



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: Recommendation to Approve Resolution Authorizing Mayor to Execute Revised Intergovernmental Agreement regarding Tri-City Ambulance Cooperative

Presenter: Brian Townsend

Please check appropriate box:

X	Government Operations (2/6/12)		Government Services (1/23/12)
	Planning & Development		City Council
	Public Hearing		

Estimated Cost:	N/A	Budgeted:	YES		NO	
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If NO, please explain how item will be funded:

Executive Summary:

Under the existing intergovernmental agreement for Tri-City Ambulance (TCA), funding comes from two primary sources – ambulance fee revenue and allocations from members. Allocations from members are based on equalized assessed value of property in each member’s jurisdiction. That formula has been a subject of conversation for some time and an alternative approach is now being proposed. Under a new formula, a set percentage of costs (after considering fee revenue) will be paid by each member for the next 5 years. The percentage for St. Charles has been set at 35%. This proposed change is expected to reduce the City of St. Charles contribution by approximately \$90,000 annually.

Contributions for other member agencies are as follows: City of Batavia – 35%, City of Geneva – 27%, Batavia Township & Countryside Fire Protection District – 2.25%, and Geneva Township – 0.75%.

At the end of the 5-year period, the allocation formula will be based on the total number of calls for service in each jurisdiction. St. Charles currently generates approximately 43% of all calls; however, that amount could change over the next few years. Therefore, city staff will monitor the impact of moving to the calls-for-service formula and consider options to address the financial considerations.

Other members of TCA have been made aware of the proposed change and have endorsed it.

Attachments: (please list)

Resolution
Proposed Intergovernmental Agreement
Financial Analysis

Recommendation / Suggested Action (briefly explain):

Recommend that the City Council Approve a Resolution Authorizing the Mayor to Execute Revised Intergovernmental Agreement regarding Tri-City Ambulance Cooperative.

For office use only:

Agenda Item Number: 7a

City of St. Charles, Illinois
Resolution No. _____

**A Resolution Authorizing the Mayor of the City of St. Charles to
Execute an Intergovernmental Agreement – TriCity Ambulance
Cooperative**

**Presented & Passed by the
City Council on _____**

BE IT RESOLVED by the CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE
AND DU PAGE COUNTIES, ILLINOIS, that the MAYOR be hereby authorized to execute that
Intergovernmental Agreement, in substantially the form attached hereto and incorporated herein
as Exhibit "A", by and on behalf of the CITY OF ST. CHARLES.

Presented to the City Council of the City of St. Charles, Illinois this ____ day of
_____, 2012.

Passed by the City Council of the City of St. Charles, Illinois this ____ day of
_____ 2012.

Approved by the Mayor of the City of St. Charles, Illinois this ____ day of
_____, 2012.

Mayor Donald P. DeWitte

Attest:

City Clerk

Council Vote:

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____

**Amended Intergovernmental Agreement Among the Cities
Of St. Charles, Geneva and Batavia, Batavia Township and
Countryside, Fire Protection District, and Geneva Township
For Paramedic/Ambulance Advanced Life Support Services**

This Amended Intergovernmental Agreement entered into this _____ day of _____, 2012, among the City of Geneva, Kane County, Illinois, a municipal corporation (hereinafter “Geneva”); the City of St. Charles, Kane and DuPage Counties, Illinois, a municipal corporation (hereinafter “St. Charles”); the City of Batavia, Kane and DuPage Counties, Illinois, a municipal corporation (hereinafter “Batavia”); Batavia Township and Countryside Fire Protection District, Kane and DuPage Counties, Illinois, a fire protection district (hereinafter “Batavia Fire”); and Geneva Township, Kane County, Illinois, a township (hereinafter “Geneva Township”), said cities, fire protection district and township being collectively referred to as “Parties”;

WITNESSETH:

WHEREAS, Parties hereto are units of local government as defined by Article I, Section I, of the Constitution of the State of Illinois; and

WHEREAS, units of local government are enabled by Article VII, Section X, of the Constitution of the State of Illinois, to enter into agreements among themselves to:

“...obtain or share services and to exercise, combine or transfer any power or function, in any manner not prohibited by laws or ordinance.... Participating units of local government may use their credit, revenues, and any other resources to pay costs and for service debt related to intergovernmental activities.”

and

WHEREAS, St. Charles, Geneva and Batavia formed an association to provide Paramedic/Ambulance Advanced Life Support Services, on an interim basis and thereafter, which association commenced operations on December 1, 1982 and had an intergovernmental agreement with the County of Kane to provide funding for such services for a portion of the area herein described; and

WHEREAS, the Parties thereafter formed a more permanent arrangement to continue providing services, acquired assets from the county of Kane and levied taxes to provide funding for a portion of these costs instead of the funding provided by Kane County Special Service Area No. 1; and

WHEREAS, the Parties thereafter took advantage of the provisions of 65 ILCS 5/11-5-7.1; 70 ILCS 705/23; and 60 ILCS 5/13-14a of the Illinois Compiled Statutes in order to provide funding and entered into a certain Intergovernmental Agreement dated May 14, 1985 which created an association by name of "Tri-City Ambulance Service" (hereinafter called "TCA"), and have since operated under the terms of said agreement; and

WHEREAS, the Parties have determined that certain changes to the existing agreement should be made relating to the decision-making process, the sharing of costs among the parties, and other matters; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements of the Parties, it is agreed as follows:

I. NAME

This Association shall be known as the "Tri-City Ambulance Service" (sometimes hereinafter referred to as "Tri-City").

II. PURPOSE AND SERVICE AREA

The purpose of this Intergovernmental Agreement and Tri-City is to provide an association to provide for the funding, administration, management, maintenance and operation of Paramedic/Ambulance Advanced Life Support Services for the area collectively described in Exhibit "A" attached hereto and made a part thereof, and to provide service for such additional areas as may be annexed to any of the Parties. If any land is disconnected from a party either by agreement or by operation of law pursuant to the provisions of 70 ILCS 705/20 because it was made part of a newly incorporated municipality or annexed by a municipality (other than one of the parties hereto) that provides fire protection service to property within its boundaries, it shall be deleted from the service area of Tri-City.

III. ASSOCIATION AND FUNCTIONS

A. Board of Directors

1. Tri-City shall be governed by a Board of Directors (sometimes hereinafter referred to as "Board") which shall be comprised of two members of the corporate authorities of each of the cities, one trustee of the Batavia Township & Countryside Fire Protection District, and one supervisor of Geneva Township for a total of eight members. The Mayor with the advice and consent of the City Council of each City shall appoint the representatives for the City with the Batavia Township & Countryside Fire Protection District and Geneva Township each determining its own manner of selection.

2. The Board shall establish all major policies and changes of the service and shall approve all budgets, contracts and other expenditures, subject, however, to the provisions of paragraph 9 below.

3. Regular meetings of the Board shall be held in accordance with a written schedule or call of the Board from time to time. Special meetings may be held upon call of the Chairman or any two members, upon not less than five (5) days written notice 1) delivered personally to each Board member, 2) postmarked and sent by U.S. mail, or 3) electronically by facsimile or e-mail sent by 5:00 p.m., not less than seven (7) days prior to such special meeting. However, lack of receipt by any board member(s) of such notice, duly sent, shall not invalidate any action taken by the Board at such meeting. In any event, all meetings of the Board shall be called and conducted in accordance with the requirements of 5 ILCS 120 (the Open Meetings Act).

4. A quorum for all meetings shall not be less than fifty-one (51%) percent of the designated members of the Board (5 members), provided at least one representative of each City is present. Each designated member appointed by each party shall have one (1) vote.

5. An affirmative vote of a majority of the members present at a duly called meeting at which a quorum is present shall be required for Board action, unless otherwise stated herein.

6. (a) An affirmative vote of a majority of the members of the Board (5 votes) shall be required for the following propositions before the same will be deemed passed:

- (1) Election of a contractor to provide paramedic service.
- (2) Acquisition of capital equipment.
- (3) Selection of an insurance company or companies and coverage.
- (4) Borrowings.
- (5) Employment of an administrator
- (6) Agreement with a third-party collection firm

(b) An affirmative vote of $\frac{3}{4}$ of the members of the Board (6 votes) shall be required for the following propositions before the same will be deemed passed:

- (1) Annual Service Budget
- (2) Deployment or redeployment of ambulances

7. The Board shall elect annually from its membership a chairman, a vice-chairman and a secretary to serve for a period of one (1) year or

until such time as such person's successor is duly elected. The vice-chairman shall act as chairman in the absence of the chairman. The chairman, vice-chairman and secretary of the Board shall be elected on a rotating basis to permit fair representation from the respective Parties in a manner to be determined by the Board. A party may waive its right to rotation prior to nominations, but only on a one-year basis at a time. The fire chiefs of St. Charles, Geneva and Batavia shall be staff advisors to the Board.

