

INTERGOVERNMENTAL AGREEMENT

This agreement is made and entered into between the City of O’Fallon, Illinois, an Illinois Municipal Corporation, organized and operating under the provisions of the Illinois Municipal Code (65 ILCS 5) (referred to herein as the “City”) and the O’Fallon, Shiloh Valley, Caseyville Fire Protection District, a public fire protection district organized and operating under the provisions of the Illinois Fire Protection Act (70 ILCS 705) (referred to herein as the “District”) as of this date it is duly executed by the authorized officers of each of the parties in accordance with the law applicable to each party.

WHEREAS, the Constitution of the State of Illinois, 1970, Article VII, Section 10, authorizes units of local government to enter into intergovernmental arrangements and agreements or to otherwise associate among themselves in any manner not prohibited by law or ordinance, and

WHEREAS, the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.) provides that any power or powers, privileges or authority exercised or which may be exercised by a unit of local government may be exercised and enjoyed jointly with any other unit of local government pursuant to agreement; and

WHEREAS, Section 5 of the Intergovernmental Cooperation Act (5 ILCS 220/5) provides that any one or more public agencies may contract with any one or more other public agencies to perform any government service, activity or undertaking which any of the public agencies entering into the agreement is authorized by law to perform, provided that such agreement shall be authorized by the governing body of each party to the agreement; and

WHEREAS, the parties hereto have determined that it is in their best interest to enter into this Agreement to secure fire department and emergency medical services within their respective jurisdictions; and

WHEREAS, each of the parties has the authority, adopted by the appropriate procedures under the governing statutes applicable to each party, to impose taxes for the support of fire department and emergency medical services and each has, in the past, levied such taxes which have been used for the provision of fire department and emergency medical services; and

WHEREAS, the parties have determined that it in their best interest to form this agreement to provide for the operation, funding and administration of fire department and emergency medical services within their joint jurisdiction.

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants herein, THE PARTIES AGREE AS FOLLOWS:

Section 1. Purpose. It is recognized and acknowledged that fire department and emergency medical services has been and should continue to be provided by the parties on a joint cooperative basis within their jurisdictions.

Section 2. Incorporation of Findings. Each of the findings set forth in the preamble to this Agreement is expressly incorporated and made part of the Agreement.

Section 3. Operation of Fire Department and Emergency Medical Service. It is agreed that the City will operate the fire department and emergency medical service which will serve residents of both the City and the District on the same basis and level of service. The City will be responsible and have authority for the day to day operations of the fire department and emergency medical service, supervision and control of any personnel associated with either service shall be the responsibility of the City and all personnel shall be employees of the City. City will be responsible and have authority for contracting for services and making purchases in connection with the provision of fire department and emergency medical services under this Agreement.

Section 4. Ownership of Equipment and Facilities. City will own and hold title to all equipment, vehicles and other property utilized in the provision of fire department and emergency medical services, with the exception of the actual real estate known as District Fire Station (Engine House #3) located at 102 Oak St., Shiloh, Illinois, subject to the provisions and conditions of this Agreement. It is agreed that within 30 days of the date that this Agreement is approved and executed by each of the parties through their authorized representatives, the District will execute a standard Bill of Sale transferring title and ownership of all of District's fire equipment and fire apparatus to City. District will also execute any documents of transfer which may be convenient or necessary to convey and release any interest it may have in any improvements owned by it, but located upon City property (Station #2). From and after the effective date of this Agreement, City will be responsible to maintain, repair, and insure all of the fire equipment and apparatus and improvements transferred to the City under the terms of this Agreement. City will not be required to pay District any consideration for the transfer of the fire equipment and apparatus, however, the parties agree that the agreed insurance replacement value for the equipment necessary to make any apparatus NFPA 1901 "ready for service" compliant will be the value of the fire equipment and apparatus being transferred to the City and such values will control in the event of the termination of this Agreement (refer to appendix A). Any purchases made shall be in accordance with the provisions of 5 ILCS 220/3.5 (the Illinois Purchasing Act).

Section 5. Use of District Fire Station. From and after the effective date of this Agreement and so long as it remains in effect, City will continue to operate Engine House #3 located at 102 Oak St., Shiloh, Illinois as a fire station facility which will be utilized to provide fire protection and emergency medical services to the residents of the Village of Shiloh, the City of O'Fallon, and other residents of District who are currently served from that station. City will be responsible for the utilities, maintenance, and repair of the station and the fire station grounds. City will maintain the station in at least the same condition as it currently is maintained by the District. District will procure general

premises liability and fire and casualty insurance for the station the premiums for which will be included in the fire department budget and paid by City from that source. District and City will be listed as insured's on the insurance coverages for the station. The expenses associated with the station will be the responsibility of the City and will be included in the budget for the operation of the fire department and the emergency medical service as provided in this Agreement. District shall have the right to continue to use a portion of the District Fire Station for its administrative office and will have access to meeting rooms for its District Board of Trustee meetings and similar uses. Throughout the term of this Agreement District shall have full and reasonable access to the District Fire Station. District will continue to be responsible for payment of the bonded indebtedness in connection with Engine House #3 and will continue to levy the real estate property tax required to fund the repayment of said bonded debt. City agrees that it will permit District to hold Board of Trustees and other District meetings in City facilities without charge.

