

RESOLUTION NO. 17-16

**RESOLUTION AUTHORIZING THE APPROVAL AND EXECUTION OF
AN ENGAGEMENT LETTER FOR SPECIAL COUNSEL SERVICES
FOR THE MORTON GROVE-NILES WATER COMMISSION**

**(MORTON GROVE-NILES WATER COMMISSION AND KLEIN, THORPE AND
JENKINS, LTD.)**

WHEREAS, in 2017, the Morton Grove-Niles Water Commission (“MGNWC” or “Commission”) was established by the Village of Morton Grove, a home rule Illinois municipal corporation (“Morton Grove”), and the Village of Niles, a home rule Illinois municipal corporation (“Niles”), by the adoption of ordinances pursuant to Division 135 of Article 11 of the Illinois Municipal Code (65 ILCS 5/11-135-1, *et seq.*) (“Division 135”). The establishing ordinances are Morton Grove Ordinance 17-5, which was adopted on March 13, 2017, and Niles Ordinance No. 2017-19, which was adopted on March 14, 2017. In order to accomplish the objectives set forth in the above-referenced Ordinances, Morton Grove and Niles also approved, under those same Ordinances, an intergovernmental agreement entitled, “Intergovernmental Agreement For The Establishment And Operation Of The Morton Grove-Niles Water Commission And For The Purchase And Sale Of Water To The Commission For Commission Use And To Commission Wholesale Water Customers” (the “IGA”), to provide for the governance and operation of the MGNWC and to create the Board of Commissioners of the Morton Grove-Niles Water Commission (“MGNWC Board”) to govern the MGNWC; and

WHEREAS, the MGNWC Board desires to approve and enter into an “Engagement Letter For Special Counsel Services For The Morton Grove-Niles Water Commission (Morton Grove-Niles Water Commission and Klein, Thorpe And Jenkins, Ltd.)(the “Engagement Letter”) in substantially the same form as the copy of the Engagement Letter attached hereto as **Exhibit “A”** and made a part hereof; and

WHEREAS, the MGNWC Board requires legal services to assist with various legal matters that pertain to the operation and governance of the MGNWC, including all aspects of implementation and construction of a new water delivery system project, land acquisition/sale/conveyance, short-term and long-term financing for capital costs and debt financing for the new water system, personnel matters, regulatory matters and contractual matters related to the water delivery and receiving infrastructure to be owned by the MGNWC, including but not limited to water system infrastructure that will extend from the City of Evanston’s (“Evanston”) point of delivery near the intersection of Emerson Street and McCormick Boulevard, which is Evanston's western border, to existing water receiving points (e.g., reservoirs and pumping facilities) owned and operated respectively by the MGNWC, Morton Grove and Niles, and located in Niles near the intersection of Harlem Avenue and Touhy Avenue, and located in Morton Grove near the intersection of Caldwell Avenue and Oakton Street, for Morton Grove and Niles and other legal related matters as assigned by the MGNWC (the “Services”); and

WHEREAS, Klein, Thorpe and Jenkins, Ltd. (“Special Counsel”) desires to perform the Services, and the MGNWC, through the staff of Morton Grove and Niles, and Special Counsel further negotiated and refined the Services and the professional fees that are to be performed and paid as set forth in the Engagement Letter; and

WHEREAS, the MGNWC Board agrees to retain the Special Counsel to perform the Services and to pay the professional fees to the Bond Counsel in accordance with the terms of the Engagement Letter; and

WHEREAS, Special Counsel has agreed to perform the Services in exchange for payment of the professional fees in accordance with the terms of the Engagement Letter; and

WHEREAS, the Board of Commissioners of the Morton Grove-Niles Water Commission have the authority to enter into the Engagement Letter pursuant to Article VII, Section 10 of the 1970 Constitution of the State of Illinois, the Illinois Intergovernmental Cooperation Act (5 ILCS 220/1, *et seq.*) and the Illinois Municipal Code (65 ILCS 5/1, *et seq.*, including 65 ILCS 5/11-135-1, *et seq.*), and find that entering into the Engagement Letter is in the best interests of MGNWC, the Village of Morton Grove and the Village of Niles.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE MORTON GROVE-NILES WATER COMMISSION, COOK COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: Each Whereas paragraph above is incorporated by reference into this Section 1 and made a part hereof as material and operative provisions of this Resolution.

