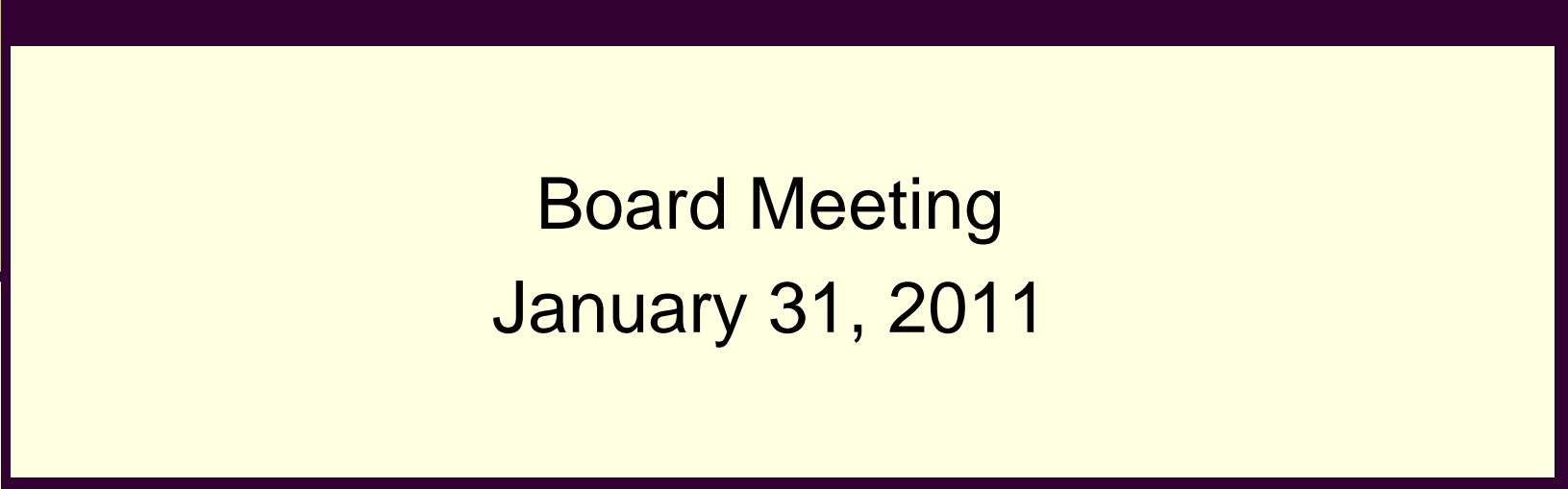





Glenbard Wastewater Authority



Board Meeting
January 31, 2011

GWA Service Area

Map Outline of Glenbard Wastewater Authority

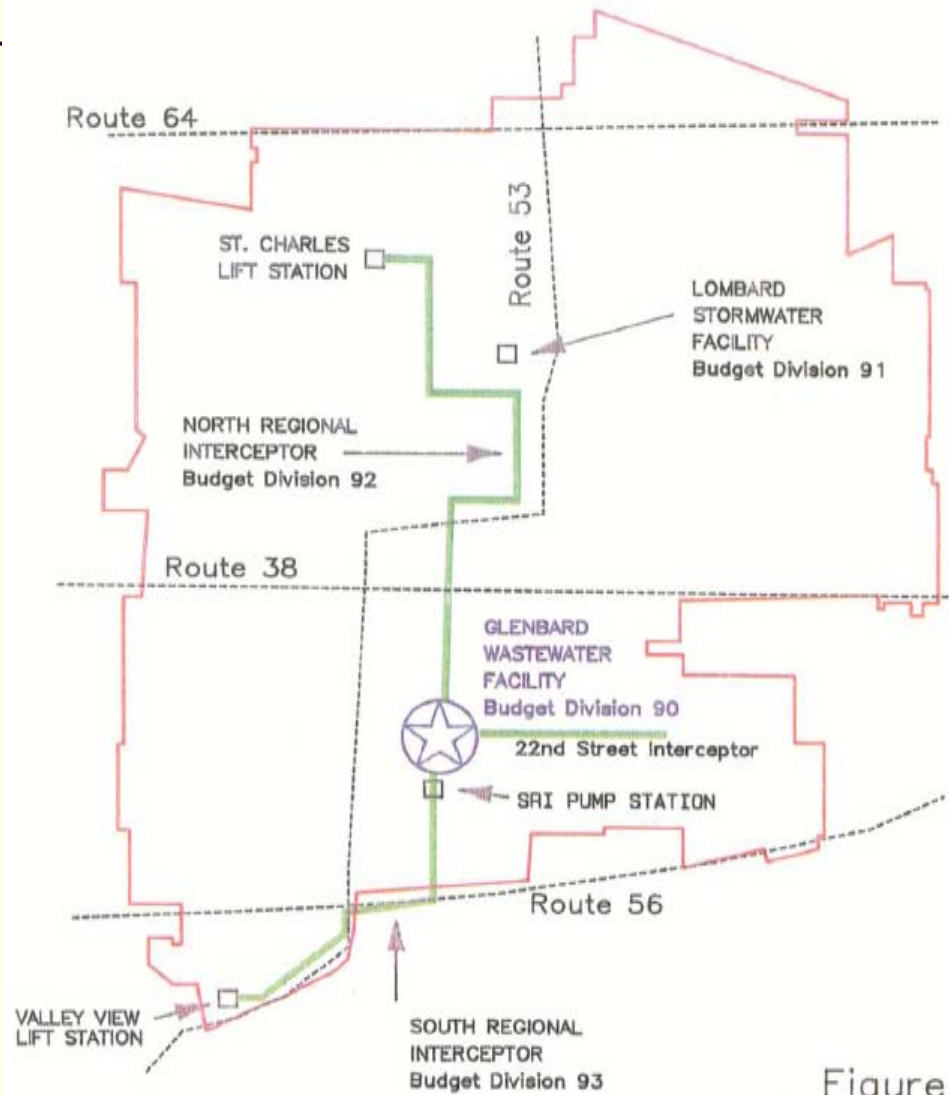


Figure 1

History of Authority

- The Village of Glen Ellyn jointly established the Glenbard Wastewater Authority (GWA) with the Village of Lombard through an intergovernmental agreement in 1977.
- The basic parameters of the Agreement have remained in tact since the formation of the Authority.

Authority Operations

- Pursuant to the IGA, the Authority is managed by the Operating Agency (Glen Ellyn), with direct oversight by the Executive Oversight Committee, which is comprised of the following:
 - The Village Presidents
 - An Elected Official from each Member
 - The Village Managers
 - The Public Works Directors
- The GWA Board is comprised of the full Boards from each Member and meets annually to adopt the annual budget.

Intergovernmental Review Process

- Beginning in 2008, the two staffs began to review the IGA.
- The purpose was to ensure that the Authority was operating in accordance with the executed IGA
- The Lombard staff discovered several areas where practice did not match the agreement.
- Recommendations were made to amend the IGA.
- Overall goal was to provide greater accountability of expenditures.
- Many changes were simply “housekeeping” issues

Intergovernmental Review Process

- The amended IGA was brought before the EOC at the December 9, 2010 meeting for a vote.
- The EOC unanimously approved the amended IGA and is recommending approval of the IGA to the Board.

Synopsis of Amended IGA

- Section I.G., I.K. and VI.C. identify all facilities covered by the GWA. Each facility that is operated by the GWA is assigned a cost center from both Operating & Maintenance and Capital budgeting purposes.
- The revised IGA defines the funding mechanism for each cost center based upon benefiting Member:
 - Facilities that are 100% Glen Ellyn benefit
 - Facilities that are 100% Lombard benefit
 - Facilities that are mutual benefit & split based upon annual flow rates

