



# DuPage Water Commission

600 E. Butterfield Road, Elmhurst, IL 60126-4642  
(630) 834-0100 Fax: (630) 834-0120

## AGENDA

### **FINANCE COMMITTEE**

**THURSDAY, SEPTEMBER 17, 2015  
5:45 P.M.**

**600 EAST BUTTERFIELD ROAD  
ELMHURST, IL 60126**

## COMMITTEE MEMBERS

P. Suess, Chair

R. Gans

J. Pruyn

D. Russo

J. Zay

- I. Roll Call
- II. Approval of Minutes for Regular Committee Meeting of August 20, 2015 Finance Committee of the DuPage Water Commission
- III. Approval of Reconciliations
- IV. Treasurer's Report – August 2015
- V. Financial Statements – August 2015
- VI. Update on Treasurer Position
- VII. O-6-15: An Ordinance Approving and Authorizing the Execution of a First Amendment to the Water Purchase and Sale Contract Between the DuPage Water Commission and the Village of Winfield
- VIII. O-7-15: An Ordinance Approving and Authorizing the Execution of Certain Amendments to the Water Purchase and Sale Contract Between the DuPage Water Commission and the Illinois-American Water Company
- IX. Investment Update
- X. Accounts Payable
- XI. Other
- XII. Adjournment

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All visitors must present a valid driver's license or other government-issued photo identification, sign in at the reception area and wear a visitor badge while at the DuPage Pumping Station.

**MINUTES OF A MEETING OF THE  
RESCHEDULED FINANCE COMMITTEE  
OF THE DUPAGE WATER COMMISSION  
HELD ON THURSDAY, AUGUST 20, 2015  
600 EAST BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order at 5:43 P.M.

Committee members in attendance: R. Gans, J. Pruyn, D. Russo (arrived at 5:45 P.M.), and J. Zay

Committee members absent: P. Suess

Non-Committee members in attendance: none

Also in attendance: J. Spatz (arrived at 5:46P.M.), C. Peterson, and J. Savio from Sikich LLP

**Minutes**

Chairman Zay moved to approve the Minutes of the Regular Committee Meeting of June 18, 2015 of the Finance Committee. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**Approval of Reconciliations**

Commissioner/Treasurer Pruyn stated that he had reviewed and approved the journal entries and bank reconciliations for the months of June 2015 and July 2015.

**Treasurer's Report – June and July 2015**

Commissioner/Treasurer Pruyn reviewed the written summary of the June Treasurer's Report. Cash and Investments were \$106.6M.

Market yield on the portfolio was at 78 basis points, down slightly from the prior month. The portfolio was showing unrealized gains of nearly \$115,645 compared to unrealized gains at the prior year end of approximately \$215,000.

Commissioner/Treasurer Pruyn detailed the \$7.0M increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets.

Commissioner/Treasurer Pruyn reviewed the written summary of the July Treasurer's Report. Cash and Investments were \$108.2M.

Market yield on the portfolio was at 79 basis points, up slightly from the prior month. The portfolio was showing unrealized gains of nearly \$183,215 compared to unrealized gains at the prior year end of approximately \$215,000.

Commissioner/Treasurer Pruyn detailed the \$8.6M increase year-to-date on the Statement of Cash Flows. All targeted reserve levels were met or exceeded targets.

### **Request for Board Action**

General Manager Spatz explained the request was to move funds from the General Account to the Operating Reserve Account. The Commission has been funding this reserve to its minimum balance that equals 120 days of coverage. In addition to being able to invest the funds longer term for higher yields, the Commission would add approximately 15 days of additional coverage against its current year budget.

### **Update on Treasurer Position**

General Manager Spatz discussed the number of resumes received and the interview process. General Manager Spatz reviewed what steps were taken during the last interview process. Chairman Zay stated that he would like the full Commission to have a chance to question the top candidate. The Committee decided that the process would be similar to last time, but in the main Commission meeting the first action item would be to go into Executive Session to meet with the top candidate and discuss hiring a Treasurer.

### **Subsequent Customer Monthly Charges**

General Manager Spatz stated that Commission staff had previously talk to or reached out to the subsequent customers to determine the entities level of interest in accelerating missed fixed cost and local facilities charges. He also reviewed with the Committee the differences within the contracts for the four subsequent customers regarding prepayment. A discussion was had regarding next steps including further legal review of contracts, additional discussions with subsequent customers, and when the payments could possibly be made. The Committee asked General Manager Spatz to move forward with legal counsel to further investigate the Commission's next steps in possibly allowing additional or first time prepayments with the subsequent customers on missed fixed cost and local facilities charges.

### **Financial Statements – June and July 2015**

There were no questions or comments regarding the financial statements.

### **2015 Audit**

The Committee asked Jim Savio, partner at Sikich LLC, if he would give his presentation at the main Commission Board meeting.

**Accounts Payable**

Financial Administrator Peterson presented the Accounts Payable to the committee members. The numbers below were to be presented in the General Meeting.

June 10, 2015 to July 7, 2015	\$8,733,726.11
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<u>Estimated</u>	<u>\$1,223,090.00</u>
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Total	\$9,956,816.11
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July 8, 2015 to August 11, 2015	\$9,991,583.21
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<u>Estimated</u>	<u>\$1,563,075.00</u>
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Total	\$11,554,658.21
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Chairman Zay moved to present the Accounts Payable as listed to the Commission Board. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

**Other**

None

**Adjournment**

Commissioner Gans moved to adjourn the meeting at 6:04 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.



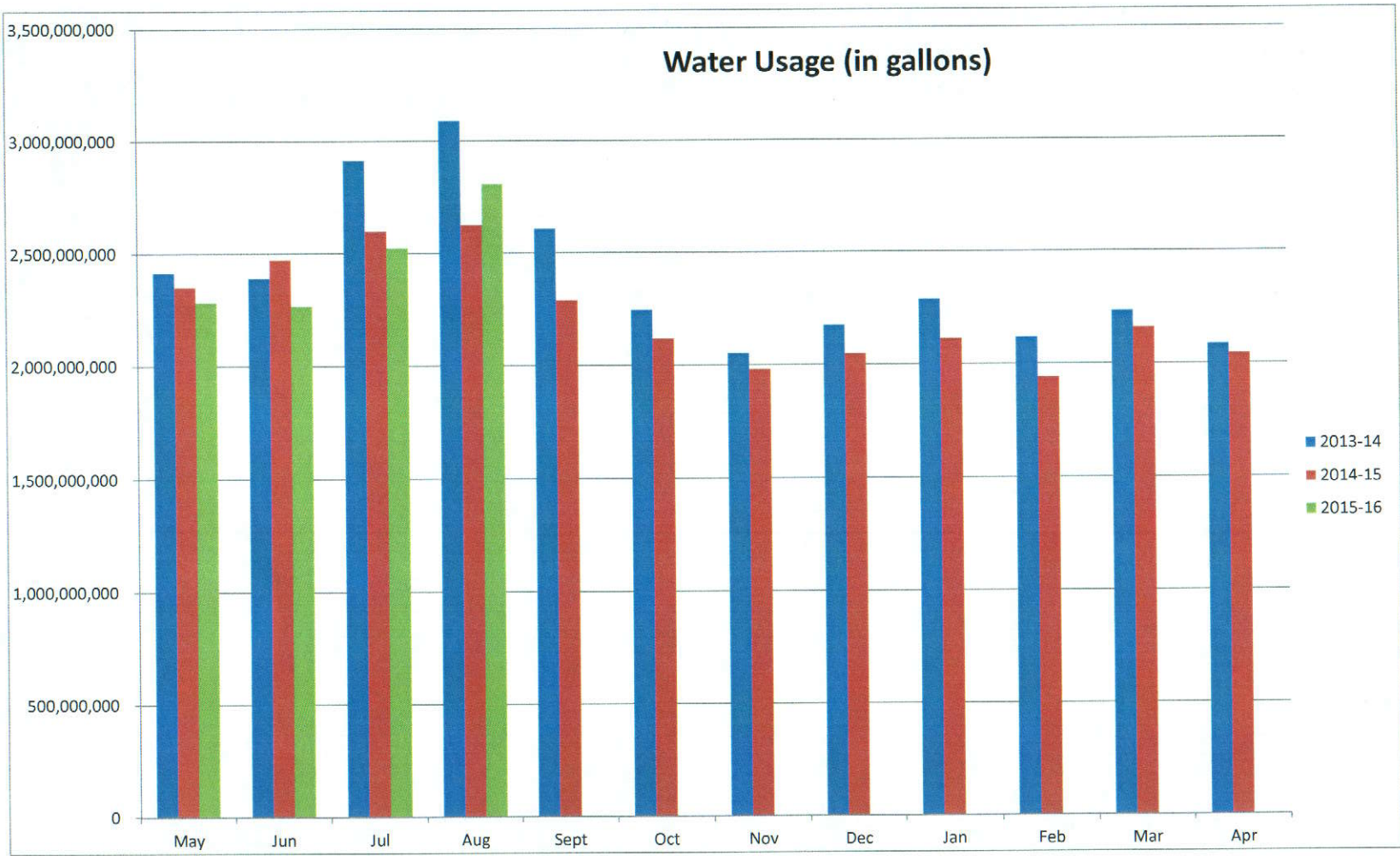
# DuPage Water Commission

## MEMORANDUM

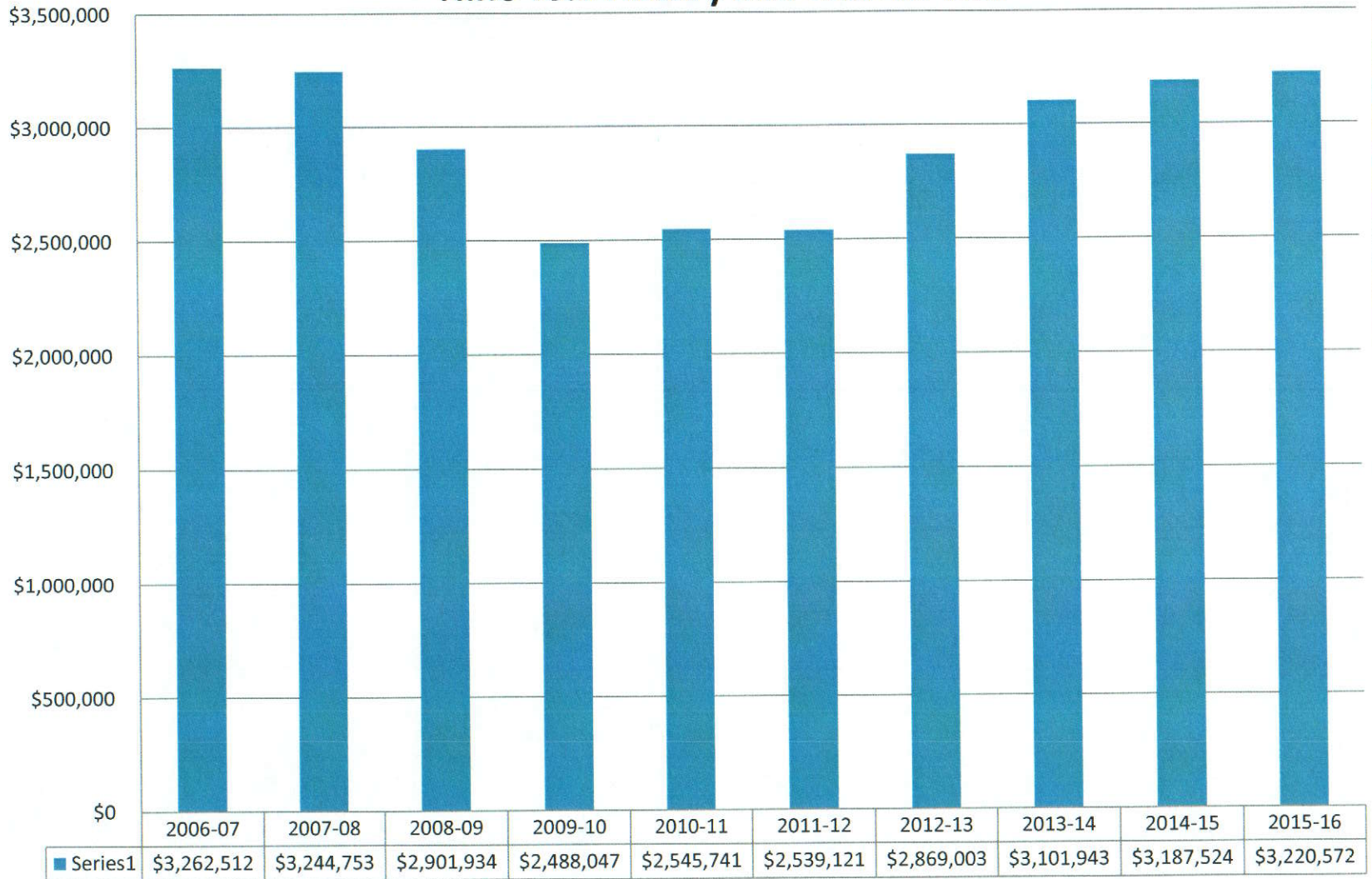
TO: John Spatz, General Manager  
FROM: Cheryl Peterson, Financial Administrator *CP*  
DATE: September 8, 2015  
SUBJECT: Financial Report – August 31, 2015

