INTERGOVERNMENTAL AGREEMENT RELATING TO THE O'HARE NOISE COMPATIBILITY COMMISSION

This agreement, effective January 1, 2016, succeeds the agreement authorized by the Chicago City Council on September 10, 2014, which expired under its own terms on December 31, 2015. It is entered into by the City of Chicago, a municipality and home rule unit of government under the Illinois Constitution of 1970, by and through the Chicago Department of Aviation, and the undersigned Participants, organized under the laws of the State of Illinois. In consideration of the mutual agreements contained in this Agreement, the City of Chicago and each Participant agree as follows:

Section 1. Establishment of O'Hare Commission; Purposes.

The O'Hare Noise Compatibility Commission is hereby established pursuant to Section 10 of Article VII of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act. The purposes of the Commission are to: (a) determine certain Noise Compatibility Projects and Noise Compatibility Programs to be implemented in the O'Hare Commission Area; (b) oversee an effective and impartial noise monitoring system; (c) advise the City concerning O'Hare-related noise issues; and (d) provide a forum for direct citizen engagement.

Section 2. Definitions.

Whenever used in this Agreement, the following terms shall have the following meanings:

"Advisory Member" means an authorized representative of the Archdiocese of Chicago, the Diocese of Joliet, or any other non-governmental elementary and secondary school located in the O'Hare Commission Area who shall serve as a special advisory member of the O'Hare Commission as provided in Section 3.C. of this Agreement, but who shall have no voting powers on the O'Hare Commission and shall not be parties to the Agreement.

"City" means the City of Chicago. The Commissioner of the Chicago Department of Aviation or his or her designee (or any successor thereto) shall have the sole authority to undertake the City of Chicago's obligations and responsibilities under this Agreement, and the City shall act by and through the Commissioner of the Chicago Department of Aviation or his or her designee (or any successor thereto) for purposes of this Agreement, except as otherwise set forth in this Agreement.

"FAA" means the Federal Aviation Administration or any successor agency.

"Governmental Unit" means a county, township, municipality, municipal corporation, unit of local government, public school district, special district, public corporation, body corporate and politic, forest preserve district, park district and any other local governmental agencies, including any created by intergovernmental agreement among any of the foregoing units.

"Noise Compatibility Programs" means programs, including but not limited to the Residential Sound Insulation Program and the School Sound Insulation Program, which address aircraft noise concerns in the O'Hare Commission Area as determined by the O'Hare Commission in cooperation with the City.

"Noise Compatibility Projects" means the noise compatibility projects (including administrative costs) in the O'Hare Commission Area which are eligible for funding based on FAA regulations and grant assurances, which have been identified as eligible for participation in Noise Compatibility Programs as determined by the O'Hare Commission in cooperation with the City based on criteria adopted by the O'Hare Commission, and for which there is available funding. Noise Compatibility Projects include, but are not limited to, the sound insulation of homes and schools and/or providing the funding for such sound insulation to be implemented. Participation in a Noise Compatibility Program or receipt of a Noise Compatibility Project shall be voluntary on the part of the relevant property owner.

"O'Hare" means Chicago O'Hare International Airport.

"O'Hare Commission Area" means the area in the vicinity of O'Hare with an interest in O'Hare-related aircraft noise issues, which area includes but is not limited to the following municipalities and Governmental Units: (i) the City of Chicago, Arlington Heights, Bartlett, Bellwood, Bensenville, Bloomingdale, Des Plaines, Downers Grove, Elmwood Park, Franklin Park, Hanover Park, Harwood Heights, Hoffman Estates, Itasca, Maywood, Melrose Park, Morton Grove, Mount Prospect, Niles, Norridge, Northlake, Oak Park, Palatine, Park Ridge, River Forest, River Grove, Rolling Meadows, Rosemont, Schaumburg, Schiller Park, Stone Park and Wood Dale; (ii) the unincorporated areas of Elk Grove, Leyden, Maine, and Norwood Park Townships in Cook County and the unincorporated areas of Addison Township in DuPage County; (iii) School Districts 59, 63, 64, 80, 81, 84, 84.5, 85.5, 86, 87, 88, 89, 214, 234, 299 and 401. Municipalities and public school districts may be added to the O'Hare Commission Area as provided in Section 6.G.

"Part 150 Plan" means a noise abatement and land use compatibility plan developed pursuant to 14 CFR Part 150, or any successor provision.

