

INTERGOVERNMENTAL AGREEMENT FOR SANITARY SEWER SERVICE

This agreement is entered into this 12th day of July, 2016, by and between the Lakes Region Sanitary District, an Illinois sanitary district (hereinafter referred to as the “District”), the Village of Volo, an Illinois home rule municipal corporation (hereinafter referred to as “Volo”), the Village of Fox Lake, an Illinois municipal corporation (hereinafter referred to as “Fox Lake”) and the County of Lake, Illinois (hereinafter referred to as the “County”) (collectively the District, Volo, Fox Lake and the County shall hereinafter be referred to as the “Parties”).

RECITALS

WHEREAS, the District owns and operates a system of sanitary sewers for the collection of sewage from customers within certain territory over which it has jurisdiction; and

WHEREAS, the County has established a Department of Public Works for the purpose of performing the function of sewage disposal and owns and operates interceptor sewers to transmit sewage to the Northwest Regional Water Reclamation Facility (hereinafter referred to as “NWRWRF”); and

WHEREAS, Fox Lake owns and operates the NWRWRF, which provides wastewater treatment services for the communities of the northwest region of Lake County; and

WHEREAS, Volo owns a water treatment facility known as the South Water Treatment Facility; and

WHEREAS, Volo desires to temporarily connect its South Water Treatment Facility to the District’s sanitary sewer system and have such discharge treated at the NWRWRF; and

WHEREAS, given the unique circumstances involving the South Water Treatment Facility, and given the benefits that will accrue as a result of such temporary connection and in

the spirit of intergovernmental cooperation, the District, Fox Lake, and the County agree to such temporary connection and treatment

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. Volo shall have the authority to connect to the District's sanitary sewer system and discharge backwash water from its South Water Treatment Facility upon:

- A. Volo having obtained an Illinois Environmental Protection Agency construction and operating permit;
- B. Volo having obtained a NWRWRF discharge permit; and
- C. Volo having obtained a District connection permit.

2. Volo expressly acknowledges that the discharge permit and connection contemplated herein shall be temporary in nature, and shall only extend until Volo is converted to Lake Michigan as its primary water source via the Central Lake County Joint Action Water Agency, which is currently scheduled for November 2018. The Parties acknowledge that this Agreement may be extended to accommodate a delay in the delivery of Lake Michigan water to Volo.

3. Volo expressly acknowledges that any discharge made pursuant to this Agreement will be subject to ongoing monitoring in accordance with the NWRWRF permit, including but not limited to sampling. NWRWRF shall invoice Volo for any sampling and analysis fees, and Volo shall be responsible for such fees.

4. Volo shall be responsible for paying the full connection fee to the District in the amount of \$227,800.00, payable in equal monthly installments commencing upon Volo's connection to the District's sanitary sewer system and ending December 2018. The Parties

acknowledge that the monthly fee is based on the 2015 average flow rate of 7,400 gallons per day. If flows increase significantly over the projected amount, additional fees may become due. The District shall transmit proportionate amounts to the County and Fox Lake on a monthly basis as indicated on Exhibit 1, which is incorporated by reference herein. Volo may accelerate payment of the monthly connection fee prior to December 2018 with no penalty.

5. Volo shall pay the standard user fees (\$1,257.30 per month) in full as indicated on Exhibit 1. Fees are based on the 2015 average flow rate of 7,400 gallons per day. If flows increase significantly over the projected amount, additional user fees will be charged. The monthly payments shall be made to the District. The District shall transmit proportionate amounts to the County and Fox Lake as indicated on Exhibit 1. The parties agree that, notwithstanding the payment obligations contained herein, Volo shall have no obligation to pay user fees until Volo has connected to the District's sanitary sewer system and commences discharging from its South Water Treatment Facility.

6. In the event Volo's discharge results in interference at the NWRWRF wastewater treatment facility, Fox Lake shall provide written notice of same to Volo. Volo shall have fourteen (14) days from the date of notification to cease discharges to the sanitary sewer. Upon Volo's cessation of discharges to the sanitary sewer, Volo shall have no further obligation to pay the connection fees and user fees provided in Sections 4 and 5 herein, respectively.

