

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

**THIS AGREEMENT** is made and entered by and among the County of Champaign, Illinois (“County”) and the Village of Ludlow, Illinois (“Ludlow”) (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, Ludlow 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 Ludlow for water treatment plant and distribution system improvements.

**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 \$340,000.00 to Ludlow for water treatment plant and distribution system 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. Ludlow will conduct activities for water treatment plant and distribution system improvements, as detailed in Attachment 1.
- B. The project must occur between March 3, 2021 and December 31, 2024.
- C. The maximum amount of assistance from this Agreement shall be \$340,000.
- D. Ludlow must provide reporting information to the County as required in Section 4.
- E. The County will transfer ARPA Funds to Ludlow in an amount up to \$340,000 in support of this assistance, available beginning in County fiscal year 2022. The transferred funds shall be provided to Ludlow based on invoice(s) for related water treatment plant and distribution system improvement activities. A Risk Assessment Form, copy of the invoice and documentation for water treatment plant and distribution system improvement activities, and Reporting Form shall be submitted by Ludlow to the County prior to the first payment. If multiple payments are needed, Ludlow shall submit a copy of invoice and related documentation, along with submission of a Reporting Form by Ludlow to the County for each payment, with a maximum total amount of \$340,000. The County shall provide the Risk Assessment Form and Reporting Form templates to Ludlow.

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

- A. Ludlow 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. Ludlow 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. Ludlow will complete water treatment plant and distribution system improvement activities with ARPA Funds in accordance with Section 3.
- D. Ludlow 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. Ludlow will provide to the County, upon reasonable notice, access to and the right to examine such books and records of Ludlow. Ludlow 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. Ludlow 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. Ludlow will comply with all applicable statutes, ordinances, and regulations. Ludlow 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, Ludlow 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 Ludlow in an amount up to \$340,000 in support of this assistance. The transferred funds shall be provided to Ludlow based on invoice(s) for water treatment plant and distribution system improvement activities. A Risk Assessment Form, copy of the invoice and documentation for related water treatment plant and distribution system improvement activities, and Reporting Form shall be submitted by Ludlow to the County prior to the first payment. If multiple payments are needed, Ludlow shall submit a copy of invoice and related documentation, along with submission of a Reporting Form by Ludlow to the County for each payment, with a maximum total amount of \$340,000. The County shall provide the Risk Assessment Form and Reporting Form templates to Ludlow.
- 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, Ludlow shall provide to the County an accounting of the ARPA Funds and shall remit unspent ARPA Funds to the County. Additionally, if Ludlow does not spend the ARPA Funds in accordance with the regulations and requirements specified in this Agreement, Ludlow 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:

VILLAGE OF LUDLOW, ILLINOIS

THE COUNTY OF CHAMPAIGN, ILLINOIS

By: Steve Thomas  
Mayor Steve Thomas

By: Richard A. Kleppel

Date: 6-28-2022

Date: 07/25/2022

ATTEST: Dawn Good-Adwell  
Village Clerk Dawn Good-Adwell

ATTEST: Meghan Robinson

APPROVED AS TO FORM:  
Marc Miller  
Marc Miller, Attorney

APPROVED AS TO FORM:  
Peter M. Lodwin

**Project summary** - The Village of Ludlow (Village), Illinois, completed planning documents for financing improvements to its community water supply. The planning for the project split recommended improvements into several phases. Phase 1 included replacement of the equipment at the water treatment plant, replacement of all 6-inch water distribution mains, and replacement of approximately half of the 4-inch water distribution mains. Phase 2 included work to the water tower, refurbishment of the wells, a new building and instrumentation and control at the water treatment plant, replaced the generator and replaced the remaining 4-inch water distribution mains.

Phase 1 was designed in 2019 and bid at the end of 2020. The Phase 1 low bidder's bid was significantly below the budget for Phase 1. The Village with USDA's concurrence has decided to spend the remaining Phase 1 budget replacing a majority of the 4-inch water distribution mains originally included in Phase 2. The installation of the 4-inch water mains originally included in Phase 2 that will now be designed in 2021 and built in 2022.

**Project timeline from the feasibility study -**

Complete Design and Submit Plans/Specs to IEPA for Permitting	May 13, 2021
IEPA Permit Review and Approval	June 29, 2021
Advertise for Bids	July 1, 2021
Issue Notice of Intent to Award	July 26, 2021
Issue Notice of Award	September 6, 2021
Issue Notice to Proceed	September 15, 2021
Substantially Completion	November 30, 2022
Final Completion	May 15, 2023

**ARPA Funds** - The preliminary cost for the project is \$2,850,000. USDA also has the potential for grant funds for \$1,910,000. That would leave \$550,000 to come out of Village funds. The Village would like to ask for \$400,000 from the Champaign County ARPA funds.

**Total Funding**

Village funds – \$550,000  
Potential USDA grant funds - \$1,910,000  
ARPA funds – \$400,000

**Impact/importance of project needing completed** - The water treatment plant and distribution system have both outlived their useful lifespans. Failure of any equipment would affect effluent water quality and may even halt the production of water. The recent water main breaks could be a precursor for breakdowns in the future that could result in mandated boil orders. Therefore, it is necessary for the Village to complete this project to maintain system integrity and meet public health and safety needs.

Well #3 serves as the primary well, with Well#1 as back up. However, due to its age and lesser capacity, Well#1 cannot be able to keep up with the water demand if the pumping system of Well#3 fails. In order to ensure compliance with the Illinois Environmental Protection Agency standards, it is necessary to refurbish or replace the aging components in a timely manner. The aging infrastructure has resulted in the Village's water supply being evaluated as under noncompliance advisory. If improvements are not made, then the IEPA may issue a formal violation notice.

Ludlow's median household income is \$49,643, the funds are needed to help offset the cost for the residents.