

**Legistar #: 230381**  
**DISTRICT: ALL**

**VILLAGE OF LOMBARD**  
**REQUEST FOR BOARD OF TRUSTEES ACTION**  
For Inclusion on Board Agenda

      X       Resolution or Ordinance (Blue)            Waiver of First Requested  
           Recommendations of Boards, Commissions & Committees (Green)  
           Other Business (Pink)

**TO:** PRESIDENT AND BOARD OF TRUSTEES

**FROM:** Scott R. Niehaus, Village Manager

**DATE:** November 7, 2023 (COW) (B of T) **Date:** November 16, 2023

**TITLE:** A RESOLUTION APPROVING AN EXTENSION OF THE WATER SUPPLY  
CONTRACT BETWEEN THE DUPAGE WATER COMMISSION AND THE CITY  
OF CHICAGO

**SUBMITTED BY:** Carl Goldsmith, Director of Public Works  
Tim Sexton, Director of Finance

**BACKGROUND/POLICY IMPLICATIONS:**

The Village is a customer of The DuPage Water Commission for the purchase of Lake Michigan Water. The current Water Supply Contract between The DuPage Water Commission and the City of Chicago expires on February 24, 2024. The DWC is recommending that all customers of the Commission authorize the DWC to unilaterally extend the Water Supply Contract with the City of Chicago on the same terms and conditions for a period not less than ten (10) years nor more than forty (40) years. The Commission is recommending that the extension be for a period not less than 15 years, but no more than 20 years.

**FISCAL IMPACT/FUNDING SOURCE:**

Review (as necessary):

Village Attorney X	_____	Date	_____
Finance Director X	_____	Date	_____
Village Manager X	_____	Date	_____

**NOTE:** All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



November 6, 2023

TO: Village President and Board of Trustees

THROUGH: Scott Niehaus, Village Manager

FROM: Carl Goldsmith, Director of Public Works  
Tim Sexton, Director of Finance'

SUBJECT: A RESOLUTION APPROVING AN EXTENSION OF THE WATER SUPPLY CONTRACT BETWEEN THE DUPAGE WATER COMMISSION AND THE CITY OF CHICAGO

### **Background**

The Village of Lombard, along with 28 entities, receives water from the DuPage Water Commission (DWC). The DWC is a separate unit of local government that buys water from the City of Chicago and sells it to the local water utilities in DuPage County. There is a contract in place with the DWC and includes 28 governing bodies that are signatories to the contract. The DWC/Customer Water Contract will expire on February 24, 2024.

To address the contract renewal between DWC and Chicago, a steering group comprised of eight municipal representatives was assembled to represent the municipalities in preparation of the contract renewal, which will become the water supply contract for the next 40-year period. The objective of this collaboration was to ensure the document provides as much continuity with the previous contract as possible, while removing sections that no longer applied (primarily regarding the original water system construction). The municipal legal review for the document was performed concurrently by both the DuPage County States Attorney and the Naperville City Attorney. All parties concurred with the proposed contract.

The contract renewal process has now been concluded with all parties recommending approval of the contract extension (Steering Committee, DuPage County States Attorney, Naperville City Attorney, and DWC). The DWC/Chicago contract expires on March 19, 2024. The municipalities will not be a signatory to that contract but will need to provide a resolution concurring with the recommended action of the DWC Steering Committee. The resolution will provide that the DWC is authorized to extend the Chicago contract under the same terms and conditions for a period of not less than 15 years nor more than 20 years.

### **Recommendation**

Staff recommends that the Village President and Board of Trustees approve A RESOLUTION APPROVING AN EXTENSION OF THE WATER SUPPLY CONTRACT BETWEEN THE DUPAGE WATER COMMISSION AND THE CITY OF CHICAGO.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING AN EXTENSION OF THE WATER  
SUPPLY CONTRACT BETWEEN THE DUPAGE WATER  
COMMISSION AND THE CITY OF CHICAGO**

**WHEREAS**, in 1984, the DuPage Water Commission (the “Commission”) entered into a Water Supply Contract Between the DuPage Water Commission and the City of Chicago (the “Water Supply Contract”) for the Commission to purchase Lake Michigan water from the City of Chicago (the “City”) to provide to the Commission’s customers;

**WHEREAS** the Village of Lombard is a customer of the Commission and purchases Lake Michigan water from the Commission;

**WHEREAS**, the Water Supply Contract expires on March 19, 2024;

**WHEREAS** the Water Supply Contract grants the Commission the option to unilaterally extend the Water Supply Contract on the same terms and conditions for a period not less than ten (10) years nor more than forty (40) years;

**WHEREAS**, the Commission has commenced negotiations with the City on a new water supply contract, but the Commission does not believe that a new water supply contract will be executed before the current Water Supply Contract expires;

**WHEREAS**, pursuant to Section 16 of the Water Purchase and Sale Contract Between the DuPage Water Commission and Charter Customers, the Commission held a public meeting of its customers on October 31, 2023 to present the status of negotiations and current proposed terms and conditions regarding a new water supply contract with the City;

**WHEREAS**, the Commission has deemed it to be in the interest of the Commission and its customers to exercise its option to extend the Water Supply Contract under its current terms and conditions for a period not less than 15 years and not more than 20 years; and

**WHEREAS** the Village of Lombard Village Board of Trustees deems it to be in the best interests of the Village and its residents to approve and consent to an extension of the Water Supply Contract for a period not less than 15 years and not more than 20 years.

**NOW, THEREFORE, BE IT RESOLVED** by the Village Board of the Village of Lombard as follows:

**SECTION 1:** The foregoing recitals are hereby incorporated herein and made a part hereof as findings of the Village Board of Trustees.

**SECTION 2:** The Village Board of Trustees hereby approves and consents to the Commission's extending the Water Supply Contract for a period not less than 15 years and not more than 20 years, without further action by the Village Board of Trustees.

**SECTION 3:** The Clerk is hereby authorized and directed to provide a copy of this Resolution to the Commission immediately after its approval.

**SECTION 4:** This Resolution shall be in full force and effect immediately upon and after its adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2023, pursuant to a roll call vote as follows:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Absent: \_\_\_\_\_

Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Keith Giagnorio  
Village President

ATTEST:

\_\_\_\_\_  
Elizabeth Brezinski, Village Clerk