

RESOLUTION NO. 2019-06-022R

**A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH
THE URBANA & CHAMPAIGN SANITARY DISTRICT FOR BILLING SERVICES**

(Sanitary Sewer Fee, Stormwater Utility Fee, and Recycling Tax)

WHEREAS, Article VII, Section 10(a), of the Illinois Constitution, 1970, and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, authorize intergovernmental cooperation in any manner not prohibited by law or ordinance; and

WHEREAS, the Urbana & Champaign Sanitary District (“UCSD”) and the City of Urbana (“City”) desire to execute an intergovernmental agreement to allow the UCSD to provide billing services to the City for its sanitary sewer fee, stormwater utility fee, and recycling tax as herein provided; and

WHEREAS, the City Council, after due consideration, finds that approval of an intergovernmental agreement to allow the UCSD to provide such billing services to the City is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs.

NOW, THEREFORE, BE IT RESOLVED by the City Council, of the City of Urbana, Illinois, as follows:

Section 1.

An Intergovernmental Agreement for Billing Services between the Urbana & Champaign Sanitary District and the City of Urbana, Illinois, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2.

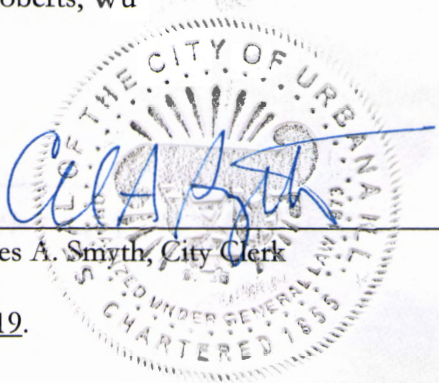
The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED BY THE CITY COUNCIL this 17th day of June, 2019.

AYES: Brown, Hazen, Hursey, Jakobsson, Miller, Roberts, Wu

NAYS:

ABSTENTIONS:



Charles A. Smyth

Charles A. Smyth, City Clerk

APPROVED BY THE MAYOR this 18th day of June, 2019.

Diane Wolfe Marlin

Diane Wolfe Marlin, Mayor

INTERGOVERNMENTAL AGREEMENT FOR BILLING SERVICES

URBANA & CHAMPAIGN SANITARY DISTRICT / CITY OF URBANA

THIS AGREEMENT is made this 17 day of June 2019, by and between the URBANA & CHAMPAIGN SANITARY DISTRICT, a municipal corporation (hereinafter referred to as "District") and the CITY OF URBANA, a municipal corporation (hereinafter referred to as "City").

WHEREAS, the City has established a sanitary sewer fee for use of the City's sanitary sewer system in accordance with Urbana City Code Sections 24-16 and 24-17; and

WHEREAS, the City and the District did on the 5th of January 2006, pursuant to City of Urbana Ordinance No. 2005-11-168, enter into an intergovernmental agreement, to allow the District to provide billing services to the City for its Sanitary Sewer Fee; and

WHEREAS, the City has established a stormwater utility fee for the use of the City's stormwater sewer system in accordance with Urbana City Code Chapter 24, Article VIII and

WHEREAS, the City and the District did on the 7th day of June 2012, pursuant to City of Urbana Ordinance No. 2012-04-022R, enter into an intergovernmental agreement, to allow the District to provide billing services to the City for its Stormwater Utility Fee; and

WHEREAS, the City has established a recycling tax for the privilege of occupying a dwelling unit in a residential dwelling in the City of Urbana in accordance with Urbana City Code Chapter 22, Article VIII and

WHEREAS, the City and the District seek to enter into an intergovernmental agreement whereby the District will provide Recycling Tax billing services for the City; and

WHEREAS, the City and District agree that provision of billing services by the District to the City is in the best interests of the parties and the parties' customers.

NOW, therefore, for good, valuable and mutual consideration, which each party hereto acknowledges as having in hand received and in exchange for the terms, covenants and conditions contained herein, it is agreed by and between the parties as follows:

I. Billing Services, Billing Rate, and Calculation of Charges

A. Charges for services provided beginning January 1, 2020 and thereafter.

1. The District shall include charges for the City's Sanitary Sewer Fee, Stormwater Utility Fee, and Recycling Tax on bills that the District sends to its service recipients. Each City fee will be listed as a separate line item on the District's sanitary sewer bill. The fees will be identified on the bill as the "sewer use fee", "stormwater fee", and "recycling tax", respectively.

