

DRAFT 12/20/13

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December ___, 2013

**PERSONAL AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATION**

Mr. Scott R. Niehaus
Village Manager
Village of Tinley Park
16250 South Oak Park Avenue
Tinley Park, Illinois 60477

Re: Scope of Additional Services—Water Matters

Dear Mr. Niehaus:

Thank you for requesting a description of and estimated budget for an additional scope of legal services by Holland & Knight to expand on the four previous scopes of work described in my February 26, 2010, August 3, 2011, August 1, 2012 and July 16, 2013 letters to you. During the course of these scopes of work, we have provided advice to Tinley Park regarding issues involved in Tinley Park's Water Contract with Oak Lawn and the potential renewal of that Contract and similar contracts held by the other interested communities of Orland Park, Mokena, New Lenox, and Oak Forest (collectively with Tinley Park, the "Working Group").

The Working Group's level of effort to reach a conclusion on the form of a master water contract has been at a very high intensity since the spring of 2013, culminating in approvals by the corporate authorities of each of the Working Group members in November and early December. In order to complete the Agreement and necessary related items, the following additional items of work are required:

1. Resolution of a small group of final details in the body of the Agreement and its 18 Exhibits (lettered A through R). [Necessary to make the Agreement complete and effective]
2. Preparation and completion of the Working Group's Agreement Regarding Southwest Water System Improvements paid for with the 2006 Bonds.
3. Approval by Oak Lawn and the North System Customers (Chicago Ridge, Palos Hills and Palos Park) of a "Conforming Agreement" that is consistent with the Working Group's master Agreement. [Necessary to make the Working Group Agreement complete and effective]
4. Coordinate with Oak Lawn on another Conforming Agreement to be offered to the Southeast System Customers (Country Club Hills, Matteson and Olympia Fields). However,

EXHIBIT A
WORK PLAN

TASK	BUDGET
OCTOBER LEGAL SERVICES: October saw our highest level of effort with meetings for negotiation with Oak Lawn and/or consultation with the Working Group (on seven different days), and continued phone calls and review of drafts of the Agreement and exhibits, resulting in efforts of 77 hours, in the amount of \$25,804.75. You have paid \$23,409.79 to date. The remaining amount owed is \$2,394.96.	\$ 2,394.96 (actual)
NOVEMBER LEGAL SERVICES: November continued with a high level of effort, with four meetings with Oak Lawn in a period of seven days, and continued phone calls and review of drafts of the Agreement and exhibits. Also included preparation of agreement reflecting the Working Group arrangements for payments on the Oak Lawn 2006 Bonds. Our efforts totaled 54.30 hours, in the amount of \$18,190.50, which is not yet paid.	\$ 18,190.50 (actual) [Subtotal of actual \$20,585.46]
COMPLETION OF MASTER AGREEMENT FOR EXECUTION BY WORKING GROUP AND OAK LAWN: Includes review of agreement and exhibits; additional discussions with Working Group and representatives of Oak Lawn to discuss final issues and complete contract language and related exhibits; consultation with the Working Group's negotiating team; preparation of agreements for execution. Est. 20-25 hours	\$ 6,700-8,500
COMPLETION OF AGREEMENT ON SOUTHWEST SYSTEM IMPROVEMENTS: Includes completion of the Agreement by the Working Group members regarding payments on the Oak Lawn 2006 Bonds. Est. 10-15 hours	\$ 3,500-5,000
NORTH AND SOUTHEAST SYSTEM CUSTOMER AGREEMENTS WITH OAK LAWN: Includes review of the proposed drafts prepared by Oak Lawn's counsel for conformance with Working Group's form of Agreement and providing comments on same. Review final version of North Customer Agreement with Oak Lawn. Est. 30-35 hours	\$10,000-12,000 [Subtotal of estimates \$20,000-25,500]
TOTAL (see notes below for possible adjustments)	\$41,000-46,000

NOTES: Probable Schedule. These estimates assume that Oak Lawn will be able to achieve a Conforming Agreement with the North System Customers in the first quarter of 2014 without objections to form raised by the Working Group. It is anticipated that some reallocation of budget to tasks where there is greater demand may occur.

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completion and approval of this agreement by Oak Lawn and the Southeast System Customers is not necessary to make the Working Group's agreement effective.

At this point, our work is expected to focus on assisting with these four work items. Enclosed in Exhibit A is a listing of the work we have performed through November beyond the previously approved budget amount in order to maintain momentum for you, as well as our proposed scope of work and estimated budget for the uncompleted work items.

Please note that I have not increased my hourly rate to you over the life of this four-plus year project. To date, our work has been to produce materials that will inform the Group members and to document business terms on which you have reached independent agreement, rather than advocating positions that are not in the common interest of or mutually agreed by the Group members. However, as noted previously, we anticipate that in the provision of legal services it may be necessary for us to work directly with each member of the Working Group, which may require us to secure engagements and any necessary waivers and consents from each of the members.

Our services will be provided under the terms outlined in our initial engagement letter to you.

If the terms outlined above and in the attached Exhibit A are satisfactory, please so indicate by signing and returning a copy of this letter.

We look forward to working with you and the Working Group to bring these matters to a successful conclusion.

Very truly yours,

HOLLAND & KNIGHT LLP

By: _____
Barbara A. Adams

Enclosure

Approved this _____ day of _____, 2013.

VILLAGE OF TINLEY PARK

By: _____

Its: _____

#26887034_v1

Southwest Suburban Lake
Michigan Water Purchase and
Delivery Initiative

Vendor	WRB, LLC Proj Mgmt Bill Baling	WRB, LLC Proj Mgmt Bill Baling	WRB, LLC Proj Mgmt Bill Baling	WRB, LLC Proj Mgmt Bill Baling	WRB, LLC Proj Mgmt Bill Baling	Malcolm Pirnie, Eng. Andre Dieffenthaler	Malcolm Pirnie Engineer	Malcolm Pirnie Engineer	Malcolm Pirnie Engineer	Hazen & Sawyer Engineer	Holland & Knight Barbara Adams	Holland & Knight Barbara Adams	Holland & Knight Barbara Adams	Holland & Knight Barbara Adams	Totals
Work Start/Authorized	Aug-09	Apr-11	Mar-12	Dec-12	Jul-13	Oct-09	Jan-10	Nov-10	Jun-12 Auth March 2012	Oct-13	Feb-10	Aug-11	Aug-12	Jul-13	
Contract Authorization	\$ 60,000.00	\$ 45,000.00	\$ 46,000.00	\$ 45,000.00	\$ 38,933.00	\$ 20,000.00	\$ 24,660.00	\$ 25,400.00	\$ 50,000.00	\$ 4,300.00	\$ 20,000.00	\$ 110,000.00	\$ 77,500.00	\$ 115,000.00	\$681,793.00
Paid thru 12/15/2013	59,835.00	45,000.00	45,490.35	45,000.00	36,653.75	19,862.60	24,660.00	25,400.00	38,607.73	-	20,000.00	110,000.00	77,500.00	115,000.00	663,009.43
Tinley Park Authorized (28%)	16,800.00	12,600.00	12,880.00	12,600.00	10,901.24	5,600.00	6,904.80	7,112.00	14,000.00	1,204.00	5,600.00	30,800.00	21,700.00	32,200.00	190,902.04
Tinley Park Billed (28%)	16,753.80	12,600.00	12,737.30	12,600.00	10,263.05	5,561.53	6,904.80	7,112.00	10,810.16	-	5,600.00	30,800.00	21,700.00	32,200.00	185,642.64
Orland Park Authorized (33%)	19,800.00	14,850.00	15,180.00	14,850.00	12,847.89	6,600.00	8,137.80	8,382.00	16,500.00	1,419.00	6,600.00	36,300.00	25,575.00	37,950.00	224,991.69
Orland Park Billed (33%)	19,745.55	14,850.00	15,011.82	14,850.00	12,095.74	6,554.66	8,137.80	8,382.00	12,740.55	-	6,600.00	36,300.00	25,575.00	37,950.00	218,793.11
Oak Forest Authorized (11%)	6,600.00	4,950.00	5,060.00	4,950.00	4,282.63	2,200.00	2,712.60	2,794.00	5,500.00	473.00	2,200.00	12,100.00	8,525.00	12,650.00	74,997.23
Oak Forest Billed (11%)	6,581.85	4,950.00	5,003.94	4,950.00	4,031.91	2,184.89	2,712.60	2,794.00	4,246.85	-	2,200.00	12,100.00	8,525.00	12,650.00	72,931.04
New Lenox Authorized (18%)	10,800.00	8,100.00	8,280.00	8,100.00	7,007.94	3,600.00	4,438.80	4,572.00	9,000.00	774.00	3,600.00	19,800.00	13,950.00	20,700.00	122,722.74
New Lenox Billed (18%)	10,770.30	8,100.00	8,188.26	8,100.00	6,597.68	3,575.27	4,438.80	4,572.00	6,949.39	-	3,600.00	19,800.00	13,950.00	20,700.00	119,341.70
Mokena Authorized (10%)	6,000.00	4,500.00	4,600.00	4,500.00	3,893.30	2,000.00	2,466.00	2,540.00	5,000.00	430.00	2,000.00	11,000.00	7,750.00	11,500.00	68,179.30
Mokena Billed (10%)	5,983.50	4,500.00	4,549.04	4,500.00	3,665.38	1,986.26	2,466.00	2,540.00	3,860.77	-	2,000.00	11,000.00	7,750.00	11,500.00	66,300.94