



DuPage Water Commission

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

**DU PAGE WATER COMMISSION
THURSDAY, AUGUST 14, 2003
7:30 P.M.**

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

- I. Roll Call
- II. Public Comments
- III. Approval of Minutes
 - A. Regular Meeting of July 17, 2003
 - B. Executive Session of July 17, 2003
- IV. Treasurer's Report – July 2003
- V. Committee Reports
 - A. Administration Committee
 - 1. Report of 8/14/03 Meeting
 - 2. Actions on Items Listed on 8/14/03 Administration Committee Agenda
 - 3. Open Meeting Act
 - 4. Executive Session: Discussion of Personnel Related Matters
 - B. Engineering & Construction Committee
 - 1. Report of 8/14/03 Meeting
 - 2. Actions on Items Listed on 8/14/03 Engineering & Construction Committee Agenda

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.

C. Finance Committee

1. Report of 8/14/03 Meeting
2. Actions on Items Listed on 8/14/03 Finance Committee Agenda

VI. Chairman's Report

VII. Omnibus Vote

- A. Ordinance O-9-03: An Ordinance Authorizing the Issuance and Sale of Water Revenue Refunding Bonds, Series 2003, of the DuPage Water Commission
- B. Resolution R-30-03: A Resolution Approving and Authorizing the Execution of Certain Agreements with the General Manager Based on the Consensus Reached at the June 12, 2003 Commission Meeting
- C. Resolution R-32-03: A Resolution Releasing Certain Executive Session Meeting Minutes at the August 14, 2003 DuPage Water Commission Meeting

VIII. Old Business

- Summary of Action Taken Since Previous Meeting

IX. New Business

- Purchase Order No. 7638

X. Accounts Payable

XI. Public Comments

XII. Executive Session

XIII. Adjournment

**MINUTES OF A MEETING OF THE
DU PAGE WATER COMMISSION
HELD ON WEDNESDAY, JULY 17, 2003
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Vondra at 10:05 A.M.

Commissioners in attendance: R. Benson (via teleconference), E. Chaplin, L. Hartwig, J. Janicik, B. Krajewski, W. Mueller, A. Poole, R. Thorn, R. Tolentino, 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

Gary Webster, Glen Ellyn Village Manager, inquired about the cost and corporate purpose of Resolution R-29-03.

John Perry, Woodridge Village Administrator, reiterated the comments made by Mr. Webster and expressed his agreement with the recommendation of the Special Task Force on Refunding not borrow more money than the Commission needs.

Joe Breinig, Carol Stream Village Manager, also commended the Commission for limiting its borrowing to refunding outstanding bonds, as Carol Stream only bonds for defined needs.

Commissioners Poole and Krajewski requested that the June 12, 2003, meeting minutes be amended to reflect (1) Commissioner Poole's request that staff prepare an amendment to Resolution No. R-10-03 reducing the target fund balance in the Water Fund for emergency repairs and other contingencies to the lesser of (a) 2 percent of the adjusted original cost of construction of the Commission's Waterworks System or (b) \$20,000,000.00; (2) Commissioner Poole's request for a legal opinion on the continuing effectiveness on the Commission's supermajority vote requirements in light of the provisions of HB3402; and (3) Commissioners Krajewski's and Thorn's expressed concern with respect to Commissioner Chaplin's qualifications to perform the duties of Treasurer outlined in the Commission's By-Laws.

Commissioner Wilcox moved to approve the Minutes of the June 12, 2003 meeting of the DuPage Water Commission as amended. Seconded by Commissioner Chaplin and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Minutes of the 7/17/03 Meeting

Commissioner Wilcox moved to approve the Minutes of the First and Second June 12, 2003 Executive Session meetings of the DuPage Water Commission. Seconded by Commissioner Mueller and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

The Treasurer's Report for the month of May 2003 showed receipts of \$7,219,795.93, disbursements of \$4,084,659.94 and a cash and investment balance of \$197,305,164.55.

Commissioner Wilcox moved to accept the June 2003 Treasurer's Report. Seconded by Commissioner Thorn 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 discussed personnel matters, some of which would be discussed further in Executive Session.

Commissioner Thorn moved to authorize the payment of \$23,000 in bonuses for key personnel as allocated by the General Manager. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

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

Nays: None

Commissioner Thorn moved to appoint Kim Godden the recording secretary for the Administration Committee. Seconded by Commissioner Hartwig and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Engineering Committee – Report by Commissioner Wilcox

The Engineering Committee reviewed the change orders in the amount of \$17,813.04 and recommended approval of Resolution R-25-03 during the Omnibus Vote Agenda.

The Engineering Committee reviewed progress payments in the amount of \$373,224.24 and recommended approval as part of the Accounts Payable, subject to submission of all contractually required documentation.

Minutes of the 7/17/03 Meeting

Finance Committee – Report by Commissioner Poole

The Finance Committee reviewed the Treasurer's Report, the June financial statements and the Accounts Payable. It was also noted that the audit is complete and is under partner and quality review.

The Committee also reviewed the status of replacing Kemper as the Commission's liability insurance carrier. Commissioner Janicik moved to purchase liability insurance coverage in accordance with the July 9, 2003, Liability Insurance Proposal prepared by Arthur J. Gallagher Risk Management Services, Inc., for a total premium of \$157,774, and to authorize the General Manager to bind up to \$20 million in umbrella coverage from either American Alternative Insurance Corporation AAIC or another carrier as determined by the General Manager to be most favorable to the interests of the Commission. Seconded by Commissioner Wilcox and unanimously approved by a Roll Call Vote:

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

Nays: None

The Finance Committee also reviewed Resolution R-27-03, the proposed amendment to Resolution No. R-10-03 which would reduce the target fund balance in the Water Fund for emergency repairs and other contingencies and the Committee recommended approval during the Omnibus Vote Agenda.

Special Task Force on Refunding – Report by Chairman Vondra

As recommended by the Commission's financial advisor, Chairman Vondra reported the Special Task Force was recommending that, rather than seeking an underlying rating from the bond rating agencies on the new bonds, the Commission purchase bond insurance. Chairman Vondra noted that purchasing insurance would guaranty the highest available bond ratings because the rating would be based on the insurance company's ratings. Commissioner Wilcox moved to purchase bond insurance in lieu of obtaining an underlying rating for the Commission's new bonds. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

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

Nays: None

Chairman Vondra then explained to the Commissioners the four financing scenarios reviewed by the Special Task Force at its last meeting: Scenario #1, a traditional fixed rate bond refunding with maturities extended by two years to 2016; Scenario #2, a traditional fixed rate bond refunding with maturities extended by two years, coupled with a synthetic bond component of additionally extended maturities for new money, with the

Minutes of the 7/17/03 Meeting

new money component equating to roughly 50% of the Five Year Capital Improvement Plan estimated costs; Scenario #3, same as Scenario #2 except with the new money component equating to roughly 100% of the Five Year Capital Improvement Plan estimated costs; and Scenario #4, a combined traditional fixed rate refunding with maturities extended by two years and synthetic bond refunding with additionally extended maturities.

Commissioner Poole moved to proceed with the refunding based on Scenario #1, a traditional fixed rate bond refunding with maturities extended by two years to 2016. Seconded by Commissioner Tolentino and unanimously approved by a Roll Call Vote:

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

Nays: None

OMNIBUS VOTE AGENDA

Chairman Vondra requested that Resolution R-30-03 be removed from the Omnibus Vote Agenda.

Commissioner Poole requested that Resolution R-26-03 be removed from the Omnibus Vote Agenda.

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

Omnibus Vote

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

Nays: None

Item 1. Resolution R-25-03: A Resolution Approving Certain Contract Change Orders at the July 17, 2003 DuPage Water Commission Meeting – “Omnibus Vote”

Item 2. Resolution R-27-03: A Resolution Amending Resolution R-10-03, Being 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, 2003 – “Omnibus Vote”

Item 3. Resolution R-28-03: A Resolution Amending Resolution R-20-03, Being a Resolution Directing Advertisement for Bids on a Contract for the Construction of Inner Belt Transmission Main (Contract TIB-1/03) – “Omnibus Vote”

Minutes of the 7/17/03 Meeting

- Item 4. Resolution R-29-03: A Resolution Adopting a Retirement Incentive Program for the Fiscal Year Commencing May 1, 2003, and Ending April 30, 2004 – “Omnibus Vote”
- Item 5. Resolution R-31-03: A Resolution Electing to Allow Illinois Municipal Retirement Fund Service Credit for Prior Military Service – “Omnibus Vote”

Commissioner Wilcox moved to approve Resolution R-26-03 entitled “A Resolution of Commendation for Commissioner Jack D. Tenison”. Seconded by Commissioner Janicik.

Discussion ensued regarding the merits of such a resolution, with Commissioner Poole suggesting that a more generic, less subjective resolution of appreciation would be more appropriate, especially in light of the fact that no other Commissioners have received such a resolution. Though noting other Commissioners were honored with dinners or lunches, and that Commissioner Tenison never asked for any recognition, Chairman Vondra suggested that Chairman Vondra and Commissioner Poole could develop together an acceptable resolution of appreciation. Accordingly, Commissioner Wilcox withdrew the motion and Commissioner Janicik withdrew the second.

Commission Wilcox moved to approve a resolution of appreciation for Commissioner Jack D. Tenison in a form acceptable to Chairman Vondra and Commissioner Poole. Seconded by Commissioner Tolentino and unanimously approved by a Roll Call Vote:

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

Nays: None

OLD BUSINESS

Commissioner Mueller requested a legal opinion on the continuing effectiveness on the Commission’s supermajority vote requirements in light of the provisions of HB3402, with Commissioner Janicik requesting the opinion not be issued until the legislation became effective.

NEW BUSINESS

Commissioner Wilcox moved to suspend the purchasing procedures of the Commission’s By-Laws and ratify Purchase Order No. 7568 in the amount of \$16,705.00 to Medlin Communications, Inc. Seconded by Commissioner Tolentino and unanimously approved by a Roll Call Vote:

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

Nays: None

Minutes of the 7/17/03 Meeting

Commissioner Thorn moved to approve Purchase Order No. 7571 in the amount of \$15,119.00 to National Waterworks Inc. Seconded by Commissioner Janicik and unanimously approved by a Roll Call Vote:

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

Nays: None

Commissioner Wilcox moved to suspend the purchasing procedures of the Commission's By-Laws and approve Purchase Order No. 7597 in the amount of \$11,700.00 to Consolidated Concrete Restoration, Inc. Seconded by Commissioner Tolentino and unanimously approved by a Roll Call Vote:

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

Nays: None

Commissioner Thorn moved to approve Chairman Vondra's appointment of Commissioner Zeilenga to the Administration Committee, the removal of Commissioner Chaplin from the Administration Committee, and the appointment of Commissioner Chaplin to the Finance Committee, each of the appointments for terms expiring at the conclusion of the September 2003 Board meeting or until their successors are duly appointed and confirmed. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

ACCOUNTS PAYABLE

Commissioner Thorn moved to approve the Accounts Payable in the amount of \$3,990,580.08 subject to submission of all contractually required documentation. Seconded by Commissioner Wilcox and unanimously approved by a Roll Call Vote:

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

Nays: None

PUBLIC COMMENTS

In response to Naperville City Councilman Furstenau's inquiry, Chairman Vondra noted agenda packets are available for public inspection at the front desk and committed to having the inspection packet available by noon of the Monday before a Thursday meeting if at all possible.

Minutes of the 7/17/03 Meeting

Commissioner Janicik moved to take a ten-minute recess. Seconded by Commissioner Chaplin and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

The meeting was reconvened at 11:25 A.M.

Commissioner Krajewski moved to go into Executive Session to discuss matters related to pending, probable or imminent litigation pursuant to 5 ILCS 120/2(c)(11) and personnel matters pursuant to 5 ILCS 120/2(c)(1) and (2). Seconded by Commissioner Janicik and unanimously approved by a Roll Call Vote:

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

Nays: None

The Commission went into Executive Session at 11:25 P.M.

Commissioner Wilcox moved to come out of Executive Session at 12:13 P.M. Seconded by Commissioner Thorn and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Zeilenga moved to approve the pay increase for the General Manager, retroactive to May 1, 2003, in accordance with the discussion in Executive Session. Seconded by Commissioner Krajewski and unanimously approved by a Roll Call Vote:

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

Nays: None

Commissioner Wilcox moved to adjourn the meeting at 12:14 P.M. Seconded by Commissioner Thorn and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

DU PAGE WATER COMMISSION
WATER FUND
CASH BASIS GENERAL LEDGER
STATEMENT OF REVENUES & EXPENDITURES
July 31, 2003

| REVENUE | CURRENT MONTH ACTUAL | Y-T-D ACTUAL |
|--|-------------------------|-----------------------|
| WATER SALES | 3,386,314.49 | 12,381,814.87 |
| SALES TAXES | 2,686,010.32 | 7,572,870.82 |
| INVESTMENT INCOME | 270,614.81 | 1,420,417.11 |
| OTHER INCOME | 0.00 | 103,787.85 |
| TOTAL REVENUE | 6,342,939.62 | 21,478,890.65 |
| EXPENSES | | |
| PERSONAL SERVICES | 1,596,732.03 | 1,991,992.36 |
| PROFESSIONAL SERVICES | 22,964.30 | 123,364.54 |
| CONTRACTUAL SERVICES | 51,007.44 | 120,759.26 |
| INSURANCE | 43,677.28 | 52,403.00 |
| ADMINISTRATIVE COSTS | 9,136.59 | 27,966.11 |
| WATER SUPPLY COSTS | 3,714,229.86 | 10,014,209.41 |
| BOND PRINCIPAL & INTEREST | 0.00 | 13,718,953.75 |
| LAND AND RIGHT OF WAY | 0.00 | 0.00 |
| CAPITAL OUTLAY | 0.00 | 6,452.31 |
| TOTAL OPERATING EXPENSES | 5,437,747.50 | 26,056,100.74 |
| CONSTRUCTION EXPENDITURES | 187,269.54 | 756,457.02 |
| LEGISLATIVE TRANSFERS TO OTHER GOVERNMENTS | 0.00 | 0.00 |
| TOTAL EXPENSES | 5,625,017.04 | 26,812,557.76 |
| NET FUND TRANSACTIONS | 717,922.58 | (5,333,667.11) |
| BEGINNING BALANCE | | 203,356,754.24 |
| ENDING BALANCE | | 198,023,087.13 |
| FUNDS CONSIST OF: | | |
| PETTY CASH | | 500.00 |
| CASH AT BANK ONE | | 30,830.15 |
| CASH AT OAK BROOK BANK LOCK BOX | | 132,663.82 |
| CASH AT VILLA PARK TRUST & SAVINGS | | 1,623.50 |
| TOTAL CASH | | 165,617.47 |
| ILLINOIS FUNDS MONEY MARKET | | 29,782,396.03 |
| ILLINOIS FUNDS PRIME FUND | | 16,653,791.00 |
| GOVERNMENT MONEY MARKET FUNDS | | 3,410.25 |
| U. S. TREASURY INVESTMENTS | | 64,790,162.25 |
| U. S. AGENCY INVESTMENTS | | 61,627,710.13 |
| CERTIFICATES OF DEPOSIT | | 25,000,000.00 |
| COMMERCIAL PAPER | | 0.00 |
| TOTAL INVESTMENTS | | 197,857,469.66 |
| TOTAL FUNDS | | 198,023,087.13 |

DRAFT

ORDINANCE NUMBER 0-9-03

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF
WATER REVENUE REFUNDING BONDS, SERIES 2003, OF THE
DUPAGE WATER COMMISSION

Adopted: August 14, 2003

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ORDINANCE NUMBER 0-9-03

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF WATER REVENUE REFUNDING BONDS, SERIES 2003, OF THE DUPAGE WATER COMMISSION

WHEREAS, the DuPage Water Commission (the “Commission”), is a body corporate and politic and a unit of local government of the State of Illinois and is a duly organized water commission operating under the provisions of the Water Commission Act of 1985, 70 Illinois Compiled Statutes 3720, and is authorized to supply water pursuant to said act and pursuant to Division 135 of Article 11 of the Illinois Municipal Code, 65 Illinois Compiled Statutes 5/11-135, said act and said division, being herein collectively called the “Act”);

WHEREAS, pursuant to Ordinance Number 0-8-93 adopted by the Board of Commissioners of the Commission on April 8, 1993, the Commission issued its Water Refunding Revenue Bonds, Series 1993, which are currently outstanding in the aggregate principal amount of \$145,655,000 (the “Series 1993 Bonds”); and

WHEREAS, the Board of Commissioners has considered and determined that interest rates available in the bond market are currently more favorable for the Commission than they were in 1993 when the Series 1993 Bonds were issued and that it is possible, proper and advisable to refund all the Series 1993 Bonds at this time to take advantage of the debt service savings that will result from such lower interest rates; and

WHEREAS, the Act, as supplemented by the provisions of the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, provides authority to the Commission to refund, in whole or in part, the Commission’s revenue bonds upon such terms as the Board of Commissioners may determine; and

WHEREAS, it is therefore deemed advisable and necessary that refunding bonds, as hereinafter provided, be issued for the purpose of refunding the Series 1993 Bonds (such refunding may be hereinafter referred to as the “Refunding”); and

WHEREAS, the Board of Commissioners does hereby determine that it is advisable and in the best interests of the Commission to borrow an aggregate principal amount not to exceed \$150,000,000 at this time for the purpose of paying the costs of the Refunding and, in evidence of such borrowing, to issue its revenue bonds in an aggregate principal amount not to exceed \$150,000,000; and

WHEREAS, the Series 1993 Bonds were issued for the purpose of refunding a portion of the Water Revenue Bonds, Series 1987, of the Commission authorized and issued pursuant to Ordinance Number 0-1-87 adopted by the Board of Commissioners on January 15, 1987, as amended (the “Master Bond Ordinance”) for the purpose of financing a construction project to provide the Contract Customers (as defined in the Master Bond Ordinance) of the Commission with a common source of supply of water from Lake Michigan by pumping, treating, storing and transporting such water to the Contract Customers (the “Project”); and

WHEREAS, pursuant to Section 4.03 of the Master Bond Ordinance, the Commission determined that the period of usefulness of its waterworks system and the Project to be not less than 40 years from the date of completion of the Project and it is hereby determined that the final maturity of the refunding bonds authorized by this ordinance will be within the remaining useful life of the waterworks system and the Project; and

WHEREAS, the Commission has entered into a contract with the Charter Customers (as defined in the Master Bond Ordinance) to provide for the purchase and sale of water delivered by the Commission's waterworks system at charges sufficient, among other things, to pay the costs of operation and maintenance of such system and principal of and interest on the bonds, to provide a reserve for depreciation of the system, and to carry out the corporate purposes and powers of the Commission; and

WHEREAS, the Master Bond Ordinance authorizes the issuance of refunding Parity Bonds pursuant to Parity Series Ordinances (as defined therein) in accordance with the terms, provisions and limitations of the Master Bond Ordinance; and

WHEREAS, the bonds in the amount of not to exceed \$150,000,000 to be so issued must be secured and provisions made for payment so as to enable the sale thereof, and the Commission must now undertake to issue, sell, secure and provide for payment of such bonds on the terms and in the manner as in this Parity Series Ordinance provided and pursuant to the authority of the Act, the Local Government Debt Reform Act and the Master Bond Ordinance; and NOW THEREFORE

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE DUPAGE WATER COMMISSION, AS FOLLOWS:

ARTICLE ONE

Definitions and Other Provisions of General Application; Acceptance of Trust

Section 101. Definitions. Except as expressly in conflict with a definition herein, all capitalized terms used herein shall have the meanings ascribed to them in Article I, Section 1.01, of the Master Bond Ordinance, under which this ordinance is a Parity Series Ordinance.

