

**INTERGOVERNMENTAL AGREEMENT FOR WATER INFRASTRUCTURE
ASSISTANCE BETWEEN THE COUNTY OF CHAMPAIGN AND THE
VILLAGE OF ROYAL**

THIS AGREEMENT is made and entered by and among the County of Champaign, Illinois (“County”) and the Village of Royal, Illinois (“Royal”) (herein after collectively referred to as “the Parties”), effective on the last date signed by a Party hereto.

WHEREAS, Section 10 of Article VII of the Illinois Constitution of 1970 and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq. enables the parties to enter into agreements among themselves and provide authority for intergovernmental cooperation; and

WHEREAS, the County is in receipt of funds pursuant to the American Rescue Plan Act of 2021, P.L. 117-2 (“ARPA Funds”); and

WHEREAS, the County is authorized by Section 603(c)(1)(D) of the Social Security Act and the United States Department of Treasury Interim and Final Rule 31 CFR Part 35 to make necessary investments in water infrastructure; and

WHEREAS, Royal is a municipal body in Champaign County; and

WHEREAS, the Parties desire to enter into this Agreement to recognize the roles and responsibilities for each Party in providing financial assistance for water infrastructure.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Purpose and Scope: The Parties agree that viable water infrastructure is important. The purpose of this Agreement is for the County to provide ARPA Funds to Royal for design work of water treatment plant improvements, water treatment plant pressure filter replacement, and/or upgrades to the water treatment plant control system.

Section 2. Funding Amount: The County, subject to the terms and conditions of this Agreement, hereby agrees to provide ARPA Funds in amount of up to \$200,000.00 to Royal for water treatment plant improvements.

Section 3. Funding Requirements: Each of the following requirements must be met to utilize ARPA Funds for the purpose specified in this Agreement:

- A. Royal will conduct design work for water treatment plant control system upgrades, replace the water treatment plant pressure filter, and/or complete other water treatment plant control system upgrades as detailed in Attachment 1.
- B. The project(s) must occur between March 3, 2021 and December 31, 2024.
- C. The maximum amount of assistance from this Agreement shall be \$200,000.
- D. Royal must provide reporting information to the County as required in Section 4.
- E. The County will transfer ARPA Funds to Royal in an amount up to \$200,000 in support of this assistance, available beginning in County fiscal year 2022. The transferred funds shall be provided to Royal based on invoice(s) for related water treatment plant improvement activities. A Risk Assessment Form, copy of the invoice and documentation for water treatment plant improvement activities, and Reporting Form shall be submitted by Royal to the County prior to the first payment. If multiple payments are needed, Royal shall submit a copy of invoice and related documentation, along with submission of a Reporting Form by Royal to the County for each payment, with a maximum total amount of \$200,000. The County shall provide the Risk Assessment Form and Reporting Form templates to Royal.

Section 4. Roles and Responsibilities of Royal: Royal agrees to adhere to funding requirements and provide information needed that include the following:

- A. Royal will adhere to the ARPA Funds fiscal, accounting, and audit procedures that conform to the Generally Accepted Accounting Principles (GAAP) and the requirements of Federal Uniform Guidance (2 CFR Part 200).
- B. Royal will adhere to all applicable state and federal requirements regarding labor standards for the project(s), including 2 CFR 200, Appendix II; 40 U.S.C. 3702 and 3704; and 29 CFR Part 5.

- C. Royal will complete water treatment plant improvement activities with ARPA Funds in accordance with Section 3.
- D. Royal will submit reporting information to the County as required by the Department of Treasury, upon request of the County. Information will include but is not limited to: location of project; number of households served by the project; median household income and lowest quintile income of the service area as indicated through the most recent American Community Survey 5-year estimates available via the United States Census Bureau website; Public Water System (PWS) identification number if utilized; National Pollutant Discharge Elimination System (NPDES) Permit Number if utilized; project details and purpose; project timeline and status; Davis Bacon and Labor Reporting for capital expenditures over \$10 million; and project expenditure information/status.
- E. Royal will provide to the County, upon reasonable notice, access to and the right to examine such books and records of Royal. Royal will make reports to the County as the County may reasonably require so that the County may determine whether there has been compliance with this Agreement.
- F. No person shall be excluded from participation in programs the County is funding, be denied the benefits of such program, or be subjected to discrimination under any program or activity funded in whole or in part with the funds provided under this Agreement on the ground of race, ethnicity, color, national origin, sex, sexual orientation, gender identity or expression, religion, disability, or on any other ground upon which such discrimination is prohibited by law. Royal understands that Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, applies to the use of ARPA Funds.
- G. Royal will comply with all applicable statutes, ordinances, and regulations. Royal will not use any of these ARPA Funds for lobbying purposes. If it is determined by the County that any expenditure made with ARPA Funds provided under this Agreement is prohibited by law, Royal will reimburse the County any amount that is determined to have been spent in violation.

