

LEE COUNTY RESOLUTION NO. _____
OGLE COUNTY RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE CREATION OF
THE REAGAN MASS TRANSIT DISTRICT**

WHEREAS, the County of Lee, Illinois (“Lee County”) currently operates and maintains a local transportation system for the mutual benefit of the residents of Lee County and Ogle County, Illinois (“Ogle County”), said transportation system being commonly known as the Lee-Ogle Transportation System (“LOTS”); and

WHEREAS, the Board of Commissioners of Lee County and Ogle County (collectively, the “County Boards”) have discussed the needs of their residents with respect to expanding and broadening the range of public transportation services offered within said counties; and

WHEREAS, as it is currently structured, LOTS is limited from providing the services desired by Lee County and Ogle County; and

WHEREAS, the Local Mass Transit District Act, 70 ILCS 3610/1 et. seq. (the “Act”), authorizes the creation of a local Mass Transit District, which may be composed of one or more counties, if approved by a majority vote of the county board for each county participating therein; and

WHEREAS, the County Boards have discussed the benefits of restructuring LOTS as an independent Mass Transit District pursuant to the Act; and

WHEREAS, after significant consideration, the County Boards have deemed it in the best interests of said counties and their residents to authorize and approve the creation of a Mass Transit District to be known as the “Reagan Mass Transit District”; and

WHEREAS, in connection with the creation of the Reagan Mass Transit District, the County Boards acknowledge that the process of transferring the assets and liabilities of LOTS to the Reagan Mass Transit District will involve many similarities with the sale of a business as a going concern, and therefore desire to approve certain terms and conditions with respect to facilitating the orderly transition of LOTS assets and liabilities to the Reagan Mass Transit District, all as more specifically set forth herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Counties of Lee and Ogle, Illinois, as follows:

SECTION 1: The preambles to this Resolution are true and correct and are hereby incorporated into this Section 1 as if more fully set forth herein.

SECTION 2: Pursuant to the Local Mass Transit District Act, 70 ILCS 3601/1 et. seq., there is hereby created and incorporated a Mass Transit District within the State of Illinois, as follows:

ARTICLE I

NAME

The name of the Mass Transit District shall be the Reagan Mass Transit District.

ARTICLE II

PURPOSE

The Reagan Mass Transit District is an Illinois municipal corporation. The purpose of the Reagan Mass Transit District is to acquire, construct, own, operate and maintain mass transit facilities for public service or to subsidize the operation thereof. The Reagan Mass Transit District shall also have such other powers as now or may hereafter be granted or authorized on Mass Transit Districts by the laws of the State of Illinois.

ARTICLE III

BOARD OF TRUSTEES

A. General Powers. The powers of the Reagan Mass Transit District shall repose in, and be exercised by, a Board of Trustees.

B. Number of Trustees. The Board of Trustees shall consist of five (5) Trustees. The Board of Trustees shall be composed of:

- (i) Three (3) Trustees to be appointed by the Chairperson of the Lee County Board with the consent and approval of the Lee County Board; and
- (ii) Two (2) Trustees to be appointed by the Chairperson of the Ogle County Board with the consent and approval of the Ogle County Board.

C. Terms. Each Trustee appointed shall serve for a term of four (4) years. Notwithstanding the foregoing, the terms for the initial Board of Trustees shall be staggered and shall expire as follows:

- (i) Two (2) Trustees shall serve for an initial term of four (4) years;
- (ii) Two (2) Trustees shall serve for an initial term of three (3) years; and
- (iii) One (1) Trustee shall serve for an initial term of two (2) years.

Those Trustees on the initial Board of Trustees that will serve for a term of less than four (4) years shall be selected from among the Trustees by lot.

D. Voting. Each Trustee shall be entitled to one (1) vote on each matter submitted to the Board of Trustees.

E. Manner of Acting. The act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, unless the act of a greater number is required by law or by the bylaws of the Reagan Mass Transit District.

F. Quorum. A majority of the Trustees shall constitute a quorum of the Board of Trustees for the purpose of conducting business and exercising the powers of the Board of Trustees on behalf of the Reagan Mass Transit District.

F. Vacancies. Any vacancy occurring in the Board of Trustees shall be filled in the same manner as the original appointment. The Trustee appointed to fill any such vacancy shall complete the unexpired portion of the term of the vacating Trustee.

G. Powers. In addition to any powers that may be exercised by the Board of Trustees pursuant to applicable law, the Board of Trustees shall have the power and authority to adopt such bylaws, establish such rules and regulations, and take such other actions as may be necessary or appropriate to achieve the purpose for which the Reagan Mass Transit District is formed.

SECTION 3: The Memorandum of Understanding Concerning the Creation of the Reagan Mass Transit District, attached hereto and incorporated herein as Exhibit A (the “MOU”), is hereby approved. It is the intent of Lee County and Ogle County to proceed with the transition of LOTS assets and liabilities to the Reagan Mass Transit District in accordance with the terms and conditions set forth in the MOU. Notwithstanding the foregoing, the final terms and conditions of such transition shall be set forth in a definitive agreement to be mutually agreed to between Lee County, Ogle County and the Reagan Mass Transit District.

SECTION 4: The County Clerks of Lee County and Ogle County are hereby authorized and directed to file a certified copy of this Resolution, along with the names of the persons first appointed as Trustees of the Reagan Mass Transit District, with their respective offices for recording as certificates of incorporation of the Reagan Mass Transit District, and shall further cause duplicate certified copies thereof to be filed with the Illinois Secretary of State.

SECTION 5: All Resolutions and parts of Resolutions concerning the establishment of LOTS in conflict herewith are, to the extent of such conflict, hereby repealed. For purposes of clarity, any Resolutions relating to LOTS shall remain in full force and effect until the date of transfer as specified herein.

SECTION 6: The County Clerks of Lee County and Ogle County are hereby directed to publish this Resolution in pamphlet form.

SECTION 7: This Resolution shall be in full force and effect from and after its passage, approval, and publication as required by law by both Lee County and Ogle County. The effective date of this Resolution shall be the date the last of said County Boards adopt this Resolution.

Passed by the Chairman and Board of Commissioners of the County of Lee, Illinois, on the _____ day of _____, 2022.

Chairman

ATTEST:

Secretary

AYES: _____

NAYES: _____

ABSENT: _____

Passed by the Chairman and Board of Commissioners of the County of Ogle, Illinois, on the _____ day of _____, 2022.

Chairman

ATTEST:

Secretary

AYES: _____

NAYES: _____

ABSENT: _____

Exhibit A

(attach MOU)