Section 6. Funding. During the term of this agreement, each of the parties agrees to fund the fire and emergency medical services departments from the tax levies that each imposes for provision of the services described. The amount of the annual levy made by each will be determined annually by the parties based upon the budget necessary to operate both departments with respect to the combined total equalized assessed value of all taxable real estate in the City and in the District and will take into account the maximum levy allowed in the City and the District by applicable law. The total combined levy amount imposed by the District and the City for the provision of fire department and emergency medical services will be based on the budget determined by the parties to be necessary to operate the departments. It is the intent of the parties that the real estate taxes levied by each of the parties shall be imposed on an equivalent basis in both the District and the City for the support of the Fire Department and the Emergency Medical Service so that properties in the City and the District which have equal assessed values will pay the same amount of real estate tax to support the Fire Department and Emergency Medical Service. By way of illustration, it is the intent of the parties that, insofar as possible, a single family residence in the City of O'Fallon with an equalized assessed value of \$30,000 should contribute the same amount to the Fire Department and EMS Budget as a single family residence of the same equalized assessed value in the O'Fallon, Shiloh Valley, Caseyville Fire Protection District. The District shall retain responsibility for the separate levy and collection of any taxes directly related to bonds used in the construction of the District Fire Station described in this agreement and for any payments related to those bonds. Nothing herein shall prevent either party from using other revenues which it may have access to or receive for the support of the Fire Department and the Emergency Medical Service. The District will be free to budget, appropriate, and levy any additional amounts as its Board of Trustees may deem appropriate for the administrative and other expenses of the District such as liability and errors and omissions insurance coverage or similar expenses not included in the Fire Department and Emergency Medical Services budget. District agrees that it will contribute to the fire department budget any funds received from the Village of Shiloh, Illinois in connection with any tax increment financing district sponsored by the village and to which District is or become entitled during the term of this Agreement. It is

agreed by the parties that any funds collected from nonresidents or responsible parties as a result of services rendered by the Fire Department or Emergency Medical Service will be paid to City and applied to the Fire Department/Emergency Medical Services budget.

Section 7. Accounting. Annually, the City will provide to the District an accounting of the financial operation of the fire and emergency medical service departments which will be prepared in accordance with generally accepted accounting principles and will include a report of assets held or used in the provision of fire and emergency medical service, dispositions and acquisitions of assets and the actual cost of operating the fire and emergency medical service departments. The City will comply with the provisions of Section 11a of the Illinois Fire Protection District Act (70 ILCS 705/11a) in making such accountings.

Section 8. Performance. The fire and emergency medical service departments will be operated at all times in conformance with federal and state laws and regulations applicable to the provision of fire and emergency medical services, including regulations of the Illinois Department of Public Health.

Section 9. Insurance/Liability. City will procure and maintain worker's compensation insurance coverage for all employees engaged in providing fire or emergency medical services under this Agreement and will, further, provide general liability, professional liability, automobile liability and property insurance coverage for all Fire Department and Emergency Medical Service equipment and operations. The District will be named as an additional insured with respect to the general liability, professional liability and automobile liability coverages. The amount of each form of coverage shall be determined jointly by the parties and the expense of the insurance premiums for the Fire Department and Emergency Medical Service will be part of the annual budgets for the respective services. The obligation of this Section may be satisfied by membership in a self-insurance pool, a self-insurance plan or arrangement with an insurance provider approved by the State. The City will supply the District with copies of certificates of insurance or other evidence of compliance with the provisions of this section.

Section 10. Service. The City will provide equal fire and emergency medical services to residents of the City and the District and will make every effort to deploy resources in a manner consistent with providing the best service to all areas covered by this Agreement with respect to budgetary limitations. The City agrees to maintain a water Tanker/Tender with a minimum of 2,000 gallons capacity for the purpose of delivering water to fire scenes not served by fire hydrants and to maintain the capability of the Fire Department to effectively respond to all areas served by the Department under this Agreement, including areas that lack adequate water supplies for fire suppression. City will also continue to maintain the capability of the Fire department to respond to grass, brush and field fires in the rural areas of the Department's service area under this Agreement at not less than the capability as it exists at the effective date of this Agreement.