For all purposes of this Parity Series Ordinance, except as otherwise expressly provided or unless the context otherwise requires: (a) the terms defined in this Article or otherwise herein have the meanings assigned to them in this Article or otherwise and include the plural as well as the singular; (b) all references in this Parity Series Ordinance to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this Parity Series Ordinance as originally adopted; and (c) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Parity Series Ordinance as a whole and not any particular Article, Section or other subdivision.

All of the words and terms used in this Parity Series Ordinance shall have the meanings given them, unless the context or use clearly indicates that another or different meaning is intended, including the words and terms as follows:

“Bond Order” means the Bond Order as authorized to be executed by the Designated Officials of the Commission as set forth in Section 301 of this Parity Series Ordinance and by which the final terms of the Series 2003 Bonds will be established.

“Code” means the Internal Revenue Code of 1986.

“Depository” means, with respect to the Series 2003 Bonds, The Depository Trust Company, New York, New York, its successors, or a successor depository qualified to clear securities under applicable state and federal laws.

“Designated Officials” means the Chairman and General Manager of the Commission, acting together.

“Financial Advisor” means Banc One Capital Markets, Inc., the duly appointed financial advisor to the Commission for the sale of the Series 2003 Bonds.

“Master Bond Ordinance” means Ordinance Number 0-1-87 of the Board of Commissioners of the Commission, as amended and as it may be further amended and supplemented from time to time, and as further supplemented by all Parity Series Ordinances.

“Municipal Bond Insurance Policy” means a policy or surety contract guaranteeing to the Registered Owners of Series 2003 Bonds the payment of the principal of and interest on the Series 2003 Bonds.

“Refunding” means the refunding of the Series 1993 Bonds from proceeds of the Series 2003 Bonds and such other lawfully available funds of the Commission as necessary.

“Series 1993 Bonds” means the bonds of the Commission described and defined as such in the preambles to this Parity Series Ordinance.

“Series 2003 Bonds” means the not to exceed \$150,000,000 Water Revenue Refunding Bonds, Series 2003, authorized to be issued and delivered under the Master Bond Ordinance and this Parity Series Ordinance.

“Series 2003 Term Bonds” means Series 2003 Bonds, if any, designated as term bonds pursuant to Section 206 of this Parity Series Ordinance and in the Bond Order, and accordingly subject to Mandatory Redemption.

“Underwriters” means UBS Financial Services Inc.; Robert W. Baird & Co.; George K. Baum & Company; and Loop Capital Markets.

Section 102. Effect of Headings. The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 103. Severability. In case any one or more of the provisions of this Parity Series Ordinance or of the Series 2003 Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Parity Series Ordinance or of the Series 2003 Bonds, but this Parity Series Ordinance and the Series 2003 Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein. In case any covenant, stipulation, obligation or agreement contained in the Series 2003 Bonds or in this Parity Series Ordinance shall for any reason be held to be partly unenforceable or in violation of law, then such covenant, stipulation, obligation or agreement of the Commission shall be enforceable to the full extent that the power to incur such obligation or to make such covenant, stipulation or agreement shall have been conferred on the Commission by law.

Section 104. Authority for this Parity Series Ordinance. This Parity Series Ordinance is enacted in accordance with the Act, the Local Government Debt Reform Act and Article Nine of the Master Bond Ordinance. The Series 2003 Bonds are “Parity Bonds” under the Master Bond Ordinance.

Section 105. Incorporation of Preambles. The Board of Commissioners hereby finds that all of the recitals contained in the preambles to this Parity Series Ordinance are true and correct and does incorporate them into this Parity Series Ordinance by this reference.

Section 106. Applicable Law. This Parity Series Ordinance shall be construed under and governed by the laws of the State of Illinois.

Section 107. Counterparts. This Parity Series Ordinance and the Trustee’s acceptance of trust created hereunder may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

Section 108. Grant to Trustee for the Benefit of Bondholders. Acting under Article Nine of the Master Bond Ordinance, the Commission in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Series 2003 Bonds by the Underwriters and subsequent Holders thereof, and of other good and valuable considerations, and in order to secure the payment of principal of, premium, if any, and interest on and any other sums payable on the Series 2003 Bonds Outstanding hereunder from time to time, according to their tenor and effect, and to secure the observance and performance by the Commission of all the covenants expressed or implied herein and in the Series 2003 Bonds, does hereby supplement the Master Bond Ordinance as herein provided; and does hereby grant a security interest and first and prior lien in and pledge unto the Trustee and unto its successors in trust and its assigns forever all right, title and interest of the Commission in and to the Net Revenues, the rights and remedies under the Water Supply Contract as expressly provided in the Master Bond Ordinance, the moneys and investments held by the Trustee under the Master Bond Ordinance (except those in the Rebate Fund) or by the Commission pursuant to the Master Bond Ordinance and all other rights hereinafter granted under the Master Bond Ordinance or purported to be granted under the Master Bond Ordinance for the further securing of the Series 2003 Bonds, all as more particularly provided herein and in the Master Bond Ordinance.

The foregoing pledge is made pursuant to the Act and Section 13 of the Local Government Debt Reform Act and shall be valid and binding from the date of issuance of the Series 2003 Bonds. All such Net Revenues and other moneys required to be paid to the Trustee shall immediately be subject to the lien of such pledge without any physical delivery or further act and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Commission irrespective of whether such parties have notice thereof.

Section 109. Acceptance of Trusts and Acknowledgment of Consideration.

The authentication of any of the Series 2003 Bonds hereunder shall constitute the Trustee's acceptance of the trusts created and imposed hereby. The execution and delivery of such Series 2003 Bonds by the Commission shall constitute acknowledgment of the receipt of the consideration set forth in Section 108 by the Commission.

Section 110. Continuation of Prior Covenants. All of the covenants in the Master Bond Ordinance are hereby continued and reaffirmed with respect to the Series 2003 Bonds as if fully set out herein.

ARTICLE TWO

Terms of the Series 2003 Bonds

Section 201. Determination to Issue Series 2003 Bonds; Authorization. It is necessary for and in the best interests of the Commission that the Commission provide for the Refunding to achieve a net debt service savings, to pay all related costs and expenses incidental thereto and to issue the Series 2003 Bonds to pay a part of the cost thereof.

The Commission does hereby authorize the Refunding, the funding of reserves, and the making of all related expenditures, and, for the purpose of paying a part of the costs thereof, the issuance of the Series 2003 Bonds, initially to be delivered hereunder, in the aggregate principal amount of not to exceed \$150,000,000.

The redemption date of the Series 1993 Bonds shall be determined in the Bond Order and any such redemption date shall be within 90 days of the date of issuance of the Series 2003 Bonds. The Commission shall provide for the defeasance of the Series 1993 Bonds as of the date of issuance of the Series 2003 Bonds and in accordance with Section 13.01 of the Master Bond Ordinance.

Section 202. Form of the Series 2003 Bonds. The Series 2003 Bonds shall be in substantially the following form:

[Form of Series 2003 Bond]

No. _____

CUSIP No. _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTIES OF DUPAGE, COOK AND WILL
DUPAGE WATER COMMISSION
Water Revenue Refunding Bond,
Series 2003

INTEREST RATE

MATURITY DATE

DATED DATE

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

The DUPAGE WATER COMMISSION, a county water commission, body corporate and politic and unit of local government of the State of Illinois, acknowledges itself indebted and for value received hereby promises to pay (but only from the sources herein referred to) to the registered owner hereof, or registered assigns, the principal amount specified above on the maturity date specified above, and to pay interest on such principal amount from the Dated Date of this bond or the most recent interest payment date to which interest has been paid at the interest rate per annum specified above, computed on the basis of a 360-day year consisting of twelve 30-day months and payable in lawful money of the United States of America on May 1, 2004 and semiannually thereafter on May 1 and November 1 in each year until the principal amount shall have been paid, by check or draft mailed to the registered owner of record hereof as of the 15th day of the calendar month next preceding such interest payment date, at the address of such owner appearing on the registration books maintained by the Commission for such purpose at the principal corporate trust office of Bank One, National Association, in the City of Chicago, Illinois, as trustee or its successor (the "Trustee") or by wire transfer pursuant to an agreement by and between the Commission and the registered owner of this bond. This bond, as to principal and premium, if any, when due, will be payable in lawful money of the United States of America upon presentation and surrender of this bond at the principal corporate trust office of the Trustee.

This bond is one of a series of bonds issued in the aggregate principal amount of \$_____ (the "Series 2003 Bonds"), which are authorized and issued under and pursuant to the Water Commission Act of 1985, 70 Illinois Compiled Statutes 3720; Division 135 of Article 11 of the Illinois Municipal Code, 65 Illinois Compiled Statutes 5/11-135; and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350. The Series 2003 Bonds are issued under and in accordance with Ordinance Number 0-1-87, adopted by the Board of Commissioners of the Commission on January 15, 1987, as amended (the "Master Bond

Ordinance”) and as supplemented by Ordinance Number 0-9-03, adopted by the Board of Commissioners on August 14, 2003. The Master Bond Ordinance as so supplemented is herein called the “Bond Ordinance.”

This bond does not constitute an indebtedness of any municipality represented by the Commission within the meaning of any statutory or constitutional limitation.

The Series 2003 Bonds are “Bonds” as described in the Master Bond Ordinance. Pursuant to the Master Bond Ordinance, the Commission may hereafter issue additional Bonds (herein and in the Master Bond Ordinance called “Parity Bonds”) for the purposes, in the amounts and upon the conditions set forth in the Master Bond Ordinance. The Series 2003 Bonds and any Parity Bonds (herein collectively called the “Bonds”) are payable from, and equally and ratably secured by a pledge of, the net revenues of the water supply system (the “System”) of the Commission and certain moneys held under the Master Bond Ordinance. Reference to the Bond Ordinance is made for a description of the nature and extent of the security for this bond, the revenues pledged, the nature and extent and manner of enforcement of the pledge and the rights and remedies of the registered owners of Bonds with respect thereto.

Under the Master Bond Ordinance, the revenues to be derived from the operation of the System will be deposited in a separate fund of the Commission designated as the “Water Fund”, which shall be used for paying the cost of operation and maintenance of the System maintaining certain reserve funds and carrying out the corporate purposes and powers of the Commission and for paying the principal of and interest on all obligations of the Commission that are payable by their terms from the net revenues of the System.

Subject to certain limitations and exceptions contained in the Master Bond Ordinance, the rights and obligations of the Commission and of the owners of the Bonds and the provisions of the Master Bond Ordinance may from time to time be modified or amended by a supplemental ordinance adopted by the Board of Commissioners of the Commission with the written consent of the owners of not less than two-thirds of the aggregate principal amount of the Bonds then outstanding and affected by such modification or amendment.

The Series 2003 Bonds maturing on or after May 1, 20__ are subject to redemption prior to maturity at the option of the Commission and upon notice as hereinafter provided, in such principal amounts and from such maturities as the Commission shall determine, and by lot within a single maturity, on _____ 1, 20__ and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed plus, if such Series 2003 Bond is to be redeemed during any period (both dates inclusive) shown in the following table, the applicable redemption premium, expressed as a percentage of such principal amount, set forth opposite such period:

| <u>Redemption Period</u> | <u>Redemption Premium</u> |
|--------------------------|---------------------------|
|--------------------------|---------------------------|

The Series 2003 Bonds maturing on May 1, 20__ are subject to mandatory redemption (to the extent that the mandatory redemption requirement has not otherwise been

satisfied), by lot at a redemption price equal to the principal amount thereof to be redeemed, and upon notice as hereinafter provided, on May 1 of the years and in the principal amounts as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
|-------------|---------------|

Notice of the redemption of Series 2003 Bonds will be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of Series 2003 Bonds to be redeemed at their last addresses appearing on such registration books. The Series 2003 Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Series 2003 Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such Series 2003 Bonds or portions thereof shall cease to accrue and become payable.

This bond is transferable only upon such registration books by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof at the principal corporate trust office of the Trustee together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered Series 2003 Bond or Bonds, in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this bond shall be issued to the transferee in exchange therefor. In like manner, this bond may be exchanged for an equal aggregate principal amount of Series 2003 Bonds of the same maturity and interest rate and of any of such authorized denominations. The Commission or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this bond. No service charge shall be made for the privilege of making such transfer or exchange, other than certain exchanges as provided in the Master Bond Ordinance.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Trustee.

It is hereby certified, recited and declared that this bond is issued in part pursuant to the Local Government Debt Reform Act, that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this bond in order to make it a legal, valid and binding obligation of the Commission have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the series of bonds of which this bond is one, together with all other indebtedness of the Commission is within every debt or other limit prescribed by law.

IN WITNESS WHEREOF, the DUPAGE WATER COMMISSION has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Chairman, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk.

DUPAGE WATER COMMISSION

Chairman

Attest:

Clerk

Date of Authentication: _____

CERTIFICATION OF AUTHENTICATION

This bond is one of the Water Revenue Refunding Bonds, Series 2003, described in the within mentioned Bond Ordinance.

BANK ONE, NATIONAL ASSOCIATION,
as Trustee

By _____
Authorized Signer

[Form Of Assignment]

ASSIGNMENT

For value received the undersigned sells, assigns and transfers unto _____ the within bond and hereby irrevocably constitutes and appoints _____ attorney to transfer the said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated _____

Signature Guarantee:

Section 203. Terms of Series 2003 Bonds. The Series 2003 Bonds shall each be designated “Water Revenue Refunding Bond, Series 2003,” and shall be issuable solely in fully registered form. The Series 2003 Bonds shall mature on the first day of May of any year (or all years) up to and including May 2016 as shall be set forth in the Bond Order, and in such principal amounts as shall be set forth therein. The rate of interest of each Series 2003 Bond shall be determined in the Bond Order, provided that no Series 2003 Bond shall bear interest exceeding seven percent (7%) per annum.

The Series 2003 Bonds shall be dated such date (as of or prior to issuance) as shall be set forth in the Bond Order (the “Dated Date”); and shall also bear the date of authentication thereof as provided in Section 5.05 of the Master Bond Ordinance. The Series 2003 Bonds shall be in denominations of \$5,000 or integral multiples thereof (but no single Series 2003 Bond shall represent principal maturing on more than one date); shall be numbered consecutively in such reasonable fashion as shall be determined by the Trustee, and shall become due and payable (subject to right of prior redemption) as provided in the Bond Order.

Each Series 2003 Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for. The Series 2003 Bonds shall bear interest payable on May 1, 2004 and semiannually thereafter on May 1 and November 1 of each year, at the respective rates per annum provided in the Bond Order, until the principal thereof shall be paid or duly provided for. So long as the Series 2003 Bonds are held in book-entry-only form as hereinafter more specifically set forth, interest on each Series 2003 Bond shall be paid to the Depository by check or draft or electronic funds transfer, in lawful money of the United States of America, as may be agreed by the Treasurer of the Commission, the Trustee and the Depository; in the event the Series 2003 Bonds should ever become available in physical form to Registered Owners other than the Depository, interest on each Series 2003 Bond shall be paid by check or draft of the Trustee, payable upon presentation thereof in lawful money of the United States of America, to the Person in whose name such Series 2003 Bond is registered at the close of business on the applicable Regular Record Date, and mailed to the address of such registered owner as it appears on the Bond Register or at such other address as may be furnished in writing to the Trustee, as Bond Registrar. The Trustee is hereby designated the sole Paying Agent for the Series 2003 Bonds. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

The Series 2003 Bonds may be Term Bonds as provided in the Bond Order.

The principal and the Redemption Price of the Series 2003 Bonds shall be payable at the principal corporate trust office of the Trustee, located in the City of Chicago, Illinois.

The Regular Record Date referred to in Section 5.09 of the Master Bond Ordinance for the payment of the interest on the Series 2003 Bonds payable, and punctually paid or duly provided for, on any Interest Payment Date shall be the 15th day of the calendar month next preceding such Interest Payment Date.

Section 204. Notices. In addition to the notices of Redemption required by Section 7.05 of the Master Bond Ordinance, notice of Redemption of the Series 2003 Bonds subject to redemption shall be given on behalf of the Commission as required by the Depository.

Section 205. Optional Redemption. The Series 2003 Bonds may be made subject to redemption, in accordance with the general provisions relating to redemption as set forth in Article Seven of the Master Bond Ordinance, at the option of the Commission, at any time, in whole or in part in integral multiples of \$5,000, on or after such date as provided in the Bond Order, and among the Stated Maturities of such Bonds as the Commission may determine and by lot within a Stated Maturity, at the Redemption Prices (expressed as a percentage of principal amount) of not to exceed 102% plus accrued interest not paid or provided for to the Redemption Date, for the periods of redemption, all as to be specified in the Bond Order.

Section 206. Mandatory Redemption of Series 2003 Term Bonds. The Series 2003 Term Bonds, if any and as designated in the Bond Order, shall be subject to Mandatory Redemption by lot at the Redemption Price of 100% of principal amount plus accrued interest not paid or provided for on May 1 of the years and in the principal amounts as designated in the Bond Order.

Section 207. Effect of Redemption. Optional redemption or purchase and cancellation of Series 2003 Term Bonds, other than pursuant to Section 8.06 of the Master Bond Ordinance, shall reduce the amount due at Stated Maturity or subject to Mandatory Redemption in the order of years as determined by the Commission, and the Mandatory Redemption Requirement shall reduce accordingly. Series 2003 Bonds (or portions thereof) for whose redemption and payment provision is made in accordance with this Parity Series Ordinance shall cease to be entitled to the lien of this Parity Series Ordinance and shall cease to bear interest from their respective Redemption Dates.

Section 208. Account Requirements. The account requirements expressly established for the Series 2003 Bonds are as follows:

(a) The Mandatory Redemption Requirement for the Series 2003 Term Bonds is that amount sufficient to provide for the Mandatory Redemption Requirement of the Series 2003 Term Bonds for the years and in the principal amounts as set forth in Section 206 of this Parity Series Ordinance and the Bond Order. The Mandatory Redemption Requirement for any year may be met by purchase and cancellation of Series 2003 Term Bonds pursuant to tender offer or in the open market with money to the credit of the Principal Account as provided in Section 8.06 of the Master Bond Ordinance.

(b) The Debt Service Reserve Account Monthly Requirement shall be not less than the amount set forth in Section 6.08(B) of the Master Bond Ordinance.

(c) The Debt Service Reserve Account Requirement shall be not less than the amount set forth in Section 6.08(C) of the Master Bond Ordinance.

(d) The Operations and Maintenance Reserve Account Monthly Requirement shall be not less than the amount set forth in Section 6.08(E) of the Master Bond Ordinance.

(e) The Operation and Maintenance Reserve Account Requirement shall be not less than the amount set forth in Section 6.08(F) of the Master Bond Ordinance.

(f) The Depreciation Account Monthly Requirement while any of the Series 2003 Bonds are Outstanding shall be not less than the amount set forth in Section 6.08(H) of the Master Bond Ordinance.

(g) The Depreciation Account Requirement while any of the Series 2003 Bonds are Outstanding shall be not less than the amount set forth in Section 6.08(I) of the Master Bond Ordinance.

Section 209. Tax Covenants. The Commission shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on any Series 2003 Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Series 2003 Bond is subject on the date of original issuance thereof.

The Commission shall not permit any of the proceeds of Series 2003 Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any Series 2003 Bond to constitute a “private activity bond” within the meaning of Section 141 of the Code.

The Commission shall not permit any of the proceeds of the Series 2003 Bonds or other moneys to be invested in any manner that would cause any Series 2003 Bond to constitute an “arbitrage bond” within the meaning of Section 148 of the Code or a “hedge bond” within the meaning of Section 149(g) of the Code.

The Commission shall comply with the provisions of Section 148(f) of the Code relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

Section 210. Authentication and Delivery of Series 2003 Bonds. The Trustee, forthwith upon the execution and delivery of this Parity Series Ordinance, or from time to time thereafter, upon the execution and delivery to it by the Commission of the Series 2003 Bonds, shall from time to time authenticate Series 2003 Bonds in the aggregate principal amount of not to exceed \$150,000,000 and shall deliver them at the direction of the Commission. Prior to the delivery of the Trustee of any of the Series 2003 Bonds, there shall be filed with the Trustee:

(a) a copy, duly certified by the Clerk of the Commission, of the Master Bond Ordinance, this Parity Series Ordinance and supplemental proceedings, if any, passed by the Commission authorizing the Series 2003 Bonds, and of the Bond Order;

(b) an Officer’s Certificate, dated as of the date of delivery, that the aforementioned ordinances and proceedings are still in full force and effect without amendments or supplements except as shown in said filings;

(c) an Officer’s Certificate directing the Trustee on behalf of the Commission to authenticate and deliver the Series 2003 Bonds in the aggregate principal amount therein named to purchasers or others entitled to receive them therein identified upon payment to the Trustee or others, but for the account or benefit of the Commission, of a sum specified in such certificate, such proceeds to be deposited as provided in Section 302;

(d) an Officer's Certificate to the effect that, immediately upon the issuance of the Series 2003 Bonds, no Event of Default shall exist under the Master Bond Ordinance, upon which the Trustee may rely except as to matters within the Trustee's own knowledge;

(e) if any Bond, other than a Series 2003 Bond, will be Outstanding as of the time immediately following the issuance of the Series 2003 Bonds, the Certificate called for under Section 9.03(A) of the Master Bond Ordinance; and

(f) an unqualified opinion of bond counsel of national standing approving the Series 2003 Bonds then being delivered as being valid and legally binding special obligations of the Commission.

Section 211. Book-Entry System. In order to provide for the initial issuance of the Series 2003 Bonds in a form that provides for a system of book-entry only transfers, the ownership of one fully registered Series 2003 Bond for each maturity, in the aggregate principal amount of such maturity, shall be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, New York, New York, as securities depository for the Series 2003 Bonds. The General Manager is authorized to execute and deliver such letters to, or agreements with, the securities depository as shall be necessary to effectuate such book-entry system.

The Commission may remove the securities depository at any time. In case at any time the securities depository shall resign or shall be removed or shall become incapable of acting, then the Commission shall appoint a successor securities depository to provide a system of book-entry only transfers for the Series 2003 Bonds, by written notice to the predecessor securities depository directing it to notify its participants (those persons for whom the securities depository holds securities) of the appointment of a successor securities depository.

The Commission may terminate the system of book-entry only transfers for the Series 2003 Bonds at any time, by written notice to the securities depository directing it to notify its participants of the availability of bond certificates. In such event, the Commission shall issue and the Trustee shall authenticate, register and deliver to the beneficial owners of the Series 2003 Bonds, bond certificates in replacement of such beneficial owners' beneficial interests in the Series 2003 Bond, all as shown in the records maintained by the securities depository.

Section 212. Covenants to Bond Insurer. Pursuant to the Bond Order, the Designated Officials may procure and pay for a Municipal Bond Insurance Policy and a Reserve Account Insurance Policy with respect to the Series 2003 Bonds. The Designated Officials may make covenants and agreements to the bond insurer providing the Municipal Bond Insurance Policy or a Reserve Account Insurance Policy, including (without limitation) those covenants and agreements set forth in Section 10.24 of the Master Bond Ordinance; subject, however, to final approval as to the form of the Municipal Bond Insurance Policy or the Reserve Account Insurance Policy by the attorneys for the Commission.

Section 213. Registration, Transfer and Exchange of Series 2003 Bonds. Subject to the provisions of this Parity Series Ordinance relating to the Series 2003 Bonds as book-entry obligations only and subject to the general provisions relating to exchanges as set forth in Sections 5.07 of the Master Bond Ordinance, should the Series 2003 Bonds no longer be

held in such book-entry form, any Series 2003 Bonds may transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth herein. Upon surrender for transfer or exchange of any Series 2003 Bond at the appropriate office of the Trustee, duly endorsed by or accompanied by a written instrument or instruments for transfer or exchange in form satisfactory to the Trustee and duly executed by the Registered Owner or an attorney for such owner duly authorized in writing, the Commission shall execute and the Trustee shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the Registered Owner, a new fully registered Series 2003 Bond or Series 2003 Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Trustee shall not be required to transfer or exchange any Series 2003 Bond after notice calling all or a portion of such Series 2003 Bond for redemption has been mailed or during the period of 15 days preceding the mailing of a notice of redemption of any Series 2003 Bonds.

The execution by the Commission of any fully registered Series 2003 Bond shall constitute full and due authorization of such Series 2003 Bond, and the Trustee shall thereby be authorized to authenticate, date and deliver such Series 2003 Bond; *provided, however*, the principal amount of the Series 2003 Bonds of each maturity authenticate by the Trustee shall not at any one time exceed the authorized principal amount of the Series 2003 Bonds for such maturity less the amount of such Series 2003 Bonds which have been paid.

ARTICLE THREE

Sale of Series 2003 Bonds; Use of Proceeds and Additional Funds from Commission

Section 301. Sale of Series 2003 Bonds. The Designated Officials are hereby authorized to proceed, without any further authorization or direction whatsoever from the Board of Commissioners, to sell and deliver the Series 2003 Bonds upon the terms as prescribed in this Section.

The Series 2003 Bonds shall be sold and delivered to the Underwriters, at the price of not less than 99.50% of the principal amount thereof (but not counting in any discount the original issue discount on Series 2003 Bonds), plus accrued interest to the date of delivery. As to any Series 2003 Bonds, the maximum original issue discount shall not exceed 5% of the par value of the principal amount thereof. The true interest cost received on the Series 2003 Bonds shall not exceed 6.5%; for this test, true interest cost shall be the same as yield on the Series 2003 Bonds as calculated for the purposes of Section 148 of the Code. The Bond Order may provide for a Reserve Account Insurance Policy and for a Municipal Bond Insurance Policy *provided* that the Underwriters shall make the representations necessary as determined by bond counsel to enable the premium on such policy to be treated as interest paid on the Series 2003 Bonds. The sale of the Series 2003 Bonds shall be made upon the advice (in the form of a written certificate or report) of the Financial Advisor that the terms of the Series 2003 Bonds are fair and reasonable in view of current conditions in the bond markets.

As an additional limitation on the sale of the Series 2003 Bonds, the Financial Advisor's certificate or report must set forth that the Refunding will provide to the Commission all of the following: (i) \$6,000,000 or more of gross debt service savings; (ii) \$3,000,000 or more of present value debt service savings and (iii) present value debt service savings equal to three percent (3%) or more of the principal amount of Series 1993 Bonds to be refunded. For this purpose, present value debt service savings shall be determined by using as the discount rate, the yield on the Series 2003 Bonds calculated without regard to the Municipal Bond Insurance Policy premium.

Nothing in this Section shall require the Designated Officials to sell the Series 2003 Bonds if in their judgment, aided by the Financial Advisor, the conditions in the bond markets shall have markedly deteriorated from the time of adoption hereof, or the documents of sale are not in acceptable form but the Designated Officials shall have the authority to sell the Series 2003 Bonds in any event so long as the limitations set forth in this Parity Series Ordinance and the conditions of this section shall have been met.

Upon the sale of the Series 2003 Bonds, the Designated Officials and any other officers of the Commission as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Series 2003 Bonds as may be necessary, including, without limitation, the Bond Order, Preliminary Official Statement, Official Statement, Bond Purchase Contract substantially in the form attached hereto as *Exhibit A*, or with such revisions as may be required by the attorneys for the Commission, Continuing Disclosure Agreement substantially in the form attached hereto as *Exhibit B*, or with such revisions as may be required by the attorneys for the Commission, and closing documents.

The distribution by the Underwriters of a Preliminary Official Statement (as shall be approved by the Designated Officials substantially in the form on file with the Clerk) is hereby in all respects authorized and approved, and the proposed use by the Underwriters of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Series 2003 Bonds) is hereby approved.

The Bond Purchase Contract for the sale of the Series 2003 Bonds to the Underwriters (with such changes to be made as shall be approved by the Designated Officials) is hereby authorized and approved; subject, however, to final approval as to form by the attorneys for the Commission.

The Continuing Disclosure Agreement (with such changes to be made as shall be approved by the Designated Officials) is hereby authorized and approved; subject, however, to final approval as to form by the attorneys for the Commission.

Upon the sale of the Series 2003 Bonds, an executed copy of the Bond Order shall be entered into the records of the Commission and made available to all Commissioners at the next public meeting thereof; but such action shall be for information purposes only, and the Board of Commissioners shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Order unless the limitations on the sale of the Series 2003 Bonds set forth in this Parity Series Ordinance were not satisfied.

Section 302. Application of Proceeds. The net proceeds derived from the sale of the Series 2003 Bonds shall be received by the Trustee (except as expressly noted) and used as follows:

(a) Accrued interest on the Series 2003 Bonds shall be credited to the Interest Account to pay the first interest due on the Series 2003 Bonds.

(b) The premium for any Municipal Bond Insurance Policy for the Series 2003 Bonds and related rating agency fees and the premium for any Reserve Account Insurance Policy (the “Insurance Costs”), shall be held apart and paid directly by the Underwriters to the bond insurer.

(c) From (i) the proceeds of sale of the Series 2003 Bonds that are paid to, or upon the order of, the Commission and (ii) other funds deposited with the Trustee in trust, a sum sufficient to provide for the immediate defeasance of the Series 1993 Bonds and the payment of the Series 1993 Bonds on the redemption date specified in the Bond Order shall be deposited in trust with the Trustee in accordance with the provisions of Section 13.01 of the Master Bond Ordinance.

(d) The sums necessary as specified in the Bond Order shall be either (i) applied immediately by the Trustee to the payment of expenses of issuance (as hereinafter enumerated) of the Series 2003 Bonds to the Persons and in the amounts as set forth therein or (ii) as provided, be set aside by the Trustee in a special fund hereby created, and designated the “Expense Fund.” Amounts in the Expense Fund shall be used to pay recording expenses, Trustee’s (Paying Agent, Bond Registrar) fees and expenses, commitment and other financing costs, escrow costs, legal fees, financial advisor’s fees, and other fees and expenses incurred or to be incurred by or on behalf of the Commission in connection with or as an incident to the issuance and sale of the Series 2003 Bonds. Moneys in the Expense Fund shall be paid out from time to time by the Trustee within five business days after receipt by the Trustee of an Officer’s Certificate. Ninety days after delivery of the Series 2003 Bonds; any moneys remaining in the Expense Fund shall be transferred to the Interest Account of the Water Fund. Moneys in the Expense Fund shall be invested as if held as part of the Water Fund.

(e) Any excess in the Debt Service Reserve Account upon the issuance of Series 2003 Bonds shall, to the fullest extent practicable, be applied to the Refunding or, if not practicable, be credited to the Interest Account.

ARTICLE FOUR

Amendment of Master Bond Ordinance

Section 401. Text of Amendment. The defined term “Reserve Account Insurance Policy” in Section 1.01 of the Master Bond Ordinance is amended to read as follows:

“Reserve Account Insurance Policy” means an insurance policy or bond procured by the Commission from an insurance issuer that, at the time of issuance

of such insurance policy or bond, is of sufficient credit quality to entitle debt backed by such insurance policy or bond to be rated in the top two rating categories by Moody's Investors Service, or its successor, and by Standard & Poor's Corporation, or its successor, so long as either or both, as applicable, of such firms are providing such ratings at such time, to guarantee or assure the timely payment of principal or interest on, or both, of Outstanding Bonds in a stated amount subject only to notification that there are insufficient funds therefor. This definition shall also include any related covenants or agreements contained in a side document with the insurer in order to obtain the policy.

Section 402. Effective Date of Amendment. The amendment provided for in Section 401 shall take effect upon the earlier of (i) the first date that none of the Series 1993 Bonds is Outstanding or (ii) when the amendment is consented to by the Holders of Bonds as provided for in Section 14.02 of the Master Bond Ordinance. For the purpose of this Section, each Holder of a Series 2003 Bond shall be deemed to have consented to the amendment contained in Section 401 as of the date of issuance of the Series 2003 Bonds.

ARTICLE FIVE

Prior Actions, Effective Date and Execution

Section 501. Prior Actions Ratified. All proceedings and actions heretofore taken by the Board of Commissioners, the Commission and the officers and officials of the Commission with respect to (i) the authorization, execution and delivery of the Chicago Contract, (ii) the authorization, execution and delivery of the Water Supply Contract, (iii) the pledge and assignment of the Water Supply Contract as security for the payment of Bonds and (iv) the enactment of the Master Bond Ordinance are hereby ratified and confirmed as valid and binding proceedings and actions of the Commission.

Section 502. Effective Date. This Parity Series Ordinance shall become effective immediately upon its passage.

Passed this 14th day of August, 2003.

Ayes:

Nays:

Absent:

Chairman

Attest:

Clerk

ACCEPTANCE BY TREASURER

The undersigned Treasurer of the DuPage Water Commission does hereby acknowledge, accept and join in and bind himself and his successors to the provisions of the foregoing Ordinance Number 0-____-03 and agrees to all the provisions thereof relating to the administration of his office.

Dated this _____ day of _____, 2003.

Treasurer

ACCEPTANCE BY TRUSTEE

The undersigned Trustee does hereby acknowledge receipt of a duplicate original of the above and foregoing Ordinance Number 0-____-03 of the DuPage Water Commission and does hereby accept and agree to perform the trusts imposed therein.

Dated this _____ day of _____, 2003.

BANK ONE, NATIONAL ASSOCIATION,
as Trustee

By _____
Its _____

Exhibit A

Bond Purchase Contract

THE DUPAGE WATER COMMISSION

\$00,000,000

Water Revenue Refunding Bonds, Series 2003

BOND PURCHASE CONTRACT

August __, 2003

DuPage Water Commission
600 East Butterfield Road
Elmhurst, Illinois 60126

Ladies and Gentlemen:

The undersigned, as representative of the underwriters listed on the cover page of the hereinafter defined Official Statement (the "Underwriters"), offers to enter into the following agreement (this "Purchase Contract") with the DuPage Water Commission (the "Commission"), which, upon the Commission's acceptance of this offer, shall be binding upon the Commission and upon the Underwriters in accordance with its terms. This offer is made subject to the Commission's execution of this Purchase Contract and its delivery to the Underwriters on or before 3:30 p.m., Chicago time, today. If this offer is not accepted by the time stated above, it shall remain open until withdrawn by the Underwriters, upon notice to the Commission, at any time prior to its acceptance in the manner provided for in this paragraph. Initially capitalized terms used but not otherwise defined in this Purchase Contract have the same meanings given them in the Official Statement referred to below.

1. Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriters, jointly and severally, hereby agree to purchase from the Commission for offering to the public, and the Commission hereby agrees to sell to the Underwriters for such purpose, all, but not less than all, of the \$_____ principal amount DuPage Water Commission Water Revenue Refunding Bonds, Series 2003 (the "Bonds"). The Bonds shall be dated, mature on such dates and in such amounts, bear interest at such rates, be offered at the initial offering price or prices, and be subject to such other terms and conditions all as described in the Official Statement.

The purchase price of the Bonds shall be \$_____, representing \$_____ par amount, less \$_____ Underwriters' discount and a bond insurance premium of \$_____, plus \$_____ of original issue premium, plus \$_____ in accrued interest from their date to the Closing referred to below.

2. The Bonds shall be as provided in, and shall be issued pursuant to, the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* (the "Water Commission Act"), Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-135-1 *et seq.*, and the Local Government Debt Reform Act, 30 ILCS 350/1 *et seq.*, all as supplemented and amended (collectively, the "Authorizing Acts"); and the Bond Ordinance.

3. The Underwriters have heretofore designated UBS Financial Services Inc. as their representative (the "Representative"). The Underwriters represent and warrant that the Representative has been duly authorized to execute this Purchase Contract, and that the Representative has been duly authorized to act hereunder on behalf of itself and the other Underwriters.

4. The Underwriters agree to make a bona fide public offering of all the Bonds at such price or prices as shall not exceed the initial public offering prices set forth on the cover page of the Official Statement.

5. Delivered to the Commission herewith is a corporate check payable to the order of the Commission, in the amount of \$_____. The Commission agrees to hold such check uncashed in trust, until the payment of the purchase price at the Closing, to assure the performance by the Underwriters of the obligation to purchase, accept delivery of and pay for the Bonds. In the event of the Underwriters' compliance with such obligation at the Closing, the check shall be promptly returned uncashed to the Representative at the Closing. In the event of (i) the Commission's failure to deliver the Bonds at the closing; (ii) the Commission's inability to satisfy the conditions to the obligation of the underwriters to purchase and accept delivery of the bonds as set forth in this Purchase Contract; (iii) the obligation of the Underwriters for any reason permitted by this Purchase Contract; (iv) the Commission determines to issue the Bonds in book-entry form but does not make the deliveries required of the Commission by Paragraph 11 hereof; or (v) the Commission does not accept this offer, the check shall be immediately returned uncashed to the Representative. In the event that the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds at the Closing as herein provided, such check may be deposited and the sum derived therefrom retained by the Commission as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriters. The parties understand that in such event that Commission's actual damages may be greater or may be less than such sum. Accordingly, the Underwriters hereby waive any right to claim that the Commission's actual damages are less than such sum, and the Commission's acceptance of this offer shall constitute a waiver of any right that the Commission may have to additional damages from the Underwriters.

6. At the time of the Commission's acceptance hereof, the Commission shall deliver to the Underwriters:

(a) an executed copy of the "final" Official Statement of the Commission relating to the Bonds (which, together with all appendices and exhibits thereto, and other reports or statements attached thereto or included therein, is referred to herein as the "Official Statement") executed on behalf of the Commission by its Chairman and approved by its General Manager;

(b) two copies, certified by the Clerk or Acting Clerk of the Commission, of the Bond Ordinance, the Bond Order issued pursuant thereto, and other proceedings relative to the issuance of the Bonds and the refunding of the Refunded Bonds, including any and all amendments or modifications thereto;

(c) a letter from McGladery & Pullen, LLP, independent certified public accountants to the Commission, dated the date hereof, and addressed to the Underwriters, regarding certain financial matters, in form and substance reasonably acceptable to the Underwriters; and

(d) a letter from McGladery & Pullen, LLP, independent certified public accountants to the Commission, consenting to the use in the Official Statement of its report on the Commission's [April 30, 2003] financial statements.

The Commission hereby authorizes any and all of this material, including specifically the Official Statement, the Bond Ordinance and the information therein contained, to be used in connection with the public offering and sale of the Bonds. The Commission hereby approves and ratifies the use by the Underwriters prior to the date hereof of the Preliminary Official Statement of the Commission relating to the Bonds, dated August __, 2003 (which, together with all appendices and exhibits thereto, and other reports or statements attached thereto or included therein, is referred to herein as the "Preliminary Official Statement"), in connection with the public offering of the Bonds. Until the Official Statement has been prepared and is available for distribution, the Commission shall provide or cause to be provided to the Underwriters sufficient quantities of the Preliminary Official Statement as the Underwriters deem necessary to satisfy the Underwriter's obligations under Rule 15c2-12 ("Rule 15c2-12") of the Securities and Exchange Commission ("SEC") with respect to the distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement. The Commission hereby certifies to the Underwriters that for purposes of Rule 15c2-12, the Preliminary Official Statement was "deemed final" as of its date, except for (i) the omission of such information as is permitted by Paragraph (b)(1) of Rule 15c2-12 and (ii) certain information set forth and referred to therein as "preliminary, subject to change."

The Commission hereby agrees to furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may deem necessary in order to qualify the Bonds for offering and sale under the "Blue Sky" or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate, except where such action would require the Commission to file a general consent to service of process in such jurisdiction or to comply with any other requirement reasonably believed by the Commission to be unduly burdensome. The preceding sentence is subject to the Underwriters' obligation to pay the costs of any Blue Sky survey or registration fees pursuant to Paragraph 13 hereof.

7. Concurrently with the issuance of the Bonds, [Bond Insurer] (the "Bond Insurer") shall issue its financial guaranty insurance policy (the "Insurance Policy") guaranteeing the payment of the principal of and interest on the Bonds (such insured Bonds are referred herein as the "Insured Bonds").

8. The Commission hereby represents and warrants to each of the Underwriters that:

(a) The Preliminary Official Statement was (except as it may have been modified by the Official Statement), and the Official Statement is, and (except as it may have been modified with the consent of the Underwriters) at all times subsequent hereto

up to and including the date of the Closing will be, true and correct in all material respects; and the Preliminary Official Statement did not (except as it may have been modified by the Official Statement), and the Official Statement does not, and (except as it may have been modified with the consent of the Underwriters) at all times subsequent hereto up to and including the date of the Closing will not, omit any statement or information which is necessary to make the statements and information contained therein not misleading in any material respect.

(b) From the time of the Commission's acceptance hereof through the date of the Closing, the Commission will not have incurred any material liabilities, direct or contingent, or entered into any material transaction, in either case other than in the ordinary course of its business, and there shall not have been any material adverse change in the financial condition of the Commission, in each such case, except as set forth in or as contemplated by the Official Statement (other than construction contracts relating to the System).

(c) The Official Statement delivered to the Underwriters on the date hereof is "final" for purposes of Rule 15c2-12 as of the date hereof and shall be at the date of Closing.

(d) The Commission is a body politic and corporate and a political subdivision of the State of Illinois. The Bonds are issued, and the refunding of the Refunded Bonds, is authorized, pursuant to the provisions of and in full compliance with the Authorizing Acts, and authorized by the Bond Ordinance. The Bond Ordinance was duly passed and approved by the Commission in accordance with applicable law and rules of the Commission at duly called and noticed meetings of the Board of the Commissioners, which were held in open session, and at which quorums were at all relevant times present and acting, and the Bond Ordinance is in full force and effect.

(e) The Commission is authorized by and has complied with the provisions of the Constitution and laws of the State of Illinois, the Authorizing Acts and the Bond Ordinance, has full power and authority, and has taken all necessary authorizing action, to (i) enter into this Purchase Contract, the Undertaking, the Bonds, the Official Statement and the other agreements relating thereto; (ii) adopt the Bond Ordinance; (iii) issue, sell, and deliver the Bonds as provided in this Purchase Contract; (iv) refund the Refunded Bonds as described in the Official Statement; (v) perform its obligations under and as contemplated in this Purchase Contract, the Undertaking, the Bonds, the Official Statement and the other agreements relating thereto; (vi) prepare the Preliminary Official Statement and the Official Statement and authorize their distribution by the Underwriters; (vii) carry out and consummate all transactions contemplated by this Purchase Contract, the Undertaking, the Bonds, the Official Statement and the other agreements relating thereto.

(f) This Purchase Contract, the Undertaking, and the Official Statement have been duly authorized, executed, delivered. This Purchase Contract and the Undertaking, if they are in like fashion valid and binding upon the other parties thereto, if any (as to which no representation or warranty is given), constitute legal, valid and binding obligations of the Commission, enforceable in accordance with their respective terms, subject to the effect of applicable bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights and to general principles of equity regardless of whether such enforceability is considered in a proceeding in equity or at law. The Bonds, when delivered and paid for at the Closing, shall be duly authorized, executed, delivered, authenticated and issued, shall constitute legal, valid and binding revenue obligations of the Commission enforceable in accordance with their terms, subject to the effect of applicable bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights and to general principles of equity regardless of whether such enforceability is considered in a proceeding in equity or at law. The principal of and interest on the Bonds are payable from the net revenues set forth in the Bond Ordinance and described in the Official Statement.

(g) The execution and delivery of the Official Statement, this Purchase Contract, the Undertaking, and other agreements contemplated hereby and by the Official Statement, the issuance and delivery of the Bonds and compliance with the provisions thereof, and the refunding of the Refunded Bonds, will not (i) in any material respect conflict with or constitute a breach of or a default by the Commission under any existing law, court or administrative regulation, decree or order, or any agreement, indenture, mortgage, lease or other instrument to which the Commission is subject or by which the Commission is or may be bound; or (ii) result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the Commission's revenues, properties, or assets, except as contemplated by the Bond Ordinance.

(h) The Commission has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Commission is an issuer whose arbitrage certifications may not be relied upon.

(i) The financial statements of the Commission as set forth in Appendix B to the Official Statement fairly present the Commission's financial condition as of the date and the results of its operations for the period set forth therein and have been prepared in conformity with generally accepted accounting principles applicable to state and local government units. Except as disclosed in the Official Statement, since _____, 2003, there has been no material adverse change in the condition, financial or otherwise, of the Commission from the financial information contained in the Official Statement and as set forth in the Commission's financial statements.

(j) Any certificates signed by any of the Commission's authorized officers and delivered to the Underwriters shall be deemed a representation and warranty by the Commission to the Underwriters as to the statements made therein.

(k) Other than as may be set forth in the Official Statement, no process has been served on the Commission with respect to pending litigation or, to the knowledge of the Commission, no litigation is otherwise pending or threatened in any court (i) in any way challenging the organization or existence of the Commission or of the right of any Commissioner or official of the Commission to hold his or her respective office, or the respective powers of such offices or the membership of the Commission or challenging the ability of the Commission to issue debt or which questions any of the legislation referred to herein; or (ii) seeking to restrain or enjoin the issuance, delivery or payment of any of the Bonds or the refunding of the Refunded Bonds, or in any way contesting or affecting the validity of or the performance of the obligations of the Commission under or which in any way contests or may call into question the validity or enforceability of the Bonds, the Bond Ordinance, the Preliminary Official Statement, the Official Statement, this Purchase Contract or the Undertaking or the right or power of the Commission to consummate any of the transactions contemplated by those documents; or (iii) in which a final decision can reasonably be anticipated in a magnitude or scope which would materially and adversely affect the financial condition or operations of the Commission or the tax-exempt status of the Bonds; or (iv) contesting in any way, directly or indirectly, the completeness, accuracy or fairness of the Preliminary Official Statement or the Official Statement.

(l) Other than as may be set forth in the Official Statement and, other than routine litigation, no process has been served on the Commission with respect to pending litigation or, to the knowledge of the Commission, no litigation is otherwise pending or threatened against the Commission or involving any of the property or assets under the control of the Commission that involves the significant possibility of any judgment or uninsured liability which may result in any material adverse change in the business, properties, assets or in the financial condition of the Commission.

(m) To the knowledge of the Commission, there is no pending or proposed federal, state or local legislation currently under consideration by federal, state or local legislative bodies that, if passed, would have a material adverse impact on the operations or financial condition of the Commission.

(n) Except as described in the Official Statement, no approval, permit, consent, regulation, declaration, authorization or order of any court or any governmental or public agency, authority or person not already obtained (other than any approvals that may be required under the “Blue Sky” or other securities laws and regulations of the United States or of any state or other jurisdiction thereof in connection with the offer and sale of the Bonds by the Underwriters) is required with respect to the Commission in connection with the adoption by the Commission of the Bond Ordinance, the issuance and sale of the Bonds, the execution, delivery and performance of, this Purchase Contract, the Undertaking and the Official Statement, and the consummation of the transactions relating to the issuance and sale of the Bonds contemplated by those documents; or if such approval, permit, consent, regulation, declaration, authorization or order is required, the Commission will obtain it prior to the Closing and will provide evidence to the Underwriters that the same has been obtained.

(o) No event of default exists, and no condition exists or event has occurred which upon the passage of time or upon the giving of notice or both would result in the occurrence of an event of default, with respect to any outstanding debt, obligation, indebtedness, bond or note of the Commission.

9. The Commission shall, as soon as practicable after the date hereof, and in any event within seven business days of the date hereof, provide the Underwriters printed "final" Official Statements for distribution in such amount as shall be requested by the Underwriters in order to permit the Underwriters to comply with the provisions of Rule 15c2-12 and the applicable rules of the Municipal Securities Rulemaking Board with respect to the distribution to each potential customer, upon request, of a copy of the "final" Official Statement.

10. At 10:00 a.m., Chicago time, on _____, 2003, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Commission and the Representative, the Commission shall deliver to the Representative, acting on behalf of the Underwriters, the Bonds via DTC in New York, New York (subject to the terms and conditions set forth in Paragraph 12 hereof) in definitive, fully registered form, duly executed, together with the other documents hereinafter mentioned; and the Representative on behalf of itself and the other Underwriters, shall accept such delivery and pay the full purchase price of the Bonds as set forth in Paragraph 1 hereof, by a check or Federal Reserve wire payable to the order of the Commission (in either case in same day funds) at the offices of Katten Muchin Zavis Rosenman, Chicago, Illinois. This payment and delivery is herein called the "Closing."

11. The obligations of the Underwriters hereunder as to the Bonds are subject to the accuracy in all material respects of the representations and warranties of the Commission contained herein as of the date hereof and as of the date of the Closing, and to the following conditions:

(a) At the time of the Closing (i) the Bond Ordinance shall be in full force and effect, and shall not have been amended, modified, repealed or supplemented since the date hereof, except as may have been agreed to in writing by the Representative, and the Commission shall have duly adopted and there shall be in full force and effect such additional ordinances or agreements as shall be, in the opinion of Katten Muchin Zavis Rosenman, necessary in connection with the transactions contemplated hereby, and (ii) the Commission shall perform or have performed all of its obligations required to be performed by such time in this Purchase Contract, and the Bond Ordinance.

(b) The Bonds shall have been duly authorized, executed, authenticated and delivered in accordance with the provisions of the Bond Ordinance.

(c) The Underwriters may terminate this Purchase Contract with respect to the Bonds by notification to the Commission if, at any time subsequent to the date hereof and at or prior to the Closing, (i) legislation shall be enacted by the Congress or adopted by either House or a Committee or Conference Committee thereof or introduced in either House with an effective date which would make it applicable to the Bonds, or a decision by a court of the United States or the Tax Court of the United States shall be rendered, or an officially published ruling, regulation, proposed regulation or official statement by or

on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency, shall be made, with respect to federal taxation upon taxes or other revenues of the general character expected to be derived by the Commission and pledged under the Bond Ordinance or upon interest received on securities of the general character of the Bonds, or which would have the effect of changing, directly or indirectly, the federal income tax status of interest on securities of the general character of the Bonds in the hands of the holders thereof which in the opinion of the Representative materially affects the market price of the Bonds; or (ii) legislation shall be enacted by the Illinois General Assembly or adopted by either House thereof, or a decision by a court of competent jurisdiction of the State of Illinois or any administrative tribunal of the State of Illinois or other governmental agency or department thereof shall be rendered, with respect to taxation by the State of Illinois or any of its political subdivisions upon taxes or other revenues of the general character expected to be derived by the Commission and pledged under the Bond Ordinance, which in the opinion of the representative materially affects the market price of the Bonds; or (iii) any rating of the Bond Insurer (as defined below) shall have been downgraded or withdrawn by a national rating service, and no such rating service shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of the Bond Insurer, the effect of which, in the reasonable opinion of the Representative, is to materially adversely affect the market price of the Bonds or the Underwriters' ability or authority to underwrite the Bonds on the terms and in the manner contemplated in the Official Statement; or (iv) any of the following events shall have occurred: (A) the engagement by the United States of America in hostilities which have resulted in a declaration of war or national emergency, or the occurrence or escalation of any other outbreak of hostilities or any national or international calamity or crisis or a financial crisis or otherwise, the effect of which on the financial markets of the United States is, in the reasonable judgement of the Representative, to materially adversely affect the market for the Bonds or the sale, at the contemplated price or prices (or yield or yields), by the Underwriters of the Bonds; (B) a general suspension of trading on the New York Stock Exchange or the American Stock Exchange or any other national securities exchange is in force, the effect of which on the financial markets of the United States is, in the reasonable judgment of the Representative, to materially adversely affect the market for the Bonds or the sale, at the contemplated price or prices (or yield or yields), by the Underwriters of the Bonds; (C) a general banking moratorium is declared by any federal or state authority, the effect of which on the financial markets of the United States is, in the reasonable judgment of the Representative, to materially and adversely affect the market for the Bonds or the sale, at the contemplated price or prices (or yield or yields), by the Underwriters of the Bonds; (D) an event described in Paragraph 11(d) shall have occurred which, in the opinion of the Representative, requires an amendment or supplement to the Official Statement and the Official Statement is not then supplemented or amended in a manner approved by the Underwriters and their counsel; (E) there shall have occurred since the date hereof a material adverse change in the debt of the Commission; or (F) in the reasonable judgment of the Representative, the market price of the Bonds (or the Underwriters' ability or authority to underwrite the Bonds on the terms and in the manner contemplated in the Official Statement), or the price generally of obligations of the general character of the Bonds, might be adversely affected because: (1) additional material restrictions not in

force as of the date hereof shall have been imposed upon trading in securities generally by any federal authority or by any national securities exchange or (2) the New York Stock Exchange or other national securities exchange or any governmental authority, shall impose, on the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by or in exchange or the charge to the net capital requirements of, underwriters.

(d) If at or prior to the Closing or twenty-five days after the “end of the underwriting period” (generally defined in Rule 15c2-12 to mean the later of the delivery date or the date all the Bonds have been sold to the public) an event occurs affecting the Commission which is materially adverse for the purpose for which the Official Statement is to be used and is not disclosed in the Official Statement, the Commission shall promptly notify the Representative and, if in the opinion of counsel to the Commission or counsel to the Underwriters such event requires a supplement or amendment to the Official Statement, the Commission shall supplement or amend the Official Statement in a form and in a manner approved by the Representative, counsel to the Underwriters and counsel to the Commission. Such approval by the Representative and counsel to the Underwriters of a supplement or amendment to the Official Statement subsequent to the date hereof but prior to the Closing shall not preclude the Underwriters from thereafter terminating this Purchase Contract in accordance with the provisions of this Purchase Contract with respect to the Bonds, and if the Official Statement is so amended or supplemented subsequent to the date hereof but prior to the Closing, the Underwriters may terminate this Purchase Contract with respect to the Bonds by notification to the Commission at any time prior to the Closing if in the judgment of the Representative such amendment or supplement has or will have a material adverse effect on the market price of the Bonds, or for any reason otherwise permitted under this Purchase Contract.

(e) At or prior to the Closing, the Representative shall receive the following documents with respect to the Bonds:

(1) A certificate of the Clerk or an assistant or acting clerk of the Commission dated the date of the Closing to the effect that the Bond Ordinance has not been amended, modified, repealed or supplemented since the date hereof, except as shall have been agreed to by the Representative;

(2) The approving legal opinion as to the Bonds of Katten Muchin Zavis Rosenman, Bond Counsel to the Commission, dated the date of the Closing, acceptable to the Underwriters and substantially in the form included as an exhibit to the Official Statement, and a letter of such counsel dated the date of the Closing and addressed to the Underwriters to the effect that their opinion may be relied upon by the Underwriters to the same extent as if such opinion were addressed specifically to the Underwriters;

(3) A supplemental opinion of Katten Muchin Zavis Rosenman, Bond Counsel to the Commission, dated the date of the Closing and addressed to the Underwriters, and substantially in the form attached as *Exhibit 1* to this Purchase Contract;

(4) Opinions of Bell, Boyd & Lloyd LLC and Chapman and Cutler LLP, counsel to the Underwriters, dated the date of the Closing and addressed to the Underwriters, and substantially in the form attached as *Exhibit 2* to this Purchase Contract;

(5) An opinion of Holland & Knight LLC, counsel to the Commission, dated the date of the Closing and addressed to the Underwriters, and substantially in the form attached as *Exhibit 3* to this Purchase Contract;

(6) A Certificate of the General Manager of the Commission (or other appropriate official of the Commission agreed to by the Underwriters) dated the date of the Closing in substantially the form attached as *Exhibit 4* to this Purchase Contract which certificate shall cover such other matters as the Representative may reasonably request;

(7) A letter from McGladery & Pullen, LLP, independent certified public accountants to the Commission, dated the date of the Closing and addressed to the Underwriters confirming as of the date of the Closing the statements made in their letter furnished pursuant to Paragraph 6(c) hereof;

(8) A certificate regarding bylaws, organization and authority, incumbency and authentication and delivery of the Bonds of an authorized officer of the Bond Registrar acceptable to the Underwriters, dated the date of the Closing, acceptable in form and substance to the Underwriters, counsel to the Underwriters and Bond Counsel;

(9) Written evidence satisfactory to the Underwriters that Moody's and S&P have issued ratings of "AAA" and "Aaa," respectively, or better for the Bonds, and that such ratings shall be in effect on the date of the Closing;

(10) The Insurance Policy insuring payment, when due, of principal of, and interest on, the Bonds issued by the Bond Insurer;

(11) An opinion of counsel for the Insurer, dated the date of the Closing and addressed to the Underwriters, and substantially in the form attached as *Exhibit 5* to this Purchase Contract; and

(12) Such additional certificates, instruments or opinions as Katten Muchin Zavis Rosenman (Bond Counsel) or Bell, Boyd & Lloyd LLC and Chapman and Cutler LLP (counsel to the Underwriters), may reasonably deem necessary or desirable to evidence the due authorization, execution and delivery of the Bonds and the conformity of the Bonds and the Bond Ordinance with the terms of the Bonds and the Bond Ordinance as summarized in the Official Statement.

Any opinions, letters or certificates required to be addressed to the Representative in its capacity as Underwriter hereunder shall be addressed to the Representative "For itself and as Representative of the Underwriters."

If the Commission shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Purchase Contract, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the Commission shall be under further obligation hereunder, except that the respective obligations of the Commission and the Underwriters for payment of expenses as provided in Paragraph 13 hereof and the last three sentences of Paragraph 5 (relating to the good faith check) shall continue in full force and effect.

12. At Closing, the Commission shall deliver to the Underwriters the Bonds, in fully registered form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and in such denominations as to provide one Bond for each respective maturity as set forth on the cover page of the Official Statement. Such Bonds shall be deposited with DTC in New York, New York, no later than 10:00 a.m. New York time on the date of the Closing. In addition, at or prior to the Closing the Underwriters shall receive an executed copy of the DTC Letter of Representations dated as of the date of Closing from the Commission and the Trustee, to DTC.

13. The Commission shall pay all expenses incident to the performance of its obligations hereunder, including but not limited to (a) the cost of word processing, printing and preparation for printing or other reproduction of the Bond Ordinance, this Purchase Contract, the Undertaking, the Preliminary Official Statement, the Official Statement, and any supplements or amendments to the Official Statement as provided in Paragraph 11(d) hereof, together with a reasonable number of copies thereof as may be requested by the Underwriters for distribution of the Bonds, as well as any postage costs incurred in connection with the distribution of the foregoing documents; (b) the cost of preparing the definitive bonds; (c) the fees and disbursements of Katten Muchin Zavis Rosenman, accountants, financial advisors and any other experts or consultants retained by the Commission; and (d) the fees of bond rating agencies in connection with the Bonds. The Underwriters shall pay (a) the cost of any "Blue Sky" surveys and/or the legal investment memoranda to be used by the Underwriters and "Blue Sky" registration fees; (b) all advertising expenses in connection with the public offering of the Bonds; (c) the insurance premium and (d) all other expenses incurred by any of the Underwriters in

connection with the public offering and distribution of the Bonds, including the fees and disbursements of Bell, Boyd & Lloyd LLC and Chapman and Cutler LLP.

14. Any notice or other communication to be given to the Commission under this Purchase Contract may be given by delivering the same in writing at the Commission's address set forth above, attention: General Manager, and any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to UBS Financial Services Inc., 181 West Madison Street, Suite 4200, Chicago, Illinois 60602, Attention: Alexander Rorke, Managing Director.

15. This Purchase Contract when accepted by the Commission in writing shall constitute the entire agreement between the Commission and the Underwriters, shall supersede any prior agreement between the Commission and any of the Underwriters and shall be governed by the internal laws, but not the conflict of law rules, of the State of Illinois. This Purchase Contract shall not be assignable by the Commission.

This Purchase Contract is made solely for the benefit of the Commission and the Underwriters (including the successors or assigns of any of the Underwriters) and no other person shall acquire or have any right under or by virtue hereof. All representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the parties hereto, (b) delivery of and payment for the Bonds hereunder and (c) except as otherwise provided herein, any termination of this Purchase Contract.

UBS FINANCIAL SERVICES INC.

By: _____
Director

Accepted:

DUPAGE WATER COMMISSION

By: _____
Chairman

By: _____
General Manager

Receipt is hereby acknowledged of a copy of this Purchase Contract executed on behalf of the DuPage Water Commission together with the items described in Paragraph 6, all of which were delivered to the Underwriters prior to 3:30 P.M. Chicago time the date hereof.

UBS FINANCIAL SERVICES INC.

By: _____
Director

Exhibit 1

[Bond Counsel Supplemental Opinion]

UBS Financial Services Inc.
181 West Madison Street
Chicago, Illinois 60602

Re: DuPage Water Commission, \$00,000,000
Water Revenue Refunding Bonds, Series 2003

Ladies and Gentlemen:

We hereby certify that we have examined a certified copy of the proceedings of the DuPage Water Commission, DuPage, Cook and Will Counties, Illinois (the "Commission"), passed preliminary to the issue by the Commission of its Water Revenue Refunding Bonds, Series 2003 (the "Series 2003 Bonds"), in the amount of \$_____. Initially capitalized terms used but not otherwise defined in this letter have the same meanings given them in the Purchase Contract, unless the context otherwise requires.

The Series 2003 Bonds are being issued to provide funds to refund a portion of the Commission's General Obligation Water Refunding Bonds, Series 1993 (the "Prior Bonds").

The Series 2003 Bonds are authorized by an ordinance adopted by the Commission on _____, 2003 (Ordinance No. _____) (together with the Bond Order issued pursuant thereto, the "Bond Ordinance"). The Bond Ordinance appoints _____, Chicago, Illinois, as Paying Agent and Bond Registrar (the "Bond Registrar").

Based upon our examination of said proceedings, we are of the opinion as follows:

1. The Commission is a legally existing county water commission, body politic and corporate, political subdivision and unit of local government existing and operating under the Water Commission Act of 1985, as amended, 70 ILCS 3720/1 et. seq., and Division 135 of Article 11 of the Illinois Municipal Code, as amended, 65 ILCS 5/11-135-1 et. seq. (collectively, the "Act").

2. The Commission has the legal right and power to adopt the Bond Ordinance authorizing certain actions in connection with the issuance and sale of the Series 2003 Bonds and the Purchase Contract and the Undertaking relating to the Series 2003 Bonds. The Bond Ordinance has been duly and lawfully adopted by the Commission, is in full force and effect, has not been amended subsequent to its adoption by the Commission, and is a legal, valid and binding contract of the Commission enforceable in accordance with its terms thereof.

3. The Commission has full legal rights and power and is authorized to issue, sell and deliver the Series 2003 Bonds in accordance with the terms and provisions of the Bond Ordinance and the Purchase Contract. The Series 2003 Bonds have been duly authorized, issued and delivered by the Commission in accordance with the Bond Ordinance, and constitute valid and binding revenue obligations of the Commission.

4. No further authorization or approval is required for the execution and delivery of the Purchase Contract or the Undertaking by the Commission, and the Purchase Contract and the Undertaking have been duly authorized, approved, executed and delivered by the Commission and (assuming due authorization, approval, execution and delivery by the other signatories thereto, if any) constitute legal, valid and binding obligations of the Commission, enforceable in accordance with their terms.

5. The performance by the Commission of the Bond Ordinance and the Series 2003 Bonds, and the execution, delivery and performance by the Commission of the Purchase Contract and the Undertaking, if performed as provided therein, will not violate any provisions of the Act, or any other applicable law or regulation of the State of Illinois, including the Constitution of the State of Illinois.

6. The Series 2003 Bonds and the Series 2003 Bondholders are entitled to the benefit of the Bond Ordinance and the Act. The Series 2003 Bonds have been duly and validly authorized and issued in accordance with the Act, as supplemented by the provisions of the Local Government Debt Reform Act of the State of Illinois, as amended.

7. The pledge by the Commission of its net revenues to the punctual payment of principal of and interest on the Bonds as established by the Bond Ordinance for securing payment of the Bonds, as provided in the Act and the Bond Ordinance, is valid and legally effective.

8. The Series 2003 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended.

9. The Bond Ordinance is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

10. The information in the Official Statement under the captions "DESCRIPTION OF THE SERIES 2003 BONDS – General" and "– Registration, Transfer and Exchange," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2003 BONDS," "PLAN OF REFUNDING" and "TAX EXEMPTION" is true and accurate in all material respects.

11. We confirm the opinions attributed to us in the Official Statement and we consent to the references to our opinions contained in the Official Statement.

In addition to this opinion, we are rendering an opinion as to the validity of the Series 2003 Bonds and the exemption of the interest thereon from federal income taxes, dated the date hereof. The Underwriters (as such term is defined in the Purchase Contract) are hereby authorized to rely upon such approving opinion on the Bonds as if such opinion were addressed to the Underwriters.

Our opinions as expressed in paragraphs 2 – 4, 6 and 7 above are subject to the qualification that the enforcement of the rights and obligations variously described in said paragraphs may be limited by laws relating to bankruptcy, insolvency or other laws affecting creditors' rights generally and by the availability of equitable remedies.

Very truly yours

Exhibit 2

[Opinion of Bell, Boyd & Lloyd LLC and Chapman and Cutler LLP]

UBS Financial Services Inc.
181 West Madison Street
Chicago, Illinois 60602

Re: DuPage Water Commission, \$00,000,000
Water Revenue Refunding Bonds, Series 2003

Ladies and Gentlemen:

We have acted as counsel to the underwriters listed on the cover page of the Official Statement referred to below (the "Underwriters") in connection with the issuance by the DuPage Water Commission (the "Commission") of the above-referenced bonds (the "Bonds"). The Underwriters are purchasing the Bonds pursuant to the Purchase Contract dated as of _____, 2003 (the "Purchase Contract"), by and among the Commission and UBS Financial Services Inc., acting as Representative of the Underwriters. Initially capitalized terms used but not otherwise defined in this letter have the same meanings given them in the Purchase Contract, unless the context otherwise requires.

In rendering this opinion, we have assumed that (i) the signatures on all documents examined by us are genuine, (ii) where any such signature purports to have been made in a corporate, fiduciary or other capacity, the person who affixed such signature to such document had authority to do so, and (iii) all documents submitted to us as certified, conformed or photostatic copies conformed to the original documents.

We have also reviewed and are relying upon the opinions, letters, certificates and other showings delivered pursuant to the Purchase Contract. Our examination of matters of law has been limited to the laws of the United States and the State of Illinois and we express no opinion as to the laws of any other jurisdiction.

Based upon the foregoing, but subject to the assumptions and qualifications set forth herein, we are of the opinion that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Bond Ordinance is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

We have not undertaken to verify, and have not verified, and are not passing upon and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Official Statement. We have, however, participated in the preparation of the Official Statement as Underwriters' counsel and have had general discussions with representatives of the Commission; Holland & Knight LLC, the Commission's outside general counsel; and Katten Muchin Zavis Rosenman, Bond Counsel. We have also examined such other documents and instruments as we have deemed necessary or appropriate in connection with the preparation of the Official Statement. Based upon our limited review of such documents and

instruments and our participation in such conferences, we have no reason to believe that the Official Statement (except for the financial and statistical data included therein, the information pertaining to DTC and the book-entry only registration of the Bonds, the information pertaining to the Bond Insurer and the Insurance Policy, and information contained under the captions "TAX EXEMPTION" and "LITIGATION" and in Appendices A and B thereto, as to which we are not required to express any view) as of its date or as of the date hereof contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This letter is furnished solely for your information and benefit in connection with the offering, sale or remarketing, as applicable, of the Bonds and may not be relied upon by any other person.

Yours very truly,

Exhibit 3

[Commission General Counsel Opinion]

_____, 2003

UBS Financial Services Inc.
181 West Madison Street
Chicago, Illinois 60602

Re: DuPage Water Commission
\$00,000,000 Water Revenue Refunding Bonds, Series 2003

Ladies and Gentlemen:

We have acted as counsel to the DuPage Water Commission (the "Issuer") in connection with the issuance and sale by the Issuer of \$_____ aggregate principal amount of its Water Revenue Refunding Bonds, Series 2003 (the "Bonds") pursuant to Ordinance Number _____ of the Issuer, adopted on _____, 2003 (the "Bond Ordinance"), and a Bond Order, dated as of _____, 2003 (the "Bond Order"), by which the final terms of the Bonds were established. All items used herein in capitalized form and not otherwise defined shall have the same meanings as ascribed to those terms in the Bond Ordinance.

I.
DOCUMENTS REVIEWED

In rendering this opinion, we have examined and relied upon the following documents in connection with the issuance and sale by the Issuer of the Bonds:

1. A certified copy of the Bond Ordinance authorizing, among other things, the following:
 - a. the execution and delivery of the Bond Order;
 - b. the execution and delivery of a Bond Purchase Contract dated as of _____, 2003, among UBS Financial Services Inc., as representative of the underwriters listed on the cover page of the hereinafter defined Official Statement (the "Underwriters"), and the Issuer (the "Bond Purchase Contract");
 - c. the distribution and use of a Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement");
 - d. the distribution, use and execution of an Official Statement in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Bonds (the "Official Statement");

- e. the offering, issuance, sale and delivery of the Bonds; and
 - f. the execution and delivery of a Continuing Disclosure Agreement dated as of _____, 2003 (the “Undertaking”);
2. The Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* (the “Water Commission Act”), Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-135-1 *et seq.*, and the Local Government Debt Reform Act, 30 ILCS 350/1 *et seq.*, all as supplemented and amended (collectively, the “Authorizing Acts”);
 3. The Underwriters’ Certificate Re: Bond Sale dated as of _____, 2003, certifying that all of the limitations and conditions set forth in the Bond Ordinance regarding the sale of the Bonds have been met; and
 4. Executed counterparts or originals of the Bond Purchase Contract, and the Undertaking (collectively, the “Issuer Documents”).

In addition to the foregoing, we have examined and relied upon such other agreements, certificates, documents and opinions, including certificates and representations of public officials and other officers or representatives of the Issuer and various other parties participating in this transaction, as we have deemed relevant and necessary in connection with the opinions set forth below. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in such certificates, representations and opinions, and have relied solely on the facts, estimates and circumstances described and set forth therein.

In our examination, we have relied upon certificates of public officials and the representations and statements of the Underwriters with respect to certain factual determinations underlying the legal conclusions set forth herein. We have made no independent investigation of the accuracy or completeness of such matters of fact. In rendering the opinions set forth below, we have relied, without independent investigation, upon the following assumptions:

- (a) Each party to the Issuer Documents (other than the Issuer) is duly organized and is validly existing and in good standing in its jurisdiction of organization;
- (b) Each party to the Issuer Documents (other than the Issuer) has full power and authority to execute, deliver and perform its obligations under the Issuer Documents, and the Issuer Documents have been duly authorized by all necessary action on its part and have been duly executed and duly delivered by it;
- (c) The Issuer Documents constitute the valid and binding obligations of each party to such Issuer Documents (other than the Issuer), enforceable against such party in accordance with its terms;
- (d) Each natural person executing the Issuer Documents or any document referred to herein is legally competent to do so;

(e) Each party to the Issuer Documents (other than the Issuer) has complied with all legal requirements pertaining to its status as such status relates to its rights to enforce the Issuer Documents against the Issuer and the other parties thereto;

(f) Each document submitted to us for review is accurate and complete, each such document that is an original is authentic, each such document that is a copy conforms to an authentic original, and all signatures on each such document are genuine;

(g) There has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence;

(h) The Issuer Documents will be enforced in circumstances and in a manner in which it is commercially reasonable to do so and the conduct of the parties complies with any requirement of good faith and fair dealing;

(i) There are no agreements or understandings among the parties, written or oral, and there is no usage of trade or course of prior dealing among the parties that would, in either case, define, supplement or qualify the terms of the Issuer Documents; and

(j) Each person who has taken any action relevant to any of our opinions in the capacity of director, commissioner, member or officer was duly elected or appointed to that director, commissioner, member or officer position and held that position when such action was taken.

For purposes of this opinion letter, the term “to our knowledge” means the conscious awareness of facts or other information, at the time of delivery of this opinion letter, by the lawyers in our firm who have had involvement in the negotiation and preparation of the Issuer Documents. Except to the extent expressly set forth herein, we have not undertaken any independent investigation to determine the existence or absence of any facts or other information, and no inference as to our knowledge or the existence or absence of any such facts or other information should be drawn from the fact of our representation of the Issuer as counsel. Without limiting the generality of the foregoing, we have not reviewed all of our files with respect to matters involving the Issuer nor interviewed all present and former members and associates of our firm nor searched dockets of any courts or governmental agencies.

Notwithstanding our opinions expressed herein, we express no opinion with respect to any of the following provisions in the Issuer Documents:

(a) Choice-of-law provisions;

(b) Indemnification of a party for its own gross negligence, willful misconduct, recklessness or other wrongful conduct;

(c) Provisions mandating contribution towards judgments or settlements among various parties; and

(d) Waivers of (i) legal or equitable defenses, (ii) rights to damages, (iii) rights to counter claim or set off, (iv) statutes of limitations, (v) rights to notice, (vi) the benefits

of statutory, regulatory, or constitutional rights, unless and to the extent the statute, regulation, or constitution explicitly allows waiver, and (vii) other benefits to the extent they cannot be waived under applicable law.

The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Illinois.

II. OPINIONS

Based on the foregoing and upon such investigation as we have deemed necessary, and subject to the qualifications, assumptions and exceptions herein contained, we are of the opinion that:

1. The Issuer is a county water commission (as defined in the Water Commission Act) and a body politic and corporate and a political subdivision and unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois, including the Water Commission Act. The Issuer has the power and authority to adopt the Bond Ordinance and to carry out and consummate all transactions contemplated by the Issuer Documents and the Bonds.
2. The Bond Ordinance has been duly adopted by the Issuer at a meeting that was held in accordance with all procedural rules of the Issuer and the Illinois Open Meetings Act and is in full force and effect. The Bond Order has been duly authorized, executed and delivered by the Issuer.
3. The Issuer Documents have each been duly authorized, executed and delivered by the Issuer and each constitutes the legal, valid and binding agreement of the Issuer, enforceable against the Issuer in accordance with its respective terms. When issued, delivered and paid for as stated in the Bond Ordinance and the Issuer Documents, the Bonds will be duly authorized, executed, issued and delivered and will constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their terms and the terms of the Bond Ordinance.
4. The Issuer has duly approved the distribution and use of the Preliminary Official Statement and the distribution, use and execution of the Official Statement in connection with the initial offering and sale of the Bonds. The statements made in the Official Statement under the captions "THE DUPAGE WATER COMMISSION," "THE SYSTEM" and "LITIGATION," insofar as they purport to summarize certain matters therein set forth, and subject to the limitations set forth in the Official Statement with respect to summaries, are true and accurate in all material respects; provided, however, that we are not required and do not express any view or opinion as to engineering, statistical and financial data and opinions included therein.

Except as specifically set forth above, we have not undertaken to determine independently, and we give no opinion as to, the accuracy, completeness, fairness

or sufficiency of any of the statements in the Official Statement, including the appendices thereto, or other offering materials relating to the Bonds. However, based upon our general familiarity with the affairs of the Issuer and during our participation in the issuance of the Bonds as General Counsel to the Issuer (including participation in conferences with you and your counsel concerning the preparation of the Official Statement), nothing has come to our attention that would cause us to believe that the information in the Official Statement concerning the Issuer or the System, as of the date of the Official Statement or as of the date of this letter, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements in it, in light of the circumstances under which made, not misleading; provided, however, that, with respect to such information about the Issuer or the System, we express no view as to engineering, statistical and financial data and opinions included in the Official Statement or the information included in the Official Statement in Appendix A.

5. All authorizations, consents, approvals and reviews of governmental bodies or regulatory authorities required to be obtained or effected by the Issuer for the adoption of the Bond Ordinance, the execution and delivery of the Bonds and the Issuer Documents, and the consummation of the transactions therein contemplated have been obtained or effected.
6. To our knowledge, the adoption of the Bond Ordinance and the execution and delivery of the Bonds and the Issuer Documents, the compliance with the terms, conditions and provisions thereof, and the consummation of the transactions therein contemplated, do not and will not conflict in any material respect with, or result in a material breach of, any of the provisions of, or constitute a material default under, any judgement, court order, decree, agreement or instrument to which the Issuer is a party or by which the Issuer or any of its properties is bound.
7. To our knowledge, there is no litigation or other proceedings pending or threatened in any court, agency or other administrative body (either state or federal) (i) in any way challenging the organization or existence of the Issuer or of the right of any Commissioner or official of the Issuer to hold his or her office, or the respective powers of such offices, or which questions the Authorizing Acts; or (ii) seeking to restrain or enjoin the issuance or delivery of any of the Bonds, or in any way contesting or affecting the validity of the Bonds, the Bond Ordinance, the Issuer Documents or the right of the Issuer to issue debt or the right or power of the Issuer to consummate any of the transactions contemplated by those documents.

III. SCOPE AND GENERAL STATEMENTS

All opinions as to legal obligations of the Issuer set forth above are subject to and limited by (a) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws, in each case relating to or affecting the enforcement of creditors' rights,

(b) applicable laws or equitable principles that may affect remedies or injunctive or other equitable relief, and (c) judicial discretion which may be exercised in applicable cases to adversely affect the enforcement of certain rights or remedies.

We express no opinion with respect to (i) the excludability from gross income or the exemption of interest on the Bonds for purposes of federal or state income taxation; or (ii) the application of or compliance with the Code or the securities laws and regulations of the United States of America or the securities laws and regulations of any state or other jurisdiction thereof.

This opinion is provided for purpose of complying with the requirements of the Bond Purchase Contract and without our prior written consent may not be relied upon, used, circulated, quoted or otherwise referred to in any manner by any person, firm, governmental authority or entity whatsoever other than reliance thereon by the Underwriters solely in connection with the issuance and sale by the Issuer of the Bonds. This opinion letter shall not be construed as or deemed to be a guaranty or insuring agreement.

Our opinion is limited to the matters specifically addressed herein, and we express no opinion on, and no opinion is to be inferred or implied with respect to, any matter not specifically addressed herein. Further, this opinion is rendered as of the date hereof, and we undertake no, and hereby disclaim any, obligation to advise you of any changes in or any new developments which might affect any matters or opinions set forth herein.

This opinion letter is delivered upon the express assumption that no amendments or modifications of which we are unaware have been made to the Bonds, the Issuer Documents or any other instrument or agreement relating thereto or delivered pursuant thereto after the last draft submitted to us for our review prior to the issuance of this opinion letter.

Very truly yours,

HOLLAND & KNIGHT LLC

Exhibit 4

[Certificate of General Manager]

I, the undersigned, do hereby certify that I am the General Manager of the DuPage Water Commission, DuPage, Cook and Will Counties, Illinois (the "Commission") and that I am authorized to make the representations set forth herein for the Commission and I do hereby further certify as follows:

1. UBS Financial Services Inc. (the "Representative") and the Commission have executed a Purchase Contract dated _____, 2003 (the "Contract"), in connection with the Commission's \$_____ Water Revenue Refunding Bonds, Series 2003.

2. Each of the agreements of the Commission, as set forth in the Contract to be complied with at or prior to the date hereof, has been complied with.

3. Each of the representations and warranties set forth in Paragraph 8 of the Contract (as therein qualified) is true, accurate and complete in all material respects as of the date hereof.

DATED this __ day of _____, 2003.

DUPAGE WATER COMMISSION

By: _____
James J. Holzwart
Its General Manager

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

PURCHASE CONTRACT CERTIFICATE

We, the undersigned, do hereby certify that we are the duly qualified and acting Chairman and Clerk, respectively, of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois (the "Commission"), and as such officials we do further certify that attached hereto is a true, correct and complete copy of the purchase contract for \$_____ Water Revenue Refunding Bonds, Series 2003 (the "Bonds"), of the Commission, dated as of August __, 2003, between the Commission and UBS Financial Services Inc., for itself and as representative of the underwriters for the Bonds, regarding the purchase and sale of the Bonds.

IN WITNESS WHEREOF we hereunto affix our official signatures and the seal of the Commission as of _____.

Chairman

Clerk

[SEAL]

Exhibit 5

[Opinion of Counsel to Bond Insurer]

Exhibit B

Continuing Disclosure Agreement

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (the “*Agreement*”) is executed and delivered by the DuPage Water Commission (the “*Commission*”), in connection with the issuance of \$00,000,000 DuPage Water Commission Water Revenue Refunding Bonds, Series 2003 (the “*Bonds*”). The Bonds are being issued pursuant to the Water Commission Act of 9185, 70 ILCS 3720/I *et seq.*, and Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-135-1 *et seq.* (collectively, the “*Act*”), and the Commission’s Ordinance No. 0-1-87 adopted January 15, 1987, and Ordinance No. _____ adopted August __, 2003 (collectively, the “*Bond Ordinance*”).

In consideration of the issuance of the Bonds by the Commission and the purchase of the Bonds by the beneficial owners thereof, the Commission covenants and agrees as follows:

1. Purpose of this Agreement. This Agreement is executed and delivered by the Commission as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The Commission represents that it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after the issuance of the Bonds.

2. Definitions. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

“*Annual Financial Information*” means the financial information and operating data of the type contained in the Official Statement as follows:

- (a) The data concerning the Commission’s tax base contained in the second paragraph under the caption “INTRODUCTION.”
- (b) The information under the caption “THE DUPAGE WATER COMMISSION – Existing Debt.”
- (c) The information appearing in the table under the caption “FINANCIAL OPERATIONS – Sources of Revenue – Sales Tax Revenues.”
- (d) The information appearing in the two tables under the caption “FINANCIAL OPERATIONS – Summary Financial Information.”
- (e) The information appearing in the table under the caption “STATE WATER ALLOCATIONS.”
- (f) The information appearing in the table under the caption “THE DUPAGE WATER PURCHASE AND SALE CONTRACTS -- General.”

(e) The financial information and operating data appearing in Appendix D.

“Audited Financial Statements” means the Audited Financial Statements of the Commission as prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board) and subject to any express requirements of State of Illinois law.

“Event” means the occurrence of any of the events set forth in *Exhibit I*.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Material Event” means the occurrence of an Event that is material, as materiality is interpreted under the Exchange Act.

“Material Events Disclosure” means dissemination of a notice concerning a Material Event as set forth in Section 5.

“MSRB” means the Municipal Securities Rulemaking Board.

“NRMSIRs” means, as of any date, all Nationally Recognized Municipal Securities Information Repositories then recognized by the Securities and Exchange Commission for purposes of the Rule. As of the date of execution and delivery of this Agreement, the NRMSIRs are:

Bloomberg Municipal Repository
100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962 or 5963
E-Mail: Munis@Bloomberg.com
<http://www.bloomberg.com>

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
E-Mail: nrmsir@dpccdata.com
<http://www.dpccdata.com>

Standard & Poor's J.J. Kenny Repository
55 Water Street, 45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
E-Mail: NRMSIR_repository@sandp.com
http://www.jjkenny.com/jjkenny/pser_descrip_data_rep.html

FT Interactive Data
Attn: NRMSIR
100 William Street
New York, NY 10038
Phone: (212)771-6999
Fax: (212)771-7390
E-Mail: NRMSIR@ftid.com
<http://www.interactivedata.com>

“Participating Underwriter” means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

“Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Exchange Act, as the same may be amended from time to time.

“SID” means any public or private repository designed by the Commission as the State of Illinois repository and recognized as such by the Securities and Exchange Commission for purposes of the Rule. As of the date of execution and delivery of this Agreement there is no SID.

“Undertaking” means the obligations of the Commission pursuant to Sections 4 and 5 of this Agreement.

3. CUSIP Numbers and Official Statement. (a) The CUSIP numbers of the Bonds are as follows:

| Maturity | CUSIP <u>Numbers</u> |
|----------|-------------------------|
|----------|-------------------------|

(b) The Official Statement relating to the 2003 Bonds is dated _____, 2003.

4. Annual Financial Information Disclosure. Subject to Section 9 of this Agreement, the Commission hereby covenants that it will provide its Annual Financial Information and its Audited Financial Statements to each NRMSIR and to the SID, if any.

Annual Financial Information will be provided within 210 days after the end of each fiscal year. Audited Financial Statements are expected to be provided at the same time. If unavailable at that time, unaudited financial statements of the Commission will be included and the Audited Financial Statements will be provided when available.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Commission will provide a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment is made to this Agreement, the Annual Financial Information for the year in which such amendment is made will contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

5. Events Notification; Material Events Disclosure. Subject to Section 9 of this Agreement, the Commission hereby covenants that it will disseminate in a timely manner Material Events Disclosure to each NRMSIR or to the MSRB, and to the SID, if any. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is required to be given to the Bondholders pursuant to the Bond Ordinance.

6. Duty to Update NRMSIRs/SID. The Commission shall determine, in the manner it deems appropriate, the names and addresses of the then existing NRMSIRs and SID each time it is required to file information with such entities.

7. Consequences of Failure of the Commission to Provide Information. The Commission covenants that it will provide notice in a timely manner to each NRMSIR or to the MSRB, and any SID, if any of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when due under this Agreement.

In the event of a failure of the Commission to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order to cause the Commission to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Bond Ordinance, and the sole remedy under this Agreement in the event of any failure of the Commission to comply with this Agreement shall be an action to compel performance.

8. Amendments; Waiver. Notwithstanding any other provision of this Agreement, the Commission, by ordinance authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) the amendment or waiver is being made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Commission, or type of business conducted;

(b) this Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the Commission (such as the Bond Counsel).

9. Termination of the Undertaking. The Undertaking shall be terminated if the Commission shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The Commission shall give notice to each NRMSIR or to the MSRB and to the SID, if any, in a timely manner if this paragraph is applicable.

10. Dissemination Agent. The Commission may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor dissemination agent.

11. Additional Information. Nothing in this Agreement shall be deemed to prevent the Commission from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statement disclosure or in any notice of occurrence of a Material Event, in addition to that which is required by this Agreement. If the Commission chooses to include any such information in addition to that which is specifically required by this Agreement, the Commission shall have no obligation under this Agreement to update such information or include it in any future disclosure.

12. Beneficiaries. This Agreement has been executed to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Commission, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

13. Assignment. The Commission shall not transfer its obligations under the Bond Ordinance unless the transferee agrees to assume all obligations of the Commission under this Agreement or to execute an Undertaking under the Rule.

14. Governing Law. This Agreement shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, the Commission has caused this Agreement to be executed and delivered by the undersigned official this ___th day of _____ 2003.

DUPAGE WATER COMMISSION

By: _____
Chairman

By: _____
General Manager

EXHIBIT 1

EVENTS FOR WHICH MATERIAL EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions or events affecting the tax-exempt status of the security
7. Modifications to the rights of security holders
8. Bond calls
9. Defeasances
10. Release, substitution or sale of property securing repayment of securities
11. Rating changes

DU PAGE WATER COMMISSION**RESOLUTION NO. R-32-03****A RESOLUTION RELEASING CERTAIN
EXECUTIVE SESSION MEETING MINUTES AT THE
AUGUST 14, 2003 DU PAGE WATER COMMISSION MEETING**

WHEREAS, the Board of Commissioners of the DuPage Water Commission have periodically met in closed session to consider matters expressly exempted from the public meeting requirements of the Illinois Open Meeting Act, 5 ILCS 120/1 et seq. (the "Act");

WHEREAS, as required by the Act, the Clerk has kept written minutes of all such closed sessions; and

WHEREAS, on August 14, 2003, the Board of Commissioners of the DuPage Water Commission met to review the minutes of all such closed sessions that have not heretofore been made available for public inspection as required by Section 2.06 (c) of the Act; and

WHEREAS, the Board of Commissioners of the DuPage Water Commission determined that the need for confidentiality still exists as to the minutes of the closed session meeting set forth in Schedule A attached hereto and by this reference incorporated herein and made a part hereof; and

WHEREAS, the Board of Commissioners of the DuPage Water Commission further determined that the minutes of the closed session meetings set forth in Schedule B attached hereto and by this reference incorporated herein and made a part hereof no longer require confidential treatment and should be made available for public inspection;

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

SECTION ONE: Recitals. The foregoing recitals are incorporated herein as if fully set forth.

SECTION TWO: Release. The minutes of the closed session meetings set forth in Schedule B attached hereto shall be and they hereby are released.

SECTION THREE: Inspection and Copying. The Clerk shall be and is hereby authorized and directed to make said minutes available for inspection and copying in accordance with the standing procedures of the DuPage Water Commission.

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

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2003.

Chairman

ATTEST:

Clerk

SCHEDULE A

June 9, 1988

March 9, 2000

April 13, 2000

September 14, 2000

January 11, 2001

February 8, 2001

May 10, 2001

February 14, 2002

March 14, 2002

September 12, 2002

November 14, 2002

December 12, 2002

February 13, 2003

March 12, 2003

April 10, 2003

May 7, 2003

June 12, 2003 First Session

June 12, 2003 Second Session

SCHEDULE B

May 11, 2000

June 8, 2000

July 13, 2000

June 13, 2002



DuPage Water Commission

MEMORANDUM

TO: Chairman & Commissioners

FROM: General Manager

DATE: August 8, 2003

SUBJECT: Summary of Action Since Previous Meeting

1. Purchase Order No. 7638, in the amount of \$73,610.00 to U.S. Automation, is for the purchase of 17-upgraded EIM actuators. The electrical portion of these split actuators will be located in the remotely operated valve (ROV) cabinets to prevent moisture and corrosion problems presently being experienced. These actuator upgrades are only available through U.S. Automation. Therefore, I request the Commission suspend the purchasing procedures of the Commission's By-Laws and approve Purchase Order No. 7638.

Purchase Order



DU PAGE WATER COMMISSION

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

| | | | | | |
|----------|--|-------------|---------------|------|--|
| P.O. | | No | | 7638 | |
| DATE | | | DATE REQUIRED | | |
| 08/14/03 | | | ASAP | | |
| TERMS | | NET 45 DAYS | | | |
| | | TAX EXEMPT | | | |
| SHIP VIA | | BEST WAY | | | |
| FOB | | | | | |

| | |
|-------------------------------------|---|
| TO: Mr. Al Collins US Automation | SHIP TO: Attn: John Schori Above Address |
| 59 Eisenhower Lane South | |
| Lombard, IL 60148 | |

630-705-1963 FAX: 630-705-9650

[illegible]

IMPORTANT

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.

(ACCT. #WF-6633)

Please send 2 copies of your invoice

James J. Holzwart
AUTHORIZED SIGNATURE

DU PAGE WATER COMMISSION - ACCOUNTS PAYABLE 09-Jul-03 TO 07-Aug-03

ACPA0308-ACPATEMP
ACCOUNTS PAYABLE SPREADSHEET

MEETING OF

08/14/03

- a - Subject to submission of all contractually required documentation.
b - Subject to satisfactory completion of all DuPage Water Commission contract closeout procedures and requirements.
c - Construction items are coded with account numbers in the 7000 series.

| VENDOR | INVOICE # | DATE | DESCRIPTION | ACCT# (c) | FUNDING SOURCE | INVOICE AMOUNT | VENDOR AMOUNT |
|---------------------------------------|-----------|----------|---|-----------|----------------|----------------|---------------|
| Acres Group, Inc. | 14088 | 07/23/03 | Tree Replacement - DPPS | WF-6622 | WR | 562.00 | |
| Acres Group, Inc. | 14054 | 08/01/03 | Landscape Mgmt Serv: August 2003 | WF-6622 | WR | 4,373.80 | 4,935.80 |
| Aerex Pest Control | 597027 | 07/17/03 | Exterminator - Service Building: July 2003 | WF-6622 | WR | 45.00 | |
| Aerex Pest Control | 597034 | 07/17/03 | Exterminator - Pump & Motor Rooms: July 2003 | WF-6622 | WR | 45.00 | |
| Aerex Pest Control | 597372 | 07/17/03 | Exterminator - DPPS: July 2003 | WF-6622 | WR | 48.00 | 138.00 |
| AKT-1 Industries, Inc. | 6500 | 07/23/03 | Maintenance Supplies | WF-6622 | WR | 823.50 | 823.50 |
| Alvord, Burdick & Howson | 72 | 07/31/03 | Naperville Rd. to Diehl Rd.: 06/25/03-07/24/03 | WF-7913 | ST | 7,615.23 | |
| Alvord, Burdick & Howson | 72 | 07/31/03 | Diehl Rd. to 75th: 06/25/03-07/24/03 | WF-7913 | ST | 1,543.66 | |
| Alvord, Burdick & Howson | 72 | 07/31/03 | Butterfield Rd. to Prairie Path: 06/25/03-07/24/03 | WF-7913 | ST | 29,866.24 | |
| Alvord, Burdick & Howson | 244 | 07/31/03 | Butterfield to 75th St:06/25/03-07/24/03 | WF-7913 | ST | 1,635.33 | |
| Alvord, Burdick & Howson | 2003-235 | 07/31/03 | Blow-Off Valve Improvement Tsk Odr. #9: 06/25/03-07/24/03 | WF-6389 | WR | 31,553.44 | |
| Alvord, Burdick & Howson | 2003-237 | 07/31/03 | 48" West Transmission Main - TW-3: 06/25/03-07/24/03 | WF-7913 | ST | 14,536.22 | |
| Alvord, Burdick & Howson | 2003-238 | 07/31/03 | 72" Along Rt. 83 (TIB-1) Task Order # 11: 06/25/03-07/24/03 | WF-7913 | ST | 52,304.33 | 139,054.45 |
| AT&T Wireless Service - Chicago | 150038750 | 07/28/03 | Cellular Phone Serv.: 06/27/03-07/26/03 | WF-6514 | WR | 201.82 | 201.82 |
| Avalon Petroleum Company | 377654 | 07/02/03 | Gasoline | WF-6642 | WR | 1,412.00 | |
| Avalon Petroleum Company | 382406 | 07/21/03 | Gasoline | WF-6642 | WR | 1,396.00 | 2,808.00 |
| Basic Chemical Solutions, LLC | SI362866 | 07/23/03 | Sodium Hypochlorite | WF-6613 | WR | 3,150.00 | 3,150.00 |
| CDW Government, Inc. | JA21629 | 07/29/03 | Office Supplies | WF-6521 | WR | 172.49 | |
| CDW Government, Inc. | JA61931 | 07/30/03 | HP Laser Jet Printer | WF-6550 | WR | 1,429.60 | 1,602.09 |
| Chapman and Cutler | 23-8181 | 07/30/03 | Arbitrage Rebate Calculation | WF-6239 | WR | 1,500.00 | 1,500.00 |
| Chicago Tribune | 511774001 | 07/11/03 | Employment Ad | WF-6191 | WR | 1,305.00 | 1,305.00 |
| Chicago, City of: Dept. of Water | Ltr. | 07/29/03 | Operation Costs Lex. Sta.:06/01/03-06/30/03 | WF-6611 | WR | 37,334.87 | 37,334.87 |
| Chicago, City of: Dept. of Water | Ltr. | 07/18/03 | Electric Service: 06/03/03-07/02/03 | WF-6611 | WR | 103,630.00 | 103,630.00 |
| Chicago, City of: Supt. of Wtr. Coll. | Ltr. | 08/01/03 | Water Supply: 07/01/03-07/31/03 | WF-1910 | WR | (785,919.33) | |
| Chicago, City of: Supt. of Wtr. Coll. | Ltr. | 08/01/03 | Water Supply: 07/01/03-07/31/03 | WF-6611 | WR | 3,929,596.63 | 3,143,677.30 |

DU PAGE WATER COMMISSION - ACCOUNTS PAYABLE 09-Jul-03 TO 07-Aug-03

ACPA0308-ACPATEMP
ACCOUNTS PAYABLE SPREADSHEET

MEETING OF

08/14/03

- a - Subject to submission of all contractually required documentation.
b - Subject to satisfactory completion of all DuPage Water Commission contract closeout procedures and requirements.
c - Construction items are coded with account numbers in the 7000 series.

| VENDOR | INVOICE # | DATE | DESCRIPTION | ACCT# (c) | FUNDING SOURCE | INVOICE AMOUNT | VENDOR AMOUNT |
|---------------------------------|-----------------|----------|---|-----------|----------------|----------------|---------------|
| Choice Coffee Co. | 108987 | 07/07/03 | Coffee | WF-6521 | WR | 137.70 | |
| Choice Coffee Co. | 109041 | 07/28/03 | Coffee | WF-6521 | WR | 83.80 | 221.50 |
| Cintas First Aid & Safety | 343172494 | 07/23/03 | First Aid Supplies | WF-6622 | WR | 84.75 | 84.75 |
| Commonwealth Edison | Various | 07/29/03 | CP Stations: 06/12/03-07/09/03 | WF-6612 | WR | 148.83 | |
| Commonwealth Edison | Various | 07/29/03 | Meter Sta. Serv. : 06/03/03-08/05/03 | WF-6612 | WR | 3,239.91 | |
| Commonwealth Edison | Various | 07/29/03 | Remote Opr. Valve: 06/04/03-08/05/03 | WF-6612 | WR | 681.53 | |
| Commonwealth Edison | Various | 07/28/03 | Tank Site #1 Serv: 06/13/03-07/28/03 | WF-6612 | WR | 1,372.00 | 5,442.27 |
| Cook County Collector | 5000031 | 07/23/03 | Annual License Agreement: 07/01/03-06/30/04 | WF-6830 | WR | 2,995.00 | 2,995.00 |
| CTE Engineers, Inc. | 44140396.3000-9 | 07/16/03 | Engineering Services - MS-15: 05/24/03-06/27/03 | WF-7914 | ST | 2,737.11 | |
| CTE Engineers, Inc. | 44140599.2000-2 | 07/16/03 | Eng. Serv. - Emergency Operations Plan: 05/24/03-06/27/03 | WF-6389 | WR | 16,133.87 | |
| CTE Engineers, Inc. | 44140599.2000-2 | 07/16/03 | Eng. Serv. - Emergency Operations Plan: 05/24/03-06/27/03 | WF-1398 | WR | 16,133.87 | |
| CTE Engineers, Inc. | 44140599.2000-2 | 07/16/03 | Eng. Serv. - Emergency Operations Plan: 05/24/03-06/27/03 | WF-5900 | WR | (16,133.87) | 18,870.98 |
| Discount Tire Co., Inc. | 2195361 | 07/15/03 | Vehicle Maintenance: M-63636 | WF-6641 | WR | 665.68 | 665.68 |
| DuPage County Treasurer | 7524 | 08/01/03 | Requirements of State of Illinois Publ. Act 93-0226 | WF-3192 | ST | 15,000,000.00 | 15,000,000.00 |
| Elmhurst Chevrolet | CTCS521484 | 07/30/03 | Vehicle Maintenance: M-80328 | WF-6641 | WR | 344.34 | 344.34 |
| Federal Express Corp. | 4-777-83487 | 07/23/03 | Messenger Service | WF-6532 | WR | 207.09 | 207.09 |
| Fox River Graphics Inc. | 37193 | 07/11/03 | SCADA/Instrumentation | WF-6624 | WR | 5,500.00 | 5,500.00 |
| FulLife Safety Center | 1703 | 07/14/03 | Maintenance Supplies | WF-6622 | WR | 116.40 | |
| FulLife Safety Center | 1742 | 07/30/03 | Maintenance Supplies | WF-6622 | WR | 649.00 | 765.40 |
| Gallagher, AJ Risk Mgmt Svcs | 71703 | 07/17/03 | Liability Coverage | WF-1551 | WR | 8,407.38 | |
| Gallagher, AJ Risk Mgmt Svcs | 71703 | 07/17/03 | Liability Coverage | WF-6411 | WR | 31,042.62 | |
| Gallagher, AJ Risk Mgmt Svcs PR | 189260 | 07/17/03 | Liability Coverage | WF-1551 | WR | 22,458.46 | |
| Gallagher, AJ Risk Mgmt Svcs PR | 189260 | 07/17/03 | Liability Coverage | WF-6411 | WR | 82,923.54 | 144,832.00 |

ACPA0308-ACPATEMP
ACCOUNTS PAYABLE SPREADSHEET

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|-------------------------------|---------------|----------|---|-----------|----------------|-----------------|---------------|
| Grainger | 001-107406-9 | 07/08/03 | Meter Station Maintenance | WF-6633 | WR | 1,514.30 | |
| Grainger | 001-845321-7 | 08/01/03 | Maintenance Supplies | WF-6622 | WR | 75.04 | |
| Grainger | 156-089698-5 | 07/08/03 | Meter Station Maintenance | WF-6633 | WR | 304.56 | |
| Grainger | 935-144459-2 | 07/08/03 | Meter Station Maintenance | WF-6633 | WR | 1,923.75 | 3,817.65 |
| Holland & Knight | | 07/17/03 | Legal Services: June 2003 | WF-7951 | ST | 13,608.47 | |
| Holland & Knight | | 07/17/03 | Legal Services: June 2003 | WF-6251 | WR | 32,034.33 | 45,642.80 |
| Home Depot | Various | 07/21/03 | Maintenance Supplies: July 2003 | WF-6622 | WR | 114.37 | 114.37 |
| HSQ Technology | 5562 | 06/20/03 | Repair Circuit Board | WF-6624 | WR | 14.50 | |
| HSQ Technology | 5621 | 07/02/03 | SCADA Support Service: 06/01/03-06/30/03 | WF-6624 | WR | 450.00 | |
| HSQ Technology | 5641 | 07/29/03 | SCADA Support Service: 07/01/03-07/31/03 | WF-6624 | WR | 450.00 | 914.50 |
| Illinois Paper Company | 100687-000 | 07/31/03 | Pick-Up Roller & Maintenance - Laser Printer | WF-6550 | WR | 104.00 | 104.00 |
| Illinois Section AWWA | 2478 | 07/28/03 | Water Treatment Seminar | WF-6132 | WR | 70.00 | 70.00 |
| Illinois State Police | | 07/08/03 | Radio Communication Service: July - September 2003 | WF-6641 | WR | 1,282.50 | |
| Illinois State Police | | 07/10/03 | Criminal Background Checks | WF-6590 | WR | 250.00 | 1,532.50 |
| J.U.L.I.E. | 06-03-0419 | 07/01/03 | Utility Locates: June 2003 | WF-6634 | WR | 5,370.30 | |
| J.U.L.I.E. | 07-03-0422 | 08/01/03 | Utility Locates: July 2003 | WF-6634 | WR | 5,161.50 | 10,531.80 |
| Johnston Supply of Naperville | N109664 | 07/18/03 | Maintenance Supplies | WF-6622 | WR | 40.07 | 40.07 |
| Kovilic Construction | 630307086507 | 07/01/03 | Tank Site #1: 07/01/03-07/31/03 | WF-6514 | WR | 19.63 | 19.63 |
| LaBarge, Inc. | C1440 | 07/25/03 | Corrosion Telemetry: 06/24/03-07/23/03 | WF-6514 | WR | 124.75 | 124.75 |
| Lesman Instrument Company | 1-558810 | 07/31/03 | Specialty Float Switch, Transient Suppressor for Float Switch | WF-6633 | WR | 1,590.27 | 1,590.27 |
| Maxcor Inc. | 2 | 07/29/03 | Tank Washing, Painting, Repairs: Partial Invoice No. 2 | WF-6633 | WR | 118,881.02 (a) | |
| Maxcor Inc. | 2 | 07/29/03 | Tank Washing, Painting, Repairs: Partial Invoice No. 2 | WF-3520 | WR | (11,888.10) (a) | 106,992.92 |
| McGladrey & Pullen, LLP | M-1503955-050 | 07/17/03 | Audit - FY03 | WF-6310 | WR | 12,000.00 | 12,000.00 |

DU PAGE WATER COMMISSION - ACCOUNTS PAYABLE 09-Jul-03 TO 07-Aug-03

ACPA0308-ACPATEMP
ACCOUNTS PAYABLE SPREADSHEET

MEETING OF

08/14/03

- a - Subject to submission of all contractually required documentation.
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| VENDOR | INVOICE # | DATE | DESCRIPTION | ACCT# (c) | FUNDING SOURCE | INVOICE AMOUNT | VENDOR AMOUNT |
|------------------------------------|---------------|----------|---|-----------|----------------|-----------------|---------------|
| Mei's Ace Hardware | Various | 07/28/03 | Maintenance Supplies | WF-6622 | WR | 109.64 | |
| Mei's Ace Hardware | 1135414 76 | 07/22/03 | Pipeline Supplies | WF-6637 | WR | 36.28 | |
| Mei's Ace Hardware | 01136882 76 | 07/26/03 | Vehicle Maintenance | WF-6641 | WR | 41.70 | 187.62 |
| Menards - Hillside | 41556 | 07/01/03 | Maintenance Supplies | WF-6622 | WR | 9.77 | |
| Menards - Hillside | 45116 | 07/17/03 | Maintenance Supplies | WF-6622 | WR | 8.71 | 18.48 |
| Midas Auto Systems Experts | 599431 | 07/19/03 | Vehicle Maintenance: M-63636 | WF-6641 | WR | 944.88 | 944.88 |
| MK Battery | 350078 | 07/31/03 | Batteries | WF-6633 | WR | 822.00 | |
| MK Battery | 350174 | 07/31/03 | Spent Batteries Returned for Recycling | WF-6633 | WR | (164.40) | 657.60 |
| Naperville, City of | Various | 07/23/03 | Meter Sta. Service: 05/28/03-07/15/03 | WF-6612 | WR | 298.33 | 298.33 |
| Neenah Foundry Company | 18586 | 07/16/03 | Pipeline Supplies | WF-6637 | WR | 802.75 | 802.75 |
| Newark InOne | 8064974 | 07/31/03 | SCADA/Instrumentation | WF-6624 | WR | 117.87 | 117.87 |
| Nextel Communications | 648652511 | 07/13/03 | Cellular Phone Serv.: 06/09/03-07/08/03 | WF-6514 | WR | 58.40 | 58.40 |
| NICOR | 2-38-82-32429 | 07/28/03 | DPPS Service: 06/12/03-07/15/03 | WF-6513 | WR | 104.60 | 104.60 |
| North Shore Uniform | 03-546 | 07/14/03 | Uniforms - Operations | WF-6626 | WR | 233.63 | |
| North Shore Uniform | 03-546 | 07/14/03 | Uniforms - Pipelines | WF-6636 | WR | 297.89 | 531.52 |
| PC Magazine Publication Services | EZ 5011746 | 07/25/03 | PC Magazine Subscription Renewal - 3 Years | WF-6540 | WR | 120.00 | 120.00 |
| Program Professional Service, Inc. | 66905 | 07/26/03 | Window Washing DPPS: July 2003 | WF-6622 | WR | 167.00 | 167.00 |
| Red Wing Shoe Store | 450000834 | 07/30/03 | Safety Shoes: K. Niles | WF-6636 | WR | 120.00 | 120.00 |
| Rental Max L.L.C. | 08-060435-04 | 07/01/03 | Tree Chipper - Rental | WF-6625 | WR | 185.30 | 185.30 |
| Rose Paving Co. | 8582 | 07/07/03 | Crackseal, Sealcoat, Lot Mark, Asphalt Remove & Replace | WF-6622 | WR | 9,872.00 | 9,872.00 |
| Rossi Contractors, Inc. | BOV-1 | 07/31/03 | Cont. BOV-1: Partial Invoice No. 12 | WF-6631 | WR | 274,215.96 (a) | |
| Rossi Contractors, Inc. | BOV-1 | 07/31/03 | Cont. BOV-1: Partial Invoice No. 12 | WF-3520 | WR | (27,421.59) (a) | |
| Rossi Contractors, Inc. | BOV-1 | 07/31/03 | Cont. BOV-1: Partial Invoice No. 12 | WF-3530 | WR | (2,070.00) (a) | 244,724.37 |

DU PAGE WATER COMMISSION - ACCOUNTS PAYABLE 09-Jul-03 TO 07-Aug-03

ACPA0308-ACPATEMP
ACCOUNTS PAYABLE SPREADSHEET

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|----------------------------------|-------------|----------|--|-----------|----------------|----------------|---------------|
| Rossi Contractors, Inc. | TW-2 | 07/31/03 | Cont. TW-2: Partial Invoice No. 34 | WF-3520 | ST | 362,337.95 (a) | 362,337.95 |
| SBC | 6308940725 | 07/04/03 | Tank Site #1: 07/04/03-08/03/03 | WF-6514 | WR | 20.45 | |
| SBC | 6308340100 | 07/22/03 | Service DPPS: 06/23/03-07/22/03 | WF-6514 | WR | 573.53 | |
| SBC | 7082096241 | 07/16/03 | Backup Telemetry Serv: 07/16/03-08/15/03 | WF-6514 | WR | 986.39 | 1,580.37 |
| SBC Paging | 2220004 | 08/01/03 | Pager Service: 08/01/03-08/31/03 | WF-6514 | WR | 156.07 | 156.07 |
| Seeco Consultants, Inc. | 11148 | 07/22/03 | Material Testing - TW-2 : 05/16/03-06/15/03 | WF-7962 | ST | 483.00 (a) | |
| Seeco Consultants, Inc. | 11148 | 07/22/03 | Material Testing - BOV-1: 05/16/03-06/15/03 | WF-6389 | WR | 2,631.50 (a) | 3,114.50 |
| Soofer Lube | Various | 07/23/03 | Vehicle Maintenance: July 2003 | WF-6641 | WR | 120.75 | 120.75 |
| Specialty Mat Service | 207173 | 07/14/03 | Floor Mat Service: 07/14/03 | WF-6622 | WR | 58.40 | |
| Specialty Mat Service | 208866 | 07/28/03 | Floor Mat Service: 07/28/03 | WF-6622 | WR | 58.40 | 116.80 |
| SPI Energy Group | | 07/01/03 | CTC for 2003 and Beyond: 05/30/03-06/30/03 | WF-6389 | WR | 1,025.00 | |
| SPI Energy Group | | 07/31/03 | Eval. of On-Site Generation Proposals: 07/01/03-07/30/03 | WF-6389 | WR | 1,281.25 | 2,306.25 |
| Suburban Laboratories, Inc. | 60355 | 07/31/03 | Water Testing | WF-6614 | WR | 50.00 | 50.00 |
| Tank Industry Consultants | 15672 | 07/11/03 | Conslt. Serv. for Wtr Strg Tanks Painting: 06/29/03-07/05/03 | WF-6633 | WR | 2,678.81 | |
| Tank Industry Consultants | 15691 | 07/18/03 | Conslt. Serv. for Wtr Strg Tanks Painting: 07/06/03-07/12/03 | WF-6633 | WR | 2,064.94 | |
| Tank Industry Consultants | 15711 | 07/25/03 | Conslt. Serv. for Wtr Strg Tanks Painting: 07/13/03-07/19/03 | WF-6633 | WR | 1,826.75 | |
| Tank Industry Consultants | 15725 | 08/01/03 | Conslt. Serv. for Wtr Strg Tanks Painting: 07/20/03-07/26/03 | WF-6633 | WR | 3,343.14 | 9,913.64 |
| Thermographic Testing Inc. | 070303-1-44 | 07/11/03 | Annual Infrared Survey of Electrical Distribution System | WF-6622 | WR | 550.00 | 550.00 |
| ThyssenKrupp Elevator Company | 348382 | 08/01/03 | Elevator Maintenance: 08/01/03-08/31/03 | WF-6622 | WR | 218.42 | 218.42 |
| Total Facility Maintenance, Inc. | 112509 | 08/01/03 | DPPS Cleaning Services: August 2003 | WF-6622 | WR | 1,925.83 | 1,925.83 |
| Tree Towns Repro Service | 659059 | 07/22/03 | Mylar Plan Reproductions | WF-6634 | WR | 148.77 | 148.77 |
| Verizon Wireless | Various | 07/28/03 | Cellular Phone Serv.: 06/25/03-08/28/03 | WF-6514 | WR | 391.89 | 391.89 |
| Viking Office Products | 372835 | 07/23/03 | Office Supplies | WF-6521 | WR | 72.77 | 72.77 |

ACPA0308-ACPATEMP
ACCOUNTS PAYABLE SPREADSHEET

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|--------------------------------------|----------------|----------|---|-----------|-------------------|-------------------|------------------------|
| Waste Management North | 1856058-2008-2 | 08/01/03 | Refuse Disposal | WF-6622 | WR | 149.87 | 149.87 |
| West-Hill Auto Body | 3142 | 08/01/03 | Repairs to Towmaster Trailer: M-090117T | WF-6641 | WR | 2,000.00 | 2,000.00 |
| Ziebell Water Service Products, Inc. | 158719 | 07/17/03 | Pipeline Supplies | WF-6637 | WR | 386.80 | 386.80 |
| Total Accounts Payable | | | | | | | 19,448,036.50 ===== |



DuPage Water Commission

MEMORANDUM

TO: Chairman and Commissioners

FROM: General Manager

DATE: August 6, 2003

SUBJECT: Corrected June 12, 2003 Minutes

Attached are corrected pages of the June 12, 2003 Commission Meeting minutes incorporating the corrections discussed at the July 17, 2003 Commission Meeting. The corrections are designated with a double underline and a strikethrough. If you have any comments regarding the corrections please contact me.

Engineering Committee – Report by Commissioner Wilcox

Noting the Engineering Committee did not have a quorum, Commissioner Wilcox reported the Committee members in attendance (Wilcox and Tolentino) reviewed change orders in the amount of \$54,390.41 and recommended approval of Resolution R-21-03 during the Omnibus Vote Agenda.

It was also reported that Commissioners Wilcox and Tolentino reviewed progress payments in the amount of \$501,908.78 and recommended approval as part of the Accounts Payable, subject to submission of all contractually required documentation.

Finance Committee – Report by Commissioner Poole

The Finance Committee reviewed the Treasurer's Report, the May financial statements and the Accounts Payable.

The Committee also reviewed the status of replacing Kemper as the Commission's liability insurance carrier, noting that the recommended replacement carrier, American Alternative Insurance Corporation (AAIC), needed to file paperwork with the State of Illinois before issuing policies.

Commissioner Poole concluded the Finance Committee report by noting the Committee's recommendation that the target fund balance in the Water Fund for emergency repairs and other contingencies be reduced to the lesser of (a) 2 percent of the adjusted original cost of construction of the Commission's Waterworks System or (b) \$20 million, and staff was directed to prepare an amendment to Resolution No. R-10-03 for approval by the Board at the next Commission meeting.

Special Task Force on Refunding – Report by Chairman Vondra

The Special Task Force discussed the status of the proposed Revenue Bond Refunding.

Commissioner Wilcox moved to engage the services of UBS PaineWebber as 40% Lead Underwriter for the proposed Revenue Bond Refunding with the Remaining 60% being divided equally among Loop Capital Markets, LLC, George K. Baum & Company, and Robert W. Baird & Co. Incorporated. Seconded by Commissioner Tolentino and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, J. Janicik, B. Krajewski, W. Mueller, N. Pollock, A. Poole, R. Thorn, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: None

Commissioner Wilcox moved to engage the services of Chapman & Cutler and Bell, Boyd & Lloyd L.L.C. as co-underwriters counsel for the proposed Revenue Bond Refunding, subject to negotiation of market rates for such services acceptable to the

- Item 1. Ordinance O-8-03: An Ordinance Determining the Prevailing Rate of Wages in DuPage County and Cook County – “Omnibus Vote”
- Item 2. Resolution R-21-03: A Resolution Approving Certain Contract Change Orders at the June 12, 2003 DuPage Water Commission Meeting – “Omnibus Vote”
- Item 3. Resolution R-23-03: A Resolution Approving and Authorizing the Execution of an Intergovernmental Agreement between the Illinois Department of State Police and the DuPage Water Commission for Communication System Access – “Omnibus Vote”
- Item 4. Resolution R-24-03: A Resolution Approving and Ratifying Certain Task Order(s) Under a Master Engineering Agreement with Alvord, Burdick & Howson, L.L.C. at the June 12, 2003 DuPage Water Commission Meeting – “Omnibus Vote”

Commissioner Wilcox moved to approve Ordinance O-7-03 entitled “Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2003 and Ending April 30, 2004”. Seconded by Commissioner Chaplin and approved by a Roll Call Vote:

Ayes: E. Chaplin, J. Janicik, B. Krajewski, N. Pollock, A. Poole, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: W. Mueller and R. Thorn

Commissioner Wilcox moved to approve Resolution R-22-03 entitled “A Resolution Approving, Ratifying, and Accepting the Appointment of Commissioner Janicik as Clerk of the Commission and the Appointment of Commissioner Chaplin as Treasurer of the Commission”. Seconded by Commissioner Zeilenga ~~and~~. After Commissioners Krajewski and Thorn raised concerns with respect to Commissioner Chaplin’s qualifications to perform the duties of Treasurer as outlined in the Commission’s By-Laws, the motion was approved by a Roll Call Vote:

Ayes: E. Chaplin, J. Janicik, N. Pollock, R. Tolentino, G. Wilcox, D. Zeilenga and M. Vondra

Nays: B. Krajewski, W. Mueller, A. Poole and R. Thorn

OLD BUSINESS

Commissioner Poole suggested the Commission prepare a mission statement, value statement and formalize guidelines for Commission’s goals and objectives. Chairman Vondra requested that Commissioner Poole put this request in writing. Commissioner Poole also requested a legal opinion on the continuing effectiveness on the Commission’s supermajority vote requirements in light of the provisions of HB3402.

**MINUTES OF A MEETING OF THE
SPECIAL TASK FORCE ON REFUNDING
OF THE DU PAGE WATER COMMISSION
HELD ON JULY 11, 2003**

The meeting was called to order at 9:00 A.M.

Task Force members in attendance: J. Janicik, B. Krajewski, A. Poole, M. Vondra and G. Wilcox (via phone link)

Also in attendance: E. Chaplin, K. Godden, M. Crowley, T. Krzyskowski (Bank One), J. Yu (Bank One), A. Rorke (UBSFS), T. Coomes (UBSFS), T. Whitehouse (UBSFS), L. Greenbaum (KMZR), J. Holzwart, R. Martin, and R. Skiba

MINUTES OF MEETINGS – JUNE 12, 2003

Motion by Commissioner Krajewski, seconded by Commissioner Wilcox, to approve the minutes of the June 12, 2003 Special Task Force meeting. This motion carried unanimously.

NEW MONEY FOR CONSTRUCTION

Representatives from Bank One and UBS Financial Services presented several refunding scenarios. One of those scenarios contemplated the issue of new debt to fund the Five-year Capital Plan projects.

A discussion regarding the rating of the refunding bonds ensued. The Task Force noted that \$300,000 could be saved for each month the issue of the refunding bond is accelerated.

Motion by Commissioner Krajewski, seconded by Commissioner Janicik, to insure the refunding bond issue and forgo the traditional rating process in an effort to expedite the bond issue. Motion carried unanimously.

After a full discussion of the three scenarios, the Task Force members expressed the following preferences.

Traditional fixed issue, no new money: Commissioners Poole and Krajewski.

Combined fixed and floating rate swap, no new money: None.

Combined fixed and floating rate swap, with new money: Commissioners Wilcox, Janicik and Vondra. Commissioner Chaplin also favored this scenario though not a voting member of the Task Force.

FIXED RATE VERSUS INTEREST RATE SWAP

The Consultants and staff were asked to provide the following for the next Task Force meeting on July 17, 2003:

Recast the traditional fixed issue, no new money scenario extending the life of the bonds by two years.

Recast the combined fixed and floating rate swap, no new money scenario with approximately \$35 million of new money.

Should any scenario with new money be under consideration, Chairman Vondra asked staff for some additional analyses regarding historical Commission borrowing costs and investment yields.

Commissioner Poole asked that the Commission's Five-year Plan be recast for scenarios under consideration and show a floating water rate that maintained Commission unrestricted fund balanced at the \$50 million level after the completion of the Five-year Plan construction.

Motion by Commissioner Janicik, seconded by Commissioner Krajewski, to adjourn the meeting. Motion carried unanimously. The Special Task Force adjourned at 11:08 A.M.

Board/ Minutes/Other/Special Task Force Refunding 0307a.doc

**MINUTES OF A MEETING OF THE
SPECIAL TASK FORCE ON REFUNDING
OF THE DU PAGE WATER COMMISSION
HELD ON JULY 17, 2003**

The meeting was called to order at 8:05 A.M.

Task Force members in attendance: M. Vondra, J. Janicik, B. Krajewski, A. Poole, W. Mueller and G. Wilcox.

Also in attendance: E. Chaplin, R. Thorn, J. Holzwart and R. Skiba

MINUTES OF MEETINGS – JULY 11, 2003

Motion by Commissioner Janicik, seconded by Commissioner Wilcox, to approve the minutes of the July 11, 2003 Special Task Force meeting. This motion carried unanimously.

BOND ALTERNATIVES

The Task Force reviewed Chairman Vondra's memo of July 15th. After a discussion of the various bond issue alternatives a traditional fixed rate refunding bond was proposed.

Motion by Commissioner Poole, seconded by Commissioner Wilcox, to recommend the Commission proceed with a traditional fixed rate refunding bond extending the final maturity to May 1, 2016. Motion carried unanimously.

CLOSING OF TASK FORCE

With it's recommendation to the Commission made, Chairman Vondra entertained a motion to close the Task Force.

Motion by Commissioner Mueller, seconded by Commissioner Wilcox, to close the Special Task Force on Refunding. Motion carried unanimously. The Special Task Force closed at 8:25 A.M.