



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: Recommendation to Approve the Sixth Amendment to the TriCom Intergovernmental Agreement (TriCom Central Dispatch)

Presenter: Fire Chief Joseph Schelstreet

Please check appropriate box:

X	Government Operations (2/1/16)		Government Services
	Planning & Development		City Council

Estimated Cost:	0	Budgeted:	YES	N/A	NO
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If NO, please explain how item will be funded:

Executive Summary:

On June 7, 1976, the City of St. Charles partnered with the Cities of Geneva and Batavia to form TriCom Central Dispatch. This consolidated agency was organized through the use of an inter-governmental agreement (IGA). Since the original IGA was signed, and in order to keep current with changing conditions, five amendments have been approved. At this time, the Tri Com Board finds it necessary to amend the agreement again to clarify existing language and update the funding agreement. A committee of Board members was appointed to develop the amendment and the language has been reviewed by counsel for Tri Com, attorney Charles Radovich. All three communities are currently presenting the agreement to the corresponding City Council for approval.

Attachments:

Sixth Amendment to the TriCom Intergovernmental Agreement

Recommendation / Suggested Action (briefly explain):

Recommendation to approve the Sixth Amendment to the TriCom Intergovernmental Agreement (TriCom Central Dispatch).

For office use only:

Agenda Item Number: 8a

**SIXTH AMENDMENT TO AN INTERGOVERNMENTAL AGREEMENT
[TRICOM CENTRAL DISPATCH]**

City of St. Charles, City of Geneva, and City of Batavia, Illinois

THIS SIXTH AMENDMENT TO AN INTERGOVERNMENTAL AGREEMENT (this “Amendment”), is made and entered into this ____ day of _____, 2016, by and between the CITY OF ST. CHARLES, DuPage and Kane Counties, Illinois (“St. Charles”), the CITY OF GENEVA, Kane County, Illinois (“Geneva”) and CITY OF BATAVIA, Kane and DuPage Counties, Illinois (“Batavia”). St. Charles, Geneva and Batavia sometimes hereafter referred to, collectively, as “Original/Legacy Members”.

WITNESSETH:

WHEREAS, St. Charles, Geneva and Batavia entered into an Intergovernmental Agreement relating to a cooperative arrangement to provide communications services for police, fire, ambulance and other emergency functions (the arrangement or agency commonly referred to as “TriCom Dispatch” or “TriCom”) within each municipality on June 7, 1976 (hereinafter referred to as “Agreement”); and

WHEREAS, the Agreement was subsequently amended 1979, 1985, 1986 and 2013; and

WHEREAS, the Original/Legacy Members find that it is in their respective best interests to amend the Agreement, as heretofore amended; and

WHEREAS, the Original/Legacy Members are “units of local government” as defined by Article VII, Section 1, of the Constitution of the State of Illinois of 1970, and Geneva is “non-home rule unit(s)” and St. Charles and Batavia are “home rule unit(s)”, as defined by the Constitution of the State of Illinois of 1970; and,

WHEREAS, units of local government are enabled by Article VII, Section 10 of the Constitution of the State of Illinois of 1970 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 law or ordinance; and,

WHEREAS, the Original/Legacy Members desire to modify the Agreement, as amended, as to (1) the manner in which the expenses of operating are allocated between the Original/Legacy and any other new members or Contract Communication Service Agencies from Tri Com and (2) the manner of adding new voting members to the Board of Directors of Tri Com; and

WHEREAS, governing bodies of St. Charles, Geneva and Batavia have authorized, by ordinance, the execution of this Amendment as an exercise of their intergovernmental cooperation authority under the Constitution of the State of Illinois, and the Intergovernmental Cooperation Act.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter contained, the adequacy and sufficiency of which the parties hereto stipulate St. Charles, Geneva and Batavia agree as follows:

Section 1. Adoption by Reference. The recitals of fact set forth above are incorporated by reference and adopted herein as if fully set out in this Section 1.