8. The Board may request each party to provide a space for an ambulance unit or units within the corporate limits of such party, to provide for support services for such unit or units and to provide insurance coverage. The cost of support services, but excluding employee wages or labor, shall be reimbursed to such party from funds of Tri-City as the Board shall determine. St. Charles, Geneva and Batavia each agree to provide back-up basic life support services to the Paramedic/Ambulance Advanced Life Support Service to be provided within the service area described in Paragraph II above as determined by the Board.

9. The Board shall approve all contracts including purchases of equipment and supplies. However, if a contract is within budget and is less than ten thousand dollars (\$10,000.00), then the "Lead Agency", hereinafter designated, shall have the right to approve such contract without Board action. All contracts under this Article III (A) (9) shall be approved in the manner provided by Illinois Statute for contracts of the Lead Agency when acting alone. For those agreements as provided by the Board in the manner herein provided, the Lead Agency may execute such agreements for and on behalf of all the parties hereto.

B. Lead Agency

1. One (1) member City shall, with its consent, be designated by the Board from time to time to act as Lead Agency, so that a viable corporate entity will be available to legally enter into contracts and employ the necessary personnel for Tri-City. The City of St. Charles shall be the initial lead agency.

2. The Lead Agency shall be authorized to expend Tri-City funds within such limits as are provided in the adopted budget of the Tri-City for each fiscal year, except as modified above. The fiscal year of the Tri-City shall be the same as that of the initial Lead Agency, i.e. May 1 to the following April 30 with the first fiscal year commencing with the effective date of this agreement.

3. Unless otherwise directed by the Board, employees selected to work for Tri-City shall be employed by the Lead Agency. However, in the event any activities under this agreement are provided by another party within that party's boundaries, the person shall be an employee of that party and not of the Lead Agency. If the Parties through the Lead Agency contract with a private

concern to provide any or all of the services described in this agreement, then the employees of such private concern shall not be considered employees of the Lead Agency or any of the other Parties for any purpose.

4. Facilities, equipment, furnishings, supplies and services used for the Tri-City shall be mutually shared by the participating party's jurisdiction as determined by the Board. The Lead Agency shall have the authority to purchase, hold title to, lease, borrow and otherwise make arrangements to use facilities, equipment, furnishings, supplies and services for the Paramedic/Ambulance Advanced Life Support Service for and on behalf of Tri-City.

5. The Lead Agency shall maintain administration records of Tri-City, except those as may be maintained by the other Parties in connection with their own funding arrangements and in connection with space provided by a party within its boundaries and other sources performed for Tri-City.

6. The Lead Agency, or administrator, as determined by the Board, shall provide or cause to be provided, quarterly financial statements and annual audits to all parties. A copy of that portion of the annual audit of the Lead Agency attributable to Tri-City operations shall be sufficient.

C. Budget and Administrative Costs

1. Tri-City shall operate under a budget system pursuant to 65 ILCS 5/8-2-9.1 of the Illinois Compiled Statutes. Each annual budget shall be approved by a super-majority of $\frac{3}{4}$ of the members of the Board as specified herein prior to any expenditure or contract for expenditure thereon. The Lead Agency shall be authorized to enter such contracts and take such further action within the authority granted herein, as the Board shall determine.

2. The Parties may without Board approval, otherwise authorize the Lead Agency to enter contracts provided each of the Parties approve such contracts in the manner provided by statute for contracts entered by such party alone.

3. The cost incurred by the Lead Agency in providing administrative services for Tri-City shall be reimbursed as follows: The administrative cost of Tri-City shall be embodied in the annual budget, which budget, to be effective, shall be approved by the Board. The administrative costs shall include that portion of the salaries and benefits of personnel and that portion of the office expense of the Lead Agency reasonably attributable to administrative services performed for the Tri-City by the Lead Agency. In the event other Parties incur administrative and other costs on behalf of and at the direction of Tri-City,

their reimbursement for a part or all of such administrative costs may be made to such Parties upon approval of the Board.

IV. ASSESSMENTS

Each Party shall be liable for and pay to Tri-City a percentage of Tri-City's annual expenditures. Such contribution amount is to be divided into twelve substantially equal installments to be paid to the Lead Agency on the first day of each month starting May 1, 2012. Each party's contribution amount shall be equal to the following percentage of expenditures after accounting for all other revenues collected by Tri-City:

City of Batavia – 35%

City of Geneva – 27%

City of St. Charles – 35%

Batavia Township & Countryside Fire Protection District – 2.25%

Geneva Township – 0.75%

This method of determining each party's annual contribution shall remain in effect until May 1, 2017. As of May 1, 2017, the parties shall establish a new formula for determining annual contributions of the parties. Said new formula shall provide that contributions shall be based on the number of incidents which have occurred in each respective city during the previous fiscal year

Unless unanimously agreed otherwise, the annual budget shall include maintenance of reserves at a level equal to or greater than the sum of three (3) months operating funds (as projected in that budget) plus that sum necessary to purchase one (1) ambulance.

