

807-11-88

AMENDED CONTRACT

This Amended Contract, dated DECEMBER 31, 1988, by and between the SPRINGFIELD METRO SANITARY DISTRICT, hereinafter called the "District," and the CITY OF SPRINGFIELD, ILLINOIS, hereinafter called the "City," witnesseth:

A. WHEREAS, the City is located primarily within the District, and each owns and operates its own sewer system and said systems are so connected and interrelated that they form, in fact, one system, with the system of the District providing for the carrying off, disposal, and treatment of the sewage and industrial wastes of the City; and

B. WHEREAS, the District has adopted a rate ordinance, imposing certain rates and charges for sewerage service on the inhabitants, but providing that, in lieu of collecting such rates and charges on the inhabitants of any municipality within the District, such municipality and the District may contract for the collection of charges by such municipality from its own inhabitants and for the payment of a charge or portion of such collection to the District; and

C. WHEREAS, the City and the District have heretofore, on the 13th day of March, 1956, entered in to a contract for the treatment and disposal of the sewage of the City and for the use of the drains, conduits, treatment plants, pumping plants and works maintained by the District for the carrying off, disposal and treatment of the sewage and industrial wastes of the City; and

D. WHEREAS, certain paragraphs of said Contract have been amended or supplemented in the forms of First Supplemental Agreement, Second Supplemental Agreement, an Third Supplemental Agreement, and said Supplemental Agreement and Contract have been further amended and superseded by an amended Contract No. 241-7-69 dated July 22, 1969, which in turn was amended on January 30, 1973, September 1, 1980, July 2, 1984, November 24, 1987, and twice again on February 23, 1988, (hereinafter collectively called "Contracts"), which are mutually understood by the District and the City to be in full force and effect, except as amended by this Contract; and

E. WHEREAS, it is necessary and desirable for the City and the District to continue their joint plan for the improvement, rehabilitation, extension, operation and maintenance, and to provide for those improvements which are required by the Illinois Environmental Protection Agency and the United States Environmental Protection Agency.

NOW, THEREFORE, it is hereby agreed between the City and the District that:

1. The District agrees that it will treat and dispose of the sewage of the City and furnish the City the use and service of the intercepting sewers, trunk sewers, treatment plants, and pumping plants stations maintained by the District for the carrying off, disposal and treatment of sewage and industrial wastes of said City. The City shall be responsible for the

maintenance and repair of the collecting system within the corporate limits of the City (as such limits may be fixed from time to time), except intercepting sewers, trunk sewers and overflow sewers (being outlet sewers below the point of interception); and the District shall be responsible for the maintenance and repair of any intercepting sewers, trunk sewers and overflow sewers, within or without the corporate limits of the City.

Under Chapter 42, Section 306.2 of the Illinois Revised Statutes, the District shall have jurisdiction over all connections to sanitary and combined sewers tributary to the district interceptor sewers and shall issue permits for such connections, collect fees therefore, approve bonds of contractors and inspect such connections. It shall likewise have jurisdiction over the connection of downspouts, footing drains or other sources of ground water to any sanitary or combined sewer tributary to the District interceptor sewers and shall conduct investigations where necessary of improper downspouts or other connections within the City. The City shall retain jurisdiction over connections to storm sewers within its corporate limits which are not tributary to the District interceptor sewers and also of all permits, inspections and fees for interior plumbing. It will cooperate with the District by furnishing information as required on building permits issued and be reporting instances of illegal water connections to the

District where such information is available to it.

2. This Amended Contract is entered into to meet the requirements of Public Law 95-217, "The Clean Water Act of 1977," and pursuant to the Illinois Environmental Protection Act, (111-1/2 111. Rev. Stat., paragraph 1046) to establish a user Charge System as defined under the Public Law to equitably charge all users discharging wastewater to the District for wastewater treatment.

3. The District will maintain and keep in effect a sewer user charge to pay for both sewer use and wastewater treatment use, based upon the quantity of water used as measured by the water meters (or in accordance with uniform adjustment provisions of the applicable ordinances of the District and the City) on each lot, parcel of land, building or premises having any sewer connection, which schedule is contained in An Ordinance of the Springfield Metro Sanitary District Establishing Rates for the User Charge System. It is expressly understood by the City and District that the user charge billed by the District will be set independent of the City and will not require approval by the City for the said rates to become effective. Likewise it is expressly understood that the charges billed by the City will be set independent of the District and will not require approval by the District for said rates to become effective.

