



Special City Council Work Session

Crest Hill, IL

June 04, 2024

7:00 PM

Council Chambers

20600 City Center Boulevard, Crest Hill, IL 60403

Agenda

1. [Presentation - Grand Prairie Water Commission](#)
2. Public Comments
3. Mayor's Updates
4. Committee/Liaison Updates
5. City Administrator Updates

The Agenda for each regular meeting and special meeting (except a meeting held in the event of a bona fide emergency, rescheduled regular meeting, or any reconvened meeting) shall be posted at the City Hall and at the location where the meeting is to be held at least forty-eight (48) hours in advance of the holding of the meeting. The City Council shall also post on its website the agenda for any regular or special meetings. The City Council may modify its agenda for any regular or special meetings. The City Council may modify its agenda before or at the meeting for which public notice is given, provided that, in no event may the City Council act upon any matters which are not posted on the agenda at least forty-eight (48) hours in advance of the time for the holding of the meeting.



GRAND PRAIRIE
WATER COMMISSION

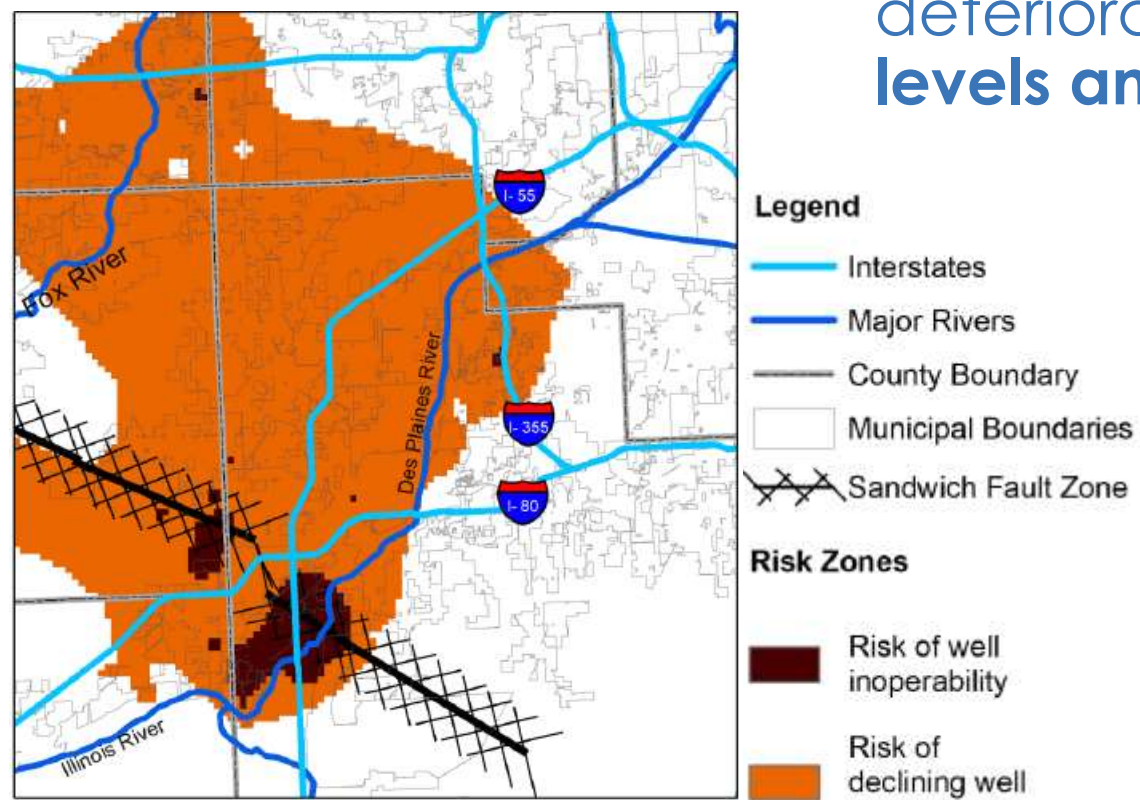
GPWC Commission Formation

City of Crest Hill
June 2024

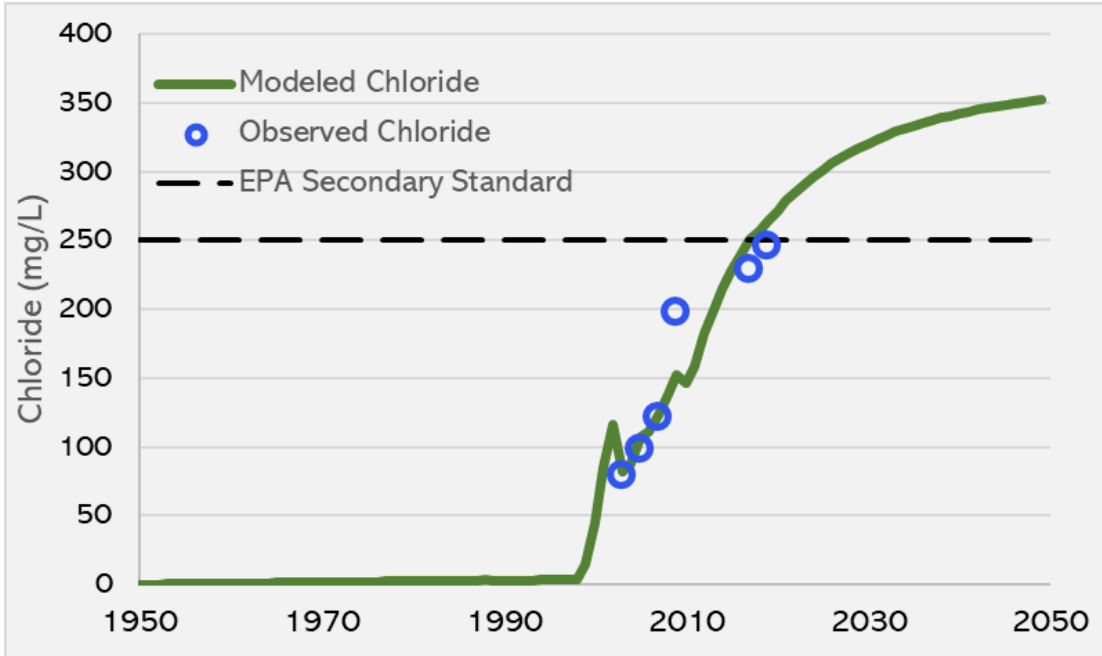
Regional Problem



- Groundwater sources in the region are in jeopardy:
- **deep sandstone aquifer** is being depleted to the point of inoperability
 - shallow aquifer water quality is deteriorating due to **increased chloride levels and presence of PFAS**



2050 – Peak Pumping (Joliet off aquifer) (From ISWS)



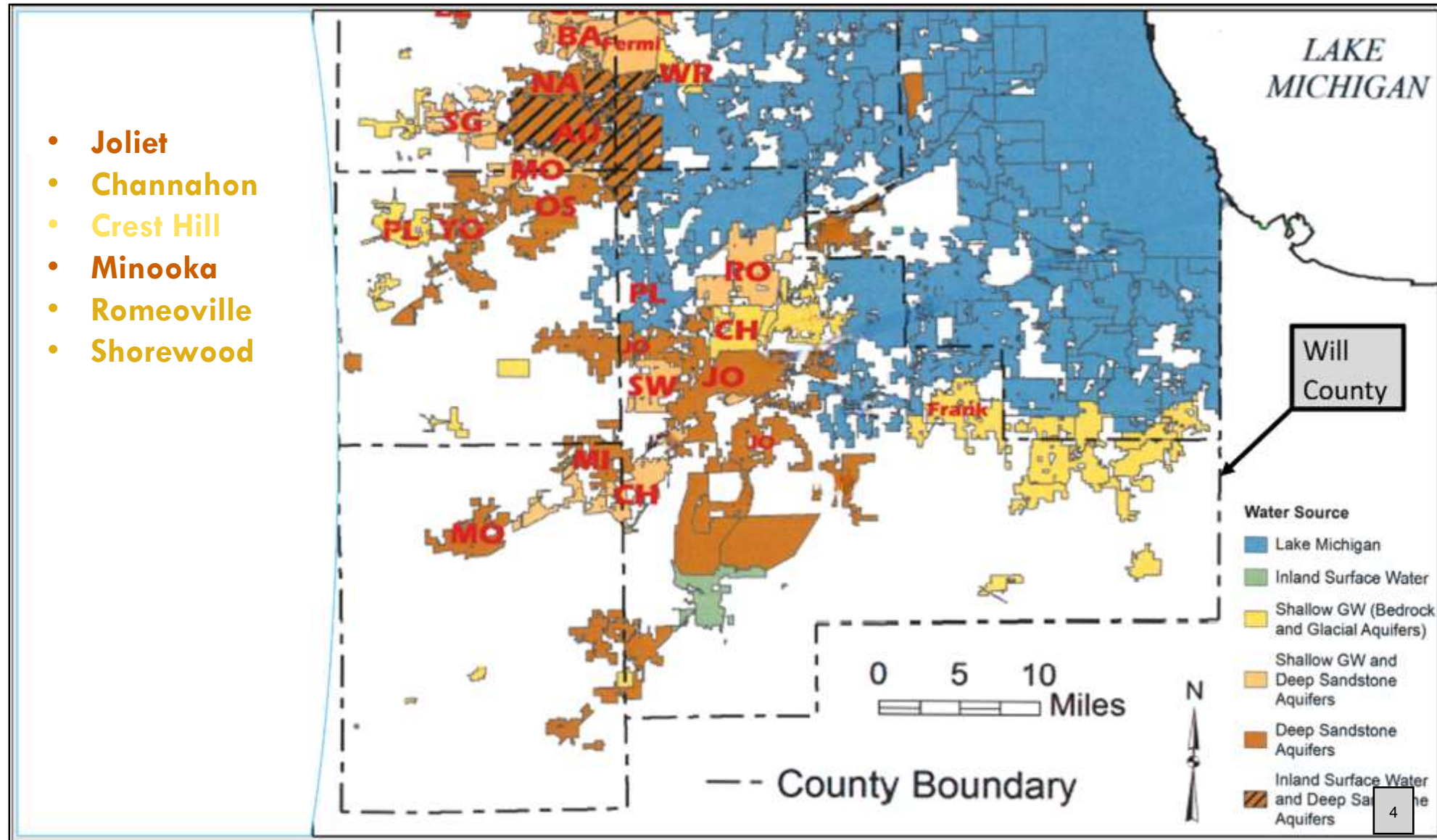
There are observed and modeled increases in chloride levels in regional shallow wells (From ISWS)