"Participant" means, at any time, each city, village, public school district, or county located in the O'Hare Commission Area that has executed a counterpart of this Agreement on the basis set forth in this Agreement, other than the City. In addition, "Participant" shall include the six (6) members appointed by the Mayor of the City of Chicago to represent Wards 36, 38, 39, 40, 41, and 45 of the City of Chicago ("Chicago Ward Participants") as set forth in Section 3.A.(v) of this Agreement, who shall be eligible to participate as individual member Participants on the O'Hare Commission upon approval and execution of this Agreement by the City.

"Residential Sound Insulation Program" means the program determined by the O'Hare Commission in cooperation with the City to provide sound insulation to homes in the O'Hare Commission Area that are affected by O'Hare-related aircraft noise, and that are eligible for sound insulation pursuant to FAA guidelines and regulations and eligibility criteria established

by the O'Hare Commission in cooperation with the City, and for which there is available funding.

"School Sound Insulation Program" means the program determined by the O'Hare Commission in cooperation with the City to provide sound insulation and sound insulation funding to schools in the O'Hare Commission Area that are affected by O'Hare-related aircraft noise, and that are eligible for sound insulation pursuant to FAA guidelines and regulations and eligibility criteria established by the O'Hare Commission in cooperation with the City, and for which there is available funding.

Section 3. Composition and Organization.

A. The O'Hare Commission shall consist of the (i) mayor, village president, or chief executive officer or other designee of each of the cities and villages in the O'Hare Commission Area; (ii) the president, superintendent, or other designee of each public school district serving any portion of the O'Hare Commission Area; (iii) one member appointed by the President of the Cook County Board representing the unincorporated areas of Elk Grove, Leyden, Maine, and Norwood Park Townships in Cook County; (iv) one member appointed by the Chairman of the DuPage County Board representing the unincorporated areas of Addison Township in DuPage County; and (v) Chicago Ward Participants, provided that no such person shall be eligible to participate as a member of the O'Hare Commission unless the city, village, public school district, or county represented by such person has approved and executed a counterpart of this Agreement by December 31, 2015, or pursuant to Section 6.G. of this Agreement, except that the Chicago Ward Participants shall be eligible to participate as individual member Participants of the O'Hare Commission upon approval and execution of this Agreement by the City.

B The O'Hare Commission Area includes communities and public school districts with an interest in O'Hare-related noise issues, and a principal purpose of this Agreement is to provide a forum for those communities and public school districts to work together with the City on a cooperative basis in addressing these issues.

C. Representatives of the Archdiocese of Chicago, the Diocese of Joliet, and other non-governmental elementary and secondary schools located in the O'Hare Commission Area may serve as special "Advisory Members" of the O'Hare Commission. Advisory Members may participate fully in the deliberations of the O'Hare Commission, but shall have no voting powers and shall not be parties to this Agreement.

D. The O'Hare Commission shall elect annually from its members a Chair and a Vice Chair and any other officers that it deems necessary. The O'Hare Commission also shall appoint, retain, and employ an Executive Director and such other staff, professional advisors, and consultants as may be needed to carry out its powers and duties. The appointment of the Executive Director must be approved by two-thirds of the members of the O'Hare Commission.

E. Except as expressly set forth in this Agreement, the concurrence of a majority of the members of the O'Hare Commission shall be necessary for the approval of any action by the O'Hare Commission. A majority of the members of the O'Hare Commission shall constitute a

quorum for the transaction of business. The O'Hare Commission shall establish a schedule of regular meetings in accordance with its by-laws, and a special meeting may be called by the City or any five members of the O'Hare Commission upon at least seven days' written notice to the City, each Participant, and each Advisory Member.

Section 4. O'Hare Commission Powers and Duties.

A. The O'Hare Commission shall have the following duties and powers:

(1) By vote of a majority of its members, the O'Hare Commission shall determine certain Noise Compatibility Programs and Noise Compatibility Projects to be implemented in the O'Hare Commission Area in cooperation with the City as set forth in *Appendix A,* and shall establish criteria for participation in such Noise Compatibility Programs and for determining the priorities for providing such Noise Compatibility Projects.

(2) The O'Hare Commission may make recommendations to the City regarding noise reduction programs at O'Hare including, but not limited to, the use of new technologies and flight patterns, preferential runway usage, the implementation of sound insulation programs and the implementation of FAA standard noise abatement, take-off, and high altitude approach procedures. No such recommendations shall be submitted to the FAA or implemented by the City without the prior approval of the O'Hare Commission. The O'Hare Commission also shall cooperate with the City in seeking agreements with the airlines using O'Hare and the FAA, as appropriate, with respect to aircraft noise mitigation and related matters.

