



## MEMORANDUM

**TO:** Mayor Prussing  
Members, Urbana City Council

**FROM:** Bruce Walden, CAO

**DATE:** January 17, 2007

**RE:** Water System Consulting Services

### **Introduction**

The attached Ordinance authorizes entering into an agreement with Champaign to split the costs for consulting services related to water service concerns.

### **Background**

Champaign, Urbana and other communities have worked together from time to time over the last two years to address water company concerns including but not limited to boil orders, fire hydrant operability and the proposed sale of American Water. Champaign and Urbana have filed complaints with the ICC regarding the sale of the company. Champaign has a case pending with the ICC on the frequent boil order problem.

The City has “intervened” with the ICC in the sale of American Water in an effort to assure water services are not reduced as a result of the third sale of the company in five years. In July 2006 Senate Bill 3046 was approved by the legislature after the support of Champaign, Urbana, Pekin, Bolingbrook and Homer Glen. Funds for joint consulting activities for this project were approved and expended. However, Champaign and Urbana have continued to work together to address water service concerns. The attached agreement allows for joint efforts to continue.

### **Budget Impact**

Champaign as lead agency will manage contracts and expenses for the current work. Urbana will need to approve a budget amendment of \$43,000 for its share of the costs.

### **Timing**

Consulting work related to the “intervention” in the ICC case related to the sale of American Water is due by the end of the month.

### **Recommendation**

Staff recommends approval of the attached agreement and budget amendment in the amount of \$43,000.

BKW:ss

ORDINANCE NO. 2007-01-014

AN ORDINANCE APPROVING  
AN INTERGOVERNMENTAL AGREEMENT  
REGARDING WATER SERVICE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA,  
ILLINOIS, as follows:

**Section 1.** That the Agreement attached hereto entitled “An Intergovernmental Agreement for Certain Activities Relative to Water Service in the Community” is hereby approved.

**Section 2.** That the Chief Administrative Officer is hereby authorized to execute the Agreement approved in substantially the same form as attached hereto.

**Section 3.** That the Chief Administrative Officer is authorized to execute such other agreements as are necessary to further the objectives of the Intergovernmental Agreement approved in Section 1.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSTAINS:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_,

\_\_\_\_\_.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor