever Seller is identified as the legal owner of the System, including without limitation:

- Cover Sheet A — Name of System Owner (Seller) field and System Host Name field;
- System Owner/Host Certifications (Section 1 signature line);
- Schedule A (PJM-EIS GATS Generator Owner’s Consent) — Generator Owner field;
- Master Agreement signature block — “By:” line on the Seller side; and
- Addendum: REC Price and Payment Schedule Modification (the “CRGA Addendum”) signature block — “By:” line on the Seller side.

For the avoidance of doubt, the “Generating Unit Name” field on Schedule A may remain a descriptive asset identifier (e.g., “Village of Deerfield WWTF Solar”) and is not required to match the legal name of the System Owner.

2. Section 13.1 — Limitation of Liability

Section 13.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

“13.1. Limitation of Liability. With respect to any liability hereunder and notwithstanding any other provisions in this Agreement to the contrary, neither Party shall be liable to the other Party for any consequential, incidental, punitive, exemplary or indirect damages, lost profits, or business interruption damages, whether by statute, in tort or in contract, under any indemnity provision or otherwise; provided, however, that this limitation shall not apply to (i) liquidated damages, collateral drawdowns, performance calls, contract termination buyouts, or other amounts expressly provided for in Articles 5, 6, 7, 10, and 15.14 of this Agreement, (ii) either Party’s indemnification obligations under Section 15.9, or (iii) breach of confidentiality obligations under Section 15.12.”

3. Section 14.2 — Settlement Confidentiality

The final sentence of Section 14.2 of the Agreement is hereby deleted and replaced with the following:

“All negotiations pursuant to this clause are confidential, except to the extent disclosure is required by applicable law (including the Illinois Freedom of Information Act and the Local Records Act), and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.”

All other provisions of Section 14.2 of the Agreement remain unchanged and in full force and effect.

4. Section 15.9 — Indemnification

Section 15.9 of the Agreement is hereby deleted in its entirety and replaced with the following:

“15.9. Indemnification. Buyer agrees to indemnify, defend and hold harmless Seller, and any of Seller’s affiliates, directors, officers, employees, agents and permitted assigns, from and against all third party claims, losses, injuries, liabilities, damages, judgments, awards, fines, penalties, costs and expenses (including reasonable attorneys’ fees and disbursements) incurred in connection with, arising out of, or alleged to arise out of any event or circumstance first occurring or existing during the period when control and title to the products is vested in Buyer or which is in any manner connected with the performance of this Agreement by Buyer, except to the extent that such claim may be attributable to (i) the gross negligence or willful misconduct of Seller, or (ii) Seller’s material breach of this Agreement. This indemnity shall survive the expiration or termination of this Agreement for the full statutory period allowable by applicable law.”

The Parties acknowledge and agree that the language formerly appearing at the end of Section 15.9 regarding (a) Buyer’s indemnification with respect to fees and Collateral on behalf of Seller, (b) Buyer’s lack of guarantee that Seller shall have the opportunity to participate in the ABP process, and (c) Seller’s obligation to hold Buyer harmless for expenses and lost revenues arising out of a missed opportunity to participate in the ABP, shall be addressed through, and is otherwise covered by, the risk-allocation covenants set forth in Sections 4.1.9, 13.3, 13.4, and 13.4.1 of the Agreement, which remain unchanged and in full force and effect. No indemnification obligation of Seller is created by or arises under such retained provisions.

5. Section 15.12 — Confidentiality

Section 15.12 of the Agreement is hereby deleted in its entirety and replaced with the following:

“15.12. Confidentiality. Both Parties acknowledge that by reason of this relationship, they may have access to certain information and material concerning the other Party’s business, plans, customers, technology and products that are confidential and of substantial value, which value would be impaired if such information were disclosed to third parties. The Parties agree that neither will use in any way for its own account or the account of any third party, nor disclose to any third party, any such confidential information revealed to them under this arrangement, except (a) as required by applicable law, including the Illinois Freedom of Information Act (5 ILCS 140) and the Local Records Act (50 ILCS 205), (b) to legal, financial, or technical advisors bound by professional confidentiality obligations, or (c) as necessary for public approval, recording, or filing of this Agreement.

The Parties acknowledge that Seller is a unit of local government subject to FOIA and the Local Records Act, and that this Agreement and certain related documents may constitute public records. If Seller receives a FOIA request seeking information that Buyer has identified in writing as confidential, Seller shall use reasonable efforts to provide Buyer with prompt notice of the request (to the extent permitted by law) so that Buyer may seek a protective order or assert applicable FOIA exemptions, including without limitation the trade secrets and commercial/financial information exemption under 5 ILCS 140/7(1)(g). Seller’s

compliance with FOIA and applicable public records laws shall not constitute a breach of this Section.

In the event of termination of this Agreement, there shall be no use or disclosure by either Party of any confidential information of the other Party (subject to the legally compelled disclosure exceptions above) and any materials related to the other Party shall be immediately returned. Each Party acknowledges that the provisions of this Section are reasonable and necessary for the protection of the other Party. The terms of this Section shall survive termination of this Agreement.”

6. Attachment E (Security Agreement Addendum) — Section 9

Section 9 (Indemnification) of Attachment E to the Agreement (the Security Agreement Addendum) is hereby deleted in its entirety. The Parties acknowledge and agree that the deletion of Section 9 of Attachment E shall not be construed to limit, waive, or otherwise affect any other right or remedy of either Party under the Agreement or applicable law. The remainder of Attachment E remains in full force and effect.

7. Miscellaneous

7.1. No Other Modifications. Except as expressly modified by this Addendum, all terms and conditions of the Agreement, including all Cover Sheets and Attachments, remain in full force and effect.

7.2. Order of Precedence. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control.

7.3. Counterparts; Transmittal. This Addendum may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic or digital transmission of this Addendum, including via DocuSign or similar service, shall constitute good and valid delivery.

7.4. Governing Law. This Addendum shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to principles of conflicts of law.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date last signed below.

CARBON SOLUTIONS SREC, LLC

Signature

Name: Rhett Gopaul

Title: Director of Aggregation

Date

VILLAGE OF DEERFIELD

Signature

Name (printed)

Title

Date

Carbon Solutions SREC

2045 W Grand Ave Ste B, PMB #58751
Chicago, IL 60612
312-971-6245
SREC@carbonsolutionsgroup.com

Notice of Potential Changes to REC Price and Payment Schedule

This Notice is provided alongside and incorporated into the SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program ("ABP") between the undersigned System Owner ("Seller") and Carbon Solutions SREC LLC ("Buyer").

Background

Public Act 104-0458 (the Clean and Reliable Grid Affordability Act, "CRGA"), effective June 1, 2026, modifies the REC Delivery Contract payment structure for Small Distributed Generation ("Small DG") category projects (systems 25 kW AC and smaller). Additionally, the Illinois Power Agency ("IPA") establishes new REC prices for each Program Year. The 2026-27 Program Year opens on June 1, 2026, and will carry new REC pricing that has not yet been published as of the date of this Notice. In all cases, final REC pricing, the applicable contract selected, and payment schedule shall be subject to IPA and ICC determination and approval.

Depending on the timing of the System's application and Part I verification, one or both of the following changes may apply:

Scenario 1: System Not Part I Verified by May 3, 2026 (but Submitted Before June 1, 2026)

If the System is submitted to the Program before June 1, 2026 but is **not Part I verified** by the Program Administrator by **May 3, 2026**, the System will be placed on the 2026 REC Delivery Contract. In this scenario:

- The **REC price** is expected to remain at the 2025-26 Program Year REC price as indicated in Cover Sheet A subject to IPA and ICC approval.
- The **payment schedule** for Small DG projects will change from 100% upfront at Energization to:
 - **50%** of the total REC payment made upfront at Energization; and
 - The remaining **50%** paid ratably over the subsequent **6 years** (24 quarterly payments).

This change is mandated by Public Act 104-0458 and reflected in the IPA's 2026-27 Draft Program Guidebook. It will be implemented in accordance with the applicable REC Contract and final IPA Program requirements. If either scenario applies, updated Cover Sheets will be provided by Buyer upon request, in the form provisioned by the Program or produced by Buyer, substantially similar to the Cover Sheets provided in this Agreement.

Scenario 2: System Not Submitted Until June 1, 2026 or Later

If the System is **not submitted to the Program until June 1, 2026 or later**, the System will receive **2026-27 Program Year REC pricing**, which has not yet been published by the IPA. In this scenario:

- The **REC price** on Cover Sheet A will be superseded by the applicable 2026-27 REC price for the System's Group, category, and size as determined by the IPA.
- The **payment schedule** for Small DG projects will follow the same revised structure described in Scenario 1 above (50% upfront, 50% over 24 quarterly payments).
- The System **may be eligible** for the \$20/REC Small DG Customer-Owned adder described below.

Small DG Customer-Owned Project REC Adder — \$20/REC

Beginning with the 2026-27 Program Year (June 1, 2026), a **\$20/REC adder** will be available for qualifying customer-owned Small DG projects. To be eligible, a project must meet **all** of the following criteria:

- The project is in the Small DG category (25 kW AC or smaller);

- The project is identified as customer-owned in the Part I application;
- The Approved Vendor demonstrates that the customer contract is for customer ownership (i.e., not a lease, PPA, or other non-ownership arrangement); and
- The project has not received and will not receive the federal Investment Tax Credit (ITC) or the residential clean energy tax credit.

Important: This adder is only available for projects submitted to the Program on or after June 1, 2026. Submitting a project application before the 2026-27 Program Year opens will preclude eligibility for this adder. Additionally, if the adder is pursued, the adder must be disclosed in the customer's Standard Disclosure Form, and the Seller will be required to make additional attestations to Buyer consistent with the attestations required by the Buyer to the Program Administrator in the Part I and Part II applications. If Seller seeks to apply for the REC Adder, this contract should not be signed and the Seller should contact the Buyer to request a new contract with the requisite attestations once it becomes available. Seller should consider this timing carefully in consultation with the Buyer and Seller's installer.

Acknowledgment

By initialing below, Seller acknowledges that Seller has read and understands this Notice, including (a) the potential change in payment schedule if the System is not Part I verified by May 3, 2026, (b) the potential change in REC price if the System is not submitted to the Program until on or after June 1, 2026, and (c) the eligibility requirements and timing considerations associated with the \$20/REC Small DG Customer-Owned adder.

Seller Initials: _____ Date: _____



ILLINOIS SHINES

Supporting Solar Development in Illinois

Illinois Shines and the Adjustable Block Program are administered by InClima, Inc. on behalf of the Illinois Power Agency, an independent state government agency.

What is Illinois Shines?¹

Illinois Shines is the brand name of the **Adjustable Block Program**, a state-administered program for new solar photovoltaic ("PV") systems. The program provides payments in exchange for 15 years of Renewable Energy Credits ("RECs") generated by new PV systems. These payments, made by Illinois utilities, vary depending on the system's size and where it is located. Participating in Illinois Shines is the same thing as participating in the Adjustable Block Program.

What are RECs and why are they valuable?

RECs represent the *environmental value* of the electricity generated from solar panels, but not the electricity itself. Whoever owns the RECs has the right to say they used that solar power. Utilities must purchase RECs to meet their obligation to supply a certain amount of power from renewable energy. RECs can also be valuable to businesses seeking to be able to say that they use solar power.

A home PV system might generate 50-200 RECs over 15 years. By participating in Illinois Shines, you will transfer the RECs from your PV system to an Illinois electric utility. Selling your RECs will not affect your PV system's production.

For more information on RECs, see a video at vimeo.com/113250210.

Do you have to allow your RECs to be sold in order to go solar?

Although you can keep your RECs or sell them to someone besides utilities, participating in Illinois Shines and thus allowing your RECs to be sold to a utility is likely to be your best financial option. Selling your RECs through this program will make it more likely that your PV system will save you money.



Photo: Thinkstockphotos/elenahewise

What information will you receive before you sign an installation contract?

Your contractor is required to provide you with an Illinois Shines Standard Disclosure Form. It includes contact information for everyone who has a part in your solar contract, information about the installation process, and an estimate of your system's costs and how much money you may save. Review this form carefully.

What are the financing and ownership options when installing solar?

The most common options are 1) buying the system, 2) leasing the system, or 3) signing a Power Purchase Agreement ("PPA"). If you lease or sign a PPA, you don't own the system, but you get many of the benefits. For more information, see www.cesa.org/resource-library/resource/a-homeowners-guide-to-solar-financing-leases-loans-and-ppas.

When deciding on the best option for you, consider:

- If you're buying the system, how much will it cost? Will you take out a loan to pay for it? How do the loan payments compare to projected reductions in your monthly electric bill?
- If you're leasing, how much is your monthly lease payment? How does that compare to projected reductions in your monthly electric bill? Do you have to put money down at the start?
- If you're signing a PPA, how much is the per kilowatt hour price for the energy produced? How does that compare to your current electricity rate? Do you have to put money down at the start?
- Does your lease or PPA include an escalation clause that increases the amount of payments over time? If so, by how much do payments increase?

Going solar is a major decision, so exercise the same caution you would when making other major consumer decisions. It is good to get quotes from at least three contractors and to check references.

Also, make sure to read and understand the entire contract before signing it.

If you get solar panels, are you guaranteed to save money?

You are not guaranteed to save money unless your contract includes an explicit guarantee. The questions below will affect whether you save money.² You can answer some questions yourself, while others can be answered by your installer or sales agent.

- **What per kilowatt-hour rate are you currently paying for electricity?**

The higher the electricity rate before you go solar, the more money you can potentially save.

- **Is your roof good for solar?**

The direction your roof faces and how much shade it gets will affect how much electricity roof-mounted PV will generate. The roof's condition should also be considered.

- **How much electricity will the system generate?**

If your system produces more electricity than you use over an annual period, you may not receive credit for all the electricity generated.

- **How much money will you receive for RECs?**

The Approved Vendor will be paid by a utility for your system's RECs and may use some of that money to reduce your cost of going solar.

- **Can you use the federal Investment Tax Credit?**

If you buy your system, you may qualify for a substantial federal income tax credit. Consult your tax adviser.

- **How long do you expect to stay in your home or business location?**

If you lease or sign a PPA, you may be required to buy out the contract if you move. Read your contract to find out what happens if you move.

What is net metering and how do you enroll?

Net metering measures the electricity your PV system produces and credits you for it on your electric bill. If you



Photo: Elevate Energy

buy electricity from your utility (e.g., basic service or hourly pricing), you must contact the utility to enroll in net metering. If you buy electricity from a Retail Electric Supplier (e.g., through municipal aggregation or an individual contract), you must contact the supplier to enroll in net metering. If you later change your electricity supplier, you will need to re-enroll in net metering with your new supplier. Failure to enroll or re-enroll may significantly impact the value you receive from your PV system.

Consumer rights

For your PV system to participate in Illinois Shines, an Approved Vendor will submit your PV system for application to the program. (The Approved Vendor will be identified on the Standard Disclosure Form you receive.) If the application is approved and after the system starts operating, the Approved Vendor will receive payments for the first 15 years of your system's RECs. **You have a right to request information** about your system's application status and how

much a utility is paying for its RECs. Some of that information will be on the Standard Disclosure Form. The Approved Vendor must respond to issues related to ensuring that your PV system is generating electricity and producing RECs. Only companies that are Approved Vendors can submit your system to participate in the program.

Complaint procedures

If you have a problem related to your PV system or the sales process, **first try to resolve it with your installer or the Approved Vendor**. If you can't agree about how to solve the problem, **you may contact the Illinois Shines/Adjustable Block Program Administrator** by emailing admin@illinoisshines.com or by calling 877-783-1820.

If you have been subject to fraudulent or deceptive sales practices, the Illinois Attorney General's Consumer Protection Division may be able to help. Customers can contact it at:

Chicago
800-386-5438 | TTY: 800-964-3013

Springfield
800-243-0618 | TTY: 877-844-5461

Carbondale
800-243-0607 | TTY: 877-675-9339

Spanish Language
866-310-8398



For more information, go to www.illinoisshines.com

¹ This brochure is designed primarily for customers of Ameren Illinois Company, Commonwealth Edison Company, and MidAmerican Energy Company. For consumers in electric cooperative, municipal utility, or Mt. Carmel Public Utility territories, some policies—such as net metering—may vary. Contact those utilities for details.