Regional Solution

From ISWS Fact Sheet 3 from Contract Report 2015-02
"Sources of Water for Communities in Northeastern Illinois"

Item 1.

- Joliet
- Channahon
- Crest Hill
- Minooka
- Romeoville
- Shorewood



Bottom Line: This is a regional problem – with the opportunity for a regional solution.



Water Commission Benefits

Benefits of a regional water commission:

- **Lower water rates** due to cost sharing and economies of scale
- **Distribution of risk** among more entities
- **Support** of state and federal agencies such as IEPA and USEPA as well as state and federal legislators
- Ability to **obtain access for construction in rights-of-way** outside of the limits of the member communities

Regional Water Commissions Act



Legislation passed!

During the state legislative veto session that concluded last week, Senate Bill 280 was amended to enable the creation of a sub-regional water commission and unanimously passed by both chambers. This legislation was supported by the City of Joliet and many other communities in the region as a means of working together to solve regional water issues.

We especially thank our principal bill sponsor, State Rep. and Majority Caucus Chair, Dan Walsh, Jr., and State Rep. for House Speaker, Dan Conner.

We also thank our other Joliet-area legislators who served as principal co-sponsors: State Rep. and Assistant Majority Leader Natalie A. Manley, State Senator Meg Loughran Cappel, and State Rep. Dagmara "Dee" Avelar.

Among others, supporters of this legislation included: Will County Executive Jennifer Bertino-Tarrant, Will County Governmental League, Metro West Council of Government, Illinois Municipal League, Will and Grundy County Building Trades, Chicago and Cook County Building Trades, AFL-CIO and City of Chicago.

