

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, NOVEMBER 11, 2004
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Vondra at 7:35 P.M.

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

Commissioners absent: W. Murphy

Also in attendance: Treasurer R. Thorn, R. Martin, C. Pattelli, M. Crowley, C. Johnson, R. C. Bostick, E. Kazmierczak, T. McGhee, J. Schori, W. Green (Alvord Burdick & Howson), and K. Godden

PUBLIC COMMENTS

None

APPROVAL OF MINUTES

Commissioner Benson moved to approve the Minutes of the October 14, 2004 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Feltes moved to approve the Executive Session Minutes of the October 14, 2004 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER'S REPORT

Treasurer Thorn presented the Treasurer's Report. The Treasurer's Report for the month of October 2004 showed receipts of \$8,742,519.94, disbursements of \$5,923,037.74, and a cash and investment balance of \$170,385,325.91.

Commissioner Chaplin moved to accept the October 2004 Treasurer's Report. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Administration Committee – Report by Commissioner Hartwig

Commissioner Hartwig reported the Administration Committee had a lengthy discussion concerning customer well maintenance and the quality of well water. Commissioner

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Mueller questioned why the Commission would consider undertaking customer responsibilities to maintain wells and well water quality. Though agreeing that safety and reliability of customer well water is not a Commission responsibility, the Committee felt the Commission should have an interest in working with the customers to ensure well reliability and well water quality.

Commissioner Vrdolyak arrived at 7:40 P.M.

Commissioner Hartwig moved to direct the General Manager to work with the customers to explore options to ensure the reliability and safety of the customers' back up well water supply. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Hartwig noted that, due to conflicting travel plans that were arranged prior to the Board's July 8th motion prohibiting electronic participation in Commission meetings, a special allowance for Commissioner Benson to be able to participate in the January 2005 and February 2005 Commission meetings by teleconference would be considered at the December Commission meeting.

Engineering Committee – Report by Commissioner Wilcox

Commissioner Wilcox reported the Engineering Committee reviewed and recommended approval of Resolution Nos. R-70-04 and R-71-04, both of which relate to an electric reliability assessment and benchmarking study to be performed before continuing with the proposed electrical generation project. Commissioner Wilcox advised the benchmarking study would be comprehensive, including an identification of the storage, generation, and multiple feed facilities that other water utilities similar in mission to the Commission have with respect to electrical reliability and on-site power generation. As a result, Commissioner Poole verified the storage facilities of these other water utilities and those of their customers would be considered and analyzed separately. It was also reported that the Committee reviewed and recommended approval of Purchase Order No. 8468 regarding "C" Factor testing.

Finance Committee – Report by Commissioner Poole

Commissioner Poole reported the Finance Committee reviewed the first quarter cash and investment review prepared by McGladrey & Pullen and would be discussing at the December Committee meeting whether there is a need to continue with such quarterly reviews. Commissioner Poole also reported the Committee reviewed and recommended the approval of Resolution No. R-68-04. A Resolution Appointing Authorized Broker/Dealers of Securities, noting the Committee asked the Financial Administrator to report at the December Committee meeting how the approved list of Broker/Dealers of Securities was initially created and is periodically updated. Commissioner Poole concluded his report by noting the Committee reviewed and

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recommended approval of the Accounts Payable and had a lengthy discussion on the need for the Board to approve a five year capital improvement plan and to reduce any surpluses.

CHAIRMAN'S REPORT

Chairman Vondra confirmed that, between an 8:30 A.M. or a 10:30 A.M. start time for the December 9, 2004, Commission meetings, the Commissioners preferred the following:

8:30 A.M. Committee Meetings

9:00 A.M. Regular Commission Meeting

MAJORITY OMNIBUS VOTE AGENDA

Commissioner Mathews moved to adopt the items listed on the Majority Omnibus Vote Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

Majority Omnibus Vote

Ayes: R. Benson, E. Chaplin, R. Ferraro, T. Feltes, L. Hartwig, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, G. Wilcox, D. Zeilenga and M. Vondra.

Nays: None

Absent: W. Murphy

Item 1: Resolution No. R-65-04: A Resolution Directing Advertisement for Bids on a Contract for Quick Response Electrical Work (Contract QRE-2/04)—“Majority Omnibus Vote”

Item 2: Resolution No. R-68-04: A Resolution Appointing Authorized Broker/Dealers of Securities—“Majority Omnibus Vote”

Item 3: Resolution No. R-69-04: A Resolution Approving and Authorizing the Execution of an Agreement with the County of DuPage for the Loan of an EMnet Computer Workstation—“Majority Omnibus Vote”

SUPER/SPECIAL MAJORITY OMNIBUS VOTE AGENDA

Commissioner Ferraro moved to adopt the items listed on the Super/Special Majority Omnibus Vote Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Feltes and unanimously approved by a Roll Call Vote:

