

## Memorandum of Understanding

This Memorandum of Understanding is established between the County of Lake and the North Shore Sanitary District (the "Parties") for the purposes of authorizing a transfer of existing Population Equivalent (PE) from the Former Fairgrounds site to the Future Fairgrounds site (as depicted in Exhibit A) and further clarifying certain connection charges for new users at the Former Fairgrounds site and for the Fair Association at the Future Fairgrounds site.

1. The Parties have entered into an Agreement for Sewage Disposal effective March 21, 1994 which was last amended October 9, 2007 (hereinafter referred to as the "County-NSSD Amended Agreement") whereby the North Shore Sanitary District will perform the function of sewage treatment for the County in the Northeast Central Regional Area (including both the Former Fairgrounds and Future Fairgrounds sites) subject to certain fees and conditions.
2. The Parties acknowledge that the Fair Association's operations at the Former Fairgrounds site comprised approximately 643 PE and that the Fair Association's new facilities to be located at the Future Fairgrounds site will generate approximately 707 PE (an additional 64 PE above the Fair Association's sewage generation at the Former Fairgrounds site).
3. The Parties further acknowledge that the Fair Association's transfer of operations from the Former Fairground site to the Future Fairground site constitutes the relocation of an existing user within the service area tributary to North Shore Sanitary District's treatment plant.
4. Accordingly, the Parties hereby agree that the transfer of the Fair Association's PE from the Former Fairground site to the Future Fairground site shall not require further amendment to the County-NSSD Amended Agreement.
5. The Parties further agree that, for the purpose of calculating Connection Fees to be paid under the County-NSSD Amended Agreement, the Connection Charge associated with the relocation of the Fair Association to the Future Fairgrounds site shall be calculated on the basis of the incremental increase in PE generated by the relocated Fair Association operations (calculated to be 64 PE) rather than the total PE generated by the relocated Fair Association operations.
6. The Parties further agree that, for the purposes of calculating Connection Fees to be paid under the County-NSSD Amended Agreement, any new use at the Former Fairgrounds site shall pay the Connection Fees and the Relief Sewer Special Connection Fee based on the total permitted sewage flow for the new use (without any reduction or credit for any prior use or permitted sewage flow at the Former Fairgrounds site).

The undersigned affirm that they can act on behalf of their respective agencies to enter into this Memorandum of Understanding.

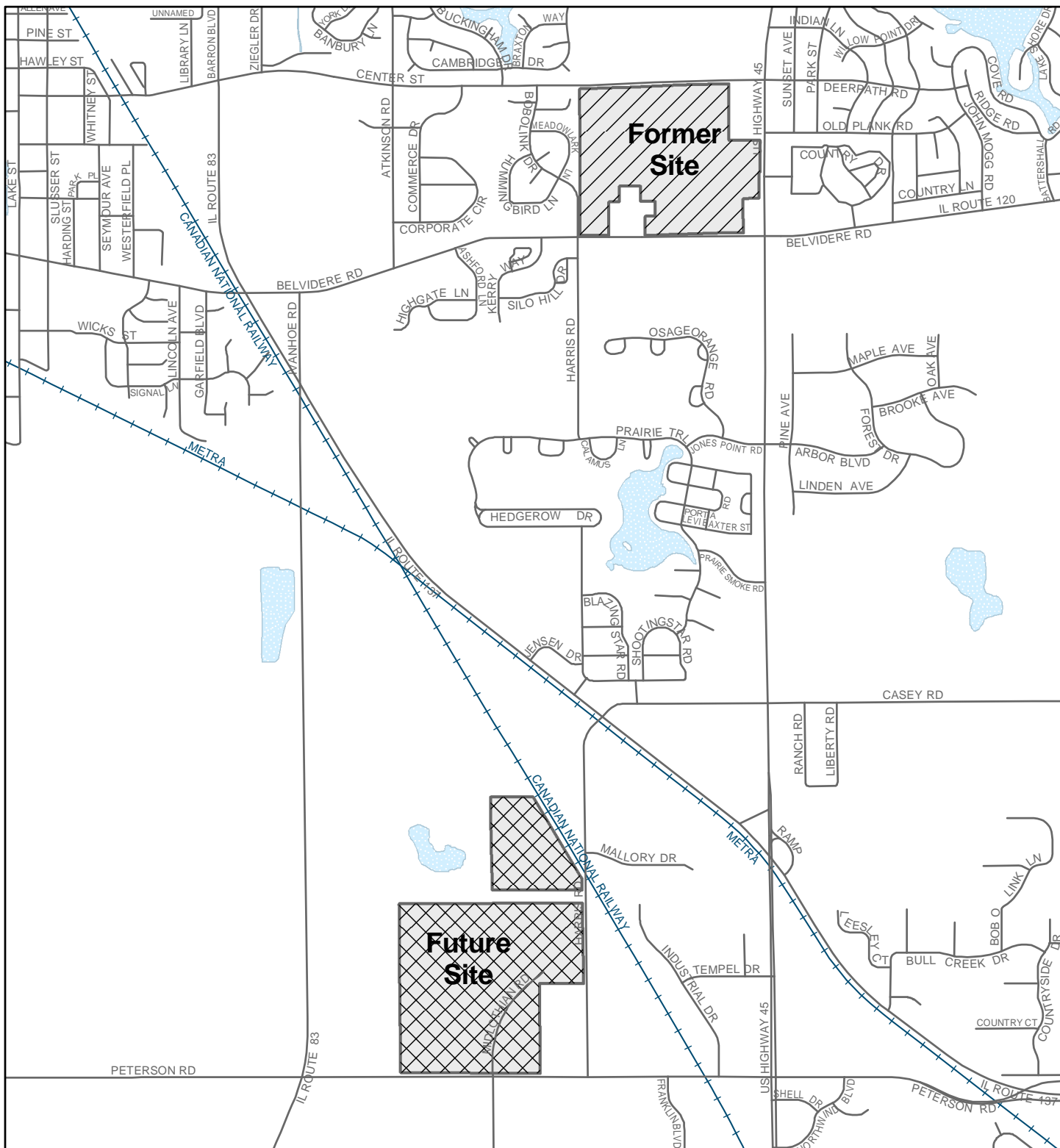
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General Manager, North Shore Sanitary District

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Date

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Director, Lake County Public Works

\_\_\_\_\_  
Date

# EXHIBIT A



Department of Public Works  
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## LAKE COUNTY FAIRGROUNDS FORMER AND FUTURE SITES

-  Former Site
-  Future Site

OCTOBER 2008