

**IN THE CIRCUIT COURT FOR THE FIFTH JUDICIAL CIRCUIT
EDGAR COUNTY, ILLINOIS**

RIDES MASS TRANSIT DISTRICT,)
)
) Plaintiffs,)
)
 vs.)
)
 DONALD WISEMAN, EDGAR COUNTY)
 TREASURER, in his official capacity,)
)
) Defendant)
)

No. 16-L-16

FILED
OCT 17 2016
Sandra K. Willett
Circuit Clerk, 5th Judicial Circuit Edgar County

PLAINTIFF’S RESPONSE TO DEFENDANT’S MOTION TO DISMISS

NOW COMES the Plaintiff Rides Mass Transit District (“Rides”), by and through its attorneys at the Law Office of Robert C. Wilson, and for its Response to Defendant’s Motion to Dismiss states as follows:

OVERVIEW- PROCEDURAL HISTORY

On August 8, 2016 Rides filed a two count Complaint against Donald Wiseman, in his official capacity as Edgar County Treasurer (“Wiseman”). Count One of the Complaint claims that Wiseman breached the contract between Edgar County and Rides when he refused to pay out the sums received from the liquidation of East Central Illinois Mass Transit District (“ECIMTD”). Count Two requests a Writ of Mandamus ordering Wiseman to pay the proceeds of the liquidation of ECIMTD to Rides.

Defendant filed a Motion to Dismiss Rides Complaint, under both section 2-619 and 2-615. Rides files this Response in opposition to the Defendant’s Motion to Dismiss.

COUNT I- BREACH OF CONTRACT

A. RIDES HAS ALLEGED AN ENFORCEABLE CONTRACT

The Defendant seeks to dismiss Count I of Plaintiff's Complaint under Section 2-615. The Defendant states that Rides has failed to allege that it has an enforceable contract with Edgar County. The Defendant correctly states that "all well-pleaded facts, as well as reasonable inferences which may be drawn from those facts, are taken as true." *McClellan v. Banc Midwest, N.A.* 164 Ill.App.3d 304, 307 (4th Dist. 1987).

Defendant states that there is a presumption that a law does not create private contractual rights. *Chicago Limousine Serv., Inc v. City of Chicago* 335 Ill.App.3d 489 (1st Dist. 2002). Defendant relies heavily on *Chicago Limousine Serv., Inc v. City of Chicago* in its argument. While it is true that ordinarily statutes do not create private contractual rights, statutes *can create* contractual rights.

Chicago Limousine centered on an issue between a private corporation and the City of Chicago. The private company argued that the issuance of permits for taxi service created a contract between the city and the corporation. *Chicago Limousine* cited heavily, and used for comparison purposes, *Peoria Ry. Co. v. Peoria Ry. Terminal* (252 Ill. 73 (1911)). In *Peoria Ry.*, an ordinance was passed by the Peoria city council authorizing a company to operate a street railway line in parts of the city. 252 Ill. at 81. "By the acceptance of this ordinance and the construction and operation of its street railway the ordinance then became a valid and binding contract between the railway company and the city." *Id.* *Chicago Limousine* "differs substantially from *Peoria Ry.*. In *Peoria Ry.*, plaintiff's complaint does not allege that it was the sole livery operator commissioned by the city to create a livery service in Chicago, nor was it organized under the laws of this state to operate a livery business at the plaintiffs request" 335

Ill.App.3d at 496. Further [Chicago Limousine]’s “investment cannot compare to the investment of capital and resources expended by *Peoria Ry. Id.*

The instant case is similar to *Peoria Ry*, and the issues in *Chicago Limousine*. The Edgar County Board passed an ordinance that annexed Edgar County in to Rides’ district on June 17, 2013. The ordinance stated in part “that all assets received by Edgar County Treasurer upon the dissolution of the [ECIMTD] shall be transferred, assigned and conveyed by the County Treasurer to Rides Mass Transit District and the County contribution to Rides Mass Transit District.” This was the offer. Three days later, on June 20, 2013, Rides accepted the offer by passing a resolution authorizing the annexing of Edgar County into its district. The payment of the funds from the winding up of ECIMTD was the consideration, as well as Rides expending vast sums of money to get its operations set up in Edgar County. This is similar to the railway company in *Peoria Ry* in that Rides was the subject of the resolution, just as the railway company was, and Rides was required to spend a lot of money to set up its operation. “The acceptance of this ordinance and the construction and operation of its street railway the ordinance then became a valid and binding contract between the street railway company and the city.” *Peoria Ry.*, 252 Ill. at 81.

