

PRELIMINARY DRAFT DATED DECEMBER 19, 2012

INTERGOVERNMENTAL AGREEMENT BETWEEN THE VILLAGE OF CLARENDON HILLS AND THE VILLAGE OF HINSDALE REGARDING LAW ENFORCEMENT SERVICES

THIS AGREEMENT is made and entered into this ____ day of _____, 2012, by and between the VILLAGE OF CLARENDON HILLS (hereinafter referred to as "CLARENDON HILLS") and the VILLAGE OF HINSDALE (hereinafter referred to as "HINSDALE"). CLARENDON HILLS and HINSDALE are hereinafter sometimes individually referred to as a "Party" and collectively referred to as the "Parties."

I. PURPOSE

WHEREAS, the Parties recognize that it is in their respective and mutual best interests to consolidate law enforcement services; and

WHEREAS, Article VII, Section 10 of the 1970 Illinois Constitution and 5 ILCS 220/1 through 220/9 provide the authority for this Agreement; and

WHEREAS, the Illinois Municipal Code, 65 ILCS 5/7-4-7 and 7-4-8, grants the police of both Clarendon Hills and Hinsdale the full authority and power as peace officers to go into any part of the county to enforce the law;

NOW, THEREFORE, in consideration of the foregoing, and the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties hereto agree as follows:

II. INCORPORATION OF PREAMBLES

The preambles hereto, as set forth above, are incorporated herein by reference and are made part hereof.

III. INTERPRETATION/VENUE

This Agreement has been and shall be construed as having been made in the State of Illinois and it is mutually understood and agreed by the Parties that this Agreement shall be governed by the laws of the State of Illinois, both as to interpretation and performance.

IV. JOINT LAW ENFORCEMENT BOARD

This section will create and define the Joint Law Enforcement Board consisting of representatives from each of the participating Villages, to which each Village will provide financial support. The Joint Law Enforcement Board will employ the staff, own or lease equipment, and manage the operations of the consolidated joint law enforcement department.

The annual budget of the consolidated Department, and any request from it for non-budgeted expenditures as provided for below, shall require the approval of the respective Village Boards, as will, any question of the modification of this Agreement, or of a change in the structure of, or the dissolution of the consolidated Department. All other issues pertinent to the operation of the Department shall be decided by the Joint Law Enforcement Board.

Clarendon Hills and Hinsdale shall each appoint three (3) members to a Joint Law Enforcement Board on May 1st of each contract year and the name of each appointee shall be furnished to the Village Manager of each Village. These members shall be two (2) elected officials appointed annually by their respective Village Board and the Village Manager from each Village. The Joint Law Enforcement Board shall elect a Chairman, Vice-Chairman and Secretary and meet periodically as determined from time-to-time by them, but not less than quarterly, to review and make recommendations and receive information on matters reviewed by such Board Members, including budget proposals to the Village Managers and the respective Boards of Trustees of the Villages. The Joint Law Enforcement Board shall adopt its own rules of procedure subject to the approval of the respective Boards of Trustees, and shall keep a record of its meetings, which record shall be a public record. The Joint Law Enforcement Board shall review and recommend an annual operating budget for consideration by each Village and shall be responsible for hiring of the Police Chief

In the event agreement cannot be reached on an item of business at the Joint Law Enforcement Board, the matter will be submitted to binding arbitration by one of the parties demanding such in writing. The parties shall request a panel of seven (7) arbitrators from the American Arbitration Association (AAA). The AAA will include only members of the National Academy of Arbitrators, whose principal place of business is in Illinois, in the panel. The parties shall attempt to select an Arbitrator from this list by agreement: failing that, the selection shall be by alternate striking, with the first party to strike being the party requesting arbitration; if both parties seek arbitration then the first party to strike shall be determined by the flipping of a coin. The arbitration hearing shall take place at a mutually agreeable time and location, and its outcome shall be final and binding upon the parties.

V. COST SHARING/ OF BUDGET/FISCAL AGENT

Cost sharing between the two Villages for the annual budget of the consolidated department shall be determined by a combination average of percentage distribution of population and annual calls for service that each community represents of the total for the service area. Population figures will be obtained from the most recent decennial US

Census. Calls for service figures will be determined by the most recently completed year's calls per service for the service area at the end of the calendar year.

Each Village will pay to the Fiscal Agent its monthly share of expenses no later than the first of the month.

The Village of Hinsdale shall serve as the fiscal agent for the consolidated Police Department and for the Joint Law Enforcement Board. The Fiscal Agent shall manage the assets of the consolidated Police Department, shall be responsible for managing its operational funds and meeting its obligations, utilizing the funds dedicated by the parties for that purpose. The Fiscal Agent's Director of Finance shall also serve as the Treasurer of the Joint Pension Board of the consolidated Department. The duties of the Fiscal Agent may be transferred to the other Village/Party to this agreement by mutual agreement. The Fiscal Agent shall be reimbursed for its costs pursuant to annual budget.