SECTION 2: The Board of Commissioners of the Morton Grove-Niles Water Commission (“MGNWC Board”) authorizes the approval of the economic terms and the attached form of an “Engagement Letter For Special Counsel Services For The Morton Grove-Niles Water Commission (Morton Grove-Niles Water Commission and Klein, Thorpe and Jenkins, Ltd.)” (the “Engagement Letter”) for the purposes set forth in the Engagement Letter, attached hereto as **Exhibit “A”**. The MGNWC Board authorizes and directs the Chair, or his/her designee, and the Clerk to execute the final version of the Engagement Letter, which may contain certain non-substantive and non-financial modifications that are approved by the MGNWC Board Chair, and to execute and deliver all other instruments and documents and pay all costs that are necessary to fulfill MGNWC’S obligations under the Engagement Letter.

SECTION 3: This Resolution shall be in full force and effect from and after its adoption and approval as provided by law.

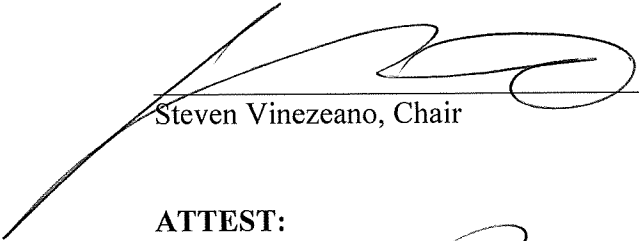
ADOPTED this 26th day of October, 2017, pursuant to a roll call vote as follows:

AYES: John Pietron and Steven Vinezeano

NAYS: None

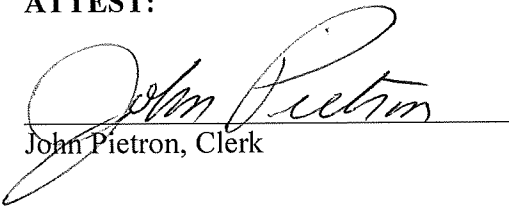
ABSENT: None (Cook County Appointee not appointed yet)

PASSED by the Board of Commissioners of the Morton Grove-Niles Water Commission, Cook County, Illinois on a roll call vote at a Regular Meeting thereof held on the 26th day of October, 2017, and approved by the Chair, and attested by the Clerk on the same day.



Steven Vinezeano, Chair

ATTEST:



John Pietron, Clerk

Exhibit "A"

**Engagement Letter For Special Counsel Services
For The Morton Grove-Niles Water Commission**

(Morton Grove-Niles Water Commission and Klein, Thorpe And Jenkins, Ltd.)

(attached)



20 N. Wacker Drive, Ste 1660
Chicago, Illinois 60606-2903
T 312 984 6400 F 312 984 6444

15010 S. Ravinia Avenue, Ste 10
Orland Park, Illinois 60462-5353
T 708 349 3888 F 708 349 1506

DD 312 984 6432
mtjurusik@ktjlaw.com

October 23, 2017

Mr. Steven Vinezeano
Chair, MGNWC
Village Manager, Village of Niles
1000 Civic Center Drive
Niles, Illinois 60714

**Re: Joint Engagement Letter for Special Counsel for
the Morton Grove-Niles Water Commission and
Continued Special Counsel Role for the Village of Morton Grove
and Continued Special Counsel Role for the Village of Niles**

Dear Chair Vinezeano:

You have requested that Klein, Thorpe and Jenkins, Ltd. ("KTJ") represent the Morton Grove-Niles Water Commission (the "MGNWC") as "Special Counsel" in connection with: (1) various legal matters that pertain to the operation and governance of the MGNWC, including all aspects of implementation and construction of a new water delivery system project, land acquisition/sale/conveyance, short-term and long-term financing for capital costs and debt financing for the new water system, debt financing, personnel matters, regulatory matters and contractual matters related to the water delivery and receiving infrastructure to be owned by the MGNWC, including but not limited to water system infrastructure that will extend from the City of Evanston's ("Evanston") point of delivery near the intersection of Emerson Street and McCormick Boulevard, which is Evanston's western border, to existing water receiving points (e.g., reservoirs and pumping facilities) owned and operated respectively by the MGNWC, Morton Grove and Niles, and located in Niles near the intersection of Harlem Avenue and Touhy Avenue, and located in Morton Grove near the intersection of Caldwell Avenue and Oakton Street, for Morton Grove and Niles; and (2) any other legal related matters as assigned by the MGNWC (the "Services").

The purpose of this letter is to confirm our engagement as Special Counsel for the MGNWC, and to continue to perform certain other legal work as special counsel for the Village of Morton Grove and the Village of Niles, and to provide you certain information concerning our fees, billing and collection policies, and other terms that will govern our relationship. Although we do not wish to be overly formal in our relationship with you, we have found it a helpful practice to confirm with our clients the nature and terms of our representation. Attached to this letter are KTJ's standard terms of engagement for local government representation. Please review these and let me know if you have any questions concerning our policies.

Because the MGNWC and the Village of Morton Grove and the Village of Niles (the "Villages") are subject to the Illinois Local Government Prompt Payment Act, 50 ILCS 505/1, *et seq.*, we do not require an advance fee deposit for our services. Until the MGNWC is fully operational and generating revenues to an extent that it can pay its own invoices for legal services, the Villages will continue to each be responsible to pay one-half of the cost for our services pursuant to a cost sharing intergovernmental agreement, and you have requested that KTJ provide all MGNWC-related billing information to both Villages. The MGNWC and both Villages will be jointly and severally liable in the event that the MGNWC or one Village fails to pay.

Our services will be provided based upon our standard "local government" hourly rates. The current local governmental rates are set forth in Exhibit "1" to this letter. These rates are ordinarily reviewed and adjusted in January of each year.

In order to represent the MGNWC, as Special Counsel, and both Villages, as special counsel from time to time on legal matters that are related and unrelated to the MGNWC, rigorous ethical requirements must be met.

Joint representation of multiple clients, which is ordinarily a conflict of interest, is allowed if the lawyer reasonably believes the representation of the clients will not be adversely affected, and the clients consent after disclosure, including explanation of the implications of the common representation and the advantages and risks involved. Based on the information you have provided, we have concluded that KTJ can represent the MGNWC, as Special Counsel, and both Villages, as special counsel from time to time on legal matters that are related and unrelated to the MGNWC. However, please consider the following:

1. Although the law is not settled, it is our opinion that any information disclosed by the MGNWC or either Village to us in connection with the joint representation will not be protected by the lawyer-client privilege in a subsequent legal proceeding brought by the MGNWC or either Village against the other parties involving this representation. Moreover, we believe we cannot effectively represent the MGNWC and both Villages if information disclosed to us by the MGNWC or one of the Villages must be preserved in confidence from the other. Accordingly, in the course of this representation, we will disclose to the MGNWC and both Villages all information we receive relating to the MGNWC. Therefore, if KTJ is to represent the MGNWC and both Villages in connection with the MGNWC, it will only be with the express understanding that the MGNWC and both Villages have waived the lawyer-client privilege to the extent, but only to the extent, that the privilege might otherwise require us to preserve in confidence information disclosed to us by the MGNWC or either Village from the other parties, either in the course of this representation or in connection with any subsequent legal proceeding brought by the MGNWC or either Village against the other parties involving this representation.
2. At this time, there does not appear to be any difference of opinion between the MGNWC or the Villages with respect to the legal issues involved in the MGNWC, their rights and obligations in the matter, or the most effective strategy of dealing with the legal issues presented. However, should material differences develop between the MGNWC and either Village in the future that cannot be amicably resolved, or that KTJ concludes cannot be resolved on terms compatible with the best interests of the parties, then the MGNWC and the Villages agree that the firm must at that time withdraw from the joint

representation on matters relating to the MGNWC without breaching any obligation to the MGNWC or either Village. Should this occur, we will assist the MGNWC and the Villages in obtaining new counsel, if they wish. The MGNWC and the Villages would, of course, continue to be responsible for payment of all KTJ's accrued legal fees and expenses advanced on their behalf.