- Water sales to Commission customers for August 2015 were 177.3 million gallons (7.0%) higher than August 2014, and increased by 274.9 million gallons compared to July 2015. Year-to-date water sales were down by 148.3 million gallons or 1.5% compared to the prior fiscal year.
- Water sales to Commission customers for August were 131.2 million gallons (5.1%) higher than the budgeted anticipated/forecasted sales for the month. Year-to-date water sales were 481.4 million gallons (4.8%) below the budgeted anticipated/forecasted sales.
- August sales tax collections (May) were \$3.2 million which is 1.0% more than the same period last fiscal year. Cumulatively, sales tax collections were approximately \$210,000 (1.8%) more than prior year. Adjusted for seasonality, sales tax collections were about \$611,000 over budgeted collections through August 2015.
- For the month of August, water billings to customers for O&M costs were \$13.2 million and water purchases from the City of Chicago was \$10.7 million. Water billing receivables at August month end (\$16.1 million) increased compared to the prior month (\$14.7 million) primarily due to higher water sales in the current month.
- The Commission is four months or 33% into the fiscal year. As of August 31, 2015, \$58.9 million of the \$160.8 million revenue budget has been realized. Therefore, 37% of the revenue budget has been accounted for year to date. For the same period, \$43.5 million of the \$123.3 million expenditure budget has been realized, and this accounts for 35% of the expenditure budget.
- Adjusted for seasonality based on a monthly trend, year to date revenues are 97% percent of the current budget and expenses are 92% of the current budget.
- The Operating Reserve, Capital Reserve and Long Term Water Capital Accounts had reached their respective 2015/2016 fiscal year end targeted levels. The O&M, General Account and the Sales Tax Subaccount have balances of \$18.5 million, \$7.0 million and \$2.1 million, respectively.
- Debt Balances declined by approximately \$0.9 million to \$8.1 million outstanding in the current month.

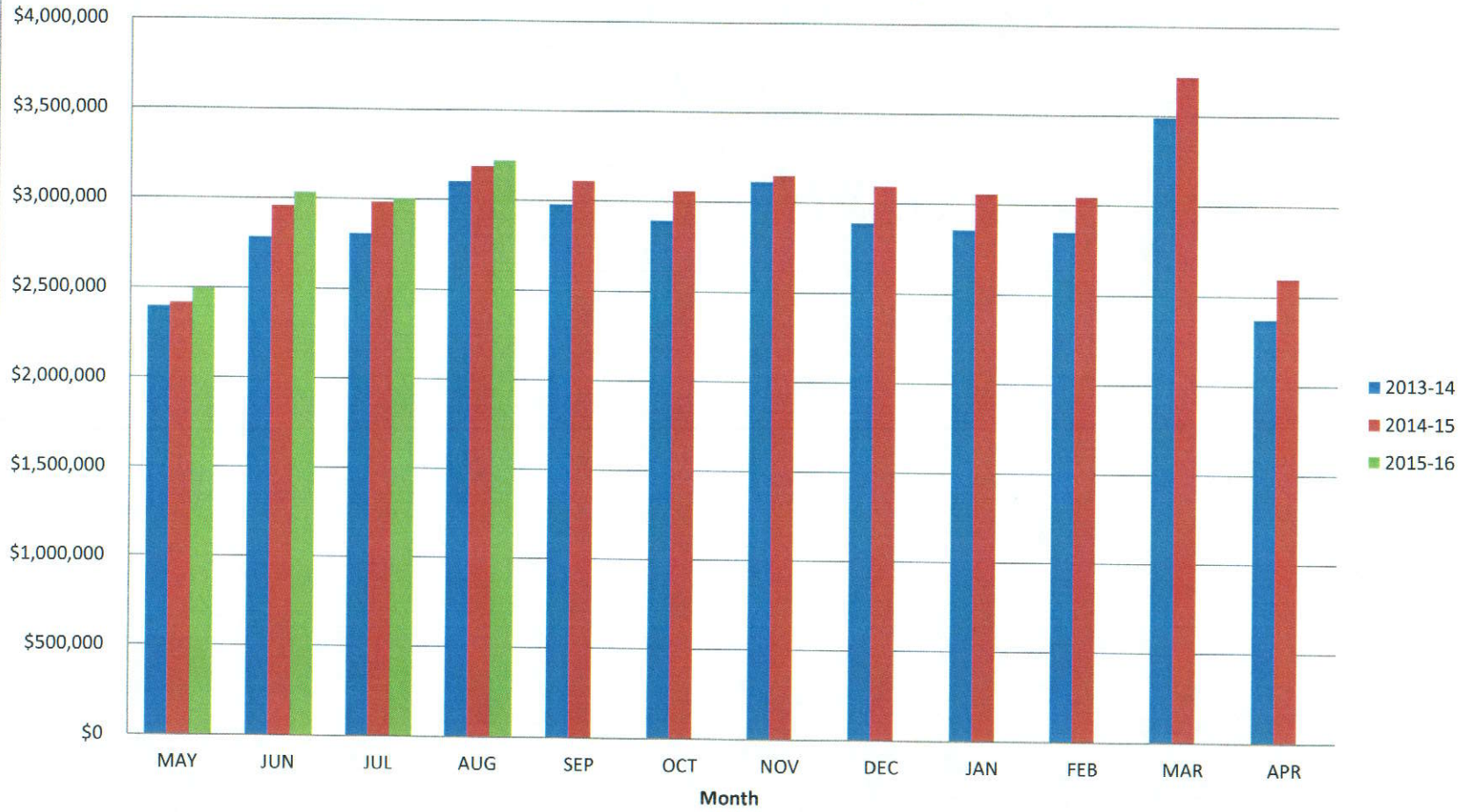
cc: Chairman and Commissioners



### DuPage Water Commission - Sales Tax Collections - Month of August - Nine Year History and Current Year



### Three Year Sales Tax Analysis





DuPage Water Commission

Summary of Specific Account Target and Summary of Net Assets

August 31, 2015

Revenue Bond Ordinance Accounts and Commission Policy Reserves	Account / Reserve Assets Balance (1)	Offsetting Liabilities	Year-End Specific Account Target	Status
Operations and Maintenance Account	\$ 18,542,525.95	\$ 12,747,885.36		Positive Net Assets
Revenue Bond Interest Account	\$ 8,610.40	\$ 6,162.03		Positive Net Assets
Revenue Bond Principal Account	\$ 906,750.00	\$ 898,250.00		Positive Net Assets
General Account	\$ 7,042,128.07	\$ -		Positive Net Assets
Sales Tax Subaccount	\$ 2,126,312.57	\$ 139,716.41		Positive Net Assets
Operating Reserve	\$ 46,153,578.61		\$ 40,158,396.00	Target Met
Capital Reserve	\$ 29,413,259.22		\$ 29,180,884.00	Target Met
L-T Water Capital Reserve	\$ 7,976,746.48		\$ 7,825,000.00	Target Met
	\$ 112,169,911.30	\$ 13,792,013.80	\$ 77,164,280.00	\$ 21,213,617.50

Total Net Assets - All Commission Accounts

Unrestricted	\$ 120,734,474.82
Principal & Interest Accounts	\$ 904,412.03
Invested in Capital Assets, net	\$ 343,059,983.13
Total	\$ 464,698,869.98

