



# DuPage Water Commission

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

**NOTICE IS HEREBY GIVEN THAT THE RESCHEDULED JANUARY 2004 REGULAR MEETING OF THE DU PAGE WATER COMMISSION WILL BE HELD AT 8:00 P.M. ON THURSDAY, JANUARY 8, 2004, AT ITS OFFICES LISTED BELOW. THE AGENDA FOR THE RESCHEDULED DECEMBER 2004 REGULAR MEETING IS AS FOLLOWS:**

## AGENDA

**DU PAGE WATER COMMISSION  
THURSDAY, JANUARY 8, 2004  
8:00 P.M.**

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

- I. Roll Call  
(Majority of the Commissioners then in office—minimum 7)
- II. Public Comments
- III. Approval of Minutes  
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)
  - A. Regular Meeting of December 11, 2003
  - B. Executive Session of December 11, 2003
- IV. Treasurer's Report – December 2003  
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)
- V. Committee Reports
  - A. Administration Committee
    1. Report of 1/8/04 Meeting
    2. Actions on Items Listed on 1/8/04 Administration Committee Agenda
  - B. Engineering & Construction Committee
    1. Report of 1/8/04 Meeting

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.

2. Actions on Items Listed on 1/8/04 Engineering & Construction Committee Agenda
- C. Finance Committee
  1. Report of 1/8/04 Meeting
  2. Actions on Items Listed on 1/8/04 Finance Committee Agenda
- VI. Chairman's Report
- VII. Omnibus Vote Requiring Majority Vote
  - A. Resolution R-1-04: A Resolution Authorizing the Disposal of Certain Personal Property Owned by the DuPage Water Commission  
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)
  - B. Resolution R-3-04: A Resolution Directing the Transfer of the Excess Debt Service Reserve Account Balance to the General Account of the Water Fund  
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)
  - C. Ordinance O-1-04: An Ordinance Waiving the Capital Risk Factor Rate Provisions of the Subsequent Customer Contracts  
(Concurrence of a Majority of the Appointed Commissioners—7)
- VIII. Omnibus Vote Requiring Super-Majority or Special Majority Vote
  - A. Resolution R-2-03: A Retaining SPI Energy Group for Assistance in the Evaluation of Electrical Supply Alternatives  
(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—2 County + 3 Muni+2=7)
- IX. Old Business
  - Summary of Action Taken Since Previous Meeting
- X. New Business
  - A. Five Year Capital Improvement Plan  
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)
  - B. Purchase Order No. 7840  
(Concurrence of a Majority of the Appointed Commissioners—7)

C. Ordinance O-2-04: An Ordinance Amending the By-Laws of the DuPage Water Commission (Amending Article VI Concerning Closed Meetings) – First Reading

D. Ordinance O-3-04: An Ordinance Amending the By-Laws of the DuPage Water Commission (Amending Articles VI and VII Concerning Telephonic Meeting Participation) – First Reading

XI. Accounts Payable

(Concurrence of a Majority of the Appointed Commissioners—7)

XII. Public Comments

XIII. Executive Session

(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

XIV. Adjournment

(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

**MINUTES OF A MEETING OF THE  
DU PAGE WATER COMMISSION  
HELD ON THURSDAY, DECEMBER 11, 2003  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Vondra at 12:00 P.M.

Commissioners in attendance: E. Chaplin, L. Hartwig, J. Janicik, B. Krajewski, R. Thorn, R. Tolentino (by telephone), G. Wilcox, D. Zeilenga and M. Vondra

Also in attendance: J. Holzwart, R. Martin, E. Nawrocki, R. Skiba, W. Green (AB&H) and M. Crowley (H&K).

PUBLIC COMMENTS

Martin Bourke, City Administrator, Oakbrook Terrace, inquired whether Agenda Item IX. C. "Draft Response to Letter Dated 11/5/03 Re: Certain Provisions of the Water Purchase and Sale Contract" was going to be discussed in open or executive session.

Phil Modaff, Director of Public Works, Woodridge, noted that they had not received a copy of the list of legal firms that will be sent a copy of the Request for Proposals or copies of the Executive Search firm proposals.

Commissioner Wilcox moved to approve the Minutes of the November 13, 2003 meeting of the DuPage Water Commission. Seconded by Commissioner Zeilenga and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Thorn moved to approve the Minutes of the November 13, 2003 Executive Session meeting of the DuPage Water Commission. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Thorn moved to approve the Minutes of the December 2, 2003 special meeting of the DuPage Water Commission. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

The Treasurer's Report for the month of November 2003 showed receipts of \$6,582,765.77, disbursements of \$5,354,558.13 and a cash and investment balance of \$187,266,081.58.

Minutes of the 12/11/03 Meeting

Commissioner Wilcox moved to accept the November 2003 Treasurer's Report. Seconded by Commissioner Chaplin and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

### COMMITTEE REPORTS

Administration Committee – Report by Commissioner Thorn

Commissioner Thorn reported the Administration Committee reviewed the Request for Proposals for Legal Counsel. Commissioner Thorn moved to approve the draft Request for Proposal transmitted by the General Manager in a memorandum dated December 5, 2003 and directed staff to advertise in the appropriate periodicals. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

The Administration Committee also reviewed the Executive Search proposals received. Commissioner Thorn moved to accept the November 25, 2003, proposal of The Par Group – Paul A. Reaume, Ltd. Seconded by Commissioner Wilcox and approved by a Roll Call Vote:

Ayes: E. Chaplin, L. Hartwig, J. Janicik, R. Thorn, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: B. Krajewski

Commissioner Thorn moved to direct The Par Group – Paul A. Reaume, Ltd. to (a) prepare a short list of no more than six candidates to be interviewed by the Board of Commissioners, (b) to prepare the evaluation forms to be used by the Commissioners during the interviews, (c) to provide the Board with written summaries of the completed evaluation forms, and (d) to report back to the Commission the results of the evaluations. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Chairman Vondra noted for the record that he did not want to limit the number of candidates to be interviewed by the Board of Commissioners.

Commissioner Thorn requested that the full, written criteria to be utilized by The Par Group – Paul A. Reaume, Ltd. in screening applicants be e-mailed to the Commissioners prior to any screening.

Commissioner Thorn concluded his report by noting the Committee will make recommendations to the full Board concerning a Telephonic Meeting Participation Policy

## Minutes of the 12/11/03 Meeting

at the January meeting, and that the Committee would continue its discussions on the new ethics legislation, HB3412 and SB702.

### Engineering Committee – Report by Commissioner Wilcox

The Engineering Committee did not have a quorum.

The Manager of Water Operations informed the Commission that staff will be meeting with the highway authorities along the route of the proposed TW-3 West Transmission Main to discuss scheduling and restoration issues.

The Manager of Water Operations also informed the Commission that a task order for the performance of an hydraulic study of the existing distribution system is being prepared for consideration at the January Board meeting. Staff proposed the study to determine the impact of the Commission's existing customers future growth and staff proposed that Alvord, Burdick & Howson, L.L.C. perform this hydraulic study because of their familiarity of the system.

Commissioner Mueller arrived at 12:50 P.M.

### Finance Committee – Report by Financial Administrator

The Finance Committee did not have a quorum. Commissioners Chaplin and Janicik reviewed the Workers' Compensation and the Health Insurance proposals and recommended that the Commission accept these proposals.

The Finance Administrator indicated that the Illinois Auditor General is waiting for an answer from the Commission if they are in agreement with the Intergovernmental Agreement proposed in the September 2, 2003 letter. Commissioner Janicik moved to approve the Intergovernmental Agreement with the Illinois Auditor General subject to (a) McGladrey and Pullen performing the audit and (b) the incorporation of such other revisions as may be requested by the Commission's staff attorney. Seconded by Commissioner Wilcox and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, L. Hartwig, J. Janicik, B. Krajewski, W. Mueller, R. Thorn, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: None

Commissioner Janicik requested that the Financial Administrator note to the auditors the difference in the type of audits and the fact that the Commission received a federal grant for the first time.

### Chairman's Report

Chairman Vondra noted that because of possible membership changes on the Board, he was not going to propose any committee changes at this time.

OMNIBUS VOTE AGENDA

Commissioner Thorn 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 Wilcox and unanimously approved by a Roll Call Vote:

Omnibus Vote

Ayes: E. Chaplin, L. Hartwig, J. Janicik, B. Krajewski, W. Mueller, R. Thorn, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: None

Item 1. Resolution R-49-03: A Resolution Directing the Transfer of Certain Excess Account Balances to the General Account of the Water Fund – “Omnibus Vote”

Item 2. Ordinance O-11-03: An Ordinance Transferring Appropriations Within Certain Funds for the Fiscal Year Commencing May 1, 2003 and Ending April 30, 2004 – “Omnibus Vote”

Commissioner Vondra requested that Ordinance O-10-03: An Ordinance Amending the By-Laws of the DuPage Water Commission (Amending Section 7 of Article II) be removed from the Omnibus Vote Agenda for consideration in the future when Commissioner Benson is in attendance at the meeting. There were no objections by the other Commissioners.

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

Omnibus Vote

Ayes: E. Chaplin, L. Hartwig, J. Janicik, B. Krajewski, W. Mueller, R. Thorn, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: None

Item 1. Resolution R-50-03: A Resolution Approving and Ratifying Certain Work Authorization Order(s) Under Quick Response Contract QR-6/02 at the December 11, 2003 DuPage Water Commission Meeting – “Omnibus Vote”

Item 2. Resolution R-51-03: A Resolution Approving and Ratifying Certain Task Order(s) Under a Master Engineering Agreement with Alvord, Burdick & Howson, L.L.C. at the December 11, 2003 DuPage Water Commission Meeting – “Omnibus Vote”

OLD BUSINESS

Commissioner Thorn moved to exercise the Commission's option with Ambac Assurance Corporation to replace cash in the Debt Service Reserve for the Series 2003 Revenue Refunding Bonds with a surety bond (in lieu of the financial guaranty insurance policy previously authorized), for a premium of 1.6% of the surety amount, and to authorize the Chairman or the General Manager to execute a Guaranty Agreement with Ambac Assurance Corporation in such form as may be required to obtain the Debt Service Reserve surety bond. Seconded by Commissioner Wilcox and unanimously approved by a Roll Call Vote.