2. The City shall establish billing formulas for each service for each entire calendar year. The District shall calculate bills using the formulas established by the City. The City will notify the District of any change to the City's billing formulas not later than December 15 of the year before the effective date. The District will implement any change in the City's formulas with the first billing of the new calendar year. The new rate(s) shall apply to all bills generated on or after the effective date of the rate or rate change.
3. The District shall accurately calculate and use its best efforts to collect the City's fees. The District's calculation methods shall include the following:
 - a. The District will calculate the City's sewer use fee based upon the rate provided to the District by the City as applied to the billable flow for each parcel billed by the District.
 - b. The District will calculate the City's stormwater utility fee using the monthly rate, equivalent residential units (ERU), and credits applicable to each parcel as provided by the City.
 - c. The District shall calculate bills using the rates and number of units as provided by the City for each parcel.
 - d. The District will assess delinquency fees on unpaid balances that are thirty (30) days overdue in accordance with the District's standard procedures utilized for its own delinquent accounts.
 - e. City sewer use fees billed by the District that become delinquent will be collected in accordance with the District's standard procedures that it utilizes for collecting its own delinquent accounts. The District will communicate material changes to these procedures to the City thirty (30) days prior to implementation.
 - f. City stormwater utility fees billed by the District that become delinquent will be collected in accordance with the District's standard procedures that it utilizes for collecting its own delinquent accounts until the charges are two (2) years delinquent or the balance is \$200, whichever occurs first. At that point, the District will reverse all outstanding stormwater utility fees from the District's account, create a detail of the fees due and owing, and forward that information to the City. Collection efforts for stormwater utility fees reversed for non-payment will become the responsibility of the City. The District will communicate material changes to these procedures to the City thirty (30) days prior to implementation.
 - g. City recycling taxes billed by the District that become delinquent will be collected in accordance with the District standard procedures that it utilizes for collecting its own delinquent accounts until the charges are two (2) years delinquent or the balance is \$200, whichever occurs first. At that point, the District will reverse all outstanding recycling taxes from the District's account, create a detail of the fees due and owing, and forward that information to the City. Collection efforts for recycling taxes reversed for non-payment will become the responsibility of the City. The District will communicate material changes to these procedures to the City thirty (30) days prior to implementation.
 - h. The City may determine that adjustments are to be applied to stormwater utility fees in accordance with its ordinance or policy. Additions of or changes to existing

criteria will be forwarded to the District no more frequently than once a week. Change information shall include the parcel number, property address, ERU, and /or credit percentage. Changes will be incorporated into the stormwater calculation for the specified parcel and will apply to the next regularly generated bill.

- i. The City may determine that adjustments are to be applied to recycling taxes in accordance with its ordinance or policy. Additions of or changes to existing criteria will be forwarded to the District no more frequently than once a week. Change information shall include the parcel number, property address, number of units, and monthly rate factor. Changes will be incorporated into the recycling tax calculation for the specified parcel and will apply to the next regularly generated bill.

- B. Response to Customer Questions: The District will make good faith efforts to respond to questions from customers concerning the City's charges, including past-due amounts. The District will direct customers who request additional information to the City at a phone number provided to the District by the City.
- C. Processing Payments. The District will process all payments of the fees as it processes payments of District charges. Payments shall be applied to the oldest outstanding bill first in the following order: delinquency or collection fees, District charges, sewer use fee, recycling taxes, and stormwater utility fees. The District will distribute to the City all receipts actually collected on behalf of the City each month via wire transfer or ACH before the end of the fifth business day of the following month. The District shall not pay to the City interest earned on funds held on behalf of the City during the month in which it is collected.

II. Responsibilities of City Prior to Initiation of District Billing

- A. Prior to November 1, 2019, the City will notify all owners of property in the City that the recycling tax will be included on the District's regular bill as of January 1, 2020. The City will collect any unpaid balances as of December 31, 2019.

