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January 22, 2026

TO: Trustee Bob Bachner
Public Works and Environmental Concerns Committee

THROUGH: Scott Niehaus, Village Manager

FROM: Carl Goldsmith, Director of Public Works 

SUBJECT: Committee Role and Responsibilities

This memo is being presented to the Public Works and Environmental Concerns Committee (PWECC) in an effort to clearly define the role and responsibility of the Committee. This effort came about as a result of conversations between the Village Attorney, the Village Manager's Office, the Finance Department and the Public Works Department related to the processing of pay requests, processing of change orders and how the Village reviews final waivers for projects/programs. This review is part of an effort to streamline processes throughout the Village as directed by the Village Board Strategic Plan.

To understand what role the PWECC should play in the Village operations, we need to understand the powers entrusted to the PWECC. The committee's duties and responsibilities are derived from Title III, Chapter 30, Article II of the Village Code, which provides for the following:

“(C) Public Works and Environmental Concerns Committee. The Public Works and Environmental Concerns Committee shall consider and make recommendations to the corporation authorities regarding the following:

- (1) Public works ordinances and standards. The Committee shall review standards for street lighting, drainage, sewers, streets, forestry, subdivisions, flood control and water meters.*
- (2) User fees. The Committee shall review the costs of the tree planting program, the sidewalk replacement program and any new fees relating to Public Works each year, or as requested.*
- (3) Infrastructure maintenance. The Committee shall review and oversee matters relating to the maintenance of, and improvements to, infrastructure under the jurisdiction of the village.*
- (4) Capital improvement plan/public works budget. The Committee shall review the village's capital improvement plan and the Public Works Department's budget prior to the approval thereof by the corporate authorities.*
- (5) Environmental concerns. The Committee shall review, evaluate and make recommendations related to health and environmental quality concerns in the village.*

- (6) *Solid waste stream. The Committee shall review, evaluate and make recommendations regarding the management of all solid waste within the village, including, but not limited to, the disposal and/or recycling of said solid waste.*
- (7) *Resources. The Committee shall review related resources, plans, grant applications and proposals and other materials pertaining to environmental issues.*
- (8) *Other matters. The Committee shall consider other matters which are specifically referred to it by the corporate authorities.*”

With an understanding of the roles conferred upon the Committee by Village Code, staff has reviewed the current tasks/responsibilities that the Committee is engaged in. This evaluation will lead to recommendations on the tasks and responsibilities that the Committee should perform on a going forward basis.

The first such task is the review of the Capital Improvement Plan (CIP). This duty is specifically set forth as a task that the Committee is involved with. The Committee is involved in the development of the annual 10-year CIP. The input of the committee has led to significant improvements impacting stormwater, roadway maintenance, streetlighting among other areas. On an annual basis, the Committee is presented with the draft CIP for its review and consideration. The Committee’s review of the CIP is an extremely important part of the budget process as it allows staff to garner feedback and direction on the projects and programs being offered by the Village. These projects and programs are developed by Staff in accordance with Village Board policies and strategic direction.

Per the Village Code, the Committee has been involved in the review and development of policies (Ordinances) and user fees, such as the water and sewer rates. The committee’s review allows staff the opportunity to present new policies and procedures prior to consideration by the Village Board. In terms of user fees, the review of water & sewer rates, refuse contract terms and connection fees has been conducted by the PWECC, often working in conjunction with the Finance Committee to ensure that sufficient revenues are available to support these programs/projects.

Under the Village Code, the PWECC is responsible for the review of environmental issues that impact the community. Included in this is the review and recommendation of the contract terms and conditions for the Refuse and Recycling Contract. The Committee has been involved in many other environmental programs such as the “No Mow til Mother’s Day program”, rain barrel grant program and other sustainability programs. In conjunction with the Transportation and Safety Committee, the PWECC has been active in the review and recommendation of bicycle and pedestrian improvements within the public right-of-way.

The PWECC has had an active role in the review of Village infrastructure; including review of street light program, lead water service, review and concurrence on the Village’s annual roadway maintenance programs and facility improvements. The review of these matters has led to amendments to Village policies and Village Code that have improved the processes and outcomes related to these matters.

