



Lake County Illinois

Legislation Text

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Ordinance authorizing a rate surcharge for certain portions of the combined waterworks and sewerage system of the County.

- A new code compliant water distribution system is being constructed in the Hawthorn Woods/Glennshire area and will be funded by revenue generated from the local area.
- The residents have been given an option on payment of their portion of the cost via either a one-time payment of \$11,600 or enrollment in a surcharge payment plan of approximately \$85.00 per month for 30 years (final amount determined at bond sale).
- This ordinance identifies the served parcels, the one-time capital cost amount, the surcharge payment amount, the parcels that have paid the one-time payment, and those parcels that will enroll in the surcharge payment plan.
- The last day to submit the one-time payment is October 2, 2009 after which all remaining parcels will be enrolled in the surcharge payment plan.
- The surcharge payment will begin in October, 2010 after the new system has been placed in service.

Ordinance of October 13, 2009 Agenda Item ____

An Ordinance of The County of Lake, Illinois, Authorizing a Rate Surcharge for Certain Portions of the Combined Waterworks and Sewerage System of the County.

Whereas The County of Lake, Illinois (the "*County*"), owns and operates a combined waterworks and sewerage system (the "*System*") under and in accordance with the provisions of Division 5-15 of the Counties Code of the State of Illinois (55 ILCS 5/1-1001 *et seq.*), as amended, and all laws supplementary thereto, including the Local Government Debt Reform Act, as amended, and the other Omnibus Bond Acts of the State of Illinois;

Whereas the County Board of the County (the "*County Board*") has determined that it is in the best interests of public health, safety and welfare to improve and extend the System including, among other items, replacement of the water system which serves the residents (the "*HWG Residents*") of Hawthorn Woods and Glennshire, in the Village of Hawthorn Woods (the "*Village*"), to the benefit of the real estate parcel locations (the "*Served Parcels*") identified on the attached *Exhibit A*, as owned or occupied by HWG Residents, known as the Hawthorn Woods-Glennshire Water System, and all related costs, connection fees and improvements, and including the acquisition of land or rights in land and all mechanical, electrical and other services necessary, useful or advisable to the project, and, incidental to such improvements and extensions, various costs of financing (all of which said acquisition, construction, services, and incidental expenses being referred to as the "*Project*"), all in accordance with the plans and estimates of cost therefor prepared by licensed architects or engineers retained by the County, approved by the County Board and now on file in the office of the County Clerk for public inspections;

Whereas the estimated costs of the Project, and all related expenses are \$4,600,000; and

Whereas the Project is a special and unique service to the Served Parcels, provided pursuant to an October 21, 1975 Contract, entitled *Agreement for Water Supply and Operation*, between the Village

and the County, and pursuant to a May 12, 2009 bulk water supply Contract, entitled *Water Supply and Sales Agreement*, between the Village and the County, among others, (collectively, the “*Village Contracts*”), beyond the services routinely provided by the System; and the County Board, in accordance with the terms of the Village Contracts, has determined that it is fair and equitable to place the cost of the Project on the Served Parcels;

Whereas accordingly, each of the Served Parcels will bear a portion of the costs of the Project, and the HWG Residents owning or occupying the Served Parcels have been given the opportunity to provide for costs of the Project by payment in advance (the “*One-Time Capital Cost Charge*”) or over time;

Whereas the One-Time Capital Cost Charge has been paid by or on behalf of the HWG Residents owning or occupying the Served Parcels identified on the attached *Exhibit B*;

Whereas in connection with providing for costs of the Project relating to Served Parcels owned or occupied by HWG Residents who have elected not to pay the One-Time Capital Cost Charge, the County Board does hereby determine, in accordance with the terms of the Village Contracts, that it is advisable and in the best interests of the County to issue subordinate lien water and sewer system revenue bonds (the “*Bonds*”) for the purpose of paying costs of the Project;

Whereas the County Board does hereby determine, in accordance with the terms of the Village Contracts, that it is advisable and in the best interest of the County to impose a surcharge (the “*Surcharge*”) on the bimonthly System bills of the Served Parcels of HWG Residents who elect not to pay the One-Time Capital Cost Charge (such parcels being the “*HWG Surcharge Customers*”) to provide debt service payments on the Bonds;

Whereas the HWG Surcharge Customers will be encumbered, in accordance with the terms of the Village Contracts, with a portion of the costs of the Project in the form of the Surcharge, as payable on each bimonthly System bill over a period of time not to exceed thirty years;

Whereas the County Board adopted an ordinance (the “*Master Rate Ordinance*”) entitled:

AN ORDINANCE AMENDING CERTAIN PRIOR RATE ORDINANCES FOR THE USE AND SERVICE OF CERTAIN WATERWORKS AND SEWERAGE SYSTEMS OF THE COUNTY OF LAKE IN THE STATE OF ILLINOIS

on November 13, 2007, establishing the general rates, fees and charges for the use and service of the System for all residents of the County; and

Whereas the Served Parcels will also be subject to the rates, fees and charges as imposed under the Master Rate Ordinance;

Now Therefore Be It Ordained by the County Board of The County of Lake, Illinois, as follows:

Section 1. Definitions. For all purposes of this ordinance (this “*Ordinance*”), except as otherwise expressly provided or unless the context otherwise requires the terms defined in this Ordinance, including the words and terms as defined in the preambles hereto, have the meanings assigned to them in this Ordinance and include the plural as well as the singular.

Section 2. Incorporation of Preambles. The County Board hereby finds that all of the recitals contained in the preambles to this Ordinance are true and correct and does incorporate them into this Ordinance by this reference.

Section 3. Imposition of One-Time Capital Cost Charge or Surcharge. The costs of the Project are hereby imposed on the Served Parcels. The HWG Residents owning or occupying the

Served Parcels identified on the attached *Exhibit B* have prepaid such costs by paying the One-Time Capital Cost Charge of \$11,600, the receipt and sufficiency of which is hereby acknowledged by the County. For the Served Parcels owned or occupied by HWG Surcharge Customers, a water capital surcharge of not to exceed \$170, as may be reduced by a favorable sale of the Bonds, as evidenced by a Certificate of Reduction, to be filed with the County Clerk and the County Recorder by the Superintendent of Public Works, will be applied to each bimonthly system bill on each Served Parcel beginning with the bimonthly payment effective September 1, 2010, and ending with the bimonthly payment due December 1, 2039.

Section 4. Collection; Recordation. Certain County staff and officers, as appropriate, are hereby directed to record this Ordinance with the Lake County Recorder's office and to undertake any necessary administrative operations to execute the collection of the One-Time Capital Cost Charge or the Surcharge.

Section 5. Certain Provisions of Master Rate Ordinance to Apply. The provisions of the Master Rate Ordinance relating to delinquency of payment and enforcement shall apply. This Ordinance shall be attached to and included as a part of the Master Rate Ordinance, and marked as Appendix A thereto.

Section 6. Governing Law. This Ordinance shall be construed under and governed by the laws of the State of Illinois.

Section 7. Severability. If any provision of this Ordinance shall be determined by a court of competent jurisdiction to be contrary to law or otherwise unenforceable, then such provision shall be deemed severable to the fullest extent permitted by law from the other provisions of this Ordinance.

Section 8. Effective Date. This Ordinance shall become effective immediately upon its passage.

Adopted this 13th day of October 2009.

Witness:

Chairman of the County Board
The County of Lake, Illinois

Attest:

County Clerk
The County of Lake, Illinois