Section 5. Roles and Responsibilities of the County:

- A. The County shall provide ARPA Funds to Royal in an amount up to \$200,000 in support of this assistance. The transferred funds shall be provided to Royal based on invoice(s) for water treatment plant improvement activities. A Risk Assessment Form, copy of the invoice and documentation for related water treatment plant improvement activities, and Reporting Form shall be submitted by Royal to the County prior to the first payment. If multiple payments are needed, Royal shall submit a copy of invoice and related documentation, along with submission of a Reporting Form by Royal to the County for each payment, with a maximum total amount of \$200,000. The County shall provide the Risk Assessment Form and Reporting Form templates to Royal.
- B. The County shall provide oversight as described in this Agreement for the purpose of ensuring that ARPA Funds are spent in compliance with Federal law, and in compliance with the intended purpose of the funds as set forth in this Agreement.

Section 6. Term and Termination: This Agreement shall commence upon its execution between the Parties. This Agreement may be terminated by either party upon a thirty-day notice in writing to the other party. Upon termination, Royal shall provide to the County an accounting of the ARPA Funds and shall remit unspent ARPA Funds to the County. Additionally, if Royal does not spend the ARPA Funds in accordance to the regulations and requirements specified in this Agreement, Royal will be required to repay the County in the amount of ARPA funds that were utilized incorrectly.

Section 7. Amendments: This Agreement may be amended only by an agreement of the parties executed in the same manner in which this Agreement is executed.

Section 8. Limitation of Liability: Under no circumstances shall either Party be liable to the other Party or any third Party for any damages resulting from any part of this Agreement such as, but not limited to, loss of revenue or anticipated profit or lost business, costs of delay or failure of delivery, which are not related to or the direct result of a Party's negligence or breach.

The Parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:

ATTACHMENT 1

Project summary - The Village of Royal (Village), Illinois owns and operates an Illinois Environmental Protection Agency (IEPA)-permitted public water supply system that serves the customers within the Village corporate limits. The Village's water treatment plant was originally constructed in 1960's and for the most part, portions of those facilities have been updated, replaced and well-maintained over the years. However, the treatment plant pressure filter is in poor condition. The treatment plant only has one filter, and the failure of this filter will cause a decrease in water quality. The Village is in the process of planning the replacement of the filter with two new filters to provide backup to ensure the water quality. In order to install the two filters, the existing building will need a small addition. As part of the project the Village will also upgrade the plant control system. The Village is currently evaluating applying for an IEPA loan or a loan from the United States Department of Agriculture.

Project timeline from the feasibility study -

Facilities Planning Study/Report Phase	May 2022 – July 2022
Design Phase (including Permit applications)	September 2022 – November 2022
Pass Rate Ordinance	November 2022 – March 2023
Pass Debt Ordinance	November 2022 – March 2023
Bidding/Negotiation	July 2023 – August 2023
Loan Application	September 2022 – April 2023
Construction	September 2023 – February 2024
Start-Up & Commissioning	February 2024

ARPA Funds - The preliminary cost for the project is \$950,000. The Village would like to ask for \$250,000 from the Champaign County ARPA funds.

Total Funding

Village funds – \$700,000
ARPA funds – \$250,000

Impact/importance of project needing completed - The Village currently relies solely on one filter at the water treatment plant. The filter has out lasted its useful life and is poor condition. The filter is the only treatment the water receives besides chemical addition. The filter removes iron, arsenic, and manganese. This failure of the filter will have negative impacts on the water quality and the quality of life for the residents of the Village.