The current case is between two separate units of government, and is therefore governed by the Intergovernmental Cooperation Act (5 ILCS 200/1 *et sec.*). Section 5 states that “Any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking...provided that such contract shall be approved by the governing bodies of each party to the contract and except where specifically and expressly prohibited by law.” 5 ILCS 200/5. Rides, through its Board of Trustees, and Defendant, through the county board, entered into a contract where Rides would annex Edgar

County into its district. **As consideration,** Edgar County was to pay the assets from the winding up of ECIMTD and Rides would invest in Edgar County by providing mass transit services.

Therefore, the contract is valid under the Intergovernmental Cooperation Act and the Supreme Court's holding in *Peoria Ry.*

Therefore, Defendant's Motion to Dismiss Count I should be denied.

B. RIDES HAS NOT FAILED TO JOIN A NECESSARY PARTY

Defendant seeks to have the Complaint dismissed under section 2-615, stating that "only the Edgar County Board could order the Treasurer to remit payment of funds from the county treasury that the Treasurer has received and is responsible for safekeeping" (see Defendant's memorandum page 6). Defendant's claim that the Edgar County Board needed to authorize Wiseman to pay Rides, and because it had not done so, the case should be dismissed because the Edgar County Board is a necessary party. What Defendants have failed to realize is that the Edgar County Board has already authorized and directed Wiseman to pay out the funds he received from the winding up of ECIMTD.

Understanding that there would be funds available from the wind up of ECIMTD, the Edgar County Board placed in its June 17, 2013 Resolution a provision that states "**Further be it ordained and resolved that all assets received by Edgar County treasurer upon the dissolution of the East Central Illinois mass Transit District shall be transferred, assigned and conveyed by the County Treasurer to Rides Mass Transit District as the County's contribution to Rides Mass Transit District as the County's contribution to Rides Mass Transit District**" (see Complaint Exhibit B page 1). The Edgar County Board is not a necessary party, because it has already contracted for the annexation and authorized and directed the Defendant to transfer the funds that are the subject of this Complaint.

Therefore, Defendant's Motion to Dismiss Count I should be denied.

C. RESOLUTION DATED JUNE 17, 2013 IS NOT VOID AT INCEPTION

The Defendant attempts to argue that that the Resolution was unsupported by any statutory grant of authority and was therefore void at inception. However, the defendant cites 70 ILCS 3610/9(b), as amended effective June 1, 2015. Prior to June 1, 2015, section "b" as quoted by the defendant did not exist. The Edgar County ordinance annexing and providing for the payment of the funds was dated June 17, 2013 and Rides resolution accepting the annexation was dated June 20, 2013, both prior to the effective date of Section 3610(b), June 1, 2015.

The Defendant is correct that Edgar County is a non-home-rule unit of local government, and therefore, under Dillon's Rule, "has only those powers granted to it by law, and certain powers enumerated in article VII, section 7, of the Illinois Constitution." *Pesticide Pub. Policy Found. v. Vill. of Wauconda*, 117 Ill. 2d 107, 111 (1987). The Downstate Public Transportation Act provides Edgar County the express authority required. Edgar County and Rides are covered by the Downstate Public Transportation Act 30 ILCS 740/1 *et seq.* Under 2-2.02(1), a "Participant" is "a city, village, or incorporated town, a county, or a local mass transit district organized under the Local Mass Transit Act (a) serving an urbanized area or over 50,000 population or (b) serving a nonurbanized area." Section 2-15(b) states "Any county may apply for, accept and expend grants, loans or other funds from the State of Illinois or any department or agency thereof, from any unit of local government, from the federal government or any department or agency thereof, or from any other person or entity, for use in connection with any public transportation provided pursuant to this Section" (emphasis added). Edgar County is given express authority in this Act to expend funds for public transportation, which it would be doing by transferring the funds received from the winding up of ECIMTD to

Rides, as it contracted to do. Dillon's Rules is not violated because of the express authority given to Edgar County pursuant to the Downstate Public Transportation Act.