Ayes: E. Chaplin, L. Hartwig, J. Janicik, B. Krajewski, W. Mueller, R. Thorn, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: None

Commissioner Thorn 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 Wilcox and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, L. Hartwig, J. Janicik, B. Krajewski, W. Mueller, R. Thorn, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: None

The Commission went into Executive Session at 1:02 P.M.

Commissioner Krajewski moved to come out of Executive Session at 1:19 P.M. Seconded by Commissioner Chaplin and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Thorn moved to approve the draft response to the letter dated November 5, 2003, concerning Subsequent Customer Contracts with the concluding paragraph modified as suggested by Chairman Vondra. Seconded by Commissioner Chaplin and approved by a Voice Vote.

Majority voted aye with Commissioner Mueller abstaining. Motion carried.

ACCOUNTS PAYABLE

Commissioner Janicik moved to approve the Accounts Payable in the revised amount of \$3,345,262.44 subject to submission of all contractually required documentation. Seconded by Commissioner Wilcox and approved by a Roll Call Vote:

Ayes: E. Chaplin, L. Hartwig, J. Janicik, W. Mueller, R. Thorn, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Minutes of the 12/11/03 Meeting

Nays: B. Krajewski

PUBLIC COMMENTS

Richard Gurstenau, Naperville Councilman, objected to the meetings not being held at the same time every month.

Commissioner Zeilenga left the meeting at 1:44 P.M.

Commissioner Wilcox moved to adjourn the meeting at 1:50 P.M. Seconded by Commissioner Janicik and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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# DuPage Water Commission

## MEMORANDUM

TO: Acting General Manager

FROM: Financial Administrator

DATE: January 2, 2004

SUBJECT: Commission Agenda January 8, 2004 – Item Status

Due to the New Year's Day Holiday, there is only one workday available to accomplish the month end closing for December 31, 2003. As a result, the following Commission agenda items will not be completed in time for the Friday January 2<sup>nd</sup> Board Package:

- IV. Treasurer's Report – December 2003;
- XI. Accounts Payable.

The material related to these two items is expected to be delivered by e-mail and/or overnight messenger service on Tuesday, January 6<sup>th</sup>.

cc: Chairman and Commissioners  
Finance Committee

**DU PAGE WATER COMMISSION****RESOLUTION NO. R-1-04****A RESOLUTION AUTHORIZING THE DISPOSAL  
OF CERTAIN PERSONAL PROPERTY  
OWNED BY THE DU PAGE WATER COMMISSION**

WHEREAS, the DuPage Water Commission is authorized to sell or otherwise dispose of personal property pursuant to the Illinois Municipal Code, 65 ILCS 5/11-135-6 (1992); and

WHEREAS, in the opinion of the Board of Commissioners of the DuPage Water Commission, it is no longer necessary or useful to or for the best interests of the DuPage Water Commission to retain the personal property now owned by it and described in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof (the "Property"); and

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

SECTION ONE: The Board of Commissioners of the DuPage Water Commission hereby finds and determines that the Property is no longer necessary or useful to the DuPage Water Commission and the best interests of the DuPage Water Commission will be served by its disposal.

SECTION TWO: The General Manager is hereby authorized to dispose of the Property in such manner, as the General Manager shall determine.

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

AYES:

NAYS:

ABSENT:

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

EXHIBIT A

Resolution No. R-1-04

<u>Quantity</u>	<u>DWC Inventory #</u>	<u>Description</u>	<u>Date Purchased</u>
1	75	Tripp Lite Battery Backup Unit – 675 watt (Defective)	06/10/87
1	235	Diamond Tel MESA 52 Cellular Phone	10/29/87
1	770	Bondwell Lap Top Computer #286	9/1/91
1	771	Power Supply for Bondwell	9/1/91
1	1104	Myoda Computer Pentium 100 MHz	10/9/95
1	1120	Kenitech Computer Pentium 100 MHz	1/3/96
1	1121	Kenitech Computer Pentium 100 MHz	1/3/96
1	1128	PC Arche Pentium 100 MHz	4/25/96
1	1147	Kenitec P5100 Computer Pentium 100 MHz	8/13/96
1	1149	CD Tower Model CDT7ET2-T8X (Defective)	10/23/96
1	1167	Pentium 166 MMX Computer	10/31/97
1	1168	Pentium 166 MMX Computer	10/31/97
1	1232	Compaq Proliant 3000 Server (Defective)	7/9/98

**DU PAGE WATER COMMISSION**

**RESOLUTION R-3-04**

**A RESOLUTION DIRECTING THE  
TRANSFER OF THE EXCESS DEBT SERVICE RESERVE  
ACCOUNT BALANCE TO THE GENERAL ACCOUNT OF THE WATER FUND**

WHEREAS, by Ordinance No. O-1-87, the DuPage Water Commission (the "Commission") authorized the issuance of certain revenue bonds (the "Bonds") and created several special funds of the Commission, including without limitation the "Water Fund" established by Section 8.01 of Ordinance No. O-1-87, the "Rebate Fund" established by Section 8.13 of Ordinance No. O-1-87 and the "Revenue Bonds Construction Fund (1987)" established by Subsection 15.02D of Ordinance No. O-1-87; and

WHEREAS, Ordinance No. O-1-87 created several accounts within the Water Fund, including without limitation the "Debt Service Reserve Account" and the "General Account"; and

WHEREAS, pursuant to Section 8.15 of Ordinance No. O-1-87, investment earnings in the Debt Service Reserve Account should first be credited to the Rebate Fund to the extent necessary to maintain the tax exempt status of interest paid on the Bonds, second, be credited to the Debt Service Reserve Account unless the amount to the credit of the Debt Service Reserve Account is more than the Debt Service Reserve Account Requirement, as defined in Ordinance No. O-1-87, third, be transferred to the Revenue Bonds Construction Fund (1987) up to and including May 1, 1992, and fourth, be transferred to the Water Fund; and

Resolution R-3-04

WHEREAS, pursuant to Section 8.17 of Ordinance No. O-1-87, amounts to the credit of the Debt Service Reserve Account in excess of the Debt Service Reserve Account Requirement may be transferred to the General Account; and

WHEREAS, the amount of money required to maintain the tax exempt status of interest paid on the Bonds is nil; and

WHEREAS, by substitution of a surety bond, the amount of money to the credit of the Debt Service Reserve Account as of December 31, 2003 is \$14,335,113.75 more than the Debt Service Reserve Account Requirement;

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: The Trustee, as defined in Ordinance No. O-1-87, shall be and hereby is authorized and directed to transfer to the Commission for deposit in the General Account, as of the 31<sup>st</sup> day of December, 2003, \$14,335,113.75 from the Debt Service Reserve Account.

SECTION THREE: The monies transferred to the General Account shall be used as provided in Section 8.10 of Ordinance No. O-1-87, for the payment of costs of acquisition and construction of the following capital improvement projects: Pipeline

Resolution R-3-04

Project TW-3 completing the western connection between the Northwest and North Transmission Mains; Pipeline Project TIB-1, to increase flow in the system in the event of a break on the Northwest or Southwest Transmission Mains; an additional 30-Million gallon Reservoir at the DuPage Pumping Station; a Generator Facility on the east side of the DuPage Pumping Station service yard, and to install Pumps at Standpipes Tank #2 – Glendale Heights, Tank #3 – Naperville and Tanks #4E & #4W Lisle Township.

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

AYES:

NAYS:

ABSENT:

ADOPTED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2004.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

DUPAGE WATER COMMISSION

ORDINANCE NO. O-1-04

AN ORDINANCE WAIVING THE CAPITAL RISK FACTOR  
RATE PROVISIONS OF THE SUBSEQUENT CUSTOMER CONTRACTS

WHEREAS, the Commission was formed and exists pursuant to the Water Commission Act of 1985, 70 ILCS 3720/1 et seq., and Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-135-1 et seq., for the purpose of financing, constructing, and operating a Waterworks System to serve its customers with a common source of supply of water from Lake Michigan; and

WHEREAS, effective July 22, 2003, the Water Commission Act of 1985 was amended to require that all water supply customers of the Commission pay water rates equal to the water rates paid by other water supply customers of the Commission and to prohibit the payment of additional fees, costs, or differentials as a condition of becoming a water supply customer of the Commission (other than payment of a pro-rata portion of the original capital costs less any rebates and the actual costs of connection to the Waterworks System); and

WHEREAS, the Commission has entered into Water Purchase and Sale Contracts with Illinois-American Water Company, the Village of Winfield, the University of Chicago (as operator of the Argonne National Laboratory), and the City of Oakbrook Terrace (“Subsequent Customers”) for the sale by the Commission of Lake Michigan water to the Subsequent Customers (“Subsequent Customer Contracts”); and

WHEREAS, the Subsequent Customer Contracts require each Subsequent Customer to pay monthly to the Commission an amount equal to the “Capital Risk

Factor Rate” times the Subsequent Customer’s full water requirements for the month;  
and

WHEREAS, the Capital Risk Factor Rate is a surcharge that is based on a percentage of the average water rate paid by the Commission’s original or Charter Customers, is added to the Subsequent Customers’ water rate, and is designed to compensate the Commission’s Charter Customers for the financing and other risks they took to initiate and develop the Commission’s Waterworks System; and

WHEREAS, the Board of Commissioners of the DuPage Water Commission has found and determined that it is in the Commission’s best interest to waive the provisions of Subsection 7E of the Subsequent Customer Contracts to suspend billing the Capital Risk Factor Rate differential currently being charged to Subsequent Customers pending implementation of a new Subsequent Customer pricing methodology in accordance with the requirements of the Water Commission Act of 1985 as recently amended;

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

SECTION ONE: The foregoing recitals are by this reference incorporated herein as findings of fact of the Board of Commissioners of the DuPage Water Commission as if set forth in full herein.

SECTION TWO: The Commission hereby waives the provisions of Subsection 7E of the Subsequent Customer Contracts, beginning on the Commission’s first regular billing cycle for service on or after January 1, 2004, to suspend billing the Capital Risk Factor Rate differential currently being charged to Subsequent Customers pending

Ordinance No. 0-1-04

implementation of a new Subsequent Customer pricing methodology in accordance with the requirements of the Water Commission Act of 1985 as recently amended.

