

Item #5:

Res. Approving IGA With Lake Zurich Salt Storage Facility

Village of Lake Zurich – Salt Storage Facility

Intergovernmental Operational Use Agreement with Village of Long Grove

This Intergovernmental Operational Use Agreement (“**Agreement**”) is entered into this _____ day of _____, 2016 (“**Effective Date**”), by and between the Village of Lake Zurich (“**Lake Zurich**”), an Illinois non-home rule municipality, and the Village of Long Grove, an Illinois non-home rule municipality.

RECITALS

WHEREAS, Lake Zurich operates a salt storage facility (“**Facility**”) located at the Village of Lake Zurich Community Services Facility, 505 Tesler Road, Lake Zurich, and has previously entered into an intergovernmental agreement with Ela Township, dated March __, 2015 (“**Township Agreement**”), pertaining to the use of the Facility; and

WHEREAS, pursuant to the Township Agreement, use of the Facility is limited to municipalities located within Ela Township that have entered into a written agreement with Lake Zurich; and

WHEREAS, Long Grove is a municipality within Ela Township; and

WHEREAS, Lake Zurich and Long Grove desire to enter into this Agreement to provide for use of the Facility by Long Grove consistent with the terms and conditions herein provided;

NOW, THEREFORE, in consideration of the mutual agreements contained herein and upon the further consideration of the recitals hereinabove set forth, it is hereby agreed by and between the parties as follows:

SECTION 1: RECITALS. The recitals set forth above are incorporated herein as part of this Agreement.

SECTION 2: TERM. This Agreement shall commence upon its Effective Date and shall automatically renew each year on the anniversary of the Effective Date, unless terminated by either party as provided in Section 3.G.

SECTION 3: USE OF FACILITY. Long Grove shall be entitled to use the Facility beginning on the Effective Date for the purpose of salt storage, subject to the following terms and conditions:

- A. For the privilege of using the Facility, Long Grove shall pay to Lake Zurich an initial “opt in” fee of \$2,000 and an annual maintenance fee of \$250. The “opt-in” fee shall be due within 30 days after the Effective Date of this Agreement.
- B. The annual maintenance fee shall be due on November 1 of each year during the term of this Agreement, beginning on November 1, 2016, as payment for the following 12-month calendar year starting on January 1. The amount of the annual maintenance fee may be increased for calendar year 2021 or thereafter as approved by Lake Zurich and the Ela Township Highway Department. Lake

Zurich shall give Long Grove written notice of any annual maintenance fee increase at least three months prior to the due date of such increased fee payment.

- C. Long Grove shall be entitled to store up to 300 tons of salt at the Facility at all times during the term of this Agreement.
- D. Lake Zurich shall keep, or cause to be kept, a record of Long Grove's salt contribution and usage amounts, and will ensure that sufficient storage capacity is maintained at the Facility at all times to accommodate Long Grove's maximum allotment of 300 tons. Long Grove shall be entitled, upon request, to inspect and audit such records during regular business hours. In the event of a disagreement between the Parties regarding Long Grove's salt contribution to and/or usage from the Facility, the Parties shall cooperate to resolve such disagreement based on all available records and information.
- E. At such time as Long Grove desires to obtain salt from the Facility, Long Grove shall provide at least 8 hours advance notice by contacting the Lake Zurich Public Works Department at 847-540-1696. Long Grove shall not have access to the Facility without approval of the Lake Zurich Public Works Department, which approval shall not be unreasonably delayed or withheld.
- F. In connection with use of the Facility, Long Grove shall also be entitled to use the Lake Zurich salt brine facility at no additional cost, other than the exchange of salt for brine.
- G. This Agreement can be terminated by either Long Grove or Lake Zurich, for any reason or no reason, upon written notification to the other party at least 30 calendar days in advance of the termination date.

SECTION 4: NOTICES. All written notices and other written communications in connection with this Agreement shall be deemed delivered to the addressee thereof when delivered by hand delivery, e-mail, or fax at the addresses set forth below, or three business days after deposit thereof in any main or branch United States post office, overnight express delivery, or mailed by United States registered mail or certified mail, postage prepaid, properly addressed to the Parties, respectively, as follows:

For notices and communications to Lake Zurich:

Village of Lake Zurich
Attn: _____

Email: _____
Fax: _____

For notices and communications to Long Grove:

Village of Long Grove
3110 Old McHenry Road
Long Grove, IL 60047

Attention: Village Manager
Email: dlothspeich@longgrove.net
Fax: 847-634-9408

By written notice complying with this Section, each Party shall have the right to change the address or addressee, or both, for all future notices and communications to such Party, but no notice of a change of address shall be effective until actually received.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and date appearing before their respective signatures.

[SIGNATURES ON FOLLOWING PAGE]

DRAFT

VILLAGE OF LAKE ZURICH

By: _____

Its: _____

Date: _____

ATTEST:

VILLAGE OF LONG GROVE

By: _____

Its: _____

Date: _____

ATTEST

DRAFT