Another power granted to counties per statute is the power "To make all contracts and do all other act in relation to the property and concerns of the county necessary to the exercise of its corporate powers. 55 ILCS 5/5-1005. Further,

"Any public agency entering into an agreement pursuant to [the Intergovernmental Cooperation Act] **may appropriate funds** and may sell lease, give, authorize the receipt of grants, or otherwise supply the administrative joint board or other legal or administrative entity to operate the joint or cooperative undertaking by providing such personnel or services therefor as may be within its legal power to furnish." (emphasis added)

5 ILCS 220/4.

The Defendant was within its statutory right to enter into the contract with Rides, when it dissolved ECIMTD and Rides then annexed Edgar County into its district. Both Edgar County and Rides are considered "public agencies" under the Governmental Cooperation Act. The Edgar County resolution provided for a seamless transition of discontinuing its services with ECIMTD on June 30, 2013 and being annexed into Rides Mass Transit District on July 1, 2013. The funds that were to go to Rides from the winding down of ECIMTD's activities was an appropriation of funds as contemplated by 5 ILCS 220/4, and therefore authorized by statute.

Therefore, Defendant's Motion to Dismiss Count I should be denied, as the contract between Edgar County and Rides was valid and did not violate Dillon's Rule.

D. THE TRANSFER FROM EDGAR COUNTY TO RIDES IS NOT A "GIFT."

Defendant's memorandum under Section D shows a limited knowledge of the way a transit district functions. Rides was created under the statutory authority of 70 ILCS 3610/1 *et sec*, the Local Mass Transit District Act. A mass transit district created under the Act is

considered a unit of government. Rides, as well as other mass transit districts, rely on grant funding from both the state and federal government in order to provide services. Grant funding is provided on a reimbursement basis, which is done quarterly.

ECIMTD, at its inception, was funded by direct investments and credit arrangements by Edgar County Senior Services. Edgar County did not provide any seed money for ECIMTD, and all funds borrowed at the start ECIMTD's inception were paid back in full to Edgar County Senior Services. The grant funding that ECIMTD received was for the purpose of providing mass transit services to Edgar and Clark Counties. Pursuant to statute, ECIMTD's assets were liquidated and were transferred to the Defendant. The Edgar County ordinance of June 17, 2013 instructed the Defendant (pursuant to authorization and direction of the Edgar County Board) to Rides for the same purpose.

The Defendant cites *Sherlock v. Village of Winnetka* in support of its argument that transferring the assets from the ECIMTD winding up would be an impermissible gift to Rides. In *Sherlock*, the town council passed an ordinance allowing the village to purchase land to build a public school on. 59 Ill. 389, 396. Bonds were issued to purchase land and erect a building. *Id.* The council members purchased all of the bonds, and then built a private school, of which most of them were trustees and incorporators of. *Id.* at 397. The court found that "The council had no authority to purchase land, erect buildings, and issue bonds pledging the corporate property, and the faith and credit of the [village] for any but [village] purposes." *Id.* at 399.

The current case is vastly different from *Sherlock*. The funds that were transferred to Edgar County were from the winding up of ECIMTD. Rides is demanding that the funds be transferred to Rides, and the funds will continue to be used for the purpose of mass transit activities. Edgar County, and its population, is continuing to receive the benefit of having a mass

transit provider by Rides annexing Edgar County into its district. The funds that were once being used for a mass transit district in Edgar County would continue to be used for the same purpose, and the county will continue to receive the benefit.

As previously stated, Edgar County and Rides are covered by the **Downstate Public Transportation Act 30 ILCS 740/1 et sec.** Under 2-2.02(1), a “Participant” is “a city, village, or incorporated town, a county, or a local mass transit district organized under the Local Mass Transit Act (a) serving an urbanized area or over 50,000 population or (b) serving a nonurbanized area.” Section 2-15(b) states “Any county may apply for, accept and expend grants, loans **or other funds** from the State of Illinois or any department or agency thereof, **from any unit of local government**, from the federal government or any department or agency thereof, or from any other person or entity, for use in connection with any public transportation **provided pursuant to this Section” (emphasis added).** Edgar County is given express authority in this Act to expend funds for public transportation, which it would be doing by transferring the funds received from the winding up of ECIMTD to Rides, as it contracted to do. The transaction would not be a “gift” but rather an expenditure of funds expressly authorized by statute for mass transit purposes.

Therefore, Defendant’s Motion to Dismiss Count I should be denied, as the transfer of funds would not be an impermissible gift.

COUNT II- MANDAMUS

A. PLAINTIFF HAS STATED A CLAIM FOR MANDAMUS

As discussed above, Rides has established a “clear, affirmative right to relief, a clear duty of the public official to act and a clear authority in the public official to comply with the writ.”

Hadkley v. Montes, 379 Ill.App.3d 405, 407 (4th Dist. 2008) (quotation omitted). In this case, the “public official is the Defendant treasurer.

Rides has established that an enforceable contract was reached between Rides and Edgar County under the Intergovernmental Cooperation Act in that both the Edgar County Board and Rides Trustees approved the annexation of Edgar County into Rides. Edgar County, as part of the annexation authorized and directed the Defendant to pay funds received from ECIMTD to Rides as consideration for Rides agreement to the annexation and Rides agreement to provide public transportation services to Edgar County residents. Rides passed its resolution after Edgar County passed its ordinance, and did so in reliance of receiving the funds from the Defendant upon ECIMTD winding up its affairs and making payment to Edgar County.

The Edgar County Resolution was not void at inception. The Intergovernmental Cooperation Act allows for public agencies to enter into agreements and appropriate funds. 5 ILCS 220/4. In section A of Count II of the Defendant’s memorandum, cites 70 ILCS 3610/9, as amended effective June 1, 2015. The resolutions and ordinances were passes in 2013, and are therefore not covered by the 2015 amendments. The Defendants continue to state that there is no explicit statutory authority for the funds to be transferred to Rides, however the Intergovernmental Cooperation Act does give that authority by allowing Edgar County and Rides to enter into a contract.

Lastly, the transfer of assets from Edgar County to Rides is not a gift. The funds that were transferred to Edgar County were from the sale of ECIMTD’s assets. Edgar County never made any financial contribution to the starting up of ECIMTD. When it was determined that ECIMTD was to start the winding down process, Rides began servicing Edgar County so that there would be no lull in transit services. While the Local Mass Trans District Act provides for instructions

when discontinuing a mass transit district under section 3610/9, it does not specify what the process is when one mass transit company is replacing another. The purpose of Defendant and Rides entering into a contract was so that Edgar County would not experience an interruption in public transportation services upon the dissolution of of ECIMTD's services. From the sale of ECIMTD's assets, Rides would have a financial incentive to annex Edgar County into its district. Further, as noted above, the Downstate Public Transportation Act specifically authorizes counties to expend funds for public transportation services

Therefore, Defendant's Motion to Dismiss Count II should be denied.

B. PLAINTIFF'S CLAIM IS NOT BARRED BY LACHES

Defendant claims that Rides claim for mandamus is barred by the doctrine of *laches*. “[D]efendants fail to recognize that is not simply a matter of time; rather it is a principle of ‘inequity founded on some change in the condition or relation of the property and the parties.’” That is, it must appear that a plaintiff's unreasonable delay in asserting his rights has prejudiced and mislead the defendant, or caused him to pursue a course different from what he would have otherwise taken. *People ex rel. Casey v. Health and Hospitals Governing Commission of Illinois*, 69 Ill.2d 108, 115 (1977) (internal citation omitted). In a letter to Plaintiff's counsel dated June 19, 2014, Edgar County State's Attorney Mark Isaf states “I have been advised that Edgar County did not contribute any funds of its own to the ECIMTD and therefore the grant funds received for mass transit purpose for citizens of Edgar County should be returned to the successor of ECIMTD to accomplish the same purpose” (see attached Exhibit A).

The funds from ECIMTD's winding up were transferred to the Edgar County Treasurer on July 28, 2014, and both Rides and counsel for Rides have been in direct communication with Edgar County State's Attorney Mark Isaf. Rides has consistently maintained its contractual right

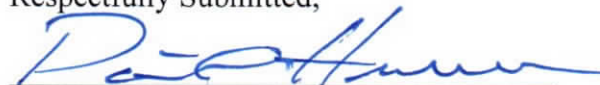
to the funds. Plaintiff's counsel has sent no fewer than three communications to Isaf (see attached Exhibits B, C and D) regarding the funds being held by Edgar County. It was not until December 22, 2015, in an email correspondence from Isaf, that Rides was made aware that Edgar County was refusing to remit the funds from the winding up of ECIMTD to Rides (see attached Exhibit E). Edgar County has been aware of the dispute and disagreement regarding the rightful owner of the funds since the funds were paid to the Edgar County Treasurer.

Rides made a more than reasonable attempt to resolve the issues with Edgar County prior to filing the current complaint. Further, the funds that are in dispute were never disputed as to whether they would be transferred to Rides until sometime in 2015. These funds would not have been part of the Edgar County budget, because they were originally earmarked to be paid out to Rides.