The PWECC has historically been involved in the review of change orders to public works contracts. The need for the PWECC to continue their review of change orders within the context of State and local laws/policy was part of broader discussions with the Village Managers Office and Finance Department. Below is an explanation of the change order process, including legal requirements for processing change orders.

What is a Change Order?

A change order is an amendment to an approved contract that revises the scope of work in response to alterations or unexpected events throughout the course of work. Change orders are submitted to the Village and must be agreed upon by all parties involved to modify the work already established under the contract, which can include changing timelines, funding or other elements of the project. When a project expands or elements are upgraded, the details are captured in an additive change order. When a project shrinks or elements are downgraded, these changes are noted in a deductive change order.

Change Order Governing Laws/Regulations

Chapter 50 - LOCAL GOVERNMENT 50 ILCS 525/ - Public Works Contract Change Order Act (50 ILCS 525/5)

“Sec. 5. Change orders, bidding. If a change order for any public works contract (i) is entered into by a unit of local government or school district, (ii) is not procured in accordance with the Illinois Procurement Code and the State Finance Act, and (iii) authorizes or necessitates any increase in the contract price that is 50% or more of the original contract price or that authorizes or necessitates any increase in the price of a subcontract under the contract that is 50% or more of the original subcontract price, then the portion of the contract that is covered by the change order must be resubmitted for bidding in the same manner for which the original contract was bid. Bidding for the portion of the contract covered by the change order is subject to any requirements to employ females and minorities on the public works project that existed at the bidding for the original contract, together with any later requirements imposed by law.”

Chapter 5 Lombard Purchasing Manual – Methods of Payment Processing

“B. Change Orders To Regular Purchase Orders

After a regular purchase order is issued to the vendor, it may become necessary to change it to include additional quantities, shipping costs, etc. When this occurs, the employee who completed the original purchase order shall process a change order. Please note that change orders to original contracts of \$25,000 or more require the prior approval of either the Village Manager or Village Board. For more information, please refer to the financial policy on change orders included in this manual.”

Chapter 6 Lombard Purchasing Manual – Financial Policies

“ A. Change Order Policy (BOT approved 2/16/95, resolution #58-95;06/07/16, resolution 1-13)

State statute requires Village Board approval of all change orders for \$10,000 or more and for all change orders which, when combined with those previously approved, increase or reduce the contract price by more than \$10,000. For projects with change orders exceeding 50% of the original contract amount, the contract must be rebid per state statute. The following financial policy is consistent with this statute.

It shall be the responsibility of each Department Head to ensure that all change orders are submitted to the Village Manager or Village Board for approval. In addition, Department Heads shall be responsible for monitoring all contract payouts and retainages and ensuring that the amount of the change order is correct.

Where a change order requires the approval of the Public Works Committee or Board of Local Improvements, approval shall be received prior to submitting the change order to the Village Board or Village Manager. Departments shall follow the procedures established by the Public Works Department for submitting change orders to these boards and committees.

The procedures outlined below shall not apply to professional service contracts (e.g. engineering, architectural or land surveying work). Changes to professional service contracts shall be treated as contract amendments.”

Key Steps & Components for Approving Change Orders

1. **Initiation:** A need for change (unforeseen conditions, scope adjustments) arises, often documented by the Project Manager.
2. **Proposal:** Contractor submits a detailed proposal (scope, cost, time) for the change.
3. **Review & Negotiation:** Village staff reviews, estimates, and negotiates the fair value with the contractor, potentially using Time & Materials or Lump Sum methods.
4. **Formal Documentation:** A written Change Order document is prepared, detailing new scope, cost, schedule, and contract value.
5. **Approval:** Signed by authorized village officials, adhering to local/state laws (such as the Illinois Public Works Contracts Act).
6. **Implementation:** Contractor receives formal notice to proceed with the approved change.