Section 2. Amendment to Paragraph 10 (Finances) of the Agreement. Paragraph 10 (Finances) of the Agreement is hereby deleted and the following provisions are substituted therefor:

“10. Administrative Support Services. St. Charles, Geneva and Batavia, as well as new members and Contract Communication Service Agencies (as defined at Paragraph 19 below), each shall pay to Geneva through Tri Com, an annual sum, as and for reimbursement for administrative support services provided by Geneva to TriCom. The amount of this reimbursement shall be built into the annual TriCom budget. The Administrative Support Services may include financial, human resources, administrative support services, and such other support services, as reasonably determined by Geneva and approved by the Board of Directors of Tri Com.

10.1 Annual Dispatch Service Fee. In addition to the cost for Administrative Support Services, an Annual Dispatch Service Fee shall be paid by each Member to Geneva, in the name of TriCom, in equal quarter annual installments by the tenth day of the month following receipt of an invoice from TriCom. The Annual Dispatch Service Fee is based on the sum of the Base Fee and the Usage Fee, as set forth below:

10.1.2 Base Fee. The purpose of the Base Fee is to allocate among Original/Legacy Members and other members, including Contract Communication Service Agencies, operating expenses of TriCom. The Base Fee is One (1%) percent of the annual day-to-day operating budget for members or Contract Communication Service Agencies with a Calls for Service (as defined below and hereafter referred to as “CFS”) percentage of one (1%) percent or more. In the event the annual CFS is between .5% and 1%, the annual Base Fee shall be \$15,000 and if the member’s or agency’s CFS is below .5%, the annual Base Fee shall be \$10,000. For the purpose of this Agreement, a Call for Service is a telephonic alarm dispatch request or

emergency responder request received by TriCom Central Dispatch from a location within (or for a location within) the corporate boundaries of a member (Original/Legacy Member or Contract Communication Service Agency).

10.1.2 Usage Fee. The Usage Fee is a member's or Contract Communication Service Agency's proportionate share of the remaining balance of the annual day-to-day operating budget (reduced by total Base Fees and non-Usage Fee revenues) based upon the number of Calls for Service received from a member's or agency's corporate jurisdiction for the prior fiscal year. The proportionate share of a member or agency for a fiscal year shall be determined by dividing the total number of Calls for Service originating from a member or agency by the total number of Calls for Service received by TriCom. For illustration purposes only, assume that TriCom's annual day-to-day operating budget for calendar year 2014 is \$2,500,000 and TriCom received 182,500 Calls for Service in year 2013 and Municipality "X" generated 63,875 Calls for Service. The Annual Dispatch Service Fee for Municipality "X" would be calculated as follows:

Base Fee (1% of \$2,500,000) = \$25,000.00

Usage Fee ($63,875/182,500 = 35\% \times \$2,325,000^* = \$813,750.00$)

Annual Dispatch Service Fee (\$25,000.00 + \$813,750): \$838,750.00

***Net day-to-day Operating Budget after Base Fee and non-Usage Fee
Reductions**

Geneva shall keep accurate records of the cost of operating TriCom, which records shall be available at Geneva’s municipal offices for inspection by a duly authorized agent or employee of an Original/Legacy Member, members or Contract Communication Service Agency during regular business hours. The operating expenses shall include a reasonable sum for Geneva’s Administrative Support Services expenses. Geneva shall invoice the Original/Legacy Members, members and Contract Communications Service Agencies for their respective shares of the Annual Dispatch Service Fee quarter annually. Invoices shall be paid within thirty (30) days from receipt thereof. The financial records of TriCom shall be audited annually by an auditor selected by the City of Geneva and the cost of audit shall be a cost of operating TriCom.”

Section 3. Amendment to Paragraph 11 (Board of Directors) of the Agreement.

Paragraph 11 (Board of Directors) of the Agreement is hereby deleted and the following provisions are substituted therefor:

“11. Board of Directors.