V. WITHDRAWAL FROM MEMBERSHIP

Parties may only withdraw effective on April 30 of any year. A Preliminary Notice of Intention to Withdraw shall be filed with all other parties not later than May 1st of the calendar year preceding the April 30th withdrawal date for a party. A Final Notice of Intention to Withdraw shall be filed with all other parties not later than November 1st. Such Final Notice of Intention to Withdraw shall be irrevocable, unless all other parties approve of such revocation. Failure to serve a Final Notice by said November 1 shall be an automatic revocation of the Preliminary Notice. All liability of such withdrawing party shall terminate on the withdrawal date which shall be April 30 of the year after the year such party gives a Final Notice of Intention to Withdraw, except for liabilities incurred prior to the withdrawal and yet unpaid. Such liabilities shall include any contracts or other liabilities commencing prior to the withdrawal date and continuing thereafter. The withdrawing party is responsible for such obligations of Tri-City on the same percentage as its share of the budget. There shall be no earlier voluntary withdrawal by a party unless all other parties approve of such voluntary withdrawal.

The association shall, however, continue in operation for the area remaining after the withdrawal of any party or Parties and the removal of their respective geographic areas. Upon withdrawal by any Party, such party shall have been deemed to forfeit any interest it may have in any of the assets of the Tri-City. In the event any party shall fail to meet its obligations hereunder, such failure, if it continues more than thirty (30) days after notice, may be construed by Tri-City as a withdrawal without consent.

VI. INDEMNIFICATION

To the extent not covered by insurance, all Parties including the Lead Agency shall hold the Lead Agency harmless from any liability or loss, including reasonable attorney's fees and expenses, arising out of or in connection with the performance of duties as Lead Agency under this agreement, except for the willful misconduct and gross negligence of the Lead Agency. Such hold harmless shall be apportioned on the basis of each party's percentage of the budget as described in Paragraph IV above.

VII. AMENDMENT

This agreement may be amended by approval of all of the Parties.

VIII. EFFECTIVE DATE

This Agreement shall become effective only if all Parties approve and execute the same. The effective date of this agreement shall be the day after approval of all Parties to this Agreement. If the Parties do not approve this Agreement on or before May 1, 2012, the Agreement entitled, "An Ordinance Authorizing Intergovernmental Agreement Among the Cities of St. Charles, Geneva and Batavia, Fire Protection District of the Township of St. Charles, Batavia Township and Countryside Fire Protection District, and Geneva Township, for Paramedic/Ambulance Advanced Life Support Services" and dated May 14, 1985, shall remain in full force and effect. The rights and obligations of the parties under the aforesaid agreement dated July 20, 1984 shall continue in full force and effect and this association shall assume all of the rights and obligations thereof.

IN WITNESS WHEREOF we have attached our hands and seals on the day and year first indicated above.

CITY OF ST. CHARLES

CITY OF GENEVA

By: _____
Mayor

By: _____
Mayor

Attest: _____
City Clerk

Attest: _____
City Clerk

CITY OF BATAVIA

By: _____
Mayor

Attest: _____
City Clerk

BATAVIA TOWNSHIP AND
COUNTRYSIDE FIRE
PROTECTION DISTRICT

By: _____

Attest: _____

GENEVA TOWNSHIP

By: _____

Attest: _____

	All orgs.	Bat/Gen/Bat FPD/Gen Twshp	STC
	Total		
Expenses	\$ 3,088,714.00		
Call-based revenue	\$ 1,746,798.00	\$ 972,148.00	\$ 774,650.00
Assessment	\$ 1,341,916.00		

	Percentage	Current Assessment (EAV) w/o reserve spend down	Current Assessment (EAV) w/ reserve spend down	Alternative Assessment (Set % and Pool Revenue)	Delta (w/o spend down)
St. Charles	35%	\$ 558,371.25	\$ 510,520.00	\$ 469,670.60	\$ 88,700.65
Geneva	27%	\$ 368,221.75	\$ 336,666.00	\$ 362,317.32	\$ 5,904.43
Batavia	35%	\$ 371,039.77	\$ 339,242.00	\$ 469,670.60	\$ (98,630.83)
Batavia FPD/Geneva Township	3%	\$ 44,283.23	\$ 40,488.00	\$ 40,257.48	\$ 4,025.75

TOTAL ST. CHARLES CONTRIBUTION (REVENUE + ALLOCATION) \$ 1,244,320.60 40%