

**MINUTES OF A SPECIAL MEETING OF THE
DU PAGE WATER COMMISSION
HELD ON THURSDAY, MARCH 11, 2004
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Vondra at 2:00 P.M.

Commissioners in attendance: E. Chaplin, R. Ferraro, T. Feltes, G. Mathews, W. Mueller, W. Murphy, A. Poole, J. Vrdolyak, G. Wilcox and M. Vondra

Commissioners absent: R. Benson, L. Hartwig and D. Zeilenga

Also in attendance: Treasurer R. Thorn, M. Crowley, R. Martin, E. Kazmierczak, R. Skiba, W. Green (Alvord Burdick & Howson), B. Mui (Alvord, Burdick & Howson), D. Bonoma (Greenberg Traurig), G. Meeder (Holland & Knight), J. Chivilo (Holland & Knight) and K. Godden

Commissioner Mueller moved to go into Executive Session to discuss matters related to pending, probable or imminent litigation pursuant to 5 ILCS 120/2(c)(11). Seconded by Commissioner Poole and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, R. Ferraro, T. Feltes, G. Mathews, W. Mueller, W. Murphy, A. Poole, J. Vrdolyak, G. Wilcox and M. Vondra

Nays: None

Absent: R. Benson, L. Hartwig and D. Zeilenga

The Commission went into Executive Session at 2:03 P.M.

Commissioner Mueller moved to come out of Executive Session at 5:00 P.M. Seconded by Commissioner Chaplin and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

After a five-minute recess, Warren Green of Alvord, Burdick & Howson presented a historical perspective on the design of the Commission distribution system and the genesis of the distribution system five year capital improvement plan projects to date.

In response to a question raised by Commissioner Poole, the Acting General Manager provided additional background on the Schaumburg Emergency Interconnection project.

Commissioner Murphy then requested a response to the questions raised in his letter to Chairman Vondra dated March 10, 2004, regarding the TW-3 project. Chairman Vondra reiterated the redundancy aspects highlighted during Mr. Green's presentation and noted that other redundancy projects previously constructed by the Commission might

not have been justified on the strict cost-benefit analysis Commissioner Murphy was using to evaluate the TW-3 project.

Discussion then ensued on the redundancy aspects of various projects and their respective cost/benefit. Commissioner Poole noted the real question facing the Commission is not the redundancy aspects of the TW-3 project but, rather, the timing of its construction. Many Commissioners inquired whether the communities benefited by the TW-3 project desired to see the project built. Commissioner Wilcox indicated for his district the project was desired and Commissioner Ferraro indicated a firm answer, one way or another, was desired by his district.

Chairman Vondra noted that, at a minimum, the portions of the TW-3 project that are located within proposed roadway improvement projects of other agencies (along Fair Oaks Road in Carol Stream and Wayne Township, and along Stearns Road in Bartlett) should be constructed to assure public inconvenience is minimized.

Commissioner Zeilenga arrived at 6:05 P.M.

Commissioner Murphy indicated his conceptual agreement with project TW-3 but noted his concern that inter-fund borrowing (from the Rate Stabilization Reserve) was required to construct the project on its current schedule. On the other hand, Commissioner Murphy agreed that those portions of the TW-3 project located within the proposed roadway improvement project areas should be constructed in advance of, or in coordination with, those projects.

Whereupon, other Commissioners, including Commissioner Feltes, expressed similar concerns with the inter-fund borrowing. Commissioner Wilcox noted, however, that the Commission rarely expended its full construction budget in any given year and that he would rather construct the entire TW-3 project now and defer the Tank Site improvement projects as necessary to avoid the need for inter-fund borrowing to accomplish the TW-3 project.

The Acting General Manager noted that a decision on the timing of the construction of the TW-3 project needed to be made because several intergovernmental agreements with various affected agencies needed to be negotiated, including Bartlett which coincidentally had just requested that a tee for a potential connection be included in the TW-3 project and that the Commission consider paying Bartlett for certain roadway restoration work.

Commissioner Wilcox moved to remove from the table Commissioner's Chaplin's motion to approve the Five Year Capital Plan as amended by Commissioner Murphy's motion. Seconded by Commissioner Chaplin. After further discussion, Commissioners Wilcox and Chaplin withdrew their motion and second, respectively.

Commissioner Wilcox moved to adjourn the meeting at 6:30 P.M. Seconded by Commissioner Chaplin and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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