² Commercial and multi-family residential buildings may be eligible for a rebate for a smart inverter. See <https://illinoisolar.org/blog/6172611>; also see www.comed.com/SmartEnergy/InnovationTechnology/Pages/DGRebate.aspx and www.ameren.com/illinois/electric-choice/renewables/distributed-generation.



Carbon Solutions SREC

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SREC@carbonsolutionsgroup.com

Prevailing Wage Notice - Residential and House of Worship are Exempt

Prevailing wage is a minimum compensation level set by the Illinois Department of Labor by county for construction activities related to public works. That will apply to your project **unless** it is a Residential project of any size, or a House of Worship project of 100kW AC or smaller.

A project can be considered residential if it meets one of the following criteria:

- Electric bill shows a residential classification; or
- Property tax class code is residential; or
- At least 75% of the usage of the structure(s) is residential

Section 1-75(c)(1)(Q) of the IPA Act (20 ILCS 3855) as modified by Climate and Equitable Jobs Act (Public Act 102-0662) now requires that individuals engaged in the construction of applicable projects submitted to the Adjustable Block Program ("ABP") are paid the relevant prevailing wage.



Carbon Solutions SREC
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312-971-6245
SREC@carbonsolutionsgroup.com

Expansion & Co-located Pricing Notice

Please be aware, as detailed in Section 4(E) of the Program Guidebook, the REC prices may be adjusted for projects that are either expansions of previously submitted applications or are co-located with another project application on the same parcel. This adjustment, referred to as "Expansion Pricing," reflects the Program's approach to minimize gaming of the program structure and ensure equitable access to the programs' funding.

Please note that the REC prices provided in this contract are provisional and subject to modification in accordance with the aforementioned program rules. Carbon Solutions does not guarantee the initial REC price stated on Cover Sheet A or any other preliminary documents. Ultimately, the REC price applied to your project will be determined by the final approval of the Illinois ABP Administrator and may vary from the provisional figures, potentially affecting program eligibility.

Should there be any uncertainty regarding whether your project qualifies as an expansion or co-located project, Carbon Solutions can seek to verify with the Illinois ABP Administrator upon your request.

By signing this contract, you acknowledge that:

- Your project is not an expansion or co-located with another project, or;
- You understand and accept the possibility of REC price adjustments, which may be either favorable or unfavorable, including scenarios where the price may become negative, thereby impacting your project's eligibility for the program.

For more information please reach out to SREC@Carbonsolutionsgroup.com

System Owner/Host Certifications

Complete the applicable sections



Section 1 (All Systems)

I, the owner of the location where the system is located or the representative of the owner of such location as listed in Cover Sheet A, certify the following:

I have received and reviewed the [ABP Informational Brochure](#).

I have received, reviewed, and signed the ABP Standard Disclosure Form.

Superintendent

Signature

Title

Date

Brandon Janes

X **Section 2 (If system owner and system host are the same person or entity:**

I own the site and the system identified in Cover Sheet A. I acknowledge and agree to this system being located on my premises or site.

Superintendent

Signature

Title

Date

Brandon Janes

Section 3 (If system owner and system host are different entities (if system owner and system host are the same leave this section blank):

I own the site where the system identified in Cover Sheet A will be or has been installed and developed. I acknowledge and agree to this system being located on my premises or site.

Name of Host if individual: _____

Name of Host if entity: _____

Superintendent

Signature of Host

Title

Date


System Identification Form: Cover Sheet A

The following system information describes the system that is applying for the Illinois Adjustable Block Program using Carbon Solutions SREC LLC as an Approved Vendor

Effective Date			
System Name	Village of Deerfield		
ABP ID			
System Size Category	>200-500 kW		
Class of Resource	Distributed Generation Solar		
System Block Location (A - MISO, B -PJM)	Group B		
Name of System Owner (Seller)	Name: Village of Deerfield wastewater treatment facility E-mail: bjanes@deerfield.il.us Phone: 847-719-7447		
System Site/Location (including Street, City, Zip)	1045 Hackberry Rd Deerfield IL 60015		
System Host Name	Name: Brandon Janes Phone: 847-719-7447 E-mail: bjanes@deerfield.il.us		
Interconnecting Utility	Commonwealth Edison Co		
System Developer	Veregy		
Installed Capacity (or planned installed capacity)	420	kW (AC)	574.5 kW (DC)
ABP Block Price	\$53.40		
# of RECs on ABP Application	10154		
Buyer Approved Vendor Fee %	4.25		
*Projected REC Purchase Price ("Purchase Price")	\$505,623.51		
*Projected Initial REC Payment (Systems over 25kW AC) or Total REC Payment for Systems Under 25kW AC	\$44,733.45 SREC Payment may be lower by the amount of the 5% collateral if the collateral is covered by and Returned to Partner Company		
*Projected Subsequent Quarterly Payments for Systems Over 25kW AC	\$19,203.75		

*Payment amount subject to change if final system specifications are different than the system specifications quoted above, or if the System is accepted into the ABP at a different block price than quoted above. Projected Purchase Price includes Buyer's Fee but not Collateral.

System Fee And Bonding: Cover Sheet B

Non-Refundable Application Fee

Due Before System May be Submitted to ABP. Invoice for fee will be sent in a separate email from Quickbooks Invoice. This fee shall not exceed (\$15,000/system). Fee is for the IPA's Program Administrator for reviewing the System application. This fee may have been covered by your installer. Contract may void a Buyer's option if Application Fee is not paid to Buyer.

420 kW AC System size X \$20 = \$8,400.00 Application Fee

Note, if Application Fee is not paid to Buyer, either by Seller or Developer or any other party, then application may not be submitted. If the application is submitted, and the Application Fee is not paid, it shall be withheld from payment by Buyer to Seller

5% Utility Collateral

Due at the time the project is selected from the waiting list, or, if no waiting list, then before the System is Submitted to the ABP. Invoice for 5% utility held collateral will be sent in a separate email from Quickbooks Invoice. If Seller does not pay 5% collateral within 30 days of notice from Buyer, Contract may be voided at Buyer's option resulting in no REC payments to Seller. Unused Collateral will be returned to Seller at the end of this Agreement.

\$542,223.60 Total Contract Value * 5% = \$27,111.18 Required Utility Collateral

Note, if 5% Utility Collateral is not paid to Buyer, either by Seller or Developer or any other party, then contract may be voided. If the contract is not voided, and 5% Utility Collateral is not paid, it shall be withheld from payment by Buyer to Seller

Additional Collateral (if applicable)

Collateral (beyond the 5% Utility Collateral) paid to Buyer for the purpose of protecting Buyer from Seller's failure to deliver contracted RECs. Additional Collateral will be withheld from REC Payments if required. Unused Additional Collateral will be returned to Seller at the end of this Agreement.

\$542,223.60 Total Contract Value * 2.5% Additional Collateral = \$13555.59 Additional Collateral

Buyer's Approved Vendor Fee (withheld from REC Payments)

This is Buyer's fee for Approved Vendor services under this Agreement.

\$542,223.60 Total Contract Value * 4.25% Vendor Fee = \$23,044.50 Vendor Fee

Additional Fee (withheld from REC Payments where applicable)

See description below.

(Type of Additional Fee) Amount of Additional Fee

Important:

An invoice will be emailed from Quickbooks for the \$20/kW IPA Fee upon countersignature of this contract. Payment must be made prior to submission to ABP.

*Buyer may require up to two times the original Collateral to be paid if System underperforms Cover Sheet D by more than 10% any given year or more than 2 years during the contract. This may be withheld from payments to Seller.

Projected Net Payment to Seller

**This payment is dependent upon acceptance into the ABP. If final System installation differs from that described in Cover Sheet A, payment(s) may be less. If System is accepted into the ABP at a lower Block Price, payment(s) may be lower. An updated Cover Sheet A, B, and C will be issued after ICC Contract Approval.*

Projected Total REC Payments to Seller:

Payments below are estimated until the system is accepted into ABP and energized. If system size, or specifications change payment made to Seller may be reduced. Additionally selection in a different Block than projected may result in a lower payment.

\$542,223.60 Projected Total REC Value (Before Collateral and Bonding)

\$36,600.09 Additional Collateral, Additional Fee (if applicable), Approved Vendor Fee

\$505,623.51 **Total Projected Payment(s) to Seller**

SREC Payment may be lower by the amount of the 5% collateral if the collateral is Covered by and Returned to Partner Company

Projected Payment Schedule For Seller 25kW AC or less:

REC payment for systems 25kW or less will be made upon system energization, completed ABP Part II Application and payment to Buyer by Contracting Utility. We anticipate that systems 25kW or smaller will receive their REC payment 12-15 months after energization. For systems energized at the time of signing this Agreement we anticipate that payment will occur 12-15 months after signing this Agreement.

\$44,733.45 Full REC Projected Payment

SREC Payment may be lower by the amount of the 5% collateral if the collateral is Covered by and Returned to Partner Company

Projected Payment Schedule For Seller Over 25kW AC:

The Initial REC payment for systems over 25kW will be made upon system energization, completed ABP Part II Application and payment to Buyer by Contracting Utility. We anticipate that the initial REC payment will be made 12-15 months after signing this agreement. For systems energized at the time of signing this Agreement we anticipate that the initial payment will occur 12-15 months days after signing this Agreement. Subsequent payments will be made quarterly.

\$44,733.45

Initial Projected Payment to Seller

SREC Payment may be lower by the amount of the 5% collateral if the collateral is Covered by and Returned to Partner Company

\$19,203.75

Projected Subsequent Quarterly Payments (24 quarters)

*Payment will only occur after ABP approval of System and subsequent payment made by Contracting Utility to Buyer. The Contracting Utility pays on a quarterly schedule so payment may be delayed if system is accepted at the beginning or end of a quarter

System Target REC Generation Table: Cover Sheet C (Preliminary only)

An updated Cover Sheet C will be issued when the System has Received IPA Approval to reflect the delivery schedule used by the IPA and Contracting Utility

Systems must meet or exceed the generation in the following table. Systems that underperform in any given year will automatically have the Term of the Agreement extended in accordance with the Agreement. Systems that underperform may also have to immediately provide Buyer with Collateral. An example of Collateral Drawdown is outlined later in this Cover Sheet C.

Delivery Year	Delivery Year Expected REC Quantity (RECs)
Delivery Year 1	717
Delivery Year 2	706
Delivery Year 3	701
Delivery Year 4	696
Delivery Year 5	691
Delivery Year 6	686
Delivery Year 7	681
Delivery Year 8	676
Delivery Year 9	671
Delivery Year 10	666
Delivery Year 11	661
Delivery Year 12	656
Delivery Year 13	651
Delivery Year 14	646
Delivery Year 15	641
Subsequent Delivery Years	99.5% of the Delivery Year Expected REC Quantity calculated for the prior Delivery Year, rounded down

A new Cover Sheet C will be issued to system owners upon ABP approval with the final delivery Schedule.

Collateral Drawn Down Example

Below is an example calculation.

Example ABP Block Price: \$65.61/REC

Example System Delivery Target for delivery year: 14 RECS

Example System's actual REC Generation for year: 12 RECS

Example Calculation:

\$65.61 ABP Block Price * (14 System Delivery Target - 12 Actual REC Generation) = \$131.22 Collateral Drawdown

Example Collateral Drawdown: \$131.22

If a collateral drawdown is to occur Buyer will notify Seller at the end of the generation year where the under generation occurs. The Collateral Drawdown payment is owed to Buyer immediately upon notification and the Buyer has the right to draw this amount from the Seller automatically.

**Carbon Solutions SREC**

2045 W Grand Ave Ste B, PMB #58751

Chicago, IL 60612

312-971-6245

SREC@carbonsolutionsgroup.com

By checking this box, I am selecting to provide an additional 5% collateral instead of completing the Credit Card Authorization form below. This is explicitly additive to any collateral referenced in Cover Sheet B, and initial payment will be lower by the 5% additional collateral withheld.

Credit Card Authorization Form for Collateral Drawdowns

Please complete all fields. You may update this authorization at any time by contacting us. This authorization will remain in effect for the duration of the SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program with Carbon Solutions SREC, LLC. The duration of this contract is at least 15 years from the initial payment date. This payment information will need to be kept up to date and accurate for the duration of the contract. Before charging the card listed below Carbon Solutions SREC will issue an invoice and allow for an alternate method of payment. If this is not responded to within 5 business days the card listed below will be charged automatically.

This form can only be used for collateral drawdowns as a result of under-delivery of SRECs. This form will not be used for any other purpose.

Credit Card Information			
Card Type:	☐ MasterCard	☐ VISA	☐ Discover
	☐ Other _____		☐ AMEX
Cardholder Name (as shown on card): _____			
Card Number: _____			
Expiration Date (mm/yy): _____			
Cardholder ZIP Code (from credit card billing address): _____			

I, _____, authorize Carbon Solutions SREC, LLC to charge my credit card above for collateral drawdowns as described in the SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program with Carbon Solutions SREC, LLC. I understand that my information will be saved to file for future transactions on my account.

 Customer Signature

 Date



This section covers how the SREC buyer, Carbon Solutions, pays you, the SREC seller. Our default payment method is a check made out to the system owner, sent to the system address. If your payment information differs, please enter it below. We will confirm with you via email prior to payment in either case.

Payment Form: Cover Sheet D

Please enter in the following information carefully as this is where the REC payment will be sent. A check sent via USPS is the default method of payment and there is no charge. Payment via PayPal as an option, although a 3% service fee will apply.

Please select your payment method:

☒ Check (Free)

☐ PayPal (3% service fee)

☐ Wire

Payee Name or Company Name Village of Deerfield

Payee Mailing Address 850 waukegan Road

Deerfield, IL 60015

Payee Contact Phone Number _____

Payee Contact Email Address _____

PayPal Email Address (If applicable) _____

Wire info will be collected by our accounting team after contract has been approved.



Carbon Solutions SREC
2045 W Grand Ave. Ste B. PMB #58751
Chicago, IL 60612
SREC@carbonsolutionsgroup.com
srec.carbonsolutionsgroup.com

SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program

Parties

The parties to this Renewable Energy Certificate Purchase Agreement ("Agreement") are: "Seller," listed as the System Owner in Cover Sheet A and "Buyer," which is Carbon Solutions SREC LLC.

The above named entities, referred to collectively as the "Parties" to this contract and individually as a "Party," wish to agree to the following:

These General Terms and Conditions are intended to facilitate the purchase and sale of Renewable Energy Credits ("RECs") from photovoltaic solar systems in accordance with Illinois Adjustable Block Program ("ABP"). The ABP terms, provisions, and supporting documents are outlined on the ABP Website: <http://illinoisabp.com/>. Unless defined differently in this Agreement terms and definitions for this contract are consistent with the ones listed in the Illinois Power Agency ("IPA") Act and in the Program Guidebook listed on the ABP Website.

The Seller certifies that it has exclusive rights to the RECs produced by the distributed generation renewable energy system ("the System") described in Appendix A from which the Buyer has agreed to purchase renewable energy credits under the Agreement.

