



Legislation Text

File #: 2013-0627, **Version:** 2

Title

Oak Lawn Water Supply Agreement - Ordinance

History

The current water supply agreement with Oak Lawn and the Village has expired, and our extension with Oak Lawn expires on Dec. 31, 2013. For the past 30 months, Oak Lawn and the Villages of Tinley Park, Orland Park, New Lenox, Mokena, and the City of Oak Forest have met to prepare and then negotiate multiple terms and conditions to identify enduring terms of water service to provide predictability and stability to water supply.

The Regional Water System deal terms between the Village of Oak Lawn, Illinois and the Customer Communities (Orland Park, Oak Forest, Tinley Park, Mokena, and New Lenox) represent a comprehensive restructuring of the business terms and conditions between Oak Lawn and its Municipal customers to provide for a significant upgrading of the Regional Water System. The proposed system is in accordance with the 2008 Oak Lawn Regional Water Plan, and will provide a 40-year service commitment by Oak Lawn to provide Lake Michigan water to its customers meeting best practices in public water utility operations and management.

The Village of Oak Lawn has represented that the final Agreement with the Southwest customers will be used as the template for future customer water Agreements with other existing customers, including Chicago Ridge, Palos Hills, and Palos Park; and in the future, the Villages of Matteson, Country Club Hills, and Olympia Fields.

A summary of the deal terms, as prepared by the consultant to the Customer Communities, is attached. A slide deck is attached that further summarizes the contemplated deal terms. In addition, a copy of the agreement is attached. It should be noted that minor modifications to the exhibits may be needed and approval should contemplate minor ministerial changes.

The proposed timeline is for Customer Communities to adopt the proposed agreement in November-December 2013 so that preparation of bid packages for commencement of the system improvements can begin in January 2014. It should also be noted that a portion of the proposed 60-inch parallel water main will be sited through Forest Preserve District (FPDCC) right-of-way that is also licensed to ComEd for high-tension lines. Approval from Cook County will be required to locate the line below or immediately adjacent to the existing ComEd lines. Minimal impact is expected, and several discussions with Cook County Commissioners and FPDCC staff have already occurred.

On October 21, 2013, this item was reviewed by the Public Works and Engineering Committee, recommended for approval and referred to the Finance Committee for consideration.

On November 4, 2013, this item was reviewed by the Finance Committee, recommended for approval and referred to the Village Board of Trustees for consideration.

Recommended Action/Motion

I move to pass Ordinance Number 4861, entitled: AN ORDINANCE AUTHORIZING THE PURCHASE OF WATER AND SERVICE THEREOF PURSUANT TO A LONG TERM WATER SALE, PURCHASE AND

SERVICE AGREEMENT WITH THE VILLAGE OF OAK LAWN, COOK COUNTY, ILLINOIS AND
AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER SALE, PURCHASE AND SERVICE
AGREEMENT WITH SAID VILLAGE