



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

August 28, 2012

Mr. James Zay
Chairman
Dupage Water Commission
600 East Butterfield Road
Elmhurst, Illinois 60126

Dear Mr. Zay:

Last spring we met to discuss Chicago's water rate increase and its impact on you, our municipal water customers. Even with this rate increase, Chicago still enjoys one of the lowest rates in the nation. This was a difficult decision but one I know was needed to ensure that our regional needs are met now and in the future. With projected growth for the region, most of which is expected in the suburbs surrounding Chicago, having a sound, well-run and efficient water system is imperative.

I am pleased to let you know that our Department of Water Management is undertaking a 10-year Capital Improvement Plan that includes designing and converting our four remaining pumping stations from steam to electric and a new roof on our east filter building at the Jardine Water Purification Plant, metering non-metered accounts and distribution improvements.

The 2012 Capital Improvement Plan will allow continued water service for over 600,000 additional people in the region within the next decade without having to make major capital improvements to increase capacity at our treatment plants or pumping stations. We are ensuring a fresh water supply for future generations without adding financial burdens. Good stewardship and sound fiscal management have led to lower borrowing costs thereby increasing the amount of work to be completed for the same money. In addition, with the rate increases the City will begin paying as we go for projects within the Capital Improvement Plan.

When we met last spring, I heard your concerns and committed to report back regarding the impacts on our water infrastructure capital plan. It is with great pleasure that I provide this 2012 Mid-Year Report. I look forward to continuing our relationship based on sound environmental and water policies to ensure the economic vitality of our region.

Sincerely,

A handwritten signature in blue ink that reads "Rahm Emanuel".

Mayor

CITY OF CHICAGO
DEPARTMENT OF WATER MANAGEMENT



2012

MID-YEAR REPORT TO SUBURBAN CUSTOMERS

RAHM EMANUEL, MAYOR



THOMAS H. POWERS, P.E., COMMISSIONER
1000 E. OHIO STREET
CHICAGO, IL 60611

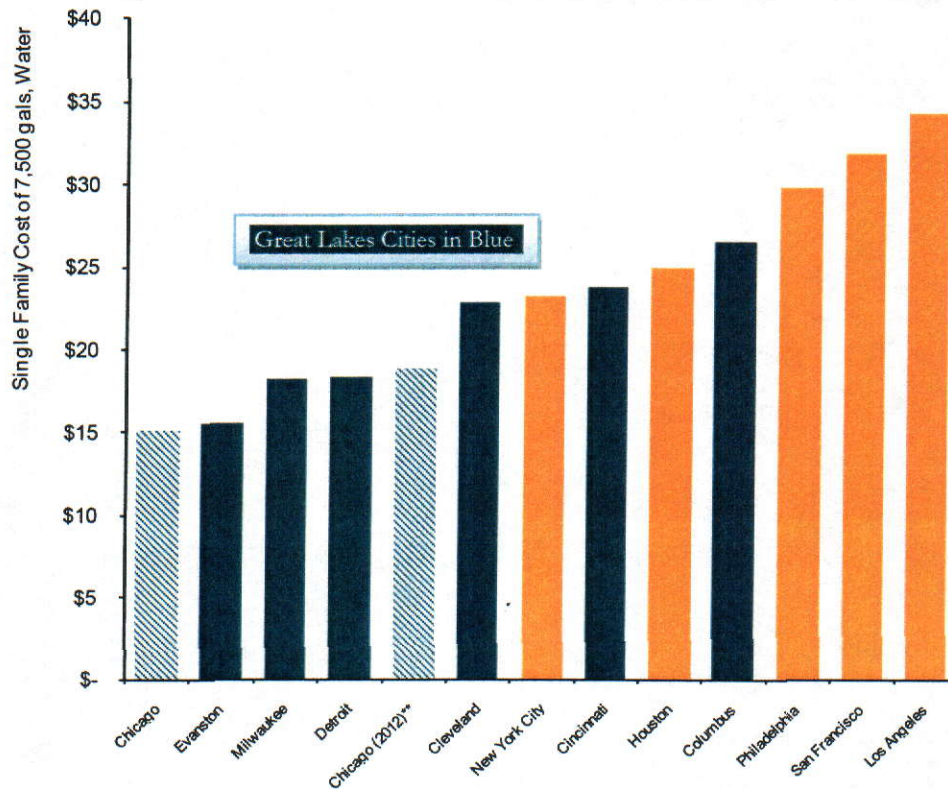
DEPARTMENT OF WATER MANAGEMENT

2012 MID-YEAR REPORT TO SUBURBAN CUSTOMERS

Executive Summary

As part of the 2012 Budget, City Council passed a 25% water rate increase. Even with this rate increase, Chicago still enjoys one of the lowest rates in the nation.

Water Rate Comparison (as of October 2011)



As a result, the Department of Water Management, under the Mayor's leadership has undertaken a much needed and overdue capital improvement program, hereinafter referred to the Mayor's 2012 Infrastructure Capital Program. In 2012 alone, the Department will replace 70 miles of water main, begin the conversion from steam to electric of the Springfield Pumping Station, replace the 10 acre east roof at the Jardine Water Purification Plant and install up to 10,000 meters as part of its MeterSave Program. It is common knowledge that the two biggest water conservation efforts are the replacement of aging infrastructure and metering. The City of Chicago plan will allow continued water service for over 600,000 additional people in the region within the next decade without having to make major capital improvements to increase capacity at its treatment plants or pumping stations. The combined total of these multi-year projects is approximately 348

Department of Water Management
Thomas H. Powers, P.E., Commissioner