VI. SERVICES

The level of law enforcement services rendered to each Village shall be as follows:

- A. Twenty-four hour police presence with a complement of officers sufficient to ensure public safety. Consolidation of the Departments will not result in a job loss for any officer currently employed by either Village;
- B. Patrol service, with random patrolling of all residential, business, and public property areas during all shifts;
- C. Enforcement of the laws of the United States and the State of Illinois that are intended to be enforced by police officers;
- D. Enforcement of all Ordinances of Clarendon Hills and Hinsdale that are intended to be enforced by police officers;
- E. Ticketing for traffic violations;
- F. Crime prevention programs
- G. Criminal investigations, crime lab service, and supervisory service;
- H. Reports on police services and activities;
- I. Responses to emergencies, which shall include where appropriate, securing the scene for fire/rescue personnel;
- J. License inspections, background investigations and license enforcement services as called for under applicable federal, state law or Village Ordinances;
- K. Follow-up on reported crimes with the person(s) who reported the crime, including routine notification by telephone or mail as to the status of the investigation;

L. Other;

A list of the names of all existing police officers and personnel from both Parties to be employed at the commencement of this Agreement, including a description of their titles, duties, and salaries, as of _____ (date of execution) is attached hereto as Exhibit ____.

VII. POLICE OPERATIONS

This Section will include information on the number of officers, staffing, equipment, and law enforcement records.

A. Number of Officers

B. Command Structure

1. Chief of Police
2. Deputy Chief
3. Allow for appointments of Chief of Police and Deputy Chief pursuant to 65 ILCS 5/10-2.1-4

C. Equipment

1. Vehicles
2. Weapons
3. Uniforms
4. Body Armor

D. Records

VIII. PERSONNEL POLICIES/COLLECTIVE BARGAINING AGREEMENT

The Joint Law Enforcement Board shall establish Personnel Policies which will govern the salary and benefit provisions for non-union Consolidated Police Department employees.

Patrol Officers salary and benefit provisions will be governed by the Collective Bargaining Agreement between the Joint Law Enforcement Board and the Illinois Fraternal Order of Police, or its successor, as provided by law.

IX. POLICE PENSION FUNDS

A. Consolidation Process- The Pension funds will be consolidated per state statutes.

B. Treasurer – The Treasurer of the consolidated Police Pension Fund shall be the Fiscal Agent’s Director of Finance.

C. Membership. The consolidated Police Pension Fund Board shall be composed of such members as are dictated by statute. The municipal members shall be one resident of the Village of Hinsdale and one resident from the Village of Clarendon Hills as appointed by their respective Village Presidents.

D. Funding

E. Funding

a. Initial Contribution

Upon the effective date of the intergovernmental agreement, the Parties shall jointly commission an actuarial study to measure the assets and liabilities of the two stand-alone pension funds using a uniform set of assumptions that are mutually agreed upon by the Parties. Any resulting difference in funding levels shall be amortized and repaid to the consolidated Pension Fund over a period of time not to exceed fifteen (15) years. The repayment of the funding level difference shall be wholly borne by the municipality with the funding shortfall.

b. Annual Funding

Based upon their proportion shares of the annual budget per section V of this agreement, Clarendon Hills and Hinsdale shall annually levy a tax upon all taxable property in an amount sufficient to meet the annual requirements per 40 ILCS 5/3-125 and 5/3-127. The total levy amount will be based upon an annual actuarial report from an enrolled actuary employed by the Illinois Department of Insurance or by an enrolled actuary retained by the consolidated pension fund or by the Joint Law Enforcement Board.

X. CONSOLIDATED BOARD OF POLICE COMMISSIONERS

A. Membership. The consolidated Board of Police Commissioners shall be composed of such members as are dictated by statute. The resident members shall be one resident of the Village of Hinsdale and one resident from the Village of Clarendon Hills as appointed by each Village President with the consent of the appropriate Village Board. The third member will be appointed jointly by the Village Presidents of both Villages, with consent of both Village Boards.

B. Appointments/Terms of Office

C. Duties/Powers

D. Notice and Publication Requirements

E. Lists for Original Appointment and Promotion

XI. UNION REPRESENTATION

The Patrol officers will be represented by the Illinois Fraternal Order of Police, or its successor, as provided by law.

XII. PAYROLL

The Fiscal Agent shall be responsible for administering the payroll of the consolidated Police Department.

XIII. DISPATCH, COMMUNICATIONS, EQUIPMENT AND SUPPLIES

The Consolidated Police Department shall maintain the Joint Dispatch arrangements utilized by the constituent Police Departments at the effective date of consolidation, and there shall be no changes made in those arrangements by either Village without mutual agreement.

XIV. NON-BUDGETED EXPENDITURES

Each Village shall have the right to approve or disapprove any proposed capital expenditures and/or increase in the number of police officers not otherwise included in the approved law enforcement budget. Notice of such proposed and non-budgeted capital expenditures and/or increase in the number of full-time police officers, as prepared by the Joint Law Enforcement Board, shall be given in writing to each Village prior to actual expenditure for such items. Each Village shall thereafter have until their next scheduled regular or special meeting or fifteen (15) working days, whichever is greater, to approve or disapprove the proposal in writing.