(1) Includes Interest Receivable



	Current Year Balance	Prior Year Balance	Variance Favorable / (Unfavorable)
<b>Fund: 01 - WATER FUND</b>			
<b>Assets</b>			
<b>Level1: 10 - CURRENT ASSETS</b>			
110 - CASH	4,411,808.44	2,851,097.92	1,560,710.52
120 - INVESTMENTS	107,489,000.12	78,968,018.74	28,520,981.38
131 - WATER SALES	16,116,229.81	13,677,582.05	2,438,647.76
132 - INTEREST RECEIVABLE	269,102.74	137,277.12	131,825.62
133 - SALES TAX RECEIVABLE	8,295,000.00	7,900,000.00	395,000.00
134 - OTHER RECEIVABLE	215,019.18	-46,615.39	261,634.57
150 - INVENTORY	150,968.00	167,080.00	-16,112.00
155 - PREPAIDS	180,912.82	180,982.54	-69.72
<b>Total Level1 10 - CURRENT ASSETS:</b>	<b>137,128,041.11</b>	<b>103,835,422.98</b>	<b>33,292,618.13</b>
<b>Level1: 17 - NONCURRENT ASSETS</b>			
170 - FIXED ASSETS	500,584,736.75	500,227,930.75	356,806.00
175 - LESS: ACCUMULATED DEPRECIATION	-152,796,805.79	-144,803,474.34	-7,993,331.45
180 - CONSTRUCTION IN PROGRESS	3,005,172.29	385,494.53	2,619,677.76
190 - LONG-TERM RECEIVABLES	490,437.35	539,481.08	-49,043.73
<b>Total Level1 17 - NONCURRENT ASSETS:</b>	<b>351,283,540.60</b>	<b>356,349,432.02</b>	<b>-5,065,891.42</b>
<b>Total Assets:</b>	<b>488,411,581.71</b>	<b>460,184,855.00</b>	<b>28,226,726.71</b>
<b>Liability</b>			
<b>Level1: 21 - CURRENT LIABILITIES</b>			
210 - ACCOUNTS PAYABLE	11,244,222.54	8,952,160.24	-2,292,062.30
211 - OTHER CURRENT LIABILITIES	1,229,457.00	515,185.79	-714,271.21
220 - ACCOUNTS PAYBLE CAPITAL	6,277.95	5,892.16	-385.79
225 - ACCRUED PAYROLL LIABILITIES	77,424.86	57,080.89	-20,343.97
226 - ACCRUED VACATION	196,780.96	183,132.71	-13,648.25
232 - NOTES PAYABLE	0.00	7,000,000.00	7,000,000.00
234 - BONDS PAYABLE	7,186,000.00	9,404,000.00	2,218,000.00
244 - ACCRUED INTEREST	6,162.03	40,590.99	34,428.96
250 - CONTRACT RETENTION	75,525.56	5,957.96	-69,567.60
251 - CUSTOMER DEPOSITS	64,190.85	64,190.85	0.00
270 - DEFERRED REVENUE	3,037,725.84	3,388,232.64	350,506.80
<b>Total Level1 21 - CURRENT LIABILITIES:</b>	<b>23,123,767.59</b>	<b>29,616,424.23</b>	<b>6,492,656.64</b>
<b>Level1: 25 - NONCURRENT LIABILITIES</b>			
282 - CAPITAL LEASE PAYABLE	3,239.90	12,558.68	9,318.78
283 - REVENUE BONDS	898,300.00	11,954,550.00	11,056,250.00
284 - UNAMORTIZED PREMIUM	-366,859.76	-856,005.92	-489,146.16
297 - OTHER POST EMPLOYMENT BENEFITS LIABILITY	54,264.00	52,362.00	-1,902.00
<b>Total Level1 25 - NONCURRENT LIABILITIES:</b>	<b>588,944.14</b>	<b>11,163,464.76</b>	<b>10,574,520.62</b>
<b>Total Liability:</b>	<b>23,712,711.73</b>	<b>40,779,888.99</b>	<b>17,067,177.26</b>
<b>Equity</b>			
<b>Level1: 30 - EQUITY</b>			
300 - EQUITY	449,334,103.32	405,688,713.88	43,645,389.44
<b>Total Level1 30 - EQUITY:</b>	<b>449,334,103.32</b>	<b>405,688,713.88</b>	<b>43,645,389.44</b>
<b>Total Beginning Equity:</b>	<b>449,334,103.32</b>	<b>405,688,713.88</b>	<b>43,645,389.44</b>

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Board Balance Sheet

As Of 08/31/2015

	Current Year Balance	Prior Year Balance	Variance Favorable / (Unfavorable)
Total Revenue	58,851,014.68	53,025,887.94	5,825,126.74
Total Expense	43,486,248.02	39,309,635.81	-4,176,612.21
Revenues Over/(Under) Expenses	<u>15,364,766.66</u>	<u>13,716,252.13</u>	<u>1,648,514.53</u>
Total Equity and Current Surplus (Deficit):	464,698,869.98	419,404,966.01	45,293,903.97
Total Liabilities, Equity and Current Surplus (Deficit):	<u>488,411,581.71</u>	<u>460,184,855.00</u>	<u>28,226,726.71</u>



		August 2015-2016 Budget	August 2015-2016 Activity	2015-2016 Seasonal YTD Bud	2015-2016 YTD Activity	Seasonal Percent Used	2015-2016 Total Budget	Total Percent Used
<b>01 - WATER FUND</b>								
<b>Revenue</b>								
<b>510 - WATER SERVICE</b>								
								% of Year Completed: 33%
01-511100	O&M PAYMENTS- GOVERNMENTAL	(12,253,716.75)	(12,908,793.95)	(47,603,316.71)	(45,408,197.75)	95 %	(121,685,369.95)	37 %
01-511200	O&M PAYMENTS- PRIVATE	(309,044.14)	(290,204.60)	(1,200,576.64)	(1,060,743.50)	88 %	(3,068,958.75)	35 %
01-513100	SUBSEQUENT CUSTOMER - GO	(27,091.67)	(32,008.69)	(108,366.64)	(128,034.76)	118 %	(325,100.00)	39 %
01-513200	SUBSEQUENT CUSTOMER - PRIVAT	(48,191.67)	(54,427.62)	(192,766.64)	(217,710.48)	113 %	(578,300.00)	38 %
01-514100	EMERGENCY WATER SERVICE- GOV	(1,657.25)	(8,531.15)	(6,629.00)	(11,673.95)	176 %	(19,887.00)	59 %
510 - WATER SERVICE Totals:		(12,639,701.48)	(13,293,966.01)	(49,111,655.63)	(46,826,360.44)	95 %	(125,677,615.70)	37 %
<b>520 - TAXES</b>								
								% of Year Completed: 33%
01-530010	SALES TAXES - WATER REVENUE	(2,986,967.98)	(3,220,572.16)	(11,145,438.50)	(11,756,925.34)	105 %	(27,793,600.00)	42 %
01-530030	WATER FUND - GENERAL	0.00	0.00	0.00	0.00	0 %	(6,948,400.00)	0 %
520 - TAXES Totals:		(2,986,967.98)	(3,220,572.16)	(11,145,438.50)	(11,756,925.34)	105 %	(34,742,000.00)	34 %
<b>540 - OTHER INCOME</b>								
								% of Year Completed: 33%
01-581000	INVESTMENT INCOME	(29,791.66)	(41,549.89)	(119,166.64)	(253,808.90)	213 %	(357,500.00)	71 %
01-590000	OTHER INCOME	0.00	0.00	0.00	(13,920.00)	0 %	0.00	0 %
540 - OTHER INCOME Totals:		(29,791.66)	(41,549.89)	(119,166.64)	(267,728.90)	225 %	(357,500.00)	75 %
<b>Revenue Totals:</b>		<b>(15,656,461.12)</b>	<b>(16,556,088.06)</b>	<b>(60,376,260.77)</b>	<b>(58,851,014.68)</b>	<b>97 %</b>	<b>(160,777,115.70)</b>	<b>37 %</b>

		August 2015-2016 Budget	August 2015-2016 Activity	2015-2016 Seasonal YTD Bud	2015-2016 YTD Activity	Seasonal Percent Used	2015-2016 Total Budget	Total Percent Used
<b>Expense</b>								
<b>610 - PERSONNEL SERVICES</b>								
								% of Year Completed: 33%
01-60-611100	ADMIN SALARIES	101,782.35	89,399.25	431,521.39	377,404.35	87 %	1,277,068.39	30 %
01-60-611200	OPERATIONS SALARIES	119,247.85	118,616.28	511,193.11	457,338.19	89 %	1,526,861.20	30 %
01-60-611300	SUMMER INTERNS	6,000.00	3,591.25	22,000.00	24,976.75	114 %	24,000.00	104 %
01-60-611600	ADMIN OVERTIME	616.67	214.38	2,466.64	471.42	19 %	7,400.00	6 %
01-60-611700	OPERATIONS OVERTIME	12,106.48	9,334.64	47,381.54	47,840.31	101 %	137,417.51	35 %
01-60-612100	PENSION	26,556.54	23,944.01	106,226.16	96,984.77	91 %	318,678.49	30 %
01-60-612200	MEDICAL/LIFE BENEFITS	40,980.14	36,069.95	163,920.56	133,118.45	81 %	660,970.00	20 %
01-60-612300	FEDERAL PAYROLL TAXES	18,951.26	15,775.91	75,805.04	65,731.93	87 %	227,415.15	29 %
01-60-612800	STATE UNEMPLOYMENT	406.25	67.90	1,625.00	284.56	18 %	4,875.00	6 %
01-60-613100	TRAVEL	900.00	575.00	3,600.00	2,915.38	81 %	10,800.00	27 %
01-60-613200	TRAINING	3,920.83	370.00	15,683.32	2,712.89	17 %	47,050.00	6 %
01-60-613301	CONFERENCES	3,000.00	0.00	16,441.66	6,605.33	40 %	32,650.00	20 %
01-60-619100	OTHER PERSONNEL COSTS	2,191.66	265.00	8,766.64	1,376.66	16 %	26,300.00	5 %
<b>610 - PERSONNEL SERVICES Totals:</b>		<b>336,660.03</b>	<b>298,223.57</b>	<b>1,406,631.06</b>	<b>1,217,760.99</b>	<b>87 %</b>	<b>4,301,485.74</b>	<b>28 %</b>
<b>620 - CONTRACT SERVICES</b>								
								% of Year Completed: 33%
01-60-621000	WATER CONSERVATION PROGRAM	2,083.33	0.00	8,333.32	4,914.85	59 %	25,000.00	20 %
01-60-623300	TRUST SERVICES & BANK CHARGE	5,666.66	5,859.58	22,666.64	22,191.47	98 %	68,000.00	33 %
01-60-625100	LEGAL SERVICES- GENERAL	7,500.00	3,156.60	30,000.00	9,946.93	33 %	90,000.00	11 %
01-60-625300	LEGAL SERVICES- SPECIAL	4,166.67	0.00	16,666.64	0.00	0 %	50,000.00	0 %
01-60-625800	LEGAL NOTICES	2,458.33	2,693.00	9,833.32	15,972.00	162 %	29,500.00	54 %
01-60-626000	AUDIT SERVICES	1,000.00	0.00	32,000.00	29,890.00	93 %	32,000.00	93 %
01-60-628000	CONSULTING SERVICES	20,875.00	850.00	83,500.00	21,450.00	26 %	250,500.00	9 %
01-60-629000	CONTRACTUAL SERVICES	31,133.34	22,835.60	124,533.36	65,770.12	53 %	373,600.08	18 %
<b>620 - CONTRACT SERVICES Totals:</b>		<b>74,883.33</b>	<b>35,394.78</b>	<b>327,533.28</b>	<b>170,135.37</b>	<b>52 %</b>	<b>918,600.08</b>	<b>19 %</b>
<b>640 - INSURANCE</b>								
								% of Year Completed: 33%
01-60-641100	GENERAL LIABILITY INSURANCE	4,291.66	3,606.70	17,166.64	14,426.80	84 %	51,500.00	28 %
01-60-641200	PUBLIC OFFICIAL LIABILITY	1,858.33	1,588.17	7,433.32	6,352.64	85 %	22,300.00	28 %
01-60-641500	WORKER'S COMPENSATION	8,750.00	8,017.00	35,000.00	32,068.00	92 %	105,000.00	31 %
01-60-641600	EXCESS LIABILITY COVERAGE	2,916.67	2,585.08	11,666.64	10,340.32	89 %	35,000.00	30 %
01-60-642100	PROPERTY INSURANCE	31,750.00	29,477.16	127,000.00	117,908.64	93 %	381,000.00	31 %
01-60-642200	AUTOMOBILE INSURANCE	1,250.00	867.75	5,000.00	3,471.00	69 %	15,000.00	23 %
01-60-649100	SELF INSURANCE PROPERTY	4,166.66	0.00	16,666.64	0.00	0 %	50,000.00	0 %
<b>640 - INSURANCE Totals:</b>		<b>54,983.32</b>	<b>46,141.86</b>	<b>219,933.24</b>	<b>184,567.40</b>	<b>84 %</b>	<b>659,800.00</b>	<b>28 %</b>

