

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, APRIL 12, 2007
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

FINAL

The meeting was called to order by Vice Chairman Mueller at 7:30 P.M.

Commissioners in attendance: E. Chaplin, T. Feltes, R. Ferraro, L. Hartwig, G. Mathews (teleconference), W. Murphy, A. Poole, G. Wilcox, D. Zeilenga, and W. Mueller

Commissioners Absent: W. Maio, J. Vrdolyak, and L. Rathje

Also in attendance: Treasurer R. Thorn, R. Martin, R. M. Richter, M. Crowley, C. Johnson, J. Schori, R. C. Bostick, F. Frelka, T. McGhee, and E. Kazmierczak

Due to the number of visitors attending the meeting, Vice Chairman Mueller advised the audience that all those intending to speak during the Budget Hearing and/or Public Comments would need to sign-in and be called to speak in the order in which they were listed on the sign-in sheet.

Commissioner Hartwig moved to open the Hearing Regarding the Management Budget Ordinance for the Fiscal Year Commencing May 1, 2007 and Ending April 30, 2008.
Seconded by Commissioner Feltes and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Fred Kimble of Westmont read the attached letter from the Village of Westmont.

Joyce Stupugia, President of the Village of Villa Park, informed the Board that she was in favor of the Board's decision to give back to the customers through a reduction in water rates and customer rebate. Ms. Stupugia stated that the monies would be used for replacement of mains and for patching and restoration purposes. Ms. Stupugia further stated that by doing corrective and preventative maintenance it would in turn relieve potential health hazards.

Gayle Smolinski, Mayor of the Village of Roselle, agreed with Villa Park President Stupugia in that the rebated money would be used for restoration projects throughout the community. Ms. Smolinski further stated that the rebated money belongs to the paying customers, and that residents in the unincorporated area have benefited from the sales taxes they pay by virtue of the diversion of over 750,000 end users to a Lake Michigan water supply.

George Pradel, Mayor of the City of Naperville, thanked the members of the DuPage Water Commission for their time well served. Mr. Pradel further stated that the City of Naperville supports the decision of giving back to the customers through a customer rebate and a reduction in water rates and commented that by working together as a group effort we could achieve the needs of all.

Minutes of the 4/12/07 Meeting

Martha Sobie of Glen Ellyn, and a representative of a member of DuPage United, urged the Board to reconsider its decision regarding a customer rebate and a reduction in water rates and stated that the money would be better spent paying down the Commission's debt.

Dave Werle of Warrenville, and a representative of a member to DuPage United, agreed that the Commission's large amount of money in its reserve fund would be better spent paying down the debt rather than rebating it to customers.

Don Derrow of Naperville, and a representative of a member of DuPage United, stated that the Commission is using the sales tax dollars to subsidize its municipal customers and that the Commission needs to operate as a self-sufficient, fiscally sound business and stop relying on sales taxes to balance its books. Mr. Derrow further stated that the reserve monies would be better spent by paying down the Commission's debt.

Mary Hason of Downers Grove, and a representative of a member of DuPage United, stated that the sales taxes are there to pay down the Commission's debt and if the Commission really wanted to benefit its customers, it would give up the sales tax that is being collected instead of giving a customer rebate and a reduction in water rates.

Richard Furstenau, Naperville City Councilman, thanked the Mayor of Naperville for his continued support and excellent speech. Mr. Furstenau stated that Naperville represents approximately 19% of the Commission's customers and that if Naperville had to switch over to use their well water, then the private wells in the area would dry up pretty fast. Mr. Furstenau further stated that the Board should move forward with its decision in giving the monies back to the paying customers.

James Johnson, Village Manager of the Village of Bensenville, supported the proposed budget to rebate monies back to customers through a reduction in water rates and customer rebate. Mr. Johnson assured all concerned that the money will be spent repairing and maintaining their aging water system.

There being no other comments, Commissioner Ferraro moved to close the Hearing Regarding the Management Budget Ordinance for the Fiscal Year Commencing May 1, 2007 and Ending April 30, 2008. Seconded by Commissioner Wilcox and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Murphy took his Oath of Office.

PUBLIC COMMENTS

None

APPROVAL OF MINUTES

Commissioner Chaplin moved to approve the Minutes of the March 8, 2007 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Ferraro and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER'S REPORT

Treasurer Thorn presented the Treasurer's Report for the month of March 2007 which showed receipts of \$8,370,548.00, disbursements of \$15,321,772.00, and a cash and investment balance of \$142,586,554.00.

Commissioner Chaplin moved to accept the March 2007 Treasurer's Report. Seconded by Commissioner Hartwig and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Administration Committee – No meeting

Engineering & Construction Committee – No meeting

Finance Committee – No meeting

CHAIRMAN'S REPORT

None

MAJORITY OMNIBUS VOTE AGENDA

Commissioner Chaplin requested that Ordinance No. O-3-07 and Resolution No. R-28-07 be removed from the Majority Omnibus Vote Agenda for separate consideration.

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

Majority Omnibus Vote

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

Nays: None

Absent: W. Maio, J. Vrdolyak, and L. Rathje

Minutes of the 4/12/07 Meeting

- Item 1: Resolution No. R-25-07: A Resolution Supporting Legislation Treating the City of West Chicago as an "Excluded Unit" under the Water Commission Act of 1985—"Majority Omnibus Vote"
- Item 2: Resolution No. R-27-07: A Resolution Awarding a Contract for Landscape Maintenance Services—"Majority Omnibus Vote"
- Item 3: Resolution No. R-29-07: A Resolution Approving and Authorizing the Execution of An Amendment to the Pricing Schedule to the Master Electricity Supply Agreement with Constellation NewEnergy, Inc.—"Majority Omnibus Vote"
- Item 4: Resolution No. R-30-07: A Resolution Releasing Certain Executive Session Meeting Minutes at the April 12, 2007, DuPage Water Commission Meeting—"Majority Omnibus Vote"

Commissioner Hartwig moved to adopt Ordinance No. O-3-07: An Ordinance Approving and Adopting an Annual Management Budget for the Fiscal Year Commencing May 1, 2007 and Ending April 30, 2008. Seconded by Commissioner Wilcox and approved by a Roll Call Vote:

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

Nays: E. Chaplin

Absent: W. Maio, J. Vrdolyak, and L. Rathje

Commissioner Wilcox asked why Resolution No. R-28-07: A Resolution Establishing the Policy of DuPage Water Commission with Respect to Fund Balances and Declaring A Contract Customer Rebate, Effective as of May 1, 2007, for the Fiscal Year Ending April 30, 2008 wasn't listed under the Super/Special Majority Omnibus Vote Agenda. Staff Attorney Crowley advised that the special majority vote is only required in certain instances: Approving contracts related to the construction or repair of the Waterworks System in excess of \$100,000; setting rates for Charter Customers; borrowing funds; exercising eminent domain powers; retaining managerial and professional personnel; amending the Chicago Water Supply Contract; and amending the By-Laws. In response to Commissioner Wilcox's further inquiry, Ms. Crowley added that approval of the proposed rebate resolution would not operate to change the water rate; the rate would be the same both before and after the adoption of the rebate resolution. Ms. Crowley further noted that the water rate would only be changed after the Board adopted, by the special majority vote, Ordinance Nos. O-4-07 and O-5-07.

Commissioner Wilcox moved to approve Resolution No. R-28-07: A Resolution Establishing the Policy of DuPage Water Commission with Respect to Fund Balances and Declaring A Contract Customer Rebate, Effective as of May 1, 2007, for the Fiscal Year Ending April 30, 2008. Seconded by Commissioner Hartwig.

Minutes of the 4/12/07 Meeting

Commissioner Chaplin stated that the explanation regarding issuing rebate checks to customers versus offsetting credits against customer monthly invoices was still unclear and suggested that the matter be tabled until further explanation is provided. There was no second to Commissioner Chaplin's suggestion, and Staff Attorney Crowley explained that Bond Counsel was more comfortable with offsetting credits because the original Revenue Bond Ordinance specifically contemplated using excess funds to reduce charges to or payments due from customers.

Commissioner Wilcox moved to amend his motion to approve Resolution No. R-28-07 to add to the end of the motion "as amended to provide that the Rebate shall be paid by check instead of offsetting credits." Seconded by Commissioner Zeilenga and approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Feltes, W. Murphy, G. Wilcox, D. Zeilenga, and W. Mueller

Nays: R. Ferraro, L. Hartwig, G. Mathews, A. Poole

Absent: W. Maio, J. Vrdolyak, and L. Rathje

Commissioner Murphy moved to call the question on the motion to approve Resolution No. R-28-07 as amended to provide that the Rebate shall be paid by check instead of offsetting credits. Seconded by Commissioner Hartwig and approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Feltes, L. Hartwig, W. Murphy, A. Poole, G. Wilcox, D. Zeilenga, and W. Mueller

Nays: R. Ferraro and G. Mathews

Absent: W. Maio, J. Vrdolyak, and L. Rathje

After which, Commissioner Wilcox's motion to approve Resolution No. R-28-07 as amended to provide that the Rebate shall be paid by check was approved by a Roll Call Vote:

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

Nays: G. Mathews

Absent: W. Maio, J. Vrdolyak, and L. Rathje

SUPER/SPECIAL MAJORITY OMNIBUS VOTE AGENDA

Commissioner Chaplin requested that Ordinance Nos. O-4-07 and O-5-07 be removed from the Super/Special Majority Omnibus Vote Agenda for separate consideration.

Minutes of the 4/12/07 Meeting

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

Super/Special Majority Omnibus Vote

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

Nays: E. Chaplin

Absent: W. Maio, J. Vrdolyak, and L. Rathje

Item 1: Resolution No. R-23-07: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-7/05 at the April 12, 2007, DuPage Water Commission Meeting —“Super/Special Majority Omnibus Vote”

Item 2: Resolution No. R-24-07: A Resolution Approving a First Amendment to Task Order No. 3 under a Master Contract with Cathodic Protection Management, Inc.—“Super/Special Majority Omnibus Vote”

Item 3: Resolution No. R-26-07: A Resolution Approving and Ratifying Certain Task Orders under a Master Contract with EN Engineering, LLC at the April 12, 2007, DuPage Water Commission Meeting—“Super/Special Majority Omnibus Vote”

Commissioner Wilcox moved to adopt Ordinance No. O-4-07: An Ordinance Establishing a Rate for Operation and Maintenance Costs. Seconded by Commissioner Ferraro and approved by a Roll Call Vote:

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

Nays: E. Chaplin

Absent: W. Maio, J. Vrdolyak, and L. Rathje

Commissioner Wilcox moved to adopt Ordinance No. O-5-07: An Ordinance Establishing Fixed Costs to be Payable by Each Contract Customer. Seconded by Commissioner Feltes and approved by a Roll Call Vote:

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

Nays: E. Chaplin

Minutes of the 4/12/07 Meeting

Absent: W. Maio, J. Vrdolyak, and L. Rathje

OLD BUSINESS

None

NEW BUSINESS

Commissioner Chaplin asked the Board to consider having Commissioner contact information posted on the Commission's website. Vice-Chairman Mueller referred the matter to the Administration Committee for a recommendation at the May meeting.

Commissioner Wilcox asked for the status of the connections with the County of DuPage. General Manager Martin advised that no work had been started but that a meeting is scheduled for Tuesday, April 17th, to discuss all issues involved. Commissioner Wilcox then requested that an update be provided at the May meeting.

ACCOUNTS PAYABLE

Commissioner Hartwig moved to approve the Accounts Payable in the amount of \$32,457.52 subject to submission of all contractually required documentation.
Seconded by Commissioner Wilcox and unanimously approved by a Roll Call Vote:

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

Nays: None

Absent: W. Maio, J. Vrdolyak, and L. Rathje

EXECUTIVE SESSION

None

Commissioner Wilcox moved to adjourn the meeting at 8:15 P.M. Seconded by Commissioner Ferraro and unanimously approved by a Voice Vote.

All voted aye. Motion carried.



Village of Westmont
The Progressive Village

westmont.il.gov

Administration Department

31 West Quincy Street • Westmont, Illinois 60559
Tel: 630-829-4420 Fax: 630-829-4426

OFFICE OF THE MAYOR

April 10, 2007

Mr. S. Louis Rathje
Chairman
DuPage Water Commission
600 E. Butterfield Rd.
Elmhurst, IL 60126

RE: Wholesale Water Rate Reduction and Rebate

HAND DELIVERED

Dear Chairman Rathje:

As a charter member of the DuPage Water Commission, the Village of Westmont supports the Commission's recent decision to reduce the wholesale water rate charged to its member municipalities and to rebate a portion of the Commission's cash reserve balances based on its long term financial plan and reserve policy. The Westmont Village Board adopted Resolution 07-12 on February 2, 2007 supporting these actions.

The planned rebate, of which Westmont anticipates to receive \$1.35 million, comes at a time of great need. The Village has an ongoing water main replacement program. Every year the Village replaces water main with a high failure rate and/or likely failure based upon main age. In addition, the Village has not been able to adequately keep up with fleet replacements since revenues dipped after September 1, 2001. This fact has caused delay in replacing vehicles in all Village departments. The Village has a need to replace more than \$7,000,000 worth of aging fleet vehicles village-wide and we are developing a vehicle replacement program which we plan to implement during the 2007-08 fiscal year. The Village's Water Division, alone, has need to replace more the \$900,000 of its fleet within the next two (2) years.

The Village of Westmont has not raised customer's water rates since November 1991. The Water Commission's action to reduce the wholesale water rate and give a municipal water rebate will forestall a need to raise water rates in the upcoming fiscal year budget. In addition, without the rebate, the Village will fall below its minimum 20% reserve policy. This will jeopardize our fleet replacement program as well as other planned ongoing water system improvements.

On behalf of the Village Board and Westmont residents, I commend the current decision of the DuPage Water Commission and encourage your continued stewardship of funds intended for the benefit of the Commission and its customers.

Sincerely,

William H. Rahn
Village President

C: DWC members
Village Trustees
Steve May, Public Works Director
Ronald R. Searl, Village Manager