

INTERGOVERNMENTAL AGREEMENT
REGARDING LOANS FOR
LAKECOMM TRANSITION AND STARTUP EXPENSES

THIS AGREEMENT, entered into by, and between the following units of local government is as follows:

Lake Consolidated Emergency Communications (“LakeComm”), a unit of intergovernmental cooperation as defined in the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*; the **County of Lake (“County”)**, an Illinois body politic and corporate; the **Village of Vernon Hills**, an Illinois municipal corporation; and the **Village of Gurnee**, an Illinois municipal corporation; (hereafter referred to as a “Party” or collectively as the “Parties”). The County of Lake, the Village of Vernon Hills, and the Village of Gurnee are also referred to as “Lender” or “Lenders” in this Agreement.

Recitals

WHEREAS, the County of Lake is a unit of local government established and operating under the authority of the Illinois Counties Code, 55 ILCS 5/1-1001 *et seq.*; and

WHEREAS, the Villages of Gurnee and Vernon Hills are units of local government and Illinois municipal corporations established and operating under the authority of the Illinois Municipal Code, 65 ILCS 5/1-1-1 *et seq.*; and

WHEREAS, LakeComm is a unit of intergovernmental cooperation created under the authority of the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*; and

WHEREAS, Article VII, Section 10 of the Illinois Constitution of 1970 and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, encourage and authorize public agencies to cooperate and enter into agreements to promote the public welfare and accomplish the mission of local government; and

WHEREAS, LakeComm was formed by a consortium of public agencies (“LakeComm Member Agencies”) through an Intergovernmental Agreement to establish a consolidated public safety answering point (PSAP) and emergency dispatch agency for the purpose of providing all administrative and operational duties and services as generally accepted and necessary for the provision of emergency communications services; and

WHEREAS, throughout planning, potential members remained focused on keeping transition and establishment costs low to make it feasible for municipalities and public safety agencies to become LakeComm Member Agencies; and

WHEREAS, to foster such feasibility, the Parties agree that the establishment of a loan agreement to supply funds for LakeComm’s transition and startup expenses would eliminate the requirement for a separate initial “buy-in” for each individual LakeComm Member Agency, would thus facilitate greater participation and consolidation, and would be in the best interest of public safety as well as in the best interest of current and any future LakeComm Member Agencies.

NOW, THEREFORE, IN LIGHT OF THE FOREGOING, THE PARTIES AGREE AS FOLLOWS:

1. **PURPOSE.** Amounts loaned from any of the individual Lenders referenced below, in installments as described below, shall be used exclusively to fund the transition to and initial startup of a new consolidated public safety answering point (PSAP) and emergency dispatch agency in the form of LakeComm (“Borrower”). To simplify and unify the terms of any loan installment, this Agreement sets forth the general terms of any loan installment.
2. **AGGREGATE LOANS, TOTAL AMOUNT.** The Parties agree that the combined maximum amount of money to be borrowed through the provisions of this Agreement shall be no more than six million dollars (\$6,000,000) (“Borrowed Money”). Borrowed Money constituting a loan shall occur in amounts of \$1,000,000, unless the Borrower requests a final loan amount of a lesser sum. Any loan must be requested no later than April 30, 2026. Each loan shall be provided by an individual Lender and memorialized using the form attached to this Agreement as Exhibit 1 titled “LakeComm Loan Term Sheet.”
 - 2.1. **Sequencing.** The sequencing of Lenders shall be as follows:
 1. Vernon Hills
 2. Gurnee
 3. Vernon Hills
 4. Gurnee
 5. Lake County (1)
 6. Lake County (2)
 - 2.2. The Parties agree that the sequencing listed in subsection 2.1 may be modified by a new subsection 2.1 that adds additional lenders into the sequencing if LakeComm and the additional Lender have otherwise agreed to the terms of this Agreement as described in Article 14 of this Agreement.
3. **INTEREST RATE.** The Borrowed Money shall **NOT** bear interest. There shall be no interest associated with the Borrowed Money. LakeComm’s only obligation to the Lenders under any loan shall be to repay the principal balance of the loan.
4. **TERM.** The term begins on the effective date and the end date shall be April 30, 2034, the latest date that the total remaining amount of the Borrowed Money under any loan is due and payable (“Due Date”).
5. **PAYMENTS.** LakeComm shall be responsible for repaying the Lenders under any loan by making periodic payments during the term of the Loan, as set forth in the LakeComm Loan Term Sheet. LakeComm agrees to repay the Borrowed Money to the Lenders under the following payment schedule.
 - 5.1. **Deferment.** Payments under any loan shall be deferred until April 30, 2027.
 - 5.2. **Payment Schedule.** After the deferment period, LakeComm agrees to repay the Lenders under their loan as set forth in the schedule included on the LakeComm Loan Term Sheet, but payments shall occur annually in each LakeComm Fiscal Year, unless the Parties agree differently in writing.
6. **PREPAYMENT**
 - 6.1. LakeComm may prepay any and all amounts due and owed to the Lenders under a loan.