		August 2015-2016 Budget	August 2015-2016 Activity	2015-2016 Seasonal YTD Bud	2015-2016 YTD Activity	Seasonal Percent Used	2015-2016 Total Budget	Total Percent Used
<b>650 - OPERATIONAL SUPPORT SRVS</b>								
% of Year Completed: 33%								
01-60-651200	GENERATOR DIESEL FUEL	9,375.00	0.00	37,500.00	0.00	0 %	112,500.00	0 %
01-60-651300	NATURAL GAS	2,750.00	148.59	11,000.00	1,780.27	16 %	33,000.00	5 %
01-60-651401	TELEPHONE	2,178.33	2,337.08	8,713.32	9,785.47	112 %	26,140.00	37 %
01-60-651402	CELL PHONE & CORR. TELEMETRY	2,508.33	1,022.03	10,033.32	3,664.15	37 %	30,100.00	12 %
01-60-651403	RADIOS	780.00	0.00	3,120.00	0.00	0 %	9,360.00	0 %
01-60-651404	REPAIRS & EQUIPMENT	391.67	0.00	1,566.64	0.00	0 %	4,700.00	0 %
01-60-652100	OFFICE SUPPLIES	2,531.66	531.93	10,126.64	2,516.43	25 %	30,380.00	8 %
01-60-652200	BOOKS & PUBLICATIONS	366.33	0.00	1,465.32	0.00	0 %	4,396.00	0 %
01-60-653100	PRINTING- GENERAL	720.83	0.00	2,883.36	0.00	0 %	8,650.00	0 %
01-60-653200	POSTAGE & DELIVERY	550.00	158.05	2,200.00	4,335.99	197 %	6,600.00	66 %
01-60-654000	PROFESSIONAL DUES	708.33	2,250.00	6,933.32	2,575.00	37 %	21,700.00	12 %
01-60-655000	REPAIRS & MAINT- OFFICE EQUI	693.33	346.73	2,773.32	1,327.49	48 %	8,320.00	16 %
01-60-656000	REPAIRS & MAINT- BLDGS & GRN	17,803.33	10,096.44	71,213.32	42,050.39	59 %	213,640.00	20 %
01-60-658000	COMPUTER SOFTWARE	1,016.66	0.00	4,066.64	355.08	9 %	12,200.00	3 %
01-60-659000	COMPUTER/SOFTWARE MAINTENA	7,950.41	10,666.54	31,801.64	16,056.80	50 %	95,405.00	17 %
01-60-659100	OTHER ADMINISTRATIVE EXPENSE	1,241.67	405.31	4,966.64	635.33	13 %	14,900.00	4 %
<b>650 - OPERATIONAL SUPPORT SRVS Totals:</b>		<b>51,565.88</b>	<b>27,962.70</b>	<b>210,363.48</b>	<b>85,082.40</b>	<b>40 %</b>	<b>631,991.00</b>	<b>13 %</b>
<b>660 - WATER OPERATION</b>								
% of Year Completed: 33%								
01-60-661101	WATER BILLING	10,346,543.49	10,703,441.92	40,194,317.91	37,667,191.08	94 %	102,746,211.48	37 %
01-60-661102	ELECTRICITY	130,910.00	90,000.00	508,560.00	320,334.07	63 %	1,300,000.00	25 %
01-60-661103	OPERATIONS & MAINTENANCE	38,000.00	25,150.76	152,000.00	112,480.62	74 %	456,000.00	25 %
01-60-661201	PUMP STATION	158,333.33	160,215.02	633,333.32	575,649.00	91 %	1,900,000.00	30 %
01-60-661202	METER STATION, ROV, TANK SITE	10,083.33	6,904.26	40,333.32	28,636.36	71 %	121,000.00	24 %
01-60-661300	WATER CHEMICALS	2,225.00	3,644.92	8,900.00	5,696.00	64 %	26,700.00	21 %
01-60-661400	WATER TESTING	2,062.50	388.94	8,250.00	5,636.78	68 %	24,750.00	23 %
01-60-662000	PUMP STATION - OPERATING	0.00	53.10	0.00	53.10	0 %	0.00	0 %
01-60-662100	PUMPING SERVICES	18,483.33	0.00	73,933.32	1,978.00	3 %	221,800.00	1 %
01-60-662300	METER TESTING & REPAIRS	1,508.33	4,144.17	6,033.32	5,656.33	94 %	18,100.00	31 %
01-60-662400	SCADA / INSTRUMENTATION	3,366.66	202.00	13,466.64	14,257.73	106 %	40,400.00	35 %
01-60-662500	EQUIPMENT RENTAL	975.00	0.00	3,900.00	0.00	0 %	11,700.00	0 %
01-60-662600	UNIFORMS	2,500.00	191.24	10,000.00	2,424.37	24 %	30,000.00	8 %
01-60-662700	SAFETY	5,682.91	210.00	22,731.64	5,743.75	25 %	68,195.00	8 %
01-60-663100	PIPELINE REPAIRS	37,500.00	11,850.00	150,000.00	154,448.09	103 %	450,000.00	34 %
01-60-663200	COR TESTING & MITIGATION	1,458.33	589.60	5,833.32	589.60	10 %	17,500.00	3 %
01-60-663300	REMOTE FACILITIES MAINTENANCE	16,541.66	2,449.64	66,166.64	22,535.72	34 %	198,500.00	11 %
01-60-663400	PLAN REVIEW- PIPELINE CONFLI	1,700.00	92.00	21,700.00	17,581.50	81 %	80,000.00	22 %
01-60-663700	PIPELINE SUPPLIES	6,945.83	1,382.42	58,344.99	4,551.48	8 %	83,350.00	5 %
01-60-664000	MACHINERY & EQUIP- NON CAP	1,595.83	0.00	6,383.32	0.00	0 %	19,150.00	0 %

		August 2015-2016 Budget	August 2015-2016 Activity	2015-2016 Seasonal YTD Bud	2015-2016 YTD Activity	Seasonal Percent Used	2015-2016 Total Budget	Total Percent Used
01-60-664100	REPAIRS & MAINT- VEHICLES	3,291.67	1,111.57	13,166.64	4,455.86	34 %	39,500.00	11 %
01-60-664200	FUEL- VEHICLES	3,100.00	1,514.34	12,400.00	6,660.38	54 %	37,200.00	18 %
01-60-664300	LICENSES- VEHICLES	179.16	0.00	716.64	0.00	0 %	2,150.00	0 %
660 - WATER OPERATION Totals:		10,792,986.36	11,013,535.90	42,010,471.02	38,956,559.82	93 %	107,892,206.48	36 %

**670 - BOND INTEREST**

% of Year Completed: 33%

01-60-672200	BOND INTEREST- REV BONDS	48,333.33	47,413.25	195,333.32	193,907.75	99 %	580,000.00	33 %
01-60-672400	INTEREST EXPENSE	83.33	54.50	333.32	242.13	73 %	1,000.00	24 %
670 - BOND INTEREST Totals:		48,416.66	47,467.75	195,666.64	194,149.88	99 %	581,000.00	33 %

**680 - LAND & LAND RIGHTS**

% of Year Completed: 33%

01-60-681000	LEASES	83.33	0.00	333.32	0.00	0 %	1,000.00	0 %
01-60-682000	PERMITS & FEES	1,204.16	0.00	4,816.64	2,995.00	62 %	14,450.00	21 %
680 - LAND & LAND RIGHTS Totals:		1,287.49	0.00	5,149.96	2,995.00	58 %	15,450.00	19 %

**685 - CAPITAL EQUIP / DEPREC**

% of Year Completed: 33%

01-60-685100	COMPUTERS	2,000.00	0.00	8,000.00	3,559.88	44 %	24,000.00	15 %
01-60-685200	OFFICE FURNITURE & EQUIPMT	1,416.66	0.00	5,666.64	0.00	0 %	17,000.00	0 %
01-60-685600	MACHINERY & EQUIPMENT	7,083.33	0.00	28,333.32	0.00	0 %	85,000.00	0 %
01-60-685800	CAPITALIZED EQUIP	(8,500.00)	0.00	(34,000.00)	0.00	0 %	(102,000.00)	0 %
01-60-692000	DEPRECIATION- TRANS MAINS	380,416.67	378,977.25	1,521,666.64	1,515,909.02	100 %	4,565,000.00	33 %
01-60-693000	DEPRECIATION- BUILDINGS	216,666.67	215,203.31	866,666.64	860,813.24	99 %	2,600,000.00	33 %
01-60-694000	DEPRECIATION-PUMPING EQUIPME	75,833.33	62,410.53	303,333.36	249,642.21	82 %	910,000.00	27 %
01-60-695200	DEPRECIATION- OFFICE FURN &	8,250.00	6,975.02	33,000.00	27,900.14	85 %	99,000.00	28 %
01-60-696000	DEPRECIATION- VEHICLES	5,166.67	4,293.19	20,666.64	17,172.67	83 %	62,000.00	28 %
685 - CAPITAL EQUIP / DEPREC Totals:		688,333.33	667,859.30	2,753,333.24	2,674,997.16	97 %	8,260,000.00	32 %


**710 - CONSTRUCTION IN PROGRESS**

% of Year Completed: 33%

		August 2015-2016 Budget	August 2015-2016 Activity	2015-2016 Seasonal YTD Bud	2015-2016 YTD Activity	Seasonal Percent Used	2015-2016 Total Budget	Total Percent Used
01-60-721600	ROOF REPLACEMENT	58,333.33	229,130.00	233,333.32	644,130.00	276 %	700,000.00	92 %
01-60-721800	RESERVOIR HATCH REPLACEMENT	10,416.66	1,504.30	41,666.64	7,708.57	19 %	125,000.00	6 %
01-60-721900	EFFLUENT VAULT STAIRS REPLACEM	10,833.33	21,529.70	43,333.32	27,433.17	63 %	130,000.00	21 %
01-60-770701	STANDPIPE PAINTING-CONSTR	186,000.00	29,595.50	744,000.00	1,580,987.00	212 %	2,232,000.00	71 %
01-60-770801	STANDPIPE MIXING SYSTEM-CONST	66,666.67	2,375.05	266,666.64	2,375.05	1 %	800,000.00	0 %
01-60-771000	VALVE REHAB & REPLACEMENT	25,000.00	0.00	100,000.00	0.00	0 %	300,000.00	0 %
01-60-771100	METER REPLACEMENT	8,333.33	298.92	33,333.32	3,749.41	11 %	100,000.00	4 %
01-60-771200	CONDITION ASSESSMENT	68,750.00	0.00	275,000.00	3,125.57	1 %	825,000.00	0 %
01-60-771400	HL PUMP VIBRATION MONITORING	20,825.00	0.00	83,300.00	0.00	0 %	250,000.00	0 %
01-60-771500	PORTABLE GENERATOR EMERG UP(C	4,581.50	0.00	18,326.00	0.00	0 %	55,000.00	0 %
01-60-771600	GEN BLDG-WALL & MASONRY REHA	66,383.43	144.90	265,533.72	144.90	0 %	796,920.00	0 %
01-60-771700	REPLACEMENT OF SCADA SYSTEM	41,650.00	0.00	166,600.00	0.00	0 %	500,000.00	0 %
01-60-771800	REPLACEMENT OF TELEPHONE SYS	4,998.00	0.00	19,992.00	0.00	0 %	60,000.00	0 %
01-60-771900	HIGHLIFT PUMP REHAB	20,825.00	0.00	83,300.00	0.00	0 %	250,000.00	0 %
01-60-798000	CAPITALIZED FIXED ASSETS	(593,660.00)	(284,578.37)	(2,374,640.00)	(2,269,653.67)	96 %	(7,123,920.00)	32 %
710 - CONSTRUCTION IN PROGRESS Totals:		(63.75)	0.00	(255.04)	0.00	0 %	0.00	0 %
Expense Totals:		12,049,052.65	12,136,585.86	47,128,826.88	43,486,248.02	92 %	123,260,533.30	35 %
01 - WATER FUND Totals:		(3,607,408.47)	(4,419,502.20)	(13,247,433.89)	(15,364,766.66)	116 %	(37,516,582.40)	41 %



## REQUEST FOR BOARD ACTION

<b>AGENDA SECTION</b> Finance Committee	<b>ORIGINATING DEPARTMENT</b> Finance
<b>ITEM</b> An Ordinance Approving and Authorizing the Execution of a First Amendment to the Water Purchase and Sale Contract Between the DuPage Water Commission and the Village of Winfield  Ordinance No. O-6-15	<b>APPROVAL</b>  
<p>Account No. 01-513100</p> <p>Ordinance No. O-6-15 would authorize the Commission to execute and attest, respectively, the First Amendment to the Water Purchase and Sale Contracts between the DuPage Water Commission and the Village of Winfield once the Chairman has been presented with a copy of the First Amendment executed by the Village.</p> <p>The Amendment to the contract is in regards to prepayments. It allows Winfield to prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to the Water Purchase and Sale Contracts between the DuPage Water Commission and the Village of Winfield, without premium or penalty, no more frequently than once in any given year, at any time during the month of December.</p> <p>The revised language in relation to prepayment options is similar to the language in other subsequent customer contracts with the Commission.</p>	
<p><b>MOTION:</b> To adopt Ordinance No. O-6-15.</p>	

## DUPAGE WATER COMMISSION

## ORDINANCE NO. O-6-15

## AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A FIRST AMENDMENT TO THE WATER PURCHASE AND SALE CONTRACT BETWEEN THE DUPAGE WATER COMMISSION AND THE VILLAGE OF WINFIELD

WHEREAS, the DuPage Water Commission (the "Commission") was formed and exists pursuant to 65 ILCS 5/11-135-1 *et seq.*, and the Water Commission Act of 1985, 70 ILCS 3720/0.01 *et seq.*, for the purposes of securing an adequate source and supply of water for its customers; and

WHEREAS, the Commission and the Village of Winfield (the "Village") have entered into a Water Purchase and Sale Contract, dated July 13, 1995, for the sale by the Commission of water to the Village for the potable water distribution system owned and operated by the Village; and

WHEREAS, the Commission and the Village desire to amend the above-referenced contract to provide for the optional prepayment of certain amounts due thereunder.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are hereby incorporated herein as findings of the Board of Commissioners of the DuPage Water Commission.

SECTION TWO: The Chairman and the Clerk of the DuPage Water Commission shall be and they hereby are authorized to execute and attest, respectively, the First Amendment to the Water Purchase and Sale Contracts between the DuPage Water Commission and the Village of Winfield, in substantially the form set forth in Exhibit A attached hereto; provided, however, that they shall neither execute nor attest the said

document on behalf of the Commission unless and until the Chairman shall have been presented with a copy of the First Amendment executed by the Village.

SECTION THREE: Upon execution and attestation by the Chairman and the Clerk, respectively, the First Amendment shall be deemed accepted by the Commission without further act.

SECTION FOUR: This Ordinance shall be in full force and effect from and after its adoption by a majority affirmative vote of all of the Commissioners, including the affirmative votes of at least 1/3 of the Commissioners appointed by the County Board Chairman and 40 percent of the Commissioners appointed by the Mayors.

AYES:

NAYS:

ABSENT:

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk  
Board/Ordinances/2015/O-6-15.docx

Exhibit A

FIRST AMENDMENT TO WATER PURCHASE AND SALE CONTRACT – WINFIELD  
UNIT SYSTEM

THIS FIRST AMENDMENT TO WATER PURCHASE AND SALE CONTRACT (the "First Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the DuPage Water Commission (the "Commission"), a county water commission created and existing under 65 ILCS 5/11-135-1 *et seq.* and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* and the Village of Winfield ("Winfield"), an Illinois municipal corporation; the Commission and Winfield sometimes hereinafter referred to as a "Party" and collectively referred to as the "Parties".

**WITNESSETH:**

WHEREAS, the Parties have previously entered into a certain Water Purchase and Sale Contract, dated as of July 13, 1995, for the sale of Lake Michigan water by the Commission to Winfield (the "Contract"), for the Winfield Unit System; and

WHEREAS, the Parties desire to amend the Contract to provide for the optional prepayment of certain amounts due under the Contract.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:

**Section 1. Incorporation of Recitals.** The Parties hereby confirm the truth and validity of the respective representations and recitations set forth in the foregoing recitals and do further acknowledge that they are material to this First Amendment. Such recitals are hereby

incorporated into and made a part of this First Amendment as though they were fully set forth in this Section 1.

**Section 2. Integration of Agreement.** The provisions of this First Amendment shall be deemed by the Parties to be fully integrated into the Contract. The Contract shall remain in full force and effect except to the extent that it is expressly modified by the terms of this First Amendment. Should any provision of the Contract conflict with any provision of this First Amendment, the provisions of this First Amendment shall control.

Terms capitalized in this First Amendment and not otherwise defined herein shall have the meanings ascribed to those terms in the Contract. Terms defined and capitalized herein shall have the meanings ascribed to those terms in this First Amendment and, to the extent such terms are also defined terms in the Contract, the definitions of those terms as herein provided shall control.

Unless the context dictates otherwise, the term "Contract" shall be deemed to refer to the original Contract, as amended by this First Amendment.

**Section 3. Amendment to Section 7 of the Contract.** Section 7 of the Contract is hereby amended as follows:

(a) Section 7I, entitled "Bills and Due Date" is hereby amended by deleting the first sentence thereof and substituting the following therefor: "Except with respect to the payment of default shares pursuant to Subsection 7G above and the payment of any optional prepayments pursuant to Subsection 7M below, the Commission shall notify Winfield of the total amount due under this Contract for each month on or before the 10<sup>th</sup> day of the following month."

(b) Subsection M, entitled "Prepayment" is hereby amended in its entirety so that it shall read as follows:

“M. Prepayments. Subject to the limitations of this paragraph, Winfield may, no more frequently than once in any given year, at any time during the month of December, prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to this Contract, without premium or penalty, upon at least one business day’s irrevocable notice to the Commission, specifying the date and amount of prepayment. If such notice is given, Winfield shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. The proceeds of any such prepayment shall be applied by the Commission first, to the payment of accrued and unpaid interest, if any, on the Connection Facilities Cost accruing after the date specified in Subsection 70 below; second, to the payment of the unpaid principal balance of the Connection Facilities Cost; third, to the payment of accrued and unpaid interest, if any, on the Section 12(c)(iii) Amount accruing after the date specified in Subsection 70 below; and fourth to the payment of the unpaid principal balance of the Section 12(c)(iii) Amount; provided, however, that Winfield shall not be entitled to make any such prepayment pursuant to this paragraph if Winfield’s Base Rate during the Fiscal Year next following the date of such payment would be, as estimated by the Commission, less than the Average Charter Customer Rate Per 1,000 Gallons. For purposes of calculating Winfield’s Base Rate, any such prepayment shall be deemed to have been paid effective as of the 30<sup>th</sup> day of April next following the date of such payment. Winfield shall not be entitled to, nor receive any credit for, interest on any such prepayment.”

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the day and year first above written.

VILLAGE OF WINFIELD

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

DUPAGE WATER COMMISSION


By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk

DATE: September 2, 2015

## REQUEST FOR BOARD ACTION

<b>AGENDA SECTION</b> Finance Committee	<b>ORIGINATING DEPARTMENT</b> Finance
<b>ITEM</b> An Ordinance Approving and Authorizing the Execution of Certain Amendments to the Water Purchase and Sale Contract Between the DuPage Water Commission and the Illinois-American Water Company  Ordinance No. O-7-15	<b>APPROVAL</b>  
<p>Account No. 01-513200</p> <p>Ordinance No. O-7-15 would authorize the Commission to execute and attest, respectively, the First or Second Amendments to the Water Purchase and Sale Contracts between the DuPage Water Commission and Illinois-American Water Company once the Chairman has been presented with a copy of the First and Second Amendments executed by the Company.</p> <p>The Amendment to the contract is in regards to prepayments. It allows Illinois-American Water Company to prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to the Water Purchase and Sale Contracts between the DuPage Water Commission and the Illinois-American Water Company, without premium or penalty, no more frequently than once in any given year, at any time during the month of December.</p> <p>The revised language in relation to prepayment options is similar to the language in other subsequent customer contracts with the Commission.</p>	
<b>MOTION:</b> To adopt Ordinance No. O-7-15.	



## DUPAGE WATER COMMISSION

## ORDINANCE NO. O-7-15

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF CERTAIN AMENDMENTS TO THE WATER PURCHASE AND SALE CONTRACTS BETWEEN THE DUPAGE WATER COMMISSION AND ILLINOIS-AMERICAN WATER COMPANY

WHEREAS, the DuPage Water Commission (the "Commission") was formed and exists pursuant to 65 ILCS 5/11-135-1 *et seq.*, and the Water Commission Act of 1985, 70 ILCS 3720/0.01 *et seq.*, for the purposes of securing an adequate source and supply of water for its customers; and

WHEREAS, the Commission and Citizens Utilities Company of Illinois, now known as Illinois-American Water Company (the "Company") have entered into Water Purchase and Sale Contracts, each dated as of October 1, 1992, for the sale by the Commission of water to the Company for the Arrowhead, Country Club, DuPage Lisle, Lombard and Valley View potable water distribution systems owned and operated by the Company, which contracts have each been amended pursuant to First Amendments thereto dated as of October 9, 1997; and

WHEREAS, the Commission and the Company have entered into a Water Purchase and Sale Contract, dated December 11, 1998, for the sale by the Commission of water to the Company for the Liberty Ridge West potable water distribution system owned and operated by the Company; and

WHEREAS, the Commission and the Company have entered into a Water Purchase and Sale Contract, dated April 12, 2001, for the sale by the Commission of water to the Company for the Liberty Ridge East potable water distribution system owned and operated by the Company; and

document on behalf of the Commission unless and until the Chairman shall have WHEREAS, the Commission and the Company desire to amend the above-referenced contracts to provide for the optional prepayment of certain amounts due thereunder.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are hereby incorporated herein as findings of the Board of Commissioners of the DuPage Water Commission.

SECTION TWO: The Chairman and the Clerk of the DuPage Water Commission shall be and they hereby are authorized to execute and attest, respectively, Second Amendments to the Water Purchase and Sale Contracts between the DuPage Water Commission and Illinois-American Water Company, in substantially the form set forth in Exhibits A through E attached hereto and First Amendments to the Water Purchase and Sale Contracts between the DuPage Water Commission and Illinois-American Water Company, in substantially the form set forth in Exhibits F and G attached hereto; provided, however, that they shall neither execute nor attest the said documents on behalf of the Commission unless and until the Chairman shall have been presented with copies of the documents executed by the Company.

SECTION THREE: Upon execution and attestation by the Chairman and the Clerk, respectively, the documents shall be deemed accepted by the Commission without further act.

SECTION FOUR: This Ordinance shall be in full force and effect from and after its adoption by a majority affirmative vote of all of the Commissioners, including the

Ordinance No. O-7-15

affirmative votes of at least 1/3 of the Commissioners appointed by the County Board  
Chairman and 40 percent of the Commissioners appointed by the Mayors.

AYES:

NAYS:

ABSENT:

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

Board/Ordinances/2015/O-7-15.docx

Exhibit A

SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT – DU PAGE  
LISLE SYSTEM

THIS SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT (the "Second Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the DuPage Water Commission (the "Commission"), a county water commission created and existing under 65 ILCS 5/11-135-1 *et seq.* and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* and Illinois-American Water Company (the "Company"), an Illinois corporation and the successor to Citizens Utilities Company of Illinois; the Commission and the Company sometimes hereinafter referred to as a "Party" and collectively referred to as the "Parties".

**WITNESSETH:**

WHEREAS, the Parties have previously entered into a certain Water Purchase and Sale Contract, dated as of October 1, 1992, for the sale of Lake Michigan water by the Commission to the Company (the "Contract"), for the DuPage Lisle System; and

WHEREAS, the Contract was amended by a First Amendment to the Water Purchase and Sale Contract, dated as of October 9, 1997 (the "First Amendment"); and

WHEREAS, the Parties desire to further amend the Contract to provide for the optional prepayment of certain amounts due under the Contract.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:

**Section 1. Incorporation of Recitals.** The Parties hereby confirm the truth and validity of the respective representations and recitations set forth in the foregoing recitals and do further acknowledge that they are material to this Second Amendment. Such recitals are hereby incorporated into and made a part of this Second Amendment as though they were fully set forth in this Section 1.

**Section 2. Integration of Agreement.** The provisions of this Second Amendment shall be deemed by the Parties to be fully integrated into the Contract. The Contract, as amended by the First Amendment, shall remain in full force and effect except to the extent that it is expressly modified by the terms of this Second Amendment. Should any provision of the Contract, as amended by the First Amendment, conflict with any provision of this Second Amendment, the provisions of this Second Amendment shall control.

Terms capitalized in this Second Amendment and not otherwise defined herein shall have the meanings ascribed to those terms in the Contract, as amended by the First Amendment. Terms defined and capitalized herein shall have the meanings ascribed to those terms in this Second Amendment and, to the extent such terms are also defined terms in the Contract, as amended by the First Amendment, the definitions of those terms as herein provided shall control.

Unless the context dictates otherwise, the term "Contract" shall be deemed to refer to the original Contract, as amended by the First Amendment and this Second Amendment and the term "Citizens" or "Citizens Utilities" shall be deemed to refer to the Company.

**Section 3. Amendment to Section 2 of the Contract.** Section 2 of the Contract, as amended by the First Amendment, is further amended to add the following definition:

"Base Rate" - means a water rate stated as dollars or cents per 1,000 gallons that is calculated by (i) subtracting the Company's estimated Charter Customer Facilities Credit in the

Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated from the sum of all Operation and Maintenance Cost payments, all Fixed Costs payments, all Connection Facilities Cost payments, and all Section 12(c)(iii) payments estimated to be made by the Company pursuant to this Contract in the Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated and (ii) dividing the resulting amount by the total amount of Lake Water, stated in 1,000 gallon units, estimated to be delivered to the Company pursuant to this Contract in said Fiscal Year.

**Section 4. Amendment to Section 7 of the Contract.** Section 7 of the Contract, as amended by the First Amendment, is hereby further amended as follows:

(a) Section 7I, entitled "Bills and Due Date" is hereby amended by deleting the first sentence thereof and substituting the following therefor: "Except with respect to the payment of default shares pursuant to Subsection 7G above and the payment of any optional prepayments pursuant to Subsection 7P below, the Commission shall notify the Company of the total amount due under this Contract for each month on or before the 10<sup>th</sup> day of the following month."

(b) A new subsection is hereby added, as follows:

"P. Prepayments. Subject to the limitations of this paragraph, the Company may, no more frequently than once in any given year, at any time during the month of December, prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to this Contract, without premium or penalty, upon at least one business day's irrevocable notice to the Commission, specifying the date and amount of prepayment. If such notice is given, the Company shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. The proceeds of any such prepayment shall be applied by the Commission first, to the payment of accrued and unpaid

interest, if any, on the Connection Facilities Cost accruing after the date specified in Subsection 7N above; second, to the payment of the unpaid principal balance of the Connection Facilities Cost; third, to the payment of accrued and unpaid interest, if any, on the Section 12(c)(iii) Amount accruing after the date specified in Subsection 7N above; and fourth to the payment of the unpaid principal balance of the Section 12(c)(iii) Amount; provided, however, that the Company shall not be entitled to make any such prepayment pursuant to this paragraph if the Company's Base Rate under this Contract during the Fiscal Year next following the date of such payment would be, as estimated by the Commission, less than the Average Charter Customer Rate Per 1,000 Gallons. For purposes of calculating the Company's Base Rate, any such prepayment shall be deemed to have been paid effective as of the 30<sup>th</sup> day of April next following the date of such payment. The Company shall not be entitled to, nor receive any credit for, interest on any such prepayment."

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the day and year first above written.

ILLINOIS-AMERICAN WATER COMPANY

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

DUPAGE WATER COMMISSION

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk

Exhibit B

SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT – COUNTRY CLUB SYSTEM

THIS SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT (the "Second Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the DuPage Water Commission (the "Commission"), a county water commission created and existing under 65 ILCS 5/11-135-1 *et seq.* and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* and Illinois-American Water Company (the "Company"), an Illinois corporation and the successor to Citizens Utilities Company of Illinois; the Commission and the Company sometimes hereinafter referred to as a "Party" and collectively referred to as the "Parties".

**WITNESSETH:**

WHEREAS, the Parties have previously entered into a certain Water Purchase and Sale Contract, dated as of October 1, 1992, for the sale of Lake Michigan water by the Commission to the Company (the "Contract"), for the Country Club System; and

WHEREAS, the Contract was amended by a First Amendment to the Water Purchase and Sale Contract, dated as of October 9, 1997 (the "First Amendment"); and

WHEREAS, the Parties desire to further amend the Contract to provide for the optional prepayment of certain amounts due under the Contract.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:



**Section 1. Incorporation of Recitals.** The Parties hereby confirm the truth and validity of the respective representations and recitations set forth in the foregoing recitals and do further acknowledge that they are material to this Second Amendment. Such recitals are hereby incorporated into and made a part of this Second Amendment as though they were fully set forth in this Section 1.

**Section 2. Integration of Agreement.** The provisions of this Second Amendment shall be deemed by the Parties to be fully integrated into the Contract. The Contract, as amended by the First Amendment, shall remain in full force and effect except to the extent that it is expressly modified by the terms of this Second Amendment. Should any provision of the Contract, as amended by the First Amendment, conflict with any provision of this Second Amendment, the provisions of this Second Amendment shall control.

Terms capitalized in this Second Amendment and not otherwise defined herein shall have the meanings ascribed to those terms in the Contract, as amended by the First Amendment. Terms defined and capitalized herein shall have the meanings ascribed to those terms in this Second Amendment and, to the extent such terms are also defined terms in the Contract, as amended by the First Amendment, the definitions of those terms as herein provided shall control.

Unless the context dictates otherwise, the term "Contract" shall be deemed to refer to the original Contract, as amended by the First Amendment and this Second Amendment and the term "Citizens" or "Citizens Utilities" shall be deemed to refer to the Company.

**Section 3. Amendment to Section 2 of the Contract.** Section 2 of the Contract, as amended by the First Amendment, is further amended to add the following definition:

**"Base Rate"** - means a water rate stated as dollars or cents per 1,000 gallons that is calculated by (i) subtracting the Company's estimated Charter Customer Facilities Credit in the

Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated from the sum of all Operation and Maintenance Cost payments, all Fixed Costs payments, all Connection Facilities Cost payments, and all Section 12(c)(iii) payments estimated to be made by the Company pursuant to this Contract in the Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated and (ii) dividing the resulting amount by the total amount of Lake Water, stated in 1,000 gallon units, estimated to be delivered to the Company pursuant to this Contract in said Fiscal Year.

**Section 4. Amendment to Section 7 of the Contract.** Section 7 of the Contract, as amended by the First Amendment, is hereby further amended as follows:

(a) Section 7I, entitled "Bills and Due Date" is hereby amended by deleting the first sentence thereof and substituting the following therefor: "Except with respect to the payment of default shares pursuant to Subsection 7G above and the payment of any optional prepayments pursuant to Subsection 7P below, the Commission shall notify the Company of the total amount due under this Contract for each month on or before the 10<sup>th</sup> day of the following month."

(b) A new subsection is hereby added, as follows:

"P. Prepayments. Subject to the limitations of this paragraph, the Company may, no more frequently than once in any given year, at any time during the month of December, prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to this Contract, without premium or penalty, upon at least one business day's irrevocable notice to the Commission, specifying the date and amount of prepayment. If such notice is given, the Company shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. The proceeds of any such prepayment shall be applied by the Commission first, to the payment of accrued and unpaid

interest, if any, on the Connection Facilities Cost accruing after the date specified in Subsection 7N above; second, to the payment of the unpaid principal balance of the Connection Facilities Cost; third, to the payment of accrued and unpaid interest, if any, on the Section 12(c)(iii) Amount accruing after the date specified in Subsection 7N above; and fourth to the payment of the unpaid principal balance of the Section 12(c)(iii) Amount; provided, however, that the Company shall not be entitled to make any such prepayment pursuant to this paragraph if the Company's Base Rate under this Contract during the Fiscal Year next following the date of such payment would be, as estimated by the Commission, less than the Average Charter Customer Rate Per 1,000 Gallons. For purposes of calculating the Company's Base Rate, any such prepayment shall be deemed to have been paid effective as of the 30<sup>th</sup> day of April next following the date of such payment. The Company shall not be entitled to, nor receive any credit for, interest on any such prepayment."

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the day and year first above written.

ILLINOIS-AMERICAN WATER COMPANY

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

DUPAGE WATER COMMISSION

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk

Exhibit C

SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT – VALLEY  
VIEW SYSTEM

THIS SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT (the "Second Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the DuPage Water Commission (the "Commission"), a county water commission created and existing under 65 ILCS 5/11-135-1 *et seq.* and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* and Illinois-American Water Company (the "Company"), an Illinois corporation and the successor to Citizens Utilities Company of Illinois; the Commission and the Company sometimes hereinafter referred to as a "Party" and collectively referred to as the "Parties".

**WITNESSETH:**

WHEREAS, the Parties have previously entered into a certain Water Purchase and Sale Contract, dated as of October 1, 1992, for the sale of Lake Michigan water by the Commission to the Company (the "Contract"), for the Valley View System; and

WHEREAS, the Contract was amended by a First Amendment to the Water Purchase and Sale Contract, dated as of October 9, 1997 (the "First Amendment"); and

WHEREAS, the Parties desire to further amend the Contract to provide for the optional prepayment of certain amounts due under the Contract.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:

**Section 1. Incorporation of Recitals.** The Parties hereby confirm the truth and validity of the respective representations and recitations set forth in the foregoing recitals and do further acknowledge that they are material to this Second Amendment. Such recitals are hereby incorporated into and made a part of this Second Amendment as though they were fully set forth in this Section 1.

**Section 2. Integration of Agreement.** The provisions of this Second Amendment shall be deemed by the Parties to be fully integrated into the Contract. The Contract, as amended by the First Amendment, shall remain in full force and effect except to the extent that it is expressly modified by the terms of this Second Amendment. Should any provision of the Contract, as amended by the First Amendment, conflict with any provision of this Second Amendment, the provisions of this Second Amendment shall control.

