



AGENDA – Administration Committee

Thursday, June 15, 2023 6:15 P.M.

Committee Members

N. Cuzzone
J. Healy – Chair
K. Rush
D. Van Vooren
J. Zay

- I. Roll Call
- II. Approval of the May 18, 2023 Administration Committee Minutes

RECOMMENDED MOTION: To approve the Minutes of May 18 2023, Administration Committee Meeting of the DuPage Water Commission.

- III. Resolution No. R-23-23: A Resolution to authorize the purchase of two (2) 2023-2024 Ford Explorer Sport Utility Vehicles from Roesch Ford of Bensenville Illinois in the estimated amount of \$83,520.00.
- IV. Resolution No. R-27-23: A Resolution approving the Intergovernmental Escrow Agreement with WaterLink communities of Montgomery, Oswego and Yorkville.
- V. Old Business
- VI. New Business
- VII. Other
 - a. Public Information campaign videos
- VIII. Adjournment

**Minutes of a Meeting
of the**

ADMINISTRATION COMMITTEE

DuPage Water Commission
600 E. Butterfield Road, Elmhurst, Illinois

May 18, 2023

- I. Commissioner Broda called the meeting to order at 6:20 PM.

Commissioners in attendance: J. Broda, K. Rush, D. Van Vooren, J. Zay (6:24)

Commissioners absent: J. Healy

Also in attendance: P. May, D. Mundall

- II. Commissioner Rush moved to approve the Minutes of the April 18, 2023, Administration Committee Meeting, seconded by Commissioner Van Vooren, unanimously approved by a voice vote. All aye, motion carried.

- III. Commissioner Broda made a motion to approve the R-21-23, A Resolution adopting Personnel Policies for Compensatory Time, Parental Leave, and Tuition Reimbursement. A brief discussion ensued with Commissioners Rush and Van Vooren raising questions about exempt employees accumulating compensatory time. General Manager May informed the Committee that these policies have been reviewed by SIKICH, HR Consultant to the Commission, their legal team as well as the legal team for the Commission. Commissioner Rush noted a concern regarding interpretation of the Fair Labor Standards Act, Commissioner Van Vooren concurred. General Manager May suggested noted that it would be appropriate and equally as effective to consider the document to be an administrative procedural document, rather than a formal policy. Commissioners agreed and suggested this particular policy be removed from the resolution before adoption.

Commissioner Rush made a motion to amend Resolution R-21-23, omitting the Compensatory Time Personnel Policy, seconded by Commissioner Van Vooren, unanimously approved by a voice vote. All aye, motion carried.

- IV. Commissioner Van Vooren made a motion to approve Resolution No. R-22-23, a Resolution Authorizing a short-term extension of the IUOE 399 Collective Bargaining Agreement.

Commissioner Van Vooren inquired about the number of employees in the Union, as well as the structure of the contract. General Manager May explained the specifics to the Committee. Seconded by Commissioner Rush, unanimously approved by a voice vote. All aye, motion carried.

V. Old Business

No Old Business was offered.

VI. New Business

No New Business was offered.

VII. Other

VIII. Adjournment

Commissioner Rush moved to adjourn the meeting at 6:33 PM, seconded by Commissioner Van Vooren, unanimously approved by a voice vote. All aye, motion carried.

Meeting adjourned until June 15, 2023.



Resolution #: R-23-23

Account: 01-60-686000, \$83,520

Approvals: *Author / Manager / Finance / Admin*

D.P. RCB CAP PDM

REQUEST FOR BOARD ACTION

Date: 6/8/2023

Description: To Authorize the Purchase of Two (2) 2023 - 2024 Ford Explorer Sport Utility Vehicles from Roesch Ford of Bensenville, Illinois.

Agenda Section: Administration Committee

Originating Department: Administration

The approved FY 2023/2024 Management Budget includes \$96,000 for the purchase of two (2) 2023-2024 Ford Explorers to be utilized by Engineering staff and field operations.

