



DuPage Water Commission

600 E. Butterfield Road, Elmhurst, IL 60126-4642

(630)834-0100 Fax: (630)834-0120

SPECIAL MEETING OF THE DU PAGE WATER COMMISSION

April 25, 2002



DuPage Water Commission

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

NOTICE IS HEREBY GIVEN THAT A SPECIAL MEETING OF THE DU PAGE WATER COMMISSION WILL BE HELD AT 7:30 P.M. ON THURSDAY, APRIL 25, 2002, AT ITS OFFICES LISTED BELOW. THE AGENDA FOR THE SPECIAL MEETING IS AS FOLLOWS:

AGENDA

**DU PAGE WATER COMMISSION
SPECIAL MEETING
THURSDAY, APRIL 25, 2002
7:30 P.M.**

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

- I. Roll Call
- II. Continued Public Hearing Regarding Management Budget Ordinance for the Fiscal Year Commencing May 1, 2002 and Ending April 30, 2003
- III. Provision of Lake Michigan Water to Unincorporated Areas of DuPage County Affected by Contaminated Well Water Supplies
- IV. Omnibus Vote
 - A. Resolution R-14-02: A Resolution Establishing the Policy of the DuPage Water Commission with Respect to Fund Balances and Construction and Rate Stabilization Reserves for the Fiscal Year Ending April 30, 2002
 - B. Ordinance O-5-02: An Ordinance Approving and Adopting an Annual Management Budget for the Fiscal Year Commencing May 1, 2002 and Ending April 30, 2003
 - C. Ordinance O-6-02: An Ordinance Establishing a Water Rate for Operation and Maintenance Costs for the Fiscal Year Commencing May 1, 2002 and Ending April 30, 2003
 - D. Ordinance O-7-02: An Ordinance Establishing Fixed Costs to be Payable by Each Contract Customer for the Fiscal Year Commencing May 1, 2002 and Ending April 30, 2003
- V. Adjournment

Board/Agenda/Rcm0204S.doc

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

DUPAGE WATER COMMISSION

RESOLUTION NO. R-14-02

A RESOLUTION ESTABLISHING THE POLICY OF THE DUPAGE
WATER COMMISSION WITH RESPECT TO FUND BALANCES AND
CONSTRUCTION AND RATE STABILIZATION RESERVES
FOR THE FISCAL YEAR ENDING APRIL 30, 2002

WHEREAS, based upon the results of operation of the DuPage Water Commission (the "Commission") through March 31, 2002, there are, and based upon the estimated results of operation through April 30, 2002, it is anticipated that there will be additional, significant fund balances in the Water Fund of the Commission that are not committed to construction, required reserves or other liabilities; and

WHEREAS, the Board of Commissioners of the DuPage Water Commission has determined that it is in the best interest of the Commission and its Contract Customers, as defined in the Water Purchase and Sale Contract dated as of June 11, 1986, by and between the Commission and its Charter Customers (the "Charter Customer Contract"), to maintain certain fund and subaccount balances in the "Water Fund" created by Ordinance No. O-1-87 for the purpose of constructing and making repairs, replacements, renewals, improvements and extensions to the Waterworks System of the Commission, and to maintain a construction reserve and a water rate stabilization reserve in the "General Account" of the Water Fund created by Ordinance No. O-1-87;

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

SECTION ONE: The foregoing recitals are hereby incorporated herein and by this reference made a part hereof as findings of the Board of Commissioners of the DuPage Water Commission as if fully set forth herein.

SECTION TWO: Capitalized terms not otherwise defined in this Resolution shall have the meanings ascribed to them in the Charter Customer Contract.

SECTION THREE: Of the subaccount balance in the "Sales Tax subaccount" of the General Account of the Water Fund created by Resolution No. R-28-00, \$7,668,150 shall be and it hereby is designated and assigned to the Revenue Bond Reserve within the Sales Tax subaccount of the General Account of the Water Fund, and, except as otherwise required by Section 8.10 of Ordinance No. O-1-87, is hereby restricted for the purpose of reducing the Fixed Costs portion of the water rates that would otherwise be charged to Contract Customers for the Fiscal Year ending April 30, 2003, which Fixed Costs are attributable to the payment of debt service on revenue bonds issued by the Commission to pay for the cost of constructing and making repairs, replacements, renewals, improvements and extensions to the Waterworks System of the Commission (the "FY 2002-03 Revenue Bond Funding Amount").

SECTION FOUR: The Board of Commissioners of the DuPage Water Commission hereby declares that it is the policy of the Commission to maintain a target fund balance in the Water Fund for emergency repairs and other contingencies equal to the lesser of (a) 5 percent of the original cost of construction of the Commission's Waterworks System (\$413,500,000 as of the start of operations May 1, 1992), as adjusted by the ENR Construction Index published by the Engineering News Record, or (b) \$50,000,000.00 (the "Target Fund Balance"). For the fiscal year ending April 30, 2002, the Target Fund Balance is, therefore, \$27,300,000.00.

SECTION FIVE: The Board of Commissioners of the DuPage Water Commission hereby declares that it is the policy of the Commission to maintain \$16,000,000.00 of the Target Fund Balance in the Sales Tax subaccount of the General Account of the Water

Fund (the "Sales Tax Subaccount Target Balance"). The Board of Commissioners of the DuPage Water Commission hereby further declares that it is the policy of the Commission to maintain a construction reserve in the Sales Tax subaccount of the General Account of the Water Fund equal to the amount in the Sales Tax subaccount of the General Account of the Water Fund in excess of (a) the Sales Tax Subaccount Target Balance and (b) the unpaid FY 2002-03 Revenue Bond Funding Amount.

SECTION SIX: The Board of Commissioners of the DuPage Water Commission hereby declares that it is the policy of the Commission to maintain \$11,300,000.00 of the Target Fund Balance in accounts of the Water Fund other than the Sales Tax subaccount of the General Account of the Water Fund. Except as otherwise provided herein with respect to subaccount balances in the Sales Tax subaccount of the General Account of the Water Fund, the Board of Commissioners of the DuPage Water Commission hereby further declares that it is the policy of the Commission to maintain a water rate stabilization reserve in the "Rate Stabilization Reserve subaccount" of the General Account of the Water Fund created by Resolution No. R-18-98 equal to the amount of uncommitted Water Fund balances in excess of \$11,300,000.00.

SECTION SEVEN: Any uncommitted subaccount balance in the Sales Tax subaccount of the General Account of the Water Fund in excess of the Sales Tax Subaccount Target Balance and the unpaid FY 2002-03 Revenue Bond Funding Amount from time to time shall be and it hereby is designated and assigned to the Construction Reserve within the Sales Tax subaccount of the General Account of the Water Fund Corporate Fund, and, except as otherwise required by Section 8.10 of Ordinance No. O-1-87, is hereby restricted for such purpose. Except as otherwise provided herein with respect to subaccount balances in the Sales Tax subaccount of the General Account of the Water

Fund, any uncommitted account balance in the General Account of the Water Fund in excess of \$11,300,000.00 from time to time shall be and it hereby is designated and assigned to the Rate Stabilization Reserve subaccount of the General Account of the Water Fund, and, except as otherwise required by Section 8.10 of Ordinance No. O-1-87, is hereby restricted for such purpose.

SECTION EIGHT: This Resolution shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED THIS _____ DAY OF _____, 2002.

Chairman

ATTEST:

Acting Clerk

R-14-02.DOC

DU PAGE WATER COMMISSION

ORDINANCE NO. O-5-02

**AN ORDINANCE APPROVING AND ADOPTING
AN ANNUAL MANAGEMENT BUDGET FOR THE
FISCAL YEAR COMMENCING MAY 1, 2002 AND
ENDING APRIL 30, 2003**

WHEREAS, the General Manager and Administrative Staff of the DuPage Water Commission (the "Commission") prepared and submitted a tentative annual Management Budget for the fiscal year commencing May 1, 2002 and ending April 30, 2003, in substantially the form attached hereto as Exhibit 1, as and when required by Article X, Section 2 of the Commission's By-Laws, as amended from time to time; and

WHEREAS, due notice having been given, a hearing was held on the tentative annual Management Budget prior to any final action being taken thereon, at which time the Charter Customers were heard; and

WHEREAS, after full review and consideration, the Commission has determined that it is reasonable, necessary and desirable for the Commission to approve and adopt the budget set forth in the attached Exhibit 1 as and for its Management Budget for the fiscal year commencing May 1, 2002 and ending April 30, 2003; and

WHEREAS, it appearing to the Commission that all things required for the approval and adoption of said Management Budget have been complied with;

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.

Ordinance O-5-02

SECTION TWO: The Budget attached hereto as Exhibit 1 and by this reference incorporated herein and made a part hereof shall be and hereby is approved and adopted as and for the Management Budget of the DuPage Water Commission for the fiscal year commencing May 1, 2002 and ending April 30, 2003.

SECTION THREE: This Ordinance shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED THIS _____ DAY OF _____, 2002.

Chairman

ATTEST:

Acting Clerk

O-5-02.DOC

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
5000	REVENUES				
5110	O & M PAYMENTS	PAGE 3	41,407,612	42,179,537	43,256,125
5120	FIXED COST PAYMENTS	PAGE 3	13,376,556	13,376,556	10,164,758
5130	SUBSEQUENT CUSTOMER DIFFERENTIAL	PAGE 3	952,648	907,241	1,005,634
5200	PROPERTY TAXES	PAGE 3	0	0	0
5300	SALES TAXES	PAGE 3	32,487,989	35,414,895	33,717,690
5810	INTEREST INCOME	PAGE 3	6,166,401	7,612,792	4,531,250
5900	OTHER INCOME	PAGE 3	2,263,249	2,676,750	370,750
	TOTAL REVENUE		96,654,455	102,167,771	93,046,207
6000	OPERATING EXPENDITURES				
6100	PERSONAL SERVICES	PAGE 5	2,163,069	2,106,216	2,434,103
6200	PROFESSIONAL SERVICES	PAGE 7	195,204	240,724	249,320
6300	PURCHASED SERVICES	PAGE 8	403,420	1,433,400	737,400
6400	INSURANCE	PAGE 9	457,287	463,876	1,493,781
6500	ADMINISTRATIVE COSTS	PAGE 10	116,706	135,897	131,520
6600	DIRECT WATER DISTRIBUTION COSTS	PAGE 11	41,001,452	46,669,904	45,768,774
6700	BOND INTEREST COSTS	PAGE 12	15,409,650	16,152,895	15,218,089
6800	LAND AND RIGHT-OF-WAY	PAGE 12	3,495	5,995	5,995
6900	CAPITAL EQUIPMENT/DEPRECIATION	PAGE 13	6,303,000	6,791,910	6,698,472
	TOTAL OPERATING EXPENDITURES		66,053,283	74,000,817	72,737,454
7000	CONSTRUCTION EXPENDITURES	PAGE 14	0	0	0
	TOTAL EXPENDITURES		66,053,283	74,000,817	72,737,454
	NET OPERATING ACCOUNTING TRANSACTIONS		30,601,172	28,166,954	20,308,753

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
	NET ASSETS BALANCE				
	NET CURRENT YEAR TRANSACTIONS	PAGE 1	30,601,172	28,166,954	20,308,753
	FIXED ASSET EQUITY TRANSFERS		0	0	0
	BEGINNING NET ASSET BALANCE		315,839,239	315,621,442	346,440,411
	ENDING NET ASSET BALANCE		346,440,411	343,788,396	366,749,164
	NET ASSETS BALANCE ANALYSIS				
4211	HELD FOR EMERGENCY REPAIRS		27,300,000	27,300,000	28,100,000
4212	RESERVED FOR WHOLESALE WATER RATE STABILIZATION		42,767,502	32,677,523	43,853,400
4213	RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS		38,253,907	37,753,198	46,115,406
4214	HELD AS WORKING CAPITAL		15,598,064	17,131,433	17,002,220
4210	TOTAL UNRESTRICTED		123,919,473	114,862,154	135,071,026
4220	RESTRICTED BY ORDINANCE/RESOLUTION		50,402,369	47,460,424	49,339,630
4230	INVESTED IN PROPERTY PLANT AND EQUIPMENT		172,118,569	181,465,818	182,338,508
	NET ASSETS BALANCE		346,440,411	343,788,396	366,749,164
	USE OF OPERATING INCOME				
	NET OPERATING ACCOUNTING TRANSACTIONS		30,601,172	28,166,954	20,308,753
	ITEMS NOT IN ACCOUNTING BUDGET				
	USED FOR G. O. BOND PRINCIPAL		(9,240,000)	(7,945,000)	(8,400,000)
	USED FOR REVENUE BOND PRINCIPAL		(9,150,000)	(9,150,000)	(9,605,000)
	CONSTRUCTION OUTLAYS		(11,523,717)	(18,102,300)	(8,283,500)
	NON-CASH ACCOUNTING EXPENSES				
	DEPRECIATION		6,303,000	6,791,910	6,698,472
	BALANCED BUDGET CALCULATION		6,990,455	(238,436)	718,725

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

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5000	REVENUES				
5100	WATER REVENUES				
5110	O & M PAYMENTS		41,407,612	42,179,537	43,256,125
5120	FIXED COST PAYMENTS		13,376,556	13,376,556	10,164,758
5130	SUBSEQUENT CUSTOMER DIFFERENTIAL		952,648	907,241	1,005,634
5200	PROPERTY TAXES		0	0	0
5300	SALES TAXES		32,487,989	35,414,895	33,717,690
5800	INVESTMENT EARNINGS				
5810	INTEREST INCOME		6,166,401	7,612,792	4,531,250
5900	OTHER INCOME		2,263,249	2,676,750	370,750
	TOTAL REVENUE		96,654,455	102,167,771	93,046,207

DU PAGE WATER COMMISSION
ESTIMATED CHARTER CUSTOMER
FIXED COST PAYMENT SCHEDULE (WF-5120)
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

MUNICIPALITY	2000 & 2001 CALENDAR YEARS USE (1000 GAL)	2000 & 2001 CALENDAR YEARS % USAGE	REQUIRED FIXED COST PAYMENT \$17,832,908 43% SALES TAX FUNDED (\$7,668,150) AMOUNT TO BE RATE FUNDED \$10,164,758	FOR:	FOR:	FOR:	FOR:	FOR:	FOR:	FOR:	FOR:	FOR:	FOR:	FOR:	FOR:
				05/31/02 DUE: 07/10/02	06/30/02 DUE: 08/10/02	07/31/02 DUE: 09/10/02	08/31/02 DUE: 10/10/02	09/30/02 DUE: 11/10/02	10/31/02 DUE: 12/10/02	11/30/02 DUE: 01/10/03	12/31/02 DUE: 02/10/03	01/31/03 DUE: 03/10/03	02/28/03 DUE: 04/10/03	03/31/03 DUE: 05/10/03	04/30/03 DUE: 06/10/03
ADDISON	2,995,159	4.8033%	\$488,244	\$40,687	\$40,687	\$40,687	\$40,687	\$40,687	\$40,687	\$40,687	\$40,687	\$40,687	\$40,687	\$40,687	\$40,687
BENSENVILLE	1,850,526	2.9677%	301,656	25,138	25,138	25,138	25,138	25,138	25,138	25,138	25,138	25,138	25,138	25,138	25,138
BLOOMINGDALE	1,817,782	2.9152%	296,316	24,693	24,693	24,693	24,693	24,693	24,693	24,693	24,693	24,693	24,693	24,693	24,693
CAROL STREAM	2,932,532	4.7029%	478,032	39,836	39,836	39,836	39,836	39,836	39,836	39,836	39,836	39,836	39,836	39,836	39,836
CLARENDON HILLS	520,580	0.8349%	84,864	7,072	7,072	7,072	7,072	7,072	7,072	7,072	7,072	7,072	7,072	7,072	7,072
DARIEN	1,708,792	2.7404%	278,556	23,213	23,213	23,213	23,213	23,213	23,213	23,213	23,213	23,213	23,213	23,213	23,213
DOWNERS GROVE	4,468,967	7.1669%	728,496	60,708	60,708	60,708	60,708	60,708	60,708	60,708	60,708	60,708	60,708	60,708	60,708
ELMHURST	3,315,937	5.3178%	540,540	45,045	45,045	45,045	45,045	45,045	45,045	45,045	45,045	45,045	45,045	45,045	45,045
GLEN ELLYN	2,078,310	3.3330%	338,784	28,232	28,232	28,232	28,232	28,232	28,232	28,232	28,232	28,232	28,232	28,232	28,232
GLENDALE HTS	1,998,114	3.2044%	325,716	27,143	27,143	27,143	27,143	27,143	27,143	27,143	27,143	27,143	27,143	27,143	27,143
HINSDALE	1,859,618	2.9823%	303,144	25,262	25,262	25,262	25,262	25,262	25,262	25,262	25,262	25,262	25,262	25,262	25,262
ITASCA	1,011,035	1.6214%	164,808	13,734	13,734	13,734	13,734	13,734	13,734	13,734	13,734	13,734	13,734	13,734	13,734
LISLE	2,015,975	3.2330%	328,632	27,386	27,386	27,386	27,386	27,386	27,386	27,386	27,386	27,386	27,386	27,386	27,386
LOMBARD	3,247,521	5.2080%	529,380	44,115	44,115	44,115	44,115	44,115	44,115	44,115	44,115	44,115	44,115	44,115	44,115
NAPERVILLE	11,666,061	18.7088%	1,901,712	158,476	158,476	158,476	158,476	158,476	158,476	158,476	158,476	158,476	158,476	158,476	158,476
OAK BROOK	2,933,375	4.7042%	478,176	39,848	39,848	39,848	39,848	39,848	39,848	39,848	39,848	39,848	39,848	39,848	39,848
ROSELLE	1,558,456	2.4993%	254,052	21,171	21,171	21,171	21,171	21,171	21,171	21,171	21,171	21,171	21,171	21,171	21,171
VILLA PARK	1,465,742	2.3506%	238,932	19,911	19,911	19,911	19,911	19,911	19,911	19,911	19,911	19,911	19,911	19,911	19,911
WESTMONT	2,126,510	3.4103%	346,644	28,887	28,887	28,887	28,887	28,887	28,887	28,887	28,887	28,887	28,887	28,887	28,887
WHEATON	4,095,774	6.5684%	667,656	55,638	55,638	55,638	55,638	55,638	55,638	55,638	55,638	55,638	55,638	55,638	55,638
WILLOWBROOK	843,124	1.3521%	137,436	11,453	11,453	11,453	11,453	11,453	11,453	11,453	11,453	11,453	11,453	11,453	11,453
WOOD DALE	1,116,201	1.7900%	181,956	15,163	15,163	15,163	15,163	15,163	15,163	15,163	15,163	15,163	15,163	15,163	15,163
WOODRIDGE	2,254,763	3.6160%	367,548	30,629	30,629	30,629	30,629	30,629	30,629	30,629	30,629	30,629	30,629	30,629	30,629
WINFIELD	638,553	1.0240%	104,088	8,674	8,674	8,674	8,674	8,674	8,674	8,674	8,674	8,674	8,674	8,674	8,674
OAK BROOK TERRACE	72,141	0.1157%	11,760	980	980	980	980	980	980	980	980	980	980	980	980
CUCI-ARROWHEAD	136,452	0.2188%	22,248	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854
CUCI-VALLEY VIEW	465,986	0.7473%	75,960	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330
CUCI-COUNTRY CLUB	76,575	0.1228%	12,480	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040
CUCI-LMBRD HGHTS	49,690	0.0797%	8,100	675	675	675	675	675	675	675	675	675	675	675	675
CUCI-DP/LISLE	412,729	0.6619%	67,284	5,607	5,607	5,607	5,607	5,607	5,607	5,607	5,607	5,607	5,607	5,607	5,607
ARGONNE NATIONAL LAB	377,924	0.6061%	61,608	5,134	5,134	5,134	5,134	5,134	5,134	5,134	5,134	5,134	5,134	5,134	5,134
CUCI-LIBERTY RIDGE WEST	209,516	0.3360%	34,152	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846
CUCI-LIBERTY RIDGE EAST (1)	35,464	0.0569%	5,784	482	482	482	482	482	482	482	482	482	482	482	482
ROUNDING	0	0.0000%	14	2	2	1	1	1	1	1	1	1	1	1	1
ALL CUSTOMERS TOTAL	62,355,884	100.0000%	\$10,164,758	\$847,064	\$847,064	\$847,063	\$847,063	\$847,063	\$847,063	\$847,063	\$847,063	\$847,063	\$847,063	\$847,063	\$847,063

(1) - CUSTOMER LESS THAN TWO FULL CALENDAR YEARS - USE ALLOCATION

ESTIMATED O & M RATE
ESTIMATED FIXED COST CHARGE PER 1000 GALLONS

ESTIMATED TOTAL RATE

FY 2002-03

\$1.34
0.31

\$1.65

FY 2001-02

\$1.33
0.42

\$1.75

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
6000	OPERATING EXPENSES				
6100	PERSONAL SERVICES				
6110	SALARIES & WAGES				
6111	ADMINISTRATIVE-REGULAR		546,102	541,958	571,730
6112	OPERATIONS-REGULAR		976,254	1,004,629	1,104,156
6116	ADMINISTRATIVE - OVERTIME		561	1,355	1,429
6117	OPERATIONS - OVERTIME		144,006	115,000	145,000
6120	FRINGE BENEFITS				
6121	PENSION		132,809	133,035	145,784
6122	MEDICAL/LIFE BENEFITS		305,636	249,876	394,810
6123	MEDICARE		21,981	21,426	26,424
6128	STATE UNEMPLOYMENT TAXES		1,555	1,512	1,620
6130	PROFESSIONAL DEVELOPMENT				
6131	TRAVEL		8,379	6,000	13,500
6132	TRAINING		10,680	14,500	12,250
6133	PROFESSIONAL DEVELOPMENT		6,394	10,500	8,100
6190	OTHER PERSONNEL COSTS				
6191	PERSONNEL RECRUITMENT		8,712	6,425	9,300
	TOTAL PERSONAL SERVICES		2,163,069	2,106,216	2,434,103

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
6200	PROFESSIONAL SERVICES				
6230	FINANCIAL SERVICES				
6231	BOND ADVISORY SERVICES		0	2,000	2,000
6232	GENERAL FINANCIAL CONSULTING		938	1,200	750
6233	TRUST SERVICES/BANK CHARGES		36,827	31,524	40,320
6239	OTHER FINANCIAL SERVICES		2,250	1,500	1,750
6250	LEGAL SERVICES				
6251	GENERAL COUNSEL		152,191	170,000	170,000
6252	BOND COUNSEL		2,723	1,500	1,500
6253	SPECIAL COUNSEL		0	5,000	5,000
6258	LEGAL NOTICES		275	3,000	3,000
6259	OTHER LEGAL SERVICES		0	25,000	25,000
	TOTAL PROFESSIONAL SERVICES		195,204	240,724	249,320

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
6300	PURCHASED SERVICES				
6310	AUDIT SERVICES		31,200	31,200	32,700
6350	INSURANCE SERVICES		0	10,000	12,000
6380	CONSULTING SERVICES				
6381	C.A.D.D. MAPPING		0	0	0
6385	TASTE & ODOR STUDY		779	0	0
6389	OTHER CONSULTING SERVICES		360,015	1,360,500	451,000
6390	CONTRACTUAL SERVICES				
6391	MATERIAL TESTING		0	0	200,000
6394	PUBLIC INFORMATION		3,086	3,500	3,500
6395	CONTRACT LABOR		2,337	3,200	3,200
6399	OTHER CONTRACTUAL SERVICES		6,003	25,000	35,000
	TOTAL PURCHASED SERVICES		403,420	1,433,400	737,400