Seller certifies the system is eligible for compliance with the ABP. Seller warrants, as of the Effective Date and for the ongoing term of the contract, that the System meets all the requirements of the ABP for compliance. The ABP contained within the Illinois Renewable Portfolio Standard, as established under [20 ILCS 3855/1-75](#), is the Applicable Program under this Agreement. Seller further certifies the following:

- Seller has received and reviewed the Illinois ABP Brochure (as noted in System Owner/Host Certifications);
- Seller has reviewed and signed the Illinois ABP Standard Disclosure Form (as noted in System Owner/Host Certifications);
- All Part I System information and supporting documentation has been provided to the Buyer;
- All Part II System information and supporting documentation have been or will be provided to the Buyer upon energization;
- The System is not and will not be a generating unit whose costs are being recovered through rates regulated by Illinois or any other state or states, as required by Section 1-75(c)(1)(J) of the IPA Act;
- The System is a new generating unit such that the Date of Final Interconnection Approval did not occur before June 1, 2017, as required by Section 1-75(c)(1)(K) of the IPA Act;
- The System has been installed by Qualified Persons in compliance with Section 16-128A of the Public Utilities Act and any rules or regulations adopted thereunder, as required by Section 1-75(c)(7) of the IPA Act;
- The System has been or will be installed by a company with current Distributed Generation Installer certification from the Illinois Commerce Commission ("ICC").
(<https://www.icc.illinois.gov/Electricity/authorities/DistributedGenerationCertification.aspx>);

- The System meets the definition of the Class of Resource indicated in Cover Sheet A and meets the requirements specified in the IPA Act or rules promulgated by the ICC for the designated Class of Resource;
- The System is interconnected at the distribution system level in Illinois with the electric facilities of Ameren Illinois Company, Commonwealth Edison Company, MidAmerican Energy Company, Mt. Carmel Public Utility Co., or a "municipal utility" as defined in Section 3-105 of the Illinois Public Utilities Act, or a "rural electric cooperative" as defined in Section 3-119 of the Illinois Public Utilities Act;
- The System is located on the customer side of the customer's electric meter and is primarily used to offset that customer's electricity load; and
- The System's Nameplate Capacity (AC rating) is no more than 5,000 kW (5 MW).

This Agreement is contingent on the System's acceptance into the ABP. The Seller acknowledges that all of the terms and conditions in the Agreement are contingent upon the System being accepted and approved by the IPA or its designee and subsequent approval by the ICC and inclusion within the assigned utility's ABP Renewable Energy Credit Agreement "Utility Agreement."

Article 1. Definitions:

Additional Collateral: Collateral (in addition to the 5% Collateral required by the IPA) paid to Buyer for the purpose of protecting Buyer from Seller's failure to deliver contracted RECs. Unused Additional Collateral will be returned to Seller at the end of the Agreement.

Application: The System's application submitted to the Program Administrator for the ABP.

ICC Contract Approval: The approval of the System's Application by the Program Administrator and subsequent approval by the ICC.

Agency: The Illinois Power Agency (see 20 ILCS 3855)

Ameren Illinois: Ameren Illinois Company

Approved Vendor: An entity approved by the Program Administrator to submit project applications to the ABP and act as counterparty to the ABP contracts with the utilities.

Batch: The minimum size of a submission to the ABP, normally 100 kW with exceptions for the first submission of certain Approved Vendors.

Block: A defined size of program capacity with a defined level of incentives that declines at a rate of 4% per each new block as capacity is enrolled.

Buyer Approved Vendor Fee: Fee charged by Buyer for services under this contract as listed in Cover Sheet A.

Category: A classification based on a system size and type. The program has three categories: Small Distributed Generation (DG) for DG systems 25 kW AC and below, Large Distributed Generation for DG systems above 25 kW AC up to 5 MW AC in size, and Community Solar for community solar projects up to 5 MW in size.

Class of Resource: Type of generating resource as defined by the ABP. For this agreement all systems shall be DG Solar or Community Solar (as defined in the Community Solar Addendum).

Collateral: The performance assurance required for each System. This includes at a minimum 5% of the Total Contract Value. It also includes Additional Collateral as required by the Buyer and defined in Cover Sheet B.

Collateral Drawdown: Occurs when the System does not meet or exceed the delivery schedule in Cover Sheet C.

ComEd: Commonwealth Edison Company

Contracting Utility: Utility that the System's Application is assigned to by the IPA and or its designee.

Default or Event of Default: A Default or Event of Default shall mean, with respect to a Party (a "Defaulting Party"), the occurrence of any of the following: (1) a Party materially breaches any or all of its obligations and such breach is not cured within the specified number of days relating to that breach as described in this Agreement, or, if no cure period is specified, such breach is not cured within twenty (20) Business Days of receiving written notice of such breach from the other Party; (2) any representation, warranty, or covenant made by a Party in Article 8 of this Agreement proves to have been misleading or false in any material respect when made; (3) a Party becomes Bankrupt; (4) Seller executes a contract to sell any RECs within the Delivery Term up to the Maximum Contract Quantity from the System to any other buyer; (5) Seller makes any public claims inconsistent with Section 4.1.7 of this Agreement, or (6) Seller fails to satisfy any or all of the conditions set forth in Article 4 or Article 8.

Distributed Generation (DG): A system which is located on-site, behind a customer's meter, and used primarily to offset a single customer's load; it cannot exceed 2,000 kW AC in size.

Energized System: A system which is complete, has received a utility permission to operate, and has completed and received approval of Part II of the program application.

Environmental Attribute: An aspect, claim, characteristic or benefit associated with the generation of a quantity of electricity by a Renewable Energy Facility, other than the electric energy produced, and that is capable of being measured, verified or calculated. An Environmental Attribute may include one or more of the following identified with a particular megawatt hour of generation by a Renewable Energy Facility designated prior to delivery: the Renewable Energy Facility's use of a particular Renewable Energy Source, avoided NOX, SOX, CO2 or greenhouse gas emissions, avoided water use (but not water rights or other rights or credits obtained pursuant to requirements of Applicable Law in order to site and develop the Renewable Energy Facility itself) or as otherwise defined under the ABP, or as agreed by the Parties. Environmental Attributes do not include production or investment tax credits, other federal, state or local tax benefits, incentives or deductions, or other direct third-party subsidies for generation of electricity by the designated System(s), all of which credits, benefits, incentives, deductions or subsidies are reserved exclusively to the owner of the designated System.

Final Contract Value: Final Agreement Purchase Price paid by the Contracting Utility to Buyer calculated after any changes are made to Final System Size or other specifications and calculated using the Total Contract Value assigned to the System's approved ABP Application.

Final Purchase Price: This is the price paid by Buyer to Seller under this Agreement adjusted, if necessary, for final installed System specifications (such as Final System Size and accepted Block value).

Final System Size or Final Installed Capacity: The AC nameplate capacity of the System after installation and energization, measured by the aggregate inverter nameplate rating.

Group: One of the two Block Groups used to classify a system based on location. The Groups are:

Group A – Ameren Illinois, MidAmerican, Mt. Carmel, Rural Electric Cooperatives, and Municipal Utilities located in MISO

Group B – ComEd, and Rural Electric Cooperatives, and Municipal Utilities located in PJM

ICC: Illinois Commerce Commission (see 220 ILCS 5); the State Agency charged with regulating public utilities in Illinois, as well as approving aspects of the ABP.

IPA: Illinois Power Agency; the State Agency charged with administering the procurement of renewable energy resources to meet Illinois' renewable energy portfolio standard, in addition to procuring electric power supply for eligible retail customers of electric utilities and other responsibilities.

Interconnection Agreement: An agreement with the utility to interconnect the System to the utility's distribution system.

Large DG: A distributed generation system larger than 25kW AC, up to 5MW AC

M-RETS: The Midwest Renewable Energy Tracking System. This is an entity independent from the State of Illinois, IPA, ICC, and the ABP. It is one of two tracking registries, which along with PJM-GATS can be used to track creation, transfer, and retirement of RECs. More information can be found at the M-RETS website at <https://www.mrets.org/>

Master Agreement: SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program, i.e. this document.

MidAmerican: MidAmerican Energy Company

Mt. Carmel: Mt. Carmel Public Utility Company

Notice to Energize: Notification made to Buyer by Seller or Seller's Installer that system has been energized made through Buyer's Portal or email.

Net Metering: A provision in an electric utility's tariff that allows for crediting a customer's bill for all or some of the production of a DG or community solar facility which has been exported to the distribution grid.

Non-ministerial Permit: A permit in which one or more officials consider various factors and exercise some discretion in deciding whether to issue (typically with conditions) or deny the permit.

New System Owner: An entity that purchases or otherwise acquires ownership of a System from the Seller. The New System owner will become the "Seller" after acquiring ownership of the System.

Part I: The initial application to the ABP which contains detailed information on the System and its location. Part I approval results in an ICC approved contract with one of the distribution utilities. A system must be energized within 12 months (18 months for community solar projects) after this contract is approved.

Part II: The second part of the application to the ABP completed after energization, demonstrating completion of the project in accordance with the Part I parameters approved.

Performance Call: A request by Buyer for collateral to be paid by Seller. This request will be made when a Collateral Drawdown occurs.

PJM-GATS: The PJM Environmental Information Service generation attribute tracking system. This is an entity independent from the State of Illinois, IPA, ICC, and the ABP. It is one of two tracking registries, which along with M-RETS can be used to track creation, transfer, and retirement of RECs. More information can be found at the PJM-GATS website at <https://www.pjm-eis.com>.

Program Administrator: The IPA's designee responsible for running day to day operations of the ABP. InClima has been designated the Program Administrator.

Project: A solar photovoltaic array and all associated equipment necessary for its generation of electricity and connection to the distribution grid. (Same as "System")

Projected Purchase Price: Price indicated in Cover Sheet A. This is the price to Seller after fees have been taken out, but not before bonding has been withheld (if bonding is withheld from payment). This price is subject to change before becoming the Final Purchase Price if system specifications change between the issuance of Cover Sheet A and the System's installation and energization. If the ABP Block the System is accepted in has a lower price than listed in Cover Sheet A the Final Purchase price will also reflect the lower block price and therefore differ from the Projected Purchase Price.

Qualified Person: "Qualified person" means a person who performs installations on behalf of the certificate holder and who has either satisfactorily completed at least five installations of a specific distributed generation technology or has completed at least

one of the following programs requiring lab or field work and received a certification of satisfactory completion: an apprenticeship as a journeyman electrician from a DOL registered electrical apprenticeship and training program; a North American Board of Certified Energy Practitioners (NABCEP) distributed generation technology certification program; an Underwriters Laboratories (UL) distributed generation technology certification program; an Electronics Technicians Association (ETA) distributed generation technology certification program; or an Associate in Applied Science degree from an Illinois Community College Board approved community college program in the appropriate distributed generation technology. To be considered a "qualified person", the experience and/or training relied upon must be with the same type of distributed generation technology for which the qualification status is sought.

Renewable Energy Credit (REC): The environmental attributes represented by 1 MWh of electricity generated by a renewable generator. Any REC subject to this Agreement must be eligible for use in the ABP.

Renewable Portfolio Standard: A law which requires a certain portion of the electricity served by investor owned utilities in a state to come from renewable generation.

Small DG: A distributed generation system less than or equal to 25 kW in size.

System: A solar photovoltaic array and all associated equipment necessary for its generation of electricity and connection to the distribution grid. (Same as "Project")

Total Contract Value: This is the total price paid by the Contracting Utility for RECS from the System before collateral or fees are withheld.

Website or Portal: Buyer's website: <https://portal.carbonsolutionsgroup.com>

Article 2. Terms

2.1. Term of Agreement. This Agreement shall commence as of the Effective Date and shall remain in effect until the Delivery Term End Date or, in the case that the Delivery Term End Date is extended beyond the Initial Delivery Term; two (2) years after the end of the final Delivery Term End Date Extension period. Alternatively, the Term of the Agreement may end upon the termination of the Agreement in accordance with its terms (the "Term of the Agreement"). Earlier termination of this Agreement may occur as a result of the execution by the Parties of an additional agreement.

2.2. Initial Delivery Term. The initial Delivery Term shall commence on the Delivery Term Start Date and end on the Delivery Term End Date and this shall constitute the full Term of the Agreement. Unless modified in accordance with Section 2.4, the Delivery Term will end the last day of the one-hundred eightieth (180th) month after the date on which the initial REC delivery has been completed from the System. Buyer is not obligated to purchase any RECs delivered to Buyer's account after the Delivery Term End Date. The Seller and the Buyer may enter into an extension or a second contract after the Delivery Term End Date to market the Seller's RECs beyond those contracted for.

2.3. Delivery Term Start Date. The "Delivery Term Start Date" for Transactions under this Agreement is June 1st following the latest of the following: (a) the Effective Date of an applicable Transaction, (b) the Part II verification of the system by the Program Administrator, and (c) the first REC generation under the applicable Transaction. The first REC generation will be made after the Energized System is registered in either the PJM-GATS or M-RETS tracking registry, the Energized System Application is approved by the ICC, and Part II verified by the ABP. For Energy Systems larger than 5 kW AC, the first MWh of solar production as meter read data must be delivered to Buyer within eighty (80) days of the date the Energized System is energized and registered in PJM-GATS or M-RETS. For Energy Facilities smaller than 5 kW AC, one hundred fifty (150) days for the first MWh of Production Data to Buyer will be allowed.

2.4. Delivery Term End Date Extension. The Delivery Term End Date shall be extended by five (5) calendar years (1) for each Delivery Year Shortfall as defined in Cover Sheet C and Section 5.5.5, or (2) in the event Seller's default. The Delivery Term End Date shall also be extended by one (1) year as set forth in Section 3.6 and Section 5.5.8. In situations where the Delivery Term End Date is extended ("Extended Term") beyond the initial Term of the Agreement, all rights shall convey to Buyer as described in

Section 7.3 during such Extended Term(s). Each extension shall be expressly additive in nature insofar as multiple extensions for remedy of the above referenced sections shall be sequential and successive.

2.5. Delivery Date. Seller must send or maintain access for Buyer to obtain meter reads from a meter meeting the requirements listed in Section 3.5 of this contract for the duration of the Term of the Agreement. Meter reads must be sent or available monthly for the duration of the Term from the 1st to the 15th of each calendar month.

2.6. Delivery Term End Date. Unless modified in accordance with Section 2.4, the Delivery Term will end the last day of the one-hundred eightieth (180th) month after the date on which the initial REC delivery has been completed from the System. Buyer is not obligated to purchase any RECs generated by the System after the Delivery Term End Date. In the event of an extended delivery compensation for any RECs will solely be made according to Section 7.3.

Article 3. System

3.1. RECs only from System. Buyer will only purchase RECs from the System that is identified in Cover Sheet A. RECs that are not from the System will not be accepted by Buyer unless expressly agreed upon by the Parties.

3.2. Omitted.

3.3. Installation Consistent with Description. The System is required to have been Installed consistent with the description set forth in Cover Sheet A of this Agreement. Any modifications to the System from that described in Cover Sheet A must be accepted and approved by the IPA or the IPA's Designee and must adhere to the rules of this Agreement.

3.3.1 Co-Location of Systems. The total capacity of DG Systems enrolled in the ABP at a customer's location will be considered a single System. (For example, three 100 kW systems at a single location will be considered a single 300 kW system.) For purposes of determining the System's REC price, a System's location is considered to be (a) a single building (regardless of the number of utility accounts at the location) for rooftop installations and (b) a single property parcel for ground-mounted systems (if a property had both rooftop and ground-mounted systems, it will be considered a single system). Additionally, systems located on multiple different rooftops on the same parcel will be considered a single System if each system is owned by the same entity or its affiliates.

If two or more projects on one parcel are separately owned and serve to offset the load of separate entities, then in order to have these arrays considered as separate projects, Seller must provide proof that the occupants are not affiliated entities, and each has a separate utility meter and separate utility billing and the IPA must confirm and accept the systems as separate.

3.4. Tracking Registration and Energized Date. The System must be completely installed in compliance with IPA rules, energized and registered with the tracking system (PJM-EIS GATS or M-RETS) in accordance to the following Deadlines:

3.4.1 Deadline to Energize Systems. DG Systems must be energized within twelve (12) months of being approved by the Program Administrator and Utility. Seller must provide Buyer with all required documentation no later than thirty (30) days before the System Energization Date. This additional time is required for Buyer to register the System with the applicable tracking registry and set up standing orders for the term of the contract. Systems which do not provide energization information thirty (30) days prior to their energization deadline may not meet the deadline and could have their contract terminated and corresponding Collateral forfeited.

3.4.2. Notice of Energization. Within five (5) business days after the System is installed and successfully energized, Seller shall provide notice to Buyer by updating its original Application on Buyer's web portal, and such update shall include the final Nameplate Capacity (AC rating) of the project ("Final System Size"), the "Energized Date" (the date on which the System became energized and operational), and any associated documentation required therein, including, but not limited to the documents listed in Attachment F. Seller shall provide any additional required or requested information or documentation reasonably requested by Buyer. At the time the Notice of Energization is submitted to Buyer (through the update to the original Application), Seller will thereby represent and warrant that all information and certifications contained therein are true, accurate and correct, and Seller shall not fail to include information required so as not to be misleading or misrepresentative.