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

AYES:

NAYS:

ABSENT:

ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

**DU PAGE WATER COMMISSION**

**RESOLUTION NO. R-2-04**

**A RESOLUTION RETAINING SPI ENERGY SERVICES GROUP FOR ASSISTANCE IN THE EVALUATION OF ELECTRICAL SUPPLY ALTERNATIVES**

WHEREAS, the Commission retained the services of Camp Dresser & McKee Inc. ("CDM") to evaluate electrical generation supply alternatives for the DuPage Pumping Station; and

WHEREAS, CDM requested the assistance of an Illinois electrical market consultant in connection with CDM's analysis of the feasibility of various electrical generation supply alternatives; and

WHEREAS, SPI Energy Group is a consulting firm consisting of experienced electrical professionals with utility experience; and

WHEREAS, SPI Energy Group previously provided Illinois electrical market consulting services to the Commission in connection with the Commission's selection of its current alternative electrical supplier and the negotiation of the Commission's existing electrical supply agreement; and

WHEREAS, the Commission desires to retain SPI Energy Group to provide Illinois electrical market consulting services in connection with CDM's analysis of the feasibility of various electrical generation supply alternatives for the DuPage Pumping Station;

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

Resolution R-2-04

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

SECTION TWO: The DuPage Water Commission hereby retains SPI Energy Group, at a cost not to exceed \$10,000.00, to provide Illinois electrical market consulting services in connection with CDM's analysis of the feasibility of various electrical generation supply alternatives for the DuPage Pumping Station.

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

AYES:

NAYS:

ABSENT:

ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

DUPAGE WATER COMMISSION

ORDINANCE NO. O-2-04

AN ORDINANCE AMENDING THE  
BY-LAWS OF THE DUPAGE WATER COMMISSION  
(Amending Article VI Concerning Closed Meetings)

WHEREAS, the Board of Commissioners of the DuPage Water Commission has determined that it is appropriate and in the best interests of the Commission to amend the Commission's By-Laws, as restated in Ordinance No. O-5-92 and amended by Ordinance Nos. O-1-93, O-1-94, O-14-94, O-10-99, O-7-00 and O-11-02 to implement a policy regulating the creation, maintenance, storage, release, and destruction of closed meeting minutes and verbatim records of all public bodies of the Commission that are subject to the Illinois Open Meetings Act, 5 ILCS 120/1 et seq. ("Act"); and

WHEREAS, the Board of Commissioners of the DuPage Water Commission find and determine that implementation of the policy is useful to assure compliance with the Act;

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

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

SECTION TWO: Amendment. Article VI, entitled "Meetings," of the Commission's By-Laws shall be, and it hereby is, amended by adding a new Section 10, entitled "Closed Session Minutes and Verbatim Record," which new Section 10 shall hereafter be and read as follows:

"Section 10. Closed Session Minutes and Verbatim Record. The "Closed Session Minutes and Verbatim Record Policy" attached to these By-Laws as Exhibit A govern the creation, maintenance, storage, release,

Ordinance No. O-2-04

and destruction of closed meeting minutes and verbatim records of all public bodies of the Commission that are subject to the Illinois Open Meetings Act.”

SECTION THREE: Exhibit A. The “Closed Session Minutes and Verbatim Record Policy” attached to this Ordinance as Exhibit A shall be, and it hereby is, approved. Any and all references in the By-Laws to said policy or Exhibit A shall be deemed to refer to the policy and Exhibit A attached to this Ordinance.

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

AYES:

NAYS:

ABSENT:

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

Ordinance No. O-2-04

Exhibit A

## DUPAGE WATER COMMISSION

### CLOSED SESSION MINUTES AND VERBATIM RECORDS POLICY

- I. BACKGROUND AND PURPOSE. The Open Meetings Act requires all public bodies to keep minutes of their meetings, whether opened or closed. With the adoption of amendments to Section 2.06 of that Act, 5 ILCS 120/2.06, public bodies also must maintain a verbatim record of all closed meetings in the form of an audio or video recording. This Policy sets forth specific procedures to ensure that the Board of Commissioners of the DuPage Water Commission—and all committees of the Board of Commissioners and other bodies of the Commission that are subject to the Open Meetings Act (“Subsidiary Bodies”)—comply with the requirements for closed sessions.
- II. CLOSED MEETING MINUTES. Minutes of a closed meeting shall comply with the same requirements applicable to minutes for an open meeting. They shall include, at a minimum, the date, time, and place of the meeting; the members of the public body that are present and those that are absent; a summary of discussion on all matters proposed, deliberated, or decided; and a record of any votes taken. The Open Meetings Act exemption or exemptions applicable to the closed session should be identified in the minutes of the closed session. Minutes of closed meetings shall not be released for public inspection to the extent that there is a need to preserve confidentiality of matters stated in those minutes.
- III. CLOSED MEETING VERBATIM RECORDS. A verbatim record of each closed meeting is required and shall be subject to the following requirements:
  - A. Recordings. Verbatim records shall be made by audio or video recording. Each recording shall be labeled with the name of the meeting body and the date, time, and place of the meeting. A statement identifying each participant and the purposes for the closed meeting should be made at the beginning of the closed meeting.
  - B. Confidentiality. All verbatim records of closed meetings are hereby declared to be confidential and not subject to release except pursuant to this Policy or as required by law.
  - C. Duties of Clerk or Designee. The Clerk, or his or her designee, shall be responsible for creating the verbatim record. After a closed meeting, the verbatim record shall be delivered immediately to the Clerk for storage in a secure location within the DuPage Pumping Station. The Clerk shall be responsible for maintaining, storing, and restricting access to all verbatim records.
  - D. Access to Verbatim Records. No individual, nor the Board of Commissioners, nor any Subsidiary Body shall have access to any verbatim record of any closed session unless approved by one of the following specific methods:
    1. Individual Access. Unless otherwise required by law, no individual, including any member of the Board of Commissioners or any Subsidiary Body, shall have access to any verbatim record unless specifically approved by an affirmative majority vote of Board of Commissioners

taken at an open meeting. An individual who is granted the right to access a verbatim record shall do so only at DuPage Pumping Station and in the presence of the Clerk or his or her designee. No verbatim record shall be copied or taken out of the DuPage Pumping Station except as specifically allowed in this Policy or as otherwise required by law.

2. Subsidiary Body Review. A Subsidiary Body may access a verbatim record of one of its closed meetings only by an affirmative majority vote, taken at an open meeting, of all members of that Subsidiary Body then holding office. A Subsidiary Body shall review a verbatim record only at a duly noticed closed meeting of that Subsidiary Body.
  3. Board of Commissioners Review. The Board of Commissioners may access a verbatim record of one of its closed meetings or of a closed meeting of any Subsidiary Body only by an affirmative majority vote of the Board of Commissioners taken at an open meeting. The Board of Commissioners shall review a verbatim record only at a duly noticed closed meeting of the Board.
  4. Clerk. The Clerk shall have access at all times to all verbatim records for purpose of ensuring their proper care and protection. The Clerk may review a verbatim record, however, only if authorized to do so by an affirmative majority vote of the Board of Commissioners taken at an open meeting.
  5. Court. If the Commission is directed by a court order issued in accordance with Section 2.06 of the Open Meetings Act, 5 ILCS 120/2.06, to deliver a verbatim record, then the Clerk or his or her designee shall deliver the relevant verbatim record to the court, after that record has been reviewed by the Commission's General Counsel or staff attorney.
- E. Verbatim Record Not Official Record. A verbatim record shall not be part of the official public record of any meeting. Rather, the approved minutes are to be deemed the official record of the meeting.
- F. Notification of Destruction of Verbatim Record. On a regular basis, the Clerk shall provide a written notice listing all verbatim records that are scheduled for destruction (the "Notice of Destruction"). The Notice shall be in a form substantially the same as the form attached as Exhibit 1 to this Policy. The Notice shall be given to (1) the members of the Board of Commissioners, (2) the members of the Subsidiary Body (if the verbatim record was created at a closed meeting of that Subsidiary Body), (3) the General Manager, and (4) the Commission's General Counsel or staff attorney. The Notice shall include a copy of the approved minutes for each verbatim record scheduled for destruction.
- G. Objection to Destruction.
1. Deadline for Objection. A written objection to the destruction of a verbatim record shall be filed with the Clerk within seven days after the

date of a Notice of Destruction, or at least three days before the destruction date set forth in that Notice, whichever is later.

2. Who May Object. The Chairman or any Commissioner may object to the destruction of any verbatim record of a closed session of the Board of Commissioners or of any Subsidiary Body. A member of a Subsidiary Body may object to destruction of a verbatim record only of a closed session of that Subsidiary Body.
- H. Destruction of Verbatim Record if No Objection. Unless a timely written objection to the destruction of a verbatim record is filed with the Clerk in accordance with Section III.G of this Policy, the Clerk shall erase or otherwise destroy each verbatim record listed in the Notice of Destruction on the date set forth in the Notice. No verbatim record shall be erased or otherwise destroyed unless the Clerk certifies that (1) the verbatim record was created at a closed meeting that was concluded at least 18 months prior to the date of destruction and (2) there exists approved minutes of that closed meeting.
- I. Procedure When Objection. The following procedure shall apply when a timely objection to destruction is received by the Clerk:
1. Notice of Objection. The Clerk shall promptly send notice of the objection to all parties who received the Notice of Destruction.
  2. Deliberation on Objection. At a closed session of the Board of Commissioners or Subsidiary Body scheduled promptly after receipt of an objection, the Board of Commissioners or Subsidiary Body shall determine whether destruction of the verbatim record should be delayed. That decision shall require the vote set forth in the next Section III.I.3 of this Policy. If the required vote to delay destruction is not obtained, then the verbatim record shall be destroyed immediately by the Clerk in accordance with Section III.H of this Policy; provided, however, that no verbatim record of a Subsidiary Body shall be destroyed if either the Subsidiary Body or the Board of Commissioners votes to delay its destruction.
  3. Required Vote to Delay Destruction. The destruction of a verbatim record shall be delayed only if: (i) the Board of Commissioners, by an affirmative majority vote, or (ii) the Subsidiary Body, by an affirmative vote of three-fourths of the members of the Subsidiary Body then holding office, authorizes delay of that destruction.
- J. Procedure When Destruction Delayed. If the destruction of a verbatim record has been delayed pursuant to Section III.I of this Policy, then the Board of Commissioners and/or the Subsidiary Body, if any, that voted to delay destruction shall review the verbatim record in closed session. After that review, the reviewing body shall determine either: (1) that the verbatim record should be destroyed, or (2) that the verbatim record may be released pursuant to Section IV of this Policy, or (3) that the destruction of the verbatim record ought to be delayed to a date certain.