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
6400	INSURANCE				
6410	CASUALTY INSURANCE				
6411	GENERAL LIABILITY		100,333	101,902	94,042
6412	PUBLIC OFFICIAL'S LIABILITY		60,648	81,466	82,575
6413	TEMPORARY BONDS		469	500	500
6414	ENGINEER'S LIABILITY		0	0	0
6415	WORKER'S COMPENSATION		38,443	64,778	54,274
6416	UMBRELLA COVERAGE		0	0	0
6417	ALL RISK-BUILDER'S RISK		0	0	0
6420	PROPERTY INSURANCE				
6421	TANGIBLE PROPERTY		257,394	165,230	237,390
6422	AUTOMOBILE		0	0	0
6490	OTHER COVERAGE				
6491	SELF INSURED CLAIMS		0	50,000	1,025,000
	TOTAL INSURANCE		457,287	463,876	1,493,781

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
6500	ADMINISTRATIVE COSTS				
6510	OCCUPANCY COSTS				
6513	BUILDING HEATING		6,022	45,000	32,500
6514	TELEPHONE		61,844	31,845	33,110
6520	SUPPLIES & REFERENCES				
6521	GENERAL SUPPLIES		14,031	20,650	15,000
6522	BOOKS & PUBLICATIONS		2,114	2,500	2,500
6530	PRINTING & PUBLICATIONS				
6531	PRINTING EXPENSE		725	4,000	5,150
6532	POSTAGE & DELIVERY		16,910	9,600	12,000
6540	DUES, SUBSCRIPTIONS		2,268	7,500	17,500
6550	OFFICE EQUIPMENT REPAIRS		11,581	13,100	12,000
6590	OTHER ADMINISTRATIVE EXPENSE		1,211	1,702	1,760
	TOTAL ADMINISTRATIVE & MAINTENANCE COSTS		116,706	135,897	131,520

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
6600	DIRECT WATER DISTRIBUTION COSTS				
6610	WATER SUPPLY				
6611	WATER PURCHASES - CHICAGO CONTRACT		37,964,487	39,235,745	39,544,005
6612	ELECTRICITY		1,700,126	1,638,805	1,681,075
6613	WATER CHEMICALS		18,446	31,500	20,000
6614	WATER TESTING		2,991	5,000	6,000
6620	PUMP STATION OPERATIONS				
6621	PUMPING OPERATIONS		204,211	210,000	201,300
6622	BUILDING MAINTENANCE & REPAIR		430,163	650,000	800,000
6623	METER TESTING & REPAIR		14,850	95,000	125,000
6624	SCADA/INSTRUMENTATION		54,610	48,000	65,000
6625	EQUIPMENT RENTAL		2,338	5,000	5,000
6626	UNIFORMS		7,178	7,000	7,000
6630	PIPE LINE MAINTENANCE				
6631	PIPELINE REPAIRS		336,302	4,250,000	2,750,000
6632	PIPELINE CORROSION TESTING		35,654	50,000	55,000
6633	METER STATIONS, ROV, STANDPIPES		123,518	235,000	285,000
6634	PLAN REVIEW - PIPELINE CONFLICTS		47,037	87,800	95,000
6635	EQUIPMENT RENTAL		6,063	25,000	25,000
6636	UNIFORMS		2,460	2,750	3,250
6637	PIPELINE SUPPLIES		449	32,000	38,100
6640	VEHICLES & EQUIPMENT				
6641	REPAIRS		23,418	29,716	31,167
6642	GASOLINE		27,016	31,000	31,000
6643	LICENSES		135	588	877
	TOTAL DIRECT WATER DISTRIBUTION COSTS		41,001,452	46,669,904	45,768,774

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
6700	BOND INTEREST COSTS				
6720	BOND INTEREST				
6721	GENERAL OBLIGATION BONDS		5,485,049	6,230,581	5,759,930
6722	REVENUE BONDS		9,924,601	9,922,314	9,458,159
	TOTAL PRINCIPAL AND INTEREST EXPENSES		15,409,650	16,152,895	15,218,089
6800	LAND AND RIGHT-OF-WAY				
6810	LEASES		500	1,000	1,000
6820	PERMITS & FEES		0	1,000	1,000
6830	EASEMENTS		2,995	2,995	2,995
6890	RELATED SERVICES		0	1,000	1,000
	TOTAL LAND AND RIGHT-OF-WAY		3,495	5,995	5,995