3.5. System Metering Requirements The System must meet the following metering criteria. The meter described below is not the System's Utility meter, but the System's Solar Production Meter. All systems not yet registered on a tracking system that will be registered by Buyer will be registered in PJM GATS unless specifically noted on this contract.

3.5.1 Systems Registered with M-RETS All systems registered with M-RETS must utilize an ANSI C.12 certified revenue quality meter as specified in M-RETS Operating Procedure 7.2. The IPA will not accept any metering less stringent than that required by M-RETS.

3.5.2 Systems Registered with PJM GATS

Systems up to 10 kW AC Systems of 10kW in size and below registered with GATS must utilize either a meter that is accurate to +/- 5% (including refurbished and certified meters), or an inverter that is specified by the manufacturer to be accurate to +/- 5%. The inverter must be UL-certified and must include either a digital or web-based output display.

Systems over 10 kW AC and less than 25 kW AC Systems over 10 kW and less than 25 kW in size registered with GATS must utilize a meter that meets ANSI C.12 standards. Meters that are refurbished (and certified by the meter supplier) are allowed.

Systems 25 kW AC and above Systems of 25 kW and above registered with GATS must utilize a new meter that meets ANSI C.12 standards. The meter must be new at the time of the installation of the meter on the System and not new for this contract.

3.6. Metering. The System must be located behind the customer's utility meter of a distribution customer of the Interconnecting Utility indicated in Cover Sheet A. The System must have a Revenue Quality Meter so as to allow the System owner to have the ability to measure the output of the System. Such meter or separate meter dedicated to the measurement of the System's energy output for the determination of the quantity of RECs created shall be installed, operated, maintained and tested in accordance with good utility practice, PJM-EIS GATS or M-RETS requirements, as applicable, and any other requirements and standards issued by the Interconnecting Utility and the IPA. Seller shall be responsible for the System to be in compliance with the terms and conditions of the Interconnecting Utility's tariff for all other metering required of the System. Seller shall be responsible or shall ensure the System owner is responsible for all costs associated with such metering consistent with all standards and requirements set forth by the Interconnecting Utility. Failure to maintain meter in working order including internet connection may result in default by Seller. Systems are strongly encouraged to maintain an internet connected meter. Systems that do not have internet connected meters will be charged an additional fee of 8% of the Purchase Price by the Buyer. As outlined in Section 5.5.8, each three (3) month period of missed meter reads will result in an extension of the Term of the Agreement by one (1) year.

3.7. Interconnection Agreement. This Agreement does not provide for the interconnection of the System to the Interconnecting Utility's electric distribution system. Seller shall seek such interconnection service from the Interconnecting Utility in accordance with the Interconnecting Utility's applicable interconnection process. Seller shall comply with the terms and conditions of the Interconnection Agreement. Seller shall be responsible for all costs and expenses associated with the interconnection of the System consistent with all standards and requirements set forth by the Interconnecting Utility.

3.8. Systems with a Battery Backup. All systems which include a battery shall be electrically connected in a manner which ensures that any non-solar generated electricity used to charge the battery is not later metered as solar generated power. This can be done in one of two ways:

1. The meter used to report production is electrically located before the battery charger and does not measure any power that is drawn from the battery bank.
2. A net meter is connected to the system that runs in reverse when any non-solar power, including on-site generator power, is used to charge the battery bank.

This must be an integral part of the physical system design. An inverter which can be configured using software to preclude non-solar charging of the battery bank is not sufficient if that inverter is used as the source of reporting for renewable generation.

3.8.1. Battery Backup Environmental Attributes. Any environmental attributes associated with a battery installed with the system shall convey to Buyer as prescribed in Section 7.3.

3.9. **No Partial Systems.** All Systems entered into the ABP must include the entire output of the system. Any capacity of a System which is not part of the ABP must be separately metered with a separate inverter.

3.10. **Changes To System Size.** If the Final Installed System Capacity is different from the System Capacity in Cover Sheet A and the Final Installed System Capacity is within the greater of: +/-5kW or +/-25% of such System Capacity in Cover Sheet A, then the following shall apply:

3.10.1. If the System Capacity in Cover Sheet A is equal to or less than 125 kW, and the Final Installed Capacity is greater than 25 kW, then the monetary amount that is eligible for payment for RECs from such System in the first REC payment shall be adjusted from one hundred percent (100%) to fifteen percent (15%) of the REC Purchase Payment Amount with the remaining balance of the REC Purchase Payment Amount eligible to be made ratably over the subsequent 24 quarterly periods. If the System Capacity in Cover Sheet A is greater than 25 kW, and the Final Installed Capacity is equal to or less than 25 kW, then the monetary amount that is eligible for payment for RECs from such System in the first REC payment shall be adjusted from fifteen percent (15%) to one hundred percent (100%) of the REC Purchase Payment Amount;

3.10.2. If the Final Installed Capacity is greater than the System Capacity in Cover Sheet A then:

- (A) the Purchase Price for purposes of payment shall be the REC price applicable to the Final Installed Capacity under the ABP at the time of Energization of such System, and if such REC price is not available then the last prevailing REC price applicable to the Final Installed Capacity under the ABP; and
- (B) the quantity of RECs used for purposes of payment shall be the lesser of the REC quantities calculated based on: (1) the System Capacity in Cover Sheet A and Capacity Factor and (2) the Final Installed Capacity and Capacity Factor.

3.10.3 If the Final Installed Capacity is less than the System Capacity in Cover Sheet A, then:

- (A) the Purchase Price for purposes of payment shall remain unchanged from the Proposed Price indicated in Cover Sheet A to the Final Purchase Price applicable to such System. For avoidance of doubt, the Purchase Price for purposes of payment shall not include any additional adders that may be applicable to smaller sized generating units under the ABP; and
- (B) the quantity of RECs used for purposes of payment shall be the lesser of the REC quantities calculated based on: (1) the System Capacity in Cover Sheet A and Capacity Factor and (2) the Final Installed Capacity and Capacity Factor.

Article 4. Prerequisites for Purchases

4.1. Buyer's obligation to begin the purchase of RECs from Seller at the rates of payment specified in Cover Sheet A is contingent upon the satisfaction of all of the following conditions:

4.1.1. Seller has provided or will provide Buyer with all documents required for participation in the ABP. These documents include but are not limited to supporting documents listed in Attachment F;

4.1.2. Seller has provided Buyer with all information, documentation, and permission necessary to create a valid account in PJM-EIS GATS or M-RETS for purposes of obtaining full rights and title to RECs from the System and delivering such RECs to Buyer's PJM-EIS GATS or M-RETS account. This includes but is not limited to: system identification information and Schedule A (attached to contract);¹

4.1.3. Seller has all rights to the RECs to be delivered by Buyer to the contracted utilities' PJM-EIS GATS or M-RETS account and such rights include the rights to deliver and convey title of such RECs to Buyer such that, upon delivery, all rights and ownership of delivered RECs shall belong to Buyer. This includes that the System did not participate in or receive any funding from a grant that claimed ownership of the System's RECS or prohibited the system from selling RECS.

4.1.4. The Delivery Term Start Date has occurred;

- 4.1.5. If System owner and host are different entities or individuals, the Seller must provide the Buyer with a signed host agreement as an attachment to this Agreement;
- 4.1.6. The ICC has entered an order approving a batch including the System;
- 4.1.7. Seller shall not claim to be using clean or renewable energy or otherwise suggest that the System owner/System host receives or uses renewable electricity or make any other claim which might interfere with the right to the RECs. Any environmental claims made by Seller as they pertain to a System subject to this Agreement that are not expressly approved by Buyer may constitute default under this contract. Further guidelines on marketing claims are available in the ABP Marketing Guidelines on illinoisABP.com;
- 4.1.8. The IPA and ICC have accepted the system into the ABP program; and
- 4.1.9. The IPA must approve of the System's participation in the ABP. If the System is not selected or approved to participate in the ABP this agreement shall remain in place for one (1) calendar year to allow for submission of the system in subsequent blocks. If after one (1) year the system has still not been accepted in the ABP and no extension of this Agreement has been agreed upon, this Agreement is void. Furthermore, the IPA is the primary entity responsible for confirming whether each System's characteristics meet the requirements of the ABP for purposes of this Agreement, and the Parties acknowledge and agree that the IPA (or its designee) shall have the right to request more information from Seller on a System and conduct on-site inspections and audits to verify the quality of the installation and conformance with information submitted to the Buyer. If the IPA (or its designee) determines that a System as built (i) is in material non-conformance with requirements of the ABP; or (ii) is materially non-conforming with the information previously submitted by Seller to the IPA (or its designee) about that System, then the Buyer shall provide notice of the material deficiency to Seller. Seller shall then have ten (10) business days to cure the material deficiency, with extensions for good cause issued at the discretion of the Buyer. If the Buyer or the IPA determines in its reasonable discretion that the System's material deficiency continues rendering the System ineligible for the ABP, the Buyer shall have the right to terminate this Agreement through written notice to Seller. Buyer's rights to recover any losses from Seller under this Agreement shall survive such termination of the Agreement. Buyer's remedies include, but are not limited to, payment by Seller in the amount of the greater of: (i) the Collateral Requirement or (ii) one hundred percent (100%) of the total payments Seller has received from Buyer associated with RECs from such System. This shall be drawn automatically from the payment method the Seller has on file and Buyer shall pursue all means including ones in the Security Agreement Addendum to recover payments.

Article 5. Purchase and Sale of RECs

5.1. Obligation to Purchase and Sell RECs

- 5.1.1. After the Delivery Term Start Date, upon satisfaction of all Article 4 pre-requisites and until the Delivery Term End Date Seller shall sell and Buyer shall receive and purchase all RECs generated by the System. Notwithstanding the foregoing, Buyer may, at its sole discretion, annul its obligation under this Section 5.1.1 to receive and purchase RECs beyond the end of the Delivery Term described in Section 2.2.
- 5.1.2. In addition to Seller's sale and Buyer's purchase of RECs, Buyer, without the payment of any additional consideration to Seller, shall receive title to, and Seller shall convey to Buyer, any and all other Environmental Attributes associated with the electricity generated or load saved by the System. Buyer shall also retain rights to data and records associated with the energy generated by the system during the life of the contract.
- 5.1.3. Beginning from the Delivery Term Start Date through the Delivery Term End Date (including any extensions), ownership of all RECS generated by the System shall belong exclusively to Buyer, and Seller shall not sell, divert, grant, transfer or assign such RECs to any person or entity other than Buyer unless otherwise specifically provided herein. Seller shall not enter into any agreement or arrangement under which any person or entity other than Buyer can claim such RECs from the Delivery Term Start Date through the Delivery Term End Date (with any extensions) except as otherwise specifically provided herein.

5.1.4. Omitted.

5.1.5. Omitted.

5.1.6 Omitted.

5.2. For purposes of clarification, Buyer shall not purchase, or take title to any energy or capacity from the System under this Agreement.

5.3. This Agreement shall not provide the basis for any preferential treatment for any other products or services between the Parties. This Agreement also makes no provision for net metering.

5.4. Seller agrees to provide any additional permission, information, or documentation needed to register the System in any other REC or environmental credit market that is requested by the Buyer

5.5 Seller Responsibilities. The seller agrees to comply with all of the following terms:

5.5.1 The Seller grants Buyer the right to act as its REC generator on the appropriate tracking system. This includes completing all the necessary paperwork for the applicable tracking system (PJM GATS or MRETS).

5.5.2 The Project must give all ownership rights to all RECs generated for the Term of the Agreement (and any extensions thereof) to the Buyer.

5.5.3 The System must meet the metering requirements in the ABP (see Sections 3.5 and 3.6, supra).

5.5.4 Projects must either maintain an internet connection (which may be a cellular or wireless connection) to the device being used for generating metering data and grant Buyer the rights to their energy production data so Buyer may generate RECS accordingly, or, alternatively, the Seller must furnish monthly production data to the Buyer. This may include but is not limited to a picture of the meter or inverter reading each month. Sellers without online monitoring of their System must provide Buyer with their System's production on a monthly basis according to the method provided by Buyer. Systems without an internet connected meter will have 8% of the Purchase Price withheld as a non-internet fee by the Buyer. The cost of the internet connection is the Seller's sole responsibility.

5.5.5 In the event of a sale of the property hosting the System or any change otherwise in the ownership of the System, Buyer maintains the rights to the RECs generated following the change in ownership of the System. To be clear, this applies whether or not the ownership rights of the System are sold along with the rest of the property. Seller commits that this Agreement shall be assigned, if necessary, to the appropriate entity to effectuate the purpose of this Agreement. The Buyer retains the rights to all RECs generated during the Term of this Agreement as set forth herein. All Collateral held from the System will be transferred and refunded to the System owner at the end of the Term of the Agreement. Additional Collateral may be required from the new System owner upon transfer of ownership. Each transfer of ownership of the system will automatically extend the contract term by 5 years.

5.5.6 The System must meet any other requirements not explicitly mentioned here but required under the IPA Act, 20 ILCS 3855/1-1 et seq., or the orders entered in ICC Docket No. 17-0838.

5.5.7 Systems must be completely located within the State of Illinois

5.5.8 Failure by the System owner to deliver meter reads or applicable documents to Buyer at least once every three (3) calendar months can result in default of this Agreement by the System owner.

5.5.8.1 Failure to deliver meter reads. If Seller fails to deliver to Buyer meter reads at least once every three (3) months in accordance with Section 5.5.8, then Buyer will provide electronic notice to Seller of such failure. If Seller has not delivered meter read data to Buyer within ten (10) business days of the notice to Seller the Buyer has the

option to hold Seller in Default and or to extend the term of this Agreement by one (1) year in order to recoup any losses to Buyer arising from such failure. Failure to deliver meter reads for a full year will result in Default by the Seller.

5.5.8.2 Failure to deliver registration documents. If Seller fails to deliver to Buyer required registration documents including but not limited to those listed in Attachment F within twenty (20) calendar days of System energization, Buyer will provide electronic notice to Seller of such failure. If within ten (10) business days following the notice to Seller the registration documents are not delivered by Seller, Buyer has the option to hold Seller in Default or extend the term of this Agreement by one (1) year in order to recoup any losses to Buyer arising from such failure.

5.5.9 Maintenance and Repair; Insurance.

5.5.9.1 System Upkeep And Maintenance. Seller shall be responsible for all necessary upkeep and maintenance of the System in order for the System to achieve the expected REC deliveries set forth in Cover Sheet C, or any amendments thereto or any other such minimum output requirements or obligations under an extension of this Agreement. If the System falls into a state of disrepair or is destroyed, or its production is otherwise interrupted, Seller shall promptly notify Buyer upon notice or event of such disrepair, destruction, or interruption.

5.5.9.2 System Disrepair or Destruction. If the System falls into a state of disrepair or is destroyed, or its production is otherwise interrupted, Seller shall be responsible for initiating repair on the System within fifteen (15) calendar days from the date of initial disrepair, destruction, or interruption. Failure to notify Buyer of the initiation of such repairs within fifteen (15) calendar days from the notice or event of initial disrepair, destruction, or interruption may constitute an Event of Default of this Agreement at the Buyer's option.

5.5.9.3 System Interruption. If the System falls into a state of disrepair or is destroyed, or its production is otherwise interrupted, Seller shall be responsible for bringing the System back online and operational including reporting meter reads to buyer and ensuring the System recommences the production and delivery of electricity onto the grid, commensurate with its Nameplate Capacity (AC rating) within thirty (30) days from the initiation of such repairs. Failure to bring the System back online within thirty (30) days from the initiation of such repairs shall be an Event of Default of this Agreement. If necessary and at the sole discretion of Buyer, Seller grants to Buyer permission to access the site of the malfunctioning System such that Buyer, or its representatives, could repair the System. All costs incurred by Buyer to repair the System will be reimbursed by Seller immediately upon receipt of invoice from Buyer. Seller's failure to reimburse such costs may result in an equivalent amount withheld from any future payments due Seller under this Agreement.

5.5.9.4 Insurance. A non-residential Seller with a System above 25 kW (AC) shall maintain, at all times during the Term of the Agreement, commercial liability insurance, general liability insurance, third party liability insurance, and all risk insurance policies of a normal and customary value, provided that the risk insurance policy shall cover, at the minimum, the total cost of the System, for purposes of maintenance and repair. Seller shall present proof of such coverage to Buyer upon request. A residential Seller shall maintain, at all times during the Term of the Agreement, general liability and property insurance which covers, at a minimum, the total cost of the System, for purposes of maintenance and repair. Any unresolved lapse in coverage for more than three (3) months during the term of the contract may constitute a default under this Agreement at Buyer's option.

Article 6. Quantity; Purchase Price & Collateral

6.1. Purchase Price During Initial Delivery Term. All RECs produced by the System during the Initial Delivery Term of the Agreement shall be purchased by Buyer at the Purchase Price indicated in Cover Sheet A or the Final Purchase Price if amended. For avoidance of doubt this initial purchase price shall only apply to RECs which have been sold under the Buyer's ABP contract and shall not include any RECs generated under any extended terms.

6.1.1 Purchase Price During Extended Term. RECs produced by the System and delivered to the buyer during any Extended Term shall be acquired in accordance with Article 7.3. For avoidance of doubt RECs delivered during any extended term shall not be compensated at the rates awarded for ABP contracts, but instead shall be conveyed solely as described in Article 7.3.

6.2. Application Fee & Collateral. The Seller shall pay a non-refundable application fee of \$20/kW (up to \$15,000 per System) to the Buyer immediately upon entering into this Agreement, unless the fee has been covered by another party outside of this Agreement. If the fee will be covered by a third party Buyer must be given notice in writing and agree. The Seller shall also pay 5% of the Total Contract Value before fees to the Buyer as Collateral upon ICC approval of the System. Buyer will notify Seller of ICC approval via email. Seller has five (5) days after notification from the Seller to pay the full Collateral requirement to the Seller. If the Seller pays more than five (5) days after this notification a 5% penalty will be added to the Collateral immediately as well as a 2.5% penalty per month the payment is late. A failure or delay to pay Collateral may result in default by the Seller. The Buyer may, at its sole discretion, withhold payment from Seller to recoup collateral and or late payment penalty,

6.3. Collateral Maintenance and Management. Seller understands and agrees that Seller will be required to maintain a predefined Collateral balance (refer to Coversheet B) with Buyer for the entire Term of the Agreement. The Collateral will be determined in the Application based on the kilowatt AC size of the System, and further adjusted based on the Final Contract Value. The Collateral will be used to fulfill shortfalls in REC production relative to the production schedule agreed upon in the Coversheet C. In the event the Collateral is needed to meet a shortfall in RECs delivered under Buyers ABP contract due to REC production shortfall, Seller will be required to make a payment to Buyer to restore the Collateral to the full original balance (a "Performance Call"). Payment to restore the Collateral will be made by credit card, ACH withdrawal from Seller's bank account, or other method as required. In all instances when a Performance Call is made, Seller will have no more than five (5) business days to restore the Collateral. In the event that Buyer requires a Performance Call from the Seller and the Seller is unable to restore the Collateral in the required time frame, Seller agrees and authorizes that Buyer may use any and all commercially available means to collect the Collateral from Seller. Commercially available means include, but are not limited to, charging a credit card the Seller keeps on file with Buyer, withdrawing funds automatically from the Seller's bank account, utilizing another form of payment, or hiring third party collection agencies. If it is determined that during the Term of the Agreement the Seller's form of payment in the event of Performance Calls is no longer active, the Seller will be required to update its form of payment for events of Performance Calls in their account on Buyer's website. Additionally, Buyer reserves the right to take all legal actions under any Security Agreement Addendum as set forth in Section 6.4. At all times during the Term of this Agreement, the Seller represents and warrants that it has the financial wherewithal to maintain the Collateral required under the terms of this Agreement. Furthermore, for each 30 day period for which the Performance Call is not answered Seller will accrue an additional 1.5% monthly fee.

For the avoidance of doubt, the full Collateral associated with the System under this Agreement shall be forfeited should a System not meet the REC production obligation outlined in Cover Sheet C for more than three (3) delivery years. If a system is greater than 25 kW (AC) and underproduces for more than three (3) delivery Years relative to its expected annual REC Quantity, Buyer reserves the right to automatically revise the system's Capacity Factor during the initial six-year payment term. Additionally, Buyer reserves the right to use all existing Collateral, Collateral subsequently received from a Performance Call, and any future payments still forthcoming from the Contracting Utility to adjust the system's Total Contract Value as Buyer deems necessary.

6.3.1 Additional Collateral Withheld from REC Payments. Buyer reserves the right to withhold Additional Collateral. At the Buyer's discretion Systems will have Additional Collateral withheld from the first REC payment. This Additional Collateral requirement is outlined in Cover Sheet C.

6.3.2 Collateral Payment Information. No payment will be made to Seller until Seller has given Buyer valid authorization and transaction information to be used for automatic Collateral Drawdown. Buyer shall have the right to verify payment method is valid. This includes the right to charge the seller One (1) Dollar each Delivery year to verify this payment method.

6.3.3 Collateral Withheld from REC Payments. Buyer reserves the right to withhold Additional Collateral and Collateral Drawdown payments directly from from payments made to the Seller. If the System is over 25kW AC and requires Collateral Drawdown before all REC payments have been made to the Seller. The Buyer shall withhold the Collateral Drawdown Payment from the payment(s) to the Seller.

6.4. Security Agreement Addendum. As a condition to providing the services outlined in this Agreement, if Seller has a property interest in the System, Buyer may require the Seller to enter into the Security Agreement Addendum attached hereto as Attachment

E. Pursuant to the Security Agreement Addendum, the Seller shall grant to Buyer a security interest in all equipment comprising Seller's System. Such security interest is considered part of Buyer's Collateral. In the event that Buyer requires a Performance Call from the Seller and the Seller is unable to meet its obligation in the required time frame, Buyer reserves the right to take all action to collect the additional Collateral required under the Performance Call including, but not limited to, foreclosing on Seller's System and taking all actions of a secured creditor permitted under applicable law. Terms and conditions relating to the Collateral are contained in the Security Agreement Addendum and are incorporated by reference herein.

6.5. Omitted.

6.6. Final System Size. If the Final System Size differs from the planned installed capacity size as set forth on the Application under the ABP, the following limitations shall apply:

- a) Any increase that results in an Installed System Size behind the customer's utility meter that exceeds 5,000 kW (5 MW) AC rating shall result in the immediate and automatic termination of this Agreement.
- b) Any change in system size that results in an increase in the estimated REC production will not result in an increase in the Final Contract Value. The value of the contract will be determined based on the lesser of the estimated production in the original application compared to the Final System Size.

Article 7. Billing and Payment

7.1. Timing of Payment. The Buyer shall pay Seller no later than 45 days after receiving payment from the utilities. Unless payment record is not on file in accordance with 6.3.2 or used for Collateral in accordance with 6.3.3.

7.2. Omitted.

7.2. Payment Timing with System Size Change. Any increase or decrease in a Final System Size that results in a change in size category from equal to 25 kW AC to over 25 kW AC will result in a change in payment timing. The Final System Size category will determine if the system receives the Purchase Price at the time of Energization, or 15% on energization with the balance to be paid over the next six (6) years.

7.3. Payment During Extended Term. In the case that an Extended Term is required or elected under Sections 3.6, 5.5.8.1, or 5.5.8.2, for Delivery Shortfall or Seller's Default, all rights to RECs and any other Environmental Attribute during such Extended Term shall accrue to Buyer as a remedy at no cost to Buyer.

7.4. Disputes. If Seller disputes any information in the Buyer's payment receipt, the Seller shall so notify the Buyer in writing and any disputed amount shall be withheld by Buyer pending resolution of the dispute. If Seller disputes the amount paid to it by Buyer, Seller shall so notify the Buyer in writing within 30 days of receipt.

7.5. Payment Method. All payments shall be made by electronic funds transfer, PayPal, check, or by other mutually agreeable method(s), although additional fees may apply to payment methods other than check. The Seller will select its payment method, designate the payee, and provide the information necessary to process payment on Cover Sheet D attached to this Agreement or on the Buyer's website.

7.6. Netting and Setoff. Each Party reserves to itself all rights, setoffs, counterclaims, combination of accounts, liens and other remedies and defenses which such Party has or may be entitled to (whether by operation of law or otherwise). The obligations to make payments under this Agreement and any other REC purchase and sale Agreement(s) between the Buyer and Seller, if any, may upon mutual agreement of the Parties be aggregated, and the Parties may discharge their obligations to pay through netting, in which case the Party, if any, owing the greater aggregate amount shall pay to the Party owed the difference between the amounts owed.

7.7. Taxes. Seller shall pay or cause to be paid all taxes imposed by any governmental authority ("Governmental Charges") on or with respect to the RECs or production of the RECs arising prior to delivery. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under the law.

7.8. No Additional Payments. The amount of Purchase Price is the entirety of the payment(s) made to the Seller by the Buyer under this Agreement. Under no circumstances shall the Buyer owe additional payment(s) to the Seller during this Agreement, including for RECs sold during any extensions to the Delivery Term.

Article 8. Covenants, Representations and Warranties

8.1. Seller Covenants, Representations and Warranties. On and as of the Effective Date, and upon delivery, Seller hereby covenants, represents and warrants to Buyer as follows:

8.1.1. Seller has, and at all times during the Term of the Agreement will have, all necessary power and authority to execute, deliver and perform its obligations hereunder;

8.1.2. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary action and does not violate any of the terms or conditions of Seller's governing documents, or any contract to which it is a party, or any law, rule, regulation, order, judgment or other legal or regulatory determination applicable to Seller;

8.1.3. There is no pending or (to Seller's knowledge) threatened litigation, arbitration or administrative proceeding that materially adversely affects Seller's ability to perform its obligations under this Agreement;

8.1.4. Seller is not bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

8.1.5. The Seller acknowledges and agrees that any Environmental Attribute associated with or related to the RECs subject to this Agreement, including without limitation any verified emissions reduction, (or the REC itself) will not be sold or otherwise made available to a third party but will be transferred to Buyer pursuant to this Agreement.

8.1.6. For the entire Term of the Agreement, Seller shall have the right to convey title to any and all of the RECs generated by the System in accordance with this Agreement free and clear of any and all liens or other encumbrances or title defects and Seller further represents that all of the RECs are of the type of REC product specified in Cover Sheet A.

8.1.7. Seller represents and warrants to Buyer that (a) Seller has sold RECs once and only once exclusively to Buyer; (b) the RECs and any other Environmental Attributes sold hereunder have not expired and have not been, nor will be retired, claimed or represented as part of electricity output or sale, or used to satisfy any renewable energy or other carbon or renewable generation attributes obligations under Illinois law or in any other jurisdiction; and (c) that it has made no representation, in writing or otherwise, that any third-party has received, or has obtained any right to, such RECs that are inconsistent with the rights being acquired by Buyer hereunder.

8.1.8. Seller warrants that as of the Delivery Term Start Date and continuing through the Delivery Term End Date, the System is a "Distributed Renewable Energy Generation Device" as defined in the IPA Act (20 ILCS 3855/1-10).

8.1.9. Seller covenants that it shall ensure that the System shall not change, as described in Cover Sheet A, except as set forth in Article 3 or with the prior written consent of Buyer.

Seller understands that failure to comply with any of the warranties and certifications hereof, or any inaccuracy in or failure of foregoing warranties and certifications to be true and correct, constitutes and/or will constitute a material default of this Agreement and may result in the termination of the Agreement, which may result in the forfeiture of Seller's Collateral and recovery of the Final Contract Value. Additionally, if Seller has entered into the Security Agreement Addendum, Buyer shall have the right to take all action to collect the Final Contract Value, including, but not limited to, foreclosing on the Collateral and taking all actions of a secured creditor permitted under applicable law.

8.2. Buyer Covenants, Representations and Warranties. On and as of the Effective Date, Buyer hereby represents and warrants to Seller as follows:

- 8.2.1. Buyer has, and at all times during the Term of the Agreement will have, all necessary power and authority to execute, deliver and perform its obligations hereunder;
- 8.2.2. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary actions and does not violate any of the terms or conditions of Buyer's governing documents, or any contract to which it is a party, or any law, rule, regulation, order, judgment or other legal or regulatory determination applicable to Buyer;
- 8.2.3. There is no pending or (to Buyer's knowledge) threatened litigation or administrative proceeding that materially adversely affects Buyer's ability to perform its obligations under this Agreement; and
- 8.2.4. Buyer does not, by entering into the Agreement with Seller, make any implied warranties or guarantees as to the covenants, representations, warranties, and certifications supplied by Seller in its Application. Accordingly, should the IPA or the Buyer learn that any of the covenants, representations, warranties, and certifications required to be made for the ABP and/or in the Agreement are false, misleading, inaccurate, or otherwise incomplete, Seller shall hold harmless Buyer from any resulting damages suffered due in whole or in part to Seller's false, misleading, inaccurate, or otherwise incomplete covenant(s), representation(s), warranty or warranties, and certification(s).

Article 9. Assignment

9.1. Omitted.

9.2. Assignments by Seller.

- 9.2.1. When assignable, this Agreement shall be binding upon, shall inure to the benefit of, and must be performed by the successors and assigns of Seller. Seller may make a request to Buyer (or Buyer's successors) for the transfer or assignment of Seller's rights and obligations under the Agreement to the "Transferee". Such request must name the Transferee, provide the relationship between Seller and Transferee (if any), and must provide all necessary documentation to show that Transferee meets all conditions specific to a seller under this Agreement. Transferee must be an Approved Vendor for the ABP. Buyer may request additional information from Seller, which must be provided by Seller within (10) ten business days. Necessary documentation may include an updated Cover Sheet A, Cover Sheet B, and Cover Sheet C, and Cover Sheet D, if applicable. Upon receipt of all requested information, Buyer will have thirty (30) calendar days to accept or reject the proposed transfer or assignment of this Agreement. Buyer may only reasonably reject a proposed transfer or assignment. Any costs incurred by the Buyer to assign the contract shall be paid by the Seller.
- 9.2.2. In its notice to Buyer, Seller may state that the assignment or transfer is for purposes of pledging or assigning the revenues under this Agreement to a lender or other financing party as security for the project financing or tax equity financing of the System, or to an affiliate of Seller. In such cases, consent shall be deemed automatic if Seller remains the counterparty to the Agreement.
- 9.2.3. Seller will be required to effect any necessary assignment or transfer in the event of bankruptcy or dissolution.

9.3. **Permitted Assignment by Buyer.** Buyer, including Buyer's successors and assigns, may assign this Agreement without Seller's consent. Buyer shall notify seller within (180) one-hundred eighty days if Buyer assigns contract.

Article 10. Default Remedies

10.1. Remedies Upon Default.

- 10.1.1. **Remedies.** Upon the occurrence and continuation of an Event of Default, the Non-Defaulting Party may (i) terminate this Agreement upon written or electronic notice to the Defaulting Party and/or (ii) exercise such remedies as provided in this Agreement. If the System has been energized and registered with PJM-EIS GATS or M-RETS, and the Agreement is

terminated due to an Event of Default by Seller, then (a) the RECs to be delivered to Buyer under this Agreement from the System shall not be eligible for use under any future IPA procurement event(s), (b) Buyer shall withhold any payments due under this Agreement, and (c) Seller shall be required to refund to Buyer any payments made under this Agreement for RECs that have not been generated as well as all Collateral Drawdowns resulting from a default in the Buyer's contract with the Contracting Utility if such Collateral has not yet been returned to Buyer by the IPA, or the utility, or recouped by REC payments received by Buyer. Seller shall refund to Buyer any unrecouped bonding and participation fees as calculated in Cover Sheet B within 30 days of an Event of Default. Both Parties hereby stipulate that the remedies set forth in this section are reasonable in light of the anticipated harm and the difficulty of estimation or calculation of actual damages, and each Party hereby waives the right to contest such penalties.