(3) The O'Hare Commission may advise the City concerning any Part 150 Plan concerning O'Hare. The City shall not submit any such plan or any subsequent revision proposed by the City to the FAA without allowing the O'Hare Commission 60 days to review it and submit written recommendations to the City for consideration.

(4) The O'Hare Commission may request and, except as set forth below, the City shall provide full access to all publicly available documents relating to (i) any O'Hare noise monitoring, (ii) any O'Hare-related Noise Compatibility Project proposed or undertaken in whole or in part by the City, and (iii) any recommendations or submissions to the FAA by the City related to airport noise mitigation related to O'Hare. Such requests may not impose an undue burden upon the City or interfere with its operations. In such circumstances, the City shall extend to the O'Hare Commission an opportunity to confer with it in an attempt to reduce the request to manageable proportions.

(5) Neither the O'Hare Commission, nor any of its Participants, representatives, agents, employees, consultants, or professional advisors shall use, or assist other persons in using FAA radar data for O'Hare and/or Chicago Midway International Airport ("Data") in legal actions to enforce noise abatement policy or regulations without prior approval of the FAA, and shall not release such Data without notice to and consultation with the FAA. The O'Hare Commission and its Participants, representatives, agents, employees, consultants, or professional advisors shall not release the Data for use by law enforcement agencies or for use in any civil litigation except as otherwise required by law. If the O'Hare Commission or any of its

Participants, representatives, agents, employees, consultants, or professional advisors are required by law to release such Data, they shall notify the FAA before doing so. This notification must be provided promptly after the O'Hare Commission or any of its Participants, representatives, agents, employees, consultants, or professional advisors receives a request or requirement to release the Data, and prior to the release of the Data. The O'Hare Commission and its Participants, representatives, agents, employees, consultants, or professional advisors shall not release Data if advised by the FAA that the Data contains any information deemed sensitive at the sole discretion of the FAA, unless required by law to release such Data.

(6) The O'Hare Commission shall adopt an annual expense budget for each fiscal year. The O'Hare Commission's expense budget shall be adopted at least 30 days prior to the commencement of each such fiscal year. The O'Hare Commission's expense budget shall be funded by the City and any grants received pursuant to Section F of *Appendix A* of this Agreement, following the evaluation and approval by the City of the proposed budget request.

(7) The O'Hare Commission shall have the power to sue and be sued and to take any other action necessary to perform its powers under this Agreement. No funds received by the O'Hare Commission from the City shall be used for legal services or other costs in connection with any action by the O'Hare Commission against the City, its officers or employees, or any airline using O'Hare, except for enforcement of the provisions of this Agreement.

(8) The O'Hare Commission shall undertake any procurement activities in accordance with this Agreement and pursuant to applicable law.

(9) The O'Hare Commission shall adopt by-laws and rules for the conduct of its meetings consistent with powers enumerated herein.

B. A record of proceedings and documents of the O'Hare Commission shall be maintained, which shall be available for inspection by the City, each Participant, each Advisory Member, and the public as permitted by law. The accounts of the O'Hare Commission shall be subject to an annual audit by a qualified independent public accountant.

C. The powers and duties of the O'Hare Commission shall be limited to those expressly set forth in this Section and in *Appendix A* of this Agreement.

Section 5. Term of Agreement.

A. This Agreement shall be effective January 1, 2016, and shall terminate on December 31, 2020, unless otherwise terminated with the written consent of the City and two-thirds of the Participants. The term of this Agreement may be extended upon the approval of the City and any Participant which wishes to extend the term of the Agreement. If any Participant defaults in any material respect in the performance of any of its duties or obligations under this Agreement, and such default continues for 30 days after the O'Hare Commission notifies the Participant, the O'Hare Commission may terminate the defaulting Participant's participation as a party to this Agreement. A material default by a Participant shall include, but is not limited to,

the failure of its authorized representative or designee to attend three or more consecutive meetings of the O'Hare Commission.

B. Any Participant may withdraw as a member of the O'Hare Commission at any time by providing 60 days advance written notice of its intent to withdraw to the City and the O'Hare Commission. Each such written notice shall be accompanied by a certified copy of a resolution or other official action of such Participant's legislative body authorizing such withdrawal. Following its withdrawal from the O'Hare Commission, the Participant shall cease to exercise any of its rights under this Agreement and to be responsible for any subsequent obligation incurred by the O'Hare Commission.

C. The City may terminate this Agreement at any time after January 1, 2016, upon 180 days prior written notice to each Participant and each Advisory Member. Following the City's termination of this Agreement, the rights and obligations of each party to this Agreement shall terminate.

Section 6. Miscellaneous.

A. All notices hereunder shall be in writing and shall be given as follows:

If to the City, to:

Commissioner of Aviation
Chicago Department of Aviation
10510 W. Zemke Road
Chicago, IL 60666

Tel.: (773) 686-8060
Fax: (773) 686-3424

If to a Participant, to the address set forth on the signature page of the counterpart of this Agreement executed by such Participant, and, in the case of Chicago Ward Participants, to such addresses and telephone numbers as they may provide to the O'Hare Commission. Participants may provide an e-mail address for purposes of receiving notices.

All notices shall be effective upon receipt by U.S. mail or e-mail. Any Participant may change the address or addresses for notices to be sent to it by giving notice to the O'Hare Commission.

B. No Participant may assign its rights or obligations under this Agreement without the prior written consent of the City and the other Participants.

C. The City shall not be responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Agreement or the implementation of a Noise Compatibility Program or a Noise Compatibility Project by a Participant or other Governmental Unit. A Participant shall not be responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with

this Agreement or the implementation of a Noise Compatibility Program or a Noise Compatibility Project by the City, another Participant, or another Governmental Unit. The City's financial obligations under this Agreement are limited to legally available airport revenues. Neither the City nor any Participant shall be liable for any expenditures, indebtedness or other financial obligations incurred by the O'Hare Commission unless the City or such Participant has affirmatively agreed to incur such expenditure, indebtedness, or financial obligation. No Advisory Member shall be subject to any liabilities or obligations under this Agreement.

D. This Agreement constitutes the entire agreement of the parties with regard to the Subject matter hereof. This Agreement shall not confer upon any person or entity other than the parties hereto any rights or remedies. *Appendix A* is incorporated herein and made a part of this Agreement.

E. This Agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when one or more counterparts have been signed by each party. Each counterpart may vary in order to identify the Participant, its address for notices and its execution by an authorized officer. The execution of counterparts of this Agreement by a municipality, public school district or county located in the O'Hare Commission Area prior to January 1, 2016, shall not require the consent of the O'Hare Commission, the City, or any Participant.

F. This Agreement shall be governed and construed in accordance with Illinois law.

G. Any municipality, public school district, or county located in the O'Hare Commission Area that does not become a Participant prior to January 1, 2016, may thereafter become a Participant upon (i) the approval of the City and a majority of the O'Hare Commission as set forth in Section 3.E. of this Agreement and (ii) execution of a counterpart of this Agreement.

H. The approval of the City and two-thirds of the Participants shall be required to amend this Agreement. Notice of any proposed amendment shall be transmitted to each Participant and each Advisory Member at least ten days prior to the meeting of the O'Hare Commission at which any proposed amendment is to be first considered. Any amendment shall be effective on all parties hereto when counterparts are executed by the City and two-thirds of the Participants.

Executed as of this _____day of _____, 2015.

CITY OF CHICAGO

By:

_____

Commissioner
Chicago Department of Aviation

Village of Hanover Park (Name of Governmental Unit or Other Entity)

By:

Authorized Officer – Rodney Craig, Village President

Address: Village of Hanover Park

2121 Lake Street

Hanover Park, IL 60133

APPENDIX A

Implementation of Noise Compatibility Programs and Projects

In connection with the development and implementation of Noise Compatibility Programs and Noise Compatibility Projects in the O'Hare Commission Area, the City, and the O'Hare Commission shall have the following duties and responsibilities:

A. The members of the O'Hare Commission shall direct the further development of the Noise Compatibility Programs for the O'Hare Commission Area. The members of the O'Hare Commission shall establish criteria for the equitable allocation of Noise Compatibility Projects and approved airport revenues (including by not limited to FAA Airport Improvement Program ("AIP") grants, Passenger Facility Charge ("PFC") funds, and General Airport Revenue Bonds, and/or bonds backed by such funding sources) within the O'Hare Commission Area and the priorities for providing Noise Compatibility Projects, subject in each case to approval by the FAA and in compliance with all applicable FAA regulations and grant assurances, as well as other applicable law, and subject to available funding.