7. Amendments. This Agreement shall not be modified, changed, altered, amended, or terminated without the written and duly authorized consent of each of the Parties.

8. Waivers. No term or condition of this Agreement shall be deemed waived by any party unless the term or condition to be waived and the circumstances giving rise to such waiver

are set forth specifically in a duly authorized and written waiver of such Party. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed as a waiver of any other term or condition of the Agreement, nor shall such waiver of any breach be deemed to constitute a waiver of any subsequent breach whether of the same or a different provision of this Agreement.

9. Severability. The terms and provisions of this Agreement shall be deemed severable, so that if any term or provision is deemed to be invalid or unenforceable, such term or provision shall be deemed deleted or modified so as to permit the remaining portions of this Agreement to be valid and enforceable to the fullest extent permitted by applicable law.

10. Regulatory Bodies. This Agreement shall be subject to all valid rules, regulations, and laws applicable hereto passed and promulgated by the United States, the State of Illinois, or any other governmental body or agency having lawful jurisdiction, or any authorized representative or agent of any of them.

11. No Third Party Beneficiaries. Nothing in this Agreement shall create, or be construed or interpreted to create, any third party beneficiary rights.

12. Effective Date and Term. This Agreement shall take effect as of the date first above written when executed by the duly authorized representatives of each Party. This Agreement shall terminate at 11:59 p.m. on December 31, 2018.

13. Notices. All notices and other communications in connection with this Agreement shall be in writing and shall be deemed delivered to the addresses thereof when delivered in person or by express mail or messenger at the address set forth below or three business days after deposit thereof in any main or branch United States Post Office, certified or

registered mail, return receipt requested, postage prepaid, properly addressed to the parties, respectively, as follows:

For notices and communications to the District:

Lakes Region Sanitary District
Attention: District Manager
25700 W. Old Grand Avenue
Ingleside, IL 60041

With a copy to:

James C. Hartman
Magee Hartman, P.C.
One N. County Street
Waukegan, IL 60085

For notices and communications to Volo:

Village of Volo
Attn: Village Administrator
500 S. Fish Lake Road
Volo, IL 60073

With a copy to:

Victor P. Filippini Jr.
Filippini Law Firm
990 Grove Street, Suite 220
Evanston, IL 60201

For notices and communications to Fox Lake:

Village of Fox Lake
Attn: Village Administrator
66 Thillen Drive
Fox Lake, IL 60020

With a copy to:

Victor P. Filippini Jr.
Filippini Law Firm
990 Grove Street, Suite 220
Evanston, IL 60201

For notices and communications to the County:

Lake County
Attn: Public Works Director
650 W Winchester
Libertyville, IL 60081

With a copy to:

Victor P. Filippini Jr.
Filippini Law Firm
990 Grove Street, Suite 220
Evanston, IL 60201

14. Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute the same Agreement. Any signature page of any such counterpart, or any electronic copy thereof, may be attached or appended to any other counterpart to complete a fully executed counterpart of this Agreement, and any electronic copy of any signature shall be deemed an original and shall bind such party.

15. Applicable Law. This Agreement shall be construed under and in accordance with the laws of the State of Illinois. Suit to enforce this Agreement must be filed in the Circuit Court of Lake County, Illinois.

16. Construction of this Agreement. Terms contained herein shall not be construed against a party merely because that party or its attorney is or was the principal drafter.

17. Entire Agreement. This Agreement contains all the terms, covenants, conditions, and agreements between the Parties relating to the matters provided for in this Agreement. No prior or other agreement or understanding pertaining to such matters is valid or of any force and effect.

COUNTY OF LAKE

LAKES REGION SANITARY DISTRICT

Chairman, Lake County Board

President

ATTEST:

ATTEST:

County Clerk

Secretary

VILLAGE OF VOLO

VILLAGE OF FOX LAKE

Village President

Village President

ATTEST:

ATTEST:

Village Clerk

Village Clerk