10.1.2. Suspension of Performance. Notwithstanding any other provision hereof, if an Event of Default has occurred and is continuing, the Non-Defaulting Party may, on notice to the Defaulting Party, suspend performance of its obligation to deliver and sell, or receive and purchase, as applicable, RECs until such Event of Default is cured. Any such suspension shall be without prejudice to any remedy provided herein or otherwise available at law or in equity, including the right to subsequently terminate under Article 12.

10.1.3 Damages. In the event that the System owner is in default of this contract, Buyer is owed damages equal to lost bonding and fees as well as lost profits associated with the System.

10.1.4 Extended Term. In the event that the System owner is in default of this Agreement, Buyer shall have a right to extend the Term of the Agreement for the life of the System under the conditions outlined for an Extended Term in Section 7.3.

10.2. Defaults Impacting the IPA or Contracting Utility. Seller understands and agrees that if Seller defaults under this Agreement, the System as a result may be or become in default of an agreement with the Contracting Utility or of its obligations to the IPA with respect to the Collateral. Even if Seller cures any or all such defaults within five (5) business days of notice of the default(s), Buyer does not guarantee that Seller's actions will cure defaults with respect to the Contracting Utility or IPA. In the event that Seller's curing of the default(s) under this Agreement does not cure any default with respect to the Contracting Utility or IPA, then Seller will be deemed to remain in default of this Agreement and will be subject to the penalties hereunder.

10.3. Requirement of Additional Collateral. Buyer may require up to 200% of the original Collateral to be paid if System underperforms Cover Sheet C by more than 10% in any given year or for more than two (2) years during the contract. This Additional Collateral may be withheld from payments owed to Seller or collected by methods listed in 6.3 or 6.4. The amount of Additional Collateral withheld or collected will be at the Buyers discretion but not to exceed 200% of the original Collateral amount.

10.4. Reduction in Contract Value. At the Buyer's sole discretion Buyer may require Seller to pay back some of the Purchase Price if the System underperforms by more than 10% of the annual values listed in Cover Sheet C in any three (3) delivery years during the Term of the Agreement. This would immediately cause Seller to owe Buyer for the difference in the contract reduction value. Further, Buyer will furnish Seller with updated Cover Sheet C which will describe the reduced annual delivery quantities thereon owed from the System during the Term of Agreement.

Article 11. Notices and Contact Information

11.1. Notices and other communications provided for herein shall be given in writing by e-mail, by registered or certified mail, return receipt requested, by receipted hand delivery, or by courier (UPS, Federal Express or other similar and reliable carrier) showing the date and time of successful receipt. Notices shall be sent to the individuals at the applicable address set forth in Cover Sheet A. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.

Article 12. Force Majeure

12.1. If either Party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations with respect to this Agreement, that upon such Party's (the "Claiming Party") giving notice and full particulars of such Force Majeure as soon as reasonably possible after the occurrence of the cause relied upon, confirmed in writing, then the obligations of the Claiming Party will, to the extent it is

affected by such Force Majeure, be suspended during the continuance of said inability, but for no longer period, and the Claiming Party will not be in default hereof or liable to the other Party for, or on account of, any loss, damage, injury or expense resulting from, or arising out of such event of Force Majeure during such Suspension Period. The Party receiving such notice of Force Majeure will have until the end of the tenth (10th) business day following such receipt to notify the Claiming Party that it objects to or disputes the existence of Force Majeure. If Seller is the Claiming Party, then such notification must be made to the Buyer, and a determination of whether to object to or dispute the existence of Force Majeure shall be made by Buyer.

12.2. "Force Majeure" means an event or circumstance which materially adversely affects the ability of a Party to perform its obligations under this Agreement, which event or circumstance was not reasonably anticipated as of the date such transaction was entered into and which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which the Claiming Party is unable to overcome or avoid or cause to be avoided, by the exercise of due diligence. Force Majeure includes acts of God (such as tornadoes, fires, earthquakes and floods), explosions, war, hostilities, riots and acts or threats of terrorism (any such event, an "External Event") that disrupt the operation of the System. Force Majeure may include delays in the establishment by the System of an operating interconnection with the applicable distribution system as a result of the actions or inactions of the distribution provider, provided Seller can demonstrate to Buyer that such delay is not primarily attributable to Seller's failure to make in a timely manner a formal request for interconnection to such distribution provider or to provide in a timely manner the information or payment required by such distribution provider. Force Majeure may also include the failure or disruption in deliveries of any certification authority that is not the Claiming Party. In the case of a Party's obligation to make payments hereunder, Force Majeure will only be an event or act of a governmental authority that on any day disables the banking system through which a Party makes such payments.

12.3. Force Majeure may also include curtailments of the System (except economic curtailments as explicitly excluded pursuant to (iv) below) by either the interconnecting utility (including those through a smart inverter) or the Regional Transmission Organization ("RTO") responsible for the operation of the transmission system to which the System is interconnected that result in reduced REC production. In the event that Seller fails to so notify Buyer of such curtailment, Seller shall not be relieved of its delivery obligations as a result of such curtailment. Upon the occurrence and proper notice of a curtailment, Seller shall estimate the amount of deliveries prevented by such curtailment based on the most recent twelve (12) months of actual production data from the System and utilizing actual meteorological conditions during the period of curtailment and shall provide such estimate to Buyer along with all supporting documentation, including any supporting information from the interconnected utility or RTO that curtailed the applicable System's generation. Unless expressly recognized by the IPA as a Force Majeure event, Force Majeure may not be based on: (i) the loss or failure of Buyer's markets; (ii) Buyer's inability to economically use or resell the REC(s) purchased hereunder; (iii) Seller's ability to sell the REC(s) to another at a price greater than the Purchase Price; (iv) curtailment for economic purposes only of the System(s) if acting as a wholesale market participant, made by the interconnected utility or RTO responsible for the operation of the distribution or transmission system to which the System is interconnected; (v) insufficiency or unavailability of insolation to operate the System or generate sufficient quantities of RECs; (vi) the performance or breakdown of equipment or an electrical grid outage not directly caused by an External Event; or (vii) the loss of tax credits, the denial of deductions, or the imposition of additional taxes.

12.4. If Force Majeure adversely affects the ability of Seller to deliver RECs from a System, then there shall be a Suspension Period with respect to that System's obligations to deliver RECs under this Agreement. If the Suspension Period arising from such event lasts for a consecutive period of seven hundred thirty (730) days, then the Agreement shall be terminated. If payments have been made to Seller with respect to the System, Seller shall return the amount of payment based on the applicable Purchase Price and on the difference between the number of RECs used to calculate payment and the number of RECs delivered from such System.

12.1.3. **Utility Approval of Force Majeure:** If Seller is the Claiming Party, after such notification has been made to the Buyer, the determination of whether to object to or dispute the existence of Force Majeure shall be made by Buyer, subject to the concurrence of the IPA (who, upon receipt of notification from the Buyer, shall promptly confer to consider the Force Majeure notice).

Article 13. Liability

13.1. **Limitation of Liability.** With respect to any liability hereunder, the Buyer shall not be liable to the Seller for any consequential, incidental, punitive, exemplary or indirect damages, lost profits, or business interruption damages, whether by statute, in tort or in contract, under any indemnity provision or otherwise.

13.2. No Assumption of Liability. Buyer shall not assume, and Seller, if Seller is the System owner, shall retain and be responsible for any and all liabilities and obligations of Seller of any kind or nature whatsoever with respect to the System, including, without limitation, any and all liabilities and obligations of Seller under Seller's Project Documents. "Project Documents" means this Agreement, the executed project development agreement or other agreement between Seller and a project developer evidencing a legally enforceable obligation to develop, design, procure, and install the System warranted to operate at the host location for at least the Term of the Agreement, and, if Seller is a project developer, any applicable leases, easements, power purchase agreements between the project developer and host and licenses evidencing project developer's rights of access and rights to develop, design, procure, install and operate a solar-powered photovoltaic generation system at the host's location and warranted to operate at the host's location for at least the Term of the Agreement. The Buyer is not liable for lost revenues due to the System not being accepted into the ABP.

13.3 No Guarantee of ABP Participation. Buyer does not guarantee that the System will participate in the ABP or otherwise receive payment for RECS. Buyer is not responsible for a System's participation in the ABP and will not be held liable for any damages if the System does not or can not participate in the ABP for any reason.

13.4 No Guarantee of Payment. Buyer does not guarantee that a System that participates in the ABP will receive payment for the RECS it generates. Buyer only guarantees that if payment is received by Buyer from the Contracting Utility for RECs generated by a System participating in the ABP that the payment will be made to the System owner. The payment schedule is dictated by the rules of the ABP. Seller shall hold Buyer harmless for all expenses and lost revenues which arise out of a missed opportunity to participate in the ABP for any reason.

13.4.1 Developer Caps. The System may not be accepted into a block or may be accepted and subsequently removed by the IPA due to developer caps. Buyer has no responsibility for the System being rejected or not awarded a contract due to a developer cap on the Seller.

13.4.2. ABP Lottery. The System may be entered into a lottery for participation in the ABP. Buyer makes no guarantees and holds no responsibility for ABP lottery results. If a System is not selected in the lottery, the Buyer may terminate this contract.

Article 14. Dispute Resolution

14.1. Except as otherwise expressly set forth herein, for any and all disputes or issues, the Parties shall refer to this Article 14. A Party must respond to the other Party's notice concerning a disputed issue within ten (10) business days of first notification unless otherwise specified in this Agreement.

14.2. Any Party may give the other Party notice of any dispute not resolved in the normal course of business ("Initial Notice"). Such Initial Notice shall include: (a) a statement of that Party's position and a summary of arguments supporting that position; and (b) the name and title of the individual who will be representing that Party and of any other person who will accompany the individual. Within five (5) business days after delivery of the Initial Notice, the receiving Party shall respond with: (a) a statement of that Party's position and a summary of arguments supporting that position; and (b) the name and title of the individual who will represent that Party and of any other person who will accompany the individual. Within fifteen (15) business days after delivery of the Initial Notice, representatives of both Parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. Such a meeting may occur in person or by telecommunication. All reasonable requests for information made by one Party to the other will be honored. All negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

Article 15. Miscellaneous

15.1. Records. The Parties shall keep (or as necessary cause to be kept by their respective agents) for a period of at least twenty-one (21) years such records as may be needed to afford a clear history of all Deliveries of RECs pursuant to this Agreement. For any matters in dispute, the Parties shall keep the records related to such matters until the dispute is ended. This section shall survive the expiration or termination of this Agreement.

15.2. Audit Rights. Buyer shall have the right throughout the Term of the Agreement and for a period of six (6) years following the end of the Term of the Agreement, upon reasonable prior notice, to audit copies of relevant portions of the books and records of the other Seller to the limited extent necessary to verify the basis for any claim by a Seller for payment from the Buyer or to determine a Seller's compliance with the terms of this Agreement. If upon review, books and records indicate inconsistencies related to the information provided for the System, Buyer and its representatives shall have the right, but not the obligation, during business hours, upon reasonable notice to Seller, to visit and view the System site to the extent Seller has access to the site. The Buyer requesting the audit shall pay the Seller's reasonable costs allocable to such audit.

15.3. Forward Contract. Buyer and Seller each acknowledge that, for purposes of this Agreement, it is a "forward contract merchant" and that all transactions pursuant to this Agreement constitute "forward contracts" within the meaning of the United States Bankruptcy Code.

15.4. Severability. If any article, section, phrase or portion of this Agreement is, for any reason, held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such article, section, phrase, or portion so adjudged will be deemed separate, severable and independent and the remainder of this Agreement shall remain in full force and effect, and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such adjudication, provided that the basic purpose of this Agreement and the benefits to the Parties are not substantially impaired.

15.5. Entire Agreement. This Agreement completely and fully supersedes all other understandings or agreements, both written and oral, including any term sheet or confirmation, between the Parties relating to the subject matter hereof.

15.6. Waiver. Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.

15.7. Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and shall be construed, enforced and performed in accordance with the laws of the State of Illinois, without regard to principles of conflicts of law. Any dispute arising out of this Agreement shall be governed by Section 14 of this Agreement.

15.8. Headings. The article and section titles in this Agreement are only for purposes of convenience and do not form a part of this Agreement and will not be taken to qualify, explain or affect any provision thereof.

15.9. Indemnification. Each Party agrees to indemnify, defend and hold harmless the other Party, and any of said other Party's affiliates, directors, officers, employees, agents and permitted assigns, from and against all third party claims, losses, injuries, liabilities, damages, judgments, awards, fines, penalties, costs and expenses (including reasonable attorneys' fees and disbursements) incurred in connection with, arising out of, or alleged to arise out of any event or circumstance first occurring or existing during the period when control and title to the products is vested in such Party or which is in any manner connected with the performance of this Agreement by such Party, except to the extent that such claim may be attributable to the gross negligence or willful misconduct of the Party seeking to be indemnified. This indemnity shall survive the expiration or termination of this Agreement for the full statutory period allowable by applicable law. Buyer shall be explicitly indemnified as it pertains to the fees and Collateral on behalf of the Seller. Buyer makes no guarantees that Seller shall have the opportunity to participate in the ABP process. Seller shall hold buyer harmless for all expenses and lost revenues which arise out of a missed opportunity to participate for any reason.

15.9.1. Website Indemnification The Buyer website (the "site") and the services provided by Buyer thereunder, are provided on an "as is" and "as available" basis without any warranties of any kind, including that the site will operate error-free, that the site, its servers, or the content are free of computer viruses or similar contamination or destructive features. To the maximum extent permitted by applicable laws: (i) Buyer shall not be subject to liability for any defects, malfunctions, delays or interruptions of the site or the services from whatever cause and Seller agrees to use of the services and the site at Seller's own risk; (ii) Buyer disclaims all warranties, including, but not limited to, warranties of title, merchantability, non-infringement of third parties' rights, and fitness for particular purpose and any warranties arising from a course of dealing, course of performance, or usage of trade; (iii) Buyer shall not be liable for any indirect, incidental, or consequential damages, lost profits, or damages resulting from the use or inability to access and use the site or the services whether based on warranty, contract, tort (including negligence), or any other legal theory, even if Buyer has been advised of the possibility of such damages; and (iv) Buyer's aggregate liability shall not exceed the greater of (a) the amount Seller has paid Buyer in connection with the applicable Application in the twelve months prior to the action or transaction giving rise to the liability, or (b) U.S. \$100.00. The site and this Agreement may contain technical inaccuracies or typographical

errors or omissions. Unless required by applicable laws, Buyer is not responsible for any such typographical, technical, or pricing errors listed on the site. Buyer reserves the right to make changes, corrections, and/or improvements to the site and the services at any time without notice.

15.10. Government Action. "Government Action" means action by the IPA, ICC, other Governmental Authority, Administrator, Certification Authority, or by the governing body of the ABP to change the eligibility of a REC for the ABP or substantially change the requirements for compliance by persons obligated to comply with the ABP which in either case has a material adverse effect on the value of a REC that is the subject of a particular Transaction and includes a change in applicable law that disqualifies any particular System (by Renewable Energy Sources, Initial Operating Date, or otherwise) or REC. In this case, the "Transaction" refers to both the ABP and the subsequent the Agreements, and such terms may be used interchangeably.

The Parties acknowledge that, with respect to the Agreement entered into by and between Buyer and the Seller, the ABP, which among other things establish the conditions for a market for the RECs contemplated for purchase and sale hereunder, may be the subject of Government Action (including court challenge) that could adversely affect the eligibility of such RECs to meet the requirements of the ABP or otherwise alter the requirements of the ABP, or make RECs unavailable or dramatically diminished or increased in value. With respect to any Transaction, absent a representation by Seller that the REC complies with the requirements of a particular ABP, Buyer bears the risk that the REC is or will be in compliance with any ABP. With respect to any Transaction, if Seller represents that a REC complies with an ABP, such representation is made and effective as of the delivery date, and Seller will not be in breach of such representation on account of any Government Action occurring after the delivery date. Unless otherwise specified Government Action that changes in any respect the value of a REC, including a cancellation of the ABP, will have no effect on the obligation of the Seller to meet its obligations set forth in this Agreement. To the extent that Government Action renders delivery illegal under applicable law, such Transaction will be terminated.