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Super/Special Majority Omnibus Vote

- Ayes: R. Benson, E. Chaplin, R. Ferraro, T. Feltes, L. Hartwig, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, G. Wilcox, D. Zeilenga and M. Vondra.
- Nays: None
- Absent: W. Murphy
- Item 1: Resolution No. R-66-04: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-6/02 at the November 11, 2004, DuPage Water Commission Meeting—"Super/Special Majority Omnibus Vote"
- Item 2: Resolution No. R-70-04: A Resolution Approving and Authorizing the Execution of a Second Amendment to the Contract for Evaluation, Design, and Bidding of Electrical Generation Supply Facilities at the DuPage Pump Station—"Super/Special Majority Omnibus Vote"
- Item 3: Resolution No. R-71-04: A Resolution Approving and Authorizing the Execution of a Contract between the DuPage Water Commission and Consolidated Consulting Corporation for an Electric Reliability Assessment—"Super/Special Majority Omnibus Vote"

OLD BUSINESS

Commissioner Wilcox moved to adopt Resolution No. R-67-04: A Resolution Canceling Purchase Order No. 8428 in the Amount of \$41,439.00 to U.S. Filter Control Systems, Inc. and Approving in its place Purchase Order No. 8492 in the Amount of \$45,370.00 to B&W Controls Systems Integration, LLC. Seconded by Commissioner Zeilenga and unanimously approved by a Roll Call Vote:

- Ayes: R. Benson, E. Chaplin, R. Ferraro, T. Feltes, L. Hartwig, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, G. Wilcox, D. Zeilenga and M. Vondra.
- Nays: None
- Absent: W. Murphy

NEW BUSINESS

Commissioner Zeilenga moved to suspend the purchasing procedures of the Commission's By-Laws and approve Purchase Order No. 8468 in the amount of \$35,200.00 to Sverren Trent Services. Seconded by Commissioner Hartwig and approved by a Roll Call Vote:

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Ayes: R. Benson, E. Chaplin, R. Ferraro, T. Feltes, L. Hartwig, G. Mathews, A. Poole, J. Vrdolyak, G. Wilcox, D. Zeilenga and M. Vondra.

Nays: W. Mueller

Absent: W. Murphy

ACCOUNTS PAYABLE

Commissioner Wilcox moved to approve the Accounts Payable in the amount of \$5,759,560.07 subject to submission of all contractually required documentation. Seconded by Commissioner Feltes and unanimously approved by a Roll Call Vote:

Ayes: R. Benson, E. Chaplin, R. Ferraro, T. Feltes, L. Hartwig, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, G. Wilcox, D. Zeilenga and M. Vondra.

Nays: None

Absent: W. Murphy

PUBLIC COMMENTS

None

EXECUTIVE SESSION

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

Ayes: R. Benson, E. Chaplin, R. Ferraro, T. Feltes, L. Hartwig, G. Mathews, W. Murphy, A. Poole, J. Vrdolyak, G. Wilcox, D. Zeilenga and M. Vondra.

Nays: None

Absent: W. Mueller

The Commission went into Executive Session at 8:20 P.M.

Commissioner Wilcox moved to come out of Executive Session at 8:30 P.M. Seconded by Commissioner Feltes and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Mathews moved to adopt Resolution No. R-72-04: A Resolution Approving and Authorizing the Execution of a Settlement Agreement with BP Products North America Inc. Related to Contract TIB-1/03 Utility Conflicts. Seconded by Commissioner Ferraro and approved by a Roll Call Vote:

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Ayes: R. Benson, E. Chaplin, R. Ferraro, T. Feltes, L. Hartwig, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, G. Wilcox, and D. Zeilenga

Nays: None

Absent: W. Murphy

Abstain: M. Vondra

Commissioner Ferraro moved to authorize the General Manager to engage Moss and Bloomberg, Ltd. to initiate legal proceedings to recover amounts paid to West Shore Pipeline Company and other costs, expenses, and damages, including delay damages, incurred by the Commission arising out of conflicts between West Shore's facilities and the TIB-1/03 Inner Belt Transmission Main and to approve a settlement agreement with West Shore on substantially the same terms as approved by Resolution No. R-72-04, all subject to the discretion of the General Manager to determine whether or when the bests interests of the Commission require that such litigation be initiated or such settlement agreement be executed after taking into consideration the factors discussed in Executive Session. Seconded by Commissioner Feltes and unanimously approved by a Roll Call Vote.

Ayes: R. Benson, E. Chaplin, R. Ferraro, T. Feltes, L. Hartwig, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, G. Wilcox, D. Zeilenga and M. Vondra.

Nays: None

Absent: W. Murphy

Commissioner Wilcox moved to adjourn the meeting at 8:40 P.M. Seconded by Commissioner Ferraro and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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