Therefore, Defendant's Motion to Dismiss Count II should be denied.

WHEREFORE, Plaintiff pray this Court deny Defendant's Motion to Dismiss or, in the alternative, give leave to amend its Complaint.

Respectfully Submitted,



Patrick Hunn, Attorney for Plaintiff

Prepared by:
Patrick Hunn
Law Office of Robert C. Wilson
P.O. Box 544 Harrisburg, IL 62946
(618) 252-1776, ARDC# 6320820

EDGAR COUNTY STATE'S ATTORNEY

Mark Robert Isaf
State's Attorney

Edgar County Courthouse
115 W. Court St., Room S
Paris, IL. 61944-1787

Kyle P. Hutson
Assistant State's Attorney

statt@edgarcountyillinos.com

Phone: 217/466-7456

Fax: 217/466-7454

khutson@edgarcountyillinois.com

June 19, 2014

CORRECTED

Robert C. Wilson
P.O. Box 544
117 West Poplar Street
Harrisburg, Illinois 62946
rcw@rcwattorney.com

Re: ECIMTD/Rides Mass Transit

Dear Mr. Wilson:

I received your letter of June 10, 2014. With regard to paragraph one I do not dispute the source of the funds, the purpose of the funds nor the eventual disbursement of the funds. What I do dispute is the process of transferring mass transit related funds generated by grants from the original grantee (ECIMTD) to its successor (Rides Mass Transit). I have been advised that Edgar County did not contribute any funds of its own to the ECIMTD and therefore the grant funds received for mass transit purpose for citizens of Edgar County should be returned to the successor of ECIMTD to accomplish the same purpose. I also do not favor handling the funds in any way other than returning a pro rata share of the remaining liquid assets to the treasurer of Edgar County. I do not speak for Clark County nor is Edgar County acting on Clark County's behalf.

With regard to paragraph two of your letter of June 10, 2014 my original point remains that the hard assets of ECIMTD have not been addressed. While you refer to resolutions and ordinances, I am referring to the statute that provides for the winding up of the Mass Transit District's affairs. It does not reference the assignment or conveyance of hard assets but references after the "sale and disposition of its property" and "payment to the treasurer of the County... which created it". I am not advising ECIMTD or Rides Mass Transit with regard to the winding up of ECIMTD's affairs. Hard assets have not been assigned nor conveyed to either county at this point. I do not see nor do I understand how the assets that are listed in the inventory would be utilized by Rides Mass Transit. I would still favor the liquidation of those assets for whatever value they bring in the open market. I suspect Rides Mass Transit will end up doing the same.

As for paragraph three of your letter of June 10, 2014, I have not received any evidence nor am I aware of any documentation that shields ECIMTD, nor its creating counties, from future liability from IDOT or any other entity that attempts to claw back misappropriated grant funds. As you may know, the misappropriated funds issue is still being investigated by the Federal Bureau of Investigation. **I would request that you obtain a document issued by IDOT stating the**



liability issue is resolved or possibly prepare a defense and indemnity statement on behalf of Rides Mass Transit in favor of Edgar County/ECIMTD for any liability that may arise as a result of the misappropriation of grants funds received by ECIMTD.

Once you have a chance to review the above, if you have any further questions please do not hesitate to contact me.

Sincerely,

Mark R. Isaf
Edgar County State's Attorney

MRI/ab

cc: King Sutton, ECIMTD Board Chairman
Dennis Simonton, Clark County State's Attorney
August Griffin, Edgar County Clerk
Bill Jung

Office of Robert C. Wilson
PO Box 544 117 West Poplar Street
Harrisburg IL 62946
Phone: 618-252-1776 Fax: 618-252-8222

Robert C. Wilson, Attorney/CPA
rcw@rcwattorney.com

Tammi N. Jackson, Associate
tj@rcwattorney.com

October 15, 2015

Mr. Mark Isaf
Edgar County State's Attorney
Edgar County Courthouse
115 W Court St Room S
Paris, Illinois 61944

Dear Mr. Isaf:

It has been brought to my attention that Edgar County continues to hold funds that the County duly legislated to be distributed to Rides Mass Transit District pursuant to the attached resolution. I understand that the reason given for this action is potential liability for Edgar County as a result of the dissolution of East Central Illinois Mass Transit District (ECIMTD) or the potential repayment of grant funds owed by ECIMTD.

