



Rep. Tom Demmer

Filed: 5/19/2017

10000SB0060ham001

LRB100 06032 AMC 26209 a

1 AMENDMENT TO SENATE BILL 60

2 AMENDMENT NO. _____. Amend Senate Bill 60 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Township Code is amended by changing
5 Sections 205-140 and 205-145 and by adding Section 205-141 as
6 follows:

7 (60 ILCS 1/205-140)

8 Sec. 205-140. Initiating proceedings for particular
9 locality; rates and charges; lien.

10 (a) This Section applies to townships to which Section
11 2015-141 does not apply.

12 (a-1) ~~(a)~~ A township board may initiate proceedings under
13 Sections 205-130 through 205-150 in the manner provided by
14 Section 205-20.

15 (b) The township board may establish the rate or charge to
16 each user of the waterworks system or sewerage system, or

1 combined waterworks and sewerage system, or improvement or
2 extension at a rate that will be sufficient to pay the
3 principal and interest of any bonds issued to pay the cost of
4 the system, improvement, or extension and the maintenance and
5 operation of the system, improvement, or extension and may
6 provide an adequate depreciation fund for the bonds. Charges or
7 rates shall be established, revised, and maintained by
8 ordinance and become payable as the township board determines
9 by ordinance.

10 (c) The charges or rates are liens upon the real estate
11 upon or for which sewerage service is supplied whenever the
12 charges or rates become delinquent as provided by the ordinance
13 of the board fixing a delinquency date.

14 (d) Notwithstanding any provision of law to the contrary,
15 the township shall conduct a cost study regarding the
16 connection charge of the township:

17 (1) before the township increases or creates a
18 connection charge;

19 (2) upon the request of the supervisor or a majority of
20 the township board of the township;

21 (3) upon the request of a majority of the mayors or
22 village presidents of the municipalities located within or
23 substantially within the township or township's facility
24 planning area; or

25 (4) upon the filing with the township board of a
26 petition signed by 10% or more of the customers who have

1 paid connection charges to the township in the previous 5
2 calendar years.

3 The cost study shall be conducted by an independent entity
4 within 6 months of action taken under paragraphs (1), (2), (3),
5 or (4) of this subsection (d). For purposes of subsections (d)
6 and (e), the term "independent entity" shall mean an
7 engineering firm that has not entered into a contract with any
8 State agency, unit of local government, or non-governmental
9 entity for goods or services within the township or township
10 service area in the 24 months prior to being contracted to
11 perform the cost study. After performing a cost study under
12 this subsection (d), an independent entity may not contract
13 with any State agency, unit of local government, or
14 non-governmental entity for goods or services within the
15 township or township service area in the 24 months after
16 completion of the cost study other than to perform further cost
17 studies under this subsection (d). A township shall not be
18 required to conduct more than one cost study in a 60 month
19 period under paragraphs (3) or (4) of this subsection (d). The
20 cost study must include, at a minimum, an examination of
21 similar water main and sewer connection charges in neighboring
22 units of local government or units of local government similar
23 in size or population. Following the completion of the cost
24 study, no increase or new connection charge may be imposed
25 unless the increase or new charge is justified by the cost
26 study. If the connection charge the township charged prior to

1 completion of the cost study is higher than is justified by the
2 cost study, the township shall reduce its connection charge to
3 the amount justified by the cost study. For purposes of this
4 subsection (d), "connection charge" means any charge or fee, by
5 whatever name, assessed to recover the cost of connecting the
6 customer's water main, sewer, or water main and sewer service
7 line to the township's facilities, and includes only the direct
8 and indirect costs of physically tying the service line into
9 the township's main.

10 (e) If a cost study has been conducted pursuant to
11 subsection (d) of this Section and a new cost study is
12 requested under paragraph (3) or (4) of subsection (d), the
13 township shall obtain a written quote from an independent
14 entity detailing the cost of the requested cost study and one
15 of the following shall occur prior to a new cost study
16 beginning:

17 (1) each township, village, and municipality whose
18 mayor or president requested the cost study under paragraph
19 (3) of subsection (d) shall pay a proportionate share of
20 the entire cost of the cost study as detailed in the
21 written quote required under this subsection (e); or

22 (2) the customers who signed the petition under
23 paragraph (4) of subsection (d) shall pay a pro rata share
24 of the entire cost of the cost study as detailed in written
25 quote required under this subsection (e).

26 Payments required under either paragraph (1) or (2) of this

1 subsection (e) shall be made to the township clerk, who shall
2 forward the same to the independent entity upon receipt of
3 entire amount of the written quote for the cost study. If the
4 entire amount of the written quote for the cost study has not
5 been received within 90 days from the township clerk providing
6 public note of the amount of the written quote, then those
7 amounts received by the township clerk shall be refunded to the
8 persons or entities which paid them.

9 (Source: P.A. 99-481, eff. 9-22-15; 99-498, eff. 1-29-16.)