No verbatim record shall be destroyed if the Board of Commissioners or the Subsidiary Body, if any, determines that destruction should be delayed or released pursuant to Section IV of this Policy.

If destruction of a verbatim record is delayed to a date certain, then the Clerk shall provide a new Notice of Destruction for that verbatim record in accordance with Section III.F of this Policy.

IV. Review and Release of Closed Meeting Minutes and Verbatim Records.

- A. Review of Minutes. Not less than twice each year, the Board of Commissioners and each Subsidiary Body shall review its closed meeting minutes to determine if they are eligible for release to the public. In its review, the Board of Commissioners or Subsidiary Body shall determine if the minutes contain information that continue to require confidential treatment. Only portions of written minutes that no longer require confidential treatment shall be released. Written minutes shall not be released unless approved by an affirmative majority vote of the Board of Commissioners or Subsidiary Body taken in public session.
- B. Review of Verbatim Records. Pursuant to Section III.B of this Policy, verbatim records always are *per se* confidential. Not less than twice each year, the Clerk shall provide a list to the Board of Commissioners and to the relevant Subsidiary Body of existing verbatim records, the review of which list by the Clerk, by the Board of Commissioners, and by the Subsidiary Body, if any, shall constitute review of the verbatim records. The Board of Commissioners or the relevant Subsidiary Body may undertake a further review a verbatim record, but only in accordance with Section III.D of this Policy. After review of the verbatim record, the Board of Commissioners or the Subsidiary Body shall require that the verbatim record remain confidential unless, after reviewing the verbatim record in its entirety, the verbatim record is approved for release by an affirmative majority vote of the Board of Commissioners or, for a verbatim record of a Subsidiary Body, by an affirmative vote of three-fourths of the members of that Subsidiary Body then holding office. All such votes shall be taken in open session.

**EXHIBIT 1**

**NOTICE OF PENDING DESTRUCTION OF VERBATIM RECORDS**

***[DATE]***

To: Board of Commissioners  
*[Relevant Subsidiary Body]*  
General Manager  
General Counsel or Staff Attorney

Subject: Notice of Impending Destruction of Verbatim Records

***CONFIDENTIAL/PRIVILEGED***

As required by the Illinois Open Meetings Act, the Office of the Clerk has been charged with the safekeeping of all verbatim records of all closed meetings of the Board of Commissioners and other bodies of the Commission subject to the Illinois Open Meetings Act.

Pursuant to the Open Meetings Act and to the "Closed Session Minutes and Verbatim Records Policy" of the Commission (the "Policy"), the confidential verbatim records listed below are eligible for destruction.

<u>Public Body</u>	<u>Date of Meeting</u>	<u>Proposed Destruction Date</u>

I hereby certify that (1) the relevant public bodies have previously approved written minutes of the closed meetings to which the verbatim records listed in this Notice were prepared and that those minutes are attached, and (2) the closed meetings to which the verbatim records listed in this Notice relate were concluded at least 18 months prior to the Proposed Destruction Date for those verbatim records.

The Office of the Clerk shall destroy the verbatim records listed in this Notice in accordance with the Policy, unless a written objection is filed with the Office of the Clerk within seven days after the date of this notice or not less than three days prior to the Proposed Destruction Date set forth above, whichever is later.

\_\_\_\_\_  
Clerk

DUPAGE WATER COMMISSION

ORDINANCE NO. O-3-04

AN ORDINANCE AMENDING THE  
BY-LAWS OF THE DUPAGE WATER COMMISSION  
(Amending Articles VI and VII Concerning Telephonic Meeting Participation)

WHEREAS, the Board of Commissioners of the DuPage Water Commission has determined that it is appropriate and in the best interests of the Commission to amend the Commission's By-Laws, as restated in Ordinance No. O-5-92 and amended by Ordinance Nos. O-1-93, O-1-94, O-14-94, O-10-99, O-7-00 and O-11-02, to establish regulations governing participation in Commission meetings by telephone conference; and

WHEREAS, the Board of Commissioners of the DuPage Water Commission find and determine that implementation of the regulations is useful to assure compliance with the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.*;

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

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

SECTION TWO: Amendment to Section 1 of Article VI. Section 1, entitled "Regular Meetings," of Article VI, entitled "Meetings," of the Commission's By-Laws shall be, and it hereby is, amended in its entirety so that said Section 1 shall hereafter be and read as follows:

"Section 1. Regular Meetings. Regular meeting dates of the Commission shall be established in accordance with the provisions of the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* Commissioners may participate, in whole or in part, in regular meetings of the Board of

Ordinance No. O-3-04

Commissioners by telephone conference, and shall be counted for purposes of voting and determining whether a quorum is present for so long as they participate and vote, subject to the following terms and conditions:

- a. All Commissioners participating in a meeting by teleconference shall be able to hear concurrently the substance of the meeting, and those Commissioners physically present at the designated meeting site, as well as the media and public in attendance at the designated meeting site, shall be able to hear concurrently the telephonically participating Commissioners.
- b. A quorum of the Board of Commissioners shall be physically present at the designated meeting site and not more than one Commissioner shall participate in a meeting by teleconference from the same remote location.
- c. The Chairman or the Vice-Chairman shall be physically present at the designated meeting site or, if neither the Chairman nor the Vice-Chairman are participating in the meeting, then the Chairman Pro-Tem shall be physically present at the designated meeting site. If the Chairman is participating in the meeting by teleconference, then the Chairman shall vacate the chair and the Vice-Chairman shall perform the duties of the Chairman at the meeting.

Ordinance No. O-3-04

- d. Any Commissioner participating in a meeting by teleconference shall be unable to physically attend the meeting because of (i) personal illness or disability; (ii) a family or other personal emergency; (iii) absence from the territorial limits of the Commission for employment purposes or for Commission business; or (iv) other circumstances beyond the control of the telephonically participating Commissioner.
- e. Any Commissioner participating in a meeting by teleconference shall not have participated telephonically in more than three regular meetings of the Board of Commissioners during the 12 months immediately preceding the regular meeting in which the Commissioner is participating by teleconference.
- f. Any Commissioner participating in a meeting by teleconference shall have notified the General Manager of his or her intention to participate telephonically at least 24 hours in advance of the meeting unless the Commissioner is unable to physically attend the meeting because of an emergency, in which case the Commissioner shall have notified the General Manager of his or her intention to participate telephonically as soon as practicable under the circumstances.

Ordinance No. O-3-04

- g. Any Commissioner participating in a meeting by teleconference shall announce his or her name, and shall be recognized by the presiding officer, before speaking.
- h. Any voice vote that includes telephonically participating Commissioners and in which a “no” or “nay” vote is cast shall be ineffective, and the official vote on the passage of the action under consideration shall be taken by a roll call vote.

Commission staff may participate in regular meetings of the Board of Commissioners by telephone conference at the discretion of the Board of Commissioners; provided, however, that all staff members participating in a meeting by teleconference shall be able to hear concurrently the substance of the meeting, and the Commissioners participating in the meeting, whether physically present at the designated meeting site or by teleconference, as well as the media and public in attendance at the designated meeting site, shall be able to hear concurrently the telephonically participating staff members. All other participants in regular meetings of the Board of Commissioners shall be physically present at the designated meeting site.”

SECTION THREE: Amendment to Section 3 of Article VI. Section 3, entitled “Special Meetings,” of Article VI, entitled “Meetings,” of the Commission’s By-Laws shall be, and it hereby is, amended in its entirety so that said Section 3 shall hereafter be and read as follows:

“Section 3. Special Meetings. Special meetings may be called by the Chairman upon his or her own initiative and shall be called at the request of any four Commissioners. Notice of any special meeting shall be given in accordance with the provisions of the Illinois Open Meetings Act. Commissioners may participate, in whole or in part, in special meetings of the Board of Commissioners by telephone conference, and shall be counted for purposes of voting and determining whether a quorum is present for so long as they participate and vote, subject to the same terms and conditions as are set forth in Section 1 above for regular meetings except that (i) only a majority of a quorum of the Board of Commissioners need be physically present at the designated special meeting site and (ii) there shall be no limit on the number of special meetings in which a Commissioner may participate by teleconference. Commission staff may participate, in whole or in part, in special meetings of the Board of Commissioners by telephone conference subject to the same terms and conditions as are set forth in Section 1 above for regular meetings. All other participants in special meetings of the Board of Commissioners shall be physically present at the designated special meeting site.”

SECTION FOUR: Amendment to Section 5 of Article VI. Section 5, entitled “Emergency Meetings,” of Article VI, entitled “Meetings,” of the Commission’s By-Laws

Ordinance No. O-3-04

shall be, and it hereby is, amended in its entirety so that said Section 5 shall hereafter be and read as follows:

“Section 5. Emergency Meetings. Emergency meetings may be called by the Chairman upon his or her own initiative or at the request of any Commissioner or the General Manager in the event of bona fide emergencies. Notice of an emergency meeting shall be given in accordance with the provisions of the Illinois Open Meetings Act. Business at an emergency meeting may be conducted without reference to a prepared agenda. Commissioners may participate, in whole or in part, in emergency meetings of the Board of Commissioners by telephone conference, and shall be counted for purposes of voting and determining whether a quorum is present for so long as they participate and vote, subject to the same terms and conditions as are set forth in Section 1 above for regular meetings except that (i) only a majority of a quorum of the Board of Commissioners need be physically present at the designated emergency meeting site and (ii) there shall be no limit on the number of emergency meetings in which a Commissioner may participate by teleconference. Commission staff may participate, in whole or in part, in emergency meetings of the Board of Commissioners by telephone conference subject to the same terms and conditions as are set forth in Section 1 above for regular meetings. All other participants in emergency meetings of the Board of Commissioners shall be physically present at the designated emergency meeting site.”

