



Agenda
Village of Glen Ellyn
Village Board Workshop
Monday, June 16, 2025
7:00 PM
Glen Ellyn Civic Center, Room 301

Meeting Procedures Statement

Visitors are most welcome to attend all meetings of the Village Board and can find copies of the Agenda in the meeting room or online at www.glenellyn.org prior to the meeting. Any individual with a disability requiring a reasonable accommodation in order to participate in a meeting should contact The Village of Glen Ellyn ADA Coordinator, 630-469-5000, at least five (5) business days in advance of the next scheduled meeting. All matters on the Agenda may be discussed, amended, and acted upon.

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. Audience Participation

1) Open:

Members of the public are welcome to speak to any item not specifically listed on tonight's agenda for up to (3) three minutes. For those items which are on tonight's agenda, the public will have the opportunity to comment when the item is discussed. Please complete the Audience Participation form and turn it in to the Village Clerk. It is requested that one spokesperson for a group be appointed to provide comment for the entire group. When recognized, please step to the microphone and state your name and provide your comment. Individuals wishing to address the Board shall exercise proper decorum and respect for the proceedings and the business of the Village Board, and shall refrain from abusive demeanor and language. The practice of ceding time to other speakers shall be prohibited, except in the discretion of the presiding officer of the meeting. Public officials are not obligated to respond to questions.

E. New Liquor License Classification (Attorney Stephanides and Economic Development and Communications Director Hannah)

- 1) Discussion of the Creation of a New Class B-10 Liquor License Classification for a Brewery and Distillery at a Single Location

F. Village of Glen Ellyn/Glen Ellyn Park District Intergovernmental Agreement (Public Works Director Buckley)

- 1) Discussion of Proposed Intergovernmental Agreement Between the Village of Glen Ellyn and the Glen Ellyn Park District Regarding Ownership Transfer of Various Properties and Operational Matters

G. Lead Service Line Replacement Update (Finance Director Brankin)

- 1) Overview of current status of Lead Service Line Replacement Plan and Water/Sewer Fees

H. Reminders

- 1) Village Board Meeting, Monday, June 23, 2025 at 7 pm
- 2) Village Board Special Workshop, Monday, July 14, 2025 at 6 pm
- 3) Village Board Special Meeting, Monday, July 14, 2025 at 7 pm

I. Adjourn



**Glen Ellyn Village
Board**

535 Duane Street
Glen Ellyn, IL 60137

Meeting 6/16/2025 7:00 PM
Department: Economic Development and Communications
Department Head: Meredith Hannah
Category: Discussion Item
Prepared By: Meredith Hannah

**AGENDA ITEM (ID
2025-509)**

DOC ID: 2025-509

Discussion of the Creation of a New Class B-10 Liquor License Classification for a Brewery and Distillery at a Single Location

Statement of the Issue:

A brewery and distillery is in the process of purchasing a central business district property. Subject to Board approval of a liquor license and new classification, this will be a second location for this business. The applicant requests the creation of a new Class B-10 liquor license classification for a brewery and distillery.

Analysis:

The applicant seeks to operate a brewery and distillery in Glen Ellyn with a restaurant, beer and spirits offerings. The applicant seeks to add the new liquor classification to allow for the option to distill and store whiskey barrels in Glen Ellyn, as well as transfer its bottled spirits between locations.

Given the new model for this business, staff recommends the creation of a new Class B-10 liquor license classification as set forth in the attached draft ordinance. When the applicant takes ownership of the Glen Ellyn property, they will seek the issuance of Class B-10 license by October 2025 or sooner.

Budget Impact:

The draft ordinance sets the initial fee for a Class B-10 license at \$3,500 and the renewal fee thereafter also at \$3,500. The Class B-9 Liquor License initial fee is \$3,500 and the renewal fee is \$2,500.

Contribution to Strategic Plan

Strategic Priority: Development; Initiative: Implement Economic Development strategy focused on overall commercial vitality, equalized assessed value (EAV) growth and sales tax growth.

Action Requested:

Discussion only. Staff seeks direction from the Board regarding the creation of the proposed new liquor license classification and the adoption of the attached ordinance.

Attachments:

1. Class B-10 Liquor License Ordinance

DRAFT



Village Of Glen Ellyn

Ordinance No. xxxx-VC

An Ordinance to Amend Title 3 (“Business Regulations”), Chapter 19 (“Liquor Control Code”) to Create a New Class B-10 Liquor License Classification for a Brewery and Distillery at a Single Location

**Adopted by the
Village President and the Board of Trustees
of the Village of Glen Ellyn
DuPage County, Illinois
This 23rd Day of June, 2025.**

Published in pamphlet form by the authority of the
Village President and Board of Trustees
of the Village of Glen Ellyn, DuPage County,
Illinois, this ____ day of June, 2025.

Ordinance No. xxxx-VC

An Ordinance to Amend Title 3 (“Business Regulations”), Chapter 19 (“Liquor Control Code”) to Create a New Class B-10 Liquor License Classification for a Brewery and Distillery at a Single Location

WHEREAS, the Village of Glen Ellyn (“Village”) is a home rule unit of government as provided by the provisions of Article VII, Section 6 of the Illinois Constitution of 1970; and

WHEREAS, as a home rule unit of government, the Village is expressly empowered to perform any function pertaining to its government and affairs, including, but not limited to the power to regulate for the protection of the public health, safety, morals and welfare; and

WHEREAS, pursuant to the Illinois Liquor Control Act, 235 ILCS 5/1-1 *et seq.*, and the Village’s home rule powers, the Village has established various classes of liquor licenses for the retail sale of alcoholic liquor in the Village and the number of permitted licenses within each class, as set forth in Title 3 (“Business Regulations”), Chapter 19 (“Liquor Control Code”) of the Village Code of the Village of Glen Ellyn; and

WHEREAS, the Board of Trustees of the Village of Glen Ellyn deem it to be in the best interest of the Village to periodically review and update the Liquor Control Code of the Village and to amend the definitions, types of classifications and number of permitted liquor licenses in various classifications as part of the Liquor Control Code; and

WHEREAS, the Board of Trustees have determined that it is in the best interest of the Village to create a new Class B-10 liquor license classification to allow a brewery and distillery to be located at a single location as more fully set forth herein; and

WHEREAS, the Village President serving as the Local Liquor Control Commissioner is in support of this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF GLEN ELLYN, DUPAGE COUNTY, ILLINOIS, in the exercise of their home rule powers, as follows:

Section 1. Findings and Conclusions Incorporated. The findings of fact and conclusions set forth above are hereby adopted by the President and Board of Trustees as the findings of fact and conclusions of the corporate authorities of the Village of Glen Ellyn and are incorporated herein by reference as though fully set forth.

Section 2. Title 3 (“Business Regulations”), Chapter 19 (“Liquor Control Code”), Section 3-19-3 (“Definitions”) of the Glen Ellyn Village Code is amended by deleting the overstricken language and adding the underlined language to read as follows:

3-19-3. Definitions.

All words and phrases defined in an act, entitled "an act relating to alcoholic liquors" approved January 31, 1934, as amended from time to time, and as set forth generally in 235 Illinois Compiled Statutes 5/1-2 et seq., are hereby incorporated and made a part of this chapter. Unless the context otherwise requires, the following, as used in this chapter, shall be construed according to the definitions given below:

ALCOHOLIC LIQUOR: Alcohol, spirits, wine and beer, and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer, and capable of being consumed as a beverage by a human being. "Alcoholic liquor" also includes alcohol-infused products.

BEER: A beverage obtained by the alcoholic fermentation of an infusion or concoction of barley, or other grain, malt, and hops in water, and includes, among other things, beer, ale, stout, lager beer, porter and the like.