10 (60 ILCS 1/205-141 new)

11 Sec. 205-141. Initiating proceedings for particular
12 locality; rates and charges; lien; certain townships.

13 (a) This Section applies to any township that (i) has a
14 population between 31,500 and 32,000 according to the 2010
15 federal decennial census; and (ii) is located within a county
16 that has a population between 260,000 and 265,000 according to
17 the 2010 federal decennial census.

18 (a-1) A township board may initiate proceedings under
19 Sections 205-130 through 205-150 in the manner provided by
20 Section 205-20.

21 (b) The township board may establish a fair and reasonable
22 rate for each user of the waterworks system or sewerage system,
23 or combined waterworks and sewerage system, or improvement or
24 extension at a rate that will be sufficient to pay the
25 principal and interest of any bonds issued to pay the cost of

1 the system, improvement, or extension and the maintenance and
2 operation of the system, improvement, or extension and may
3 provide an adequate depreciation fund for the bonds. Rates
4 shall be established, revised, and maintained by ordinance and
5 become payable as the township board determines by ordinance.

6 (b-5) The township board may establish a fair and
7 reasonable connection charge for each new user added to the
8 township's waterworks system or sewerage system.

9 (c) The charges or rates are liens upon the real estate
10 upon or for which sewerage service is supplied whenever the
11 charges or rates become delinquent as provided by the ordinance
12 of the board fixing a delinquency date.

13 (d) Notwithstanding any provision of law to the contrary, a
14 cost study shall be conducted regarding the connection charge
15 of the township:

16 (1) before the township increases or creates a
17 connection charge;

18 (2) upon the request of the supervisor or a majority of
19 the township board of the township;

20 (3) upon the request of a majority of the mayors or
21 village presidents of the municipalities located within or
22 substantially within the township or township's facility
23 planning area; or

24 (4) upon the filing with the township board of a
25 petition signed by 10% or more of the customers who have
26 paid connection charges to the township in the previous 5

1 calendar years.

2 The cost study shall be conducted by an independent entity
3 within 6 months of action taken under paragraphs (1), (2), (3),
4 or (4) of this subsection (d). If a cost study is requested
5 under paragraphs (1) or (2) of this subsection, then the
6 township shall order and pay for the cost study. If a cost
7 study is requested under paragraphs (3) or (4) of this
8 subsection, then the municipalities whose mayors or presidents
9 requested the cost study under paragraph (3), or the customers
10 who filed a petition under paragraph (4), shall choose the
11 independent entity to conduct the cost study, order the cost
12 study, and pay for the cost study. After performing a cost
13 study under this subsection (d), an independent entity may not
14 contract with any State agency, unit of local government, or
15 non-governmental entity for goods or services within the
16 township or township service area in the 24 months after
17 completion of the cost study other than to perform further cost
18 studies under this subsection (d). A township shall not be
19 required to conduct more than one cost study in a 60 month
20 period under paragraphs (3) or (4) of this subsection (d). The
21 cost study must include, at a minimum, an examination of
22 residential and commercial connection charges for the
23 waterworks system or sewerage system, whichever applies, in at
24 least 30 units of local government in Illinois with a similar
25 number of customers as are connected to the township's
26 waterworks system and sewerage system. Following the

1 completion of the cost study, no increase or new connection
2 charge may be imposed unless the increase or new charge is
3 justified by the cost study. If the connection charge the
4 township charged prior to completion of the cost study is
5 higher than is justified by the cost study, the township shall
6 reduce its connection charge to the amount justified by the
7 cost study.

8 (e) For purposes of this Section:

9 "Connection charge" means any nominal charge or fee, by
10 whatever name, assessed to recover the cost of connecting the
11 customer's water main, sewer, or water main and sewer service
12 line to the township's facilities, and includes only the direct
13 and indirect costs of physically tying the service line into
14 the township's main line in the adjoining utility easement.

15 "Independent entity" means an engineering firm that has not
16 entered into a contract with any State agency, unit of local
17 government, or non-governmental entity for goods or services
18 within the township or township service area in the 24 months
19 prior to being contracted to perform the cost study.

20 (60 ILCS 1/205-145)

21 Sec. 205-145. Special fund. All revenue derived from the
22 operation of a waterworks system or sewerage system, or
23 combined waterworks and sewerage system, constructed,
24 acquired, extended, or improved to serve a particular locality
25 shall be set aside as collected and shall be deposited in a

1 special fund of the township. That fund shall be used only (i)
2 to pay the cost of operating and maintaining the waterworks
3 system or sewerage system, or combined waterworks and sewerage
4 system, constructed, acquired, extended, or improved to serve a
5 particular locality, (ii) to provide an adequate depreciation
6 fund, and (iii) to pay the principal and interest on the bonds
7 issued by the township under Sections 205-130 through 205-141
8 ~~205-140~~ for the purpose of constructing, acquiring, extending,
9 or improving the system.

10 (Source: P.A. 76-1360; 88-62.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law."