11.1 Board of Directors; constituted: The management of TriCom shall be vested in the Board of Directors, consisting of nine (9) Directors, who shall be appointed by the respective Mayor of each Original/Legacy Member, with the advice and consent of each Mayor’s respective City Council, as follows:

Each police chief from each of the Original/Legacy Members to the Agreement (3);

Each fire chief from each of the Original/Legacy Members to the Agreement (3);

and,

One alderperson from each of the Original/Legacy/ Members to the Agreement (3).

In the event an appointed Director is unable to attend a Board of Directors' meeting, each Original/Legacy Member may designate an Alternate Director who may be an elected or appointed officer of such municipality.

11.2. Voting; Quorum. Each Director shall be entitled to cast one vote on each matter coming before the Board of Directors for action, and a majority of the Directors present and voting at a duly noticed Board of Directors' meeting, when there is a quorum of five (5) Directors (at least one (1) from each Original/Legacy Member), shall be required for the Board of Directors to act. In the event that an Original/Legacy member has less than three (3) Directors, but more than one (1) Director, present at a Board of Directors' meeting, the Original/Legacy member shall be entitled to cast a total of three (3) votes, through its Director(s) who are present, on all matters coming before the Board of Directors at the meeting in question.

11.2.1 Each Contract Communication Service Agency whose CFS for the prior fiscal year was greater than 8 % of the total CFS shall be entitled to cast one (1) vote, through its designated representative, on each matter coming before the Board of Directors.

11.2.2 However, for the sole purposes of voting at Board of Director's meetings under this paragraph 11, Contract Communication Service Agencies whose individual CFS, for the prior fiscal year is less than 8 % may, collectively, elect a single representative (hereafter referred to as "Combined Agency"). A Combined Agency, under this paragraph and through its elected representative, may cast one (1) vote on each matter coming before the Board

of Directors for action. A Combined Agency's representative shall be designated on an annual basis.

11.2.3 In the event the CFS for any Contract Communication Service Agency is less than 8% of the total CFS, the right to vote for that Contract Communication Service Agency shall cease *instanter*. Each Contract Communication Service Agency, or a member other than an Original/Legacy Member, may appoint an alternate representative to attend and vote on matters before the Board of Directors if its primary representative is unable to attend a meeting.

11.2.4 Removal of Contract Communication Service Agency representative. The Board of Directors, upon the approval of a two-thirds (2/3) vote of the Board of Directors, may remove a specific Contract Communication Service Agency's representative or a specific Combined Agency's representative from participation in any Board of Directors' meetings. The removal of an individual, specific representative shall be effective for a period of not less than twelve (12) months from the date of the Board of Directors' vote thereon. In such cases, an alternate representative can be selected by the Contract Communication Service Agency or Combined Agency.

11.3 Meetings. The Board of Directors shall meet at least once every 90 days, with at least one meeting being held in May, at which time a chairperson of the Board of Directors shall be elected by the voting members. The chairperson and vice-chairperson can only be a representative from an Original/Legacy agency. Ten (10)

days written notice of all meetings of the Board of Directors shall be given to each party to this Agreement by the chairperson of the Board of Directors with the aid and assistance of the Executive Director. The chairperson or a majority of the Original/Legacy Members of the Board of Directors shall have the authority to call meetings. The Board of Directors shall have the authority to adopt its own rules or by-laws to govern its own deliberation and proceedings.”

Section 4. Amendment to Paragraph 14 (Additional Parties) of the Agreement.

Paragraph 14 (Additional Parties) of the Agreement is hereby deleted and the following provisions are substituted therefor:

“14. Additional Parties/Contract Communication Service Contracts.

14.1.1. Additional Parties. Other municipalities, as defined by Section 1, Article VII of the Constitutions of the State of Illinois, and fire protection districts, as defined by the Illinois Fire Protection District Act, may become a party to the Agreement upon approval of the Board of Directors of TriCom, upon the execution of an appropriate joinder agreement and upon payment of a sum fixed by the Board of Directors to compensate the Original/Legacy Members proportionately for their expenses in acquiring capital assets for TriCom. Such additional parties shall have all of the rights and liabilities of the Original/Legacy Members beginning on the effective date of their membership.