Terms capitalized in this Second Amendment and not otherwise defined herein shall have the meanings ascribed to those terms in the Contract, as amended by the First Amendment. Terms defined and capitalized herein shall have the meanings ascribed to those terms in this Second Amendment and, to the extent such terms are also defined terms in the Contract, as amended by the First Amendment, the definitions of those terms as herein provided shall control.

Unless the context dictates otherwise, the term "Contract" shall be deemed to refer to the original Contract, as amended by the First Amendment and this Second Amendment and the term "Citizens" or "Citizens Utilities" shall be deemed to refer to the Company.

**Section 3. Amendment to Section 2 of the Contract.** Section 2 of the Contract, as amended by the First Amendment, is further amended to add the following definition:

"Base Rate" - means a water rate stated as dollars or cents per 1,000 gallons that is calculated by (i) subtracting the Company's estimated Charter Customer Facilities Credit in the

Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated from the sum of all Operation and Maintenance Cost payments, all Fixed Costs payments, all Connection Facilities Cost payments, and all Section 12(c)(iii) payments estimated to be made by the Company pursuant to this Contract in the Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated and (ii) dividing the resulting amount by the total amount of Lake Water, stated in 1,000 gallon units, estimated to be delivered to the Company pursuant to this Contract in said Fiscal Year.

**Section 4. Amendment to Section 7 of the Contract.** Section 7 of the Contract, as amended by the First Amendment, as follows:

(a) Section 7I, entitled "Bills and Due Date" is hereby amended by deleting the first sentence thereof and substituting the following therefor: "Except with respect to the payment of default shares pursuant to Subsection 7G above and the payment of any optional prepayments pursuant to Subsection 7P below, the Commission shall notify the Company of the total amount due under this Contract for each month on or before the 10<sup>th</sup> day of the following month."

(b) A new subsection is hereby added, as follows:

"P. Prepayments. Subject to the limitations of this paragraph, the Company may, no more frequently than once in any given year, at any time during the month of December, prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to this Contract, without premium or penalty, upon at least one business day's irrevocable notice to the Commission, specifying the date and amount of prepayment. If such notice is given, the Company shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. The proceeds of any such prepayment shall be applied by the Commission first, to the payment of accrued and unpaid

interest, if any, on the Connection Facilities Cost accruing after the date specified in Subsection 7N above; second, to the payment of the unpaid principal balance of the Connection Facilities Cost; third, to the payment of accrued and unpaid interest, if any, on the Section 12(c)(iii) Amount accruing after the date specified in Subsection 7N above; and fourth to the payment of the unpaid principal balance of the Section 12(c)(iii) Amount; provided, however, that the Company shall not be entitled to make any such prepayment pursuant to this paragraph if the Company's Base Rate under this Contract during the Fiscal Year next following the date of such payment would be, as estimated by the Commission, less than the Average Charter Customer Rate Per 1,000 Gallons. For purposes of calculating the Company's Base Rate, any such prepayment shall be deemed to have been paid effective as of the 30<sup>th</sup> day of April next following the date of such payment. The Company shall not be entitled to, nor receive any credit for, interest on any such prepayment."

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the day and year first above written.

ILLINOIS-AMERICAN WATER COMPANY

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

DUPAGE WATER COMMISSION

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk

Exhibit D

SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT –  
ARROWHEAD SYSTEM

THIS SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT (the "Second Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the DuPage Water Commission (the "Commission"), a county water commission created and existing under 65 ILCS 5/11-135-1 *et seq.* and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* and Illinois-American Water Company (the "Company"), an Illinois corporation and the successor to Citizens Utilities Company of Illinois; the Commission and the Company sometimes hereinafter referred to as a "Party" and collectively referred to as the "Parties".

**WITNESSETH:**

WHEREAS, the Parties have previously entered into a certain Water Purchase and Sale Contract, dated as of October 1, 1992, for the sale of Lake Michigan water by the Commission to the Company (the "Contract"), for the Arrowhead System; and

WHEREAS, the Contract was amended by a First Amendment to the Water Purchase and Sale Contract, dated as of October 9, 1997 (the "First Amendment"); and

WHEREAS, the Parties desire to further amend the Contract to provide for the optional prepayment of certain amounts due under the Contract.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:



**Section 1. Incorporation of Recitals.** The Parties hereby confirm the truth and validity of the respective representations and recitations set forth in the foregoing recitals and do further acknowledge that they are material to this Second Amendment. Such recitals are hereby incorporated into and made a part of this Second Amendment as though they were fully set forth in this Section 1.

**Section 2. Integration of Agreement.** The provisions of this Second Amendment shall be deemed by the Parties to be fully integrated into the Contract. The Contract, as amended by the First Amendment, shall remain in full force and effect except to the extent that it is expressly modified by the terms of this Second Amendment. Should any provision of the Contract, as amended by the First Amendment, conflict with any provision of this Second Amendment, the provisions of this Second Amendment shall control.

Terms capitalized in this Second Amendment and not otherwise defined herein shall have the meanings ascribed to those terms in the Contract, as amended by the First Amendment. Terms defined and capitalized herein shall have the meanings ascribed to those terms in this Second Amendment and, to the extent such terms are also defined terms in the Contract, as amended by the First Amendment, the definitions of those terms as herein provided shall control.

Unless the context dictates otherwise, the term "Contract" shall be deemed to refer to the original Contract, as amended by the First Amendment and this Second Amendment and the term "Citizens" or "Citizens Utilities" shall be deemed to refer to the Company.

**Section 3. Amendment to Section 2 of the Contract.** Section 2 of the Contract, as amended by the First Amendment, is further amended to add the following definition:

"Base Rate" - means a water rate stated as dollars or cents per 1,000 gallons that is calculated by (i) subtracting the Company's estimated Charter Customer Facilities Credit in the

Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated from the sum of all Operation and Maintenance Cost payments, all Fixed Costs payments, all Connection Facilities Cost payments, and all Section 12(c)(iii) payments estimated to be made by the Company pursuant to this Contract in the Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated and (ii) dividing the resulting amount by the total amount of Lake Water, stated in 1,000 gallon units, estimated to be delivered to the Company pursuant to this Contract in said Fiscal Year.

**Section 4. Amendment to Section 7 of the Contract.** Section 7 of the Contract, as amended by the First Amendment, is hereby further amended as follows:

(a) Section 7I, entitled "Bills and Due Date" is hereby amended by deleting the first sentence thereof and substituting the following therefor: "Except with respect to the payment of default shares pursuant to Subsection 7G above and the payment of any optional prepayments pursuant to Subsection 7P below, the Commission shall notify the Company of the total amount due under this Contract for each month on or before the 10<sup>th</sup> day of the following month."

(b) A new subsection is hereby added, as follows:

"P. Prepayments. Subject to the limitations of this paragraph, the Company may, no more frequently than once in any given year, at any time during the month of December, prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to this Contract, without premium or penalty, upon at least one business day's irrevocable notice to the Commission, specifying the date and amount of prepayment. If such notice is given, the Company shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. The proceeds of any such prepayment shall be applied by the Commission first, to the payment of accrued and unpaid

interest, if any, on the Connection Facilities Cost accruing after the date specified in Subsection 7N above; second, to the payment of the unpaid principal balance of the Connection Facilities Cost; third, to the payment of accrued and unpaid interest, if any, on the Section 12(c)(iii) Amount accruing after the date specified in Subsection 7N above; and fourth to the payment of the unpaid principal balance of the Section 12(c)(iii) Amount; provided, however, that the Company shall not be entitled to make any such prepayment pursuant to this paragraph if the Company's Base Rate under this Contract during the Fiscal Year next following the date of such payment would be, as estimated by the Commission, less than the Average Charter Customer Rate Per 1,000 Gallons. For purposes of calculating the Company's Base Rate, any such prepayment shall be deemed to have been paid effective as of the 30<sup>th</sup> day of April next following the date of such payment. The Company shall not be entitled to, nor receive any credit for, interest on any such prepayment."

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the day and year first above written.

ILLINOIS-AMERICAN WATER COMPANY

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

DUPAGE WATER COMMISSION

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk

Exhibit E

SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT – LOMBARD  
SYSTEM

THIS SECOND AMENDMENT TO WATER PURCHASE AND SALE CONTRACT (the "Second Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the DuPage Water Commission (the "Commission"), a county water commission created and existing under 65 ILCS 5/11-135-1 *et seq.* and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* and Illinois-American Water Company (the "Company"), an Illinois corporation and the successor to Citizens Utilities Company of Illinois; the Commission and the Company sometimes hereinafter referred to as a "Party" and collectively referred to as the "Parties".

**WITNESSETH:**

WHEREAS, the Parties have previously entered into a certain Water Purchase and Sale Contract, dated as of October 1, 1992, for the sale of Lake Michigan water by the Commission to the Company (the "Contract"), for the Lombard System; and

WHEREAS, the Contract was amended by a First Amendment to the Water Purchase and Sale Contract, dated as of October 9, 1997 (the "First Amendment"); and

WHEREAS, the Parties desire to further amend the Contract to provide for the optional prepayment of certain amounts due under the Contract.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:

**Section 1. Incorporation of Recitals.** The Parties hereby confirm the truth and validity of the respective representations and recitations set forth in the foregoing recitals and do further acknowledge that they are material to this Second Amendment. Such recitals are hereby incorporated into and made a part of this Second Amendment as though they were fully set forth in this Section 1.

**Section 2. Integration of Agreement.** The provisions of this Second Amendment shall be deemed by the Parties to be fully integrated into the Contract. The Contract, as amended by the First Amendment, shall remain in full force and effect except to the extent that it is expressly modified by the terms of this Second Amendment. Should any provision of the Contract, as amended by the First Amendment, conflict with any provision of this Second Amendment, the provisions of this Second Amendment shall control.

Terms capitalized in this Second Amendment and not otherwise defined herein shall have the meanings ascribed to those terms in the Contract, as amended by the First Amendment. Terms defined and capitalized herein shall have the meanings ascribed to those terms in this Second Amendment and, to the extent such terms are also defined terms in the Contract, as amended by the First Amendment, the definitions of those terms as herein provided shall control.

Unless the context dictates otherwise, the term "Contract" shall be deemed to refer to the original Contract, as amended by the First Amendment and this Second Amendment and the term "Citizens" or "Citizens Utilities" shall be deemed to refer to the Company.

**Section 3. Amendment to Section 2 of the Contract.** Section 2 of the Contract, as amended by the First Amendment, is further amended to add the following definition:

"Base Rate" - means a water rate stated as dollars or cents per 1,000 gallons that is calculated by (i) subtracting the Company's estimated Charter Customer Facilities Credit in the

Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated from the sum of all Operation and Maintenance Cost payments, all Fixed Costs payments, all Connection Facilities Cost payments, and all Section 12(c)(iii) payments estimated to be made by the Company pursuant to this Contract in the Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated and (ii) dividing the resulting amount by the total amount of Lake Water, stated in 1,000 gallon units, estimated to be delivered to the Company in said Fiscal Year.

