



BOARD REPORT

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES

FROM: DANIELLE MARION, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: RESOLUTION: APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH KANELAND SCHOOL DISTRICT

AGENDA: August 18, 2026

DATE: August 6, 2026

ISSUE

Shall the Village Board approve a resolution entering into an Intergovernmental Agreement with Kaneland School District.

DISCUSSION

The Village Board has previously allowed other government bodies to enter into an intergovernmental agreement (IGA) in lieu of the required letter of credit (LOC) for public improvements.

The School District recently received approval for a PUD for a transportation facility to be located on Esker Drive. They have requested to enter into an IGA in place of the required LOC. The IGA will help to ensure any public improvements be completed properly. Attached is the proposed IGA with the School District.

COST

Attorney fees are the only costs associated with this.

ATTACHMENTS

Resolution approving an IGA with Kaneland School District
IGA with Kaneland School District

RECOMMENDATION

That the Village Board approve the Resolution approving the Intergovernmental Agreement between the Village of Sugar Grove and Kaneland School District.



**VILLAGE OF SUGAR GROVE
KANE COUNTY, ILLINOIS**

RESOLUTION NO.: 20260818CD1

**A RESOLUTION AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL
AGREEMENT BETWEEN THE VILLAGE OF SUGAR GROVE AND THE KANELAND
SCHOOL DISTRICT**

WHEREAS, the Village of Sugar Grove Board of Trustees find that it is in the best interest of the Village to execute an Intergovernmental (IGA) with the Kaneland School District for the purpose of waiving the requirement of a submittal of a performance guarantee for the improvements for the property commonly known as 1501 Esker Drive pertaining to the construction of the new Transportation Facility.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows:

That attached hereto and incorporated by reference as Exhibit A is an IGA between the Village of Sugar Grove and the Kaneland School District for the purpose of waiving the requirement of a submittal of a performance guarantee for the improvements for the property commonly known as 1501 Esker Drive pertaining to the construction of the new Transportation Facility.

The President and Clerk are hereby authorized to execute said agreement on behalf of the Village and to take such further actions as are necessary to fulfill the terms of said agreement.

PASSED AND APPROVED by the President and the Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, on this 18th, day of August 2026.

Sue Stillwell, Village President

Tracey R. Conti, Village Clerk

BOARD VOTE:

	Aye	Nay	Absent	Abstain	Recuse
Trustee Heidi Lendi					
Trustee Matthew Bonnie					
Trustee Sean Michels					
Trustee Anthony Speciale					
Trustee Nora London					
Trustee Michael Roskopf					

INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT (this “*Agreement*”) is entered into as of the ____ day of _____, 2026 (the “*Effective Date*”), by and between the Village of Sugar Grove, an Illinois municipal corporation (the “*Village*”) and the Kaneland Community Unit School District #302, an Illinois School District (the “*School District*” and with the Village may be referred to as the “*Parties*” and individually, as a “*Party*”).

WITNESSETH:

WHEREAS, the Village is an Illinois non-home rule municipality organized and operating under the Illinois Municipal Code (65 ILCS 5/1-1-1, *et seq.*); and

WHEREAS, the School District is a public school district organized and existing under the laws of the State of Illinois including, without limitation, the Illinois School Code (105 ILCS 5/); and

WHEREAS, the Parties are committed to promoting the health, safety, comfort and welfare of the visitors to and residents of their respective areas; and

WHEREAS, the School District provides essential educational services to the residents of the Village, promotes the education and development of the Village's youth, and contributes to the overall quality of life within the community;

WHEREAS, the School District serves the Village and its residents; and

WHEREAS, Chapter 12 of the Sugar Grove Municipal Code establishes performance guarantees for public improvements within developments within the Village's municipal boundaries.

WHEREAS, the Kaneland School District #302 is building a bus barn for storage of the districts transportation fleet.

WHEREAS, Section 5 of the Intergovernmental Cooperation Act (5 ILCS 220/5) and Section 10 of the Constitution of the State of Illinois of 1970 authorize public agencies, including units of local government, to contract to obtain or perform services, or to combine, transfer or exercise powers, functions, privileges or authority not prohibited by law; and

WHEREAS, to ensure that the Kaneland School District #302 is able to proceed with the construction of its bus barn, the Village agrees to waive the requirement of a submittal of a performance guarantee for the improvement of the School Districts subject property.

NOW, THEREFORE, in consideration of the promises and other mutual and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. **Recitals.** The forgoing recitals are material to this Agreement and are hereby incorporated and made part of this Agreement as though fully set forth herein.

2. **Term.** This Agreement shall commence on the Effective Date and shall be in full force and effect for five (5) calendar years or until either Party terminates this Agreement (“***Term***”). After the initial Term, this Agreement will automatically renew for an additional one (1) year term. Any Party may terminate this Agreement at any time during the Term by providing the other Party not less than thirty (30) calendar days written notice of such termination. In addition, the Parties may terminate this Agreement in writing by mutual consent at any time.

