



DuPage Water Commission

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

**DUPAGE WATER COMMISSION
THURSDAY, JANUARY 14, 2010
7:30 P.M.**

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

- I. Call to Order and Pledge of Allegiance
- II. Roll Call
(Majority of the Commissioners then in office—minimum 7)
- III. Public Comments (limited to 5 minutes per person)
- IV. Approval of Minutes
 - A. Regular Meeting of November 12, 2009
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To approve the Minutes of the November 12, 2009 Regular Meeting of the DuPage Water Commission (Voice Vote).

- B. Special Meeting of November 17, 2009
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To approve the Minutes of the November 17, 2009 Special Meeting of the DuPage Water Commission (Voice Vote).

- C. Special Meeting of November 23, 2009
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To approve the Minutes of the November 23, 2009 Special Meeting of the DuPage Water Commission (Voice Vote).

- D. Special Meeting of December 2, 2009
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

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

RECOMMENDED MOTION: To approve the Minutes of the December 2, 2009 Special Meeting of the DuPage Water Commission (Voice Vote).

E. Regular Meeting of December 10, 2009

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

RECOMMENDED MOTION: To approve the Minutes of the December 10, 2009 Regular Meeting of the DuPage Water Commission (Voice Vote).

F. Special Meeting of December 17, 2009

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

RECOMMENDED MOTION: To approve the Minutes of the December 17, 2009 Special Meeting of the DuPage Water Commission (Voice Vote).

G. Executive Session of October 8, 2009

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

RECOMMENDED MOTION: To approve the Executive Session Minutes of the October 8, 2009 Regular Meeting of the DuPage Water Commission (Voice Vote).

H. Executive Session of November 12, 2009

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

RECOMMENDED MOTION: To approve the Executive Session Minutes of the November 12, 2009 Regular Meeting of the DuPage Water Commission (Voice Vote).

I. Executive Session of November 23, 2009

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

RECOMMENDED MOTION: To approve the Executive Session Minutes of the November 23, 2009 Special Meeting of the DuPage Water Commission (Voice Vote).

J. Executive Session of December 10, 2009

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

RECOMMENDED MOTION: To approve the Executive Session Minutes of the December 10, 2009 Regular Meeting of the DuPage Water Commission (Voice Vote).

K. Executive Session of December 17, 2009

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

RECOMMENDED MOTION: To approve the Executive Session Minutes of the December 17, 2009 Special Meeting of the DuPage Water Commission (Voice Vote).

V. Treasurer's Report – December 2009

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

RECOMMENDED MOTION: To accept the December 2009 Treasurer's Report (Voice Vote).

VI. Committee Reports

A. Administration Committee

1. Report of 1/14/10 Administration Committee
2. Actions on Items Listed on 1/14/10 Administration Committee Agenda

B. Engineering & Construction Committee

1. Report of 1/14/10 Engineering & Construction Committee
2. Actions on Items Listed on 1/14/10 Engineering & Construction Committee Agenda

C. Finance Committee

1. Report of 1/14/10 Finance Committee
2. Actions on Items Listed on 1/14/10 Finance Committee Agenda

VII. Chairman's Report

VIII. Omnibus Vote Requiring Majority Vote

- A. Ordinance No. O-1-10: An Ordinance of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, Abating the 2009 Tax Levy for the \$93,970,000 General Obligation Water Refunding Bonds, Series 2001, of the Commission

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

- B. Ordinance No. O-2-10: An Ordinance Transferring Appropriations Within Certain Funds for the Fiscal Year Commencing May 1, 2009 and Ending April 30, 2010

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

- C. Resolution No. R-1-10: A Resolution Approving Reimbursements of Eligible Costs Paid Between October 12, 2009, and December 10, 2009, from the Proceeds of the DuPage Water Commission \$30,000,000 Taxable Debt Certificate, Series 2009, and Directing the Allocation and Deposit of Said Reimbursements

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

- D. Resolution No. R-2-10: A Resolution Delegating Authority to Designate Commission Employees, Officers, or Members Required to Receive Training Under the Illinois Open Meetings Act

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

- E. Resolution No. R-3-10: A Resolution Amending the Personnel Manual

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

- F. Resolution No. R-5-10: A Resolution Approving and Authorizing the Execution of a Wire Transfer Services Agreement with Terms and Conditions

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

RECOMMENDED MOTION: To adopt the items listed on the Omnibus Vote Agenda in a single group pursuant to the Omnibus Vote Procedures (Roll Call).