Please understand that Edgar County was not a party to any grant contract or service agreement held by ECIMTD. There is no past or ongoing liability assumed by Edgar County connected to the activities of ECJMTD or its dissolution. The County does however have liability associated with its actions as it relates to its failure to release the funds in question.

Rides Mass Transit District annexed Edgar County and made investments in service and employment based on an agreement with Edgar County. Rides has detrimentally relied on the county to fulfill its obligation under that agreement. That agreement does not state or assume the conditions you assert for the release of said funds.

I am hopeful that Edgar County will release the funds voluntarily and meet its obligation under the agreement. Rides is prepared however to seek judicial relief if required.

Please contact me if you need to discuss this matter further. Otherwise, please arrange to have the funds released.

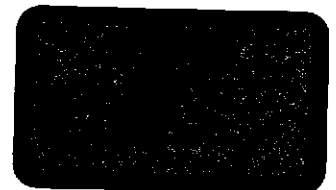
Very truly yours,


Robert C. Wilson

RCW/ph

Enc.

K:\Rides Mass Transit\edgarcounty101515.doc



Law Office of Robert C. Wilson

PO Box 544 117 West Poplar Street
Harrisburg IL 62946
Phone: 618-252-1776 Fax: 618-252-8222

Robert C. Wilson, Attorney/CPA
rcw@rcwattorney.com

Tammi N. Jackson, Associate
tj@rcwattomey.com

December 31, 2015

Mr. Mark R. Isaf
Edgar County States Attorney
Sent via email to: statt@edgarcountyllinois.com

RE: Rides Mass Transit District

Mr. Isaf:

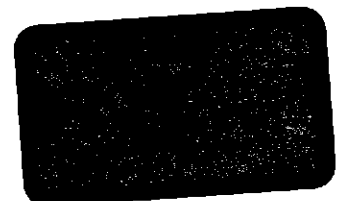
Thank you for your email of December 22, 2015. I disagree with the concept that the Resolution that was passed was void at inception. The Resolution dated June 17, 2013 was an inducement to Rides Mass Transit District. The Resolution provided for the:

1. Discontinuance of the East Central Illinois Mass transit District.
2. Winding up of affairs of East Central.
3. Receipt by the Edgar County Treasurer of the East Central assets.
4. Transfer of the East Central assets received by the Edgar County Treasurer to Rides Mass Transit District.

There is nothing void about the Resolution. It is well within the power of the County Board to receive the funds and provide for disbursement of the funds. Based upon the June 17, 2013 Resolution the Rides Mass Transit District Board approved annexation of Edgar County effective July 1, 2013 consistent with the Resolution of the Edgar County Board of Commissioners Resolution providing for annexation effective July 1, 2013.

Copies of Rides Resolution #153 dated June 20, 2013 and the Resolution – East Central Illinois Mass Transit District – Rides Mass Transit District Resolution of the Edgar County Board of Commissioners dated the 17th day of June, 2013 are enclosed for your reference.

As the Chief Legal Officer of the County, please make a determination as to whether the Edgar County Resolution was “void at inception”. If you determine that the Resolution was not void at inception then Edgar County made a determination as to receipt of assets by the Edgar County Treasurer upon the dissolution of the East Central Mass Transit District and a direction and Ordinance providing for the transfer, assignment, and conveyance by the County Treasurer to



Rides Mass Transit District of the assets received by the Edgar County Treasurer upon the dissolution of the East Central Illinois Mass Transit District.

The Resolution – East Central Illinois Mass Transit District – Rides Mass Transit District documents were reviewed by your office prior to adoption by the County Board. Edgar County was annexed and Rides Mass Transit District, based upon the Resolution on October 7, 2014, purchased property in Paris, Illinois at a cost of \$ 635,000 to provide service to Edgar County, Illinois. The funds to be received from the Edgar County Board of Commissioners by way of the Edgar County Treasurer were relied upon in Rides commitment to Edgar County, Illinois

Rides has spent \$635,000.00 on a building and will spend significant sums on renovation. Rides employs 20 people in Edgar County. Rides brings significant funds to Edgar County and facilitates commerce (trips to medical providers/grocery stores/ work). The decision to fund Rides to induce Rides to come to Edgar County was a valid and wise decision made by the Edgar County Board of Commissioners.

I believe we are at decision point and it is your decision as to how we proceed. I respectfully submit that it is up to you to determine whether or not the Edgar County Treasurer will disburse the East Central Illinois Mass Transit District assets to Rides Mass Transit District consistent with the Resolution dated the 17th day of June, 2013.