SECTION FIVE:    Amendment to Section 2 of Article VII. Section 2, entitled “Committees,” of Article VII, entitled “Committees and Task Forces,” of the Commission’s By-Laws shall be, and it hereby is, amended by adding the following sentences to the end of said Section 2:

“Committee members may participate, in whole or in part, in regular, special, and emergency committee meetings by telephone conference, and shall be counted for purposes of voting and determining whether a quorum is present for so long as they participate and vote, subject to the same terms and conditions as are set forth in Section 1 of Article VI above for regular meetings, or Section 3 of Article VI above for special meetings, or Section 5 of Article VI above for emergency meetings of the Board of Commissioners, as the case may be. Commission staff may participate, in whole or in part, in regular, special, and emergency committee meetings by telephone conference, subject to the same terms and conditions as are set forth in Section 1 of Article VI above for regular meetings of the Board of Commissioners. All other participants in regular, special, and emergency committee meetings shall be physically present at the designated meeting site.”

SECTION SIX:    Amendment to Section 5 of Article VII. Section 5, entitled “Task Forces,” of Article VII, entitled “Committees and Task Forces,” of the Commission’s By-Laws shall be, and it hereby is, amended by adding the following sentences to the end of said Section 5:

Ordinance No. O-3-04

“Task force members may participate, in whole or in part, in regular, special, and emergency task force meetings by telephone conference, and shall be counted for purposes of voting and determining whether a quorum is present for so long as they participate and vote, subject to the same terms and conditions as are set forth in Section 1 of Article VI above for regular meetings, or Section 3 of Article VI above for special meetings, or Section 5 of Article VI above for emergency meetings of the Board of Commissioners, as the case may be. Commission staff may participate, in whole or in part, in regular, special, and emergency task force meetings by telephone conference, subject to the same terms and conditions as are set forth in Section 1 of Article VI above for regular meetings of the Board of Commissioners. All other participants in regular, special, and emergency task force meetings shall be physically present at the designated meeting site.”

Ordinance No. O-3-04

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

AYES:

NAYS:

ABSENT:

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

Board/Ordinances/O-3-04.doc



# DuPage Water Commission

## MEMORANDUM

TO: Chairman & Commissioners

FROM: Robert L. Martin, P.E.  
Acting General Manager

DATE: January 2, 2004

SUBJECT: Summary of Action Since Previous Meeting

1. Purchase Order No. 7840 to Friendly Ford in the amount of \$18,301.00 is for the purchase of a 2004 Ford Expedition. This is vehicle will replace the 1998 Expedition with 108,000 miles on it. This was a budgeted item.
2. The revenue bond debt service surety bond was deposited with the bond trustee on December 30<sup>th</sup>. This creates a surplus in the Debt Service Reserve Account. Resolution R-3-04 proposes to transfer this excess to the Water Fund General Account to be used to fund construction projects. Such use is necessary to maintain the bond's tax exempt status.
3. The draft five-year capital-planning document is complete. It has been placed on the agenda of each committee as well as that of the Commission. The acceptance, with or without modification, of this document by the Commission will provide staff direction for the construction expenditure section of the FY 2004-05 budget.

**DU PAGE WATER COMMISSION  
2004 - 2005  
FIVE YEAR CAPITAL IMPROVEMENT  
PLAN**

**JANUARY 8, 2004**



# DuPage Water Commission

## MEMORANDUM

TO: Chairman Vondra and Commissioners

FROM: Robert L. Martin, P.E.  
Acting General Manager 

DATE: January 8, 2004

SUBJECT: Five-year Capital Improvement Plan

In accordance with Commission policy, the Five-year Capital Improvement Plan is reviewed and evaluated by staff in connection with each new budget cycle. A draft of the updated plan is then submitted to the Commission for its consideration. This annual document is based on the Commission's anticipated needs for normal operations and improvements to the system, which may be required for emergency conditions. It is formulated on the basis of anticipated revenue sources net of routine expenditures needed to keep the Commission in normal operations.

The plan is divided into several operational sections—distribution system improvements, pump station improvements and standpipe improvements. A summary shows the capital outlay (funded by sales tax revenues) and major non-recurring maintenance items (funded by water rates) on a fiscal year basis. Each fiscal year's programmed expenditures are included in the financial projection of Commission revenues and expenditures through fiscal year 2008-09.

The status of five year plan improvements is as follows:

Contract TW-3: presently under design;

Contract TIB-1: has been bid and construction will begin shortly;

30 Million Gallon Reservoir: design engineers have been selected and are performing an evaluation; and

Generator Facility: design engineers have been selected and the feasibility study has begun.

The draft fiscal year 2004-05 planning document represents the ninth consecutive year in which the Commission has evaluated a five-year plan. Utilizing this process over the years has allowed the Commission to have a much better understanding of its long-term capital and operating needs and the level of funding required from various sources.

Current Commission policy reflected in this plan uses sales taxes to pay 50% of the Water Revenue Bonds. Public Act 93-0226, which was enacted on July 22, 2003, requires the Commission to maintain a customer rate of \$1.65 per 1,000 gallons for a period of five years. To accomplish this, it is necessary to use sales taxes beginning in fiscal year 2007-08 to supplement Operation and Maintenance Costs.

Planned improvements accepted by the Board will be included in the 2004-05 budget document. That document will be sent to the Board for its review in February and released, in tentative draft form, to the Charter Customers prior to March 1, 2004.

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

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**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**SUMMARY**

**DU PAGE WATER COMMISSION**  
**2004 – 2005**  
**FIVE YEAR CAPITAL IMPROVEMENT PLAN**

- Operation and maintenance revenues are based on 94.0% of the IDNR allocation for each fiscal year.
- Fixed cost revenue requirements are 50% of the yearly debt service scheduled for the Commission's outstanding revenue bonds. Sales taxes are used to pay the remaining 50%.
- The total charter customer average water rate remains \$1.65 per thousand gallons.
- Sales tax receipts will be used beginning May 1, 2007 to hold the water rate at \$1.65 per thousand gallons. However, between May 1, 2005 and April 30, 2007, a negative (bracketed) amount appears in this line item. This indicates a temporary use of water revenues to support construction projects. This temporary use is completely reversed prior to April 30, 2009.
- Sales tax receipts pay for general obligation bond debt service requirements allowing the abatement of \$13.1 million of property taxes annually.
- The 15% subsequent customer capital risk factor has been excluded effective August 1, 2003.
- Sales taxes increase 2% annually.
- Interest income is based on prior year's earnings versus prior year's net revenues excluding interest earned applied to the same figure for each projected fiscal year.
- Water purchase expense is based on the Commission billing 97.1% of all water purchased from Chicago and 3% annual increases in the Chicago water rate.
- The 20% water purchase credit is based on annual anticipated purchases. This credit ends during fiscal year 2004-05.
- All other operating expenses, not specifically mentioned above, are anticipated to rise 5% per year.
- Principal and interest costs are the scheduled debt service payments for the Commission's 2003 revenue bonds and general obligation bonds of 2001.
- Construction and major capital repair costs are inflated 2% per year.
- The target fund balance available for emergency repairs will increase by 3% per year. However, once this amount reaches a targeted maximum of \$20 million, the balance will hold at that level. (Presently the Commission indexes its targeted emergency repair balance to be 2% of the original construction costs escalated by the annual increases in the Engineering News Record Construction Index.)
- Sales tax proceeds not needed for immediate appropriation are reserved for construction. Water sales receipts not needed for immediate appropriation are reserved for rate stabilization.

DU PAGE WATER COMMISSION - 5 YEAR PROJECTION  
SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCES  
MAY 1, 2003 TO APRIL 30, 2008

ACCOUNT TITLE	ALL FUNDS FY 02-03 ACTUAL	ALL FUNDS FY 03-04 FORECAST	ASSUMPTION OR % CHGE FY 02-07	ALL FUNDS FY 04-05 FORECAST	ALL FUNDS FY 05-06 FORECAST	ALL FUNDS FY 06-07 FORECAST	ALL FUNDS FY 07-08 FORECAST	ALL FUNDS FY 08-09 FORECAST
<b>REVENUES</b>								
O & M PAYMENTS	42,819,534	42,809,836	CALCULATED	46,935,940	47,496,509	48,231,400	48,632,815	49,030,289
SALES TAXES USED FOR O & M COSTS	0	0	CALCULATED	0	(5,726,626)	(7,692,234)	2,459,232	13,073,972
FIXED COST PAYMENTS (% PAID BY SALES TAX)	10,164,758	8,916,329	50.0%	7,143,969	7,144,469	7,145,094	7,145,344	7,144,719
SUBSEQUENT CUSTOMER DIFFERENTIAL/EMERGENCY SUPPLY	994,590	853,150	1.0%	861,682	870,299	879,002	887,792	896,670
SALES TAXES USED FOR CONSTRUCTION AND BOND PAYMENTS	30,704,457	31,580,715	2.0%	32,212,329	38,583,202	41,205,942	31,724,750	21,793,690
INTEREST INCOME	5,808,624	2,707,302	EXTRAPOLATED	2,758,921	2,646,443	2,247,612	1,974,795	2,028,710
OTHER INCOME	569,493	63,689	0.0%	0	0	0	0	0
<b>TOTAL REVENUE</b>	<b>91,061,456</b>	<b>86,931,021</b>		<b>89,912,841</b>	<b>91,014,296</b>	<b>92,016,816</b>	<b>92,824,728</b>	<b>93,968,050</b>
<b>OPERATING EXPENDITURES</b>								
WATER PURCHASES (3% ANNUAL RATE INCREASES)	39,037,395	39,427,165	CALCULATED	42,966,596	44,779,703	46,502,166	48,280,560	50,148,034
20% CREDIT THRU OCTOBER 2004	(7,807,479)	(7,885,433)	CALCULATED	(4,528,814)	0	0	0	0
5 YEAR CAPITAL PLAN MAJOR REPAIRS	2,041,455	4,810,523	CALCULATED	790,000	0	0	0	0
OTHER OPERATING EXPENSES (EXCL BOND INTEREST/DEPRC)	9,038,873	10,914,451	5.0%	11,460,174	12,033,183	12,634,842	13,266,584	13,929,913
REVENUE BOND PRINCIPAL AND INTEREST COSTS	17,832,908	21,147,964	CALCULATED	14,287,938	14,288,937	14,290,188	14,290,687	14,289,438
G.O. BOND PRINCIPAL AND INTEREST COSTS	13,122,650	13,112,650	CALCULATED	13,122,150	13,124,150	13,117,900	13,117,650	13,116,900
CAPITAL EQUIPMENT	98,591	55,864	5.0%	58,657	61,590	64,670	67,904	71,299
<b>TOTAL OPERATING EXPENDITURES</b>	<b>73,364,393</b>	<b>81,583,184</b>		<b>78,156,701</b>	<b>84,287,563</b>	<b>86,609,766</b>	<b>89,023,385</b>	<b>91,555,584</b>
5 YEAR CAPITAL PLAN NEW CONSTRUCTION	5,448,543	3,470,185	CALCULATED	19,105,000	30,508,000	21,704,000	1,549,000	2,046,000
5 YEAR CONSTRUCTION PLAN (DELAY)-CATCH-UP	0	0	CALCULATED	0	0	0	0	0
OTHER MINOR RELATED OUTLAYS	333,799	0	4.0%	250,000	260,000	270,400	281,216	292,465
DU PAGE COUNTY SALES TAX GRANT	0	75,000,000	PA93-0226	0	0	0	0	0
PRIOR SERVICE PENSION COSTS	3,805,524	0	BOARD POLICY	0	0	0	0	0
WATER QUALITY LOANS	10,000,000	0	BOARD POLICY	0	0	0	0	0
<b>TOTAL CASH OUTLAYS AND COMMITMENTS</b>	<b>92,952,259</b>	<b>160,053,369</b>		<b>97,511,701</b>	<b>115,055,563</b>	<b>108,584,166</b>	<b>90,853,601</b>	<b>93,894,049</b>
<b>NET TRANSACTIONS</b>	<b>(1,890,803)</b>	<b>(73,122,348)</b>		<b>(7,598,860)</b>	<b>(24,041,267)</b>	<b>(16,567,350)</b>	<b>1,971,127</b>	<b>74,001</b>
UNRESTRICTED NET ASSETS - BEGINNING	127,243,034	122,716,067	CALCULATED	69,458,112	61,859,252	37,817,985	21,250,635	23,221,762
CONVERTED (TO) - FROM RESTRICTED OR CAPITAL NET ASSETS	(2,636,164)	19,864,393		0	0	0	0	0
<b>UNRESTRICTED OPERATING NET ASSETS - ENDING</b>	<b>122,716,067</b>	<b>69,458,112</b>		<b>61,859,252</b>	<b>37,817,985</b>	<b>21,250,635</b>	<b>23,221,762</b>	<b>23,295,763</b>
HELD FOR EMERGENCY REPAIRS-TARGET (1)	28,100,000	11,400,000	3.0%	11,700,000	12,100,000	12,500,000	12,900,000	13,300,000
O&M RATE STABILIZATION RESERVE	45,005,162	40,369,977		38,860,701	25,717,985	8,750,635	0	0
CONSTRUCTION RESERVE	49,512,314	17,688,135		11,298,551	0	0	10,321,762	9,995,763
<b>UNRESTRICTED NET ASSETS - ENDING</b>	<b>122,617,476</b>	<b>69,458,112</b>		<b>61,859,252</b>	<b>37,817,985</b>	<b>21,250,635</b>	<b>23,221,762</b>	<b>23,295,763</b>
O & M RATE	1.34	1.38		1.43	1.43	1.44	1.44	1.44
FIXED COST RATE	0.32	0.29		0.22	0.22	0.21	0.21	0.21
<b>TOTAL RATE</b>	<b>1.66</b>	<b>1.67</b>		<b>1.65</b>	<b>1.65</b>	<b>1.65</b>	<b>1.65</b>	<b>1.65</b>

