



VILLAGE OF ORLAND PARK

14700 Ravinia Avenue
Orland Park, IL 60462
www.orlandpark.org

Meeting Agenda

Committee of the Whole

Village President Keith Pekau

Village Clerk John C. Mehalek

*Trustees, Kathleen M. Fenton, James V. Dodge, Jr., Daniel T. Calandriello,
William R. Healy, Cynthia Nelson Katsenes, and Michael R. Milani*

Monday, September 21, 2020

6:00 PM

Village Hall

A. CALL TO ORDER/ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. APPROVAL OF MINUTES

[2020-0634](#) Approval of the September 8, 2020 Committee of the Whole Minutes

Attachments: [Draft Minutes](#)

D. ITEMS FOR SEPARATE ACTION

1. [2020-0618](#) Pocketed Annexation - Review of Unincorporated Property

Attachments: [Annex Properties Example](#)

2. [2020-0648](#) First Amendment to the Oak Lawn Regional Water System

Attachments: [Comparison of Projected Debt Service](#)
[First Amendment](#)
[Ordinance](#)

E. NON-SCHEDULED CITIZENS & VISITORS

F. ADJOURNMENT

DATE: September 21,
2020

REQUEST FOR ACTION REPORT

File Number:	2020-0634
Orig. Department:	Village Clerk
File Name:	Approval of the September 8, 2020 Committee of the Whole Minutes

BACKGROUND:

BUDGET IMPACT:

REQUESTED ACTION:

I move to approve the Minutes of the Regular Meeting of the Committee of the Whole of September 8, 2020.

VILLAGE OF ORLAND PARK

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Meeting Minutes

Tuesday, September 8, 2020

6:00 PM

Village Hall

Committee of the Whole

Village President Keith Pekau

Village Clerk John C. Mehalek

*Trustees, Kathleen M. Fenton, James V. Dodge, Jr., Daniel T. Calandriello,
William R. Healy, Cynthia Nelson Katsenes, and Michael R. Milani*

CALL TO ORDER/ROLL CALL

This meeting was called to order at 6:00 P.M.

Present: 7 - President Pekau; Trustee Fenton; Trustee Dodge; Trustee Calandriello; Trustee Healy; Trustee Nelson Katsenes and Trustee Milani

PLEDGE OF ALLEGIANCE**APPROVAL OF MINUTES****2020-0609 Approval of the August 17, 2020, Committee of the Whole Minutes**

I move to approve the Minutes of the Regular Meeting of the Committee of the Whole of August 17, 2020.

A motion was made by Trustee Fenton, seconded by Trustee Calandriello, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, and Trustee Milani

Nay: 0

ITEMS FOR SEPARATE ACTION**2020-0563 Orland Park Prayer Center South Parking Lot - Development Agreement**

On December 17, 2018, the Village Board of Trustees approved a Site Plan, Landscape Plan, Subdivision, Rezoning, and Special Use Permit Amendment with Modifications to the Land Development Code for the Orland Park Prayer Center South Parking Lot Addition located at 16530-16650 S.104th Avenue and 10440 W. 167th Street.

The project includes the rezoning of a 3.4-acre parcel located to the south of the Orland Park Prayer Center's existing parking lot from ORI Mixed-Use District to the E-1 Estate Residential District and the construction of a new parking lot. The proposed parking lot will contain 147 parking spaces, will be constructed of pervious pavers, and includes underground detention. The 3.4-acre parcel will be consolidated with the existing 6-acre site, which includes a main building for a place of worship, a community center building, a detention pond, and 338 parking spaces. When combined with the proposed parking lot site and after portions of 167th Street and 104th Avenue right-of-ways are dedicated to Cook County, the total site will encompass approximately 8.8 acres. A portion of the lot located at the corner of 167th Street and 104th Avenue will remain as an open grassy area for a future building. Development within this area of the lot is not included as part of this petition and must be brought back through the development review process at a later date.

Attached to the Committee Packet is a draft Development Agreement which sets forth terms and conditions for the development of the Orland Park Prayer Center South Parking Lot proposed at 16530-16650 S. 104th Avenue and 10440 W. 167th Street in Orland Park.

This is now before the Committee of the Whole for consideration prior to being sent to the Board of Trustees for final review and approval.

Development Services Director Ed Lelo presented the item. (refer to audio)

Trustee Dodge made a comment and asked a question. (refer to audio)

Director Lelo responded. (refer to audio)

I move to recommend to the Village Board of Trustees approval of the Development Agreement for the Orland Park Prayer Center South Parking Lot located at 16530-16650 S. 104th Avenue and 10440 W. 167th Street.

A motion was made by Trustee Fenton, seconded by Trustee Healy, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, and Trustee Milani

Nay: 0

2020-0599 Agenda Initiative - COVID related Public Information Signs Used Village-wide

Per the Village Code, any individual Trustee can request that an initiative be placed on the Committee of the Whole agenda by instructing the Village Manager, either verbally or in writing, before noon on the Friday preceding the meeting, to place an item on the Committee of the Whole agenda. Village/Legal staff time is restricted until after at least three Trustees vote to move the Agenda Initiative forward.

Agenda Initiatives include (1) the expenditure of money; (2) modifications to the Village Code; (3) formation/modification of Village policies; (4) the introduction of an ordinance or resolution; (5) the formation/modification of committees; (6) budget changes and/or (7) the appropriation of Village/Legal staff time.

Trustee Dodge presenting the item. (refer to audio)

Dodge asked Village Manager George Koczwara a question and Village Manager Koczwara responded. (refer to audio)

Dodge continues to present the item. (refer to audio)

Trustee Fenton made a comment. (refer to audio)

Trustee Milani asked a question and made a comment. (refer to audio)

Village Manager Koczwara responded to Milani's question. (refer to audio)

Milani continues with his comment. (refer to audio)

Trustee Calandriello made a comment. (refer to audio)

Trustee Healy made a comment. (refer to audio)

Trustee Dodge made comment and recaps items. (refer to audio)

Mayor Keith Pekau made a comment. (refer to audio)

Mayor Pekau polled the Committee as to whether or not they were in favor of having staff do research on the matter. (refer to audio)

Trustee Fenton - Aye
Trustee Dodge - Aye
Trustee Calandriello - Aye
Trustee Healy - Nay
Trustee Katsenes - Aye
Trustee Milani - Nay
Mayor Pekau - Nay

Discussion only

2020-0602 Fernway Subdivision Roadway and Ditch Improvements 2020 - Bid Award and Construction Observation Services Proposal

The roads and drainage ditches in the Fernway Subdivision were originally constructed in the early 1960s. At that time, the rural type unincorporated roadways were constructed to a poor standard. The Village has spent considerable resources maintaining these roadways and has contended with problematic ditch drainage since annexing the area over 40 years ago. The roads and ditches continue to be a challenge for the Village and the local residents.

The Village's pavement management consultant, Applied Research Associates (ARA), has recommended full depth pavement reconstruction, with the addition of concrete shoulders to support the pavement edge. Given that many areas of the roadside ditches function poorly, wholesale ditch reconstruction is necessary to complement the road construction and leverage economies of scale. Since the project inception, due to the large scale of work and expected total construction cost, the road and ditch reconstruction work for the entire Fernway subdivision has

been projected to span nine (9) years, subject to annual availability of funding. Beginning in 2016, the first four phases have been successfully completed. The work planned for 2020 (year five) includes Robinhood Drive from 165th Place to 88th Avenue, Sussex Drive between Robinhood Drive and Sherwood Drive, and Sherwood Drive from 164th Place (included) to 88th Avenue.

Since beginning this multi-year project, the Village Board has approved annual contracts with Baxter & Woodman (B&W) and Christopher B. Burke Engineering Ltd. (CBBEL) to provide phase II design engineering services in a combined effort between the two consulting firms. B&W provided the roadway design, overall plan preparation, and cost estimation, while CBBEL provided the ditch drainage design. For 2019, staff requested proposals from B&W and CBBEL to establish one consultant for both the road design and the drainage design. Noteworthy, is the 2019 proposal's inclusion of three (3) years of drainage design in order to cover the entirety of Fernway subwatershed (#4). In February 2019, the Village Board accepted the phase II design proposal from CBBEL for the 2019 project area design and drainage design for sub-watershed #4. To date, CBBEL has demonstrated excellent ability to perform the services necessary for proper development of the Fernway roadway and ditch drainage design, as well as the construction oversight.

An invitation to bid for the 2020 Fernway Subdivision Road and Ditch Improvements project was published on the BidNetDirect website on August 13, 2020. Per the BidNet audit report, 239 vendors were notified via their BidNet subscription, 20 downloaded the documents (nine entire downloads), and four (4) submitted bids. On Friday August 31, 2020 at 11:00 am, the four (4) sealed bids were opened by the Clerk's Office. Bids were received from: PT Ferro Construction Company of Joliet, Illinois; D Construction of Coal City, Illinois; M&J Asphalt Paving Company of Cicero, Illinois; and Austin Tyler Construction of Elwood, Illinois. Attached to the Committee Packet is ITB 20-027 Bid Tabulation- All Bidders, and ITB 20-027 Bid Totals and Responsiveness Check documents for reference.

PT Ferro Construction Company of Joliet, Illinois is identified as the lowest responsive responsible bidder for the 2020 Fernway Subdivision Road and Ditch Improvements project with a submitted project cost of \$561,785.27 for roadway reconstruction, and \$371,621.50 for ditch reconstruction, for a total of \$933,406.77. This cost is below CBBEL's Engineer's Estimate of Probable Cost \$1,167,507.20. The Village has past working experience with PT Ferro Construction Company via the 2016 and 2017 Fernway Road and Ditch Improvement project, and the 2018 Neighborhood Road Improvement Project. Therefore, it is both staff's and CBBEL's recommendation that the below bidder, PT Ferro Construction Company of Joliet, Illinois be awarded the contract for the 2020 Fernway Subdivision Road and Ditch Improvements project in the amount of \$933,406.77, plus a 10% contingency (\$56,000) for the road reconstruction portion and a 10% contingency (\$37,000) for the ditch reconstruction portion for a

total cost of \$1,026,406.77.

In order to facilitate the construction management, staff requested a proposal for Phase III construction oversight from CBBEL. CBBEL performed the construction observation for their design of the 2019 Fernway Road and Ditch Improvements project and the firm has maintained a proficient and professional relationship with the Village on numerous other CBBEL-designed construction projects. Therefore, staff recommends accepting the proposal from CBBEL in an amount not to exceed \$83,566.00 (proposal attached to the Committee Packet). Based on the above road reconstruction/ditch reconstruction cost split, \$50,139.60 (60%) of the construction observation cost will be from the Road Program account and \$33,426.40 (40%) will be from the stormwater funding in the Water and Sewer account.

Trustee Milani purposed to accept bids. (refer to audio)

Mayor Keith Pekau made a comment. (refer to audio)

I move to recommend to the Village Board to accept the bid from PT Ferro Construction Company of Joliet, Illinois for the Fernway Subdivision Road and Ditch Improvements 2020 in an amount not to exceed \$1,026,406.77 (\$933,406.77 plus \$93,000.00 contingency);

And

I move to recommend to the Village Board to accept the proposal for Construction Observation Services for the Fernway Subdivision Roadway and Ditch Improvements 2020 from Christopher B. Burke Engineering Ltd of Rosemont Illinois, in an amount not to exceed \$83,566.00.