III. Fees for Services Provided by the District.

- A. Fees. The City shall pay to the District 3.0% of billed revenues for services rendered. Changes in fee structure for subsequent years shall be set by mutual written agreement between the Executive Director of the Urbana & Sanitary District and the Mayor of the City of Urbana.
- B. Bill Redesign Fee. The City shall pay to the District a one time bill redesign fee of no more than \$3,250.00 of the bill redesign cost incurred by the District to include recycling tax on the billing statement. The City shall pay to the District the one time cost associated with integrating data from the City database into the District database.

IV. District Information Sharing Responsibilities.

- A. No later than the date specified in I.(C), the District shall provide the following information to the City regarding billing information for the City's fees:
 1. The amount billed, paid, outstanding, and the amount that the District deems uncollectible by reason of bankruptcy or similar reason. Those City fees that the District deems uncollectible shall receive no further attention by the District. The District will identify such accounts by address and Permanent Parcel Index Number, type of fee, billing period, and amount due and provide said list to the City

V. Amendment and Termination.

- A. This Agreement may be amended by written agreement of both parties.
- B. This Agreement may be terminated by either party for any reason by notifying the other party in writing at least 365 days in advance of the effective date of such termination.
- C. In the event that this Agreement is terminated for any reason, within thirty (30) calendar days following the date of notification, the District shall provide to the City the following information for each property subject to the City's fees, in an industry-standard format using industry-standard electronic media:
 - 1. Parcel tax identification number assigned by County
 - 2. Premise number assigned by IAWC
 - 3. Property address
 - 4. Billing address
 - 5. Property owner name
 - 6. Billing and payment history, including the following for each billing period up to two (2) years prior to the notification:
 - a. Water reading
 - b. Billed sewer units (daily base or actual water use, as applicable)
 - c. Billed recycling units
 - d. Dollar amount billed for sewer use fee
 - e. Dollar amount billed for stormwater utility fee
 - f. Dollar amount billed for recycling tax
 - g. Amount paid toward each fee type
 - h. Amount outstanding for each fee type
- D. Within thirty (30) calendar days of termination, the District shall also provide to the City the following information for each property that is not subject to the City sewer use fee, stormwater utility fee, and recycling tax in an industry-standard format using industry-standard electronic media:
 - 1. Parcel tax identification number assigned by County
 - 2. Premise number assigned by IAWC
 - 3. Property address
 - 4. Billing address
 - 5. Property owner name

The District shall also provide the above data to the City upon the City's request prior to termination of this Agreement, and provide other information that the City might reasonably request, so that the City may test conversion of the data to the City's billing system.

VI. Notices

Any notices required or made pursuant to this Agreement shall be delivered personally or sent by first class mail with return receipt requested as follows:

To the District
Executive Director
Urbana & Champaign Sanitary District
P.O. Box 669
Urbana, IL 61803-0669

To the City
City Administrator
City of Urbana
400 South Vine Street
Urbana, IL 61801

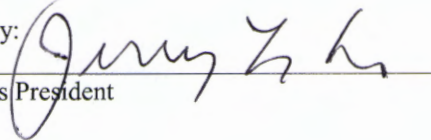
If sent by first class mail, such notice shall be deemed effective on the fourth day following placement of such notice with the U.S. Postal Service if the envelope in which such notice is placed bears the intended recipient's proper address and with postage fully paid.

If delivered personally, such notice shall be deemed effective on the date actually received by the intended recipient.

IN WITNESS WHEREOF, the parties hereto have set their hand and seal the day and year first written above.

URBANA & CHAMPAIGN SANITARY DISTRICT

City Clerk

By: 
Its President

SEAL:

ATTEST:

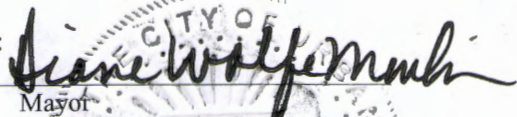
APPROVED AS TO FORM:

By: 
Its Clerk


City Attorney

SEAL:

CITY OF URBANA

By: 
Mayor

By: 
City Clerk