BREWERY: A restaurant where a person or business is engaged in the manufacture of beer.

DISTILLERY: A restaurant where a person or business distills, ferments, brews, makes, mixes, concocts, processes, blends, bottles or fills an original package with any alcoholic liquor.

HOLDING AREA: A place within a restaurant that is primarily used by patrons of the restaurant for their waiting to be seated at a table for meal service and in which alcoholic beverages are served to such restaurant patrons.

LIQUOR CONTROL ACT: The provisions of "an act relating to alcoholic liquors", approved January 31, 1934, as amended and as set forth in 235 Illinois Compiled Statutes 5/1-2 et seq.

MOTEL: Every building or other structure falling within the definition of "hotel".

RESTAURANT: A premises or place where meals can be bought to be eaten on the premises.

SPIRITS: Any beverage which contains alcohol obtained by distillation, mixed with water or other substance in solution, and includes brandy, rum, whiskey, gin, or other spirituous liquors, and such liquors when rectified, blended or otherwise mixed with alcohol or other substances.

Section 4. Title 3 ("Business Regulations"), Chapter 19 ("Liquor Control Code"), Section 3-19-11 ("Classification of Licenses") of the Glen Ellyn Village Code is amended by deleting the overstricken language and adding the underlined language to read as follows:

3-19-11. Classification of licenses.

There shall be the following classes of licenses:

* * * *

(B) *Class B:*

* * * *

Class B-9 shall authorize the sale of craft beer for consumption off site and consumption on-site by persons of at least 21 years of age. Class B-9 licenses shall be subject to the following regulations and conditions:

Class B-9, restaurants with a brewery, authorizes the retail sale of alcoholic liquor for consumption on the premises only, without restriction as to the manner served; provided, that the sale of alcoholic liquor shall only be made in connection with and in adjunct to a restaurant owned and operated by licensee and located upon the premises. For the purposes of this section, the term "brewery" shall mean a limited production beer brewery within the premises which manufactures not more than 5,000 barrels of beer per license year and which product is sold exclusively for consumption on the premises, for carryout (package goods) sales to restaurant customers, or wholesale distribution.

Class B-9 licenses authorize a person having a valid State brewpub license or craft brewer license to sell beer that is brewed on the premises or brewed and transferred onto premises as permitted by the State Liquor Code to the public at retail for consumption on the premises or in packages for consumption off premises. Each brewery location in the Village, even if owned by the same person(s), must have a separate Class B-9 brewery license to sell beer at retail on each premises where beer is sold at retail.

Class B-10 shall authorize the sale of craft beer for consumption off site and consumption on-site by persons of at least 21 years of age and spirits. Class B-10 licenses shall be subject to the following regulations and conditions:

Class B-10, restaurants with a brewery and distillery, authorizes the retail sale of alcoholic liquor for consumption on the premises only, without restriction as to the manner served; provided, that the sale of alcoholic liquor shall only be made in connection with and in adjunct to a restaurant owned and operated by licensee and located upon the premises. For the purposes of this section, a brewery and distillery shall manufacture not more than 5,000 barrels of beer and not more than 5,000 barrels of spirits per license year which product shall be sold for consumption on the premises, for carryout (package goods) sales to restaurant customers, or wholesale distribution.

Class B-10 licenses authorize a person having a valid State brewpub license or craft brewer license to sell beer that is brewed on the premises or brewed and transferred onto premises as permitted by the State Liquor Code to the public at retail for consumption on the premises or in packages for consumption off premises. Each brewery location in the Village, even if owned by the same person(s), must have a separate Class B-10 license to sell beer and spirits at retail on each premises where beer and spirits are sold at retail.

A Class B-10 licensee shall also have a valid State of Illinois distiller license to sell spirits produced at the licensed premises to the public at retail for consumption on the premises or in packages for consumption off the premises.

* * * *

~~(P) *Sampling*: It shall be lawful for holders of Class C-1, Class C-2, Class C-3, Class C-4, or Class D-2 licenses to permit the tasting or sampling of alcoholic liquor on the premises, if said tasting or sampling is a part of a promotion or sales device to encourage the sale of packaged liquor and no charge of any kind or character is made for such sampling or tasting. Up to three samples may be served to a consumer in one day, consisting of no more than:~~

- ~~1.
¼ ounce of distilled spirits;~~
- ~~2.
One ounce of wine; and~~
- ~~3.
Two ounces of beer.~~

Class P license shall authorize the retail sale, on the specified premises, of wine, craft beer and small batch liquor in its original package as an adjunct to a principal retail business involving the sales and consumption of cheese, charcuterie, and other specialty food where no more than 300 square feet of retail floor area is devoted to the sale of alcoholic liquor. A Class P license authorizes the sale of wine and craft beer for consumption on the premises where sold. The issuance of a Class P license shall be expressly subject to the following conditions:

1. The retail sale of wine and craft beer for consumption on premises shall be limited to three glasses or one tasting per customer or patron on the premises.

2. Individual glasses of wine shall be limited to three six-ounce pours only.

3. Individual glasses of craft beer shall be limited to three 12-ounce pours only.

4. Wine and craft beer tasting shall be limited to no more than 18 ounces per customer.

5. No such license shall be granted or retained for a premises not located in the C5A or C5B Zoning Districts.

6. Wine and beer purchased on premises may be consumed on premises.

7. No person holding a Class P license issued pursuant to this chapter shall sell or permit to be sold, offered for sale, given away, or delivered, any alcoholic liquor except between the hours of 10:00 a.m. and 11:00 p.m. Sunday through Saturday.

(R) *Classes B-9 and P Sampling:* It shall be lawful for holders of Class C-1, Class C-2, Class C-3, Class C-4, or Class D-2 licenses to permit the tasting or sampling of alcoholic liquor on the premises, if said tasting or sampling is a part of a promotion or sales device to encourage the sale of packaged liquor and no charge of any kind or character is made for such sampling or tasting. Up to three samples may be served to a consumer in one day, consisting of no more than:

1. 1/4 ounce of distilled spirits;

2. One ounce of wine; and

3. Two ounces of beer.

~~Class B-9 shall authorize the sale of craft beer for consumption off site and consumption on-site by persons of at least 21 years of age. Class B-9 licenses shall be subject to the following regulations and conditions:~~

~~Class B-9, restaurants with a brewery, authorizes the retail sale of alcoholic liquor for consumption on the premises only, without restriction as to the manner served; provided, that the sale of alcoholic liquor shall only be made in connection with and in adjunct to a restaurant owned and operated by licensee and located upon the premises. For the purposes of this section, the term "brewery" shall mean a limited production beer brewery within the premises which manufactures not more than 5,000 barrels of beer per license year and which product is sold exclusively for consumption on the premises, for carryout (package goods) sales to restaurant customers, or wholesale distribution.~~

~~Class B-9 licenses authorize a person having a valid State brewpub license or craft brewer license to sell beer that is brewed on the premises or brewed and transferred onto premises as permitted by the State Liquor Code to the public at retail for consumption on the premises or in packages for consumption off premises. Each brewery location in the Village, even if owned by the same~~

person(s), must have a separate Class B-9 brewery license to sell beer at retail on each premises where beer is sold at retail.

Section 5. Village Code Amended. Title 3 (“Business Regulations”), Chapter 19 (“Liquor Control Code”), Section 3-19-12 (“Restriction on Number of Licenses”) of the Glen Ellyn Village Code is amended by deleting the overstricken language and adding the underlined language to read as follows:

3-9-12. Restriction on number of licenses.

The Local Liquor Control Commissioner shall not issue more than the number of licenses set forth hereinbelow for each class.

	*	*	*	*
<u>Class B-10</u>	<u>None (0) permitted</u>			
	*	*	*	*

Section 6. Village Code Amended. Title 3 (“Business Regulations”), Chapter 19 (“Liquor Control Code”), Section 3-19-13 (“License Fees”) of the Glen Ellyn Village Code is amended by deleting the overstricken language and adding the underlined language to read as follows:

3-19-13. License fees.

(A) After an initial application fee of \$500.00 for all classes, the annual license fee for all classes shall be as follows:

Licensee	Fee	Renewal Fee
	*	*
<u>Class B-10</u>	<u>\$3,500.00</u>	<u>\$3,500.00</u>
	*	*

Section 7. Severability and Repeal of Inconsistent Ordinances. If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity thereof shall

not affect any of the other provisions of this Ordinance. All ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. Effective Date. This Ordinance shall be in full force and effect from and after the passage, approval, and publication in pamphlet form.

Passed by the Village President and Board of Trustees of the Village of Glen Ellyn, Illinois, this 23rd day of June, 2025.

Voting	Ayes	Nays	Abstain	Absent
Desai Bhagwakar				
Christiansen				
Kalinich				
Simon				
Szymanski				
Thompson				
Burket (in case of a tie)				

Approved by the Village President of the Village of Glen Ellyn, Illinois, this __ day of June, 2025.

James Burket, Village President

ATTEST

Caren Cosby, Village Clerk



**Glen Ellyn Village
Board**

535 Duane Street
Glen Ellyn, IL 60137

Meeting 6/16/2025 7:00 PM
Department: Public Works - Operations
Department Head: Dave Buckley
Category: Discussion Item
Prepared By: Dave Buckley

**AGENDA ITEM (ID
2025-501)**

DOC ID: 2025-501

Discussion of Proposed Intergovernmental Agreement Between the Village of Glen Ellyn and the Glen Ellyn Park District Regarding Ownership Transfer of Various Properties and Operational Matters

Statement of the Issue:

The Village of Glen Ellyn and the Glen Ellyn Park District have a long history of collaborating and sharing expertise to better serve the community. Public Works operational managers meet periodically with Park District operational staff to maintain a good relationship by discussing ongoing collaborations, current issues that need mutual participation, and sharing of future projects that may impact the other entity and/or require additional cooperation. While some operational processes have relied on informal agreements, staff members from both entities have taken the initiative to transition these arrangements from informal agreements to formal, written agreements. Additionally, there is some confusion regarding land ownership and maintenance responsibilities at Ruth Candy Parkway (between Lake and Grand north of Lake Ellyn) and the two medians at Midway Park, especially for new staff involved in maintenance operations. Documenting operational agreements and addressing land ownership and responsibilities is in the best interests of both entities and continues the history of strong collaboration.

Analysis:

Staff will present an overview of the proposal (attached pdf) for formal agreements and possible land swap with more background. This presentation was given to both the Village Manager and the Park District Executive Director in late April, and Park District staff presented it to the Park District Board in May. After discussion, if the direction is to continue to pursue this proposal, Village staff will work with the Park District and their legal team to create draft documents for approval at a future Village Board meeting.

Budget Impact:

N/A

Contribution to Strategic Plan

Strategic Priority: Workforce and Operations; Initiative: Examine Additional Shared Service Opportunities

Action Requested:

Staff seeks direction from the Village Board on this proposal.

Attachments:

1. VGE GEPD Land Use Discussion_5-20

Operational Refinements

Village of Glen Ellyn
&
Glen Ellyn Park District

April 21, 2025



MOU

- Salt sold to District from Public Works
- Fuel sold to District from Public Works
- Mowing at Newton Park ROW by GEPR
- Riford Road North Plowing by VGE, when they haul snow from downtown



MOU

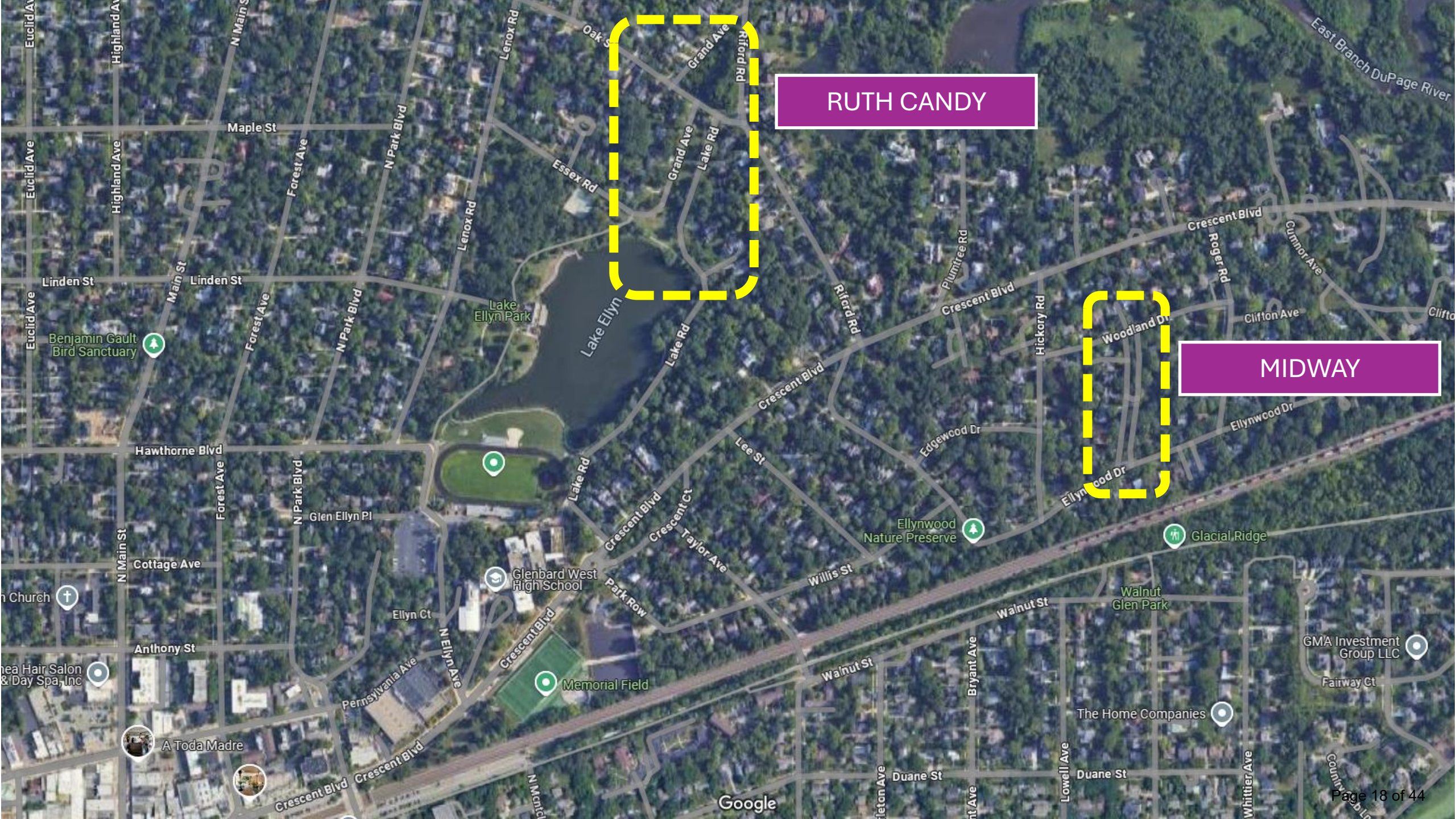
Walnut Glen

- Agreement for park in ROW
- Both parties committed to having as park. PD maintains park, VGE maintains light and path



Land Swap



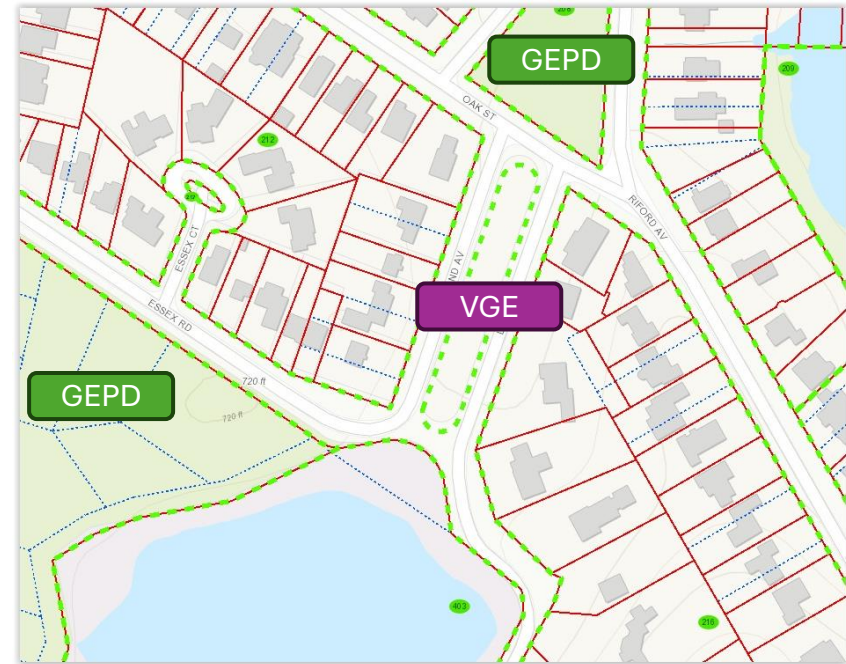


RUTH CANDY

MIDWAY

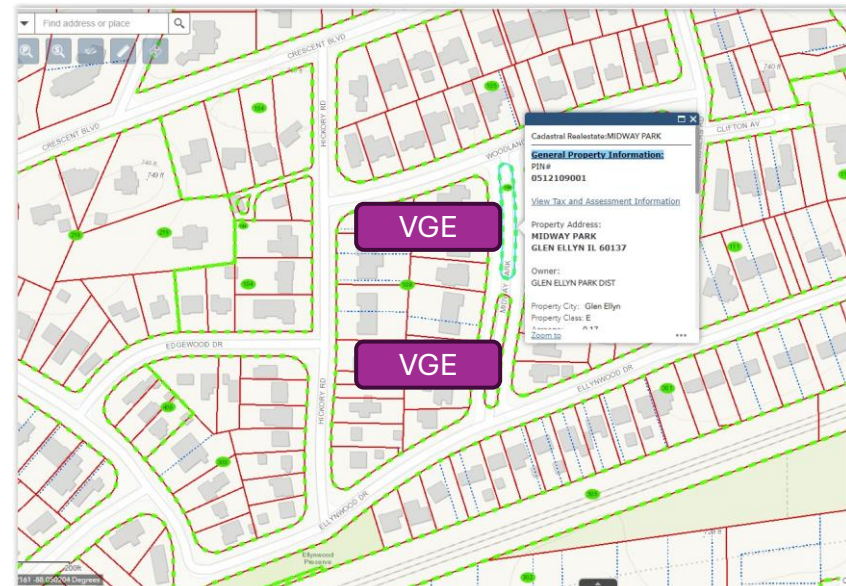
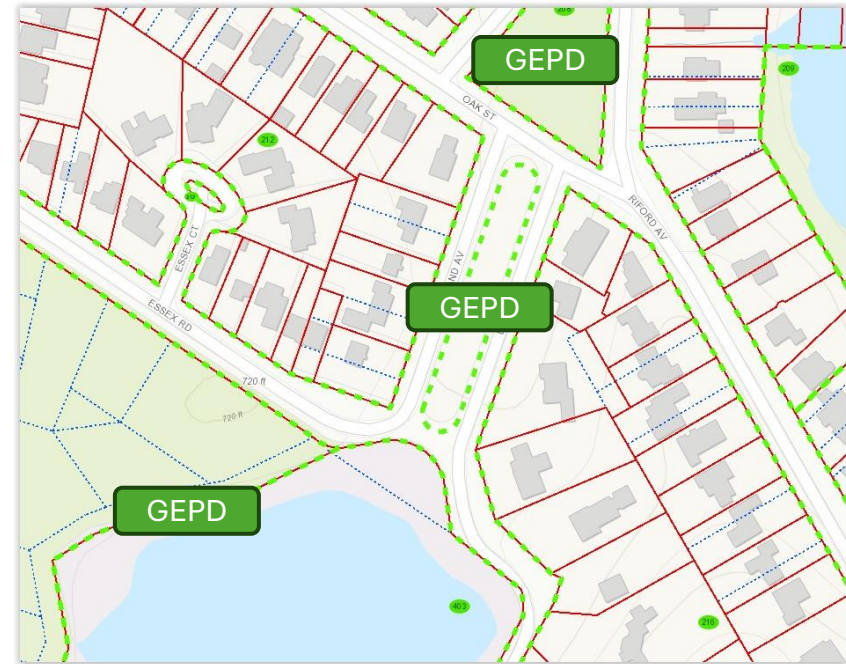
Ruth Candy / Midway CURRENT

- Currently
 - Ruth Candy (Owned by VGE)
 - Grass by GEPD
 - Trees by VGE
 - Midway Median (Owned by GEPD)
 - Grass by VGE contractor
 - Trees by GEPD



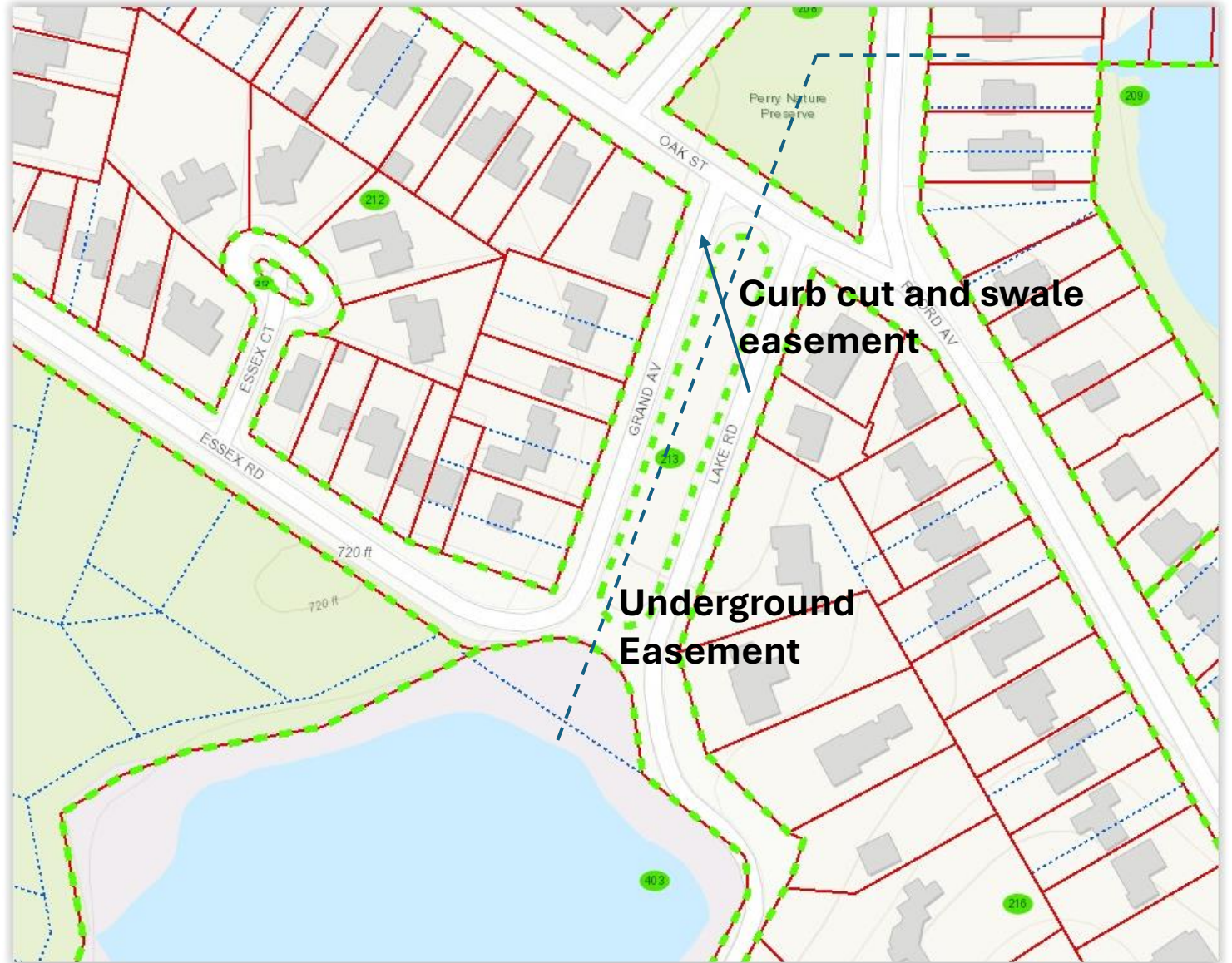
Ruth Candy / Midway- RESULT

- Land Swap with easement
- Exchange land. Include necessary drainage easements in Ruth Candy
- As a result, each owner would take care of own property



Ruth Candy / Midway

- Easements needed



VGE Parcels to GEPD	
Ruth Candy	0.63 AC
Total	0.63 AC

GEPD Parcels to VGE	
Midway Medians	0.34 AC
Total	0.34 AC

Thank You

Questions / Discussion



Glen Ellyn Village Board
535 Duane Street
Glen Ellyn, IL 60137

Meeting 6/16/2025 7:00 PM
Department: Finance
Department Head: Patrick Brankin
Category: Discussion Item
Prepared By: Patrick Brankin

**AGENDA ITEM (ID
2025-510)**

DOC ID: 2025-510

Overview of current status of Lead Service Line Replacement Plan and Water/Sewer Fees

Statement of the Issue:

This item provides a high-level overview of the current status of lead service line replacement (LSLR) requirements and decision points for the Village Board regarding funding the federal and state mandated LSLR Plan.

Analysis:

The Village is subject to both federal and state mandates to replace all lead service lines within the Village. This is further mandated through the United States Environmental Protection Agency's Lead and Copper Rule Improvements (LCRI), which require the Village to begin replacement of lead lines by 2027 and to complete replacement of all lead lines within ten (10) years thereafter. Village staff currently estimate that there are a total of 1,136 lead lines requiring replacement within the Village, and that the total cost of replacing all lines will be approximately \$11 million over the ten-year period.

The Illinois Environmental Protection Agency (IEPA) has a program in place to assist local governments with the cost of compliance with lead service line removal requirements. This program involves 30-year loans at a 0% interest rate, but there is extraordinary demand for these loans and Village staff believe it unlikely that Glen Ellyn would qualify for this program due to the scoring model used by the IEPA. Staff also believe that hiring a consultant will be necessary to maximize the potential of receiving any IEPA loans.

Currently, the Village has no revenue or funding mechanism in place to pay for the costs of replacing lead service lines. While the Water & Sewer Fund currently maintains healthy reserves, the Finance Department's current modeling shows that the entirety of those reserves, in addition to annual future increases to the Village's existing water and sewer rates, will be required to ensure the solvency of the Fund. The Village is currently completing a hydraulic model study, and staff anticipates completing a master plan for the Village's water distribution system in 2026. Combined, these projects will allow the Village to enhance its capital planning efforts related to the Water & Sewer Fund and better assess the level of future rate increases necessary to sustain the Fund.

Staff feel that given the accelerated time period imposed by the LCRI, the high cost of lead service line replacement, and the expected difficulties in obtaining financing, there is an urgent need to

begin generating revenue dedicated to lead service line replacement. The primary funding option previously discussed with the Village Board is a fixed monthly fee charged to every water account within the Village, which would generate approximately \$100,000 in annual revenue for every \$1 of monthly fee imposed.

The topic of lead service line replacement was brought to the Finance Commission twice, including most recently at the Commission's April 11, 2025 meeting. At that meeting, the Commission voted 6-1 to recommend that the Village pay 100% of the costs of replacing privately-owned portions of lead service lines. A "Lead Water Service Line Replacement Agreement" allowing the Village to perform lead line replacements on private property has been reviewed by the Village Attorney and implemented in a pilot program and is attached per this recommendation. Additionally, the Commission voted 5-1 to recommend that the Village Board approve a \$6 monthly fee on all accounts effective July 1, 2025, and transfer \$500,000 in excess General Fund reserves to begin paying for the cost of lead service line replacement. As part of the Commission's recommendation, the proposed fee would sunset once enough funds have been generated to meet the Village's financial obligations related to lead service line replacement, including debt service, if any. When implemented mid-year, and combined with the usage of \$500,000 of General Fund reserves, revenue generated by the \$6 monthly fee through December 31, 2026 would be approximately sufficient to cover anticipated lead service line replacement costs through the same time period.

An additional area where staff is seeking guidance is the potential adoption of a look-back reimbursement policy for lead service line replacements previously completed and paid for by Village residents, dating back to January 1, 2022. This date was chosen as it aligns with the adoption of Public Act 102-0613, the Lead Service Line Replacement and Notification Act, by the State of Illinois. Staff recommend a policy to be adopted by the Board pursuant to an ordinance under which property owners who previously replaced their lead service lines after January 1, 2022 would be eligible for reimbursement as follows: 100% of the replacement cost will be covered if the service line was replaced with the same size piping; or 50% of the cost will be reimbursed if the service was upsized beyond the original dimensions. No funding will be provided for new construction or teardown properties, as these do not constitute existing service replacements. This structure ensures fair support for residents addressing inherited infrastructure issues.

Budget Impact:

Lead service line replacement is expected to cost approximately \$11 million through 2037, with the total amount split approximately evenly between public and private portions of lead service lines. If the Village Board were to adopt the Finance Commission's recommendation, the proposed fee would generate roughly \$600,000 in revenues dedicated to lead service line replacement annually.

Contribution to Strategic Plan

Strategic Priority: Financial Stability, Initiative: Maintain financial stability and create a financial decision-making framework

Action Requested:

Discussion only. Staff seek guidance from the Village Board on the following key items:

- Whether the Village should pay for the cost of replacing privately-owned lead service lines, as well as the potential adoption of a "look-back" policy dating back to January 1, 2022.

- Implementing a monthly fee assessed on all utility accounts to begin generating revenue dedicated to lead service line replacement.

Based on direction from the Board, staff will bring a draft ordinance for Board consideration at a future Board meeting regarding a monthly fee and a program to replace private lead service lines.

Attachments:

1. LSLR memo 4-11-25 for Finance Commission
2. Lead Service Line Replacement memo 9-27-24
3. Lead Water Service Line Replacement Agreement
4. LSLR Presentation 6-16-25

MEMORANDUM

TO: Finance Commission

FROM: Patrick Brankin, Finance Director

DATE: April 11, 2025

RE: Lead Service Line Replacement Costs



As the Commission is aware, the Village is subject to a Federal and State mandate to replace all lead service lines within the Village. This mandate was recently amended through the Environmental Protection Agency's Lead and Copper Rule Improvements (LCRI), which require the Village to begin replacement of lead lines by 2027 and to complete replacement of all lead lines within ten years. Village staff currently estimates that there are a total of 1,136 lead lines requiring replacement within the Village, and that the total cost of replacing all lines will be approximately \$11 million over the ten-year period.

The Illinois Environmental Protection Agency (IEPA) does have a program in place to assist local governments with the cost of compliance with lead service line removal requirements. This program involves 30-year loans at a 0% interest rate and requires the borrowing community to pay for 100% of the costs of replacing privately-owned lead service lines to be eligible. However, there is extraordinary demand for these loans and Village staff believes it to be unlikely that Glen Ellyn would qualify for this funding due to the scoring model used by the IEPA.

Currently, the Village has no revenue or funding mechanism in place to pay for the costs of replacing lead service lines. While the Water & Sewer fund does currently maintain healthy reserves, the Finance Department's current modeling shows that the entirety of those reserves, in addition to annual future increases to our existing water and sewer rates, will be required to ensure the solvency of the Fund.

Staff feels that given the accelerated time period imposed by the LCRI, the high cost of lead service line replacement, and the expected difficulties in obtaining financing for these costs, that there is an urgent need to begin generating revenue dedicated to lead service line replacement. The primary funding option previously discussed with the Village Board is a fixed monthly fee charged to every water account within the Village, which would generate approximately \$100,000 in annual revenue for every \$1 of monthly fee imposed.

Additionally, the Village Board has been considering different options on this topic over the last year in conjunction with the water rates discussion. The consensus appeared to be to pay 100% of the privately-owned portions of lead service lines, and staff is drafting an ordinance for the Board to formalize that decision. Furthermore, staff believes that to maximize the potential of receiving any IEPA loans, that hiring a consultant will be necessary. At this time, we are in a position to make an initial recommendation to the Village Board on how to address this unfunded mandate and manage this most effectively.

Staff respectfully seeks consensus from the Finance Commission in these areas in order to bring forward a recommendation to the Village Board at an upcoming Board Workshop.

MEMORANDUM

DATE: September 27, 2024

TO: Mark Franz, Village Manager

FROM: Dave Buckley, Public Works Director; John Hubsy, Assistant Public Works Director

RE: Lead Water Service Line Replacement (LSLR) Plan - Update

CC: Nick Burgoni, Utilities Superintendent; Rich Daubert, Village Engineer; Patrick Brankin, Finance Director,



The following is a high-level overview of the current status of LSLR requirements and what decision points the Village Board has with regard to funding a LSLR Plan.

In August of 2021, the State of Illinois signed into law the Lead Service Line Replacement and Notification Act. Effective January of 2022, the Act established requirements for owners of commuter water supplies to develop, implement, and maintain a comprehensive water service line material inventory and lead service line replacement plan. Other requirements related to notification and prohibition of partial lead service line replacements are also contained within the Act.

The State of Illinois' Act is contained within 415 ILCS5/17.12. The Statute required that each community water supplier submit a complete inventory of water service lines by material type along with a draft LSLR plan by April, 2024, with suppliers having until April of 2027 to finalize the plan and start replacement of all lead service lines. The plan includes a required timeline (based on population and number of lead service lines) to remove all lead service lines per the requirements of the Act. Based on the Village's current service line inventory and population, Glen Ellyn would have 17 years from April of 2027 to replace all lead water service lines.

Glen Ellyn contracted with Baxter & Woodman to create a draft LSLR plan along with the number of lead service lines (inventory consisting of known lead, galvanized and any unknown material). That draft plan was created and submitted to the Illinois EPA in April 2024. For reference, there are two sections of water service lines in Glen Ellyn, the public side that runs from the water main to the B-Box (water turn on/off), including the B Box, and the private side that runs from the B-box to the water meter in the building/residence.

In November of 2023, the U.S. EPA announced proposed Lead and Copper Rule Improvements (LCRI). Among other requirements, the proposed LCRI would require most water systems to replace their lead water service lines within 10 years. There is debate over many aspect of the LRCI with some uncertainty as to whether or not the more stringent requirements will go into effect.

Over the last 3 years, Glen Ellyn has been working towards implementing a LSLR plan starting in April 2027 (consistent with the Illinois Act requirements), but with the U.S. EPA's proposed LCRI, the timeline may be significantly accelerated. An October, 2024 deadline is in effect for the LCRI rules to either be adopted or for the U.S. EPA to defer to existing LSLR requirements.

The variables of a lead service line replacement plan are many and are complex when considered as a whole:

1. Identifying unknown materials (currently 1931) to confirm the number of LSLR segment lines
 - In house hydro-excavating – cost effective but slower rate of identification
 - Contractor hydro-excavating – high cost but quicker rate of identification
 - 5 years to identify all current unknown service lines with the expectation of finding another ~500 segments to replace (~1,000 total to replace)
2. Sending out an RFP for a Hydraulic water model to identify water main replacement and align that with high concentration of LSLR (identified in GIS)
 - The Water Model will not be available for 12-15 months once the firm is selected (December 2024)
 - The model will impact CIP with additional infrastructure needs
 - Need to match up roadway PCI with water main replacement plan that could alter the order of specific roadway work
3. Financial considerations
 - Costs
 - Single service replacement present (2024) cost estimate (~500 service segments)
 - Customer side only (288) - ~\$8,000/line
 - Public side only (172)~\$7,000/line
 - Full replacement (20) - ~\$15,000
 - Total cost of current known lead - ~\$3.8M
 - Estimate number of lead service to double after all unknowns are identified - ~\$7.6M
 - Actual cost dependent on confirmed number of lead services, annual escalation, and time of service replacement but estimated on the order of \$11M to replace all lead services over a 10-year period starting in 2025 and ending in 2035.
 - Water main replacement cost can vary but need to consider effective replacement of older (100+ years) and smaller diameter mains, specifically 4" in conjunction with areas of high lead service concentration and planned roadway work
 - Baxter & Woodman draft plan estimated costs but this was the first-year draft plan with a final plan due in 2027
 - More information is available on the Village website regarding Lead in Drinking Water and a copy of the draft replacement plan Draft LSLR Plan

- Funding
 - Grant & Public Water Supply Loan Program
 - Recently reviewed grant funding opportunities yielded that Glen Ellyn doesn't currently qualify due to median household income. Staff shall continue to monitor for outside funding opportunities.
 - The State of Illinois offers a Public Water Supply Loan Program which provides 0% 30 years loans for public water supply projects including lead service line replacement. There is limited funding for the program and as such, it is competitive in nature. Applications are scored and ranked based on 7 evaluation criteria with projects ultimately put on a priority list for loan assistance. A reasonably high order of project planning and engineering needs to be completed to have a complete and competitive application for the program.
 - Water fixed rate increase for all customers
 - Consider a \$7.50/mo fixed fee increase per water service line for the life of the LSLR program provides ~\$652K per year (the fee could be increased each year in line with construction cost escalation); this fee would sunset when there was enough money to complete LSLR (or for the life of the debt if loans were taken out).
 - Require customers to pay for private side of service line plus a reduce water fixed rate increase for all customers
 - See item 4; the Village could also require that customers with lead services pay for replacing the private portion of lead services as to reduce the fixed rate increase for all customers which would then solely cover the cost of the public side replacements.
4. Other considerations for funding LSLR including imposing the cost of the private side replacement on solely those customers with lead service lines, a potential reimbursement program for services replaced outside of the LSLR Plan, parameters for when and how LSLR can be performed with reimbursement, etc. Once a service line is disturbed (construction or service line replacement) the whole service line needs to be addressed for removing lead.
- Here is an infographic explaining LSLR Scenarios: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://eeiweb.com/wp-content/uploads/2022/04/EEI_220317_LSLR_Scenario.pdf
- Three potential options for a reimbursement program
 - 0% - Pay for the public portion only and require the property owner to pay for the private side. This would be the least expensive approach for the Village and would have to be in conjunction with the private side being done. The property owner would simply have the contractor doing the work split the invoice between the public side and the private side and bill it

accordingly. Possibility of resident signing a waiver that Glen Ellyn will need to manage.