- 6.2. There shall be no penalty to LakeComm associated with the prepayment of any amount under the terms of this Agreement.
7. **LATE PAYMENT.** If LakeComm is late on a payment for a loan by more than ninety (90) days, LakeComm may be charged a late fee equal to \$5,000 for every \$1,000,000 of Borrowed Money. Late fees as to any loan may be charged in each year in which a late payment occurs.
8. **LAKECOMM'S RESPONSIBILITIES**
- 8.1. The LakeComm Agreement and Bylaws provide that the member agencies of LakeComm are jointly liable for the debts of LakeComm and that any member leaving LakeComm shall continue to be responsible for its portion of debts incurred by LakeComm during the term of its membership.
- 8.2. LakeComm will provide at least thirty (30) days' written notice to the Lenders prior to the consideration by the LakeComm Member Board of Directors should any amendment to the current LakeComm Agreement or Bylaws affecting LakeComm members' liability for LakeComm debts be proposed during the term of this Agreement.
- 8.3. LakeComm acknowledges that the Lenders are entering into this Agreement in reliance upon those obligations created by LakeComm's current Agreement and Bylaws. Accordingly, in the event the LakeComm Member Board of Directors amend the current LakeComm Agreement or Bylaws in any manner affecting LakeComm members' liability for LakeComm debts, LakeComm agrees to insure, for the Lender's benefit, the remaining Loan balance and shall maintain such insurance until the Loan has been repaid in full. The Lenders may agree to waive this provision at any time during the term of this Agreement.
- 8.4. After the initial loan of \$1,000,000, each additional request to the Lenders of this Agreement shall be by formal LakeComm action (Member Board or Executive Committee).
- 8.5. LakeComm shall provide each of the Lenders with quarterly LakeComm financial and expenditure reports which includes an income statement and balance sheet. Immediately upon completion of the annual audit, LakeComm shall submit its annual fiscal audit with each of the Lenders. If this will be later than six months after the close of the Lake Comm fiscal year, LakeComm shall notify the Lenders of the expected delivery date.
9. **LENDERS' RESPONSIBILITIES**
- 9.1. Each Lender shall provide a standard payment schedule and specific payment instructions for the repayment of the Borrowed Money directly to each Lender.
- 9.2. The first amount of \$1,000,000 shall be transferred no later than thirty (30) calendar days from the execution of this agreement.
- 9.3. Upon receiving a loan request from LakeComm, the Lender will transfer funds to LakeComm within thirty (30) calendar days.
- 9.4. With this agreement, a total of up to \$2,000,000 is preapproved from any one of the Lenders unless otherwise stated in an amended Agreement or an addendum to this Agreement.
10. **REMEDIES.** No delay or omission on the part of any Party to this Agreement in exercising any right hereunder shall operate as a waiver of any such right or of any other right of such Party, nor shall any

delay, omission, or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion. The rights and remedies of the Lenders shall be cumulative and may be pursued singly, successively, or together, at the sole discretion of the Lenders.

11. **WAIVERS BY BORROWER.** All parties to this Agreement, including LakeComm (the Borrower) and any sureties, endorsers, and guarantors, hereby waive protest, presentment, a notice of dishonor, and a notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest, and all other sums due under this Agreement notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Agreement or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.
12. **SUCCESSORS.** All of the foregoing is the promise of the Borrower (LakeComm) and shall bind the Borrower and Borrower's successors and assigns; provided, however, that Lenders may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the Parties of this Agreement, which shall not be unreasonably withheld.