Staff delivered a Request for Sealed Proposals and delivered it to twelve (12) local Ford dealerships. At the time of the RFP solicitation, several Ford dealerships expressed interest, however only two (2) dealerships submitted a sealed proposal, and the results are listed below:

Company	Cost Proposal
Roesch Ford	\$41,160.00
Rohrman Schaumburg Ford	\$48,120.00

Having followed Commission purchasing procedures, staff is recommending approval of the purchase of the vehicles from Roesch Ford at the proposed cost of \$82,320.00 for both vehicles. The proposal of Roesch Ford did not include documentation fees, license and title fees, or electronic registration fees which have been estimated at \$1,200.00 for both units.

The cost of outfitting the trucks with ancillary equipment is not included in this vehicle purchase; however, it has been included in the FY 2023/2024 Management Budget; this equipment will be purchased and installed separately in accordance with Commission purchasing procedures.

Recommended Motion:

To authorize the purchase of two (2) 2023-2024 Ford Explorers from Roesch Ford of Bensenville Illinois in the estimated amount of \$83,520.00.

DUPAGE WATER COMMISSION

RESOLUTION NO. R-23-23

A RESOLUTION TO AUTHORIZE THE PURCHASE OF TWO (2) 2023 - 2024 FORD EXPLORER SPORT UTILITY VEHICLES FROM ROESCH FORD OF BENSENVILLE, ILLINOIS

WHEREAS, pursuant to Article VIII, Section 4 of the Commission's By-Laws, and as required by State Statute, the Commission solicited sealed proposals to Furnish and Deliver two (2) new and unused 2023-2024 Ford Explorers; and

WHEREAS, on May 31, 2023, two sealed proposals were received; and

WHEREAS, based upon representations made by staff, the Board of Commissioners of the DuPage Water Commission has determined that the proposal of Roesch Ford is most favorable to the interests of the Commission;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are hereby incorporated herein and made a part hereof as findings of the Board of Commissioners of the DuPage Water Commission.

SECTION TWO: The DuPage Water Commission hereby approves the purchase of two (2) new and unused 2023-24 Ford Explorers from Roesch Ford for the proposal cost price set forth in Its proposal of \$82,320.00 plus an amount of \$1,200.00 for the estimated expenses related to vehicle documentation, licensing and title.

SECTION THREE: This Resolution shall be in full force and effect from and after its adoption.

	Aye	Nay	Absent	Abstain
Bouckaert, D.				
Cuzzone, N.				
Fennell, J.				
Healy, J.				
Novotny, D.				
Pruyn, J.				
Rush, K.				
Russo, D.				
Saverino, F.				
Suess, P.				
Van Vooren, D.				
Zay, J.				

ADOPTED THIS ___ DAY OF _____, 2023.

James Zay, Chairman

ATTEST:

Danna Mundall, Clerk



Resolution #: R-27-23

Account: N/A

Approvals: *Author / Manager / Finance / Admin*

PDM - - PDM

REQUEST FOR BOARD ACTION

Date: 6/8/2023

Description: **Intergovernmental Escrow Agreement with WaterLink communities**

Agenda Section: Administration Committee

Originating Department: Administration

The communities of Montgomery, Oswego, and Yorkville (the “WaterLink communities”) have petitioned to the Illinois Department of Natural Resources for a Lake Michigan water allocation, to be distributed through the DuPage Water Commission. The IDNR allocation process is expected to be concluded in mid-late summer, 2023. The municipalities of Oswego and Yorkville desire water service commencing in 2027 (Montgomery in 2032).