In addition to these considerations relating to the proposed joint representation, there is also a potential conflict of interest under the Rules of Professional Conduct with respect to our representation of each of the Villages as special counsel. In particular, we currently represent Morton Grove in connection with general municipal law matters, business license and code enforcement matters, and tax increment financing and redevelopment matters, and we represent Niles from time to time on special projects relating to particular issues, most recently regarding referenda involving public officials of Niles. We do not expect any of these representations to have any detrimental impact on our representation of the MGNWC and the two Villages. In order for KTJ to undertake this joint representation, it will also require the MGNWC and both Villages to agree that KTJ's service as counsel in this joint representation will not be asserted as a conflict of interest with respect to any representations that KTJ may provide to the Villages on matters not related to the MGNWC.

In the event that litigation develops between the MGNWC, the Village of Morton Grove and the Village of Niles regarding the MGNWC, each client will retain separate and independent counsel outside of KTJ to handle pre-litigation and litigation work, and KTJ will not represent the MGNWC or either Village in such a situation.

Obviously, the MGNWC and both Villages have the right to obtain separate legal counsel. However, it is KTJ's understanding, notwithstanding the considerations set forth above, that the MGNWC and both Villages wish KTJ to represent the MGNWC, as Special Counsel, and both Villages, as special counsel from time to time on legal matters that are related and unrelated to the MGNWC and subject to the waiver discussed above.

If the terms described above and in the attached Terms of Engagement are satisfactory, and the MGNWC and both Villages are willing to consent to KTJ's joint representation, waive any right to object to a conflict of interest, and accept the limitations on our professional responsibilities to the MGNWC and both Villages, all based on the disclosures and conditions set forth in this letter, please so indicate by signing and dating in the spaces provided below, and return one copy of this letter to me by mail, with a copy by electronic mail. This letter can be signed in counterparts by each party.

Thank you for retaining Klein, Thorpe and Jenkins, Ltd., and we look forward to working with you to bring these matters to a successful conclusion.

If there are any questions, please feel free to contact me.

Very truly yours,

KLEIN, THORPE AND JENKINS, LTD.

Michael T. Jurusik


Michael T. Jurusik

cc: Ralph Czerwinski, Village Administrator, Village of Morton Grove
Teresa Liston, Village Attorney, Village of Morton Grove
Danielle Grcic, Village Attorney, Village of Niles
Bill Balling, MGNWC Superintendent

CONSENT TO JOINT REPRESENTATION

The Morton Grove Niles Water Commission ("MGNWC"), the Village of Morton Grove and the Village of Niles consent to Klein, Thorpe and Jenkins, Ltd.'s serving as Special Counsel for the MGNWC and as special counsel for both Villages, from time to time, on legal matters that are related and unrelated to the MGNWC consistent with the terms and conditions set forth in this Letter.

**MORTON GROVE NILES WATER COMMISSION
and VILLAGE OF NILES**

By: 
Steven Vinezeano
Chair of MGNWC and Village Manager of Niles

Date: 10-24, 2017

VILLAGE OF MORTON GROVE

By: 
Ralph Czerwinski
Village Administrator

Date: 10-26-, 2017

KLEIN, THORPE AND JENKINS, LTD.

TERMS OF ENGAGEMENT

We appreciate your decision to retain Klein, Thorpe and Jenkins, Ltd. ("KTJ") as your legal counsel.

This document explains how we work, our obligations to you, your obligations to us, what we will do on your behalf, and how our charges will be determined and billed. Experience has shown that an understanding of these matters will contribute to a better relationship between us, and that in turn makes our efforts more productive.

Our engagement and the services that we will provide to you are limited to the matter identified in the accompanying letter. Any changes in the scope of our representation, as described in the letter, must be approved in writing. We will provide services of a strictly legal nature related to the matters described in that letter. You will provide us with the factual information and materials we require to perform the services identified in the letter, and you will make such business or technical decisions and determinations as are appropriate. You will not rely on us for business, investment or accounting decisions, or expect us to investigate the character or credit of persons or entities with whom you may be dealing, unless otherwise specified in the letter.