A motion was made by Trustee Milani, seconded by Trustee Nelson Katsenes, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, and Trustee Milani

Nay: 0

2020-0607 Village Hall Board Room Renovation (Discussion Only)

The Linden Group, a local architecture, interior design, and land planning firm, will present preliminary design plans for an update of the Village Hall Board Room. The current scope of work for Linden Group includes:

Review of design goals with staff gather relative existing design documentation;

Presentation of the sketch floor plan, project narrative, preliminary furniture selections, color/material palette as per project description;

Schematic lighting plan and fixture cuts for proposed lighting upgrades, including a photometric plan;

3-D rendering views of remodeled Board Room with material call-outs; and

Estimate of probable cost for budgeting purposes.

Assistant Village Manager Greg Summers introduced the item. (refer to audio)

Grant Currier of Linden Group Architects presents the purposed layout. (refer to audio)

Kimberly Larson of Linden Group Architects presents the interior design changes purposed. (refer to audio)

Trustee Fenton asked a question and Mr. Currier responded. (refer to audio)

Trustee Calandriello asked a question and Mr. Currier responded. (refer to audio)

Mayor Keith Pekau and Calandriello made comments. (refer to audio)

Village Manager George Koczwara and Calandriello made comments. (refer to audio)

Mayor Pekau and Fenton made comments. (refer to audio)

Mr. Currier, Mayor Pekau, Fenton and Calandriello made comments. (refer to audio)

Village Manager Koczwara made a comment and Mr. Currier responds. (refer to audio)

Trustee Healy made a comment. (refer to audio)

Trustee Dodge made a comment and asked a questions. (refer to audio)

Village Manager Koczwara responds to Dodge's question. (refer to audio)

Dodge made a comment. (refer to audio)

Mayor Pekau made a comment. (refer to audio)

Village Manager Koczwara asked a question and Mayor Pekau responds. (refer to audio)

This item is for discussion only.

2020-0610 Tinley Creek Stabilization - September 2020 Update

In November of 2004, the Illinois State Legislature granted the Metropolitan Water Reclamation District (MWRD) of Greater Chicago the authority for general supervision of stormwater management in Cook County. The legislative act granting the authority required the preparation and adoption of a countywide stormwater management plan. In February of 2007, the MWRD's Board of Commissioners adopted the Cook County Stormwater Management Plan (CCSMP) by ordinance. The CCSMP was a high-level organizational plan and the first step in the development of the MWRD's countywide stormwater management program. Based on the CCSMP, the MWRD then studied each of the six watersheds in Cook County and developed Detailed Watershed Plans (DWP), which address regional stormwater problems in Cook County. The primary objectives of the DWPs were to document stormwater problem areas, evaluate existing watershed conditions using industry accepted hydrologic and hydraulic models, produce flow, stage, frequency, and duration information about flood events along regional waterways, and estimate damages associated with regional stormwater problems. The Cal-Sag DWP identified four potential projects within the Tinley Creek portion of the watershed. In 2010, feasibility/preliminary studies were prepared for each of the projects to determine the impact and benefits of the projects. Two of those projects are located in Orland Park and were selected for implementation based on the results of the preliminary analysis. Details for each project are provided below:

Project TICR-7 (Tinley Creek)

Description: Stabilize approximately 2,200 linear feet (LF) of Tinley Creek using a combination of retaining walls and bioengineering techniques. Estimated Construction Cost (2014 Dollars): \$1,437,510

Project TICR-8 (Tinley Creek)

Description: Stabilize approximately 1,803 LF of Tinley Creek using a combination of retaining walls and bioengineering techniques. Estimated Construction Cost (2014): \$2,303,411

In 2012, the Village met with the MWRD and their consultants to discuss the project scope including easements, utilities, timeframe, etc. At that time, construction was expected to take place in 2014 depending on the US Army Corps of Engineers permits and easement acquisition from the Orland Park property owners. The MWRD's position regarding easement acquisition is that they will not purchase the easements or compensate the property owners with any additional financial or non-financial benefits other than those provided by the project itself. The Village offered assistance related to obtaining the easements from property owners, addressing any easement infringement issues, and any

other outstanding items related to easements. As of 2013, the design of the proposed improvements was virtually complete (approximately 98%), but the project has not moved forward due to a lack of cooperation from property owners in obtaining the aforementioned easements.

The MWRD met with the Village on multiple occasions over the last several years to discuss the possibility of the Village taking over the project. The Village has expressed an interest in doing so; however, several concerns have been identified by the Village and are summarized below:

1. After the Village takes over the project, the maintenance costs of this project will be Village's responsibility. How and who will pay for the maintenance costs?
2. The design was prepared in 2014 based on topographical information collected much earlier. Substantial changes in the existing conditions of Tinley Creek have occurred since then. Additionally, several areas that were not included in the original design limits have deteriorated and should be included in the project. Many of the previously designed areas will require redesign and substantially more improvement than anticipated in 2014.
3. The funding allocation prepared by MWRD in 2014 to construct the project would be substantially less than that required in 2020, or future years, and additional funds would be needed for areas that were not originally included or those that have deteriorated since the original design.
4. There were 31 easements initially identified for the project by MWRD and to date, only 9 property owners have agreed and signed the easement documents. Based on the current design, the outstanding 22 easements would need to be secured, as well as any new easements identified through the addition of other portions of the creek. Additional easements and/or agreements may need to be secured for utilities.
5. The United States Army Corps of Engineers permits previously issued for the projects that will need to be re-established, re-issued, or re-applied for.

Update from May 28, 2020 Meeting with MWRD

The Village's engineering team and its consultant participated in a call with MWRD team on May 28, 2020. The following is a summary of this call:

- MWRD is willing to let the Village takeover the project and reimburse us for the design and construction costs.
- MWRD agreed that the Village's consultant should re-evaluate the project and update the previous technical memorandum and cost estimates.
- MWRD is willing to expand the project limits and pay for it if the expansion

meets their design criteria, although this is subject to identified projects costs and MWRD's ability to budget for those costs.

- It is possible there may be a need to expand the project limits but the expansion may not meet MWRD's design criteria. In that case, the Village will make a decision if we pay for the expanded project limits. The intended advantage of this expansion would be to reduce future maintenance costs that would be Village's responsibility.

The staff is recommending that the Committee authorize the staff to negotiate with MWRD the details and costs of this creek stabilization project.

Update from August 13, 2020 Meeting and Tinley Creek Field Visit with MWRD

The Village's engineering team and its consultant revised the 2014 technical memorandum to evaluate the additional impact of six years on the creek erosion. Additionally, we evaluated if additional properties are impacted by the continued creek erosion. The evaluation shows additional erosion along the creek to the properties that were included in the 2014 design. Furthermore, 13 additional properties are impacted by the creek erosion. The planning level cost estimate for the updated project (total of 44 properties) is at \$5.95 million.

The Village's engineering team and its consultant met with MWRD representatives on August 13, 2020. The combined team also visited the major areas of concern along the creek. The following is a summary of this meeting and field visit:

- MWRD is still committed to the project. They updated their cost estimate from 2014 and the 2020 cost estimate is at \$3.7 million. They may add minor sections to the project if they meet MWRD's design requirements, and may pay for those additions as well. However, MWRD staff was hesitant to commit to the Village's updated project cost of \$5.95 million.
- MWRD stated, that the Village should consider paying for the additional properties or sections added to the project. At present, the estimated cost difference is \$2.25 million. The Village staff believes the actual cost difference would be below \$2 million after detail design and value engineering is completed.
- Staff needs direction about how to proceed with the \$2 million cost difference between the total estimated project cost and MWRD's funding.
- Staff also suggests establishing a Special Services Agreement (SSA) to pay for the maintenance of the improvements. Staff has estimated \$25,000 to \$50,000 will be needed annually to account for maintenance of the improvements covered under this project.
- The property owners still have to offer easements without compensation to

complete this project under MWRD's parameters.

Mayor Keith Pekau asked for an update on the item. (refer to audio)

Programs and Engineering Services Director Khurshid Hoda gives update on item. (refer to audio)

Mayor Pekau made a comment to new arriving attendees. (refer to audio)

Director Hoda continues his update. (refer to audio)

Trustee Fenton made a comment. (refer to audio)

Mayor Pekau made a comments. (refer to audio)

Director Hoda responds to Fenton's comment. (refer to audio)

Mayor Pekau made a comments. (refer to audio)

Trustee Calandriello asked a question and Mayor Pekau responded to Calandriello's question. (refer to audio)

Calandriello made a comment. (refer to audio)

Village Manager George Koczwara and Calandreillo made comments. (refer to audio)

Trustee Dodge asked a question and made a comment. (refer to audio)

Director Hoda responds to Dodge's question. (refer to audio)

Village Manager Koczwara and Director Hoda made a comment. (refer to audio)

Dodge asked a question and Village Manager Koczwara responds. (refer to audio)

Director Hoda made a comment. (refer to audio)

Mayor Pekau made a comment. (refer to audio)

Village Attorney Dennis Walsh made a comment. (refer to audio)

Fenton asked a question and Village Attorney Walsh responds. (refer to audio)

Mayor Pekau asked a question and Village Attorney Walsh responds. (refer to audio)

No motion is needed at this time. This item is for discussion only.

2020-0618 Pocketed Annexation - Review of Unincorporated Property

Item tabled due to time; will be discussed at the next meeting. (refer to audio)

I move to direct staff to analyze and update the 2007 annexation plan and present the findings to the Village of Orland Park Plan Commission for formal presentation and recommendation to the Village Board of Trustees.

TABLED

2020-0557 Foreclosed Property Registration - Property Registration Champions

During the last recession, the Village experienced heightened levels of residential and commercial foreclosure. This was also true for the entire country. There were so many foreclosed properties across the country that, oftentimes, the banks and property management companies responsible for maintaining these properties had a difficult time keeping properties in compliance with applicable property maintenance codes and ordinances. This creates a substantial nuisance for surrounding residents and can lead to reduction in property values.

Part of the challenge for enforcing these codes on foreclosed properties is getting in contact with the appropriate person to make sure the property is maintained. The item before the Village Board is consideration of an ordinance and subsequent agreement that would create a foreclosed property registration program for the Village.

The registration would be managed by Property Registration Champions, LLC. (Pro Champs). The ordinance requires that owners of foreclosed properties, or their designee to register the property with Pro Champs at a cost of \$300 on a bi-annual basis. The Village would receive \$200 and Pro Champs would receive \$100 for each registration. Pro Champs will provide a property registration website that banks and property management companies can utilize. Based upon current foreclosure information available, it is estimated that such a program could generate approximately \$80,000 annually for the Village to use to offset the costs of property maintenance enforcement.

After the foreclosures are identified and registered, Village Code Enforcement Staff will actively monitor these buildings to ensure they are being properly maintained. If there are violations that exist, this registry provides up to date and reliable contact information so that any issues can be quickly remediated.

In addition to assisting with the registration of new foreclosed properties, Pro Champs already maintains an extensive list of property contacts that can be used to identify the responsible party when a new foreclosure is discovered.

The foreclosed property registration is revenue positive for the Village, as there is

no set up cost and the Village will collect 2/3 of the registration fee on a bi-annual basis. This revenue is then used to offset the costs of providing property maintenance inspections. As a result of the registration, the Village will have reliable contact information for all of these properties that could be shared with any other Village as well.

Pro Champs is used by Homer Glen, Tinley Park, and Orland Hills to register and manage foreclosed properties. These communities also utilize the same fee structure as outlined in the staff report.

Assistant Village Manager Greg Summers gives a brief overview of the item. (refer to audio)

Trustee Dodge made a comment. (refer to audio)

Assistant Village Manager Summers made a comment. (refer to audio)

Trustee Katsenes made a comment and asked a question. (refer to audio)

Assistant Village Manager Summers made a comment. (refer to audio)

I move to recommend to the Village Board to approve an ordinance creating a new chapter in the Orland Park Village Code entitled: "REGISTRATION OF FORECLOSING MORTGAGED PROPERTY"

And

Recommend to the Village Board to enter into agreement with Property Registration Champions, LLC. to manage foreclosed property registrations.

A motion was made by Trustee Fenton, seconded by Trustee Nelson Katsenes, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, and Trustee Milani

Nay: 0

NON-SCHEDULED CITIZENS & VISITORS

Resident Robert Shanklin of 10540 Illinois Ct. Orland Park 60467 addressed the Committee in regards to the purposed installation of Native Grass in the Eagle Ridge III area. (refer to audio)

Mayor Keith Pekau asked for an update on pond erosion. (refer to audio)

Public Works Director Joel Van Essen provides update. (refer to audio)

Mayor Pekau asked questions. (refer to audio)

Director Van Essen responds to questions and made comments. (refer to audio)

Mayor Pekau made comments. (refer to audio)

Director Van Essen made a comment. (refer to audio)

Trustee Dodge and Mayor Pekau made comments. (refer to audio)

Mayor Pekau asked a question. (refer to audio)

Development Services Director Ed Lelo responds to Mayor Pekau's question. (refer to audio)

Mayor Pekau made a comment. (refer to audio)

Resident Ansil Lambrose of 18128 Tennessee Lane Orland Park 60647 addressed the Committee in regards to the purposed installation of Native Grass. (refer to audio)

ADJOURNMENT: 7:17 P.M.

A motion was made by Trustee Fenton, seconded by Trustee Nelson Katsenes, that this matter be ADJOURNED. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Fenton, Trustee Dodge, Trustee Calandriello, Trustee Healy, Trustee Nelson Katsenes, and Trustee Milani

Nay: 0

/LI

Respectfully Submitted,

John C. Mehalek, Village Clerk

REQUEST FOR ACTION REPORT

File Number:	2020-0618
Orig. Department:	Development Services Department
File Name:	Pocketed Annexation - Review of Unincorporated Property

BACKGROUND:

In 2007, the Development Services Department conducted an analysis of unincorporated land within and adjacent to the Village's boundaries. The goal of the study was to determine if there was value in annexing additional properties. The properties were evaluated on a set of criteria that included an analysis of existing conditions, including: available utilities, floodplain, floodway, access, existing topography, wetlands, property maintenance issues, and whether the property could be voluntarily or involuntarily annexed.

The Illinois Compiled Statutes set out numerous provisions that can be utilized to involuntarily annex adjoining properties. If any of these conditions are applicable, the Village can annex the qualifying property without the consent of the owner. However, if this takes place the Village cannot impose conditions on the property and must allow the current use to exist until such time that the property is redeveloped or changes use.

If an owner chooses to voluntarily annex, then the Village has the opportunity to impose specific conditions of annexation that would bring the property into compliance with current Village code requirements.

The Development Services Department recently reviewed the results of the previous annexation study to determine if there were properties still available for annexation that would benefit the Village. Properties were ranked based upon their priority and benefit to the Village. They are ranked as either high priority, medium priority or do not pursue.

High priority annexations include properties that are candidates for involuntary annexation which would also create a more unified boundary for the Village. Medium priority annexations would include areas that could be annexed, but would not necessarily provide significant benefit to the Village. This would include properties that may already be a part of ComEd right-of-way and are thus undevelopable. The do not pursue category identifies properties that could be annexed, but would bring with them specific issues that would cause the Village to expend additional resources in order to bring the properties into compliance. These do not pursue properties may also come with long-term maintenance costs.

The analysis removed those properties that were already annexed since 2007. Staff is seeking direction from the Committee of the Whole to pursue a full updated analysis. In addition to Development Services, this analysis would need to include cooperation with other Village departments (PW, Finance, Police, etc.) in order to determine the availability of utilities and the potential revenue increase from annexing the property.

After the analysis is completed, the Development Services Department will prepare reports for the Plan Commission and provide recommendations for each of the listed properties. These properties will then be presented to the Village Board of Trustees to approve formal

recommendations and direct staff to pursue voluntary or involuntary annexation for each respective property.

BUDGET IMPACT:

REQUESTED ACTION:

I move to direct staff to analyze and update the 2007 annexation plan and present the findings to the Village of Orland Park Plan Commission for formal presentation and recommendation to the Village Board of Trustees.

47 118th Avenue South of 159th



47 RECOMMENDATION : Do not pursue.



Red Flag issues: Unique natural features,

This area IS NOT currently eligible for forced annexation. This is unlikely to change in the near future with Deluga Estates abutting to the north.

COMMENTS: Land has to develop to east or west to provide water and sewer service, Bobaks is nearby to the east. Preferred use is current large lot single family and open space. Approach Cook County to formulate plan for Spring Creek.



47 118th Avenue South of 159th



General Site Information	
Pin Number	multiple
Address	multiple
Acreage	50 acres+
Existing County Zoning	R3
Comprehensive Plan Designation	Residential
Existing Site Conditions	
Existing Use (Vacant or Built)	large lot residential
Watermain	
Sanitary Sewer	
Wetlands	some
Floodplains	yes
Floodways	yes
Creeks	yes
Other Water Features	pond
Tree Preservation	yes
Site Grading	
Existing Public Open Space	
Access	159th
Open Space Requirements	

#42 Wolf Road North of 151st Street



42 RECOMMENDATION : Neutral

Red Flag issues: none

This area IS currently eligible for forced annexation

COMMENTS: Gallagher owns and will most likely annex & develop this area in future. St. Francis Church abuts to the west and south. A bike path is proposed along Wolf Road.



#42 Wolf Road North of 151st Street



General Site Information	
Pin Number	27-07-401-002
Address	Wolf Rd. N. of 151 st St.
Acreage	4.7
Existing County Zoning	R4
Comprehensive Plan Designation	residential
Existing Site Conditions	
Existing Use (Vacant or Built)	built
Watermain	watermain accessible
Sanitary Sewer	sanitary sewer accessible
Wetlands	none
Floodplains	none
Floodways	none
Creeks	none
Other Water Features	none
Tree Preservation	no mature stands of trees
Site Grading	no significant topography
Existing Public Open Space	none
Access	accessible from Wolf Rd.
Open Space Requirements	none

#32 159th Street west of 77th Avenue



32 RECOMMENDATION: Annex high priority

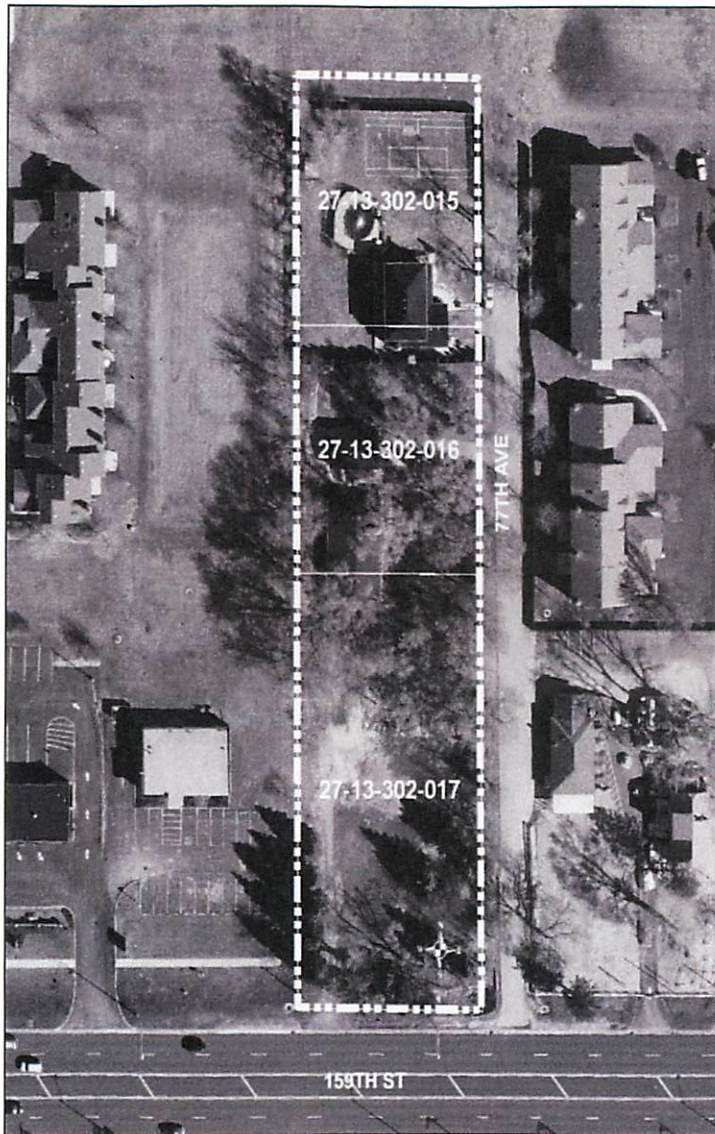
Red Flag issues: Infrastructure costs, potential commercial development, bad development threat

This area IS currently eligible for forced annexation. Tinley Park is across the street.

COMMENTS: This parcel abuts Ever Bloomin Thing. It would be difficult to service with sewer and would require individual lift station.



#32 159th Street West of 77th Avenue



General Site Information	
P in Number	27-13-302-015, 27-13-302-016, 27-13-302-017
Address	159th St. W. of 76th Ave.
Acreage	173
Existing County Zoning	R4
Comprehensive Plan Designation	residential/community intensity commercial/office
Existing Site Conditions	
Existing Use (Vacant or Built)	vacant/built
Watermain	watermain accessible from 159th St. and 77th Ave.
Sanitary Sewer	no sanitary sewer accessible
Wetlands	none
Floodplains	yes
Floodways	none
Creeks	none
Other Water Features	none
Tree Preservation	no mature stands of trees
Site Grading	no significant topography
Existing Public Open Space	none
Access	accessible from 159th Street
Open Space Requirements	none

REQUEST FOR ACTION REPORT

File Number:	2020-0648
Orig. Department:	Village Manager
File Name:	First Amendment to the Oak Lawn Regional Water System

BACKGROUND:

As the Board is aware, the Oak Lawn Regional Water System (RWS) delivers Chicago water to the Village of Orland Park and other local southwest and southeast communities through the Village of Oak Lawn. In 2013, the RWS Supply and Service Agreement between the Village of Oak Lawn and the communities to which Oak Lawn provides water was finalized. This agreement included the design and construction of a fully redundant secondary transmission line which will deliver water needs to the southwest and southeast communities in the event of a catastrophic failure of the present transmission line, as well as other improvements to the water distribution system. It also provides the participating communities the ability to meet future water demands. Engineering and construction of several segments of the project have already been completed or are currently under way.

