



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB5485

Introduced 2/5/2010, by Rep. Renée Kosel

#### SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-139-12

from Ch. 24, par. 11-139-12

Amends the Illinois Municipal Code. Provides that in certain eminent domain proceedings the fair cash market value of waterworks and sewerage system facilities is the depreciated value of the land and easements upon which the facilities are situated and all facilities and fixtures constructed or installed by the utility company (rather than the net earnings attributable to those facilities). Requires the acquiring municipality to reimburse the utility company for payments made by the utility in connection with the dedication or donation of any waterworks or sewerage system to the utility company.

LRB096 16763 RLJ 32059 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Section 11-139-12 as follows:

6 (65 ILCS 5/11-139-12) (from Ch. 24, par. 11-139-12)

7 Sec. 11-139-12. For the purpose of acquiring,  
8 constructing, extending, or improving any combined waterworks  
9 and sewerage system under this Division 139, or any property  
10 necessary or appropriate therefor, any municipality has the  
11 right of eminent domain, as provided by the Eminent Domain Act.

12 The fair cash market value of an existing waterworks and  
13 sewerage system, or portion thereof, acquired under this  
14 Division 139, which existing system is a special use property,  
15 shall ~~may~~ be determined in accordance with the following  
16 valuation principles.

17 The fair cash market value of existing facilities, whether  
18 real or personal, shall be the depreciated value of the land  
19 and easements upon which the facilities are situated and all  
20 facilities and fixtures constructed or installed by the utility  
21 company. In addition, the acquiring municipality shall  
22 reimburse the utility company for payments made by the utility  
23 in connection with the dedication or donation of any waterworks

1 ~~or sewerage system to the utility company. may be determined by~~  
2 ~~utilizing the net earnings which are attributable to the~~  
3 ~~facilities in question for the preceding fiscal year on the~~  
4 ~~date the condemnation petition is filed, over the remaining~~  
5 ~~useful life of the facilities. Said earnings may be capitalized~~  
6 ~~under an annuity capitalization method and discounted to~~  
7 ~~present value. The fair cash market value of any extensions,~~  
8 ~~additions or improvements of the existing system made~~  
9 ~~subsequent to the date that the condemnation petition is filed~~  
10 ~~may be determined by utilizing the probable net earnings~~  
11 ~~attributable to the facilities in question over the remaining~~  
12 ~~life of the facilities. The probable earnings may be~~  
13 ~~capitalized under an annuity capitalization method and~~  
14 ~~discounted to present value.~~

15 ~~The value of the land and easements upon which the~~  
16 ~~facilities are situated may be determined in accordance with~~  
17 ~~the foregoing principles, giving due account to the special use~~  
18 ~~of the property for water and sewerage purposes.~~

19 For the purposes of this Section no prior approval of the  
20 Illinois Commerce Commission, or any other body having  
21 jurisdiction over the existing system, shall be required.

22 (Source: P.A. 94-1055, eff. 1-1-07.)