(1) TO MAX OF 20,000,000

SUMMARY OF ESTIMATED NEW CONSTRUCTION COSTS						
BASED ON FY 02-03 COSTS	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	Total
<b>DISTRIBUTION SYSTEM IMPROVEMENTS</b>						
Contract TW-3; St. Charles Road - Engineering	375,000	750,000	875,000			2,000,000
Contract TW-3; St. Charles Road - Construction (1)	4,250,000	8,500,000	7,451,000			20,201,000
Contract TIB-1; Route 83 - Engineering	1,000,000	250,000				1,250,000
Contract TIB-1; Route 83 - Construction (1)	6,250,000	2,250,000				8,500,000
<b>PUMP STATION IMPROVEMENTS</b>						
30 Million Gallon Reservoir; Storage Building & Yard - Engineering	475,000	200,000	200,000			875,000
30 Million Gallon Reservoir; Storage Building & Yard - Construction (1)	5,895,000	11,250,000	5,625,000			22,770,000
Generator Facility - Engineering	750,000	250,000	250,000			1,250,000
Generator Facility - Construction		5,000,000	5,000,000			10,000,000
Pump #10-Engineering					40,000	40,000
Pump #10-Installation					400,000	400,000
<b>STANDPIPE IMPROVEMENTS</b>						
Install Pumps at Standpipes-Tank Site #2,3,4 Engineering	110,000	110,000	110,000	110,000	100,000	540,000
Install Pumps at Standpipes-Tank Site #2,3,4 Construction (1)		1,350,000	1,350,000	1,350,000	1,350,000	5,400,000
	<u>19,105,000</u>	<u>29,910,000</u>	<u>20,861,000</u>	<u>1,460,000</u>	<u>1,890,000</u>	<u>73,226,000</u>
<b>INFLATION FACTOR 2% PER YEAR</b>	100.0%	102.0%	104.0%	106.1%	108.2%	102.3%
	<u>19,105,000</u>	<u>30,508,000</u>	<u>21,704,000</u>	<u>1,549,000</u>	<u>2,046,000</u>	<u>74,912,000</u>

Note (1) - Includes legal, property acquisition (if any) and soil testing services

SUMMARY OF ESTIMATED MAJOR REPAIR COSTS						
BASED ON FY 02-03 COSTS	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	Total
<b>DISTRIBUTION SYSTEM IMPROVEMENTS</b>						
Contract BOV-1; Rehab 320 Blowoff Valves-Engineering Reviews	40,000					40,000
Contract BOV-1; Rehab 320 Blowoff Valves-Engineering Tech Observ.	DWC In House					0
Contract BOV-1; Rehab 320 Blowoff Valves-Construction	750,000					750,000
Corrosion Survey						0
<b>PUMP STATION IMPROVEMENTS</b>						
None						0
<b>STANDPIPE IMPROVEMENTS</b>						
None						0
	<u>790,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>790,000</u>
INFLATION FACTOR 2% PER YEAR	100.0%	102.0%	104.0%	106.1%	108.2%	100.0%
	<u>790,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>790,000</u>

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**DISTRIBUTION SYSTEM IMPROVEMENTS**

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**DISTRIBUTION SYSTEM INTRODUCTION**

The Commission operates and maintains 170 miles of pipeline ranging in size from 12" to 90" in diameter. Water supply from Chicago is provided by 90" and 72" Transmission Mains. The 90" Transmission Main, with a C-factor of 120, is sized for the year 2020 maximum day demand for the Commission's service area. The 72" Transmission Main, with a C-factor of 120, is sized to provide year 2020 average day demand. Average day demand is defined as the total amount of water used by a customer within a year divided by 365. The projected average day demand is referred to as the Department of Natural Resources (DNR) allocation. Maximum day demand is defined in the Water Purchase Agreement as 1.7 times average day demand.

The pipeline system within DuPage County is sized in accordance with DNR allocations that were based upon estimates made by Commission customers in the early 1980's. This is also based upon C-factors of 120 for pipelines greater than 20 inches in diameter and 100 for pipelines 20 inches or smaller in diameter. The distribution system is looped to minimize disruption in the event of a break in one of the mains.<sup>1,2</sup>

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<sup>1</sup> Funds are available in the emergency reserve for C-Factor corrective action.

<sup>2</sup> The hydraulic analysis reflected in this plan was based upon the original design C-Factors and not the present C-Factors.

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PROPOSED IMPROVEMENTS**

As approved in previous five-year capital improvement plans, the Commission is constructing a western transmission main. This improvement provides two benefits to the Commission. First, it will provide an additional conduit to improve flow in the southwestern and southern part of the Commission's distribution system. In addition, it will provide a way for water to get to the northern and southern part of the distribution system in the event of a break in the North, the Northwest, the South or the Southwest Transmission Mains. Project TW-3 will complete the western connection between the Northwest and North Transmission Mains.

Project TIB-1, which construction should begin this winter, will increase flow in the system in the event of a break on the Northwest or Southwest Transmission Mains. These mains are the primary conduits for water leaving the DuPage Pumping Station. TIB-1 will become the eastern connection between the Southwest and Northwest Transmission Mains along Illinois Route 83.

To eliminate the need to repair or replace leaking corroded blow-off valves throughout the County during peak and non-peak service periods, the rehabilitation of 320 blow-off valves on the Commission's transmission and feeder mains, project BOV-1, and should be completed this fiscal year.

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PROJECT:** Contract TW-3, St. Charles Road to Standpipe No. 1

**LOCATION:** Wayne and Bloomingdale Townships

**DESCRIPTION:** Install 50,000 feet of a 48" transmission main and two remotely operated valves. This transmission main will extend the West Transmission Main north and east to the end of the North Transmission Main. This West Transmission Main will be installed from the existing West Transmission Main at St. Charles and Fair Oaks Roads via various roads and areas to the end of the North Transmission Main in Roselle.

**PURPOSE:** To connect the West and North Transmission Mains, to increase reliability, to provide service in the event of a break on one of the main transmission mains.

**BENEFIT:** To improve the Commission's ability to transport water between the West and North Transmission Mains during a break on either transmission main. In addition to maintaining a higher level of service during a break of one of the Commission's primary transmission mains, this West Transmission Main will reinforce the northwestern limit of the Commission's distribution system, and provide an available supply of water to the northwest section of the County.

**ESTIMATED COST (2003 DOLLARS):**

**ENGINEERING:** \$2,000,000 (Remaining)

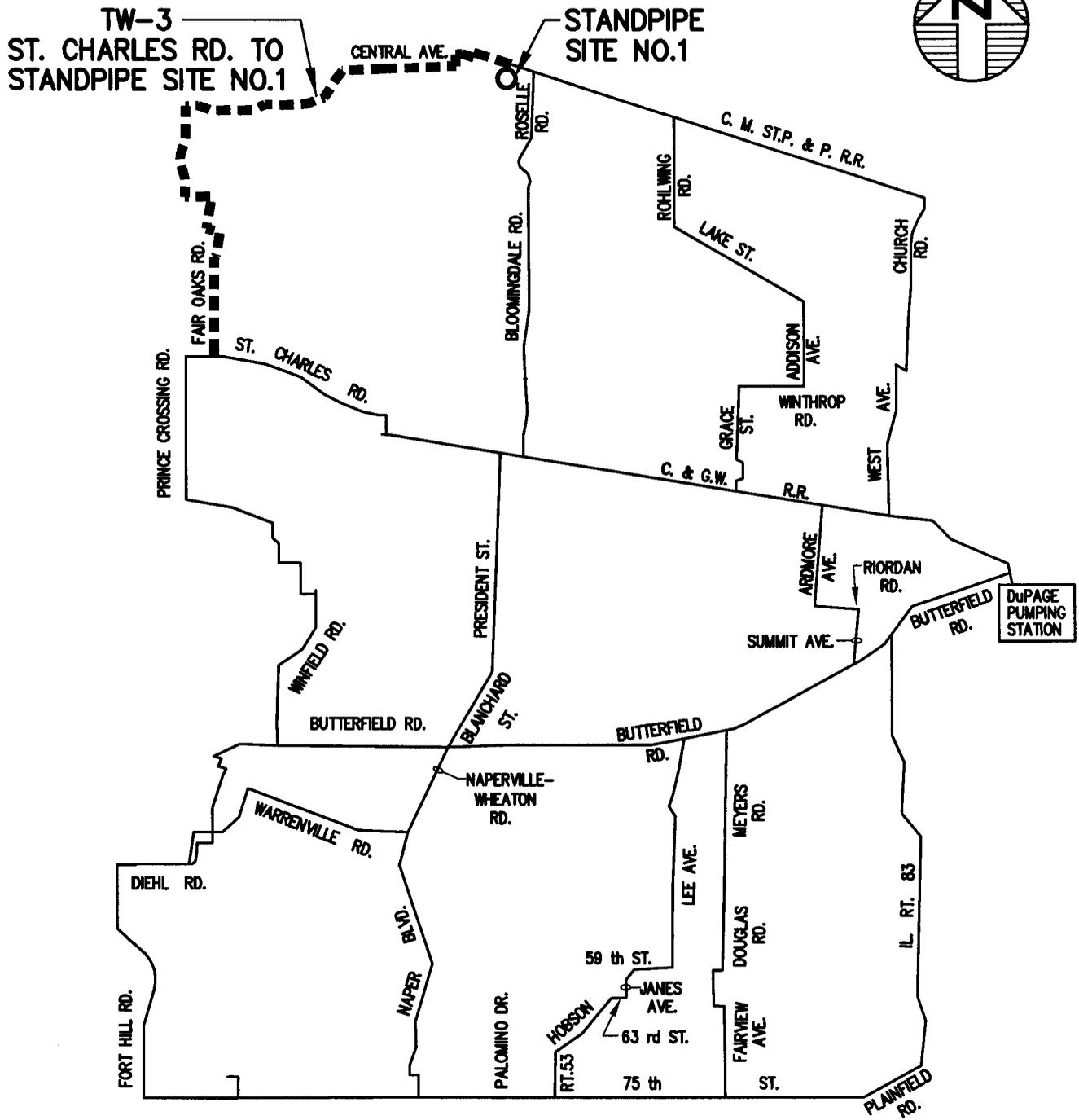
**LAND/ROW:** Minimal; pipe primarily installed in public rights-of-way.

**CONSTRUCTION:** \$20,201,000

**TIMING:** Fiscal year 2004-2005 – Construction begins

See location map on next page.

# CONTRACT TW-3 DU PAGE WATER COMMISSION



**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PROJECT:** Contract TIB-1; Route 83

**LOCATION:** Elmhurst and Oakbrook Terrace

**DESCRIPTION:** Install 11,000 feet of a 72" transmission main and one remotely operated valve. This transmission main will connect the Northwest Transmission Main with Southwest Transmission Main by Route 83.

**PURPOSE:** To increase flow in the event of a break on the Northwest or Southwest Transmission Mains which are the main conduits for water leaving the DuPage Pumping Station.

**BENEFIT:** During a break of the Southwest Transmission or Northwest Transmission Main, service is severely disrupted. This improvement minimizes the disruption and provides additional flow to satisfy average day demand during emergency conditions.

**ESTIMATED COST (2003 DOLLARS):**

**ENGINEERING:** \$1,250,000 (Remaining)

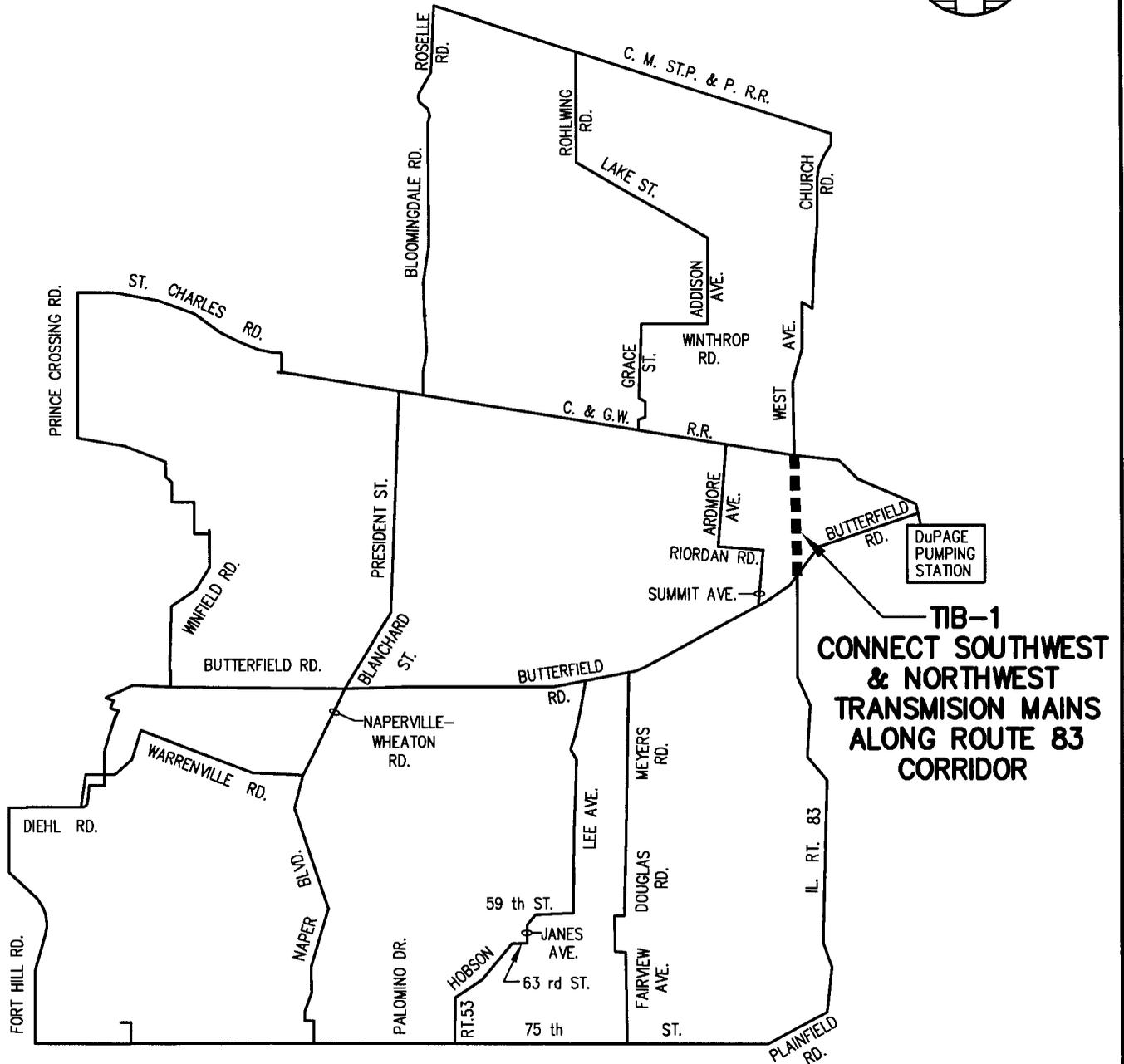
**LAND/ROW:** Minimal; pipe installed in public right-of-way

**CONSTRUCTION:** \$8,500,000 (Remaining)

**TIMING:** Fiscal year 2005-2006 – Construction completed

See location map on next page.

# CONTRACT TIB-1 DU PAGE WATER COMMISSION



**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PROJECT:** Contract BOV-1; Blow-off Valve Repair

**LOCATION:** Entire County

**DESCRIPTION:** Rehabilitate 320 blow-off valves on the Commission's Transmission and Feeder Mains

**PURPOSE:** To reduce the number of leaking blow-off valves that requires continuous repair and/or replacement by systematically rehabilitating all such valves.

**BENEFIT:** This rehabilitation will eliminate untimely leaks throughout the County on the Commission's system.

**ESTIMATED COST (2003 DOLLARS):**

**ENGINEERING:** \$40,000 (Remaining; reviews only, technical observation by DWC personnel)

**LAND/ROW:** None; work performed on Commission owned pipe

**CONSTRUCTION:** \$750,000 (Remaining)

**TIMING:** Fiscal Year 2004-2005 – Repairs completed

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PUMP STATION IMPROVEMENTS**

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PROJECT:** 30 Million-Gallon Reservoir  
Storage Building & Yard

**LOCATION:** South of two existing 15 million-gallon (MG) reservoirs at the  
DuPage Pumping Station

**DESCRIPTION:** Two 15-MG concrete reservoirs with baffled walls to prevent short-circuiting. The reservoirs will operate in series with the existing reservoirs. The influent of the proposed reservoirs will be constructed to allow for the addition of a taste and odor chemical feed system, if needed in the future. Construct a garage type structure to house construction equipment.

**PURPOSE:** Increase storage capacity in the event of disruption in service from Chicago.

**BENEFIT:** Provide additional time for the Commission's customer utilities in the event of disruption of supply from Chicago and ability to take more water off peak to decrease power demand charge at Lexington Pumping Station. Protect construction equipment and spare pipe from the elements and decrease material cost by keeping stock material.

**ESTIMATED COST (2003 DOLLARS):**

**ENGINEERING:** \$875,000 (remaining)

**LAND/ROW:** Construction on property owned by Commission

**CONSTRUCTION:** \$22,770,000

**TIMING:** Fiscal year 2004-2005 – Construction begins

See location map on next page.