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
6900	CAPITAL EQUIPMENT/DEPRECIATION				
6920	WATER MAINS		4,013,634	4,288,661	4,292,529
6930	BUILDINGS		1,927,770	2,110,068	2,013,014
6940	PUMPING EQUIPMENT		177,870	177,876	177,870
6950	EQUIPMENT PURCHASES & DEPRECIATION				
6951	DATA PROCESSING PURCHASES		24,275	50,000	43,350
6952	OTHER EQUIPMENT PURCHASES		6,595	18,000	22,500
6958	CAPITALIZED EQUIPMENT PURCHASES		(30,870)	(68,000)	(65,850)
6959	EQUIPMENT DEPRECIATION		146,279	155,125	148,823
6960	VEHICLE PURCHASES & DEPRECIATION				
6961	MOTOR VEHICLES PURCHASES		43,302	111,000	98,000
6968	CAPITALIZED VEHICLES PURCHASES		(43,302)	(111,000)	(98,000)
6969	VEHICLE DEPRECIATION		37,447	60,180	66,236
	TOTAL CAPITAL EQUIPMENT/DEPRECIATION		6,303,000	6,791,910	6,698,472
	TOTAL OPERATING EXPENSES		66,053,283	74,000,817	72,737,454

DU PAGE WATER COMMISSION
TENTATIVE DRAFT MANAGEMENT BUDGET
MAY 1, 2002 TO APRIL 30, 2003

EXHIBIT 1

ACCT #	ACCOUNT TITLE	TOTAL FROM	WATER FUND FY 01-02 FORECASTED	WATER FUND FY 01-02 BUDGET	WATER FUND FY 02-03 BUDGET
7000	CONSTRUCTION EXPENDITURES				
7100	METERING STATIONS		1,401,610	1,250,000	255,000
7300	DU PAGE PUMPING STATION		(264,813)	13,000	1,124,000
7400	SYSTEM STORAGE		1,237,767	5,200,000	109,000
7500	TRANSMISSION MAINS		7,963,168	8,550,000	5,000,000
7600	FEEDER MAINS		(391,066)	0	0
7910	CONSTRUCTION ENGINEERING				
7912	FACILITIES IMPROVEMENTS		70,429	1,295,000	1,048,000
7913	PIPELINE IMPROVEMENTS		1,157,778	1,134,000	550,000
7914	CUSTOMER ADDITIONS		244,932	110,000	10,000
7915	EMERGENCY CONNECTIONS		(7,681)	146,800	19,300
7950	LEGAL				
7951	GENERAL COUNSEL		72,321	111,000	75,000
7958	LEGAL NOTICES		0	4,000	1,000
7960	PURCHASED SERVICES				
7961	APPRAISAL SERVICES		0	500	200
7962	MATERIAL TESTING SERVICES		92,281	225,000	75,000
7963	VIDEO TAPING		0	3,000	300
7970	LAND AND RIGHT-OF-WAY				
7972	PERMITS & FEES		0	8,000	1,000
7973	EASEMENTS		0	0	0
7974	REAL PROPERTY		(53,009)	0	0
7979	RELATED SERVICES		0	2,000	700
7980	CAPITALIZED FIXED ASSETS		(11,523,717)	(18,102,300)	(8,283,500)
7990	MISCELLANEOUS CONSTRUCTION		0	50,000	15,000
	TOTAL CONSTRUCTION EXPENDITURES		0	0	0

DU PAGE WATER COMMISSION

ORDINANCE NO. O-6-02

**AN ORDINANCE ESTABLISHING A WATER RATE
FOR OPERATION AND MAINTENANCE COSTS FOR
THE FISCAL YEAR COMMENCING
MAY 1, 2002 AND ENDING APRIL 30, 2003**

WHEREAS, pursuant to Section 11-135-5 of the Illinois Municipal Code, 65 ILCS 5/11-135-5, the Commission is required to establish, by ordinance, rates and charges for water which are sufficient at all times to pay, among other things, Operation and Maintenance Costs; and

WHEREAS, pursuant to that certain Water Purchase and Sale Contract dated as of June 11, 1986 by and between the Commission and its Charter Customers (the "Charter Customer Contract"), Operation and Maintenance Costs payable by the Charter Customers in each Fiscal Year are determined and assessed by the Commission on a price per 1,000 gallon basis established in accordance with the provisions of Subsection 7(l) of the Charter Customer Contract; and

WHEREAS, the Commission prepared and submitted to the Charter Customers a tentative budget for the Fiscal Year commencing May 1, 2002 and ending April 30, 2003 (the "Covered Fiscal Year"), as required by said Subsection 7(l) (the "Tentative Budget"); and

WHEREAS, the Tentative Budget contained an estimate of Operation and Maintenance Costs for the Covered Fiscal Year in a stated price of \$1.34 per 1,000 gallons of water delivered; and

WHEREAS, due notice having been given, a hearing was held on the Tentative Budget at which time the Charter Customers were heard; and

WHEREAS, after full review and consideration, the Commission has determined that it is reasonable, necessary and sufficient for the Commission to approve and adopt the stated price of \$1.34 per 1,000 gallons of water delivered as and for the water rate to be charged to all Contract Customers for Operation and Maintenance Costs in the Covered Fiscal Year;

Ordinance O-6-02

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: Capitalized terms not otherwise defined in this Ordinance shall have the meanings ascribed to them in the Charter Customer Contract.

