

AN ACT concerning local government.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Public Water District Act is amended by changing Section 11 as follows:

(70 ILCS 3705/11) (from Ch. 111 2/3, par. 198)

Sec. 11. The board of trustees of any such public water district has the supervision and control of all waterworks properties acquired or constructed by the district and has the power and the duty to maintain, operate, extend and improve the same. The board of trustees also has the power to sell and dispose of property, real and personal, that is no longer needed for its purposes. Except as otherwise provided in this Section all contracts involving the expenditure by the district of more than \$20,000 ~~5,000~~ for construction work or for the purchase of equipment as improvements, extensions or replacements shall be entered into only after notice inviting bids shall have been published in a newspaper published in the district, and if there is no such newspaper, in a newspaper published in the county and having general circulation in the district at least once not less than 10 days prior to the date of making any such contract. Any obligations incurred by the district of any kind or character whatsoever shall not in any

event constitute and be deemed an indebtedness within the meaning of any of the provisions or limitations of the constitution or of any statute, but all such obligations are payable solely and only out of revenues derived from the operation of the waterworks properties of the district or from the proceeds of bonds issued, as hereinafter provided. No continuing contract for the purchase of materials or supplies (including a contract for a supply of water) or furnishing the district with energy or power for pumping or for the supply of water to any city, village or incorporated town, shall be entered into for a longer period than 40 years.

Contracts for a supply of water shall not be subject to such provisions for public bidding. No prior appropriation shall be required before entering into such a contract for a supply of water and no appropriation shall be required to authorize payments to be made under the terms of any such contract. Payment to be made under any such supply contract shall be an operation and maintenance expense of the waterworks system of the district. Any such contract made by a district for a supply of water may contain provisions whereby the district is obligated to pay for such supply of water without setoff or counterclaim and irrespective of whether such supply of water is ever furnished, made available or delivered to the district or whether any project for the supply of water contemplated by any such contract is completed, operable or operating and notwithstanding any suspension, interruption,

interference, reduction or curtailment of the supply of water from such project. Any such contract may provide that if one or more of the other purchasers of water defaults in the payment of its obligations under such contract or a similar contract made with the supplier of the water, one or more of the remaining purchasers party to such contract or such similar contract shall be required to pay for all or a portion of the obligations of the defaulting purchasers.

In the event of an emergency affecting or threatening the public health or safety, in order to maintain the safety and adequacy of service to the district's customers, the general manager, with the consent of the board chairman or vice chairman, may enter into contracts for necessary construction work or for the purchase of supplies, materials, or equipment without public advertisement. The general manager shall make a full written report to the board of trustees detailing the nature of the emergency, the responsive action taken by the general manager, and the contracts made to resolve the emergency.

(Source: P.A. 84-708; 84-967.)

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