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Mr. Scott Niehaus, Village Manager
Village of Tinley Park
16250 So. Oak Park Ave
Tinley Park, IL 60477

20 May 2013

SUBJECT: Work extension proposal regarding the Lake Michigan Water Project.

Scott,

You have asked me to examine my work plan for the Lake Michigan Water Project including the work with the Village of Oak Lawn. I have reviewed my most recent Proposal of November 7, 2012, copy attached, and have estimated the additional work needed through September 30, 2013 which is my estimate of the Oak Lawn Agreement completion. There is however additional post Agreement tasks beyond September 30 which this proposal provides a pricing estimate. From that November 7, 2012 proposal, a \$45,000 authorization was provided with a balance available of \$17,662 on May 1, 2013. This month through May 20, 2013 I have recorded 27.75 hours with additional time planned through May 31. As summarized in the November proposal my work will involve meetings, coordinating and finalizing the Oak Lawn Water Supply Agreement, and post Agreement tasks. I have averaged about 26 hours per month for the first four months of 2013. Here is a breakdown on work I anticipate to be involved in:

A. Meetings May 21 through September 30, 2013: 102 hours, or \$16,830. I anticipate that 16 meetings will be required with four different groups, Oak Lawn (5), Managers (5), Mayors (3) and Working Team members (3).

B. Finalizing the Agreement. 90 hours, or \$14,850. Work here includes the Agreement itself, which will include a rewrite and verification of what we have already seen (40 hours) with sub set work on non rate issues (20 hours) and rate related issues (30 hours).

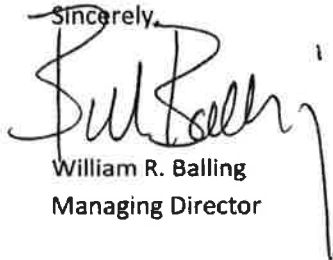
C. Post Agreement work: 125 hours, or \$20, 625. The projection presented in November 2012 seems to reflect the work effort.

For budget purposes here is where my engagement stands:

Total work items A, B, and C:	\$52,305
Amount available May 21,2013:	\$13,372
Additional required May 21-Sept 30, 2013:	\$38,933

Only actual hours incurred will be billed at the current rate of \$165 per hour. The tasks themselves will of course be modified at the direction of the Managers. Thank you for considering this work extension proposal.

Sincerely,



William R. Balling
Managing Director

DATE OFFERED _____ DATE ACCEPTED _____

WRB, LLC _____ VILLAGE OF TINLEY PARK _____

Attach: November 7, 2012 Work Proposal



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Mr. Scott Niehaus, Village Manager
Village of Tinley Park
16250 So. Oak Park Ave.
Tinley Park, Illinois 60477

7 November, 2012

SUBJECT: Work extension proposal for WRB,LLC regarding Lake Michigan Water Project

Scott,

Here is my work plan for continuing services to support the Lake Michigan water project. I have structured this similar to the Malcolm Pirnie/Arcadis proposal and can proceed either on a continuing basis or as authorized by your group of five communities. I have not changed the bill rate and have identified potential additional work activities which will occur after the execution of the Water Supply Agreement with Oak Lawn which is of course a major milestone but not the end of the project. Obviously you and the Managers need to be comfortable with the work effort forecasted and as always I am open to modifying the level of work you would like to see accomplished. I have set up the work around meetings and tasks.

A. Meetings. 65 hours x \$165= \$10,725

There are four levels of meetings which I have identified, three of which are internal to our members. When I identify my time estimate for a meeting I project meeting preparation and follow up work along with the anticipated meeting itself. I do not bill for any travel time related to the meetings which has been my past practice.

1. Joint meetings. these are the extended meetings with Oak Lawn generally in Chicago to work on the Agreement itself. I am anticipating that we should shoot for a finalization of our Agreement by February, 2013 and to accomplish that I estimate three meetings of five hours in duration (10 hours each including preparation and follow up work) 30 hours
2. Internal staff meetings. These meetings work with the Finance Directors and Public Works Directors as well as Malcolm Pirnie Arcadis to address final agreement issues. I anticipate a December meeting and a January meeting and about 5 hours with Arcadis. 15 hours
3. Manager meetings. I would expect meetings in December, January, and February to finalize the Agreement. 12 hours
4. Mayors meetings. I expect a January and a February meeting to complete the document and overall presentation strategy. 8 hours

Tasks to finalize Agreement. \$20,600, 125 hours

There are three subsets of work tasks to finalize the Agreement, the acceptance of final legal language including final exhibit documentation, acceptance of business terms related to non-rate issues, and business terms related to rate and financial matters.

1. **Legal Language.** This involves the final coordination and acceptance of all legal language consistent with our group's direction, preparation and acceptance of final documentation including all exhibits, the Chicago contract, and the mechanisms of billing format and true up illustrations and explanations. This task includes coordination with legal our staff, engineering consultant, our Managers and Oak Lawn and its legal team.
2. **Non Rate Business terms.** While we have identified and prepared language to accomplish our objectives, those terms and conditions need to be discussed, negotiated, and accepted by Oak Lawn through various channels other than formal joint meetings.
3. **Rate related business terms.** This includes our continuing combined efforts with our management team and staff team to gain acceptance and understanding of each element of the rate model and ensure proper documentation of the model within the context of the agreement. This also includes understanding the plan of finance.

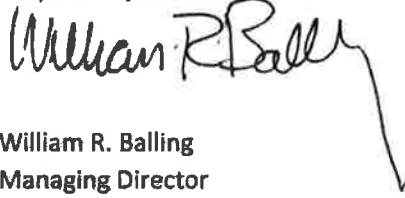
C. Post Agreement tasks. \$20,600 125 hours

Subject to the direction of the Management Team several tasks will be required as we move from the Agreement phase of this project to the implementation phase of the project to assure compliance to the rights and obligations contained within the Agreement. There will likely be fewer meetings but more contacts with the parties centered around the following tasks:

1. Follow up on the completion of subsequent Agreements including The Oak Lawn/Chicago Agreement, the North Customer Agreements, and review of same to assure that favored nations rights have been protected.
2. Monitor the compliance of the Oak Lawn approved plan of finance and provide commentary where appropriate to ensure our rights are protected and the plan is followed.
3. Coordination and due diligence review of the finals design concepts and bidding procedures including coordination with any additional authorized work with Arcadis.
4. Schedule and participate in coordinating meetings as established by Exhibit K as needed
5. Monitor the processing of the IEPA loan phase of the plan of finance.
6. Review and comment on the rate proposals for 2013 and their implementation.

All of the work elements will be based on actual hourly time spent on the tasks. It can be expected that the tasks themselves will be modified to meet the needs of our group and pending issues as they arise. A budget for this next phase of work of \$52,000 should be planned. I have provided an authorization signature block below to bind this next level of services. Thank you for considering WRB,LLC for this additional work effort.

Respectfully submitted,



William R. Balling
Managing Director
WRB, LLC Consulting and
Management Services

OFFERED: 7 November 2012

ACCEPTED: 

WRB, LLC 

VILLAGE OF TINLEY PARK, IL

BY, 1/24/13