- 50% - Pay for the public side and do a 50/50 cost share on the private side. The contractor could break out the public side cost plus 50 percent of the private side and send the Village an invoice for that portion. The homeowner would then pay the remaining balance to the contractor.
- 100% (to a set limit) - Pay a flat amount to be reimbursed for the work done. Some municipalities have been offering \$6-8,000 amounts for reimbursement. Total cost of a replacement varies depending upon site conditions, length of service and internal plumbing that will need to be done. This would resemble the current cost share program and residents would provide the village 1-3 quotes and the village would approve the contractor and pay up to the reimbursable amount. Any cost over the reimbursable maximum amount would be the responsibility of the resident. Long term liability is reduced with this option.
- Letters and waivers are needed for any resident deciding not to replace their lead service line. These documents need to be managed on a yearly basis.

○ Timeline factors:

- If roadway is scheduled for water main and/or service line replacement before 2035, how will GE manage requests for LSLR before the roadway/water main work is scheduled?
- If roadway work is not scheduled for water main replacement before 2035, how will GE manage requests for LSLR that are beyond the budgeted dollars for a specific year?
- Retro payback? Option of Glen Ellyn paying back residents who replaced lead line services outside the parameters or time frame of this program. Date when Lead Service Line Replacement was enacted would be the cutoff for replacement.

○ Other community LSLR programs in place

- Lombard – Max \$5,000 or up to 75% of the cost on private side covered by Village
- Wheaton – 100% of costs on private side covered by City
- Downers Grove – Private side costs responsibility of homeowner but seeking alternative funding options to assist with costs
- West Chicago – Matrix of options based on scenario from 100% on homeowner to 100% of city

The Village Board will need to make a number of decisions on funding lead water service line replacement. Staff respectfully requests that the village board, if possible, provide questions on LSLR in advance of the November workshop in order to have a productive and decisive discussion. A full presentation will be made at the workshop.



LEAD WATER SERVICE LINE REPLACEMENT AGREEMENT

THIS LEAD WATER SERVICE LINE REPLACEMENT AGREEMENT (hereinafter referred to as the "Contract" or "Agreement") is entered into on the effective date as defined herein by and between the Village of Glen Ellyn, an Illinois home rule municipal corporation (hereinafter referred to as the "Village"), and _____ (hereinafter referred to as the "Owner"), the owner of the real property located at _____, Glen Ellyn, Illinois 60137 (hereinafter referred to as the "Property") (the parties to this Agreement may also be referred to as a "Party" or collectively as the "Parties").

WHEREAS, the Village replaces lead water service lines as part of Village road or utility replacement projects (hereinafter referred to as the "Program"); and

WHEREAS, the Owner shall participate in the Program for the purpose of replacing the portion of the lead water service line (hereinafter referred to as the "Work") located between the water shutoff valve, *a.k.a.*, "buffalo box" or "b-box," located on or adjacent to the Property and the water meter located on or within the structure located on the Property (hereinafter referred to as the "Service Line") subject to the terms of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in this Contract, and other good and valuable consideration received and to be received, it is mutually agreed by and between the parties as follows:

1. RECITALS INCORPORATED.

1.1. Recitals Incorporated. The above recitals are incorporated herein as though fully set forth.

2. VILLAGE PAYMENT RESPONSIBILITY.

2.1. Village Payment Responsibility. The Village shall replace the lead water service line at no cost to the Owner from the water shut-off valve located on or adjacent to the Property to eighteen (18') inches inside the residence located at the Property.

3. TEMPORARY CONSTRUCTION LICENSE.

3.1. License During Service Work. Owner hereby grants the Village, its contractors, and designees a temporary license (hereinafter referred to as the "License") on, over, under, and through the Property for the purpose of accessing, surveying, observing, staking, and undertaking the Service Work, together with any other work necessary and incident to the replacement of the Service Line. Village hereby agrees that after the Service Work is complete, the Village will restore the Property's ground surface to substantially its prior condition, reasonable wear and tear excepted, to the extent and within a timeframe that is practicable, in the Village's sole and absolute discretion, and will repair and/or replace any fencing damaged or demolished because of any Service Work occurring on the Property. Restoration or replacement of any shrubbery, flowers, plantings, ground covering, or mulch shall be the responsibility of the Owner.

3.2. Termination of License. The License shall terminate upon the first of the following to occur: (1) completion of the Service Work and the Village's inspection and approval of the same; or (2) the Effective Date's one (1) year anniversary. The Owner shall not revoke the License after the Effective Date.

4. RELEASE; NO WARRANTY; RESPONSIBILITY.

4.1. Owner's Acknowledgements. The Owner hereby acknowledges and agrees that:

4.1.1. The Village is not the contractor and is not responsible for any Service Work.

4.1.2. The Village is not the contractor's agent.

4.1.3. The Village has made no warranty or representation, either express or implied, as to the fitness, design or condition, the merchantability of the Service Work or the Service Line, or its fitness for any particular purpose, or the quality or capacity of the materials or workmanship in the Service Work.

4.1.4. Except as expressly stated in this Agreement, the Village shall have no obligation to make any Service Line repairs or undertake any Service Work whatsoever.

4.2. Indemnification and Release. To the fullest extent permitted by law, Owner hereby covenants not to sue and agrees to release, indemnify, defend and hold harmless the Village, its elected and appointed officials, officers, agents, contractors, and employees (hereinafter collectively referred to as the "Village Parties"), from and against all claims, demands, investigations, damages, suits, actions, judgment, liabilities, proceedings, penalties, fines, costs, or expenses of whatsoever kind or character, including, without limitation, reasonable attorneys' fees and expenses, arising out of or related in any manner to the Owner's participation in the Program, the Service Line, the Service Work, and the License, including, without limitation, injury or death to persons or damage to property, exposure to or mitigation

of toxic or hazardous substances, directly or indirectly arising out of or related to the Program. This agreement shall be construed as a release and waiver of all claims and as a covenant not to sue the village parties.

4.3. Ongoing Maintenance Responsibility. The Owner shall be responsible for the maintenance, operation, repair, and replacement as necessary of the Service Line and all related improvements, infrastructure, and improvements on and after the date of the Village's inspection and approval of the Service Work. This Agreement does not alter Service Line ownership or maintenance obligations as set forth in the Glen Ellyn Village Code.

5. GENERAL TERMS.

5.1. Limitation of Liability. Except as expressly provided in this Agreement, in no event shall the Village be liable to the Owner for any incidental, indirect, special, consequential, or punitive damages, regardless of the nature of the claim, including, without limitation, costs of delay, any failure of delivery, or liabilities to third parties arising from any source, even if such party has been advised of the possibility of such damages. The limitation upon damages and claims is intended to apply without regard to whether other provisions of this Agreement have been breached or have proven ineffective.

5.2. Entire Agreement. No oral agreement, guaranty, promise, condition, representation, or warranty, concerning this Agreement's subject matter shall be binding. This Agreement constitutes the entire agreement between the Parties and supersedes all prior conversations, agreements, or representation related to the Program, the Service Line, the Service Work, and the License.