13. EXECUTION OF THE AGREEMENT

13.1. **Effective Date.** This Agreement shall be approved by formal enactment by the Parties' respective corporate authorities / boards. This Agreement will become effective when all of the parties have signed it, and the date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature) will be deemed the "Effective Date" of this Agreement. If a party signs but fails to date a signature, the date that the other party receives the signing party's signature will be deemed to be the date that the signing party signed this agreement, and the other party may inscribe that date as the date associated with the signing party's signature.

13.2. **Authority after Effective Date.** After corporate authority / board approval, actions taken under this Agreement shall be executed for and on behalf of LakeComm by its Executive Committee and executed for and on behalf of the Lenders by their Chief Administrative Officers (County Administrator, Village / City Manager or Administrator). This includes, but is not limited to, updating Article 2.1 to include additional lenders as defined in Article 14, submitting LakeComm requests to Borrow Money, and the Lender's approval of a loan of Borrowed Money to LakeComm up to the limits defined in Article 2 of this Agreement.

14. **ADDITIONAL LENDERS.** Other units of local government, with the unanimous agreement of the current Lenders' Chief Administrative Officers, may become an additional Lender and Party to this Agreement by: (1) agreeing to the terms and conditions of this Agreement, (2) agreeing to a preapproved maximum amount to be loaned to LakeComm, (3) agreeing to the sequencing in an updated Article 2.1, and (4) providing a written copy of such agreement and authorization (approved ordinance / resolution) with the signed addendum to this Agreement. Loans from Additional Lenders would be sequenced in accordance with the updated Article 2.1.
15. **NOTICES AND REQUESTS FOR ADDITIONAL LOANS.** Notices, including requests for an additional loan, may be given by email to the officials listed below, at their then-current email addresses, but shall not be deemed received unless one or more of the recipients acknowledge receipt. The decision on whether or not to make an additional loan beyond the total amount of the Borrowed Money, as allocated in Article 2 above, is subject to the absolute discretion of the Lenders.

In addition to or in lieu of email, all notices or requests for a loan, and other communications regarding the terms of this Agreement, shall be in writing and shall be deemed received within three business days after being deposited in the U.S. Mail, proper postage prepaid, if properly addressed as follows, respectively:

Lake County
ATTN: County Administrator
18 N. County Street
9th Floor
Waukegan, IL 60085

Village of Vernon Hills
ATTN: Village Manager
290 Evergreen Drive
Vernon Hills, IL 60061

Village of Gurnee
ATTN: Village Administrator
325 N. O'Plaine Road
Gurnee, IL 60031

LakeComm
ATTN: Chair of the Member Board of Directors

16. MISCELLANEOUS TERMS

- 16.1. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original and all of which shall constitute the same instrument.
- 16.2. This Agreement may be amended or modified only by written instrument duly approved and signed by the Parties to the Agreement.
- 16.3. The laws of the State of Illinois, as to both interpretation and performance, shall govern this Agreement. The forum for resolving any disputes concerning the Parties' respective performance, or failure to perform, under this Agreement, shall be the Circuit Court for Lake County, Illinois.
- 16.4. Whenever this Agreement requires one Party (First Party) to grant its consent or approval of any matter to the other Party, or Parties, (Second Party), the First Party shall not unreasonably delay, deny or condition the requested consent or approval.
- 16.5. No Party may assign or transfer any right or obligation under this Agreement without the express written consent of the other Parties, which shall not be unreasonably withheld.
- 16.6. Failure of any Party to comply with the terms of this Agreement, including the performance of all duties required by the Agreement shall be considered a breach of the Agreement. Any Party shall have the option of curing the breach within thirty (30) days of being notified of the breach by performing the duty or duties required of that Party by this Agreement. The failure of any Party to enforce any provision of this Agreement or a breach of those terms shall not be considered a waiver of this Agreement or its terms.

- 16.7. No Party shall be liable for its non-performance or delayed performance if caused by a Force Majeure. Any Party that becomes aware of a Force Majeure that will significantly delay performance will notify the other Parties promptly after it discovers the Force Majeure. If a Force Majeure occurs, the Parties shall negotiate in good faith to extend the performance time to a time that is reasonable in light of the circumstances.
- 16.8. In the event any provision of this Agreement shall be held to be unenforceable or void, such provision shall be deleted and all other provisions shall remain in full force and effect to the fullest extent allowed by law and equity. The Parties agree to use their best good faith efforts to remedy any invalid provision of this Agreement.
17. **ENTIRE AGREEMENT.** This Agreement contains all the terms agreed to by the parties relating to its subject matter, including any attachments or addendums. This Agreement replaces all previous discussions, understandings, and oral agreements. The Parties agree to the terms and conditions and shall be bound until the Borrowed Money is repaid in full.