PASSED & SIGNED BY GOVERNOR





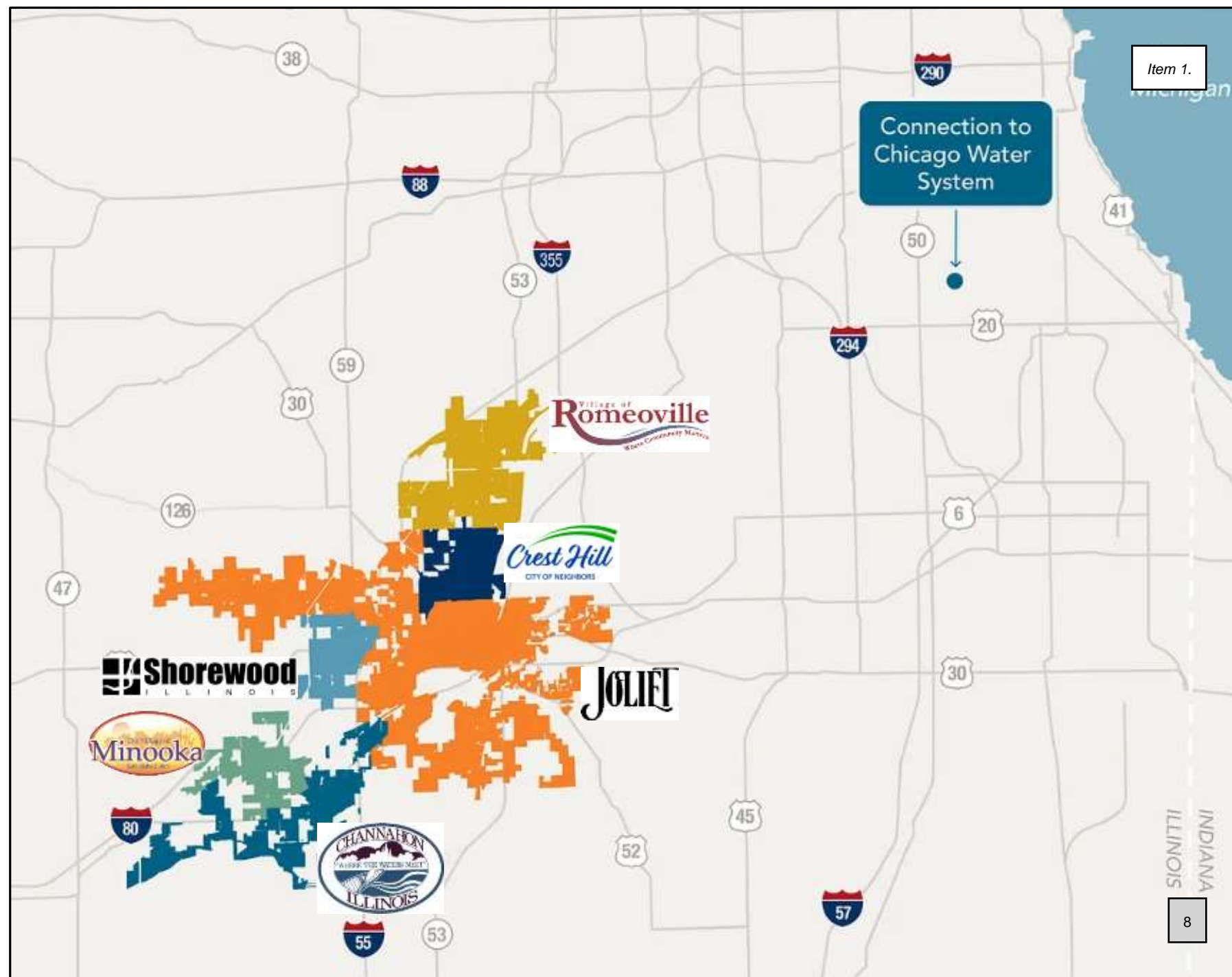
Preliminary Agreement

- 6 Communities (Joliet, Romeoville, Crest Hill, Shorewood, Minooka, Channahon) **approved** Preliminary Agreement regarding formation of a regional water commission in **February 2022**



Grand Prairie Water Commission (GPWC) Members:

- Channahon
- Crest Hill
- Joliet
- Minooka
- Romeoville
- Shorewood



Water Commission Formation Timeline



Item 1.

2021

- ⑩ Approval of Regional Water Commission Act Legislation
- ⑩ Reached consensus on Key Principles and prepared Preliminary Agreement

2022

- ⑩ Member communities approved Preliminary Agreement Regarding Water Commission Formation
- ⑩ 4 Member communities without Lake Michigan Allocations submitted applications to IDNR for Lake Michigan Allocation

2023

- ⑩ 4 Member communities continue through Lake Michigan Allocation process
- ⑩ Member communities begin discussion of Commission Formation Documents

2024

- ⑩ Remaining Member communities obtain Lake Michigan Allocations
- ⑩ Reach consensus on Commission Formation Documents
 - Member Communities approve Ordinance and Intergovernmental Agreement to form the Grand Prairie Water Commission
 - **COMMISSION IS FORMED**



Commission Formation Documents:

- Intergovernmental Agreement to Establish Grand Prairie Water Commission
- Grand Prairie Water Commission Water Supply Agreement
- Bylaws of the Grand Prairie Water Commission
- Intergovernmental Agreement for Program Management (between GPWC and Joliet)

Intergovernmental Agreement to Establish Grand Prairie Water Commission (IGA)



IGA Overview

- Agreement between the Parties (6 Member Communities) to Form the Grand Prairie Water Commission
- GPWC being formed under the Regional Water Commissions Act
 - Authorizes two or more municipalities, at least one of which is located in whole or in part in the County of Cook, Kane, Kendall, Lake, McHenry or Will and has 140,000 or more inhabitants, to acquire, either by purchase or construction, a waterworks system or a common source of supply of water, or both, and to operate jointly and improve and extend a waterworks system or a common source of supply of water, or both.

IGA

Key Provisions:

- Commission Establishment
- Membership
 - 6 Communities are Charter Members
 - Additional Members must be approved by all Member Boards/Councils and all appointed Commissioners
- Board of Commissioners (BOC)
 - Governing Body
 - Consist of a Commissioner (& Alternate) from each Member (must be Mayor/Village President or Council Member/Trustee from Member)
 - Each Commissioner has one equal vote
 - Terms of Commissioners (2 years)
 - Board Officers



IGA

Key Provisions:

(Cont'd)

- Technical Advisory Committee (TAC)
 - Advises Board of Commissioners (BOC)
 - Consists of Delegate (& Alternate) from each Member (must be municipal employee from Member)
 - Each Delegate has one equal vote
- Powers & Authority of the Commission
- Withdrawal, Termination & Dissolution
 - Withdrawal of a Member must be approved unanimously by BOC and by all Member Boards/Councils
 - Dissolution of the Commission must be approved unanimously by BOC and by all Member Boards/Councils