We cannot guarantee the outcome of any matter. Any expression of our professional judgment regarding your matter or the potential outcome is, of course, limited by our knowledge of the facts and based on the law at the time of expression. It is also subject to any unknown or uncertain factors or conditions beyond our control.

Confidentiality and Related Matters

Regarding the ethics of our profession that will govern our representation, several points deserve emphasis. As a matter of professional responsibility, we are required to hold confidential all information relating to the representation of our clients, subject to certain exceptions that we will discuss with you. This professional obligation and the legal privilege for attorney-client communications exist to encourage candid and complete communication between a client and his lawyer. We can perform truly beneficial services for a client only if we are aware of all information that might be relevant to our representation. Consequently, we trust that our attorney-client relationship with you will be based on mutual confidence and unrestrained communication that will facilitate our proper representation of you.

Additionally, you should be aware that, in instances in which we represent a corporation, government or other entity, our client relationship is with the entity and not with its individual executives, shareholders, directors, members, managers, partners, elected or appointed officials, or persons in similar positions, or with its parent, subsidiaries or other affiliates. In those cases, our professional responsibilities are owed only to that entity, alone, and no conflict of interest will be asserted by you because we represent persons with respect to interests that are adverse to individual persons or business organizations who have a relationship with you. That is to say, unless the letter accompanying this document indicates otherwise, KTJ's attorney-client relationship with the entity does not give rise to an attorney-client relationship with the parent, subsidiaries or other affiliates of the entity, and representation of the entity in this matter will not give rise to any conflict of interest in the event other clients of the firm are adverse to the parent, subsidiaries or other affiliates of the entity. Of course, we can also

represent individual executives, shareholders, directors, members, managers, partners, elected or appointed officials, and other persons related to the entity in matters that do not conflict with the interests of the entity, but any such representation will be the subject of a separate engagement letter. Similarly, when we represent a party on an insured claim, we represent the insured, not the insurer, even though we may be approved, selected or paid by the insurer.

Of course, as a governmental entity, the Villages are subject to various "sunshine" laws, such as the Freedom of Information Act and the Open Meetings Act, which require certain information and activities to be accessible to the public. To the extent that we obtain any information from either of the Villages or their officers, officials and employees that is not subject to disclosure under applicable laws or that is not otherwise obtained in a public forum, we will treat such matters as confidential. On the other hand, if we obtain information in the course of our representation of the Villages and such information would be obtainable under applicable law by members of the public, such information would not be confidential and could be disclosed to others. We will, of course, adhere to these same information disclosure principles with our other governmental and private sector clients.

KTJ attempts to achieve efficiencies and savings for its clients by managing the firm's administrative operations (e.g., file storage, document duplication, word processing, accounting/billing) in the most efficient manner possible, including outsourcing certain functions to third parties. Outsourcing in this manner may require KTJ to allow access by third parties to your confidential information, and, in some cases, these third parties may be located outside of the United States. KTJ will follow applicable legal ethics rules with regard to such outsourcing and protection of confidential information.

Fees and Billing

Clients frequently ask us to estimate the fees and other charges they are likely to incur in connection with a particular matter. We are pleased to respond to such requests whenever possible with an estimate based on our professional judgment. This estimate always carries the understanding that, unless we agree otherwise in writing, it does not represent a maximum, minimum or fixed fee quotation. The ultimate cost frequently is more or less than the amount estimated.

Legal Fees

We encourage flexibility in determining billing arrangements. For example, we often agree with our clients to perform services on a fixed-fee or other basis that we and the client believe will encourage efficiency and reflect the value of our services in relation to a particular objective.

If you and we have agreed on a fixed fee arrangement, our fees will not be limited to the fixed amount if you fail to make a complete and accurate disclosure of information that we have requested and that we reasonably require for our work, or if you materially change the terms, conditions, scope or nature of the work, as described by you when we determined the fixed amount. If any of these events occurs, our fees will be based upon the other factors described below, unless you and we agree on a revised fixed fee. If the accompanying engagement letter does not provide for a fixed fee, or if we do not otherwise confirm to you in writing a fee arrangement, our fees for services will be determined as described in the following paragraphs.