IN WITNESS WHEREOF, LakeComm (Borrower) and Lenders have set their signatures on the dates set forth below.

(Individual Signature Pages Follow Exhibit 1)

EXHIBIT 1

LakeComm Loan Term Sheet

Date of Request: _____

Previous Amount(s) Disbursed (By Whom): (e.g., \$1,000,000 by Vernon Hills)

Current Governmental Entity in Sequence: _____ (see § 2.1 for sequencing)

Amount of Current Request (Principal): _____ (see § 2)

Interest Rate: 0%

Repayment Frequency: Annually

Loan Repayment Schedule:


Pmt. No.	Fiscal Year <small>(May 1 – April 30)</small>	Payment Date <small>(No Later Than)</small>	Beginning Balance	Scheduled Payment	Principal	Interest	Ending Balance
1	FY27	4/30/2027	\$1,000,000	\$125,000	\$125,000	\$0.00	\$875,000
2	FY28	4/30/2028	\$875,000	\$125,000	\$125,000	\$0.00	\$750,000
3	FY29	4/30/2029	\$750,000	\$125,000	\$125,000	\$0.00	\$625,000
4	FY30	4/30/2030	\$625,000	\$125,000	\$125,000	\$0.00	\$500,000
5	FY31	4/30/2031	\$500,000	\$125,000	\$125,000	\$0.00	\$375,000
6	FY32	4/30/2032	\$375,000	\$125,000	\$125,000	\$0.00	\$250,000
7	FY33	4/30/2033	\$250,000	\$125,000	\$125,000	\$0.00	\$125,000
8	FY34	4/30/2034	\$125,000	\$125,000	\$125,000	\$0.00	\$ -

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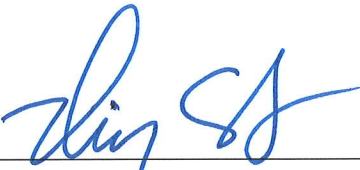
The signatory executing this Agreement on the Borrower's behalf is duly authorized to do so and will submit a copy of such authorization (approved ordinance / resolution) with the signed Agreement.

Borrower: Lake Consolidated Emergency Communications (LakeComm)

Signed:

Signature: 
Position: Chair
Date: 8/20/2024

Attest:

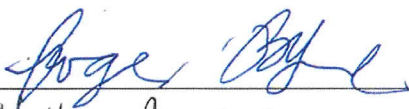
Signature: 
Position: SECRETARY
Date: 8/20/2024

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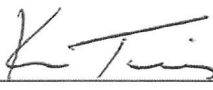
The signatory executing this Agreement on the Lender's behalf is duly authorized to do so and will submit a copy of such authorization (approved ordinance / resolution) with the signed Agreement.

Lender (1): Village of Vernon Hills

Signed:

Signature: 
Position: Village President
Date: 8/15/2024

Attest:

Signature: 
Position: Village clerk
Date: 8/15/2024

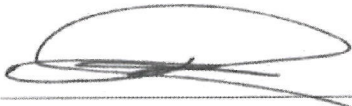


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The signatory executing this Agreement on the Lender's behalf is duly authorized to do so and will submit a copy of such authorization (approved ordinance / resolution) with the signed Agreement.

Lender (2): Village of Gurnee

Signed:

Signature: 
Position: VILLAGE PRESIDENT
Date: 8-5-24

Attest:


Signature: 
Position: Village Clerk
Date: 8/5/2024

**INTERGOVERNMENTAL AGREEMENT
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LAKECOMM TRANSITION AND STARTUP EXPENSES**


The signatory executing this Agreement on the Lender's behalf is duly authorized to do so and will submit a copy of such authorization (approved ordinance / resolution) with the signed Agreement.

Lender (3): County of Lake

Signed:

Signature: 
Position: Lake City Board Chair
Date: 8/28/24

Attest:

Signature: 
Position: Lake County Clerk
Date: 8/29/2024