Section 11. Codes and Standards. It is agreed that during the period that this Agreement is in effect, both City and District will maintain in effect and enforce the same fire codes based on the authority of each under applicable state law to adopt and enforce fire prevention codes and standards which are parallel to national standards.

Section 12. Advisory Committee. An advisory committee composed of three (3) members, one (1) appointed by the District and one (1) by the City, and one (1) appointed at large by the other two appointees who shall be formed to advise both parties as to the operation of the Fire and Emergency Medical Service Departments. The Committee shall meet annually to review an annual report of activity and the departmental budgets and will otherwise meet as needed to address specific issues, but not less often than quarterly. The Committee will evaluate the performance of the Fire Department and the Emergency Medical Service Departments under this Agreement and will make recommendations to the parties regarding such performance and the improvement of same so that all areas served by the departments under this Agreement are adequately served. The Committee members will participate in and advise in the selection process for the position of Fire Chief. Committee members shall be appointed for terms of two (2) years and may be reappointed to successive terms.

Section 13. Effective Date/Termination. This agreement shall be in effect on the date it is fully executed by the duly authorized officers of each party after having been approved by the governing bodies of each of the parties and will remain in effect for a term of five (5) years from the date it becomes effective. Unless terminated in writing in the manner provided in this agreement, it shall automatically renew for successive five (5) year terms. Prior to the conclusion of the initial five (5) year term of this Agreement or any succeeding five (5) year term, either party hereto may terminate its participation in this agreement at any time, provided that the party wishing to terminate its participation in this agreement shall give written notice to the other party specifying the date of termination, such notice shall be given at least 180 calendar days prior to the specified date of termination of participation, such notice to be given at least 180 days prior to the termination of participation. The written notice provided herein shall be given by personal delivery, registered mail, or certified mail. In the event of termination, the City will restore to the District all of the fire equipment and fire apparatus which was originally transferred to the City by the District under the terms of this Agreement and which the City has in its possession at the time of the termination and with regard to any equipment which has been disposed of by the City, the City will pay to District the value, as determined under Section 4, above, of any such disposed of fire equipment and fire apparatus which was transferred to City by District at the inception of this Agreement. In the event of termination, District agrees that City will retain all right, title and interest in Station #2 free and clear of any claim from District for any improvements which are part of Station #2 and which are transferred to City by District under Section 4, above.

Section 14. Notices. All notices hereunder shall be in writing and shall be served personally, by registered mail, or certified mail to the parties at such address as designated by the other party.

Section 15. General Terms. This agreement shall be binding upon and inure to the benefit of any successor entity which may assume the obligation of any party hereto, provided, however, that this Agreement may not be assigned by a party without prior written consent of the parties hereto. This Agreement may only be amended by a writing executed by the authorized representatives of each of the parties. This Agreement shall be governed by and constructed under the laws of the State of Illinois. A declaration of the invalidity of any provision of this agreement shall not render invalid any other provision. If, for any reason, any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, that provision shall be deemed severable and this Agreement may be enforced with the provision severed or modified by court order. This Agreement may be executed in multiple counterparts or duplicate originals, each of which shall constitute and be deemed as one and the same document. This agreement supersedes any previous Intergovernmental Agreements, leases or other contracts entered by the parties with respect to the operation of the Fire Department or Emergency Medical Service.

Section 16. Dispute Resolution. In the event any dispute regarding any of the terms or provisions of this Agreement , or the interpretation thereof, the parties agree to confer in good faith with each other to resolve such dispute and to engage in mediation (with each party to share equally in the cost of such mediation, if any) prior to engaging in formal dispute resolution. In the event that the dispute is not resolved by consultation and/or mediation, it will be resolved by binding arbitration (with each party to share equally in the cost of such arbitration). Any decision rendered as a result of such arbitration shall be final, nonappealable and binding and it may be enforced in a court of competent jurisdiction.

CITY OF O'FALLON, ILLINOIS

BY: _____
Mayor

ATTEST: _____
Clerk

Date: _____

O'FALLON, SHILOH VALLEY,
CASEYVILLE FIRE PROTECTION
DISTRICT

BY: _____
President

|

ATTEST: _____
Secretary

Date: _____

APPENDIX "A"

O'Fallon, Shiloh Valley, Caseyville Fire Protection District
Insurance Replacement Value
October 2008

1985 Jeep	\$35,000
1987 Ford Pumper	\$300,000
1997 Ford Tanker	\$90,000
1999 HME	\$300,000
1997 Chevy (1 st resp)	\$26,000
2008 Smeal	\$700,000
2008 Ford	\$30,615