When establishing fees for services that we render, we are guided primarily by the time and labor required, although we also consider other appropriate factors, such as the novelty and difficulty of the legal issues involved; the legal skill required to perform the particular assignment; time-saving use of resources (including research, analysis, data and documentation) that we have previously developed and stored electronically or otherwise in quickly retrievable form; the fee customarily charged by comparable firms for similar legal services; the amount of money involved or at risk and the results obtained; and the time constraints imposed by either you or the circumstances. In determining a reasonable fee for the time and labor required for a particular matter, we consider the ability, experience and reputation of the lawyer or lawyers in our firm who perform the services. To facilitate this determination, we internally assign to each lawyer an hourly rate based on these factors. Of course, our internal hourly rates change periodically to account for increases in our cost of delivering legal services, other economic factors, and the augmentation of a particular lawyer's ability, experience and reputation. Any such changes in hourly rates are applied prospectively after written notice of such change in hourly rates. We record and bill our time in one-tenth hour (six minute) increments.

When selecting lawyers to perform services for you, we generally seek to assign lawyers having the lowest hourly rates consistent with the skills, time demands and other factors influencing the professional responsibility involved in each matter. That does not mean that we will always assign a lawyer with a lower hourly rate than other lawyers. As circumstances require, the services of lawyers in the firm with special skills or experience may be sought when that will either (a) reduce the legal expense to you, (b) provide a specialized legal skill needed, or (c) help move the matter forward more quickly.

Disbursements

In addition to legal fees, our statements will include out-of-pocket expenses that we have advanced on your behalf. Advanced expenses generally will include, but are not limited to, such items as travel, postage, filing, recording, certification and registration fees charged by governmental bodies. Our out-of-pocket expenses typically include, but are not limited to, such items as overnight courier services, certain charges for terminal time for computer research and complex document production, and charges for photocopying materials sent to the client or third parties or required for our use.

We may request an advance cost deposit when we expect that we will be required to incur substantial costs on behalf of the client.

During the course of our representation, it may be appropriate to hire third parties to provide services on your behalf. These services may include such things as consulting or testifying experts, investigators, providers of computerized litigation support, and court reporters. Because of the legal "work product" protection afforded to services that an attorney requests from third parties, in certain situations our firm may assume responsibility for retaining the appropriate service providers. Even if we do so, however, you will be responsible for paying all fees and expenses directly to the service providers or reimbursing us for these expenses.

KTJ attempts to achieve efficiencies and savings for its clients when dealing with independent contractors. KTJ may be able to obtain a reduced charge from the contractor if the firm provides certain functions, such as billing, collection, equipment, space, facilities or clerical help. For these administrative and coordination services, KTJ may charge an administrative fee, which will be separately disclosed to you.

Billing

We bill periodically throughout the engagement for a particular matter, and our periodic statements are due when rendered. If our fees are based primarily on the amount of our time devoted to the matter, our statements will be rendered monthly. In instances in which we represent more than one party with respect to a matter, each party that we represent is jointly and severally liable for our fees and expenses with respect to the representation. Our statements contain a concise summary of each matter for which legal services are rendered and a fee is charged. If a statement remains unpaid for more than thirty (30) days, you will be contacted by a KTJ representative inquiring why it is unpaid. Additionally, if a statement has not been paid within thirty (30) days from its date, KTJ may impose an interest charge consistent with the Local Government Prompt Payment Act, as amended, or one percent (1.0%) per month (a twelve percent (12%) annual percentage rate), whichever is less, from the 30th day after the date of the statement until it is paid in full. Interest charges apply to specific monthly statements on an individual statement basis. Any payments made on past due statements are applied first to the oldest outstanding statement.

It is KTJ's policy that if an invoice remains unpaid for more than ninety (90) days, absent extraordinary circumstances and subject to legal ethics constraints, KTJ's representation will cease, and you hereby authorize us to withdraw from all representation of you. Any unapplied deposits will be applied to outstanding balances. Generally, KTJ will not recommence its representation or accept new work from you until your account is brought current and a new deposit for fees and costs, in an amount that KTJ determines, is paid to it.

In addition, if you do not pay KTJ's statements as they become due, the firm may require a substantial partial payment and delivery of an interest-bearing promissory note as part of any arrangement under which it may, in its discretion, agree to continue its representation. Any such promissory note will serve merely as evidence of your obligation, and shall not be regarded as payment. If allowed by applicable law, KTJ is entitled to reasonable attorneys' fees and court costs if collection activities are necessary. In addition, KTJ shall have all general, possessory or retaining liens, and all special or charging liens, recognized by law.

Payment of our fees and costs is not contingent on the ultimate outcome of our representation, unless we have expressly agreed in writing to a contingency fee.

Questions About Our Bills

We invite you to discuss freely with us any questions that you have concerning a fee charged for any matter. We want our clients to be satisfied with both the quality of our services and the reasonableness of the fees that we charge for those services. We will attempt to provide as much billing information as you require and in such customary form that you desire, and are willing to discuss with you any of the various billing formats we have available that best suits your needs.

Relationships with Other Clients

Because we are a full-service law firm, we may be (and at times are) asked to represent a client with respect to interests that are adverse to those of another client who is represented by KTJ in connection with another matter. Just as you would not wish to be prevented in an appropriate situation from retaining a law firm that competes with KTJ, our firm wishes to be able to consider the representation of other persons or entities that may be competitors in your

industry or who may have interests that are adverse to yours, but with respect to matters that are unrelated in any way to our representation of you. The ethics that govern us permit us to accept such multiple representations, assuming certain conditions are met, as set forth below.

During the term of this engagement, we will not accept representation of another client to pursue interests that are directly adverse to your interests unless and until we make full disclosure to you of all the relevant facts, circumstances and implications of our undertaking the two representations, and confirm to you in good faith that we have done so and that the following criteria are met: (i) there is no substantial relationship between any matter in which we are representing or have represented you and the matter for the other client; (ii) any confidential information that we have received from you will not be available to the lawyers and other KTJ personnel involved in the representation of the other client; (iii) our effective representation of you and the discharge of our professional responsibilities to you will not be prejudiced by our representation of the other client; and (iv) the other client has also consented in writing based on our full disclosure of the relevant facts, circumstances and implications of our undertaking the two representations. If the foregoing conditions are satisfied, we may undertake the adverse representation and all conflict issues will be deemed to have been resolved or waived by you.

By making this agreement, we are establishing the criteria that will govern the exercise of your right under applicable ethical rules to object to our representation of another client whose interests are adverse to yours. If you contest in good faith the facts underlying our confirmation to you that the specified criteria have been met, then we will have the burden of reasonably supporting those facts.

Knowledge Management Tool

In order to better and more economically serve our clients, we have implemented a document search engine that will allow us to search KTJ's institutional work product to determine whether there exist documents created for one client that can be used as a starting point for the preparation of new documents for other clients. Documents that are subject to ethics wall restrictions, have extraordinary confidentiality requirements, or contain sensitive client information will not be included in this system.

Termination

Upon completion of the matter to which this representation applies, or upon earlier termination of our relationship, the attorney-client relationship will end unless you and we have expressly agreed to a continuation with respect to other matters. We hope, of course, that such a continuation will be the case. The representation is terminable at will by either of us. The termination of the representation will not terminate your obligation to pay fees and expenses incurred prior to the termination and for any services rendered or disbursements required to implement the transition to new counsel.

Your agreement to this engagement constitutes your acceptance of the foregoing terms and conditions. If any of them is unacceptable to you, please advise us now so that we can resolve any differences and proceed with a clear, complete and consistent understanding of our relationship.