On September 9, 2020, as part of an update for participating customer communities, staff participated in a RWS meeting. The purpose of the meeting was to inform the Mayors of each of the respective customer communities on project status, as well as to discuss a much-needed amendment to the existing agreement in order to complete engineering and construction of the RWS approved improvements. To date, the RWS approved program cost is approximately \$216 million; however, due to multiple factors and delays, the project requires additional capital infusion to complete as intended.

Attached is a copy of the handout presentation and supplemental documentation for the project. The presentation provides more details regarding the project, and the specifics to the amendment needed to move forward.

The following are the next steps for this project:

1. Approval of ordinances by each customer community to the RWS Water Sale, Purchase and Service Agreement. This ordinance needs to be approved prior to the deadline for amendment approval is October 31, 2020.
2. The Project Design Team will continue to complete various design packages and solicit bids.
3. The anticipated overall project completion timeline is 2024.

BUDGET IMPACT:

In addition to the total Capital Improvement Project costs, the Village of Orland Park will pay up to \$812,800 to cover the additional costs related to the Spur 2 which is the up-sized and realigned transmission line that will serve the Village of Orland Park. A request for \$812,800 will be added to year 2021 CIP budget.

REQUESTED ACTION:

I move to recommend to the Village Board approval of the First Amendment to the Oak Lawn Regional Water System.

Regional Water System

Comparison of Projected Debt Service by Project Size and Community Participation

Overall Regional Water System Debt Service

Water Usage 9,671,844,000

\$216m vs \$238m Project Cost Full Participation						
Calendar Year	Annual Debt Service Costs			Capital Costs Rate per 1,000 gallons		
	\$216 M project cost	\$238 M project cost	Difference	\$216 M project cost	\$238 M project cost	Difference
2016	\$125,000	\$125,000	(\$0)	\$0.013	\$0.013	(\$0.000)
2017	\$1,033,525	\$1,055,670	\$22,144	\$0.107	\$0.109	\$0.002
2018	\$2,950,122	\$2,720,895	(\$229,227)	\$0.305	\$0.281	(\$0.024)
2019	\$4,171,629	\$3,624,932	(\$546,697)	\$0.431	\$0.375	(\$0.057)
2020	\$11,324,597	\$4,539,972	(\$6,784,624)	\$1.171	\$0.469	(\$0.701)
2021	\$11,322,174	\$4,539,972	(\$6,782,202)	\$1.171	\$0.469	(\$0.701)
2022	\$13,462,241	\$5,243,139	(\$8,219,102)	\$1.392	\$0.542	(\$0.850)
2023	\$13,462,246	\$9,604,888	(\$3,857,358)	\$1.392	\$0.993	(\$0.399)
2024	\$13,462,251	\$15,113,509	\$1,651,258	\$1.392	\$1.563	\$0.171
2025	\$13,462,256	\$15,172,736	\$1,710,480	\$1.392	\$1.569	\$0.177
2026	\$13,462,262	\$15,429,987	\$1,967,725	\$1.392	\$1.595	\$0.203
2027	\$13,462,267	\$15,429,987	\$1,967,720	\$1.392	\$1.595	\$0.203
2028	\$13,462,272	\$15,429,987	\$1,967,714	\$1.392	\$1.595	\$0.203
2029	\$13,462,278	\$15,429,987	\$1,967,709	\$1.392	\$1.595	\$0.203
2030	\$13,462,284	\$15,429,987	\$1,967,703	\$1.392	\$1.595	\$0.203
2031	\$13,462,290	\$15,429,987	\$1,967,698	\$1.392	\$1.595	\$0.203
2032	\$13,462,296	\$15,429,987	\$1,967,692	\$1.392	\$1.595	\$0.203
2033	\$13,462,302	\$15,429,988	\$1,967,686	\$1.392	\$1.595	\$0.203
2034	\$13,462,308	\$15,429,988	\$1,967,679	\$1.392	\$1.595	\$0.203
2035	\$13,462,315	\$15,429,988	\$1,967,673	\$1.392	\$1.595	\$0.203
2036	\$13,462,321	\$15,429,988	\$1,967,667	\$1.392	\$1.595	\$0.203
2037	\$12,619,979	\$15,230,359	\$2,610,380	\$1.305	\$1.575	\$0.270
2038	\$11,325,233	\$14,415,520	\$3,090,287	\$1.171	\$1.490	\$0.320
2039	\$11,260,499	\$11,890,392	\$629,893	\$1.164	\$1.229	\$0.065
2040	\$11,189,444	\$11,448,037	\$258,593	\$1.157	\$1.184	\$0.027
2041	\$11,193,654	\$11,450,037	\$256,383	\$1.157	\$1.184	\$0.027
2042	\$0	\$11,445,995	\$11,445,995	\$0.000	\$1.183	\$1.183
2043	\$0	\$11,449,621	\$11,449,621	\$0.000	\$1.184	\$1.184
2044	\$0	\$11,446,000	\$11,446,000	\$0.000	\$1.183	\$1.183
2045	\$0	\$11,450,250	\$11,450,250	\$0.000	\$1.184	\$1.184
2046	\$0	\$3,779,500	\$3,779,500	\$0.000	\$0.391	\$0.391
2047	\$0	\$3,776,250	\$3,776,250	\$0.000	\$0.390	\$0.390
2048	\$0	\$3,780,000	\$3,780,000	\$0.000	\$0.391	\$0.391
2049	\$0	\$0	\$0	\$0.000	\$0.000	\$0.000
Total	\$290,450,044	\$353,032,534	\$62,582,490	-	-	-

Regional Water System

Comparison of Projected Debt Service by Project Size and Community Participation

Overall Regional Water System Debt Service

Water Usage 9,671,844,000

\$216m vs \$275m Project Cost Partial Participation						
Calendar Year	Annual Debt Service Costs			Capital Costs Rate per 1,000 gallons		
	\$216 M project cost	\$275 M project cost	Difference	\$216 M project cost	\$275 M project cost	Difference
2016	\$125,000	\$125,000	(\$0)	\$0.013	\$0.013	(\$0.000)
2017	\$1,033,525	\$1,055,670	\$22,144	\$0.107	\$0.109	\$0.002
2018	\$2,950,122	\$2,720,895	(\$229,227)	\$0.305	\$0.281	(\$0.024)
2019	\$4,171,629	\$3,562,425	(\$609,204)	\$0.431	\$0.368	(\$0.063)
2020	\$11,324,597	\$4,407,963	(\$6,916,634)	\$1.171	\$0.456	(\$0.715)
2021	\$11,322,174	\$4,407,963	(\$6,914,211)	\$1.171	\$0.456	(\$0.715)
2022	\$13,462,241	\$5,243,948	(\$8,218,293)	\$1.392	\$0.542	(\$0.850)
2023	\$13,462,246	\$10,317,735	(\$3,144,511)	\$1.392	\$1.067	(\$0.325)
2024	\$13,462,251	\$17,166,656	\$3,704,405	\$1.392	\$1.775	\$0.383
2025	\$13,462,256	\$17,451,009	\$3,988,753	\$1.392	\$1.804	\$0.412
2026	\$13,462,262	\$17,933,384	\$4,471,122	\$1.392	\$1.854	\$0.462
2027	\$13,462,267	\$17,933,384	\$4,471,117	\$1.392	\$1.854	\$0.462
2028	\$13,462,272	\$17,933,384	\$4,471,112	\$1.392	\$1.854	\$0.462
2029	\$13,462,278	\$17,933,384	\$4,471,106	\$1.392	\$1.854	\$0.462
2030	\$13,462,284	\$17,933,384	\$4,471,100	\$1.392	\$1.854	\$0.462
2031	\$13,462,290	\$17,933,385	\$4,471,095	\$1.392	\$1.854	\$0.462
2032	\$13,462,296	\$17,933,385	\$4,471,089	\$1.392	\$1.854	\$0.462
2033	\$13,462,302	\$17,933,385	\$4,471,083	\$1.392	\$1.854	\$0.462
2034	\$13,462,308	\$17,933,385	\$4,471,077	\$1.392	\$1.854	\$0.462
2035	\$13,462,315	\$17,933,385	\$4,471,070	\$1.392	\$1.854	\$0.462
2036	\$13,462,321	\$17,933,385	\$4,471,064	\$1.392	\$1.854	\$0.462
2037	\$12,619,979	\$17,733,756	\$5,113,777	\$1.305	\$1.834	\$0.529
2038	\$11,325,233	\$16,918,917	\$5,593,684	\$1.171	\$1.749	\$0.578
2039	\$11,260,499	\$14,456,424	\$3,195,925	\$1.164	\$1.495	\$0.330
2040	\$11,189,444	\$13,723,446	\$2,534,002	\$1.157	\$1.419	\$0.262
2041	\$11,193,654	\$13,723,446	\$2,529,792	\$1.157	\$1.419	\$0.262
2042	\$0	\$13,530,586	\$13,530,586	\$0.000	\$1.399	\$1.399
2043	\$0	\$12,844,797	\$12,844,797	\$0.000	\$1.328	\$1.328
2044	\$0	\$12,783,750	\$12,783,750	\$0.000	\$1.322	\$1.322
2045	\$0	\$12,787,750	\$12,787,750	\$0.000	\$1.322	\$1.322
2046	\$0	\$7,084,750	\$7,084,750	\$0.000	\$0.733	\$0.733
2047	\$0	\$7,083,750	\$7,083,750	\$0.000	\$0.732	\$0.732
2048	\$0	\$7,087,500	\$7,087,500	\$0.000	\$0.733	\$0.733
2049	\$0	\$0	\$0	\$0.000	\$0.000	\$0.000
Total	\$290,450,044	\$413,485,365	\$123,035,320	-	-	-

Regional Water System
Comparison of Projected Debt Service by Project Size and Community Participation

Proportionate Shares		
Community	All	Partial
Chicago Ridge	0.576%	0.675%
Country Club Hills	3.783%	0.000%
Matteson	8.481%	0.000%
Oak Forest	6.618%	7.754%
Oak Lawn	9.989%	11.704%
Olympia Fields	2.392%	0.000%
Orland Park	22.549%	26.421%
Palos Hills	4.804%	5.629%
Palos Park	1.894%	2.219%
Tinley Park (ALL)	38.914%	45.598%
Tinley Park (Only)	20.417%	23.923%
Mokena	6.823%	7.995%
New Lenox	11.674%	13.679%
Orland Hills	0.000%	0.000%
Total	100.000%	100.000%

Regional Water System

Comparison of Projected Debt Service by Project Size and Community Participation

Orland Park

Water Usage 1,995,819,000

\$216m vs \$238m Project Cost Full Participation						
	Annual Debt Service Costs			Capital Costs Rate per 1,000 gallons		
Calendar Year	\$216 M project cost	\$238 M project cost	Difference	\$216 M project cost	\$238 M project cost	Difference
2016	\$28,186	\$28,186	(\$0)	\$0.014	\$0.014	(\$0.000)
2017	\$233,049	\$238,042	\$4,993	\$0.117	\$0.119	\$0.003
2018	\$665,221	\$613,533	(\$51,688)	\$0.333	\$0.307	(\$0.026)
2019	\$940,658	\$817,384	(\$123,274)	\$0.471	\$0.410	(\$0.062)
2020	\$2,553,576	\$1,023,715	(\$1,529,861)	\$1.279	\$0.513	(\$0.767)
2021	\$2,553,030	\$1,023,716	(\$1,529,315)	\$1.279	\$0.513	(\$0.766)
2022	\$3,035,592	\$1,182,272	(\$1,853,320)	\$1.521	\$0.592	(\$0.929)
2023	\$3,035,593	\$2,165,800	(\$869,793)	\$1.521	\$1.085	(\$0.436)
2024	\$3,035,595	\$3,407,936	\$372,341	\$1.521	\$1.708	\$0.187
2025	\$3,035,596	\$3,421,291	\$385,695	\$1.521	\$1.714	\$0.193
2026	\$3,035,597	\$3,479,298	\$443,701	\$1.521	\$1.743	\$0.222
2027	\$3,035,598	\$3,479,298	\$443,700	\$1.521	\$1.743	\$0.222
2028	\$3,035,599	\$3,479,298	\$443,699	\$1.521	\$1.743	\$0.222
2029	\$3,035,601	\$3,479,298	\$443,697	\$1.521	\$1.743	\$0.222
2030	\$3,035,602	\$3,479,298	\$443,696	\$1.521	\$1.743	\$0.222
2031	\$3,035,603	\$3,479,298	\$443,695	\$1.521	\$1.743	\$0.222
2032	\$3,035,605	\$3,479,298	\$443,694	\$1.521	\$1.743	\$0.222
2033	\$3,035,606	\$3,479,298	\$443,692	\$1.521	\$1.743	\$0.222
2034	\$3,035,608	\$3,479,298	\$443,691	\$1.521	\$1.743	\$0.222
2035	\$3,035,609	\$3,479,298	\$443,689	\$1.521	\$1.743	\$0.222
2036	\$3,035,611	\$3,479,298	\$443,688	\$1.521	\$1.743	\$0.222
2037	\$2,845,671	\$3,434,284	\$588,613	\$1.426	\$1.721	\$0.295
2038	\$2,553,720	\$3,250,547	\$696,827	\$1.280	\$1.629	\$0.349
2039	\$2,539,123	\$2,681,157	\$142,034	\$1.272	\$1.343	\$0.071
2040	\$2,523,101	\$2,581,411	\$58,310	\$1.264	\$1.293	\$0.029
2041	\$2,524,050	\$2,581,862	\$57,812	\$1.265	\$1.294	\$0.029
2042	\$0	\$2,580,950	\$2,580,950	\$0.000	\$1.293	\$1.293
2043	\$0	\$2,581,768	\$2,581,768	\$0.000	\$1.294	\$1.294
2044	\$0	\$2,580,951	\$2,580,951	\$0.000	\$1.293	\$1.293
2045	\$0	\$2,581,910	\$2,581,910	\$0.000	\$1.294	\$1.294
2046	\$0	\$852,237	\$852,237	\$0.000	\$0.427	\$0.427
2047	\$0	\$851,504	\$851,504	\$0.000	\$0.427	\$0.427
2048	\$0	\$852,350	\$852,350	\$0.000	\$0.427	\$0.427
2049	\$0	\$0	\$0	\$0.000	\$0.000	\$0.000
Total	\$65,493,400	\$79,605,087	\$14,111,687	-	-	-

Regional Water System

Comparison of Projected Debt Service by Project Size and Community Participation

Orland Park

Water Usage 1,995,819,000

\$216m vs \$275m Project Cost Full Participation						
	Annual Debt Service Costs			Capital Costs Rate per 1,000 gallons		
Calendar Year	\$216 M project cost	\$275 M project cost	Difference	\$216 M project cost	\$275 M project cost	Difference
2016	\$28,186	\$28,186	(\$0)	\$0.014	\$0.014	(\$0.000)
2017	\$233,049	\$238,042	\$4,993	\$0.117	\$0.119	\$0.003
2018	\$665,221	\$613,533	(\$51,688)	\$0.333	\$0.307	(\$0.026)
2019	\$940,658	\$803,289	(\$137,369)	\$0.471	\$0.402	(\$0.069)
2020	\$2,553,576	\$993,949	(\$1,559,627)	\$1.279	\$0.498	(\$0.781)
2021	\$2,553,030	\$993,949	(\$1,559,081)	\$1.279	\$0.498	(\$0.781)
2022	\$3,035,592	\$1,182,455	(\$1,853,138)	\$1.521	\$0.592	(\$0.929)
2023	\$3,035,593	\$2,326,540	(\$709,054)	\$1.521	\$1.166	(\$0.355)
2024	\$3,035,595	\$3,870,899	\$835,304	\$1.521	\$1.940	\$0.419
2025	\$3,035,596	\$3,935,017	\$899,421	\$1.521	\$1.972	\$0.451
2026	\$3,035,597	\$4,043,788	\$1,008,191	\$1.521	\$2.026	\$0.505
2027	\$3,035,598	\$4,043,788	\$1,008,189	\$1.521	\$2.026	\$0.505
2028	\$3,035,599	\$4,043,788	\$1,008,188	\$1.521	\$2.026	\$0.505
2029	\$3,035,601	\$4,043,788	\$1,008,187	\$1.521	\$2.026	\$0.505
2030	\$3,035,602	\$4,043,788	\$1,008,186	\$1.521	\$2.026	\$0.505
2031	\$3,035,603	\$4,043,788	\$1,008,184	\$1.521	\$2.026	\$0.505
2032	\$3,035,605	\$4,043,788	\$1,008,183	\$1.521	\$2.026	\$0.505
2033	\$3,035,606	\$4,043,788	\$1,008,182	\$1.521	\$2.026	\$0.505
2034	\$3,035,608	\$4,043,788	\$1,008,180	\$1.521	\$2.026	\$0.505
2035	\$3,035,609	\$4,043,788	\$1,008,179	\$1.521	\$2.026	\$0.505
2036	\$3,035,611	\$4,043,788	\$1,008,177	\$1.521	\$2.026	\$0.505
2037	\$2,845,671	\$3,998,774	\$1,153,102	\$1.426	\$2.004	\$0.578
2038	\$2,553,720	\$3,815,036	\$1,261,316	\$1.280	\$1.912	\$0.632
2039	\$2,539,123	\$3,259,770	\$720,647	\$1.272	\$1.633	\$0.361
2040	\$2,523,101	\$3,094,491	\$571,391	\$1.264	\$1.550	\$0.286
2041	\$2,524,050	\$3,094,491	\$570,441	\$1.265	\$1.550	\$0.286
2042	\$0	\$3,051,003	\$3,051,003	\$0.000	\$1.529	\$1.529
2043	\$0	\$2,896,365	\$2,896,365	\$0.000	\$1.451	\$1.451
2044	\$0	\$2,882,600	\$2,882,600	\$0.000	\$1.444	\$1.444
2045	\$0	\$2,883,502	\$2,883,502	\$0.000	\$1.445	\$1.445
2046	\$0	\$1,597,536	\$1,597,536	\$0.000	\$0.800	\$0.800
2047	\$0	\$1,597,310	\$1,597,310	\$0.000	\$0.800	\$0.800
2048	\$0	\$1,598,156	\$1,598,156	\$0.000	\$0.801	\$0.801
2049	\$0	\$0	\$0	\$0.000	\$0.000	\$0.000
Total	\$65,493,400	\$93,236,559	\$27,743,158	-	-	-

Regional Water System

Comparison of Projected Debt Service by Project Size and Community Participation

Orland Park

Water Usage 1,995,819,000

\$216m vs \$238m Project Cost Partial Participation						
Calendar Year	Annual Debt Service Costs			Capital Costs Rate per 1,000 gallons		
	\$216 M project cost	\$238 M project cost	Difference	\$216 M project cost	\$238 M project cost	Difference
2016	\$33,027	\$33,027	(\$0)	\$0.017	\$0.017	(\$0.000)
2017	\$273,071	\$278,922	\$5,851	\$0.137	\$0.140	\$0.003
2018	\$779,461	\$718,896	(\$60,565)	\$0.391	\$0.360	(\$0.030)
2019	\$1,102,199	\$957,754	(\$144,444)	\$0.552	\$0.480	(\$0.072)
2020	\$2,992,106	\$1,199,520	(\$1,792,586)	\$1.499	\$0.601	(\$0.898)
2021	\$2,991,466	\$1,199,520	(\$1,791,946)	\$1.499	\$0.601	(\$0.898)
2022	\$3,556,899	\$1,385,305	(\$2,171,594)	\$1.782	\$0.694	(\$1.088)
2023	\$3,556,900	\$2,537,736	(\$1,019,164)	\$1.782	\$1.272	(\$0.511)
2024	\$3,556,902	\$3,993,186	\$436,284	\$1.782	\$2.001	\$0.219
2025	\$3,556,903	\$4,008,834	\$451,931	\$1.782	\$2.009	\$0.226
2026	\$3,556,904	\$4,076,803	\$519,899	\$1.782	\$2.043	\$0.260
2027	\$3,556,906	\$4,076,803	\$519,897	\$1.782	\$2.043	\$0.260
2028	\$3,556,907	\$4,076,803	\$519,896	\$1.782	\$2.043	\$0.260
2029	\$3,556,909	\$4,076,803	\$519,894	\$1.782	\$2.043	\$0.260
2030	\$3,556,910	\$4,076,803	\$519,893	\$1.782	\$2.043	\$0.260
2031	\$3,556,912	\$4,076,803	\$519,891	\$1.782	\$2.043	\$0.260
2032	\$3,556,914	\$4,076,803	\$519,890	\$1.782	\$2.043	\$0.260
2033	\$3,556,915	\$4,076,803	\$519,888	\$1.782	\$2.043	\$0.260
2034	\$3,556,917	\$4,076,803	\$519,887	\$1.782	\$2.043	\$0.260
2035	\$3,556,919	\$4,076,803	\$519,885	\$1.782	\$2.043	\$0.260
2036	\$3,556,920	\$4,076,803	\$519,883	\$1.782	\$2.043	\$0.260
2037	\$3,334,362	\$4,024,059	\$689,696	\$1.671	\$2.016	\$0.346
2038	\$2,992,274	\$3,808,768	\$816,494	\$1.499	\$1.908	\$0.409
2039	\$2,975,170	\$3,141,596	\$166,426	\$1.491	\$1.574	\$0.083
2040	\$2,956,396	\$3,024,720	\$68,324	\$1.481	\$1.516	\$0.034
2041	\$2,957,509	\$3,025,249	\$67,740	\$1.482	\$1.516	\$0.034
2042	\$0	\$3,024,181	\$3,024,181	\$0.000	\$1.515	\$1.515
2043	\$0	\$3,025,139	\$3,025,139	\$0.000	\$1.516	\$1.516
2044	\$0	\$3,024,182	\$3,024,182	\$0.000	\$1.515	\$1.515
2045	\$0	\$3,025,305	\$3,025,305	\$0.000	\$1.516	\$1.516
2046	\$0	\$998,593	\$998,593	\$0.000	\$0.500	\$0.500
2047	\$0	\$997,734	\$997,734	\$0.000	\$0.500	\$0.500
2048	\$0	\$998,725	\$998,725	\$0.000	\$0.500	\$0.500
2049	\$0	\$0	\$0	\$0.000	\$0.000	\$0.000
Total	\$76,740,677	\$93,275,785	\$16,535,108	-	-	-