IX. Omnibus Vote Requiring Super-Majority or Special Majority Vote

- A. Resolution No. R-4-10: A Resolution Amending Resolution No. R-61-09, being "A Resolution Approving and Authorizing the Quit Claim of a Temporary Construction Easement to the City of Chicago for the Reconstruction of the South Laramie Avenue Viaduct"

(TO CONVEY: Two-Thirds Majority Vote of the Commissioners Present—minimum 5)

(TO APPROVE: Concurrence of a Majority of the Appointed Commissioners—7)

RECOMMENDED MOTION: To adopt the items listed on the Super/Special Majority Omnibus Vote Agenda in a single group pursuant to the Omnibus Vote Procedures (Roll Call).

X. Old Business

- A. Official Presentment of \$30MM Taxable Debt Certificate Order
- B. Ordinance No. O-3-10: An Ordinance Amending the By-Laws of the DuPage Water Commission (Amending Section 2 of Article IX)

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

RECOMMENDED MOTION: To place Ordinance No. O-3-10 on First Reading (Voice Vote).

XI. New Business

- A. Purchase Order No. 11952 to Infor Global Solutions in the amount of \$29,643.52

RECOMMENDED MOTION: To approve Purchase Order No. 11952 in the amount of \$29,643.52 to Infor Global Solutions (Roll Call).

- B. Purchase Order No. 11956 to Hewlett-Packard Company in the amount of \$19,471.64

RECOMMENDED MOTION: To approve Purchase Order No. 11956 in the amount of \$19,471.64 to Hewlett-Packard Company (Roll Call).

C. Water Rate

- 1. Ordinance No. O-x-10: An Ordinance Increasing Fixed Costs to be Payable by Each Contract Customer for the Fiscal Year Commencing May 1, 2009 and Ending April 30, 2010

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

- 2. Notice of Charter Customer Hearing Increasing the Rate for Operation and Maintenance Costs for the Fiscal Year Commencing May 1, 2009 and Ending April 30, 2010

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

D. Financial Matters

XII. Accounts Payable

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

RECOMMENDED MOTION: To approve the Accounts Payable in the amount of \$7,637,983.89, subject to submission of all contractually required documentation, for invoices that have been received except construction invoices (Roll Call).

RECOMMENDED MOTION: To approve the Accounts Payable in the amount of \$740,677.87, subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated (Roll Call).

RECOMMENDED MOTION: To approve the Accounts Payable in the amount of \$46,765.10, subject to submission of all contractually required documentation, for construction invoices that have been received (Roll Call).

XIII. Executive Session

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

RECOMMENDED MOTION: To go into Executive Session to discuss security procedures pursuant to 5 ILCS 120/2(c)(8), to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2), to discuss acquisition of real estate pursuant to 5 ILCS 120/2(c)(5), and/or to discuss pending, probable, or imminent litigation pursuant to 5 ILCS 120/2(c)(11) (Roll Call).

RECOMMENDED MOTION: To come out of Executive Session (Voice Vote).

XIV. Adjournment

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

**MINUTES OF THE NOVEMBER 12, 2009
REGULAR A MEETING OF THE
DuPAGE WATER COMMISSION
(AS ADJOURNED TO, AND RECONVENED
ON, WEDNESDAY, NOVEMBER 18, 2009)
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order on Thursday, November 12, 2009, by Chairman S. Louis Rathje at 7:31 P.M.

Commissioners in attendance: E. Chaplin (arrived at 7:05 P.M. on November 18, 2009), T. Bennington, T. Elliott, L. Hartwig (until 9:15 P.M. on November 12, 2009), W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Commissioners Absent: E. Chaplin (November 12, 2009) and L. Hartwig (November 18, 2009)

Also in attendance: Treasurer R. Thorn, R. Martin, M. Crowley, C. Johnson, R. Skiba, T. McGhee (until 9:15 P.M. on November 12, 2009), J. Nesbitt, R. C. Bostick, J. Schori (until 9:15 P.M. on November 12, 2009) E. Kazmierczak, and F. Freika

PUBLIC COMMENTS

None

APPROVAL OF MINUTES

Commissioner Elliott moved to approve the Minutes of the October 8, 2009 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Mueller and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

After Commissioner Zay requested that a reference be added to the October 8, 2009 Executive Session Minutes regarding the then recent discovery of certain accounting anomalies, Commissioner Zay moved to table approval of the October 8, 2009 Executive Sessions Minutes to the December meeting. Seconded by Commissioner Bennington 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 October 31, 2009, which showed year-to-date receipts of \$40,899,190.44, year-to-date disbursements of \$59,759,569.21, and a cash and investment balance of \$49,841,085.09.