SECTION THREE: A water rate of \$1.34 per 1,000 gallons of water delivered shall be and it hereby is established for Operation and Maintenance Costs for the Covered Fiscal Year. The water rate for Operation and Maintenance Costs established pursuant to this Ordinance for the Covered Fiscal Year shall apply equally to Charter Customers and Subsequent Customers and shall be in addition to, and not in lieu of or as a credit against, any and all other costs, fees or charges imposed by the Charter Customer Contract or any Subsequent Contract.

SECTION FOUR: Notwithstanding any other provision of this Ordinance, at any time no Lake Water is being supplied through the Waterworks System to Contract Customers, each Contract Customer's share of monthly Operation and Maintenance Costs shall be that proportion of those costs which such Contract Customer's Water Allocation bears to the total Water Allocations of all Contract Customers required to make Operation and Maintenance Costs payments during the same period.

SECTION FIVE: The water rate for Operation and Maintenance Costs established pursuant to this Ordinance for the Covered Fiscal Year shall be subject to change by amendatory ordinance approved in the same manner as this Ordinance and in accordance with the notice and hearing requirements of Subsection 7(l) of the Charter Customer Contract.

Ordinance O-6-02

SECTION SIX: 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% of the Commissioners appointed by the Mayors; provided, however, that Sections Three and Four of this Ordinance shall be of no force or effect until May 1, 2002.

AYES:

NAYS:

ABSENT:

ADOPTED this ____ day of _____, 2002.

Chairman

ATTEST:

Acting Clerk

O-6-02.DOC

DU PAGE WATER COMMISSION

ORDINANCE NO. O-7-02

**AN ORDINANCE ESTABLISHING FIXED COSTS TO
BE PAYABLE BY EACH CONTRACT CUSTOMER
FOR THE FISCAL YEAR COMMENCING
MAY 1, 2002 AND ENDING APRIL 30, 2003**

WHEREAS, pursuant to Section 11-135-5 of the Illinois Municipal Code, 65 ILCS 5/11-135-5, the Commission is required to establish, by ordinance, rates and charges for water which are sufficient at all times to pay, among other things, Fixed Costs; and

WHEREAS, pursuant to that certain Water Purchase and Sale Contract dated as of June 11, 1986 by and between the Commission and its Charter Customers (the "Charter Customer Contract"), Fixed Costs payable by the Charter Customers in each Fiscal Year are determined and assessed by the Commission proportionately in accordance with the provisions of Subsection 6(b) of the Charter Customer Contract; and

WHEREAS, the Commission prepared and submitted to the Charter Customers a tentative budget for the Fiscal Year commencing May 1, 2002 and ending April 30, 2003 (the "Covered Fiscal Year"), as required by Subsection 7(l) of the Charter Customer Contract (the "Tentative Budget"); and

WHEREAS, the Tentative Budget contained an estimate of Fixed Costs to be payable by Contract Customers, in the aggregate, for the Covered Fiscal Year in a stated aggregate dollar amount of \$13,374,681.00, which is approximately \$0.41 per 1,000 gallons of water included in the Full Water Requirements of the Contract Customers for the period between January 1, 2000 and December 31, 2001; and

WHEREAS, due notice having been given, a hearing was held on the Tentative Budget at which time the Charter Customers were heard; and

WHEREAS, after full review and consideration, the Commission has determined that it is reasonable, necessary and sufficient for the Commission to approve and adopt the

stated aggregate dollar amount of \$10,164,758.00 as and for the amount of Fixed Costs to be payable by Contract Customers, in the aggregate, for the Covered Fiscal Year;

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: Capitalized terms not otherwise defined in this Ordinance shall have the meanings ascribed to them in the Charter Customer Contract.

SECTION THREE: The Fixed Costs to be payable by Contract Customers, in the aggregate, for the Covered Fiscal Year shall be and they hereby are established in the aggregate dollar amount of \$10,164,758.00, which is approximately \$0.31 per 1,000 gallons of water included in the Full Water Requirements of the Contract Customers for the period between January 1, 2000 and December 31, 2001. Each Contract Customer's proportionate share of Fixed Costs established pursuant to this Ordinance for the Covered Fiscal Year shall be in addition to, and not in lieu of or as a credit against, any and all other costs, fees or charges imposed by the Charter Customer or applicable Subsequent Contract.

SECTION FOUR: The Fixed Costs established pursuant to this Ordinance for the Covered Fiscal Year shall be subject to change by amendatory ordinance approved in the same manner as this Ordinance.

SECTION FIVE: 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

Ordinance O-7-02

Chairman and 40% of the Commissioners appointed by the Mayors; provided, however, that Section Three of this Ordinance shall be of no force or effect until May 1, 2002.

AYES:

NAYS:

ABSENT:

ADOPTED this ____ day of _____, 2002

Chairman

ATTEST:

Acting Clerk

O-7-02.DOC