Regional Water System

Comparison of Projected Debt Service by Project Size and Community Participation

Orland Park

Water Usage 1,995,819,000

\$216m vs \$275m Project Cost Partial Participation						
Calendar Year	Annual Debt Service Costs			Capital Costs Rate per 1,000 gallons		
	\$216 M project cost	\$275 M project cost	Difference	\$216 M project cost	\$275 M project cost	Difference
2016	\$33,027	\$33,027	(\$0)	\$0.017	\$0.017	(\$0.000)
2017	\$273,071	\$278,922	\$5,851	\$0.137	\$0.140	\$0.003
2018	\$779,461	\$718,896	(\$60,565)	\$0.391	\$0.360	(\$0.030)
2019	\$1,102,199	\$941,239	(\$160,960)	\$0.552	\$0.472	(\$0.081)
2020	\$2,992,106	\$1,164,641	(\$1,827,465)	\$1.499	\$0.584	(\$0.916)
2021	\$2,991,466	\$1,164,641	(\$1,826,825)	\$1.499	\$0.584	(\$0.915)
2022	\$3,556,899	\$1,385,519	(\$2,171,380)	\$1.782	\$0.694	(\$1.088)
2023	\$3,556,900	\$2,726,080	(\$830,821)	\$1.782	\$1.366	(\$0.416)
2024	\$3,556,902	\$4,535,654	\$978,752	\$1.782	\$2.273	\$0.490
2025	\$3,556,903	\$4,610,783	\$1,053,880	\$1.782	\$2.310	\$0.528
2026	\$3,556,904	\$4,738,233	\$1,181,329	\$1.782	\$2.374	\$0.592
2027	\$3,556,906	\$4,738,233	\$1,181,327	\$1.782	\$2.374	\$0.592
2028	\$3,556,907	\$4,738,233	\$1,181,326	\$1.782	\$2.374	\$0.592
2029	\$3,556,909	\$4,738,233	\$1,181,324	\$1.782	\$2.374	\$0.592
2030	\$3,556,910	\$4,738,233	\$1,181,323	\$1.782	\$2.374	\$0.592
2031	\$3,556,912	\$4,738,233	\$1,181,321	\$1.782	\$2.374	\$0.592
2032	\$3,556,914	\$4,738,233	\$1,181,320	\$1.782	\$2.374	\$0.592
2033	\$3,556,915	\$4,738,233	\$1,181,318	\$1.782	\$2.374	\$0.592
2034	\$3,556,917	\$4,738,233	\$1,181,317	\$1.782	\$2.374	\$0.592
2035	\$3,556,919	\$4,738,233	\$1,181,315	\$1.782	\$2.374	\$0.592
2036	\$3,556,920	\$4,738,234	\$1,181,313	\$1.782	\$2.374	\$0.592
2037	\$3,334,362	\$4,685,489	\$1,351,126	\$1.671	\$2.348	\$0.677
2038	\$2,992,274	\$4,470,198	\$1,477,924	\$1.499	\$2.240	\$0.741
2039	\$2,975,170	\$3,819,575	\$844,405	\$1.491	\$1.914	\$0.423
2040	\$2,956,396	\$3,625,913	\$669,516	\$1.481	\$1.817	\$0.335
2041	\$2,957,509	\$3,625,913	\$668,404	\$1.482	\$1.817	\$0.335
2042	\$0	\$3,574,957	\$3,574,957	\$0.000	\$1.791	\$1.791
2043	\$0	\$3,393,762	\$3,393,762	\$0.000	\$1.700	\$1.700
2044	\$0	\$3,377,633	\$3,377,633	\$0.000	\$1.692	\$1.692
2045	\$0	\$3,378,690	\$3,378,690	\$0.000	\$1.693	\$1.693
2046	\$0	\$1,871,883	\$1,871,883	\$0.000	\$0.938	\$0.938
2047	\$0	\$1,871,619	\$1,871,619	\$0.000	\$0.938	\$0.938
2048	\$0	\$1,872,610	\$1,872,610	\$0.000	\$0.938	\$0.938
2049	\$0	\$0	\$0	\$0.000	\$0.000	\$0.000
Total	\$76,740,677	\$109,248,209	\$32,507,531	-	-	-

**FIRST AMENDMENT TO THE
•REGIONAL WATER SYSTEM•
WATER SALE, PURCHASE AND SERVICE AGREEMENT
BETWEEN THE VILLAGE OF OAK LAWN, ILLINOIS AND
CERTAIN OF ITS MUNICIPAL CUSTOMERS**

This First Amendment to the Water Sale, Purchase and Service Agreement (this "*Amendment*") made and entered into as of the Effective Date defined below, by and between the VILLAGE OF OAK LAWN, COOK COUNTY, ILLINOIS, an Illinois municipal corporation and home rule unit duly organized and existing under the laws of the State of Illinois ("*Oak Lawn*"), and each of the following units of local government:

VILLAGE OF MOKENA
VILLAGE OF NEW LENOX
CITY OF OAK FOREST

VILLAGE OF ORLAND PARK
VILLAGE OF TINLEY PARK

(the "*Southwest System Customers*"), and all of Oak Lawn and the named municipalities referred to collectively as the "*Parties*" and each individually as a "*Party*."

WITNESSETH:

PREAMBLES

A. The Parties have entered into that certain Water Sale, Purchase and Service Agreement dated as of August 1, 2014 (the "*Agreement*").

B. The estimated costs and completion date of the 2013 Regional System Improvements have changed substantially since the date of the Agreement; such increased costs and extended completion date being caused by multiple factors, including (i) changes to the scope of the 2013 Regional System Improvements, (ii) the costs of licenses, easements and permits, (iii) additional engineering and construction management services, and (iv) the costs of escalation and inflation.

C. The Parties now desire to amend the Agreement on the terms and conditions set forth herein.

D. The Parties have each, respectively, duly authorized their respective Presidents or Mayors to sign and their Municipal Clerks to attest this Amendment.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and undertakings contained herein, and other valuable consideration the receipt and sufficiency of which is hereby acknowledged by the undersigned, the Parties hereby agree as follows:

Section 1. Recitals and Definitions.

A. *Recitals.* The above paragraphs and recitals are hereby incorporated by reference, as if set forth within this Section 1.

B. *Definitions.* Unless otherwise defined in this Amendment, capitalized terms used herein shall have the respective meanings assigned to such terms in the Agreement.

Section 2. Amendment to Agreement.

A. The Agreement is hereby modified and amended to reflect the terms hereof; and wherever reference is made to the Agreement, such reference shall be deemed to refer to the Agreement as modified and amended by this Amendment.

B. The definition of “Asset Management Program” in Section 1.B. of the Agreement, is hereby amended to read as follows:

“*Asset Management Program*” means a written document providing asset management planning to determine the condition, and identify maintenance, rehabilitation and replacement needs, of the Oak Lawn Regional Water System, in a manner consistent with the International Infrastructure Management Manual, International Edition 2011, by the National Asset Management Support Group, and providing for the implementation of such system operations, repairs, rehabilitations and replacement as will meet such needs in a timely and practical manner.

C. The definition of “Equitable Return” in Section 1.B. of the Agreement, is hereby amended to read as follows:

“*Equitable Return*” means the amount set forth as follows:

(A) for purposes of this definition, the following further terms are defined:

(1) “*Annual Increase*” means an increase in the rate of return over the rate for the prior Fiscal Year equal to the greater of 2% or the increase in the PPI, year over year, as most recently published;

(2) “*Initial Rate*” means \$0.05 (5 cents) per 1,000 gallons of Chicago Water delivered under this Agreement;

(3) “*Subsequent Rate*” means \$0.10 (10 cents) per 1,000 gallons of Chicago Water delivered under this Agreement;

(B) For the Fiscal Year 2014 and each Fiscal Year thereafter until the end of the Fiscal Year 2020, Equitable Return shall be the Initial Rate;

(C) For the Fiscal Year 2021 and each Fiscal Year thereafter until the end of the Fiscal Year after the Fiscal Year in which the 2013 Regional System Improvements are Substantially Complete and Operational, Equitable Return shall be the Subsequent Rate; and

(D) For each Fiscal Year thereafter Equitable Return means the rate of such return for the prior Fiscal Year plus the Annual Increase.

D. Section 8.F. of the Agreement is hereby amended to read as follows

Asset Management and Asset Management Program. Oak Lawn will identify and implement best management practices and standards for the Oak Lawn Regional Water System. To that end, within two (2) years after the Effective Date, Oak Lawn will provide an Asset Management Program. The Asset Management Program shall thereafter be updated biennially. To be effective for the provisions of this Agreement, the Asset Management Program and any annual updates must be approved by Executive Consent Obtained. Upon such consent, Oak Lawn shall implement such Asset Management Program.

E. Section 11.D. of the Agreement is hereby amended to read as follows:

(1) *Construction of the Orland Spur Two Main.* As part of the 2013 Regional Water System Improvements, Oak Lawn will design, construct and install the Orland Spur Two Main, the cost of which will be borne and paid for by Orland Park as part of Orland Park's share of the Capital Costs and Charges. The Orland Spur Two Main shall be designed and constructed in accordance with Oak Lawn's specifications, including but not limited to the flow meter configuration and the corrosion control system. Orland Park shall be named as the owner on any permit or easement related to the Orland Spur Two Main. (2) *Alternate Pipe Size Election.* Oak Lawn shall include alternate bid items in the bid package for the Orland Spur Two Main for alternate pipe sizes for the Main that are larger than 24-inches in diameter as requested by Orland Park. Oak Lawn shall notify Orland Park of the prices received for the alternate pipe sizes; in the event that Orland Park notifies Oak Lawn that Orland Park elects to have the Main be constructed in one of the alternate pipe sizes, Oak Lawn shall include the alternate pipe size elected by Orland Park in the contract for that bid package. Oak Lawn shall include the additional cost of construction of the Main resulting from the election of the alternate pipe size in the relevant bid package which shall be financed by the issuance of New Series Bonds. Orland Park shall be allocated that portion of the bid package attributable

to the additional cost of the alternate pipe size and shall be directly billed for a pro-rata percentage of the debt service due on the New Series Bonds issued for said bid package. (3) *Conveyance of and License to Use the Orland Spur Two Main.* Upon completion and final acceptance, Oak Lawn will convey the Orland Spur Two Main to Orland Park by a bill of sale from Oak Lawn to Orland Park. After completion of that conveyance, for the remaining term of this Agreement: (i) Orland Park hereby grants to Oak Lawn a license to operate, use, maintain, test, inspect, repair, remove, and replace, together with all reasonable rights of ingress and egress necessary for the exercise of the license, as a part of and an expense of the Oak Lawn Regional Water System, the Orland Spur Two Main; (ii) the Orland Spur Two Main will be owned by Orland Park and such ownership shall continue to be held by Orland Park; and (iii) Orland Park reserves the right (a) to test and inspect the Orland Spur Two Main at any time without notice to Oak Lawn, and (b) to repair, or to remove and replace, the Orland Spur Two Main following notice to Oak Lawn and Oak Lawn's failure to complete the necessary repair, or removal and replacement, following ninety (90) days notice to Oak Lawn of the need for the repair, or removal and replacement. Orland Park will submit evidence of all costs and expenses incurred in connection with any such repair, or removal and replacement, and such costs and expenses shall be reimbursed by Oak Lawn to Orland Park and such costs and expenses shall be treated by Oak Lawn as costs and expenses of Oak Lawn Regional Water System.

F. Section 11.E. shall be added to the Agreement as follows:

E. *Palos Hills Connection and Pump Station Building.* As part of the 2013 Regional Water System Improvements, Oak Lawn will design, construct and install the Palos Hills Connection and construct and install a new Pump Station Building, the cost of which will be borne and paid for by Palos Hills as part of Palos Hills' share of the Capital Costs and Charges up to the amount of \$2,666,670. Oak Lawn shall include any costs in excess \$2,666,670 for the construction of the Connection and Pump Station Building in Bid Package 8 which shall be financed by the issuance of New Series Bonds. Palos Hills shall be allocated that portion of Bid Package 8 in excess \$2,666,670 and shall be directly billed for a pro-rata percentage of the debt service due on the New Series Bonds issued for Bid Package 8. Upon completion and final acceptance, Oak Lawn is to convey the Pump Station Building to Palos Hills by a bill of sale from Oak Lawn to Palos Hills; *provided, however,* that Oak Lawn shall retain ownership to the piping and all appurtenances to the downstream flange of the flow

meter and that Palos Hills shall grant Oak Lawn right of access to the Pump Station Building for the purpose of maintaining said piping and appurtenances. After completion of that conveyance, for the remaining term of this Agreement, the Pump Station Building will be owned by Palos Hills and such ownership shall continue to be held by Palos Hills and Oak Lawn shall have no right or obligation to operate, use or maintain the Pump Station Building except for said piping and appurtenances described herein. Palos Hills shall be named as the owner on any permit or easement related to the Pump Station Building.

G. Section 13.A. of the Agreement is hereby amended to read as follows:

2013 Regional System Improvements. Oak Lawn will construct the 2013 Regional System Improvements with due diligence. Oak Lawn will undertake to work and cooperate with the Municipal Customers to establish construction schedules which will efficiently cause acquisition and construction of the System Projects that comprise the 2013 Regional System Improvements so as to meet the needs of the Municipal Customers with minimal disruptions of service, and the Municipal Customers shall likewise work and cooperate with Oak Lawn to such end and to provide such facilities within each respective Municipal Customer Water System as will permit the Oak Lawn Regional Water System to efficiently serve such needs. Subject to *force majeure*, Oak Lawn will endeavor to complete the 2013 Regional System Improvements by December 31, 2025. Further, Oak Lawn shall proceed with due diligence to construct the 2013 Regional System Improvements. Oak Lawn shall not change any route approved herein for the 2013 Regional System Improvements to a route which is not through Cook County Forest Preserve District land without Corporate Consent Obtained. Further, beginning with Bid Package 4A and for all subsequent Bid Packages, Executive Consent Obtained is required to award a Bid Package, approve engineering (design and construction) contracts for such Bid Package and approve any additional engineering requirements exceeding \$5,000 per Bid Package.

H. Section 13.C. is hereby added to the Agreement as follows:

Palos Park Option to Upgrade the Size of Its System Connection Main. The Municipal Customers acknowledge that, as part of the 2013 Regional Water System Improvements, Oak Lawn will design, construct and install the transmission main that connects the West Side Transmission Main to the Palos Park Point of Delivery (the "*Palos Park System Connection Main*"), the cost of

which will be borne and paid for by Palos Park as part of Palos Park's share of the Capital Costs and Charges. Oak Lawn shall include alternate bid items in the bid package for the Palos Park System Connection Main for alternate pipe sizes for the Palos Park System Connection Main that are larger than 10-inches in diameter as requested by Palos Park. Oak Lawn shall notify Palos Park of the prices received for the alternate pipe sizes. In the event that Palos Park notifies Oak Lawn that Palos Park elects to have the Palos Park System Connection Main be constructed in one of the alternate pipe sizes, Oak Lawn shall include the alternate pipe size elected by Palos Park in the contract for that bid package. Within thirty (30) days after completion and final approval of the Palos Park System Connection Main and the submission of an invoice by Oak Lawn to Palos Park therefor, Palos Park is to reimburse Oak Lawn for the additional cost of construction of the Palos Park System Connection Main resulting from the election of the alternate pipe size, and Palos Park is not to pay any additional amount as a part of the Capital Costs and Charges due to the election of the alternate pipe size. Alternatively, at the request of Palos Park, Oak Lawn shall include the additional cost of construction of the Main resulting from the election of the alternate pipe size in the relevant bid package which shall be financed by the issuance of New Series Bonds. Palos Park shall be allocated that portion of the bid package attributable to the additional cost of the alternate pipe size and shall be directly billed for a pro-rata percentage of the debt service due on the New Series Bonds issued for said bid package.

I. Section 13.D. of the Agreement is hereby added to the Agreement as follows:

Realignment of Transmission Main. Oak Lawn and the Municipal Customers agree to a realignment of the Transmission Main for Bid Package 7A (Cross-Town Connection to Booster Station 2) and Bid Package 7B (Orland Park Spur Two Main), such that the intersection of the improvements financed by Bid Package 7A and Bid Package 7B occurs at a point south of 151st Street as shown on *Exhibit C-1* attached hereto (with such further changes or modifications as approved by Executive Consent Obtained). Orland Park shall be allocated \$812,800 of any additional costs resulting from this realignment (including 36-inches of the 60-inch pipe running south of 151st Street along the Com-Ed corridor, engineering costs, construction services, permit fees and easements) and shall be directly billed for a pro-rata percentage of the debt service due on the New Series Bonds issued for said bid package. Any additional costs as a result of the realignment in

excess of \$812,800 shall be paid by the Municipal Customers as a part of the Capital Costs and Charges.

J. The following is hereby added to the end of Section 15.E. of the Agreement:

Such True Up as described herein is subject to approval by Executive Consent Obtained. In addition, beginning in Fiscal Year 2021, the cost of water leakage out of the Oak Lawn Regional Water System (being the variance between the amount of water billed by Chicago less the amount of water billed by the Oak Lawn Regional Water System to the Municipal Customers) for the previous year (Fiscal Year 2020) shall be paid by each Municipal Customer according to each Municipal Customer's Proportionate Share.

K. The first sentence of Section 15.C.(2) of the Agreement is hereby amended to read as follows:

Other Non-Operating Charges shall include an accumulation for a reserve for the Oak Lawn Regional Water System for Operation and Maintenance Costs (the "*O&M Reserve*" which reserve is intended to provide for unforeseen increases in such costs, Default Costs, or, as provided in the proceedings for the issuance of the Bonds, to pay Bonds in the event there has been a default in the payment of Capital Costs and Charges or to pay Bonds issued in the form of a revolving line of credit).

L. The following sentence is hereby added to Section 18.C. of the Agreement:

Specifically, in connection with a bond rating, bond issuance or bond continuing disclosure agreement, each Municipal Customer shall provide financial information about itself within 60 days of request by Oak Lawn.

M. Attachment 2 of Exhibit B to the Agreement, depicting the Point of Delivery to Palos Hills, is hereby replaced with *Exhibit 1* attached hereto.

N. Exhibit C-1 of the Agreement, being the Realignment of Bid Package 7A and 7B, is hereby added to the Agreement as shown on *Exhibit 2* attached hereto.

O. Exhibit O of the Agreement, being the Financing Plan and Parameters for the 2013 Regional System Improvements, is hereby replaced with *Exhibit 3* attached hereto.

P. Exhibit P of the Agreement, being the Statement of Mutual Cooperation Process, is hereby replaced with *Exhibit 4* attached hereto.

Section 3. Effectiveness.

A. This Amendment shall become binding upon the Parties upon (1) execution and delivery by Oak Lawn and the other Parties hereto of counterparts of this Amendment (2) execution and delivery by Oak Lawn and each of the North System Customers (as defined in the Agreement) of counterparts of the First Amendment to the Water Sale, Purchase and Service Agreement by and between Oak Lawn and the North System Customers. Provided such conditions have been met, the Effective Date of this Amendment shall be the first day of the month following the completion of the actions set forth in clauses (1) and (2) herein.

B. The Parties hereby consent to the terms, provisions and conditions of this Amendment and hereby ratify, confirm and approve the Agreement, as modified and amended herein, and acknowledge that the Agreement, as modified and amended herein, shall remain in full force and effect.

C. It is the express intention and agreement of the Parties that the modification and amendment of the Agreement is not intended or to be construed as an extinguishment, revocation, satisfaction or discharge of any of the liabilities or obligations under the Agreement.

Section 4. Miscellaneous.

A. Should any part, term or provision of this Amendment be determined by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining portions or provisions shall not be affected thereby.

B. This Amendment shall be governed by and construed in accordance with the laws of the State of Illinois, without giving effect to its principles of conflict of laws.

C. This Amendment may be executed in any number of counterparts, each of which shall be executed by Oak Lawn and the other Parties and all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same.

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IN WITNESS WHEREOF, Oak Lawn and each of the Southwest System Customers have caused their respective corporate seals to be hereunto affixed and attested and these presents to be signed by their respective officers.

SOUTHWEST SYSTEM CUSTOMERS:

VILLAGE OF MOKENA

By: _____
Its: Village President

ATTESTED:

Municipal Clerk

[SEAL]

DATED: _____, 2020

VILLAGE OF NEW LENOX

By: _____
Its: Mayor

ATTESTED:

Municipal Clerk

[SEAL]

DATED: _____, 2020

CITY OF OAK FOREST

By: _____
Its: Mayor

ATTESTED:

Municipal Clerk

[SEAL]

DATED: _____, 2020

VILLAGE OF ORLAND PARK

By: _____
Its: Village President

ATTESTED:

Municipal Clerk

[SEAL]

DATED: _____, 2020

VILLAGE OF TINLEY PARK

By: _____
Its: Village President

ATTESTED:

Municipal Clerk

[SEAL]

DATED: _____, 2020

OAK LAWN:

VILLAGE OF OAK LAWN

By: _____
Its: Village President

ATTESTED:

Municipal Clerk

[SEAL]

DATED: _____, 2020

EXHIBIT 1
TO THE FIRST AMENDMENT TO THE REGIONAL WATER SYSTEM
WATER SALE, PURCHASE AND SERVICE AGREEMENT

EXHIBIT B - ATTACHMENT 2

OAK LAWN REGIONAL WATER SYSTEM POINT OF DELIVERY TO PALOS HILLS

EXHIBIT 2
TO THE FIRST AMENDMENT TO THE REGIONAL WATER SYSTEM
WATER SALE, PURCHASE AND SERVICE AGREEMENT

EXHIBIT C-1
REALIGNMENT OF BID PACKAGES 7A AND 7B

EXHIBIT 3
TO THE FIRST AMENDMENT TO THE REGIONAL WATER SYSTEM
WATER SALE, PURCHASE AND SERVICE AGREEMENT

EXHIBIT O

FINANCING PLAN AND PARAMETERS
OAK LAWN REGIONAL WATER SYSTEM
“NEW SERIES BONDS” FOR THE
“2013 REGIONAL SYSTEM IMPROVEMENTS”

I. INTRODUCTION.

This Financing Plan and Parameters (the or this “*FPP*”) is set forth as Exhibit O to that certain “Regional Water System Water Sale, Purchase and Service Agreement Between the Village of Oak Lawn, Illinois and Certain of Its Municipal Customers” (the “*Agreement*”). The defined terms of the Agreement are incorporated by reference, unless otherwise defined expressly in this Exhibit O or unless the context or use of a term clearly indicates another meaning is intended. This FPP is pursuant to Section 4.B of the Agreement and relates to the New Series Bonds and Bonds issued at any time in the future to refund New Series Bonds.

II. SOURCE OF FUNDS AND LIEN PRIORITIES; PREFERENCES FOR IEPA LOANS.

The Bonds shall be payable from the “*Net Revenues*” (Regional System Revenues less Operation and Maintenance Costs). The Bonds may be in various lien positions, commonly referred to as first lien, second lien, third lien, and so on. It is anticipated that a portion of the Bonds will be issued to the IEPA pursuant to its 20-year loan program for water projects (such portion will be referred to interchangeably with Bonds as the “*IEPA Loans*”).

IEPA Loans shall be Bonds in a third lien position on Net Revenues. Oak Lawn shall procure the maximum amount of IEPA Loans made available to it to finance the Project. In stating this preference, the Parties to the Agreement acknowledge that they are familiar with the IEPA water project loan program regulations, which in general provide funding for certain Project costs and defer loan repayment for a period of time, adding the deferred interest to principal at the time the loan begins to amortize, and such amortization occurring in level stated amounts of principal and interest semi-annually for 20 years. It is possible that during the course of acquiring and constructing the 2013 Regional System Improvements (herein also the “*Project*”) the IEPA may offer a 30-year loan program. Oak Lawn will seek to issue Bonds for 30-year IEPA Loans only after Executive Consent [is] Obtained as provided in the Agreement.

One series of IEPA Loans has already been procured by Oak Lawn, utilizing its own credit on an interim basis. This is an IEPA Loan approved for \$15,000,000 (estimated to be drawn in the amount of approximately \$12,700,000), more or less, to provide for improvements at the Harker Pumping Station. This FPP permits allocation of that IEPA Loan to a Bond (*i.e.*

payable from the Net Revenues). This FPP permits Oak Lawn to have allocated to it, to the fullest extent possible, the debt service payments on this IEPA Loan as its share of Capital Costs and Charges. This provision entitles Oak Lawn to the (low) interest rate obtained on such IEPA Loan.

For Bonds which must be issued which are not IEPA Loans, this FPP permits the issuance of Senior Lien Bonds with a goal of achieving a rating in the second highest rating category by one or more appropriate rating agencies (such as Moody's or S&P) which ratings are now commonly known as "AA" or "Aa." The Parties acknowledge that such ratings typically require financial covenants, such as Net Revenues coverage of debt service on such Bonds.

III. MAXIMUM PRINCIPAL AMOUNTS.

A. The maximum principal amount of Bonds issued to pay the costs of acquiring and constructing the Project, including the costs of all lands and rights in land and water, and other necessary or advisable capital expenditures related thereto, and all costs of engineering related to the Project, shall not exceed such principal amount as will produce not in excess of \$275,000,000 of proceeds.

B. To said principal amount may be added amounts as follows:

1. Costs of issuance of the New Series Bonds (which includes the costs of all Parties to the Agreement of negotiating the Agreement) including legal, financial advisory, and engineering costs of such negotiations, bank fees and underwriting fees and similar costs, costs of credit enhancement such as bond insurance, line of credit or letter of credit fees, and the like, and typical closing costs for Bonds and original issue discount.

2. Bond reserve amounts not to exceed ten percent (10%) of the face ("*par*") amount of the New Series Bonds.

3. For any series of refunding Bonds, such additional principal amounts as may be necessary to accomplish such refunding (*i.e.* pay the designated debt service [principal and interest and redemption costs, if any] of such prior series of Bonds) including costs of issuance of such refunding Bonds, in each instance limited to two percent (2%) of par plus any bank fees or credit enhancement fees related to such refunding Bonds.

4. Capitalized interest on any Bonds for a maximum term of five years.

C. The maximum principal amount of Bonds of all series, including any series of refunding Bonds, which may be outstanding at any one time shall not exceed \$297,000,000.

IV. MINIMUM PURCHASE PRICE AND COMPENSATION TO BANKS AND UNDERWRITERS.

Bonds shall be sold at not less than 98% of par, exclusive of any original issue discount. Compensation paid to any bank or financial institution acquiring Bonds in a negotiated purchase shall not exceed 1% of par. Compensation to any underwriters of Bonds shall not exceed 2% of par.

V. RATES OF INTEREST ON BONDS.

No Bond shall bear a rate of interest or have a yield greater than permitted to a non-home rule governmental unit in Illinois as currently provided in the "Bond Authorization Act" of the State, as supplemented or amended. Oak Lawn will retain an independent financial advisor for all Bonds except those which are IEPA Loans. Oak Lawn will obtain from such financial advisor an opinion on each series of Bonds except IEPA Loans that the interest rates payable and the other financial terms of such Bonds are fair and reasonable in view of the structure of such Bond issue and then current conditions in the relevant market for such Bonds.

Bonds may utilize interest rate swaps upon the terms set forth in the Bond Authorization Act.

VI. MAXIMUM ANNUAL DEBT SERVICE.

Planned maximum annual debt service shall not exceed \$22,500,000. However, Bonds may become due resulting in greater debt service than that amount with the intention of refunding such Bonds (such obligations may have what is referred to as "bullet" maturities).

VII. TERM TO MATURITY; CERTAIN BOND CONSIDERATIONS.

As noted above, the Parties acknowledge the terms upon which the IEPA Loans will be repaid.

For other Bonds, planned principal authorization, to the extent commercially reasonable, will be deferred so as to begin to amortize at the final maturity of an IEPA Loan and end prior to expiration of the current term of the Agreement.

VIII. REVOLVING LINE OF CREDIT BONDS.

At any time prior to the completion of the Project, Bonds may be issued in the form of a revolving line of credit ("*L/C Bonds*") having a variable rate of interest within the maximum rate of interest set forth above. The maximum amount of such LC Bonds is \$35,000,000. If the L/C Bonds are outstanding upon completion of the Project, Oak Lawn will begin a financing effort to refund such L/C Bonds with long-term Bonds. Or, at such time, the term or maturity of the L/C Bonds may be extended to a further date if in the judgment of Oak Lawn such extension is advantageous but only after Executive Consent [is] Obtained as provided in the Agreement.

EXHIBIT 4
TO THE FIRST AMENDMENT TO THE REGIONAL WATER SYSTEM
WATER SALE, PURCHASE AND SERVICE AGREEMENT

EXHIBIT P
STATEMENT OF MUTUAL COOPERATION PROCESS

ORDINANCE NO. _____

AN ORDINANCE OF THE VILLAGE OF ORLAND PARK, COOK AND WILL COUNTIES, ILLINOIS, AMENDING CERTAIN PROVISIONS OF THE LONG TERM WATER SALE, PURCHASE AND SERVICE AGREEMENT BY AND AMONG THE VILLAGE OF OAK LAWN, COOK COUNTY, ILLINOIS, AND OTHER MUNICIPALITIES, AND AUTHORIZING THE EXECUTION AND DELIVERY OF SAID AMENDMENT.

WHEREAS, the Village of Orland Park, Cook and Will Counties, Illinois (the “*Village*”) on the 2nd day of December, 2013, and on the 16th day of June, 2014, adopted Ordinance No. 4861 and Ordinance No. 4906, respectively (the “*Ordinances*”), authorizing the execution and delivery of a “Water Sale, Purchase and Service Agreement Between the Village of Oak Lawn, Illinois and Certain of Its Municipal Customers,” dated August 1, 2014 (the “*Agreement*”);

WHEREAS, the President and Board of Trustees of the Village (the “*Corporate Authorities*”) have determined and do hereby determine that that it is necessary and in the best interests of the Village that certain provisions of the Agreement be amended and that such Amendment and said Agreement so amended be authorized to be executed and delivered as herein provided; and

WHEREAS, the form of the First Amendment to the Water Sale, Purchase and Service Agreement between the Village and the Southwest System Customers (the “*Southwest System First Amendment*”) has been presented to the Corporate Authorities and is attached hereto as *Attachment A*:

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ORLAND PARK, COOK AND WILL COUNTIES, ILLINOIS, AS FOLLOWS:

Section 1. Incorporation of Preambles. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Corporate Authorities of the Village and are incorporated into the body of this Ordinance by reference.

Section 2. Ratification, Approval and Incorporation of Amendment. The Agreement as approved by the Ordinances is hereby ratified, confirmed and approved, subject to the Southwest System First Amendment as hereby approved (the “*Amended Southwest System Agreement*”). The Village is authorized pursuant to this Ordinance to be bound by the terms and conditions of the Southwest System First Amendment. The Southwest System First Amendment and the Agreement shall be read together as one document. The Village Clerk is hereby authorized to replace the provisions of the Agreement with the amendments as approved herein.

Section 3. Execution. By this Ordinance, the President of the Village is hereby authorized and directed to execute and deliver and the Village Clerk is hereby authorized to attest and seal the Southwest System First Amendment and the Amended Southwest System Agreement.

Section 4. Publication. A full, true and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Corporate Authorities.

Section 5. Severability; Superseder. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. All ordinances, resolutions and orders, or parts thereof, in conflict with this Ordinance are hereby superseded to the extent of such conflict and as further provided in the Agreement as Amended.

Section 6. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage, approval and publication.

AYES: _____

NAYS: _____

ABSENT: _____

ADOPTED: October 5, 2020

APPROVED: October 5, 2020

President

Recorded in Village Records: October ____, 2020.

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois at __: __.m. on October __, 2020.

ATTEST:

Village Clerk

ATTACHMENT 1
SOUTHWEST SYSTEM FIRST AMENDMENT