

RESOLUTION NO. 43-05

A RESOLUTION TO AUTHORIZING SIGNATURE OF AN INTERGOVERNMENTAL AGREEMENT REGARDING THE FIRE DISTRICT

WHEREAS, the Intergovernmental Cooperation Act, 20 ILCS 220/1 et seq., authorizes the Village of Chatham and the Chatham Fire Protection District to enter into an agreement which is beneficial to the citizens of the Village of Chatham.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Chatham, Sangamon County, Illinois as follows:

Section 1: That the President is authorized to sign said agreement attached hereto as Exhibit "A".

Section 2: This Resolution is effective upon passage and approval.

Thomas S. Gray
Thomas S. Gray, President
Village of Chatham

ATTEST: *Pat Schad*
Pat Schad, Clerk
HERR SCHATTEMAN BOULE

YEAS: 6 MCCARTHY MCERATH KAUNACH

NAYS: 0

ABSENT: 0

PASSED: 12-13-05

APPROVED: 12-13-05



**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE VILLAGE OF CHATHAM AND
THE CHATHAM FIRE PROTECTION DISTRICT**

THIS AGREEMENT is entered into on this 11th day of October, 2005 by and between the VILLAGE OF CHATHAM, ILLINOIS, an Illinois municipal corporation (hereinafter referred to as "Village"), and the CHATHAM FIRE PROTECTION DISTRICT, an Illinois body corporate and politic, (hereinafter referred to as "District").

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., (the "Act"), the Village adopted the Village of Chatham Tax Increment Redevelopment Project Area and Redevelopment Plan and Project dated November 24, 1992 (the "Redevelopment Plan"); and

WHEREAS, the District recognizes the Village's authority to implement and administer the provisions of the Redevelopment Plan and to make expenditures from the Village's Tax Increment Allocation Fund pursuant to the Act; and

WHEREAS, the Redevelopment Plan includes an area referred to therein as the "Redevelopment Project Area"; and

WHEREAS, the District's headquarters and fire station, located at 1 Fireman's Square, Chatham, Illinois, are within the boundaries Redevelopment Project Area; and

WHEREAS, the District provides fire protection, emergency medical response and other services to persons and property within the Redevelopment Project Area, the Village, as a whole, and territory outside of the corporate limits of the Village; and

WHEREAS, on November 5, 2002 the voters of the District approved a referendum that allowed the board of trustees of the District to increase its property tax levy by \$0.30 per \$100 of equalized assessed valuation in order to add an Ambulance Levy within the District to hire full-time staff and to improve its medical response services to persons within its territory;

WHEREAS, the Village or the District did not anticipate this Ambulance Levy when the Redevelopment Plan was adopted by the Village;

WHEREAS, the Village has cooperated with and supported the District by allowing the District to participate in the Village's employee health insurance plan, by providing and maintaining a system of fire water utility, both inside and outside the Village corporate limits, and by allowing the District to use water supplied by the Village's water utility for training exercises at no cost to the District; and

WHEREAS, the District annually makes expenditures for job training and education, including expenditures for equipment used for training and education, that are necessary to maintain and improve the skills of its full-time employees and volunteers in order to provide its services; and

WHEREAS, the District's job training and education costs, including the cost of equipment used for training and education, are eligible for reimbursement from the Village's Special Tax Allocation Fund under Section 11-74.4-3(q)(10) of the Illinois Municipal Code (the "Eligible Costs"); and

WHEREAS, the Village and the District are authorized by the Illinois Constitution and by the Intergovernmental Cooperation Act, 5 ILCS 200, to enter into intergovernmental cooperation agreements;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises, covenants and conditions set forth herein, the parties hereto hereby agree as follows:

1. The preambles and premises, set forth above, are an integral part of this agreement and are hereby incorporated into and made a part of this agreement.
2. During the term of this agreement, the Village shall reimburse the District for Eligible Costs as follows: Annually, not later than 30 days after the first day of the District's fiscal year (June 1), the District shall submit to the Village Treasurer a request in writing for payment of the District's projected Eligible Costs for its new fiscal year. Except, for the fiscal year beginning June 1, 2005, the District shall submit its request no later than 30 days after the execution of this agreement. The District's request for payment shall not exceed \$10,000 for any fiscal year ending before June 1, 2009, and \$15,000 for any fiscal year beginning after May 31, 2009, even if the District's Eligible

Costs exceed this amount. The last fiscal year for which the District can make a request for payment under this agreement is the District's fiscal year beginning June 1, 2014.

3. As prescribed by Section 11-74.4-3(q)(10) of the Illinois Municipal Code, the District's annual request for payment of Eligible Costs shall describe the training program or programs undertaken, including the number of employees and volunteers to be trained, a description of the training and services to be provided, the number and type of positions available for training, itemized costs by category, and any additional funding sources for the training program. Each of the District's annual requests for payment of Eligible Costs, with the descriptions required under this paragraph, and when accepted by the Village, shall become an integral part of this agreement.

4. The Village Treasurer shall review the request for compliance with Section 11-74.4-3(q)(10), and shall commend approval or disapproval of the payment request to the President and Board of Trustees for Board action at the first regular meeting of the Board occurring not less than 30 calendar days from receipt of the request for payment. In the event the Village Treasurer recommends disapproval of the request or any portion thereof, the Village Treasurer shall promptly communicate such recommendation to the District by specifying the error or disagreement and request appropriate correction or modification. The Village Treasurer shall make payment to the District within 15 days after the Village Board approves the request for payment, or within 15 days after the Village receives its first payment of property taxes into the Tax Increment Allocation Fund for the fiscal year, whichever is later.

5. Annually, not later than 30 days after the last day of the District's fiscal year (May 31), the District shall submit to the Village Treasurer a written report of actual expenditures made for Eligible Costs from the payment made by the Village under this agreement for the previous fiscal year. The report shall be itemized by category, similar to the request submitted to the Village pursuant to paragraph 3, above. The report shall also include the number of full-time employees and volunteers receiving training and the type of training provided. This report shall be included in the Village's annual Tax Increment Financing report as required under the Act.

6. If the District's actual expenditures for Eligible Costs are less than the payment made by the Village for the fiscal year, the District shall reimburse the Village for the unexpended amount. The Village will not approve payment under this agreement for the subsequent fiscal year until the District submits the annual report of actual expenditures and reimburses the Village for the unexpended amount.

7. The total to be paid to the District under this agreement shall not exceed \$10,000 in any fiscal year ending before June 1, 2009, and \$15,000 in any fiscal year beginning after May 31, 2009. There shall be no obligation to reimburse the District for any Eligible Costs in excess of this amount. The District shall in no event be reimbursed in excess of any Eligible Costs actually incurred and paid by the District.

8. The District recognizes that the Village has issued bonds and has borrowed money from other Village funds in order to fund infrastructure and other improvements within the Redevelopment Project Area; that principal and interest payments for such bonds and inter-fund borrowing are secured by or pledged from tax increment revenues;

that such bonds issued prior to the execution of this agreement provide that security for the bond payments are superior to all other obligations of the Village with respect to tax increment revenues. The District also recognizes that the Village may be required to issue additional bonds, borrow additional money from other Village funds or enter into some other financing arrangement in order to fund infrastructure and other improvements within the Redevelopment Project Area.

9. The District recognizes that tax increment financing is subject to statutory and regulatory changes beyond the control of the Village. In the event that the Eligible Costs to be paid to the District under this agreement are deemed ineligible for payment by law, the Village shall be relieved of any obligation to make any such payments. Any such determination of ineligibility or with respect to any proposed payment shall not relieve or modify the obligation of the Village to make remaining payments due to the District under this agreement unless such remaining payments are likewise determined to be ineligible payments.

10. The District hereby waives any and all objections it has or may have to the Redevelopment Plan. The Village may proceed with the administration of the Redevelopment Plan in reliance thereon.

11. All notices and demands herein required or given hereunder shall be in writing. The mailing of such notices or demands to the Village or to the District at their respective addresses hereinafter set forth shall be considered sufficient service thereof.

Village of Chatham
Attn: Treasurer
116 East Mulberry
Chatham, Illinois 62629

Chatham Fire Protection District
Attn: Treasurer
1 Fireman's Square
Chatham, Illinois 62629

12. This agreement is the entire agreement of the parties with respect to its subject matter. All prior agreements and understandings are expressly disclaimed. This agreement shall be governed by Illinois law and enforced only in a court of competent jurisdiction located in Sangamon County, Illinois. This agreement may be amended only in writing signed by all the parties and approved by resolution or ordinance of the corporate authorities of both parties.

13. If all or part of any section of this agreement shall be ruled invalid by a court of law, the agreement shall nevertheless be carried out in all other respects as fully as possible, and all other provisions shall remain in full force and effect insofar as possible. If any part of the Eligible Costs scheduled herein to be paid to the District are ruled to be ineligible, the Village shall nevertheless pay the remaining Eligible Costs to the District under the terms and conditions of this agreement.

14. The provisions of the Act are herein incorporated by reference. In the event that any provision in this agreement conflicts with the Act, the Act shall control.

VILLAGE OF CHATHAM, ILLINOIS

By: Thomas J Gray 12-13-05
Thomas Gray, Village President Date

ATTEST:

Patrick Schad
Patrick Schad, Village Clerk



CHATHAM FIRE PROTECTION DISTRICT

By: Steve Seel 10-11-05
Date

ATTEST:

Michael D. Brauker