Very truly yours,



Robert C. Wilson
RCW/cdp

RESOLUTION 153

Resolution authorizing the annexing of contiguous counties into the Rides Mass Transit District.

WHEREAS, the regionalism of public transit service is essential to the transportation of persons in the non-urbanized area; and

WHEREAS, the Downstate Operating Assistance Program makes funds available to help offset expenditures of eligible systems; and

WHEREAS, grants for said funds will impose certain obligations upon the recipient, including the provision to provide local share necessary to cover costs not covered by the Downstate Operating Assistance Program and section 5311 of the Federal Transit Act of 1991..

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE Rides Mass Transit District:

Section 1. That by a 2/3 vote of the Rides Mass Transit District Board the Edgar County be annexed into the District on July 1, 2013.

Ayes 9
Nays 0
Abstain 0

PRESENTED and ADOPTED this 20th day of JUNE, 2013.

[Signature]
Secretary

[Signature]
RMTD Board Chairman

Date: 6/20/13

Date: JUN/20/2013

Certified Copy

I certify that the original of this Resolution is on file in the records of the office Rides Mass Transit District in my custody.

I do further certify that the foregoing Resolution remains in full force and effect and has not been rescinded, as amended or altered in any manner since the date of its adoption.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this 20th Day of June 2013.

[Signature]
Bill Jung, CEO



[Signature]
Karen Vinyard, CFO

RESOLUTION – EAST CENTRAL ILLINOIS MASS TRANSIT DISTRICT - RIDES MASS TRANSIT DISTRICT

Be it ordained and resolved by the Members of the Edgar County Board that East Central Illinois Mass Transit District is authorized to discontinue its services and wind up its affairs pursuant to resolution by said District effective June 30th, 2013.

Be it ordained and resolved by the Members of the Edgar County Board that the County of Edgar be annexed into the Rides Mass Transit District on July 1st, 2013.

As a county member of the Rides Mass Transit District, Edgar County will have representation on the District Board according to the Local Mass Transit District Act (70 ILCS 3610) and the Rides Mass Transit District By-Laws, one Trustee to be appointed by the Chairperson of the County Board.

Further be it ordained and resolved that all assets received by Edgar County Treasurer upon the dissolution of the East Central Illinois Mass Transit District shall be transferred, assigned and conveyed by the County Treasurer to Rides Mass Transit District as the County's contribution to Rides Mass Transit District.

Further be it ordained and resolved that Rides Mass Transit District is herewith given immediate authority to apply for any and all Grants and Operating Assistance for public transportation services in the County for periods on and after July 1, 2013 the date of annexation of the County to Rides Mass Transit District.

The resolution shall be effective when adopted by an official vote of the Edgar County Board and have an effective date when such resolution and ordinance is approved by 2/3 vote of the Rides Mass Transit District Board.

On roll call vote this RESOLUTION NO. _____ was passed and approved this 17 day of June, 2013.

On the following vote:

AYES 4

ABSTAIN 0

NAYES 0

EDGAR COUNTY BOARD OF COMMISSIONERS



Chairman

ATTEST:



County Clerk and Recorder

STATE OF ILLINOIS } SS
EDGAR COUNTY }

I HEREBY CERTIFY THAT THE FOREGOING
IS A TRUE AND CORRECT COPY OF THE
ORIGINAL NOW ON FILE IN THIS OFFICE.

AUGUST H. GRIFFIN, Clerk & Recorder

DATED 7/9/15

By  CLERK

Law Office of Robert C. Wilson
PO Box 544 117 West Poplar Street
Harrisburg IL 62946
Phone: 618-252-1776 Fax: 618-252-8222

Robert C. Wilson, Attorney/CPA
rcw@rcwattorney.com

Tammi N. Jackson, Senior Associate
tj@rcwattorney.com

Patrick Hunn, Associate
ph@rcwattorney.com

March 29, 2016

Mr. Mark R. Isaf
Edgar County States Attorney
115 West Court St., Room S
Paris, IL 61944
Sent via Email: rcw@rcwattorney.com

Re: Rides Mass Transit District

Dear Mr. Isaf:

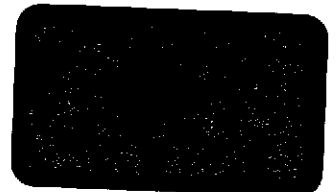
The Resolutions of Edgar County with respect to the East Central Illinois Mass Transit District and the resolutions with respect to Rides Mass Transit District represent inter-governmental agreements.

The resolutions were passed in calendar year 2013. The State of Illinois has stated that grants related to the East Central Illinois Mass Transit District operation are settled and closed. All other claims have been settled.

The resolutions were not void at inception and in fact the portion of the statute recited by the watchdogs 70 ILCS 3610/9 (b) and 70 ILCS 3610/9 (c) were 2014 Amendments by P.A. 98-116 effective June 1, 2015. Please note that subparagraph c speaks directly to the situation where the ordinance or resolution was intended to effect a dissolution of the existence of the mass transit district which by the statute "is confirmed as valid and effective on the date set forth in the ordinance or resolution or, if no date is stated therein on the date the ordinance or resolution was passed." 70 ILCS 3610/9 (c) is clear that the 2014 Amendment does not apply to anything that happened prior to the effective date of June 15, 2015.

East Central passed Resolution 0413/Ordinance 0413 on April 18, 2013 providing for the dissolution of East Central Illinois Mass Transit District. On the 17th date of June, 2013 the Edgar County Board of Commissioners resolved to have Edgar County annexed into Rides Mass Transit District on July 1, 2013. As part of that resolution (which was the subject matter of Rides Mass Transit District Resolution dated the 20th day of June, 2013 accepting Edgar County As a member of Rides Mass Transit District) the Edgar County Board stated:

"Further be it ordained and resolved that all assets received by Edgar County Treasurer upon the dissolution of the East Central Illinois Mass Transit District shall be transferred,



assigned and conveyed by the County Treasurer to Rides Mass Transit District as the County's contribution to Rides Mass Transit District."

The action of the County Board on the 17th day of June, 2013 as accepted and agreed to by Rides Mass Transit District on June 20, 2013 bound your county.

The action of the Edgar County Board on the 17th day of June, 2013 is consistent with 70 ILCS 3610/9 as it existed on the 17th day of June, 2013 which was prior to the 2014 Amendment.

Edgar County made a deal with Rides. The deal was to accept the discontinuance of service of the East Central Illinois Mass Transit District, the transfer/assignment/conveyance by the County Treasurer to Rides Mass Transit District as the County's contribution to Rides Mass Transit District of all of the assets received by the Edgar County Treasurer upon the dissolution of the East Central Illinois Mass Transit District and the annexation of Edgar County to Rides Mass Transit District.

The watchdogs are confused and they have intimidated Edgar County for long enough.

Request is herewith made upon you to issue a legal opinion to the Edgar County Board of Commissioners that they have legally contracted to deliver the assets of East Central Illinois Mass Transit District from Edgar County to Rides Mass Transit District by way of the Edgar County Treasurer.

Very truly yours,



Robert C. Wilson
RCW/tmh

cc: Mr. Bill Jung

K:\RIDES MASS TRANSIT DISTRICT\Mark Isaf 032616.docx

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Subject: Re: 10-15-15 Letter
From: "Mark R. Isaf" <statt@edgarcountyillinois.com>
Date: Tue, Dec 22, 2015 10:40 am
To: rcw@rcwattorney.com
Attach: Kraft - ECIMTD funds.pdf

Robert - attached is a public presentation made to the board at a recent study session. The claim that is causing the Bd concern is that the Resolution that was passed was void at inception. It is being discussed further at next month's study session and my presence has been requested. The position is that the county code doesn't grant the power to the county to convey the funds as you can see from the power point. Please call me to discuss the situation once you have had a chance to review this matter as I don't want to involve the county in unnecessary litigation as indicated in your 10/15 letter.

Mark R. Isaf
Edgar County State's Attorney
115 West Court St Rm S
Paris, IL 61944
217-466-7456

-----Original Message-----

From: <rcw@rcwattorney.com>
To: "Mark Isaf" <statt@edgarcountyillinois.com>
Date: Mon, 21 Dec 2015 13:42:10 -0600
Subject: 10-15-15 Letter

Mark:

Attached is my letter of 10/15/15. Please advise of your pleasure in this regard.

Very truly yours,
Robert C. Wilson

Robert C. Wilson
Law Office of Robert C. Wilson
117 W. Poplar St./P.O. Box 544
Harrisburg, IL 62946
Ph. (618) 252-1776
Fax: (618) 252-8222
rcw@rcwattorney.com

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