Grand Prairie Water Commission Water Supply Agreement (WSA)



WSA Overview

- Agreement between and among GPWC and the Members for the supply of Lake Michigan Water to the Members

WSA

Key Provisions:

- Term & Renewal
 - In effect until December 31, 2123
 - Renewable
- Sale & Purchase of Water
 - Declared Maximum Day Demand (DMDD): 2050 DMDD, Estimated Buildout DMDD declared by each Member in Exhibit A
 - Sole water source for Member
 - Uniform rate of flow
 - Limited by Member's DMDD and maximum Peaking Factor



Declared Maximum Day Demands

(WSA Exhibit A)



<u>Member</u>	<u>Declared 2050 Maximum Day Demand (MGD)</u>	<u>Demand Ratio*</u>	<u>Estimated Buildout Declared Maximum Day Demand (MGD)</u>
Village of Channahon	4.04	7.31%	6.34
City of Crest Hill	4.18	7.56%	4.18
City of Joliet	32.00	57.90%	65.00
Village of Minooka	4.00	7.24%	9.39
Village of Romeoville	6.25	11.31%	8.25
Village of Shorewood	4.80	8.68%	10.40
MEMBER TOTALS:	55.27	100.00%	103.56

*Carried out to the number of decimal places available in the calculation tool being used to determine the Demand Ratio (Microsoft Excel or equivalent)

WSA

Key Provisions:

(Cont'd)

- Sale & Purchase of Water (cont'd)
 - Reassignment of DMDD in certain circumstances
 - Expansion of Capacity
 - Limits on Supply, Curtailment: Notification for Maintenance/Emergency
 - Provision of Alternate Water Source
 - Conversion of existing groundwater wells to back-up source
 - Corrosion Control Studies & Water Source Transfer Planning
 - Storage – 2x Allocation by 2040
 - Quality
 - Resale by Members
- Measurement
 - Delivered Quantity as measured by meters in Water Delivery Structure



WSA

Key Provisions:

(Cont'd)

- Payments
 - Purchased Water Costs
 - Volumetric based on Delivered Quantities
 - O&M Costs
 - Volumetric based on Delivered Quantities
 - Reserve Costs
 - Based on DMDD
 - Commission Administration Costs
 - Equally split among Members
 - Capital Costs, Debt Service & Cost of Financing
 - Proportional share of Primary Capital Costs based on DMDD
 - Member Non-Primary Capital Costs
 - Credit to Joliet for Advanced Development & Construction Costs



Crest Hill Cost Obligations*

AWSP - Commission Water Transmission System Budget \$1,446,100,000	Regional Infrastructure Costs to be shared by GPWC members based on declared capacity requirement (2050 Maximum Day Demand) \$1,398,100,000	<i>Crest Hill portion of shared Regional Infrastructure Costs</i> \$105,700,000
		<i>Portion of shared Regional Infrastructure Costs allocated to other Commission Members</i> \$1,292,400,000
	Regional Infrastructure Costs for non-primary connections and delivery structures to be constructed and financed by the GPWC, but paid for by individual members based on the actual cost of their needed facilities. \$48,000,000	<i>Crest Hill Costs for Non-primary connections and delivery structures</i> \$1,700,000
		<i>Other Commission Member Costs for non-primary and delivery structures</i> \$46,300,000

*Based on Baseline Budget 1.0



WSA

Key Provisions: (Cont'd)



Item 1.

- BOC approves Commission Budget and Program Budget & Schedule
- Commission Covenants
- Member Covenants
 - Each Member must complete improvements within its own system to accept new water source
 - Additional distribution pipe, storage tanks, and booster pump stations
 - Maintain IDNR Lake Michigan Allocation Permit
 - Non-revenue water reduction
 - Cooperation in Construction of Commission System (construction in Rights-of-ways and easements for Member Water Delivery Sites)

WSA Provisions Related to Stateville

Section 4.2(b)vi

- Return of Stateville-Attributed DMDD to Commission. If the Stateville Correctional Center (consisting solely of the Level 1 Stateville Correctional Center, to the exclusion of the Northern Reception and Classification Center, the Stateville Minimum Security Unit and the District 5 facility of the Illinois State Police) located in the City of Crest Hill closes in full, then Crest Hill will have the option, in its sole discretion, to return the portion of its then-current Declared Maximum Day Demand attributable to Stateville Correctional Center (as shown on Exhibit A) to the Commission and the then-current portion of the Capacity and the Capital Costs, Debt Service and Costs of Financing attributable to the returned portion of the Declared Maximum Day Demand will be allocated proportionally among the Members (including Crest Hill) based on then-current Declared Maximum Day Demand unless otherwise reallocated in a manner provided in this Agreement. Crest Hill agrees to work with the Commission in order to retain Stateville Correctional Center as a Crest Hill water customer, provided that the terms of retaining Stateville Correctional Center are equitable to Crest Hill and its other water customers. If Stateville Correctional Center closes in part, the Parties agree to discuss the reassignment of Crest Hill's Declared Maximum Day Demand attributable to the closure to all Members (including Crest Hill).