15.10.1. Regulatory Termination Right. In consideration of the foregoing, Buyer shall have the right, but not the obligation, to terminate this Agreement upon either the expiration or repeal of any or all elements of the ABP or any change in the design or the administration of the ABP that would prevent or inhibit the IPA from conducting the procurement event or that would prevent or inhibit the Buyer from purchasing RECs from the System or the System from producing RECs.

15.11. Counterparts; Transmittal. This Agreement may be executed in several counterparts, each of which is an original, and all of which constitute one and the same instrument. Electronic or digital transmission of this Agreement shall constitute good and valid delivery.

15.12. Confidentiality. Both Parties acknowledge that by reason of this relationship hereunder, they may have access to certain information and material concerning the other Party's business, plans, customers, technology and products that are confidential and of substantial value, which value would be impaired if such information were disclosed to third parties. The Parties agree that neither will use in any way for its own account or the account of any third party, nor disclose to any third party, any such confidential information revealed to them under this arrangement. In the event of termination of this Agreement, there shall be no use or disclosure by either Party of any confidential information of the other Party and any materials related to the other Party shall be immediately returned. Each Party acknowledges that the provisions of this Section are reasonable and necessary for the protection of the other Party and that the other Party will be irrevocably damaged if such covenants are not specifically enforced. Accordingly, both Parties agree that, in addition to any other relief to which the other may be entitled in the form of actual or punitive damages, the Parties shall be entitled to seek and obtain injunctive relief from an arbitration panel or a court of competent jurisdiction for the purposes of restraining the other Party from any actual or threatened breach of such provision. The terms of this Section shall survive termination of this Agreement.

15.13 Duty to Mitigate. Each Party agrees that it has a duty to use commercially reasonable efforts to minimize and mitigate any damages it may incur as a result of the other Party's performance or non-performance of this Agreement.

15.14 Termination of Agreement The agreement can be ended by the seller at any time if the remaining number of SRECs on the agreement are paid off. The number of SRECs remaining on the contract would be determined by the final approved number of SRECs minus lesser of the SRECs delivered to and accepted by the utility or the REC delivery obligation up to time of termination. See the example below for a sample calculation:

Example Only:

Contracted Quantity - 150 SRECS
Annual Delivery Quantity - 10 SRECS
Contracted REC Price - \$100

Seller wishes to terminate contract after year 5 and has delivered 48 SRECS

Example Only Remaining Delivery Requirement:

Greater of:

150 SRECS - 48 SRECS = 102 Remaining SRECS

or

150 SRECS - (5 years * 10 SRECS per year) = 100 Remaining SRECS

102 SRECS (Greater Quantity) * \$100/SREC = **\$10,200 - Cost to Terminate Contract**

Additionally certain sections of this contract will survive the termination such as the 2 year audit right and the Seller may not sell any SRECs generated by the System until a 15 year period after the beginning of the delivery period.

IN WITNESS WHEREOF, each of the Parties hereto has caused the Agreement to be executed by its duly authorized representative on the date set forth above.

Carbon Solutions SREC, LLC

Signed: _____

By: Rhett Gopaul _____

Date: _____

515 N State
Chicago, Illinois 60654
Phone: (312) 971-6245
SREC@carbonsolutionsgroup.com

System Owner: Village of Deerfield Wastewater Treatment Facility

Signed: _____

By: Brandon Janes _____

Date: _____



Security Agreement Addendum: Attachment E

This Security Agreement Addendum ("Security Agreement") is legally binding as of the date this Security Agreement has been signed by Seller ("Effective Date"). In this Security Agreement the words "you" and "your" refer to Seller and Seller's permitted successors and assignees and the words "buyer," "we," "us" and "our" refer to Carbon Solutions Group SREC LLC., or its successors and assignees ("Buyer"). Capitalized terms used herein that are not otherwise defined below are defined in the terms and conditions of the Buyer's Illinois ABP Agreement ("Master Agreement"), which is incorporated here by reference. This Security Agreement supersedes any prior agreement between you and us concerning the same subject matter.

1. Grant of security interest in collateral.

a. Collateral. As consideration for the Services we are providing to you and to secure your obligations under the Agreement, you hereby grant to us a security interest in the following property and assets (collectively "Collateral"), whether you own it now or acquire it later, regardless of where the Collateral is located:

(i) all solar panels and related equipment, including, but not limited to, inverters, racking systems, wiring, electrical and mechanical connections, any compatible electricity storage units, metering, monitoring and/or other distributed generation interconnect equipment ("Solar System Equipment") comprising the System installed at the address set forth on the Application ("Premises");

(ii) all attachments, accessories, batteries, parts, supplies, replacements of and additions to all or any portion of the Solar System Equipment;

(iii) all claims of any type or nature, including warranty claims related to the Solar System Equipment;

(iv) all rebates and incentives that are payable as a result of installing the Solar System Equipment except for such rebates and incentives which have been assigned to your Installer;

(v) all of your rights, title, interests, and remedies under all agreements, books, records, statements and documentation and other general intangibles relating to the Collateral (including, without limitation, the agreement with your Installer (the "Installation Agreement") and any other agreement related to the performance, operation, or repair of the Solar System Equipment);

(vi) all consideration received from the operation, collection, sale or other disposition of any property that constitutes Collateral, including any payment received from any insurer arising from any loss, damage or destruction of any Collateral and any other payment received as a result of possessing all or any portion of the Collateral;

(vii) all supporting obligations; and

(viii) all products and proceeds of and all accessions to, substitutions and replacements for and rents, profits and products of, each of the foregoing and proceeds of any insurance, indemnity, warranty or guaranty payable to you from time to time with respect to any of the foregoing.

b. Financing Statements. You authorize us to file financing statements, a copy of this Security Agreement and any other documents necessary or desirable to perfect, protect and/or continue our security interest in the Collateral. You agree to sign any documents and to take any other actions that we might reasonably request to perfect, protect and/or continue our security interest in the Collateral. We may file an informational filing in the real property records that describes the Collateral.

2. Additional obligations and representations.

a. Ownership. You represent and covenant that:

(i) you are, or a trust controlled by you is, the fee simple owner of the Premises and the Collateral;

(ii) you are not, and will not be, in breach of your Installation Agreement by entering into this Security Agreement; and

(iii) you have not entered into a home equity conversion mortgage or other similar agreement where a lender has agreed to make advances over time secured by an interest in the Premises (a "Reverse Mortgage").

b. Collateral. You irrevocably grant us, to the extent permitted by law, a limited power of attorney with full power of substitution and reconstitution, to sign any documents and perform any acts, in your name and on your behalf, for the exclusive purpose of exercising our rights with respect to the Collateral under this Security Agreement. You also agree not to pledge, mortgage, encumber or otherwise permit the Collateral at any time to be subject to any lien or encumbrance that is superior to our security interest.

c. Collateral Access. You agree to provide us or our designees, after receiving reasonable notice, with physical or electronic access to the Premises for the purposes of (i) inspecting the Solar System Equipment until this Security Agreement terminates or (ii) after Default, removing or disabling the Collateral or any portion thereof from the Premises. Upon our request, you agree to provide to us all available access to any energy production data or other data related to your Solar System Equipment until this Security Agreement terminates.

d. Personal Property. You and we both expressly intend that no portion of the Solar System Equipment will constitute a "fixture" or goods that have been so related to the Premises that an interest therein arises under applicable real property law, and that the Solar System Equipment is and will remain personal property. You also agree not to take any action that might cause the Solar System Equipment to be treated as real property or a fixture.

e. Installation and Maintenance of Solar System Equipment. You will take all steps necessary to enable the installation and proper functioning of the Solar System Equipment to be completed in accordance with the Installation Agreement. You agree to maintain the Solar System Equipment in good working order and in compliance with manufacturing specifications, the operating and maintenance manuals, warranty requirements provided by your Installer and all applicable law, and not to remove or modify the Solar System Equipment without our prior written consent. You agree to replace any portion of the Solar System Equipment that reaches its natural end of life, including, but not limited to, any inverter or battery. You agree to maintain at all times an internet connection sufficient to ensure that monitoring data for the Solar System Equipment can be fully transmitted.

f. Required Insurance. You agree to maintain insurance covering the Solar System Equipment, whether installed on the dwelling or the property of the Premises. You agree to maintain and pay any deductibles under a Seller's 3-Special Form, or equivalent, Seller's policy covering the Premises. You may obtain insurance from any insurance company authorized to transact business in the State of Illinois whose A.M. Best's rating is A- or better and whose A.M. Best's financial size category is VII or larger. You further agree that the property coverage limits will be sufficient to cover the dwelling, the property of the Premises and the full replacement and installation cost of the Solar System Equipment. You agree to name us as a "named additional insured" on this policy, and to deliver a copy of the policy to us upon our request. If there is a payout under the property coverage for damage to the Solar System Equipment, you agree to deliver those insurance proceeds to us, and we will apply those proceeds to the Services in the order of priority set forth in Section 3 of this Security Agreement. You are responsible for paying any insurance deductible. If you fail to pay a premium on this required insurance coverage when due, we may, but are not obligated, to pay these premiums on your behalf. If we make such premium payments, you agree that we may add the amount paid to your Services.

g. Representations. Each representation made by you in your Application, the Master Agreement, this Security Agreement or in any other document delivered by or on behalf of you in connection with your Application, the Master Agreement or this Security Agreement, is true and complete in all material respects when made. In addition, you hereby represent as follows:

(i) we may periodically review your credit, including pulling your credit report from consumer reporting agencies;

(ii) you will comply with all applicable law that might affect your ability to perform your obligations under this Security Agreement or that might result in a lien on the Collateral or otherwise impair the value of the Collateral; and

(iii) you irrevocably grant us, to the extent permitted by law, a limited power of attorney and appoint us and our designees as your true and lawful attorney-in-fact to sign documents and perform any acts necessary to exercise our rights under this Security Agreement, including to perfect, protect, or continue our security interest in the Collateral and to enforce our rights if you are in default under this Security Agreement.

3. DEFAULT. You will be in default ("Default") under this Security Agreement in any of the following circumstances (each an "Event of Default"):

a. an Event of Default under the Master Agreement;

b. you fail to make any payment under the Master Agreement or this Security Agreement within ten (10) calendar days of the date such payment is due;

c. you fail to perform any of your obligations under the Master Agreement or this Security Agreement and you fail to cure such failure to perform to our reasonable satisfaction within thirty (30) calendar days after receiving notice from us of your failure to perform;

d. you remove, modify, sell or otherwise transfer the Collateral or sell or transfer ownership of the Premises (including through condemnation) without our approval;

e. any representation made by you in, or in connection with, your Application, the Master Agreement or this Security Agreement is false in any material respect when made;

f. any of the following occurs (each a "Bankruptcy Event"):

(i) you make an application for the appointment of a receiver, trustee or custodian, or a receiver, trustee or custodian is appointed for you or a majority of your assets;

(ii) you (1) initiate or consent to any legal proceedings under the United States Bankruptcy Code, or equivalent law providing for the relief of debtors; (2) make an assignment for the benefit of creditors; or

(3) have a petition in bankruptcy or similar relief of debtors filed against you, which is not withdrawn or discharged within thirty (30) days of being filed.

4. REMEDIES. Our remedies if you default on this Security Agreement include the following (to the fullest extent permitted by law):

a. General. In the event that you are in Default under this Security Agreement, we may:

(i) declare any payments due to us under the Master Agreement immediately due; although if a Bankruptcy Event occurs or if you sell or transfer Collateral or the Premises without our approval, amounts payable to us will be considered immediately due without the need for such a declaration by us;

(ii) foreclose on the Collateral (and exercise any other rights with respect to the Collateral that we have under this Security Agreement or applicable law, including disabling the Solar System Equipment and/or removing the Solar System Equipment); and/or

(iii) pursue any other remedies available to us under applicable law, including those of a secured creditor permitted by applicable law.

b. Performance Call. If you receive a Performance Call from us, you must promptly pay in full the unpaid principal amount of the Performance Call, including, but not limited to all accrued interest, if any, and any other amounts and fees payable under this Security Agreement.

c. Taking Possession. If we choose to foreclose on the Collateral, we may, among other things, take possession of the Collateral and then sell, lease or otherwise dispose of the Collateral.

d. Cost Reimbursement; Application of Proceeds. Unless otherwise prohibited under applicable law, you are to promptly reimburse us, with interest, for all costs and expenses incurred in exercising our remedies related to this Security Agreement, including reasonable attorneys' fees, the costs of collection after Default, the costs we incur in stabilizing and restoring your roof or other structures at your Premises if we take possession of the Collateral and the costs we incur in selling or otherwise disposing of the Collateral. If we choose to foreclose on the Collateral, we will apply any cash proceeds to settle any amounts owed under the Master Agreement and then to you or as a court may otherwise direct.

e. Right of Set-Off. Upon the occurrence of an Event of Default and the Default has not been cured, we are hereby authorized at any time and from time to time, without notice to you (any such notice being expressly waived by you) and to the fullest extent permitted by law, to set-off and apply any and all deposits (general or special, time or demand, provisional or final, but specifically excluding any trust or segregated accounts) at any time held by us and any and all other indebtedness at any time owing by us to or for the credit or account of you against any and all of the your obligations irrespective of whether or not we shall have made any demand under this Security Agreement and although such obligations may be contingent or unmatured. We agree to promptly notify you after any such set-off and application made by us, provided, however, that the failure to give such notice shall not affect the validity of such set-off and application. Our rights under this Section are in addition to any other rights and remedies (including, without limitation, other rights of set-off) which we may have. Nothing contained in this Security Agreement shall impair our right to exercise

any right of set-off or counterclaim we may have against you and to apply the amount subject to such exercise to the payment of your indebtedness unrelated to this Security Agreement.

f. Deficiency Judgment. To the fullest extent permitted by law, regardless of whether or not we foreclose on the Collateral, we may require that you pay any amounts payable by you under this Security Agreement and the Master Agreement less any proceeds that we realize from our exercise of our remedies under this Security Agreement.

TO THE FULLEST EXTENT PERMITTED BY LAW, YOU ARE PERSONALLY LIABLE FOR ALL AMOUNTS PAYABLE UNDER THIS SECURITY AGREEMENT. WE ARE NOT REQUIRED TO FORECLOSE ON THE COLLATERAL BEFORE INITIATING PROCEEDINGS AGAINST YOU AND YOUR ASSETS.

Our rights under this Security Agreement are cumulative and we may exercise these rights at any time if you Default. In the event that we exercise any of our rights or remedies under this Security Agreement, you will continue to be in Default until such time that you pay to us all amounts due and payable to us and you have cured any and all Defaults. Our failure to take any action or delay taking any action related to your default, or similar or unrelated default, does not waive, or imply a waiver of, any of our rights under this Security Agreement.

5. TERMINATION. We may terminate this Security Agreement in the event of termination of the Master Agreement. This Security Agreement will terminate after you have paid in full all amounts payable by you under the Master Agreement and this Security Agreement. The terms of this Security Agreement that would, by their express nature, survive the termination of this Security Agreement (including the provisions under "Additional Obligations and Representations," "Indemnification," "Governing Law and Miscellaneous," "Notices and Contact Information," "Limitation of Liability" and "Termination") will survive and be enforceable under this Security Agreement. Upon termination of this Security Agreement, our security interest in the Collateral will terminate.

6. NOTICES AND CONTACT INFORMATION

a. Notices. All notices may be in electronic form or in writing to the respective addresses set forth below; each party may change their Notice addresses via communication to the other party:

If to Seller: to the Seller's mailing address on our records, if in writing and to the Seller Email, if in electronic form.

If Buyer:

Attn: Legal

Phone: (312) 971-6245

Email: SREC@carbonsolutionsgroup.com

b. Telephone Consumer Protection Act. When you give us your mobile phone number, you are giving us your permission to contact you at that number about all of your Buyer accounts. Your permission allows us to use text messaging, artificial or prerecorded voice messages and automatic dialing technology for informational and account service calls. This could include contact from companies working on behalf of Buyer to service your accounts. This does not allow us to use text messaging, artificial or prerecorded voice message and automatic dialing technology for telemarketing or sales calls. Message and data rates from your mobile provider may apply.