It is important to understand that there is no legal or policy requirement for the PWEC to change orders. The review of change orders at the PWEC level occurs after the change order has been reviewed and recommended for approval by staff. The Lombard process does not hold up work on contracts pending PWEC approval and the Committee approval occurs as part of the payment process not the construction process. The Village does not hold up the construction of a project

while approval of the change order is sought. Per State law and Village Code, the Village Board has the ultimate authority to approve a change order.

Staff has sought input from other DuPage County communities on their processes for approving change orders. Based upon a survey distributed on January 20, 2026, the Village of Lombard is the only community that has an additional review of change orders prior to Village Board approval. Each responding community indicated that they follow the State Statute to the letter of the law, but do not go beyond the requirements of State law. The Village has discussed the requirement of the PWECC review of change orders with the Village Attorney. The attorney has opined that there is not a legal requirement for the PWECC review and that Lombard’s process is unique based upon their other municipal clients. The chart below includes the language that communities have governing the approval process for change orders.

Community	Change Order Process Summary/Code Requirement
Bartlett	<i>Bartlett does not have a formal policy. They bring change orders straight to the Village Board for approval after the fact unless it is something we have time to be able to bring to the Board prior to doing the work.</i>
Bloomindale	<i>Bloomindale does not have a formal policy for change. Bloomindale does not have separate committees to review information prior to Board approval.</i>
Downers Grove	<i><u>Sec 2.47.5 Change Orders</u> Except as otherwise set forth in any particular contract the following provisions shall govern change orders. The Manager may approve change orders up to fifty thousand dollars (\$50,000), even if the original contract was approved by the Council. Any change order in excess of fifty thousand dollars (\$50,000) shall be submitted to the Council for approval. The Manager is authorized to execute change orders above fifty thousand dollars (\$50,000) in instances where the change order falls within a contract contingency authorized by the Council.</i>
Glen Ellyn	<i>Change Orders: The Village Manager is authorized to approve any change order for a Village purchase or contract which is \$35,000 or less pursuant to Section 1-10-8 (“Change Orders”) of the Village Code, as amended. Any change order more than \$35,000 must be submitted to the Village Board as an agenda item for the Board’s consideration. The Village Manager is also authorized to execute change orders above \$35,000 in instances where the change order is within a contract contingency authorized by the Village Board. If a change order for any public works contract authorizes or necessitates any increase in the contract price that is 50% or more of the original contract price or that authorizes or necessitates an increase in the price of a subcontract under the contract that is 50% or more of the original subcontract price, then the portion of the contract that is covered by the change order must be resubmitted for bidding in the same manner for which the original contract was bid pursuant to 50 ILCS 525/5 as amended. Bidding for the portion of the contract covered by the change order is subject to any requirements set forth in the original contract.</i>
Naperville	<i>2. Approval Of Change Orders And Contract Modifications: 2.1. Chief Procurement Officer: The Chief Procurement Officer may approve: 2.1.1. Any change order or contract modification that is equal to or less than the contract contingency amount established at the time of award of the original contract, and is less than thirty-five thousand dollars (\$35,000.00);</i>