**Section 4. Amendment to Section 7 of the Contract.** Section 7 of the Contract, as amended by the First Amendment, is hereby further amended as follows:

(a) Section 7I, entitled "Bills and Due Date" is hereby amended by deleting the first sentence thereof and substituting the following therefor: "Except with respect to the payment of default shares pursuant to Subsection 7G above and the payment of any optional prepayments pursuant to Subsection 7P below, the Commission shall notify the Company of the total amount due under this Contract for each month on or before the 10<sup>th</sup> day of the following month."

(b) A new subsection is hereby added, as follows:

"P. Prepayments. Subject to the limitations of this paragraph, the Company may, no more frequently than once in any given year, at any time during the month of December, prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to this Contract, without premium or penalty, upon at least one business day's irrevocable notice to the Commission, specifying the date and amount of prepayment. If such notice is given, the Company shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. The proceeds of any such prepayment shall be applied by the Commission first, to the payment of accrued and unpaid

interest, if any, on the Connection Facilities Cost accruing after the date specified in Subsection 7N above; second, to the payment of the unpaid principal balance of the Connection Facilities Cost; third, to the payment of accrued and unpaid interest, if any, on the Section 12(c)(iii) Amount accruing after the date specified in Subsection 7N above; and fourth to the payment of the unpaid principal balance of the Section 12(c)(iii) Amount; provided, however, that the Company shall not be entitled to make any such prepayment pursuant to this paragraph if the Company's Base Rate during the Fiscal Year next following the date of such payment would be, as estimated by the Commission, less than the Average Charter Customer Rate Per 1,000 Gallons. For purposes of calculating the Company's Base Rate, any such prepayment shall be deemed to have been paid effective as of the 30<sup>th</sup> day of April next following the date of such payment. The Company shall not be entitled to, nor receive any credit for, interest on any such prepayment."

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the day and year first above written.

ILLINOIS-AMERICAN WATER COMPANY

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

DUPAGE WATER COMMISSION

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk

Exhibit F

FIRST AMENDMENT TO WATER PURCHASE AND SALE CONTRACT – LIBERTY  
RIDGE EAST SYSTEM

THIS FIRST AMENDMENT TO WATER PURCHASE AND SALE CONTRACT (the "First Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the DuPage Water Commission (the "Commission"), a county water commission created and existing under 65 ILCS 5/11-135-1 *et seq.* and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* and Illinois-American Water Company (the "Company"), an Illinois corporation and the successor to Citizens Utilities Company of Illinois; the Commission and the Company sometimes hereinafter referred to as a "Party" and collectively referred to as the "Parties".

WITNESSETH:

WHEREAS, the Parties have previously entered into a certain Water Purchase and Sale Contract, dated as of April 12, 2001, for the sale of Lake Michigan water by the Commission to the Company (the "Contract"), for the Liberty Ridge East System; and

WHEREAS, the Parties desire to amend the Contract to provide for the optional prepayment of certain amounts due under the Contract.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:

**Section 1. Incorporation of Recitals.** The Parties hereby confirm the truth and validity of the respective representations and recitations set forth in the foregoing recitals and do further acknowledge that they are material to this First Amendment. Such recitals are hereby



incorporated into and made a part of this First Amendment as though they were fully set forth in this Section 1.

**Section 2. Integration of Agreement.** The provisions of this First Amendment shall be deemed by the Parties to be fully integrated into the Contract. The Contract shall remain in full force and effect except to the extent that it is expressly modified by the terms of this First Amendment. Should any provision of the Contract conflict with any provision of this First Amendment, the provisions of this First Amendment shall control.

Terms capitalized in this First Amendment and not otherwise defined herein shall have the meanings ascribed to those terms in the Contract. Terms defined and capitalized herein shall have the meanings ascribed to those terms in this First Amendment and, to the extent such terms are also defined terms in the Contract, the definitions of those terms as herein provided shall control.

Unless the context dictates otherwise, the term "Contract" shall be deemed to refer to the original Contract, as amended by this First Amendment and the term "Citizens" or "Citizens Utilities" shall be deemed to refer to the Company.

**Section 3. Amendment to Section 2 of the Contract.** Section 2 of the Contract is amended to add the following definition:

"Base Rate" - means a water rate stated as dollars or cents per 1,000 gallons that is calculated by (i) subtracting the Company's estimated Charter Customer Facilities Credit in the Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated from the sum of all Operation and Maintenance Cost payments, all Fixed Costs payments, all Connection Facilities Cost payments, and all Section 12(c)(iii) payments estimated to be made by the Company pursuant to this Contract in the Fiscal Year for which the Company's Base Rate

pursuant to this Contract is being calculated and (ii) dividing the resulting amount by the total amount of Lake Water, stated in 1,000 gallon units, estimated to be delivered to the Company pursuant to this Contract in said Fiscal Year.

**Section 4. Amendment to Section 7 of the Contract.** Section 7 of the Contract is hereby amended as follows:

(a) Section 7I, entitled "Bills and Due Date" is hereby amended by deleting the first sentence thereof and substituting the following therefor: "Except with respect to the payment of default shares pursuant to Subsection 7G above and the payment of any optional prepayments pursuant to Subsection 7P below, the Commission shall notify the Company of the total amount due under this Contract for each month on or before the 10<sup>th</sup> day of the following month."

(b) A new subsection is hereby added, as follows:

"P. Prepayments. Subject to the limitations of this paragraph, the Company may, no more frequently than once in any given year, at any time during the month of December, prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to this Contract, without premium or penalty, upon at least one business day's irrevocable notice to the Commission, specifying the date and amount of prepayment. If such notice is given, the Company shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. The proceeds of any such prepayment shall be applied by the Commission first, to the payment of accrued and unpaid interest, if any, on the Connection Facilities Cost accruing after the date specified in Subsection 7N above; second, to the payment of the unpaid principal balance of the Connection Facilities Cost; third, to the payment of accrued and unpaid interest, if any, on the Section 12(c)(iii) Amount accruing after the date specified in Subsection 7N above; and fourth to the payment of

the unpaid principal balance of the Section 12(c)(iii) Amount; provided, however, that the Company shall not be entitled to make any such prepayment pursuant to this paragraph if the Company's Base Rate under this Contract during the Fiscal Year next following the date of such payment would be, as estimated by the Commission, less than the Average Charter Customer Rate Per 1,000 Gallons. For purposes of calculating the Company's Base Rate, any such prepayment shall be deemed to have been paid effective as of the 30<sup>th</sup> day of April next following the date of such payment. The Company shall not be entitled to, nor receive any credit for, interest on any such prepayment."

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the day and year first above written.

ILLINOIS-AMERICAN WATER COMPANY

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

DUPAGE WATER COMMISSION

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk

Exhibit G

FIRST AMENDMENT TO WATER PURCHASE AND SALE CONTRACT – LIBERTY  
RIDGE WEST SYSTEM

THIS FIRST AMENDMENT TO WATER PURCHASE AND SALE CONTRACT (the "First Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the DuPage Water Commission (the "Commission"), a county water commission created and existing under 65 ILCS 5/11-135-1 *et seq.* and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* and Illinois-American Water Company (the "Company"), an Illinois corporation and the successor to Citizens Utilities Company of Illinois; the Commission and the Company sometimes hereinafter referred to as a "Party" and collectively referred to as the "Parties".

**WITNESSETH:**

WHEREAS, the Parties have previously entered into a certain Water Purchase and Sale Contract, dated as of December 11, 1998, for the sale of Lake Michigan water by the Commission to the Company (the "Contract"), for the Liberty Ridge West System; and

WHEREAS, the Parties desire to amend the Contract to provide for the optional prepayment of certain amounts due under the Contract.

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which the Parties hereby stipulate, the Parties hereby agree as follows:

**Section 1. Incorporation of Recitals.** The Parties hereby confirm the truth and validity of the respective representations and recitations set forth in the foregoing recitals and do further acknowledge that they are material to this First Amendment. Such recitals are hereby

incorporated into and made a part of this First Amendment as though they were fully set forth in this Section 1.

**Section 2. Integration of Agreement.** The provisions of this First Amendment shall be deemed by the Parties to be fully integrated into the Contract. The Contract shall remain in full force and effect except to the extent that it is expressly modified by the terms of this First Amendment. Should any provision of the Contract conflict with any provision of this First Amendment, the provisions of this First Amendment shall control.

Terms capitalized in this First Amendment and not otherwise defined herein shall have the meanings ascribed to those terms in the Contract. Terms defined and capitalized herein shall have the meanings ascribed to those terms in this First Amendment and, to the extent such terms are also defined terms in the Contract, the definitions of those terms as herein provided shall control.

Unless the context dictates otherwise, the term "Contract" shall be deemed to refer to the original Contract, as amended by this First Amendment and the term "Citizens" or "Citizens Utilities" shall be deemed to refer to the Company.

**Section 3. Amendment to Section 2 of the Contract.** Section 2 of the Contract is amended to add the following definition:

"Base Rate" - means a water rate stated as dollars or cents per 1,000 gallons that is calculated by (i) subtracting the Company's estimated Charter Customer Facilities Credit in the Fiscal Year for which the Company's Base Rate pursuant to this Contract is being calculated from the sum of all Operation and Maintenance Cost payments, all Fixed Costs payments, all Connection Facilities Cost payments, and all Section 12(c)(iii) payments estimated to be made by the Company pursuant to this Contract in the Fiscal Year for which the Company's Base Rate

pursuant to this Contract is being calculated and (ii) dividing the resulting amount by the total amount of Lake Water, stated in 1,000 gallon units, estimated to be delivered to the Company pursuant to this Contract in said Fiscal Year.

**Section 4. Amendment to Section 7 of the Contract.** Section 7 of the Contract is hereby amended as follows:

(a) Section 7I, entitled “Bills and Due Date” is hereby amended by deleting the first sentence thereof and substituting the following therefor: “Except with respect to the payment of default shares pursuant to Subsection 7G above and the payment of any optional prepayments pursuant to Subsection 7P below, the Commission shall notify the Company of the total amount due under this Contract for each month on or before the 10<sup>th</sup> day of the following month.”

(b) A new subsection is hereby added, as follows:

“P. Prepayments. Subject to the limitations of this paragraph, the Company may, no more frequently than once in any given year, at any time during the month of December, prepay, in whole or in part, the Connection Facilities Cost and the Section 12(c)(iii) Amount due pursuant to this Contract, without premium or penalty, upon at least one business day’s irrevocable notice to the Commission, specifying the date and amount of prepayment. If such notice is given, the Company shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. The proceeds of any such prepayment shall be applied by the Commission first, to the payment of accrued and unpaid interest, if any, on the Connection Facilities Cost accruing after the date specified in Subsection 7N above; second, to the payment of the unpaid principal balance of the Connection Facilities Cost; third, to the payment of accrued and unpaid interest, if any, on the Section 12(c)(iii) Amount accruing after the date specified in Subsection 7N above; and fourth to the payment of

the unpaid principal balance of the Section 12(c)(iii) Amount; provided, however, that the Company shall not be entitled to make any such prepayment pursuant to this paragraph if the Company's Base Rate under this Contract during the Fiscal Year next following the date of such payment would be, as estimated by the Commission, less than the Average Charter Customer Rate Per 1,000 Gallons. For purposes of calculating the Company's Base Rate, any such prepayment shall be deemed to have been paid effective as of the 30<sup>th</sup> day of April next following the date of such payment. The Company shall not be entitled to, nor receive any credit for, interest on any such prepayment."

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the day and year first above written.

ILLINOIS-AMERICAN WATER COMPANY

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

DUPAGE WATER COMMISSION

By: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk