DRAFT

# MINUTES OF A SPECIAL MEETING OF THE COMMITTEE OF THE WHOLE OF THE DuPAGE WATER COMMISSION HELD ON THURSDAY, FEBRUARY 10, 2005 600 E. BUTTERFIELD ROAD ELMHURST, ILLINOIS

The meeting was called to order by Chairman Vondra at 5:30 P.M.

Commissioners in attendance: R. Benson (by teleconference), E. Chaplin, R. Ferraro, L. Hartwig, G. Mathews, W. Mueller, W. Murphy, A. Poole, J. Vrdolyak (as of 5:55 P.M.), D. Zeilenga (as of 6:05 P.M.), and M. Vondra

Commissioners Absent: T. Feltes and G. Wilcox

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

Chairman Vondra noted that approval of the minutes of the January 13, 2005, Committee of the Whole meeting would be deferred until after the presentation by Commonwealth Edison.

Commissioner Poole introduced the three representatives of Commonwealth Edison that were in attendance, including Jeff Gillen, Manager of Transmission Operations – West, who distributed a hand-out and made a presentation to the Board on the reliability of ComEd's electric power. Included in Mr. Gillen's presentation was an explanation of the events leading up to the August 2003 East Coast blackout and the actions taken by ComEd to avoid a similar occurrence in the Chicago Metropolitan Area.

Mr. Gillen explained the root causes of the August 2003 East Coast blackout (inadequate tree-trimming; inadequate situational awareness; and inadequate support of reliability coordinators) and that of the 118 action items identified by ComEd to avoid a similar occurrence in the Chicago Metropolitan Area, all except 20 longer-term items have been completed. Mr. Gillen cautioned that even with the implementation of all 118 action items, ComEd could not protect against all outages (e.g. terrorism outages) but that, from a "natural" grid collapse perspective, ComEd expects only islands of outages in the Chicago Metropolitan Area.

Mr. Gillen also discussed system restoration issues, noting the August 2003 East Coast blackout was not a total blackout and took approximately two days for most loads to be restored. Mr. Gillen reported that in the event of a regional outage in the Chicago Metropolitan Area, restoration could take two to three days unless one of the three electrical service area islands (West; Chicago; and/or North/South) remained operational (in which case, a one day restoration period could be expected). Mr. Gillen did verify, however, that in the event of an outage, after power was restored to ComEd's own generators and nuclear power plants, service to the Commission, among others (hospitals, airports, etc.), would be the next priority for restoration as "critical customer loads."

Chairman Vondra thanked Commonwealth Edison for the presentation and opened the floor for questions.

Chairman Vondra asked whether ComEd was able to isolate itself from other systems to avoid cascading service disruptions similar to those experienced during the August 2003 East Coast blackout. Mr. Gillen advised that isolation was not an option without destroying the very purpose for which the grid system was created. Chairman Vondra then inquired how the August 2003 blackout was confined if isolation was not an option. Mr. Gillen explained that power outages were dynamic events and that the August 2003 East Coast blackout tended to stop at the very weak points and the very strong points on the grid. Mr. Gillen warned that, even though ComEd's system is a very strong point on the grid, ComEd's system could go down if the "start" of the problem was immediately adjacent to ComEd's system (Wisconsin or Iowa, perhaps).

Commissioner Hartwig asked whether Commonwealth Edison could guaranty that the Commission would not lose power. Mr. Gillen advised that ComEd could not provide any guaranty of service.

Commissioner Vrdolyak arrived at 5:55 P.M.

Commissioner Poole asked Mr. Gillen to comment on the centralized versus decentralized options for back-up electrical generation that were under consideration and cited, as examples, the need to start-up three generators to effectuate service under the centralized option (at Jardine, Lexington, and DuPage Pump Stations) and potential "weak" areas in the DuPage County portion of the grid. Mr. Gillen indicated his belief that, in general, the DuPage Pump Station has an advantage over the Lexington Pump Station in terms of the likelihood of service outages. Mr. Gillen noted, on the other hand, that any area could be re-energized sooner than other areas, depending upon the nature of the "event" that caused the outage in the first place.

Commissioner Zeilenga arrived at 6:05 P.M.

Commissioner Mathews asked whether ComEd used diesel generators. Mr. Gillen responded that ComEd maintains several portable generators (typically, 2-megawatts each). Commissioner Poole inquired whether ComEd has noticed any movement toward back-up electrical generation among ComEd's customer base. Mr. Gillen and the other ComEd representatives commented that they had noticed a definite increase in critical load customers exploring options for back-up electrical generation but that non-critical, large customers (plus 500 kilowatts) did not appear to be interested.

Commissioner Benson asked (i) how much power ComEd purchases from generators and (ii) whether ComEd uses simulated training. The ComEd representatives did not know the answer to the first question because they worked in a division that does not handle purchases from emergency generators. The ComEd representatives did advise that simulated training had always been a part of ComEd's training program and that

enhancements to that training were scheduled as part of the 20 longer-term self-assessment action items that remain to be completed.

In response to Chairman Vondra's and Commissioner Vrdolyak's inquiries, Mr. Gillen did not know how ComEd would allocate portable back-up electrical generators among users but did state that deployment would be based upon the priority of the facilities and time required to get the facilities up and running. Mr. Gillen also promised to find out (and report back) the unit cost of a 2-megawatt portable generator. Commissioner Chaplin concluded the questioning of the Commonwealth Edison representatives by suggesting, because one of the Commission's customers had suggested the Commission consider portable back-up electrical generators, the Commission defer action on the matter until the cost of portable back-up electrical generators was known.

Commissioner Chaplin moved to approve the Minutes of the January 13, 2005 Committee of the Whole Meeting of the DuPage Water Commission. Seconded by Commissioner Hartwig and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

With respect to the 2005-2006 Five Year Capital Improvement Plan proposed by staff, General Manager Martin made a short PowerPoint presentation on (i) the results of his meeting with Chicago Water Commissioner Rice concerning back-up electrical generation at the Lexington Pump Station; (ii) three additional points favoring the centralized approach to back-up electrical generation; and (iii) several maps depicting customer generated and ungenerated well capacity, customer generated and ungenerated storage capacity, and customer interconnections. With respect to the third item, Commissioner Poole questioned whether comparisons to average day demands were instructive, suggesting some percentage (perhaps 2/3$^{rds}$) of average day might be a more appropriate point of reference. Both Chairman Vondra and Commissioner Zeilenga agreed and Chairman Vondra also suggested that comparisons to current demand data would be more suitable than comparisons to 2020 data.

Commissioner Poole noted that, even though he preferred the decentralized approach to back-up electrical generation, he could defer to the almost uniformly stated preference of the Commission's customers for a centralized approach if other elements of the draft Capital Improvement Plan and Budget were still open for discussion; specifically, the proposed reservoir project, the proposed Revolving Loan Program, the proposed rates for Operation & Maintenance Costs and Fixed Costs, and unrestricted fund balances in future years.

Commissioner Murphy read the penultimate paragraph in the February 8, 2005, letter from City of Naperville Mayor Pradel to the Commission, and stated Commissioner Murphy's preferences as follows: Favored centralized back-up electrical generation; opposed the proposed additional reservoir project or, at least, any acceleration of the

project; opposed the proposed Revolving Loan Program; favored a $25 million unrestricted fund balance; and favored a $0.20 rate reduction.

In response to Commissioner Chaplin's concern that the cost estimates for the proposed back-up electrical generation facilities appeared too high, the General Manager attributed the higher estimated cost to motor type (across the line; not soft start), motor size (extremely large), and the higher voltage at which the pump stations operate. Commissioner Mathews also confirmed that if the projects were approved, then the projects would be let by competitive bid.

Commissioner Hartwig stated his preference to adopt the 2005-2006 Five Year Capital Improvement Plan as proposed by staff except for the Revolving Loan Program which he would oppose.

After discussing whether to adjourn the Committee of Whole or continue the discussion on the draft Capital Improvement Plan and Budget, Commissioner Murphy moved to take a 15-minute recess. Seconded by Commissioner Vrdolyak and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

The Committee of Whole stood in recess at 6:40 P.M., and reconvened at 6:55 P.M.

Chairman Vondra announced that, because all items included on the agendas for the various standing committees were also included in the agenda for the main Commission meeting, the meetings of the standing committees were canceled and the Committee of the Whole would remain in session to continue the discussion on the draft Capital Improvement Plan and Budget.