29 miles of pipeline will need to be constructed along with ancillary water delivery structures and various appurtenances. Due to the size and complexity of the project, DWC staff has regularly engaged with Village Managers of the WaterLink communities to establish project goals and a timeline of critical tasks, including discussion of project financing, execution of a Subsequent Customer Agreement, and commencement of engineering. In previous, smaller projects, a Subsequent Customer Agreement has been executed prior to commencement of engineering work. However, currently DWC is negotiating a Customer Contract extension with current customers, as the current contract expires in February 2024. At the time of contract extension all current customers will become “Contract Customers”, and the WaterLink communities will execute Subsequent Customer Agreements, becoming the first “Subsequent Customers” under the new contract – these contracts are expected to be executed in Q4 2023. Therefore, due to the pending extension of the DWC/Customer Contract, and the desire to provide water service in 2027, initial Phase I Engineering work will precede the execution of the Subsequent Customer Agreement. This approach will take advantage of summer work conditions for field data collection, surveying, and other initial engineering activities.

The entire cost of the new infrastructure to deliver water to the WaterLink communities will be paid for by the municipalities of Montgomery, Oswego, and Yorkville – including the Phase I Engineering costs. In order to provide a mechanism to properly fund the Phase I Engineering work, an

Intergovernmental Agreement has been drafted to establish a funding escrow maintained by DWC and funded by the WaterLink communities. Each of the WaterLink communities have approved the IGA and provided the DWC with executed originals. After DWC approval of the document, but before execution of the Engineering Contract, \$600K will be deposited into the escrow account (\$200K from each community) for the initial funding, followed by additional funds as required.

It should be noted that an IGA amendment is being drafted to provide an update relative to refunding triggers based on cash-flow projections provided with the Engineering contract. Since the IGA in its current form has already been executed by the WaterLink communities, and it is desired to fund the escrow and commence initial engineering work immediately, it is recommended to approve the document in its current approved form at this time, followed by the amendment at a following meeting.

Recommended Motion:

Adopt R-27-23, the Intergovernmental Escrow Agreement with the WaterLink communities of Montgomery, Oswego, and Yorkville.

ESCROW INTERGOVERNMENTAL AGREEMENT

This Escrow Intergovernmental Agreement (the “Escrow Agreement”) is dated the _____ day of _____, 2023 between the Village of Montgomery (“Montgomery”), the Village of Oswego (“Oswego”) and the United City of Yorkville (“Yorkville”) (Oswego, Montgomery and Yorkville are collectively referred to herein as the “Municipalities”) and the DuPage Water Commission, (the “Commission”) a county water commission and public corporation under Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-135-1 *et seq.*, and the Water Commission Act of 1985, 70 ILCS 3720/0.01 *et seq.* (the “Acts”).

WITNESSETH:

WHEREAS, the Commission has been organized under the Acts to supply water within its territorial limits; and

WHEREAS, the Municipalities currently own and operate municipal drinking water systems served by wells which extract source water from the Ironton-Galesville aquifer; and

WHEREAS, the Municipalities are within the territorial limits of the Commission; and

WHEREAS, the Municipalities intend to change from the Ironton-Galesville groundwater source to Lake Michigan source water, through a future water purchase agreement (the “Customer Agreement”) with the DuPage Water Commission, and have applied to the State of Illinois Department of Natural Resources, Office of Water Resources (“IDNR”), for a Lake Michigan Water Allocation Permit (“Permit”); and

WHEREAS, the Municipalities have conducted extensive study and have concluded that the most sustainable alternative water source to serve the Municipalities through the municipal waterworks systems currently serving the Municipalities, as well as any extensions or improvements of those systems (collectively the “Municipal Systems”) is Lake Michigan water from the Commission; and

WHEREAS, the Commission owns and maintains a waterworks system as a supplier of

Lake Michigan water to member customers that contract for such service (“Commission’s Waterworks System”); and

WHEREAS, Oswego seeks to connect to Lake Michigan water through the Commission in 2027, Yorkville in 2030, and Montgomery in 2032; and

WHEREAS, Pending a Permit from the IDNR, the Municipalities seek to connect to Lake Michigan through the DWC; and