XV. INSURANCE

As part of the annual budget for the consolidated Department, the Parties shall purchase law enforcement liability insurance and automotive liability insurance in the minimal level of \$10,000,000 combined single limit per occurrence with an aggregate at least twice the occurrence limit to insure against liability incurred in the rendering of law enforcement services to each Village. Such liability insurance shall be “occurrence” in coverage and not “claims made” unless recommended by the Joint Law Enforcement Board and approved by Clarendon Hills and Hinsdale. In addition, the Parties shall purchase automotive physical damage coverage for law enforcement vehicles. Both Parties shall name each other, its officers, employees, and directors as additional insureds on the policy. Clarendon Hills and Hinsdale, individually, shall purchase and maintain public officials’ liability coverage for their respective representatives appointed by the Joint Law Enforcement Board.

The consolidated Police Department may apply for membership in the Intergovernmental Risk Management Association (IRMA) for liability and other insurance coverages.

XVI. WORKERS COMPENSATION & EXCESS EMPLOYERS LIABILITY INSURANCE

As part of the annual budget for the consolidated Department, the Parties shall purchase workers compensation insurance in statutory limits and \$1,000,000 of Excess Employers Liability Insurance per Accident, per Employee and per Aggregate.

XVII. LIABILITY/HOLD HARMLESS/INDEMNIFICATION

In the event any liability, payment, cost, expense, or obligation (including attorneys' fees, consulting fees, or expert witness fees) arising from a claim of liability (after application thereto of any insurance coverage proceeds) ("Liability") is asserted against Clarendon Hills or Hinsdale by a third party or parties arising from the operation, use, management, control, administration, or performance of law enforcement services under the terms of this Agreement, and such Liability is not caused by the gross negligence or intentional wrongdoing by Clarendon Hills or Hinsdale, such Liability shall be shared by Clarendon Hills and Hinsdale in proportion to their respective budget allocations for the year in which the loss occurred. If either Clarendon Hills or Hinsdale is required to make any payment or incur any cost, expense, or obligation in excess of that for which it is responsible under the provisions of the preceding sentence, then either Clarendon Hills or Hinsdale making such excess payment or incurring such excess cost, expense, or obligation shall be reimbursed by the other municipal corporation so that such payment, costs, expenses, and obligations are shared as provided in the immediately preceding sentence. If any liability, payment, cost, expense, or obligation, including attorneys' fees, consulting fees, or expert witness fees, arise from the gross negligence or intentional wrongdoing on the part of Clarendon Hills or Hinsdale, then such party, committing such gross negligence or intentional wrongdoing, shall be solely responsible for such liability, payment, cost, expense, or obligation.

This Agreement is entered into for the benefit of each of the Parties, solely, and not for the benefit of any third party. Nothing contained in this Agreement shall constitute a waiver of any privileges, defenses, or immunities which either Party may have under the Local Government and Governmental Employees Tort Immunity Act with respect to any claim brought by a third party.

The Parties agree to waive their subrogation rights in regard to liability, property damage, and workers' compensation claims only as it pertains to implementation of this Agreement and carrying out each Party's obligation to provide law enforcement services.

XVIII. DISSOLUTION

- A. Each Village will reclaim any officers who started their careers in their respective Police Departments.
- B. Any officers hired after the consolidation would be assigned by position per seniority to one of the Village Police departments on an alternating basis; unless mutually agreed otherwise between the Parties and the officer's Collective Bargaining Representative.
- C. Any assets of consolidated Department shall be apportioned between the parties pursuant to said dissolution agreement.

- D. Any dispute in the resolution of the terms of said agreement shall be resolved by arbitration, using the procedure described in section IV above.
- E. Pension fund assets and liabilities will be divided based upon an actuarial determination commissioned by the Parties taking into account the membership of the divided pension funds.

XIX. REVIEW OF AGREEMENT/MODIFICATION

The terms and conditions of this Agreement shall be reviewed and revised on an annual basis. No changes or modifications to this Agreement shall be valid or binding upon the Parties to this Agreement unless such changes or modifications are in writing and executed by all Parties.

XX. SEVERABILITY

Each section, part, term, and provision of this Agreement shall be considered severable. If for any reason any section, part, term, or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation of a court or agency having valid jurisdiction, this determination shall not impair the operation or affect the remaining portions, sections, parts, terms, or provisions of this Agreement, and the latter will continue to be given full force and effect and bind the parties.

XXI. TERM

The term of this Agreement shall be from the date the last Party signs the Agreement up to and through April 30, 2016. This Agreement shall be automatically renewed for an additional four year term at the expiration of each four year term, unless one of the parties gives notice, at least nine (9) months prior to said expiration, of its intent to withdraw from and to dissolve this intergovernmental agreement.____ .

Village of Clarendon Hills

Village of Hinsdale

By:

By:

Date

Date

ATTEST

ATTEST