3. **Performance Guarantees.** Under the provisions of Section 12-10-15 of the Village's Village Code, improvements shall not commence on an approved development until a satisfactory Letter of Credit or bond in accordance with Section 12-4-5-4 has been submitted to the Village. The Kaneland School District #302 is the owner of certain real property consisting of a portion of approximately 126 acres, generally known as 1501 Esker, Sugar Grove, Illinois and is proceeding with the construction of a bus barn.

4. **Waiver of Performance Guarantees.** Due to the financial hardship that would result to the Kaneland School District #302 if they were required to submit a LOC or bond for the improvements to the above-referenced property, the Village agrees to waive the requirements of Section 12-4-5-4 for the public improvements constructed on the subject property.

5. **Completion of Improvements.** The Kaneland School District #302 further agrees to complete all the public improvements in accordance with the approved engineering plans and in a complete and workmanlike manner. The Village reserves the right of inspections of all public improvements on the subject property and additionally reserves the right to reject any improvements that don't comply with the approved engineering and plans.

6. **Indemnification.** To the fullest extent permitted by law, the School District agrees to defend, indemnify and hold the Village and its officials, officers, employees and agents harmless from and against any and all liabilities, losses, damages, injuries (including death), claims, demands, judgements, causes of action, costs and/or expenses, including reasonable attorneys' fees, arising from, by reason of or relating to the public improvements made to the above-referenced property and construction project but only in proportion to and to the extent such are caused by grossly negligent, willful or wanton acts or omissions of the School. Nothing in this Section shall be construed to negate or abridge any immunity to liability provided under the Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101, *et seq.*)

7 **Insurance.** The School District acknowledges that it has and shall keep in force at all times during the term of this Agreement Commercial General Liability Insurance (or the functional equivalent thereof available to units of local government in Illinois) specifically including fire, legal liability, bodily injury, personal injury and property damage.

8. **Miscellaneous.**

- A. **Notices.** Any notices required under this Agreement shall be in writing and shall be deemed effective when personally delivered, when postmarked if mailed by certified or registered mail with return receipt requested and postage prepaid, or when actually received if sent via email, when sent to the addresses below. Either Party may make changes to their addresses by providing written notice to the other Party in the manner set forth herein.

To the Village:

Village of Sugar Grove
160 S. Municipal Drive
Sugar Grove, IL 60554
Attn: _____
Email: _____

To the School District:

Kaneland School District #302
47W326 Keslinger Road
Maple Park, IL 60151
Attn: Superintendent

- B. **Assignment.** Neither of the Parties may assign this Agreement without the prior written consent of the other Party.

C. **Complete Understanding.** This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings whether oral or written of the Parties in connection therewith. No modification of this Agreement shall be effective unless made in writing, signed by all the Parties, and dated after the Effective Date.

D. **Binding Effect; Right to Counsel.** This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns. Both Parties have had the opportunity to seek the advice of counsel.

E. **Governing Law and Litigation.** This Agreement shall be governed by the laws of the State of Illinois. Jurisdiction and venue for any litigation arising in connection with this Agreement shall be exclusively in Kane County, Illinois. Furthermore, the Parties

agree that if any controversy arises because of this agreement, that prior to any litigation the Parties will engage in mediation, in accordance with the rules of the American Arbitration Association.

F. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered an original, and all of which taken together shall be considered one and the same instrument.

G. Severability. If any provision, word or part of this Agreement is held to be void, invalid or contrary to law by a court of competent jurisdiction, it will be deemed removed from this Agreement, and the remainder of this Agreement will continue to have its intended full force and effect.

H. Waiver. If any Party waives a breach of any provisions of this Agreement by any other Party, that waiver will not operate or be construed as a waiver of any subsequent breach by any other Party or prevent any other Party from enforcing such provisions.

I. No Employment Relationship. Nothing contained in this Agreement, nor any act of a Party, shall be deemed or construed by any of the Parties or by third persons to create any employment relationship or relationship of a third-party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the Village and/or the School District.

J. No Personal Liability. No covenant or provision contained in this Agreement shall be deemed to be the agreement of any official, officer, director, trustee, commissioner, board member, agent, employee, consultant or attorney of a Party (an “*Official*”) in his or her individual capacity and no Official shall be personally liable under this Agreement or be subject to any personal liability or accountability by reason for or in connection with or arising out of the execution, delivery and performance of this Agreement or any failure in connection.

K. Headings. The headings contained in this Agreement are for convenience of reference only and shall not affect or alter the meaning or effect of any provision.

IN WITNESS WHEREOF, each Party represents and warrants that it has authority to enter into this Agreement, has executed this Agreement as of the Effective Date and certifies that it has read, understands and agrees to the terms and conditions of this Agreement.

/SIGNATURE PAGE TO FOLLOW/

Village of Sugar Grove

ATTEST:

By: _____
President

By: _____
Clerk

(Seal)

Kaneland School District #302

ATTEST:

By: _____
President

By: _____
Secretary

(Seal)

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