B. The City shall retain all necessary powers to satisfy the assurances made to the FAA in connection with the expenditure of airport revenues, including eligibility for sound insulation and/or sound insulation funding that is paid by airport revenues. The City shall enter into all agreements and assurances and shall take all other actions that may be necessary to provide for the utilization of airport revenues on the basis set forth in this *Appendix A*. Each Participant and other Governmental Unit that receives Noise Compatibility Projects shall enter into all agreements and assurances, including agreements with and assurances to the City, shall execute any necessary certificates, records and other documents and shall take all other actions that may be necessary to obtain and maintain FAA approval for the use of the airport revenues as contemplated in this *Appendix A*. Neither the O'Hare Commission nor any Participant shall take or omit to take any action if such action or omission violates restrictions on the use of airport revenues. The City shall not be obligated in any year to pay or utilize any amounts in excess of available airport revenues to carry out the purposes of this *Appendix A*.

C. The determination of eligibility to participate in a Noise Compatibility Program or receive a Noise Compatibility Project is not to be construed as an admission or determination of negative impact by aircraft noise or of liability for damages or any other injury relating to aircraft noise on the part of the City or the O'Hare Commission.

D. In the event they are determined to be eligible for participation in a Noise Compatibility Program, property owners in the O'Hare Commission Area shall not be required to pay any portion of the cost of any Noise Compatibility Project. Upon approval by the City and with the consent of the property owner, at its option the City may acquire homes that are subject to very high levels of aircraft noise.

E. Noise Compatibility Projects outside the City may be implemented through Participants and other Governmental Units located in the O'Hare Commission Area. A Governmental Unit may request that the City undertake a Noise Compatibility Project within

such Governmental Unit's corporate boundaries. Noise Compatibility Projects within the boundaries of the City shall be implemented by the City. The City may enter into agreements in connection with the planning and implementation of proposed Noise Compatibility Projects in the O'Hare Commission Area. The City shall provide administrative support and professional and technical assistance to the O'Hare Commission, each Participant and all other Governmental Units located in the O'Hare Commission Area in connection with the operations of the O'Hare Commission and the planning and implementation of Noise Compatibility Projects. All procurement activities related to Noise Compatibility Projects shall be undertaken in accordance with applicable law.

F. The O'Hare Commission may receive grants from any source to be used for the purpose of discharging its duties and obligations in accordance with the provisions of this *Appendix A*, and also may make grants for such purposes. The O'Hare Commission may expend any such grants for purposes consistent with this *Appendix A*. The City and the O'Hare Commission shall each use its best efforts (including serving as the sponsor or applicant for federal grants) to obtain the maximum amount of federal funds in connection with any noise mitigation projects, so as to maximize the availability and impact of the City's financial contribution to noise mitigation projects in the O'Hare Commission Area.

G. The City shall install and maintain a permanent noise monitoring system (the *"System"*) at and around O'Hare Airport. The purposes of the System include validation of the FAA-approved noise contour for O'Hare, assisting in determining the eligibility and priority of proposed Noise Compatibility Projects for schools, enhancing public understanding of aircraft noise issues, and monitoring trends in aircraft noise.

(1) The City may retain a third party vendor (*"System Operator"*) selected by the City with the input of the O'Hare Commission to operate and maintain the System pursuant to an agreement between the City and the System Operator.

(2) At the request of the O'Hare Commission, the City may also retain and pay the cost of another third party vendor (*"System Expert"*) to provide independent management oversight of the System. The System Expert shall be mutually selected by the City and the O'Hare Commission. The System Expert will be responsible for independently verifying data and system operation through the review of all inputs and operational aspects of the System. All reports prepared by the System Expert shall be provided directly to the City and the O'Hare Commission. The activities and duties of the System Expert shall be consistent in all respects with the applicable requirements of the FAA. If the O'Hare Commission requests the City to retain and pay for such a System Expert, the amount that the City is obligated to pay the System Expert shall not exceed $200,000 per year, adjusted annually for inflation.

(3) The System shall include a minimum of 33 monitoring sites in the O'Hare Commission Area, plus such number of additional permanent monitoring sites as may be agreed upon by the City and the O'Hare Commission.

(4) The data collected by the System shall be made available by the City to the O'Hare Commission and any Participant that requests such data. The City shall provide reports to the O'Hare Commission and any Participant based on the data collected by the System.

(5) Neither the O'Hare Commission, nor any of its Participants, representatives, agents, employees, consultants, or professional advisors shall use, or assist other persons in using, information generated by the System in violation of Section 4.A.(5) of this Agreement.