Chairman Vondra noted that the issue of whether the Commission should adopt a centralized or decentralized approach to back-up electrical generation seemed to hinge on whether the City of Chicago was willing to reimburse the Commission for the cost of the back-up electrical generation facilities at the Lexington Pump Station through a 20% credit against the Commission's water purchases. Chairman Vondra inquired whether the City could offset the credit by raising the rate charged to the Commission for water purchases. The General Manager explained that the water rate charge to the Commission was contractually tied to the retail water rate charged by the City to its residents such that, in the absence of an across-the-board rate increase, the Commission's rate could not increase.

Chairman Vondra noted the draft Capital Improvement Plan prepared by staff included the proposed Revolving Loan Program and included the back-up electrical generators at the Lexington Pump Station without reimbursement from Chicago. As such, Chairman Vondra suggested it would be better to defer action on the draft Capital Improvement Plan until corrected and more definitive arrangements with Chicago had been made.

Commissioners Chaplin and Vrdolyak agreed with Chairman Vondra, with Commissioner Chaplin adding that before acting on the draft Capital Improvement Plan she would also like to see the data on customer generated and ungenerated well capacity and customer generated and ungenerated storage capacity compared to 2/3rds of 2005 average day demands. Commissioner Zeilenga also agreed, noting it was unknown whether Chicago would condition any reimbursement of the cost of the Lexington Pump Station back-up electrical generators on the installation of back-up electrical generators at the DuPage Pump Station and that there were better uses for the $14,000,000.

Commissioners Hartwig and Mueller disagreed with any suggestion to defer action, noting the draft Capital Improvement Plan is a planning document that needs to be adopted in order to give staff some direction as to where their efforts should be focused. Commissioner Benson agreed with Commissioners Hartwig and Mueller, but noted he would only support back-up electrical generators at the DuPage Pump Station if more definitive arrangements with Chicago had been made to reimburse the Commission for the cost of installing back-up electrical generators at the Lexington Pump Station.

The General Manager noted that the FY 2005-2006 Tentative Draft Management Budget did not include back-up electrical generators at the Lexington Pump Station and that that project was scheduled to start in the second year of the 2005-2006 Five Year Capital Improvement Plan proposed by staff. Commissioner Mathews stated his preference for a centralized approach to back-up electrical generation and that back-up electrical generators should be installed at both pump stations regardless of any cost participation by the City of Chicago, mentioning that water is the most important commodity to be provided in the event of a disaster and that the Commission's obligation is to provide Lake Water to its customers and not well water.

Commissioner Hartwig moved to recommend to the Commission to include centralized back-up electrical generation in the 2005-2006 Five Year Capital Improvement Plan and, in the FY 2005-2006 Management Budget, to budget $8,000,000 in construction costs and $520,500 in engineering costs for back-up electrical generation at the DuPage Pump Station. Seconded by Commissioner Zeilenga and approved by a Voice Vote.

A Majority voted aye, with E. Chaplin and D. Zeilenga voting nay and Chairman Vondra abstaining. Motion carried.

Commissioner Murphy moved to recommend to the Commission to eliminate the Revolving Loan Program from the 2005-2006 Five Year Capital Improvement Plan and the FY 2005-2006 Management Budget. Seconded by Commissioner Zeilenga and approved by Voice Vote.

A Majority voted aye, with D. Zeilenga voting nay. Motion carried.

Commissioner Murphy moved to recommend to the Commission that the 2005-2006 Five Year Capital Improvement Plan and the FY 2005-2006 Management Budget include an unrestricted fund balance policy of $25 million and a combined average Charter Customer rate of $1.45 per 1,000 gallons. Seconded by Commissioner Hartwig.

After stating that a rate reduction would not benefit many of the people in DuPage County that pay sales taxes, Commissioner Chaplin moved to table Commissioner Murphy's motion. Seconded by Commissioner Zeilenga and failed by a Roll Call Vote:

Ayes: E. Chaplin, J. Vrdolyak, D. Zeilenga, and M. Vondra

Nays: R. Benson, R. Ferraro, L. Hartwig, G. Mathews, W. Mueller, W. Murphy, and A. Poole

Absent: T. Feltes and G. Wilcox

Following up on Commissioner Chaplin's comments, Commissioner Mueller noted that just because a rate reduction to the Commission's customers may not result in a corresponding rate reduction to the ultimate consumers does not mean there is no benefit to the people in DuPage County that pay sales taxes. Commissioner Mueller remarked, for example, that a Commission rate reduction could eliminate the need for a retail rate increase or could enable otherwise cost-prohibitive upgrades and improvements to the retail distribution systems. Commissioner Vrdolyak suggested deferring the $0.20 rate reduction until the lost revenues could be offset by the proposed 20% credit against water purchases after the back-up electrical generation facilities were installed at the Lexington Pump Station.

Commissioner Zeilenga suggested that if any excess funds were to be returned to Commission customers then a pro rata portion of those funds should be returned to residents because any excess funds were generated by both Commission customers (via rates) and DuPage County residents (via sales taxes). Commissioner Chaplin noted the Commission had accumulated $118 in excess sales taxes during the last five years and suggested eliminating the Commission's sales taxes as a solution to the fund balance dilemma.

Commissioner Hartwig pointed out that the Commission was created by the legislature to provide an economical source of supply of water and that the Commission was authorized to impose sales taxes as part of that legislative scheme. Commissioner Poole reminded the Commissioners of certain key points: That the residents of DuPage County voted two to one in favor of allowing the Commission to impose a sales tax; that the Commission still has $235 million in debt outstanding with significant annual debt service requirements for the next 11 years; that the Commission has a $40 million (+) capital improvement plan in the works; and that the percentage of total sales taxes collected by the Commission that was paid by residents in the unincorporated areas of DuPage County is small.

Commissioner Murphy moved to call for the question on recommending to the Commission that the 2005-2006 Five Year Capital Improvement Plan and the FY 2005-2006 Management Budget include an unrestricted fund balance policy of $25 million and a combined average Charter Customer rate of $1.45 per 1,000 gallons. Seconded by Commissioner Hartwig and approved by a Roll Call Vote:

Ayes: R. Benson, R. Ferraro, L. Hartwig, G. Mathews, W. Mueller, W. Murphy, A. Poole, and D. Zeilenga

Nays: E. Chaplin and J. Vrdolyak

Abstain: M. Vondra

Absent: T. Feltes and G. Wilcox

The call for the previous question having prevailed, the motion on recommending to the Commission that the 2005-2006 Five Year Capital Improvement Plan and the FY 2005-2006 Management Budget include an unrestricted fund balance policy of $25 million and a combined average Charter Customer rate of $1.45 per 1,000 gallons was approved by a Roll Call Vote:

Ayes: R. Benson, R. Ferraro, L. Hartwig, G. Mathews, W. Mueller, W. Murphy, and A. Poole

Nays: E. Chaplin, J. Vrdolyak, D. Zeilenga, and M. Vondra

Absent: T. Feltes and G. Wilcox

Commissioner Ferraro moved to adjourn the meeting at 7:45 P.M. Seconded by Commissioner Mathews and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Board/Minutes/Committee of the Whole/COW0502.doc

| Charter Customer | FY 05-06 Budget Resolutions | |
|---|---|---|
| | Resolution No. | Date Approved |
| Addison | R-05-05 | February 22, 2005 |
| Bensenville | Resolution No. R-12-2005 | March 1, 2005 |
| Bloomingdale | Resolution No. 2005-R-03 | February 28, 2005 |
| Carol Stream | Resolution No. 2119 | February 22, 2005 |
| Clarendon Hills | R-05-03 | February 22, 2005 |
| Darien | | |
| Downers Grove | Resolution No. 2005-09 | March 1, 2005 |
| Elmhurst | | |
| Glen Ellyn | Resolution No. 05-10 | February 28, 2005 |
| Glendale Heights | | |
| Hinsdale | Resolution No. R2005-03 | March 1, 2005 |
| Itasca | | |
| Lisle | Resolution No. 2005-2569 | February 21, 2005 |
| Lombard | Resolution No. R-111-05 | March 3, 2005 |
| Naperville | Resolution No. 05-11 | March 1, 2005 |
| Oak Brook | | |
| Oakbrook Terrace | R04-24 | February 22, 2005 |
| Roselle | Resolution No. 2005-1362 | February 28, 2005 |
| Villa Park | | |
| Westmont | | |
| Wheaton | Resolution No. R-18-05 | March 7, 2005 |
| Willowbrook | Resolution No. 05-R-06 | February 28, 2005 |
| Winfield | Resolution No. 2005-3 | March 3, 2005 |
| Wood Dale | | |
| Woodridge | Resolution No. R16-2005 | March 3, 2005 |

**Village of Addison**
**Resolution No. R-05-05**

**RESOLUTION NO. R-05-05**

**A RESOLUTION SUPPORTING RECENT ACTIONS BY THE DUPAGE WATER COMMISSION AND URGING THE COMMISSION TO IMPLEMENT THE RECENT ACTIONS BY PASSING A BUDGET THAT INCLUDES A WATER RATE REDUCTION**

**WHEREAS,** the DuPage Water Commission [Commission] is a water commission organized, existing and operating under the Water Commission Act (70 ILCS 3720/1 *et. seq.*); and

**WHEREAS,** the Commission is empowered under the law to finance, construct, acquire and operate a water supply system to serve municipalities in its territory; and

**WHEREAS,** the Commission's territory consists of over 300 square miles and encompasses a population of approximately 857,497 including twenty-five municipalities; and

**WHEREAS,** it is projected that in the current fiscal year, FY04-05 the Commission will collect approximately $43,729,824 million from wholesale water rates paid by the municipal members;

**WHEREAS,** in the current fiscal year, the Commission reports an ending unrestricted use fund surplus in excess of $119,634,934, almost three times the revenue generated from water rates; and

**WHEREAS,** the Commission is in the process of approving a Five Year Capital Improvement Plan and Annual Management Budget, which proposes a wholesale water rate reduction; and

**WHEREAS,** it is fiscally prudent to reduce the unrestricted use fund surplus to approximately $25 million through a wholesale rate reduction, which will directly impact the fiscal health of the Commission's customers; and

**WHEREAS**, at the Water Commission meeting on February 10, 2005, the Commission approved several motions to direct the Commission's fiscal policies in a more prudent manner; and

**WHEREAS**, the Village of Addison budgeted $2,368,000 for the Water Commission in the most recent fiscal year; and

**WHEREAS**, on February 10, 2005, the Commission voted to reduce the current wholesale water rate from $1.65 to $1.45 per 1000 gallons, which will result in a 12.1% savings directly to the $2,368,000 budgeted by the Village of Addison; and

**WHEREAS**, the Village of Addison supports the actions of the Water Commission on February 10, 2005 and urges the Commission to implement the actions through approval of the Fiscal Year 2005-2006 Budget including implementation of the 12.1% reduction in the current wholesale water rate effective May 1, 2005; and

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF ADDISON, DUPAGE COUNTY, ILLINOIS, AS FOLLOWS:**

**SECTION ONE:** The recitals set forth above shall be and are hereby incorporated as if said recitals were fully set forth within this Section One.

**SECTION TWO:** The Mayor and Board of Trustees of the Village of Addison express support for the reduction in the Water Commission wholesale water rate from the present $1.65 per 1000 gallons to $1.45 per 1000 gallons with this rate remaining in effect for the next five-year period through Fiscal Year 2009-2010; and

**SECTION THREE:** The Mayor and Board of Trustees of the Village of Addison express support for the reduction in the unrestricted cash balance for all Water Commission funds to the target amount of $25 million during the next five year period; and

**SECTION FOUR**: The Mayor and Board of Trustees of the Village of Addison express support for the construction and operation of emergency engine generator electrical facilities at the Elmhurst Water Pumping Station by the end of Fiscal Year 2006-2007 contingent upon the City of Chicago's commitment to provide 20% water purchase credit for the construction and operation of similar emergency engine generator electrical facilities at the Lexington Water Pumping Station by the end of the Fiscal Year 2007-2008.

**SECTION FIVE:** The Mayor and Board of Trustees of the Village of Addison express support for the elimination of the proposed revolving loan program for construction of water mains in the unincorporated areas of their municipalities in deference to reducing and maintaining a reduced wholesale water rate.

**SECTION SIX:** The Mayor and Board of Trustees of the Village of Addison express support for delaying construction and operation of the 30 million gallon water reservoir addition at the Elmhurst Water Pumping Station in deference to reducing, and maintaining a reduced rate, the wholesale water rate from $1.65 to $1.45 per 1,000 gallons.

**SECTION SEVEN:** The Mayor and Board of Trustees of the Village of Addison direct the Mayor to read this Resolution at the next meeting of the Board and to pursue decisions consistent herewith.

**SECTION EIGHT:** The Village Clerk is directed to immediately forward a certified copy of this Resolution to Michael P. Vondra, Chairman of the Commission.

**SECTION NINE**: This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this 22nd day of February, 2005.

AYES: Trustees Hundley, Layne, Theodore, Veenstra

NAYS: None

ABSENT: Trustees Lynch + Mc Dermott

APPROVED this 22nd day of February, 2005.

MAYOR

ATTEST:

VILLAGE CLERK

# Village of Addison

February 25, 2005

Michael P. Vondra
DuPage Water Commission
600 East Butterfield Road
Elmhurst, Illinois 60126-4642

Dear Mr. Vondra:

Enclosed please find a certified copy of a Village of Addison Resolution supporting the recent actions by the DuPage Water Commission urging the Commission to implement the recent actions by passing a budget that includes a water rate reduction. This Resolution was passed and approved by the Mayor and Board of Trustees on February 22, 2005.

Sincerely,
VILLAGE OF ADDISON

Lucille Zucchero

Lucille Zucchero
Village Clerk
encl.

One Friendship Plaza Addison, Illinois 60101 Tel. (630) 543-4100 Fax (630) 543-5593
www.AddisonAdvantage.org

# Village of Addison

STATE OF ILLINOIS )

COUNTY OF Du PAGE )

I, Lucille Zucchero, Village Clerk of the Village of Addison, Illinois, DO HEREBY CERTIFY that as such Village Clerk and keeper of the records, that the foregoing is a true and correct copy of Resolution No. R-05-05, a Resolution Supporting Recent Actions by the DuPage Water Commission and Urging the Commission to Implement the Recent Actions by Passing a Budget that Includes a Water Rate Reduction. Passed and approved by the Mayor and Board of Trustees of the Village of Addison at their meeting of February 22, 2005

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my seal this 24th day of February, 2005.

Lucille A. Zucchero

Lucille A. Zucchero, CMC
Village Clerk
Village of Addison
DuPage County, Illinois

One Friendship Plaza Addison, Illinois 60101 Tel. (630) 543-4100 Fax (630) 543-5593
www.AddisonAdvantage.org

**Village of Bensenville**
**Resolution No. R-12-2005**

RESOLUTION NO. R-12-2005

**A RESOLUTION ENCOURAGING THE DUPAGE WATER COMMISSION TO CAREFULLY SCRUTINIZE AND DEBATE THE FIVE YEAR CAPITAL IMPROVEMENT PROGRAM AND TO CONSIDER THE POSITION STATEMENTS OF THE VILLAGE OF BENSENVILLE**

**WHEREAS,** the DuPage Water Commission (Commission) is a water commission organized, existing and operating under the Water Commission Act (70 ILCS 3720/1 *et seq*); and

**WHEREAS,** the Commission is empowered under the law to finance, construct, acquire and operate a water supply system to serve municipalities in its territory, and

**WHEREAS,** the Commission's territory consists of over 300 square miles, of which (5.5) square miles are located in the corporate boundaries of Bensenville, and

**WHEREAS,** the Commission's territory encompasses a population of approximately 857,497 of which 20,700 receive water service from the Village of Bensenville, and

**WHEREAS,** the Village of Bensenville, as one of twenty-five charter members to the Commission, has used 2.87% of the water in fiscal year 2004-05 and likewise contributed 2.87% of the water rate revenue supporting the Commission; and

**WHEREAS,** it is projected that in the current fiscal year, FY04-05 the Commission will Generate approximately $44,850.000 million from wholesale water rates of which the Village of Bensenville is expected to contribute $1,483,000 million, and

**WHEREAS,** the Commission is in the process of approving a Five Year Capital Improvement Plan, and

**WHEREAS,** the proposed Five Year Capital Improvement Plan includes the expenditure of $40.15 million in new construction projects; and

**WHEREAS,** the consideration of the new construction projects authorizing such expenditures would significantly impact unrestricted surplus fund balances and will make rate reductions and rebates unlikely in the future, and

**WHEREAS,** such reductions and rebates directly impact the fiscal health of the Commission's customers; and

**WHEREAS,** due to the direct fiscal impact on the Commission's customers, the Five Year Capital Improvement Program should be publicly debated with all alternatives explored prior to approval,

**NOW, THEREFORE, BE IT RESOLVED BY THE BENSENVILLE VILLAGE TRUSTEES, DUPAGE AND COOK COUNTIES, ILLINOIS, THAT:**

**SECTION ONE:** The recitals set forth above shall be and are hereby incorporated as if said recitals were fully set forth within this Section One.

**SECTION TWO:** The Corporate Authorities of the Village of Bensenville formally request that the Five Year Capital Improvement Program be carefully scrutinized and debated, and

**SECTION THREE:** The Corporate Authorities of the Village of Bensenville express opposition to the expenditure of $27.65 million for the construction of Electrical Generation Facilities at the Lexington and Elmhurst Pump Stations because this expenditure is unnecessary and very costly in light of the availability of an adequate alternative through provision of decentralized emergency generators at standby wells, which would cost approximately $10-12 million

**SECTION FOUR:** The Corporate Authorities of the Village of Bensenville express opposition to the expenditure of $12.5 million for the Revolving Loan Program based on the program's delayed repayment obligations as well as the program's provision making the funds available for reasons other than remediation of groundwater pollution or similar public health issues The Corporate Authorities point to the revolving loan program administered by the Illinois Environmental Protection Agency, which compels repayment obligation within six months of installation.

**SECTION FIVE:** The Corporate Authorities of the Village of Bensenville express support for the expenditure of $10-12 million for Electrical Generation Facilities on Standby Water Supply Wells in DuPage County rather than the expenditure of $27.65 million for centralized electrical generation facilities currently proposed

**SECTION SIX:** The Corporate Authorities of the Village of Bensenville express opposition to the ten year delay of the 30MG water reservoir at the Elmhurst Pumping Station from Fiscal Year 05-06 to Fiscal Year 15-16, which is necessitated by the $27.65 million expenditure for centralized electrical generation facilities as well as the expenditure of $12.5 million for the Revolving Loan Program.

**SECTION SEVEN:** The Corporate Authorities of the Village of Bensenville express support for annual reductions in the Commission's unrestricted cash surpluses through wholesale water rate reductions or cash rebates to reach a target of approximately $25 million. In furtherance of this goal, the Corporate Authorities of the Village of Bensenville encourage the Commission to rebate excess funds to its members in a timely and expeditious manner.

**SECTION EIGHT:** The Corporate Authorities of the Village of Bensenville request Public Utilities Director and Water Commissioner Allan Poole to read this Resolution at the next meeting of the Board and to pursue debate and decisions consistent herewith.

**SECTION NINE:** The Village Clerk is directed to immediately forward a certified copy of this Resolution to Michael P. Vondra, Chairman of the Commission

**SECTION TEN:** This Resolution shall be in full force and effect from and after its passage and approval

ADOPTED this 1st day of March ,2005

AYES Adamowski, Basso, Caira, Mandziara, Tralewski, Walberg

NAYS None

ABSENT None

APPROVED this 1st day of March , 2005

John C. Geils
Village President

ATTEST

Roxanne Mitchell
Village Clerk

Deputy Clerk

# VILLAGE OF BENSENVILLE

**12 S. CENTER STREET**
**BENSENVILLE, ILLINOIS 60106**
**(630) 766-8200 Fax (630) 350-0260**


STATE OF ILLINOIS )
)
COUNTIES OF COOK ) SS
)
AND DUPAGE )

I, Roxanne L. Mitchell, do hereby certify that I am the duly qualified Village Clerk of the Village of Bensenville, DuPage and Cook Counties, Illinois, and as such officer, I am the keeper of the records and files of said Village;

I do further certify that the foregoing constitutes a full, true and correct copy of the Village of Bensenville's **Resolution No. R-12-2005,** entitled **A Resolution Encouraging the DuPage Water Commission to Carefully Scrutinize and Debate the Five Year Capital Improvement Program and to Consider the Position Statements of the Village of Bensenville**

IN WITNESS WHEREOF, I have hereunto affixed my official hand and seal this 2nd day of March, 2005.

Roxanne L. Mitchell
Village Clerk

By: _____
Lynn D. Dubman
Deputy Village Clerk

SEAL

# VILLAGE OF BENSENVILLE

**12 S. CENTER STREET**
**BENSENVILLE, ILLINOIS 60106**
**(630) 766-8200 Fax (630) 350-3449**


March 2, 2005

Mr. Michael P. Vondra
Chairman
DuPage County Water Commission
600 East Butterfield Road
Elmhurst, Illinois 60126-4642

Dear Mr. Vondra:

Enclosed please find a certified copy of the Village of Bensenville's Resolution No. R-12-2005 entitled *A Resolution Encouraging the DuPage Water Commission to Carefully Scrutinize and Debate the Five Year Capital Improvement Program and to Consider the Position Statements of the Village of Bensenville.*

Sincerely,

Lynn D. Dubman
Deputy Village Clerk

Enclosure

c: P. Quinn