5.3. Authority. All individuals signing this Agreement represent they have the full legal power, right, and actual authority to bind their respective Parties and, in the Owner's case, the Property, to the terms and conditions hereof.

5.4. Third Parties. No claim as a third-party beneficiary under this Agreement by any person or entity may be made, or be valid, against the Village Parties.

5.5. Non-Waiver of Rights; Amendments. Neither the Village's failure to nor delay in enforcing this Agreement's terms shall be deemed a waiver by the Village of its rights under this Agreement. This Agreement may only be modified or amended in a writing signed by the Parties.

5.6. Notices. Any notice required by this Agreement shall be deemed properly given to the Party to be notified at the time it is personally delivered or mailed by certified mail, return receipt requested, to the Party's address set forth on page 1 of this Agreement. Notices to the Village shall be provided as follows:

Utilities Superintendent
Village of Glen Ellyn
30 South Lambert Road
Glen Ellyn, Illinois 60137

Mailing of such notice as and when above provided shall be equivalent to personal notice and shall be deemed to have been given at the time of mailing.

5.7. Effective Date. The effective date of this Contract as reflected above shall be the last date of its execution by one of the Parties as set forth below.

5.8. Governing Law; Venue. This Contract shall be governed by the laws of the State of Illinois both as to interpretation and performance. Venue for any action pursuant to this Contract shall be in the Circuit Court of DuPage County, Illinois.

5.9. Headings and Titles. The headings and titles provided in this Contract are for convenience only and shall not be deemed a part of this Contract.

5.10. Counterparts; Facsimile or PDF/Email Signatures. This Contract may be executed in counterparts, each of which shall be considered an original and together shall be one and the same Contract. A facsimile or pdf/email copy of this Contract and any signatures thereon will be considered for all purposes as an original.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK –
SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed by their duly authorized representatives on the days and dates set forth below.

VILLAGE OF GLEN ELLYN

By: Mark Franz
Its: Village Manager

Date: _____, 20__

OWNER

By:
Its:

Date: _____, 20__

VILLAGE OF

Glen Ellyn

ILLINOIS

LEAD SERVICE LINE REPLACEMENT





Current Requirements

Lead Service Line Replacement and Notification Act (LSLRNA) – Illinois 1/1/2022

Lead and Copper Rule Revisions (LCRR) – Federal 10/16/2024

Lead and Copper Rule Improvements (LCRI) – Federal 11/1/2027

- Final Inventory – Expected Q2 2026, required April 2027
 - 10-year replacement timeline starting April 2027
 - All LSLs replaced by Dec. 31, 2037



System Owner Responsibilities

No safe level of exposure to lead

- EPA authorized to regulate PWSs not property owners
- Regardless of ownership, law sees only a single line
- Removal for general health, safety and welfare of residents

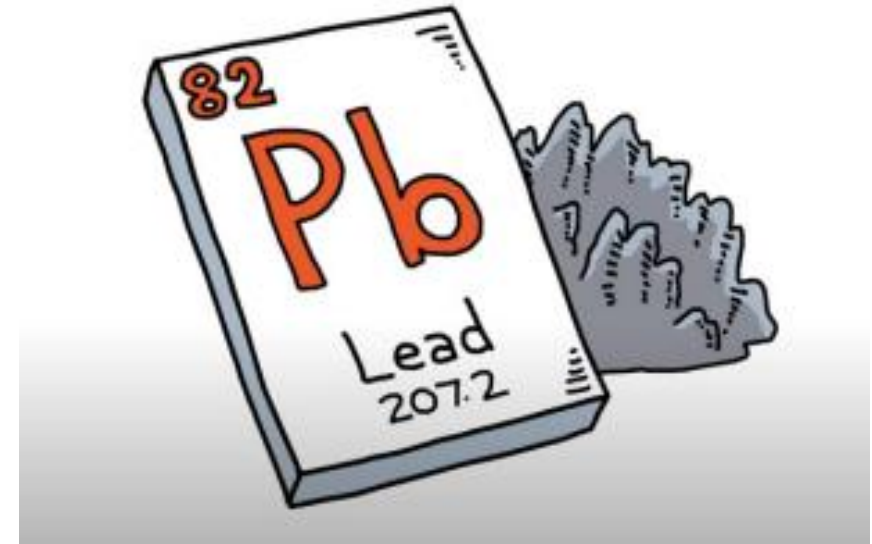
Requirements

- Replacement includes private property and within building
- 30 days to complete a full repair
 - Failure requires notice to State within 24 hours and property owner to sign waiver
- Removal of lead and galvanized reduces burden on PWS

Private Portion Funding

Benefits

- Removal of lead and galvanized reduces burden on PWS
- Alignment with Village projects allows economies of scale
- Allows use of 0% interest loan for that project



Current Situation

What will it cost?

- Current estimate of ~1,167 lines to replace
- ~\$11 million replacement cost (incl. inflation)
- ~\$1.5 million in 2025 & 2026

How will it be paid for?

- No existing revenue or funding mechanism
- IEPA Loan uncertainty



Monthly Fee

How would it work?

- ~\$100,000 in revenue per \$1/month
- Potential start date: September 1, 2025
- Built-in “sunset” date

How much?

- \$6/month vs \$9/month

Monthly Fee

How would it work?

- ~\$100,000 in revenue per \$1/month
- Potential start date: September 1, 2025
- Built-in “sunset” date

How much?

- \$6/month vs \$9/month

- # Monthly Fee
- How would it work?
- ~\$100,000 in revenue per \$1/month
 - Potential start date: September 1, 2025
 - Built-in “sunset” date
- How much?
- \$6/month vs \$9/month

Monthly Fee

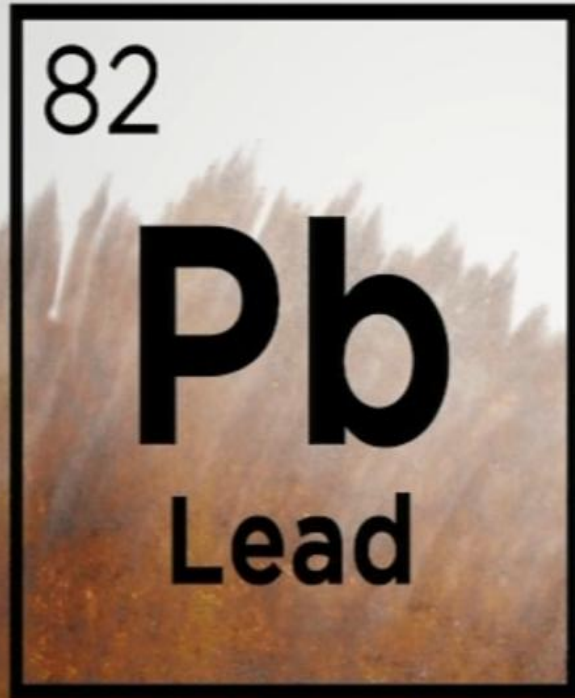
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- # Monthly Fee
- How would it work?
- ~\$100,000 in revenue per \$1/month
 - Potential start date: September 1, 2025
 - Built-in “sunset” date
- How much?
- \$6/month vs \$9/month



Finance Commission

April 11, 2025

- Voted 6-1 to recommend that the Village pay 100% of the cost of private-side replacement
- Voted 5-1 to recommend that the Village Board implement a monthly fee in the amount of \$6
 - Effective July 1, 2025
 - \$500,000 in reserves from General Fund
- Recommended fee would sunset once financial obligations have been met



Decision Points

- Privately-owned service lines
- “Look-Back” period
- Monthly fee