

CITY OF BATAVIA

DATE: January 3, 2013
TO: City Services Committee
FROM: Randy Deicke, Fire Chief
SUBJECT: Resolution 13-03-R, Amendment to the Tri-Com Intergovernmental Agreement

Resolution 13-03 is an amendment to the TriCom Intergovernmental Agreement. The amendment changes the fee structure for both the charter members (Batavia, Geneva, and St.Charles) and all contractual members such as Elburn Fire and Police. The reason for the change was to make TriCom a more financially feasible option for other departments that may be looking at new dispatching options and to open the doors to possible cost savings through consolidation. Currently, TriCom requires each contract Department to pay for the cost of one dispatcher plus benefits, regardless of the size of the Department. The charter members then pay the rest with each department paying a proportion based upon their call volume. Such an arrangement makes it financially difficult for small departments to consider TriCom and not in TriCom's interest to take on larger departments that should be paying more.

The reason for bringing the change now is that three new departments (North Aurora FPD, Sugar Grove FPD, and Sugar Grove PD) expressed interest in being contractual members of TriCom. The Executive Director of TriCom evaluated the potential costs and savings of taking on the additional departments. She has determined that TriCom has the capacity and technology to take on the additional departments and that such a consolidation would save money for all members involved if the fee structure could be revised. The additional capital from the new departments would not only help reduce the contributions from the existing members but also help increase staffing and dispatching capability.

The new fee structure assesses a base fee to each Department of 1% of the operating budget. The remaining costs are divided among the departments based upon call volume. The projected savings to Batavia of changing the fee structure and bringing on the three additional departments would be about \$12,000 a year. The Amendment has been reviewed by the TriCom Board of Directors, the TriCom Attorney, and the City Administrators and Attorneys for the Batavia, Geneva and St.Charles. The TriCom Board of Directors feels that the new fee structure is a more equitable and fair structure that benefits all parties, and has voted to recommend to each City Council the passage of this amendment to the TriCom Intergovernmental Agreement.

Please present Resolution 13-03R for approval at the January 8, 2013 City Services Committee meeting, and then bring it to the City Council on January 22, 2013 to approve this amendment to the TriCom Intergovernmental Agreement. For further information, questions, please feel free to contact me.

RD/cjc

cc: Jeffery D. Schielke, Mayor
City Council
William McGrath, City Administrator
Jason Bajor, Assistant City Administrator
Heidi Wetzels, City Clerk
Peggy Colby, Finance Director

Attachment: Resolution 13-03-R

**CITY OF BATAVIA, ILLINOIS
RESOLUTION 13-03-R**

**AUTHORIZING THE AMENDED INTERGOVERNMENTAL AGREEMENT
WITH TRI-COM CENTRAL DISPATCH AGENCY**

WHEREAS, the City of Batavia and the Tri-Com Central Dispatch Agency have previously entered into a certain Intergovernmental Agreement, which Agreement stated that the Tri-Com Central Dispatch Agency would provide dispatch services to the City of Batavia Fire and Police Departments in exchange for payment; and

WHEREAS, representatives of the City and the Tri-Com Central Dispatch Agency have reached an Agreement with respect to the terms and conditions of an Amendment to the Intergovernmental Agreement for the provision by the Tri-Com Central Dispatch Agency to provide dispatch services to the City of Batavia; and

WHEREAS, the terms and conditions of the Amendment are fair and equitable, and it is in the best interests of the City that the Amendment to Intergovernmental Agreement be approved and executed;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Batavia, Kane and DuPage Counties, Illinois, as follows:

SECTION 1. The Mayor and City Clerk are authorized to execute the Amendment to the Intergovernmental Agreement for Dispatch Service to the City of Batavia Fire and Police Department, a copy of which is attached hereto as EXHIBIT “1.”

CITY OF BATAVIA, ILLINOIS RESOLUTION 13-03-R

PRESENTED to and **PASSED** by the City Council of the City of Batavia, Illinois, this _____ day of _____, 2013.

APPROVED by me as Mayor of said City of Batavia, Illinois, this _____ day of _____, 2013.

Jeffery D. Schielke, Mayor

Ward	Aldermen	Ayes	Nays	Absent	Abstain	Aldermen	Ayes	Nays	Absent	Abstain
1	O'Brien					Sparks				
2	Dietz					Wolff				
3	Jungels					Chanzit				
4	Volk					Stark				
5	Frydendall					Thelin Atac				
6	Liva					Clark				
7	Tenuta					Brown				
Mayor Schielke										
VOTE:		Ayes		0 Nays		0 Absent		Abstention(s)		
Total holding office:		Mayor and 14 aldermen								

ATTEST:

Heidi Wetzal, City Clerk

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

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

THIS FIFTH AMENDMENT TO AN INTERGOVERNMENTAL AGREEMENT (this “Amendment”), is made and entered into this ____ day of _____, 2013, 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 County, Illinois (“Batavia”). St. Charles, Geneva and Batavia sometimes hereafter referred to, collectively, as “Original 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, and 1986; and

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

WHEREAS, the Original 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 Members desire to modify the Agreement, as amended, as to (1) the manner in which the expenses of operating are allocated between the Original Members and any other

unit of local government receiving contract communication service from TriCom and (2) the manner of authorizing contracts for communication service to other units of local government (“contract service communication members”); and

WHEREAS, 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. Incorporation of Recitals. The recitals set forth hereinabove are incorporated herein by reference as substantive provisions of this Amendment.

Section 2. Amendment to Paragraph 2 (Purpose) of the Agreement.

Paragraph 2 of the Agreement is hereby deleted and the following provisions are substituted therefor:

“2. Purpose. The purpose of this Agreement is to unite the parties in a cooperative arrangement to provide communications services for police, fire, ambulance and other emergency functions within St. Charles, Geneva and Batavia, as well as other units of local government which TRICOM, as hereinafter defined, through its Board of Directors may contract for rendering communication services (contract communications service member). In no event shall any contract communications service member become a party to this Agreement without first complying with the terms and conditions set forth at Paragraph 14 (Additional Parties). Contract communication service members shall have no voting rights on the Board of Directors (as defined below) or entitlement to any capital investments of TriCom, but shall be permitted to attend open meetings of the Board of Directors.”

Section 3. 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. Finances. St. Charles, Geneva and Batavia as well as contract communication service members (as defined at Paragraph 19 below) each shall pay to Geneva, on behalf of TriCom, an annual sum as and for the service fee for communication services provided by Tri-Com (Annual Service Fee). The Annual Service Fee shall be paid 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 Service Fee is based on the sum of the Base Fee and the Usage Fee. The Base Fee is One (1%) percent of the annual day-to-day operating budget for Tri-Com. The purpose of the Base Fee is to allocate among all Original Members and contract communication service members expenses of TriCom. The Usage Fee is a member’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 Call for Service received from a member’s corporate jurisdiction for the prior fiscal year. 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 Member or contract communication service member). The proportionate share of a member for a fiscal year shall be determined by dividing the total number of Calls for Service originating from a member by the total number of Calls for Service received by TriCom . For illustration purposes only, assume that Tri-Com’s annual day-to-day operating budget for year 2012 is

\$2,500,000 and Tri-Com received 182,500 Calls for Service in year 2011 and Municipality “X” generated 63,875 Calls for Service. The Annual 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% x \$2,325,000*= \$813,750.00

Annual 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 Member or contract communication service member during regular business hours. The operating expenses shall include a reasonable sum for Geneva’s administrative expenses. Geneva shall invoice the Original Members and contract communications service members for their respective shares of the Annual Service Fee quarter annually. Invoices shall be paid within thirty (30) days from receipt thereof. The financial records of Tri-Com shall be audited annually by an auditor selected by the City of Geneva and the cost of audit shall be a cost of operating Tri-Com.”

Section 4. Amendment to Paragraph 14 (Additional Parties) of the Agreement. The following language is hereby added to Paragraph 14 of the Agreement:

“The Board of Directors may enter into contract communications service contracts with units of local government, whether or not contiguous to the corporate boundaries of

any Original Member. All new members as well as contract communications service members 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 number of 9-1-1 calls received, 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 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 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 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 first above written.

CITY OF ST. CHARLES, an Illinois municipal corporation

By: _____
Mayor

ATTEST:

City Clerk

CITY OF GENEVA, an Illinois municipal corporation

By: _____
Mayor

ATTEST:

City Clerk

CITY OF BATAVIA, an Illinois municipal corporation

By: _____
Mayor

ATTEST:

City Clerk