**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PROJECT:** Generator Facility

**LOCATION:** On the east side of the DuPage Pumping Station service yard

**DESCRIPTION:** Building and generators. The capacity of the generation facilities determined from an evaluation study.

**PURPOSE:** To provide backup electrical power.

**BENEFIT:** To provide maintain pumping operations during electrical power outages. In addition to providing a backup power supply, the generators can supplement electrical power during high electrical demand periods, which will result in lower electrical rates.

**ESTIMATED COST (2003 DOLLARS):**

**ENGINEERING:** \$1,250,000 (Remaining)

**LAND/ROW:** Constructed on property owned by Commission

**CONSTRUCTION:** \$10,000,000

**TIMING:** Fiscal year 2004-2005 – Design  
Fiscal year 2005-2006 – Construction

See site plan on next page.



**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PROJECT:** Pump #10

**LOCATION:** DuPage Pumping Station

**DESCRIPTION:** Install 30 MGD split case centrifugal pump and associated piping in space reserved for future pump.

**PURPOSE:** To increase firm pumping capacity from 210 MGD to 240 MGD to satisfy future demand requirements.

**BENEFIT:** To keep up with current rising water demands, new customers and maintain current ability to remove pumps from service without reducing pumping capacity.

**ESTIMATED COST (2003 DOLLARS):**

**ENGINEERING:** \$40,000 (10%)

**LAND/ROW:** Improvements to be constructed on property presently owned by the Commission

**CONSTRUCTION:** \$400,000

**TIMING:** Fiscal year 2008-2009 – Engineering  
Fiscal year 2008-2009 – Installation

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**STANDPIPE IMPROVEMENTS**

**DU PAGE WATER COMMISSION  
2004 – 2005  
FIVE YEAR CAPITAL IMPROVEMENT PLAN**

**PROJECT:** Install Pumps at Standpipes

**LOCATION:** Tank #2 – Glendale Heights, Tank #3 – Naperville and Tanks #4E & #4W Lisle Township.

**DESCRIPTION:** Install three 3-MGD pumps and pump house at each standpipe.

**PURPOSE:** To allow for a monthly draining of the majority of water within a standpipe.

**BENEFIT:** By allowing water to be recirculated, these pumps will assist in reducing taste and odor problems that result from stale water. The proposed improvements will reduce the age of the water in the tanks. The addition of pumps at the standpipes will also increase water storage within the system to aid in emergency situations. Presently, the bottom two thirds of each standpipe is unusable storage. This installation of the pump station at Tank Site #1 will be used as a model for the other tank sites.

**ESTIMATED COST (2003 DOLLARS):**

**ENGINEERING:** \$540,000

**LAND/ROW:** Improvements to be constructed on property presently owned by the Commission.

**CONSTRUCTION:** Tank Sites #2, #3 and #4: \$5,400,000 (\$1,800,000 per standpipe site)

**TIMING:** Fiscal year 2004-2005 – Design  
Fiscal year 2005-2006 – Construction

# Purchase Order



## DU PAGE WATER COMMISSION

600 E. BUTTERFIELD ROAD  
 ELMHURST, IL 60126-4642  
 (630) 834-0100 • FAX: (630) 834-0120

P.O. No 7840	
DATE 1/8/04	DATE REQUIRED ASAP
TERMS NET 45 DAYS TAX EXEMPT	
SHIP VIA BEST WAY	
FOB	

TO: FRIENDLY FORD	SHIP TO: ATTN: MIKE SCHWEIZER
333 EAST IRVING PARK ROAD	ABOVE ADDRESS
ROSELLE, IL 60172	

QTY.	UNIT	PLEASE SUPPLY ITEMS BELOW	UNIT PRICE	AMOUNT
1	EA.	2004 FORD EXPEDITION 4X4		
		FLEET 930A AS SPECIFIED IN BID		
		TOTAL.....		\$18,301.00
		CONFIRMING - DO NOT DUPLICATE		

<p><b>IMPORTANT</b></p> <p>This Purchase Order Number must appear on all invoices, acknowledgments, bills of lading, correspondence and shipping cartons. Please notify us if you are unable to ship complete order by date specified.</p> <p>(ACCT. # WF-6961 )</p>	<p>Please send <u>2</u> copies of your invoice</p> <p>ROBERT THORNTON SIGNATURE</p>
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DuPage Water Commission  
 Request for Proposals - Bid Results  
 2004 Ford Expedition 4x4  
 December 11, 2003

		Bid Price
Oakfield Ford Inc. 443 East St. Charles Road Villa Park, IL 60181	Price	<b>\$25,819.00</b>
	Less: Trade-in	<b>\$5,250.00</b>
	Net Price	<b>\$20,569.00</b>
Pat Kean's Friendly Ford 333 E. Irving Park Rd. Roselle, IL	Price	<b>\$25,801.00</b>
	Less: Trade-in	<b>\$7,500.00</b>
	Net Price	<b>\$18,301.00</b>
Elmhurst Ford Inc. 678 North York Road Elmhurst, IL 60126	Price	<b>\$26,187.00</b>
	Less: Trade-in	<b>\$3,350.00</b>
	Net Price	<b>\$22,837.00</b>
Willowbrook Ford/KIA, Inc. 7301 S. Kingery Hwy. Willowbrook, IL 60527	Price	<b>\$26,000.00</b>
	Less: Trade-in	<b>\$4,000.00</b>
	Net Price	<b>\$22,000.00</b>



# DuPage Water Commission

## MEMORANDUM

TO: Commissioners

FROM: Chairman Michael Vondra

DATE: December 30, 2003

SUBJECT: Meeting Times

Based on the comments and criticisms of the meeting agendas and the scheduled times (from starting the evening too early to having the evening run too late), I have allowed an hour for Administration in order to try and spend expanded time on the Executive Search; I've put the Engineering and Finance Committees at 7:00 pm in order to allow enough time for their subjects to be discussed (due to comments that members seem rushed). I've moved the Commission Meeting to 8:00 pm. It seems that putting the agenda earlier in the evening creates more difficulties with traffic and other conflicts. In reality, if we get through our Committee Meetings, the Commission Meetings tend to move quicker. In my never-ending attempts to please everyone, I'd like your tolerance with this experiment.

**MEMORANDUM**

**TO:** Commissioners

**FROM:** Chairman Mike Vondra

**DATE:** December 31, 2003

**SUBJECT:** Security at Facility

In one of my meetings with Commissioner Rice (City of Chicago Department of Water Management) he discussed what actions they have taken regarding security assessments and protocol at the Jardine Water Plant. Specifically he discussed how a firm was hired to perform physical and electronic vulnerability assessments for all pump stations, purification plants, and access control and surveillance systems. They are currently creating a commanding control center for all emergency plant operations and they are establishing new forms of emergency preparedness procedures as well as performing internet network analysis to prevent hackers from penetrating control systems; all of the plant's entrances and guard house locations are also being redesigned to ensure security. It was also discussed that emergency generator upgrades were being provided for all critical control and surveillance systems in the event of a power loss. I have asked Bob to assess our facility security procedures as it relates to what is being done at Jardine and to determine what other measures, if any, should be taken.



## DU PAGE WATER COMMISSION

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December 11, 2003

Mr. William J. Mueller  
President  
Village of Lombard  
255 E. Wilson Ave.  
Lombard, IL 60148

Mayor William F. Murphy  
Village of Woodridge  
Five Plaza Drive  
Woodridge, IL 60517-5014

Mayor Thomas D. Marcucci  
City of Elmhurst  
209 N. York Street  
Elmhurst, IL 60126

Re: DuPage Water Commission  
Highland Hills Contract

Dear Sirs:

This is to acknowledge receipt of your letter of November 5, 2003 concerning the existing Water Purchase and Sale Contract between the DuPage Water Commission and its Charter Customers. To date, the Commission has taken no formal action to approve a water supply contract with the Highland Hills Sanitary District. Any such decision will be made by the Commission in accordance with the existing requirements of Illinois law.

You state in the opening paragraph of your letter that based upon current information available to each of you "there is a significant question as to whether the proposed Highland Hills formula to provide rates, charges and terms to Highland Hills is lower or more favorable than those provided by the Charter Customers, and the Subsequent Customers who have entered into contracts with the Commission..." This issue has yet to be decided by the Commission, but when we decide it we must act in accordance with the legislative mandate expressed in 70 ILCS 3720/0.02. That Section reads as follows:



## DU PAGE WATER COMMISSION

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December 11, 2003

Page 2

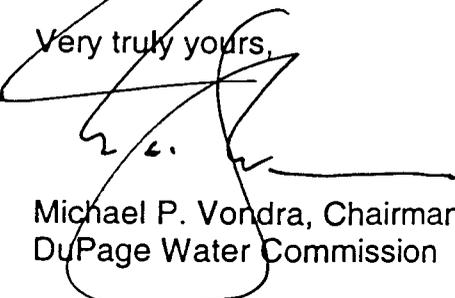
"Notwithstanding the terms of a water supply contract existing on the effective date [of Public Act 93-226], all parties to a water supply contract with a county water commission, irrespective of whether such party is a charter member or subsequent entrant, shall pay rates equal to the rates paid by other parties to such water supply contract and shall not pay any additional fees, costs, or differentials as a condition of becoming a party to such water supply contract. Subsequent entrants to a water supply contract shall pay their pro-rata portion of the original capital costs less any rebates and the actual costs of connection to the water commission system."

The Commission and its staff are going to comply with this section of the law. This is our obligation and I have every confidence that the Commission and its staff will develop a contract for Highland Hills and any other "subsequent entrant" that will satisfy the mandate of the 2003 statutory amendments.

At this point it is premature for any existing customer to "assert enforcement" of any provision of the Water Purchase and Sale Contract. This is particularly true with respect to Section 12(c) because Section 12(c) would not apply to a contract with the Highland Hills Sanitary District because the Sanitary District was never a "potential Charter Customer" named in Section 24 of the Water Purchase and Sale Contract.

I would urge each of you to join with the other members of the Commission to fully discuss and debate our mutual issues and to resolve all issues within the forum of the Commission. In hiring Virchow Krause, the Commission has taken the first step in developing equitable alternatives for future discussion. Any comments and suggestions that charter customer communities may have should be communicated directly to your representative on the Commission in order to assist with expediting the process and to insure all concerns are addressed.

Very truly yours,



Michael P. Vondra, Chairman  
DuPage Water Commission

cc: Commissioners