Each meter shall be considered a separate user billing unit

in applying the charges and rates.

4a. The Department of Public Utilities of the City, will, as agent for the District, bill all District water and sewer users from whom no other municipality is collecting sewer user charges under contract with the District, at the rates and under the terms and conditions set for the District, and will undertake the collection of the District's charges from such users. It will pay over monthly to the District, all such amount so collected, less \$0.25 per each bill issued, to users within the City of Springfield, and \$0.50 per bill issued for all others, to be retained by said Department to cover the cost of billing and collecting such charges. Upon written notice by either party to the other at least ninety (90) days before the expiration of any year of collection of said sewer user charges under this contract, said charges for billing and collection may be reviewed in the light of the actual expenses incurred by the Department, in such service to the District; and if an adjustment cannot be agreed upon, the Department shall, from the beginning of the next year of operation, make available to the District, the water meter readings on all sewer users outside the City from whom no other municipality is collecting sewer user charges under contract with the District, and may furnish any part of the billing or collecting service for the District for which compensation to it may be agreed upon, but shall no longer be required to bill and under-take to collect the sewer

service charges of the District as its agent.

4b. In addition to the amounts to be retained by the Department of Public Utilities to cover the costs of billing and collecting sewer user charges for the District, the Department of Public Works of the City shall also pay over monthly to the Department of Public Utilities an amount equal to \$0.25 per user for all users within the City and billed by the Department of Public Utilities.

5. The City is obligated, pursuant to the terms of its outstanding sewerage revenue bonds, to establish and maintain rates for sewerage service which shall be sufficient at all times to pay the cost of operation and maintenance of the City's sewerage system, to provide an adequate depreciation fund therefor and to pay the principal of an interest on all sewerage revenue bonds issued by the City under Division 141 of Article 11 of the Illinois Municipal Code and to deposit all revenues received from the operation of said sewerage system in a separate fund heretofore established and designated as the "Sewer Fund" In fulfillment of its obligations under said revenue bonds the City has established the rates and charges specified in Ordinance No. 666-7-80 (hereinafter the "City's Sewer User Charge") for the use of the City's sewerage system by the inhabitants of the City and heretofore has deposited and shall continue to deposit the revenues derived therefrom, after payment of the cost of collection in the City's Sewer fund. It

is acknowledged that, the District shall have no right, interest, claim or lien in or to any moneys deposited in the City's Sewer Fund or the revenues derived from the City's Sewer User Charge or from any charge hereinafter imposed upon the inhabitants of the City for the use of the City's sewerage system in accordance with Ordinance No. 666-7-80 as now in effect or as it may be amended from time to time or any other ordinance which hereafter may be adopted for the purpose of paying the principal of and interest on any sewerage revenue bonds issued by the City under Division 141.

6. The District Sewer User Charge shall be established by the District at a level which at all times shall be sufficient to pay the costs of operation and maintenance, including replacement, as defined in the September 27, 1978 Federal Register (40 CFR 35.935.12) for each unit of water sold by the City and treated at the District's sewage treatment plant.

7. Subject to the provisions of paragraph 8 hereof, and from and after the effective date of this Amended Contract, the Contracts referred to in paragraph D, page 2, hereof are superseded to the extent they are inconsistent with this Amended Contract but to remain in full force and effect in all other respects.

8. The effective date of this Amended Contract shall be the date on which the sewer user charges to be established by the District in accordance with paragraph 3 hereof, shall be in

effect or the date in which the City's Sewer User Charge to be established by the City shall be in effect in accordance with paragraph 5 hereof, whichever is later.

9. The Amendments to the July 2, 1984 Contract which became effective on the 24th day of November 1987, and approved by the City of Springfield in Ordinance 1038-11-87, remains in full force and effect.

10. This Amended Contract shall remain in effect until the liability of both the City and the District on the presently outstanding sewer bond obligations and the aforesaid proposed sewer bond obligations are discharged, unless either party gives the other written notice of termination at least ninety (90) days prior to the end of any year of operation.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their respective officers, thereunto duly authorized and their corporate seals to be hereunto affixed, the day and year first above written.

THE SPRINGFIELD METRO SANITARY DISTRICT

By: William C. Jelford

President

ATTEST:

Pete Wilson
Clerk

CITY OF SPRINGFIELD, ILLINOIS

By: Orin Lyle
Mayor

ATTEST:

Norma J. Haines
City Clerk