



## NEWS RELEASE

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### **NILES, GLENVIEW REACH TENTATIVE WATER RATE SETTLEMENT**

**August 30, 2013** – Discussions between Niles and Glenview officials have led to a resolution of a dispute which began in June 2011 over the setting of water rates.

The settlement, which will be considered by the Glenview Village Board of Trustees on Tuesday, September 3, was approved August 27 by the Niles Village Board of Trustees. Upon both boards' approval, the villages would request that Cook County Circuit Court Judge Rita Novak dismiss both the lawsuit filed by the Village of Niles in June 2011 and the counterclaim filed by the Village of Glenview in July 2011. A court date is scheduled September 27, but may be rescheduled earlier.

"We believe it is in the best interests of both the taxpayers of Niles and Glenview that the Villages resolve this matter and move forward," Niles Mayor Andrew Przybylo stated. "We plan to build upon our recent successful collaboration with Glenview for police dispatch services and continue to explore other shared services and cooperative opportunities as a way to mutually reduce costs and improve service delivery to our communities."

"We are pleased that we have been able to end litigation through this settlement. Both Villages will benefit by avoiding future litigation costs," Glenview Village President Jim Patterson stated. "We now look forward to addressing how to manage future water costs for our residents and customers."

The two-year-old dispute began when Glenview officials questioned whether Niles had been including costs for Niles' sewer system in North Maine Utilities' water rate and not providing North Maine Utilities with the equivalent of the lowest rate available to Niles customers, as required by the Water Supply Agreement.

(more)

Terms of the settlement include:

- An amendment to the Water Supply Agreement to be executed by both parties sets a rate for water provided by Niles to North Maine Utilities at an amount equal to 10 percent less than the lowest offered by Niles to any user within its corporate boundaries, effective July 1, 2013 through the expiration of the agreement.
- A onetime sum of \$500,000 shall be distributed to Glenview from the \$6.758 million in water payments that were deposited by the Village of Glenview into an interest-bearing escrow account since April 2011. In April 2013, Judge Novak authorized Glenview to receive \$1.07 million from the account and Niles to receive \$2.08 million from the account, based on a joint request from Glenview and Niles to release the funds.
- No further litigation will be forthcoming in regard to the issues, and each village will be responsible for its own legal expenses.

When Glenview purchased North Maine Utilities in 1997, it included a 30-year Water Supply Agreement with the Village of Niles that expires in 2020. Niles purchases Lake Michigan water from the City of Chicago and in turn sells it to Glenview for distribution to North Maine Utilities' approximately 4,900 accounts. The area served by North Maine Utilities is primarily unincorporated Cook County (south and west of Glenview) with a small portion of customers located within the municipal boundaries of Niles, Park Ridge and Des Plaines.

North Maine Utilities customers were at all times supplied with water while the parties litigated their respective claims, and the Village of Glenview deposited disputed monthly water payments from North Maine Utilities customers into the interest-bearing escrow account.

If approved, the Village of Glenview would explore how the impact of the amended water rate should be applied to North Maine Utilities customers' fees and the utility's infrastructure needs.

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