Exhibit "1"

Billing Rates

Please be advised that the billing rates for calendar year 2017 and calendar year 2018 for all Legal Services that my firm provides to the Morton Grove-Niles Water Commission, the Village of Morton Grove and the Village of Niles will be as follows:

A. GENERAL LEGAL SERVICES:

- \$210.00 per hour for partner's time
- \$195.00 per hour for senior associate's time
- \$185.00 per hour for associate's time
- \$155.00 per hour for senior paralegal's time
- \$145.00 per hour for paralegal's time
- \$125.00 per hour for law clerk's time
- \$ 85.00 per hour for paralegal/clerk time

B. LITIGATION AND APPEALS:

- \$210.00 per hour for partner's time
- \$195.00 per hour for senior associate's time
- \$185.00 per hour for associate's time

C. EMPLOYMENT / COLLECTIVE BARGAINING SERVICES:

- \$230.00 per hour for partner's time
- \$205.00 per hour for senior associate's time
- \$185.00 per hour for associate's time

D. INTERGOVERNMENTAL AGREEMENT NEGOTIATION SERVICES:

- \$230.00 per hour for partner's time
- \$205.00 per hour for senior associate's time
- \$185.00 per hour for associate's time

E. SPECIAL PROJECT WORK (e.g., work in relation to which the fee is reimbursable to the Village from a third party):

- \$245.00 per hour for partner's time
- \$220.00 per hour for senior associate's time
- \$200.00 per hour for associate's time

F. DEBT ISSUANCE WORK:

To be negotiated based on the complexity of the financing and whether an opinion is required relative to the debt issuance, but not less than the greater of twenty-five hundredths of a percent (0.25%) of the amount of the debt issue or \$1,500.00. (Or \$275.00 per hour for partner's time; \$250.00 per hour for senior associate's time; \$225.00 per hour for associate's time)

G. SPECIAL ASSESSMENTS:

Four percent (4%) of the estimated cost of construction, plus property acquisition costs and actual out-of-pocket costs; which are built into the special assessment project costs (the same fee since 1999).

H. SPECIAL SERVICE AREAS:

Two percent (2%) of the estimated cost of construction or the general services hourly rate fee, whichever is greater; which is built into the special service area project costs (the same fee since 1999).

I. TAX INCREMENT FINANCING DISTRICTS:

\$245.00 per hour for partner's time
\$220.00 per hour for senior associate's time
\$200.00 per hour for associate's time

J. MISCELLANEOUS EXPENSES:

Miscellaneous expenses incurred are billed as follows:

Copying -	20¢ per page
Printing -	actual cost
Delivery -	actual cost
Filing fees -	actual cost
Mileage -	not charged
Computer research -	actual cost
Secretarial -	not charged
Facsimile -	not charged

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CLERK'S CERTIFICATE

I, John Pietron, Clerk of the Morton Grove-Niles Water Commission, Cook County, State of Illinois, certify that the annexed and foregoing is a true and correct copy of that certain Resolution now on file in my office, entitled:

RESOLUTION NO. 17-16

**RESOLUTION AUTHORIZING THE APPROVAL AND EXECUTION OF
AN ENGAGEMENT LETTER FOR SPECIAL COUNSEL SERVICES
FOR THE MORTON GROVE-NILES WATER COMMISSION**

**(MORTON GROVE-NILES WATER COMMISSION AND KLEIN, THORPE AND
JENKINS, LTD.)**

which Resolution was passed by the Board of Commissioners of the Morton Grove-Niles Water Commission at a Regular Meeting on the 26th day of October, 2017, at which meeting a quorum was present.

I further certify that the vote on the question of the passage of said Resolution by the Board of Commissioners of the Morton Grove-Niles Water Commission was taken by Ayes and Nays and recorded in the minutes of the Board of Commissioners of the Morton Grove-Niles Water Commission, and that the result of said vote was as follows, to-wit:

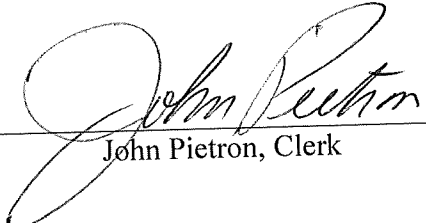
AYES: John Pietron and Steven Vinezeano

NAYS: None

ABSENT: None

I do further certify that the original Resolution, of which the foregoing is a true copy, is entrusted to my care for safekeeping, and that I am the lawful keeper of the same.

IN WITNESS WHEREOF, I have hereunto set my hand this 26th day of October, 2017.



John Pietron, Clerk