WHEREAS, the Commission has entered into a water supply contract with the City of Chicago to purchase Lake Michigan water sufficient to meet the water supply needs of the Commission and its customers; and

WHEREAS, the Commission’s water supply contract with the City of Chicago is set to expire in 2024 and the Commission is 1) exploring an alternative solution to obtaining Lake Michigan water and at the same time, 2) in discussions and negotiations with the City of Chicago for a new water supply agreement; and

WHEREAS, the Municipalities and the Commission are in the process of negotiating Water Purchase and Sale Contracts for the sale of Lake Michigan water to the Municipalities from the Commission’s Waterworks System; and

WHEREAS, the Municipalities and the Commission are in the process of negotiating a Construction Contract for the construction of a transmission line and be directly connected to the Commission’s Waterworks System (the “Direct Connection”), through the construction and extension of the Commission’s water transmission infrastructure as preliminarily described in Exhibit A (the “Transmission Main”), such that the Municipal Systems will connect through the Transmission Main to the Commission’s Waterworks System facilities directly; and

WHEREAS, the Commission will design, construct, own, operate, and maintain the Transmission Main (the “Project”), and;

WHEREAS, the Commission will incur expenses for the design and construction of the Project and the eventual Direct Connections to serve the Municipal System, costs which will include but not be limited to engineering, property acquisition, and easement acquisitions (the “Commission Expenses”); and

WHEREAS, the Municipalities and Commission mutually agree and desire to commence the preliminary engineering design of the Transmission Main and Direct Connections prior to the execution of the Water Purchase and Sale Contracts and Construction Contract in order to accelerate the schedule for the delivery of Lake Michigan water to the Municipalities, and;

WHEREAS, the Commission requires the Municipalities to establish an escrow fund with the Commission as stated herein to provide a funding source for the design engineering portion of the Commission Expenses; and

WHEREAS, pursuant to Article VII, Section 10 of the Illinois Constitution of 1970, and the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq., the Commission and the Municipalities are authorized to enter into this Escrow Agreement;

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual covenants and agreements herein contained, the Municipalities and the Commission hereby agree as follows:

AGREEMENT

1. The recitals contained in the Preamble above will become a part of this Escrow Agreement as if fully set forth herein.
2. Escrow Account. Montgomery, Oswego, and Yorkville will each pay the Commission, within thirty (30) days of execution of this Escrow Agreement, Two Hundred Thousand Dollars and No Cents (\$200,000.00) for a total of Six Hundred Thousand Dollars and No Cents (\$600,000.00) in the form of cash to be held by the Commission in escrow (“Escrow Account”).

- a. The Commission will establish a segregated Escrow Account for the sole purpose of funding the Commission Expenses. The Commission will draw from the Escrow Account to pay for or reimburse the design engineering costs of Commission Expenses.
 - b. The Escrow Account will be insured and interest bearing, and the Commission will provide the Municipalities with Quarterly Statements: 1) showing the starting and ending balances for that quarter in the Escrow Account; 2) detailing the design engineering costs of Commission Expenses incurred for that quarter including any amounts received or paid from the Escrow Account. The Municipalities will have the right to conduct audits for three years after the termination of this Escrow Agreement relative to the Escrow Account.
 - c. The Commission will keep a record of all pay requests from the Escrow Account for reimbursement of Commission Expenses incurred (the "Pay Request") and sufficient documentation of the Commission Expenses incurred in support of the Pay Request. The documentation will be retained for review by the Municipalities upon request and included within the Quarterly Statements issued by the Commission.
 - d. The Municipalities and the Commission will resolve any Escrow Account disputes using the dispute resolution procedure in Paragraph 6.
3. Termination and Return of Escrow. This Escrow Agreement will terminate, and any monies not paid or incurred for Commission Expenses, including any interest therein will be returned to the Municipalities, unless mutually extended by the Municipalities and the Commission, upon the earlier of:
- a. Two years from the date of this Escrow Agreement;
 - b. Upon the signing of Water Purchase and Sale Agreements between the Commission and the Municipalities for the purchase of water from the Commission; or
 - c. Upon the Municipalities' written notification to the Commission that they are no longer

pursuing Water Purchase and Sale Agreements with the Commission for the purchase of water from the Commission. Except for a reason other than the denial of a Permit from the IDNR, any withdrawing Municipality will be responsible for any Commission Expenses associated with engineering design incurred to modify engineering designs for the remaining Municipalities.