14.1.2 Contract Communications Service Contracts. The Board of Directors may enter into Contract Communications Service contracts with

units of local government or fire protection districts, whether or not contiguous to the corporate boundaries of any Original/Legacy Member. All new members as well as Contract Communications Service Agencies shall be required to, prior to the effective date of commencing service with TriCom, pay to TriCom a proportionate share of the minimum operating reserves of TriCom and any expenses related to the conversion of service to TriCom. The new member's proportionate share of the minimum operating reserves shall be calculated by multiplying one-fourth (25%) of the current year's day-to-day operating budget of TriCom ("minimum 3-month operating reserve") by the anticipated call volume percentage of the new member. The anticipated call volume, which is the aggregate of all Calls for Service received by TriCom, shall be determined by using the new member's call volume for the prior calendar year. The new member's call volume shall be interpolated into an estimated percentage of TriCom call volume. For illustration purposes only, assume TriCom's current day-to-day operating budget is \$2,500,000 and the new member's prior year's call volume would have constituted 1.2% of TriCom's entire call volume for the prior year, the new member's contribution to the operating reserve would be \$7,500. ($\$2,500,000 \times .25 = \$625,000 \times .012 = \$7,500$) for its one-time, nonrefundable contribution to the financial operating reserves of TriCom."

Section 5. Binding Effect. This Agreement shall be binding upon and shall apply only to the legal relationship between St. Charles, Geneva and Batavia. Nothing herein shall be used or construed to affect,

support, bind or invalidate any claims of any Original/Legacy Member insofar as such claims shall affect any entity, which is not a party to this Amendment or the Agreement, as modified.

Section 6. Amendment. No Original/Legacy Member shall directly or indirectly seek any modification of this Amendment or the Agreement, as amended, through court action and the Agreement, as heretofore and herein amended, shall remain in full force and effect until amended or changed in writing by the mutual agreement of the Original/ Legacy Members.

Section 7. Partial Invalidity. If any provision of this Amendment shall be declared invalid for any reason, such invalidation shall not affect other provisions of this Amendment, which can be given effect without the invalid provisions and to this end, the provisions of this Amendment are deemed to be separable.

Section 8. Notice and Service. Any notice hereunder from either municipality hereto to the other municipality shall be in writing and shall be served by registered or certified mail, postage prepaid, return receipt requested addressed as follows:

To St. Charles: City of St. Charles
 2 E. Main Street
 St. Charles, IL 60174
 Attn: City Administrator

To Geneva: City of Geneva
 22 South First Street
 Geneva IL 60134
 Attn: City Administrator

To Batavia: City of Batavia
 100 N. Island
 Batavia, IL 60510
 Attn: City Administrator

or to such persons or entities and at such address as either municipality may from time to time designate by notice to the other municipality. Notice shall be deemed received on the third business day following deposit in the U.S. Mail in accordance with this Section.

Section 9. Illinois Law. This Agreement shall be construed in accordance with the laws of the State of Illinois.

Section 10. Execution of Agreement, Recordation and Counterparts. Each municipality shall authorize the execution of this Agreement by an ordinance duly passed and approved. This Amendment may be executed by the parties in counterparts.

Section 11. Effective Date. The effective date (“Effective Date”) of this Amendment shall be date the last party executes the Amendment.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth below.

CITY OF ST. CHARLES, an Illinois
municipal corporation

By: _____
Mayor

ATTESTED on this ___ day of _____, 2016:

City Clerk

CITY OF GENEVA, an Illinois
municipal corporation

By: _____
Mayor

ATTESTED on this ___ day of _____, 2016:

City Clerk

CITY OF BATAVIA, an Illinois
municipal corporation

By: _____
Mayor

ATTESTED on this ___ day of _____, 2016:

City Clerk