

INTERGOVERNMENTAL AGREEMENT
between
COUNTY OF LAKE
and
LAKE COUNTY FOREST PRESERVE DISTRICT
concerning
LAKE COUNTY SPECIAL SERVICE AREA NO. 16

This Intergovernmental Agreement (the "Agreement") is entered into as of this ____ day of _____ 2013, by and between the Lake County Forest Preserve District, a body politic and corporate created pursuant to the Downstate Forest Preserve District Act, 70 ILCS 805/ 1 *et seq.* ("District"), and the County of Lake, a body politic and corporate of the State of Illinois ("County").

WHEREAS, the District is located wholly within and coextensive with the County; and

WHEREAS, the County and the District have the authority to enter into this Agreement pursuant to the Intergovernmental Cooperation Act, 5 ILCS 220/ 1 *et seq.* and other applicable authority; and

WHEREAS, pursuant to the Illinois Special Service Area Tax Law, 35 ILCS 200/27-5 *et seq.*, the County has the authority to establish a special service area within Lake County for the purpose of providing in such area special services that are in addition to those services provided generally throughout the County, the costs of such special services to be paid from revenue from taxes levied or imposed upon property within that special service area; and

WHEREAS, the County is currently contemplating the establishment of the Lake County Special Service Area No. 16 to fund the extension of Lake Michigan water to certain unincorporated areas of the County and to the Village of Lake Villa and the Village of Lindenhurst (the "Villages") through a water system to be developed within Lake County Special Service Area No. 16 (the "Water System"); and

WHEREAS, the Villages have requested that the County and District support the creation of Special Service Area No. 16; and

WHEREAS, the District owns certain parcels of real property located generally within the vicinity of the Villages, which are generally depicted on Exhibit 1 attached hereto as the "District Parcels"; and

WHEREAS, the property index numbers for the District Parcels are identified on Exhibit 1 attached hereto; and

WHEREAS, the County wants to include the District Parcels within Lake County Special Service Area No. 16 for the purpose of creating the necessary contiguity to all parcels contemplated to be served with such special services; and

WHEREAS, pursuant to Section 27-55 of the Illinois Special Service Area Tax Law, 35 ILCS 200/27-55, an owner of property that is proposed to be included within a special service area owner may file a

petition objecting to the creation of a special service area or the levy or imposition of a tax or the issuance of bonds for the provision of special services to the area (an "Objection Petition"); and

WHEREAS, certain of the District Parcels are located within Grant Woods Forest Preserve and, currently, potable water service is provided within Grant Woods Forest Preserve pursuant to water wells; and

WHEREAS, the District desires to provide Lake Michigan water through the Water System as the potable water source for Grant Woods, because Lake Michigan water will, in the long term, provide a more reliable, higher quality source of potable water; and

WHEREAS, the County owns and controls the Fox Lake Hills Water Distribution System which includes (i) a certain water main within the right of way, and east of the pavement, of Illinois Route 59, which is generally depicted on Exhibit 3 as the "Route 59 Main" and (ii) a certain water main within the right of way, and north of the pavement of, Monaville Road, which is generally depicted on Exhibit 2 as the "Monaville Main;" and

WHEREAS, the District desires to install water lines within Grant Woods Forest Preserve to connect to the Route 59 Main and the Monaville Main, as conceptually depicted in Exhibits 2 and 3; and

THEREFORE, in consideration of the mutual covenants and agreements contained herein, the County and the District, as authorized by the members of the County Board and District Board of Commissioners, respectively, holding office, and pursuant to all applicable authority, do hereby agree as follows:

Section 1. RECITALS. The foregoing recitals are, by this reference, fully incorporated into and made a part of this Agreement.

Section 2. CONSENT TO INCLUSION OF DISTRICT PARCELS IN SSA NO. 16. The District hereby consents to the inclusion of the District Parcels, as depicted on Exhibit 1 attached to this Agreement, within Lake County Special Service Area No. 16. Further, the District agrees that it will not file an Objection Petition, so long as Lake County Special Service Area No. 16, as proposed by the County pursuant to the required hearing and notice, does not conflict with this Agreement.

Section 3. DISTRICT PARCELS TO REMAIN TAX EXEMPT. The parties acknowledge that (i) pursuant to the Illinois Special Service Area Tax Law and other applicable authority, the inclusion of the District Parcels within the Lake County Special Service Area No. 16 will not result in any *ad valorem* special service area taxes being assessed against the District Parcels because, pursuant to the Illinois Property Tax Code (35 ILCS 200/15-150), all property belonging to any forest preserve district organized or existing under the laws of Illinois is exempt from taxation and (ii) the District has granted its consent and forbearance, as stated in Section 2 of this Agreement, with the expectation, and based on the understanding, that the District Parcels are and will remain exempt from any special service taxes imposed within Lake County Special Service Area No. 16, whether imposed on an *ad valorem* basis, through a special tax roll, or any other means. Therefore, if any of the District Parcels are assessed a special services tax on or against a District Parcel because it is located within, or receiving any actual or

potential benefit from, Lake County Special Service Area No. 16, and not because of any lease or conveyance of the District Parcel by the District, then the County will (i) take any and all lawful action within its jurisdiction to restore such exemption and to ensure that such special services tax is not imposed or, if imposed, is withdrawn, abated, or waived and (ii) if such efforts by the County fail, pay such special services tax on the District's behalf prior to the date upon which such special services tax is allegedly due.

Section 4. DISTRICT CONNECTIONS TO WATER MAINS. The County, at its sole cost, will design, permit, and construct a service line from the Monaville Main south under Monaville Road to a location that the County shall reasonably determine, consistent with sound engineering principles (which the parties anticipate will be near the location generally depicted on Exhibit 2 as the "Approximate B-Box & Connection"). After Lake County SSA No. 16 is approved and is delivering Lake Michigan water to users of the water system located therein (the "Water System"), the District may (i) connect water lines within Grant Woods to (a) the service line constructed by the County under Monaville Road and (b) the Route 59 Main, at a specific location that the County shall reasonably determine, consistent with sound engineering principles, and (ii) and, via such water lines, use the water delivered to the Water System. The County will (i) waive any and all connection, inspection, permit, or similar fees associated with these two individual service line connections that would be otherwise charged by the County, the Central Lake County Joint Action Water Agency, or any other governmental unit and (ii) if it lacks authority to waive such fees and charges, pay such fees and charges directly or reimburse the District for such fees and charges. The District will install a meter for each connection to measure its water use in the same manner as any other user of the Water System and pay generally applicable user fees for the water that it actually uses from the Water System at rates that are equal to the lowest rates charged to any user of the Water System.

Section 5. EXECUTION IN COUNTERPARTS. This Agreement may be executed in multiple identical counterparts, and all of said counterparts shall, taken together, constitute the Agreement.

IN WITNESS WHEREOF, authorized representatives of the parties hereto have set their hands and seals this ____ day of _____, 2013.

COUNTY OF LAKE

LAKE COUNTY FOREST PRESERVE DISTRICT

By: _____

By: _____

Chairman, County Board

President

ATTEST:

By: _____

By: _____

County Clerk

Secretary