

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

_____ Resolution or Ordinance (Blue)
_____ Recommendations of Boards, Commissions & Committees (Green)
 X Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: September 24, 2007 (COW)(B of T) Date October 4, 2007

TITLE: A Motion Authorizing Execution of an Agreement with Flagg Creek Water Reclamation District

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

Attached is an agreement between the Village of Lombard and the Flagg Creek Water Reclamation District regarding discontinuation of water service for nonpayment of sewer service charges. Pursuant to state statute, the Village is required to discontinue water service when a sanitary district requests that it do so due to delinquent sewer charges. Flagg Creek will reimburse the Village 1) the cost of the discontinuance pursuant to the Village's current shut-off charges, and 2) all lost water service revenues as determined by the water consumption history. For your reference, there currently are 45 water customers who are on the Flagg Creek sanitary system. Most of these customers are in High Pointe Shopping Center and Fountain Square. The Flagg Creek Board of Trustees will be voting on this agreement on September 27, 2007.

Review (as necessary):

Village Attorney X _____ Date _____

Finance Director X _____ Date _____

Village Manager X _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.

**AN INTERGOVERNMENTAL AGREEMENT
FOR THE DISCONTINUANCE OF WATER SERVICE
FOR NONPAYMENT OF SEWERAGE SERVICE CHARGES**

This Agreement is made and entered into this _____ day of _____, 2006, by and between the Village of Lombard, an Illinois municipal corporation (hereinafter referred to as the "Village"), and the Flagg Creek Water Reclamation District, a body politic and corporate (hereinafter referred to as the "District"). (The Village and the District being hereinafter sometimes individually referred to as a "Party" or collectively referred to as the "Parties.")

WITNESSETH:

WHEREAS, the Village and the District are units of local government providing necessary and important services to the residents of the Village through the provision of potable water by the Village and the provision of sewage collection and treatment by the District; and

WHEREAS, the Village and the District agree that it is in the best interests of the residents mutually served by the Village and the District to cooperate whenever possible on areas of concern affecting said residents; and

WHEREAS, the Village and the District agree that the establishment of this Agreement is necessary to provide the terms and conditions applicable to the discontinuance of water service by the Village to premises served by the District for the nonpayment of sewerage service charges; and

WHEREAS, 70 ILCS 3010/7 provides that any municipal corporation furnishing water services to a premises shall discontinue that service upon receiving written notice from the sanitary district providing sewerage service that

payment of the rate or charge for sewerage service to the premises has become delinquent; and

WHEREAS, the District desires that the Village discontinue water service to premises for delinquent charges for sewerage service upon proper notice, as provided by 70 ILCS 3010/7; and

WHEREAS, Article VII, Section 10 of the Illinois Constitution of 1970 and 5 ILCS 220/1 *et seq.* authorize units of local government to contract or otherwise associate among themselves, in any manner not prohibited by law; and

WHEREAS, it is in the best interests of the residents of the Village and the District to enter into this Agreement;

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, the Parties hereto agree as follows:

I. DISCONTINUANCE OF WATER SERVICE:

(A) Pursuant to 70 ILCS 3010/7 and this Agreement, upon receipt of a written notice from the District, indicating that the rate or charge for sewerage service provided by the District to a premises served with water by the Village has become delinquent, the Village shall discontinue water service to said premises, and shall not resume water service to said premises until receiving a written notice from the District that the delinquency no longer exists.

- (B) The District shall not request discontinuation of water service by the Village before sending a notice of the delinquency to the sewer user and affording the user an opportunity to be heard, as required by 70 ILCS 3010/7.
- (C) All complaints, correspondence, inquiries and communications from the sewer user shall be directed to the District. The Village shall have no obligation to reply, respond, communicate or otherwise correspond to any District sewer user.
- (D) In addition to any other fees or compensation provided for in this Agreement to be paid by the District to the Village, the District shall reimburse the Village for the cost of the discontinuance and the resumption of water service, in the amount as provided for in Section 50.115 of the Lombard Village Code, as amended from time to time, (said amount, as of the date of this Agreement, being fifty and no/100 dollars (\$50.00) if the reconnection takes place during normal Village business hours, or ninety and no/100 dollars (\$90.00) if the reconnection takes place other than during normal Village business hours), for each such discontinuance and resumption, plus all lost water service revenues as determined by the water consumption history for the premises being disconnected.
- (E) The District shall indemnify and hold harmless the Village from and against any and all suits, actions, claims, losses, liabilities, judgments, verdicts, damages, costs, expenses and attorneys' fees, of any nature,

arising from any act or omission of the District and/or the Village, their respective officers, employees, servants and agents, and arising out of, occurring in connection with, resulting from, or caused by the performance or failure of performance of any act pursuant to the terms of this Agreement; provided, however, the District shall have no obligation to indemnify and hold harmless the Village for any willful and wanton or intentional act on the part of the Village or its employees, officials or agents, other than the intentional termination of water service to a premises at the direction of the District.

II. GENERAL PROVISIONS:

- (A) This Agreement shall be in full force and effect from and after the date first above written and shall be for a term of five (5) years. After the expiration of the original term of this Agreement, the Agreement will automatically renew each year unless cancelled in accordance with the provisions of subsection (B) below.
- (B) After the expiration of the initial five (5) year term of this Agreement, the Agreement may be cancelled by either Party without premium or penalty of any kind by giving the other Party written notice of such cancellation not less than one hundred twenty (120) days prior to the effective date of cancellation.
- (C) This Agreement may be terminated at any time by the Village, upon ten (10) days prior written notice, in the event that the District fails to make any payment to the Village, pursuant to Section I.(D) above, within thirty

(30) days of the mailing of a bill therefor to the District. Notwithstanding the foregoing, this Agreement shall not terminate if payment is received by the Village after said thirty (30) day period, but before the expiration of said ten (10) day period, provided any such payment is accompanied by an additional late payment penalty equal to ten percent (10%) of the amount due the Village.

(D) All notices herein required shall be in writing and shall be served upon the Parties at the addresses listed below. The mailing of notices, by certified mail, return receipt requested, properly addressed and with postage prepaid, or the personal delivery of the notices, shall be sufficient service. For the purposes of this Agreement, the address of the Village shall be: Village of Lombard, 255 East Wilson Avenue, Lombard, Illinois 60148, Attention: Director of Public Works; and the address of the District shall be: Flagg Water Reclamation District, 7001 Frontage Road, Burr Ridge, Illinois 60527-5788, Attention: Executive Director.

IN WITNESS WHEREOF, the District and the Village, by their respective officers thereunto duly authorized, have caused this Agreement to be executed on the date and year first above written.

VILLAGE OF LOMBARD

FLAGG CREEK
WATER RECLAMATION DISTRICT

By: _____
William J. Mueller, President

By: _____
District President

ATTEST:

ATTEST:

Brigitte O'Brien, Village Clerk

District Clerk