7. SERVICER. We may, upon any term or condition specified in this Security Agreement, delegate or exercise all or any of its rights, powers and remedies under, and delegate or perform any of its duties or any other action with respect to, this Security Agreement by or through any servicer, trustee, co-agent, employee, attorney-in-fact and any other Person selected by us from time to time ("Servicer").

8. SUCCESSORS AND ASSIGNS; TRANSFERABILITY. This Security Agreement shall bind and inure to the benefit of the Parties' respective successors and permitted assigns. You may not assign or transfer your rights or obligations under this Security Agreement without our prior written consent. Provided, however, if you sell your home, you may transfer your rights and obligations under this Security Agreement to the new Seller if the new Seller qualifies for and enters into a new Services obligation with us related to the Solar System Equipment pursuant to the following steps: (a) you and the new Seller notify us in writing at least thirty (30) days in advance of the sale of the home to the new Seller, (b) the new Seller (i) completes a credit application and is approved by us in accordance with our credit policies and procedures in place at that time, (ii) executes the required documentation relating to the new Services obligation including consents to any lien filings required by us and (c) you and the new Seller execute documentation transferring the Solar System Equipment and related warranties and service plan (if any) to the new Seller. Only upon completion of this process will your rights under the Master Agreement, including your right to receive the Performance Calls, be transferred to the new owner(s), who will thereafter become the Seller. Any attempt by you to assign or transfer your rights or obligations under this Security Agreement outside this process will be null and void ab initio. We shall have the right, without the

consent of or notice to you to assign or transfer all or a portion of this Security Agreement and the related documents to an affiliate or a third party. You authorize us to provide to an affiliate or third party any documentation that they may request, including but not limited to credit history, credit score or other information used to determine your eligibility for the services as well as payment history relating to the services.

9. Indemnification. You agree to indemnify, defend and hold harmless us and our affiliates against any loss, liability, or damage that arises out of or relates to the transactions contemplated by this Security Agreement.

10. Limitation of liability. Our liability to you under this Security Agreement, if any, shall be limited to direct, actual damages. You agree that in no event shall either party be liable to the other for consequential, incidental, punitive, exemplary, special or indirect damages.

11. Governing law and miscellaneous.

a. Governing Law. This Security Agreement shall be governed by federal law and (to the extent not preempted by federal law) the laws of the State of Illinois (exclusive of principles of conflicts of laws).

b. Severability. Each provision hereof shall be severable from every other provision in determining its legal enforceability. If any of the provisions of this Security Agreement shall be invalid or unenforceable, the rest of the Security Agreement will stay in effect.

c. Survival. All covenants, representations and warranties made in this Security Agreement shall continue in full force and effect so long as any obligations under this Security Agreement remain outstanding.

d. Entire Agreement. This Security Agreement together with the Master Agreement and all supplements and addendums, constitutes and contains the entire agreement between the Parties regarding the Services provided to you by Buyer and supersedes any and all prior agreements, negotiations, correspondence, understandings and communications between the Parties, whether written or oral. Our rights under this Security Agreement shall inure to the benefit of our successors and assigns, and your obligations under this Security Agreement and the Master Agreement shall be binding upon your heirs, estate, personal representatives and permitted assigns.

e. Amendments. This Security Agreement may only be amended, restated or otherwise modified with the written consent of Buyer. Any waiver or consent with respect to any provision of the Security Agreement shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on you in any one case shall entitle you to any other or further notice or demand in similar or other circumstances.

f. Waiver of Jury Trial: You and we hereby waive the right to any jury trial in any action, proceeding or counterclaim brought by either you or we against the other.

g. Reliance by Buyer. All covenants, agreement, representations and warranties made herein by you shall, notwithstanding any investigation by Buyer, be deemed to be material to and to have been relied upon by Buyer.

By signing below, you agree to the terms and conditions stated in this Security Agreement Addendum.

Seller: Brandon Janes

Date: _____

Attachment F: System Supporting Documents



Pre-Installation (Part I) Document Uploads:

- System Installation Contract - PDF
 - This is the contract between the installer or developer and the system owner to cover the system. A PPA or Lease may also be used to satisfy this requirement.
- Schedule-A
 - Required for System GATS Registration
 - Will be sent to system owners by Buyer or included in the Buyer's REC contract.
- Shading Study - PDF
 - Suitable shading studies can include, but are not limited to, using tools such as the Solar Pathfinder, Steprobotics, Helioscope, and HORIcatcher as well as or in conjunction with software designed to perform shading analysis. Please note that the Program Administrator and IPA reserve the right to request further information on any shading study or the system used to obtain that shading study. Please e-mail SREC@carbonsolutionsgroup.com if you would like to request approval of a given shading study software or system prior to application, however this is not required. For more details on shading studies please [click here](#).
- System Production Estimate / Proof of Capacity Factor - PDF
 - Please provide an estimate of the solar production for the system. If a custom capacity will be used for this system please also provide the output from solar estimation software that was used.
- Plot Diagram or Site-Map - Ground Mount Systems Only - PDF
 - The site map (or aerial photo) must be provided with each application for a ground mounted system which shows property boundaries, any structures on the property, and the location of the solar array(s).
- Proof of Site Control / Host Agreement - PDF
 - If system owner and property owner are the same this will be covered in Buyer's REC contract with the customer. If system owner and property are not the same this is a binding contract, option, or other demonstration of site control acceptable to the Program Administrator.
- (Over 25kW Only) Interconnection Agreement / Approval - PDF
 - Must be signed by the utility
- (Over 25kW Only) Non-Ministerial Permits and Attestation - PDF
 - The installer/developer must attest that they have obtained all non-ministerial permits that, according to the commercially reasonable investigation of the installer/developer, are necessary to the project at the time of application to the Adjustable Block program. The installer/developer must list all such permits, along with the name, phone, and email of a contact person at the issuing authority. The Program Administrator will verify a random selection of permits and reserves the right to verify any permits that it deems require further investigation. If no such permits are required an attestation stating that no permits are required must be uploaded. This attestation form is forthcoming. For more info on non-ministerial permits please [click here](#)
- Proof of Receipt of Brochure - PDF
 - If the installer has proof that the customer has received the consumer protection brochure please upload here. Buyer will also provide this brochure to the customer before signing of the REC Contract. [Click here to see the Brochure.](#)

- Proof of Standard Disclosure Form - PDF
 - Please provide if using an installer generated Standard Disclosure Document-Proof of Standard Disclosure and did not designate Buyer as the Approved Vendor when the form was generated.

Post Installation (Part II) Document Uploads:

- Final Invoice Showing Installer
 - Final invoice needs to show the final invoice cost. If the final invoice doesn't show the total system cost, all invoices that cumulatively show the system cost need to be uploaded.
- Certificate of Completion / Final Interconnection Approval - PDF
 - Must be signed by the utility
- Net Metering Approval Letter - PDF
 - If applicable, must be signed by the utility.
- Photographs of Modules - JPEG/JPG, TIFF, BMP, or PNG
 - Photograph(s) of the project showing all installed modules. Photograph(s) must clearly show each module and must be in JPEG, TIFF, BMP, or PNG format. This may require more than one image to be uploaded to show the full system. Drone photos or multiple photos from the ground are both acceptable.
- Photographs of Inverters - JPEG/JPG, TIFF, BMP, or PNG
 - Photograph(s) of the inverter(s). Photographs must clearly show inverter model number and must be in JPEG, TIFF, BMP, or PNG format. Systems using micro-inverters should provide a picture of the gateway connecting the micro inverters i.e. the Enphase Envoy.
- Photograph of the Meter - JPEG/JPG, TIFF, BMP, or PNG
 - Please note this is the solar production meter not the utility meter. The photograph must clearly show current cumulative lifetime meter reading and must be in JPEG, TIFF, BMP, or PNG format. For systems under 10kW the inverter may be used as a meter, for systems over 10kW a Revenue Grade Meter must be used. For the full Metering Requirements please [click here](#).
- Proof of Accepted Irrevocable Transfer Agreement - PDF
 - Currently awaiting more information on this from the Program Admin, may ultimately be provided by Buyer.

Generator Owner's Consent

The undersigned on behalf of the Generator Owner, Village of Deerfield wastewater Treatment Facility,
represents to PJM Environmental Information Services, Inc. ("EIS") that:

1. I/we am/are the Generator Owner who holds legal title to the Generating Unit(s) designated below.

2. I/we, the Generator Owner, (check one)

☒ Hereby grant authority and permission to Account Holder, Carbon Solutions SREC LLC,²
to create and trade all Certificates associated with the following Generating Unit(s), which Certificates
shall also be registered to the GATS account(s) of the Account Holder.

☐ Hereby elect to create and trade all Certificates associated with the following Generating Unit(s)
within my own GATS account.

3. I/we, the Generator Owner, further represent that I/we have not granted similar authority or permission
to any other subscriber or account holder for use in the GATS or any similar system.

4. I/we, the Generator Owner, understand that this Consent supersedes any and all Consents that have
been submitted prior to the Date specified herein. Any and all prior Consents will be considered null and
void and the assignment of rights terminated.

5. The assignment of rights that occurs within this Consent does not absolve the Generator Owner from
upholding any contractual obligations that exist outside of GATS.

6. By executing this Consent the Generation Owner represents it does not have any contractual obligations
that would preclude the execution of this Consent.

Generating Unit Name and Address Optional: [Generating Unit Size/System Size]	PJM MSET ID or Unit ID (NON) and Generator Identifier (as applicable)
1045 Hackberry Rd	
Deerfield	
IL 60015	

Printed Name:

Brandon Janes

GENERATOR OWNER SIGNATURE ³

Title: Superintendent

Date: _____

Carbon Solutions SREC

2045 W Grand Ave Ste B, PMB #58751
Chicago, IL 60612
312-971-6245
SREC@carbonsolutionsgroup.com

Addendum: REC Price and Payment Schedule Modification

To the SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program - April 8, 2026

This addendum explains that the solar system owner or host's (" Seller") original SREC agreement may need to change because of new Illinois Shines program rules taking effect in the 2026 Program year (which begins June 1, 2026). This addendum outlines that if a project's SREC application is not Part I verified by the Illinois Shines Program Administrator by May 3, 2026, or is not submitted to Illinois Shines for review until June 1, 2026 or later, the system's application will still move forward but the incentive payment timing, and possibly the REC price, could change from what is shown in the Seller's original agreement. It also explains the circumstances of which a Small DG project (25 kW and under) may qualify for the new \$20/REC customer-owned adder. This addendum confirms that aside from these possible changes, the rest of the original agreement stays the same.

This Addendum ("Addendum") is provided alongside and incorporated into the SREC Aggregation and Purchase Agreement for the Illinois Adjustable Block Program (the "Agreement") between Carbon Solutions SREC LLC ("Buyer") and the System Owner identified in Cover Sheet A ("Seller"), collectively the "Parties." Capitalized terms used but not defined herein shall have the meanings set forth in the Agreement.

Contingent Effectiveness

This Addendum contains two contingencies. Each operates independently, and one or both may apply depending on the timing of the System's application and Part I verification:

- **Contingency A (Payment Schedule):** If the System is not Part I verified by the Program Administrator by May 3, 2026, and is placed on the 2026 REC Delivery Contract, Section 2 of this Addendum shall take effect.
- **Contingency B (REC Price):** If the System is not submitted to the Program until on or after June 1, 2026, and receives 2026-27 Program Year REC pricing, Section 3 of this Addendum shall take effect.

If neither contingency is triggered (i.e., the System is submitted before June 1, 2026 and is Part I verified on or before May 3, 2026), this Addendum shall have no force or effect.

Recitals

WHEREAS, the Parties are entering into the Agreement contemporaneously with the execution of this Addendum;

WHEREAS, Public Act 104-0458 (the Clean and Reliable Grid Affordability Act), effective June 1, 2026, modifies the payment structure for Small Distributed Generation projects under the 2026 REC Delivery Contract;

WHEREAS, the IPA establishes new REC prices for each Program Year, and the 2026-27 Program Year REC prices have not yet been published as of the date of this Addendum;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. REC Price — Projects Submitted Before June 1, 2026

If the System is submitted to the Program before June 1, 2026, and is receiving Program Year 2025-26 capacity, the REC price applicable to the System shall remain at the 2025-26 Program Year REC price as set forth in Cover Sheet A, regardless of whether the System is Part I verified before or after May 3, 2026.

2. Payment Schedule Modification — Small DG Systems (Contingency A)

If Contingency A is triggered and the System is classified as a Small DG project (25 kW AC or smaller), the payment schedule set forth in Cover Sheet A and Cover Sheet B shall be amended as follows:

- **Initial Payment:** Fifty percent (50%) of the total REC payment shall be paid to Seller upon Energization of the System, completion of the ABP Part II Application, and receipt of payment by Buyer from the Contracting Utility.
- **Subsequent Payments:** The remaining fifty percent (50%) of the total REC payment shall be paid ratably over the subsequent twenty-four (24) quarterly periods (approximately six years), consistent with the 2026 REC Delivery Contract and the IPA's 2026-27 Draft Program Guidebook.

This revised payment schedule shall replace any prior indication of 100% upfront payment for Small DG systems in the Agreement and Cover Sheets. For avoidance of doubt, Buyer's obligation to pay Seller under Section 7.1 of the Agreement (no later than 45 days after receiving payment from the utilities) remains unchanged.

3. REC Price Modification — Projects Submitted On or After June 1, 2026 (Contingency B)

If Contingency B is triggered, the Projected REC Purchase Price, ABP Block Price, and all related payment projections set forth in Cover Sheet A and Cover Sheet B shall be superseded and replaced with the applicable 2026-27 Program Year REC price for the System's Group, category, and size as determined by the IPA upon Part I verification and ICC approval of the System. The revised payment schedule described in Section 2 shall also apply. Updated Cover Sheets reflecting the final REC price and recalculated payment amounts will be provided by Buyer upon request, in the form provisioned by the Program or produced by Buyer, substantially similar to the Cover Sheets provided in this Agreement.

4. Small DG Customer-Owned REC Adder — \$20/REC

Seller acknowledges that a \$20/REC adder is available under the 2026-27 Program Year for qualifying customer-owned Small DG projects that meet all eligibility criteria established by the IPA, including but not limited to: (a) the project is in the Small DG category, (b) the project is customer-owned (not leased or under a PPA), and (c) the project has not received and will not receive the federal ITC or residential clean energy tax credit. Seller further acknowledges that this adder is **only available for projects submitted to the Program on or after June 1, 2026** (i.e., only if Contingency B is triggered), and that submission before this date will preclude eligibility. If the System qualifies for and is awarded the \$20/REC adder, the updated Cover Sheet A will reflect the adjusted REC price inclusive of the adder. Seller acknowledges that pursuit of the adder will require a Standard Disclosure Form that discloses the adder, and Seller will be required to make additional attestations to Buyer consistent with the attestations required by the Buyer to the Program Administrator in the Part I and Part II applications.

5. Updated Cover Sheets

If either or both contingencies are triggered, updated Cover Sheet A, and Cover Sheet C will be provided by Buyer upon request, in the form provisioned by the Program or produced by Buyer, substantially similar to the Cover Sheets provided in this Agreement. Updated Cover Sheets will reflect any applicable changes to the payment schedule and/or REC price following ICC Contract Approval, as well as the final delivery schedule as determined by the IPA and the Contracting Utility. The updated Cover Sheets, once issued, shall be incorporated into and form part of the Agreement.

6. No Other Modifications

Except as expressly modified by this Addendum upon the applicable contingency or contingencies being triggered, all terms and conditions of the Agreement, including all Cover Sheets and Attachments, remain in full force and effect. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control.

7. Counterparts

This Addendum may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic or digital signatures shall be deemed valid and binding.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Addendum to be executed by its duly authorized representative.

Carbon Solutions SREC, LLC

Signed: _____

By: Rhett Gopaul _____

Date: _____

System Owner (Seller): Village of Deerfield _____

Signed: _____

By: Brandon Janes _____

Date: _____