	<p>2.1.2. Any change order or contract modification on a small purchase as defined in Subsection 1-9B-4.4 of this Article, provided that sufficient budgeted funds are available and the total value of the contract, as amended, does not exceed thirty-five thousand dollars (\$35,000.00); or</p> <p>2.1.3. Any administrative change order necessary to reduce, correct or roll over a budgetary encumbrance, provided said change does not increase the total value of the contract.</p> <p>2.2. City Manager: The City Manager, or the City Manager's designee, may approve:</p> <p>2.2.1. Any change order or contract modification that is equal to or less than the contract contingency amount established at the time of award of the original contract;</p> <p>2.2.2. Any change order or contract modification on a contract less than one hundred thousand dollars (\$100,000.00), provided sufficient budgeted funds are available and the total value of the contract, as amended, does not exceed one hundred thousand dollars (\$100,000.00);</p> <p>2.2.3. Any change order or contract modification that is less than ten thousand dollars (\$10,000.00), provided sufficient budgeted funds are available; or</p> <p>2.2.4. Any change order or contract modification that extends the time of completion of a project for less than ninety (90) days.</p> <p>2.3. City Council: Except as otherwise provided in Subsections 1-9B-10.2.1 and 1-9B-10.2.2 of this Section, the City Council shall approve all change orders and contract modifications.</p> <p>3. Assignment Of Contracts: No contract shall be assignable or sublet by the successful bidder or offeror without the written consent of the City. In no case may the contract or any part thereof be assigned or sublet to a vendor who has been determined to be a non-responsible bidder or offeror in consideration of bids or proposals submitted in response to the advertisement for that particular contract.</p> <p>4. Budget Approval: Prior to the issuance of any purchase order, contract, change order or contract modification, the Finance Director or designee shall certify that sufficient budgeted funds are available.</p> <p>5. Commencement Of Work: Unless otherwise authorized by the Chief Procurement Officer, no work shall be commenced, nor any supplies delivered, under any City contract until all conditions precedent as specified in the contract documents have been met, including, but not limited to:</p> <p>5.1. The contract has been duly executed by the City; and</p> <p>5.2. The contractor has furnished, where required, certificates of insurance, performance bonds and payment bonds.</p>
West Chicago	<p>Change orders. In any situation which may arise on any public improvement project, the city administrator and city engineer are authorized to approve change orders and must file a report relevant to the change order to the city council at the next regular meeting of the city council.</p>
Wheaton	<p>CHANGE ORDERS RELATED TO COST.</p> <p>When the City Council approves a contract via a resolution, the resolution may authorize a contract contingency, in an amount not to exceed 10% of the contract price. A change order that falls within the contingency amount may be approved by the City Manager. In the event the cost of a contract will exceed the original contract price, plus the approved contingency amount, a change order will need to be</p>

	<p><i>processed. Any such change order shall be approved by a majority vote of the City Council.</i></p> <p><i>The City Manager may exceed the authority set forth above, if it is deemed in the best interest of the public and the project to approve an exceptional change order; provided that based upon the recommendation of the project manager, not issuing the exceptional change order would risk unacceptable project delay and/or higher costs; and provided further, that the next regularly scheduled City Council meeting is sufficiently far in the future that not issuing the exceptional change order would significantly risk the project's ultimate cost and/or anticipated completion. In the event the City Manager approves an exceptional change order under this reasonable exception provision, he or she shall notify the City Council at the next regularly scheduled City Council meeting and seek ratification of his or her action by resolution of the City Council.</i></p> <p><i>In accordance with the Public Works Contract Change Order Act, if there is a change order for a City public works contract that authorizes or necessitates any increase in the contract price that is 50% or more of the original contract price or that authorizes or necessitates any increase in the price of a subcontract under the contract that is 50% or more of the original subcontract price, then the portion of the contract that is covered by the change order must be resubmitted for bidding in the same manner for which the original contract was bid.</i></p>
Woodridge	<p><i>Since quantities can vary (plus and minus) its often hard to know if you will be over the actual contractual amount authorized. If it is under the budgeted amount (which may be different than the bid/contract amount) and other items are tracking at or below expectations, those are handled on an administrative level. We often include a contingency line item in the bid for larger projects to account for these items that may need to happen during the work as a part of the original approval as well. If it is over \$25K and doesn't fit those options, we will take to the Board for approval if time allows. Woodridge does not have any review by a committee prior to Village Board consideration.</i></p>

It is the staff recommendation that the Village no longer have change orders reviewed by the Public Works and Environmental Concerns Committee as there is no legal requirement for such a review and that the approval from the Committee has typically occurred on a retroactive basis. The Committee's review has more to do with the payout than the work being performed. The Village Manager and the Finance Department concur with this recommendation. To ensure that the Committee is aware of project status, staff proposes that the Committee receive a quarterly update on the status of capital projects, as well as an annual Budget to Actual report for the CIP.

This recommendation has been discussed with Trustee Bachner, who concurs with the staff recommendation. This matter will be presented to the PWECC at the February 10, 2026 meeting.