WSA Provisions Related to Stateville (Cont'd)

Section 6.8 (b)

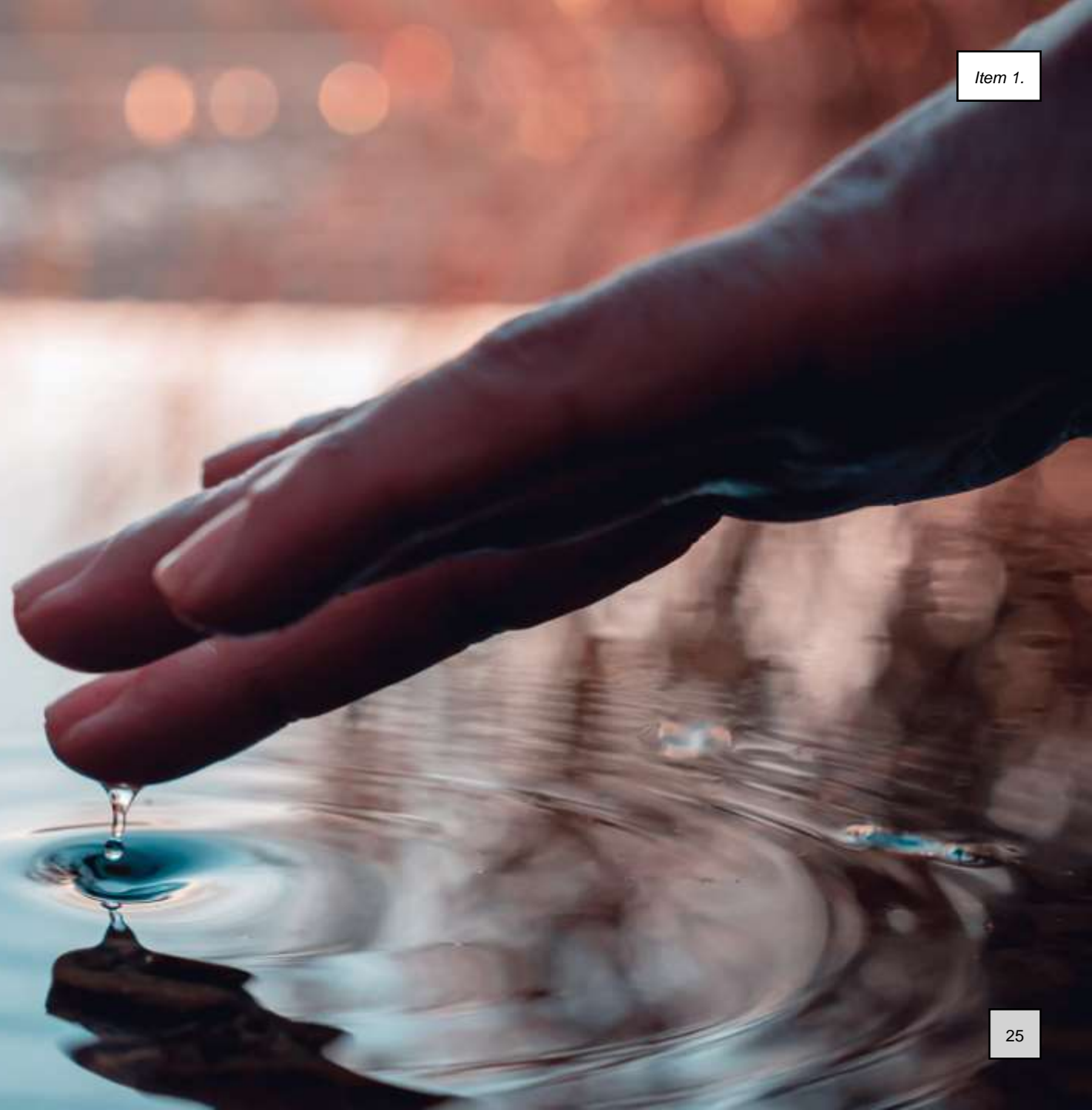
- In connection with Crest Hill's provision of water service to Stateville Correctional Center (including the Level 1 Stateville Correctional Center, the Northern Reception and Classification Center, the Stateville Minimum Security Unit and the District 5 facility of the Illinois State Police), Crest Hill agrees to work with the Commission to negotiate with the State of Illinois terms under which the State of Illinois will (i) pay a rate that allows Crest Hill to retain funds in a reserve fund maintained by Crest Hill and/or (ii) prepay into an escrow account held by Crest Hill a security deposit or other amount sufficient to cover amounts due to Crest Hill from the State of Illinois. If these payments and funds are not sufficient to enable Crest Hill to meet its payment obligations to the Commission, and Crest Hill is unable to pay its full share of Commission Costs due to a failure of the State of Illinois to pay Crest Hill for Water delivered by Crest Hill to Stateville Correctional Center, the Commission will use a portion of its reserve fund for Operation and Maintenance Costs to cover the failure of Crest Hill to pay to the Commission on a timely basis the portion of Crest Hill's Commission Costs attributable to delivery of Water to Stateville Correctional Center due to the failure of the State of Illinois to pay Crest Hill for Water on a timely basis. Use by the Commission of amounts from the reserve fund for Operation and Maintenance Costs for this purpose does not excuse Crest Hill from its obligation to make all required payments with interest as established in this Agreement.



GRAND PRAIRIE
WATER COMMISSION

Item 1.

Bylaws of the Grand Prairie Water Commission



Bylaws Overview

- Governs the function and operation of the GPWC
- Establishes the organizational structure and rules of procedure of GPWC
- To be approved by the BOC at first meeting

Bylaws

Key Provisions:

- Corporate Authority = Board of Commissioners
- BOC Composition
 - Commissioner (& Alternate) - appointed from each Member
 - Term (2 years), Removal & Vacancies
 - Each Commissioner has one equal vote
- Officers of the Commission
 - Chair, Vice-Chair, Secretary & Treasurer
 - Rotation Established: Shorewood, Channahon, Romeoville, Crest Hill, Minooka, Joliet
 - First term through 6/30/27 and 2 years thereafter
 - Establishes duties of the Officers



GRAND PRAIRIE
WATER COMMISSION

Bylaws Key Provisions:

(Cont'd)

- Administrative Staff
 - Executive Director & Duties
 - Other Staff
- Meetings
 - All Meetings subject to Open Meetings Act
 - Quorum & Voting Requirements
 - Unanimous approval of BOC for certain actions
 - Unanimous approval of BOC and approval of Member Boards/Councils for certain actions



Bylaws

Key Provisions:

(Cont'd)

- Committees
 - Technical Advisory Committee (TAC)
 - Delegate (& Alternate) – municipal employee appointed by each Member
 - Delegate Term - 2 years after June 30, 2027 (expiring June 30th of odd years)
 - Elect Chair & Vice-Chair from its Delegates
 - Duties of TAC; Make recommendations to BOC
 - Others Committee
 - As established by BOC
- Financial Matters
 - Annual Budget – Commission Budget Approval Process
- Conduct of Commissioners, Officers & Staff



GRAND PRAIRIE
WATER COMMISSION

Intergovernmental Agreement for Program Management (PMA)



PMA Overview

- Agreement between GPWC and the City of Joliet for Joliet to manage the implementation of the Alternative Water Source Program
- Joliet will provide Program Management Services and Commission Management Services
- To be approved by the BOC at first meeting

PMA

Key Provisions:

- Term - commence on the Effective Date and terminate on the date on which all Program-related contracts are closed or concluded, which is anticipated to be May 1, 2031
- Schedule and Budget - Joliet will manage the Program in a manner consistent with the Program Schedule and Program Budget approved by the BOC
- Program Management Services – includes management of Program design, permitting, land acquisition, procurement, pre-construction services, construction management, start-up & commissioning, financial matters, governmental outreach, public outreach/education, & legal
- Commission Management Services – including management of Commission administration support, financial matters, human resources, public outreach/education, operational support (until Commission staff is hired)





PMA

Key Provisions:

(Cont'd)

- Joliet Roles & Responsibilities:
 - Joliet personnel to fill the following roles: Program Director, Program Finance Director, and Operation and Maintenance Liaison
 - Joliet advancing program development and pre-construction costs
 - Authority for Construction Contract Modifications
 - Regular Reporting to BOC
- Key Consultants & Personnel
 - Joliet Personnel for Joliet Roles
 - Stantec/CMT Program Team
 - Other firms hired by Joliet for the Program – Independent Review, Financial Advisors, Legal



PMA Key Provisions: (Cont'd)