4. Replenishment of Escrow. If at any time during the term of this Escrow Agreement, the balance in the Escrow Account is less than Two Hundred Thousand Dollars (\$200,000.00), the Commission will notify the Municipalities. Within thirty (30) days of the Commission notifying the Municipalities under this Paragraph 4, Montgomery, Oswego, and Yorkville will each pay the Commission its proportionate or equal share of the request but not to exceed One Hundred Thousand Dollars (\$100,000.00) for deposit into the Escrow Account.
5. Progress Review: The DWC will follow generally accepted engineering principles and regularly conduct Project progress meetings with the Municipalities to review and seek consensus of the progress of the Project and at each engineering design milestone such as 30, 50, 90% completion.
6. Dispute Resolution. All claims, disputes, and other matters in question among the Municipalities and the Commission arising out of, or relating to, this Agreement shall be decided by arbitration, in accordance with the Arbitration Rules of the American Arbitration Association, unless the Municipalities and the Commission mutually agree otherwise. The award rendered by the arbitrator shall be final, and judgment may be entered on it in accordance with applicable law in the Eighteenth Judicial Circuit, DuPage County, Illinois. Demand for arbitration shall be made in accordance with the notice provisions contained in Paragraph 9 below, with copies sent to the American Arbitration Association.
7. Default. If any Municipality or the Commission defaults in the full and timely performance of any of its obligations hereunder, the non-breaching entity or entities, after first providing written notice to the breaching entity of the event of default and providing the breaching entity

ten (10) days to cure the same, will be entitled to invoke its legal rights and remedies as a result thereof, including, but not limited to, its equitable remedy of specific performance. THE FOREGOING NOTWITHSTANDING, NO ENTITY WILL BE LIABLE TO ANOTHER ENTITY OR ANY OF ITS AFFILIATES, AGENTS, EMPLOYEES OR CONTRACTORS FOR SPECIAL, INDIRECT, EXEMPLARY, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES.

8. No Third-Party Beneficiaries. There are no third party beneficiaries of this Agreement and nothing in this Agreement, express or implied, is intended to confer on any person other than the Parties hereto (and their respective successors, heirs and permitted assigns), any rights, remedies, obligations or liabilities.
9. Notices. Any notices under this Escrow Agreement will be personally delivered, delivered by the deposit thereof in the U. S. Postal Service, postage prepaid, registered, or certified, return receipt requested, or by overnight courier service to the Party at the address listed below or at another address hereafter designated by notice or by email transmission. Any such notice will be deemed to have been delivered and given upon personal delivery or delivery by a nationally recognized overnight courier service, or deposit with the United States Postal Service or upon receipt of written confirmation that facsimile or email transmission has been successfully completed:

If to the Commission:

Paul D. May, P.E., General Manager
DuPage Water Commission
600 E. Butterfield Road
Elmhurst, IL 60126
Email: may@dpwc.org

With a copy to:

Phillip A. Luetkehans
Luetkehans, Brady, Garner & Armstrong

105 E. Irving Park Road
Itasca, IL 60143
Email: pal@lbgalaw.com

If to the Municipalities:

Village Manager
Village of Oswego
100 Parkers Mill
Oswego, IL 60543

Village Manager
Village of Montgomery
200 N River Street
Montgomery, IL 60538

City Manager
United City of Yorkville
800 Game Farm Road
Yorkville, IL 60560

With a copy to:

Irene Schild Caminer
Caminer Law, LLC
2612 W. Sunnyside Ave.
Chicago, IL 60625

10. Miscellaneous.

- a. Except as provided herein, the Municipalities and the Commission will assign this Escrow Agreement or any right or privilege any Municipalities and the Commission may have under this Escrow Agreement without the prior written consent of all Parties hereto, not to be unreasonably withheld conditioned or delayed.
- b. This Escrow Agreement will be governed by the internal laws of the State of Illinois.

- c. The person(s) executing this Escrow Agreement on behalf of the Parties hereto warrant that: (i) such each Municipality and the Commission are duly organized and existing; (ii) the individual signing is duly authorized to execute and deliver this Escrow Agreement on behalf of said Municipality or the Commission; (iii) by so executing this Escrow Agreement, such Municipality and the Commission are formally bound to the provisions and conditions contained in this Escrow Agreement; and (iv) the entering into this Escrow Agreement by a Municipality and the Commission does not violate any provision of any other agreement to which said Municipality and the Commission is bound.
- d. Each Municipality and the Commission acknowledge that it may be necessary to execute documents other than those specifically referred to herein in order to complete the objectives and requirements that are set forth in this Escrow Agreement. Each Municipality and the Commission hereby agree to cooperate with each other by executing such other documents or taking such other actions as may be reasonably necessary to complete the objectives and requirements set forth herein in accordance with the intent of each Municipality and the Commission as evidenced by this Escrow Agreement.
- e. This Escrow Agreement is the entire agreement between the Municipalities and the Commission regarding its subject matter and may not be changed or amended except pursuant to a written instrument signed by each Municipality and the Commission.
- f. This Escrow Agreement may be executed in any number of identical counterparts each of which will be considered an original but which together will constitute one and the same Agreement.

IN WITNESS WHEREOF, each Municipality and the Commission hereto have caused their respective corporate names to be subscribed hereto and their respective corporate seals to be affixed hereto and attested by their duly authorized officers, all on the date set opposite their respective corporate names.

ATTEST:

DuPage Water Commission

BY: _____

ATTEST:

Village of Montgomery

BY: _____

ATTEST:

Village of Oswego

BY: _____

ATTEST;

United City of Yorkville

BY: _____



M-O-Y LAKE MICHIGAN WATER EXTENSION Milestone Targets

Meeting Objective: *Develop target milestone schedule to ensure common understanding of critical tasks, activities, schedules, and responsible parties; reduce uncertainty relative to complex sequence of events; identify reasonable and achievable schedule to guide meaningful progress and ultimate successful completion of project; provide for documentation of program plan and continuity among stakeholders.*

MILESTONE	TARGET DATE
MOY IDNR Allocation	1/1/2023 – 8/1/2023
M-O-Y governance & legal documents (MOU external to DWC)	3/1/2023
DRAFT MOY / DWC Agreement – Escrow IGA	3/15/2023
—DWC Source Water Study Complete	3/1/2023
Engineering Team Selection, Escrow in place	6/15/23
MOY/DWC Subsequent Customer Contracts Complete	8/1/2023
WIFIA/SRF Financing Target	9/1/2023
DWC Existing Customer Contracts Complete	12/1/2023 – (TARGET 8/1/2023)
Preferred Route Determined	Q1/2024
All Financing instruments assembled	Q1/2024
Property / Easement Acquisition Complete	12-18 MONTHS, 1/1/2025
Construction Document Engineering (PSE/Phase II)	12 MONTHS, 1/1/2025
MOY / DWC Pipeline Construction	24-36 months, EOCS '27
MOY / DWC Connection Facilities (Metering Stations Construction)	24-36 months, EOCS '27
Montgomery local watermain work complete	TBD, target EOCS '30
Oswego local watermain work complete	TBD, possible EOCS '26
Yorkville local watermain work complete	TBD, possible EOCS '26
Lake Michigan water service to MOY available	Oswego/Yorkville 2027; M 2032