Synopsis of Amended IGA

- The cost centers include:
 - Glenbard Treatment Plant (Split)
 - Lombard Stormwater Plant (Lombard)
 - North Regional Interceptor (Split)
 - South Regional Interceptor (Glen Ellyn)
 - St. Charles Road Lift Station (Glen Ellyn)
 - Valley View Lift Station (Glen Ellyn)
 - SRI Lift Station (Glen Ellyn)
 - Sunnyside Lift Station (Glen Ellyn)
 - *Cost centers in red were added to the IGA. These centers were previously funded by both Glen Ellyn & Lombard, while solely benefiting Glen Ellyn*

Synopsis of Amended IGA

- Section II.C. clarifies the composition of the EOC, as well as identifying the assignment of the presiding officer function for the EOC.
- Section II.C.10 provides that the Board may remove authority to approve debt or loan obligations from the EOC if either Member passes an ordinance

Synopsis of Amended IGA

- Section II.C. adds, “Nothing shall preclude the Village Managers, or their designees and the Public Works Directors from meeting to discuss matters related to the operation of the Glenbard Wastewater Authority, provided that a report of that meeting is provided to the Executive Oversight Committee at the next meeting of the Executive Oversight Committee.” to allow operational issues to be discussed by the Member staffs.

Synopsis of Amended IGA

- The IGA has been amended to require that the selection of legal counsel, to serve the GWA Board and EOC, would be selected by the EOC and shall have no affiliation to the Member Agencies. This neutrality is the same requirement that was imposed in the amended IGA and was requested to ensure that the Authority's interests would be best served.

Synopsis of Amended IGA

- Section IV.A. provides that the evaluation and discipline of the GWA Executive Director shall be conducted by the Operating Agency, but the appointment and dismissal is made by the Executive Oversight Committee.
- Section IV.E. gives greater clarity to the benefits afforded to employees of the GWA by stating, “. The Operating Agency shall provide employee benefits and health insurance to the Authority personnel, subject to the benefit levels established within the personnel rules and policies as adopted by the Operating Agency. Such benefits and insurance shall be the cost of the Authority.”

Synopsis of Amended IGA

- Section VI.A. defines the separation of funds for Operation & Maintenance and Capital Replacements.
- Section VI.B. clarifies the billing procedures used for the monthly payments required from each Member.

Synopsis of Amended IGA

- Section VI.C. sets forth the allocation of costs by cost center/divisions created in the amended IGA.
- The previous IGA did not include all of the facilities in Glen Ellyn operated by the GWA. As a result, the Village of Lombard's contributions subsidized the operation and improvements to these facilities.

Synopsis of Amended IGA

- Section VI.D. provides that a Member may adjust their contribution to a Division on an annual basis, provided the Member fully funds the debt service and capital expenses for each Division on an annual basis. This may only be done for Divisions funded 100% by the Member.

Synopsis of Amended IGA

- Section VI.H. is amended to provide that any legal fees or fines levied against a Member that was a result of negligence on the part of the Authority shall be paid by the Authority. The previous language passed all costs to the Member, despite the fact that the actions leading to the fine were performed by the Authority.

Synopsis of Amended IGA

- Section IX. Has been amended to provide greater clarity on the use of Authority property. As a result of past discussions on the placement of cellular communication towers, the EOC desired to incorporate language on the matter into the amended IGA.
- As the Authority does not own property it is important to define the approval process and benefit (financially).

Synopsis of Amended IGA

- Section IX.
 - All requests to utilize land, office space, storage space, garage space or other property shall be subject to EOC approval.
 - Revenues derived from the use of property operated by the Authority for the mutual benefit of the Members shall be placed in a reserve account and used at the discretion of the EOC.
 - Revenues derived from the use of facilities where 100% of the costs are borne by a Member, shall become the property of the Member.

Synopsis of Amended IGA

- Section X. amends the Overhead Fees, as follows:
 - Exhibit “A” sets forth the initial fee, which will be adjusted annually by the equivalent amount of the most recent Consumer Price Index
 - Any additional or extraordinary costs are incurred by the Operating Agency, the EOC shall review these costs prior to reimbursement.
 - The EOC shall review the indirect costs contained in the Overhead Fee every 3 years and has the authority to make revisions to Exhibit “A” without amending the IGA.
- Section XIII. adds a Notice provision



Questions or Comments