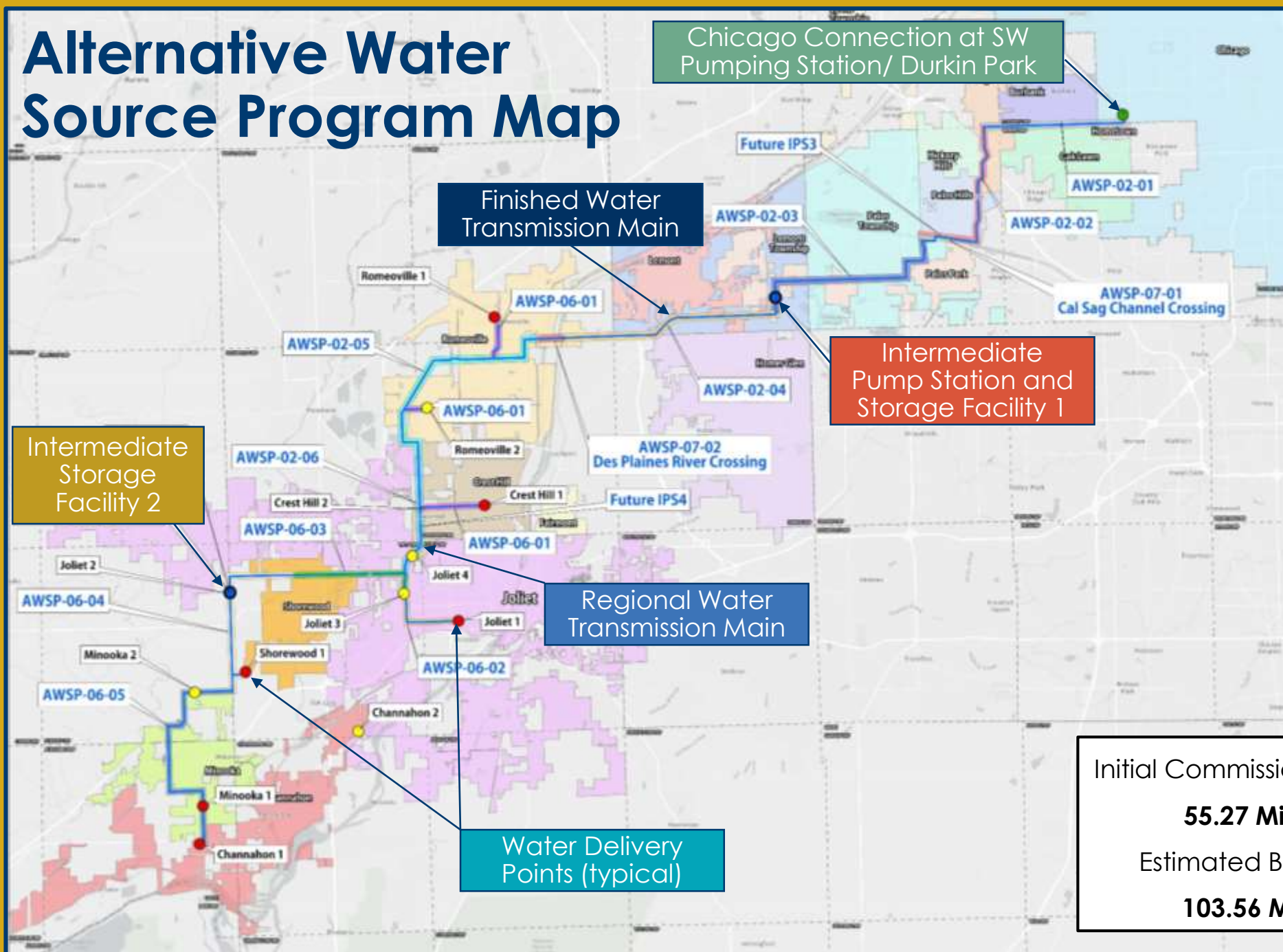
- Joliet Management Fee
 - Fixed Fee: Credited to Joliet's share of Capital Costs, Debt Service & Costs of Financing
 - Fee associated with Commission Management Services is adjustable if Commission staff hired earlier than projected



Basis of Design

- Document containing the rationale, principles, assumptions, etc. to be used for the design for the initial Commission System and implementation of the Program
- Establishes Targeted Water Delivery Date of May 1, 2030
 - Adjustable by unanimous approval of BOC
- Documents Current Baseline Program Budget and Schedule (Version 2.0)
 - Baseline Program Budget - \$1.446 Billion
- A unanimous vote of all of the Commissioners is required for modifications to the Basis of Design that:
 - (a) increase Program costs (other than modifications due to requirements of applicable laws, rules or regulations or a written agreement necessary for the implementation of the Project),
 - (b) alter the design criteria in a manner that decreases reliability or quality, or
 - (c) extend the schedule beyond the Targeted Water Delivery Date
- Exhibit A to PMA

Alternative Water Source Program Map



Delivery Point

- Chicago Connection
- Primary
- Non-Primary
- Intermediate Location

Member Community

- Channahon
- Crest Hill
- Joliet
- Minooka
- Romeoville
- Shorewood

Initial Commission System Design Capacity =

55.27 Millions Gallons per Day

Estimated Buildout Design Capacity =

103.56 Million Gallons per Day



QUESTIONS?

Visit us at www.gpwc-il.org

2030



**Delivering
Lake Michigan Water
to a Growing Region**



CHICAGO

65 miles of
Water Transmission Main

66"
PIPE



**WATER
COMMISSION
MEMBERS**



Item 1.



GRAND PRAIRIE

WATER COMMISSION

