

INTERGOVERNMENTAL AGREEMENT  
FOR THE SHARING OF ENGINEERING STUDY COSTS

WHEREAS, the Central Lake County Joint Action Water Agency ("Agency") owns and operates a water system, which receives Lake Michigan Water and distributes it to its Members; and

WHEREAS, the Agency has surplus capacity in its current system which may allow it to increase the membership of the Agency to one or more municipalities or areas served by the Lake County system; and

WHEREAS, in order to determine the feasibility and potential cost of serving other parties it is necessary to expend substantial funds for engineering studies; and

WHEREAS, the Village of Lake Zurich ("Village"), which does not currently receive water from the Agency, is interested in learning whether it is feasible to provide Agency water to them and they are willing to share in the cost of the engineering studies; and

WHEREAS, all parties recognize that any decision regarding new membership in the Agency is solely and exclusively a decision to be made by the Board of the Agency; and

WHEREAS, understanding that presence of absolute discretion, the Village is willing to agree to share in the cost of engineering studies;

NOW, THEREFORE, IT IS AGREED BETWEEN THE AGENCY AND THE VILLAGE to execute this Agreement on or before September 20, 2022, as follows:

1. The parties to this Agreement consent to the Agency entering into a contract with

CDM Smith (the "Engineering Firm"), to conduct a study of the feasibility, manner of accomplishment and estimated cost of the Agency providing water to the Village.

2. The total cost to be paid to the Engineering Firm shall not exceed \$108,574, except that the Agency and/or Village may agree to an increase in those costs, payable only by themselves for any additional or special engineering study required by them.

3. The cost of the Engineering study, as specified above, shall be paid 20% by the Agency and 80% by the Village. Payment shall be made within 45 days after billing, and the Agency may require the Village to pay as a deposit up to 25% of the estimated engineering charges. The Agency, by a vote of its Board of Directors and in its absolute discretion, may accept the Village as party to this Agreement, either before or after the date set forth earlier in this Agreement.

4. By executing this Agreement, the Village fully acknowledges and accepts that any determination as to whether the Village will be accepted as a Member of the Agency or shall otherwise receive water from the Agency is initially exclusively and entirely within the absolute discretion of the Board of Directors of the Agency.

5. This Agreement provides no third-party rights and the Agency may cancel this Agreement at any time. If the Agency were to do so, it would be obligated to pay 50% of the costs of engineering services incurred up to the date of its cancellation.

6. This Agreement shall be in full force and effect upon its execution by the Village and upon the execution of the Chairman of the Agency after this Agreement shall have been approved by the Board of Directors.

DATED: 8-24-2022

CENTRAL LAKE COUNTY JOINT  
ACTION WATER AGENCY

By: *Dan Marturano*  
Dominic Marturano, Chairman



Attest: *Kathy Nelander*  
Kathy Nelander, Deputy Secretary

VILLAGE OF LAKE ZURICH

By: *Tom Poyton*  
Tom Poyton, Mayor



Attest: *[Signature]*  
Village Clerk Deputy