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Commissioner Murphy moved to accept the October 2009 Treasurer's Report.
Seconded by Commissioner Mueller.

Commissioner Zay noted his concerns regarding the Commission's current financial situation and questioned the accuracy of the Treasurer's Report as presented. Former Financial Administrator Skiba reassured the Board that the Treasurer's Report provided had been balanced to the penny and was up-to-date.

After Commissioner Maio confirmed with the Staff Attorney that there was no statutory requirement for the Board to accept the Treasurer's Report, Commissioner Maio moved to defer acceptance of the October 2009 Treasurer's Report until the end of the meeting. Seconded by Commissioner Bennington and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Administration Committee – Reported by Commissioner Murphy

Commissioner Murphy reported that the Administration Committee reviewed all items listed on the Administration Committee agenda and, specifically, the updated rules and regulations for the implementation of the January 1, 2010, comprehensive amendments to the Illinois Freedom of Information Act, noting that Staff Attorney Crowley had provided a detailed overview for the Board and requesting that the Commissioners promptly review the materials as the item would be on the December Agenda for approval.

Engineering & Construction Committee – Reported by Commissioner Maio

Commissioner Maio reported that the Engineering & Construction Committee reviewed all items listed on the Engineering & Construction Committee agenda, noting that all current projects seem to be on schedule and that all requests for additional funds should be held until after the presentation on the Financial Review.

Finance Committee – Reported by Commissioner Mathews

Commissioner Mathews reported that the Finance Committee reviewed all items listed on the Finance Committee agenda and, specifically, conducted an extensive review of the Treasurer's Report.

CHAIRMAN'S REPORT

Chairman Rathje reminded the Board of the upcoming Water Conservation breakfast being held on Tuesday, November 17th at BoBak's Signature Room with guest speaker

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David Dempsey and also noted that General Manager Martin canceled the Commissioner and Staff Holiday parties in consultation with Chairman Rathje.

MAJORITY OMNIBUS VOTE AGENDA

Commissioner Zay requested that Ordinance No. O-13-09 and R-65-09 be removed from the Omnibus Vote Agenda for separate consideration. Commissioner Zay then withdrew his request and moved to suspend the regular order of business and take up the Financial Evaluation Agenda item before the Board approves any of the other items listed on the Agenda. Seconded by Commissioner Bennington and unanimously approved by a Voice Vote:

All voted aye. Motion carried.

NEW BUSINESS

General Manager Martin began the Financial Evaluation with a PowerPoint presentation. During the PowerPoint presentation, the Commissioners discussed their concerns, including:

- The insufficiency of rates, based upon the FY 2009-2010 Budget, to cover daily operation costs in conjunction with the City of Chicago's water rate increases and the monthly shortage, on a non-discretionary basis, of approximately \$2 - \$2.5 million per month.
- The inability to maintain unrestricted reserves at the target balance of \$20 million.
- The inaccuracy or insufficiency of the financial data prepared by Former Financial Administrator Richter for the past several years and the auditor's role in verifying that data.
- The length of service of the auditing firm, McGladrey and Pullen, from 2003 to present.
- Staff's recommendation for a \$30 million short term borrowing to abate the property tax levy in February 2010 and to cover construction costs from November 2009 – January 2010 and water purchases.
- Staff's recommendation for a \$60 million long term borrowing that would allow the Commission to repay the short term loan, defer a water rate increase until May 1, 2010, fund outstanding construction obligations, and re-establish reserves.
- The need for, and timing of, a water rate increase, with staff proposing a one-time increase of 42% as of May 1, 2010, and regular increases thereafter as

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needed to coincide with City of Chicago rate increases, and whether the Commission should continue its practice of subsidizing the Fixed Costs portion of the water rate.

Commissioner Zay thanked former Financial Administrator Skiba for helping and for doing a great job. Commissioner Zay suggested getting a forensic audit prepared before applying for a short-term loan, noting the outside forensic auditor should report directly to the Board.

Commissioners Elliott and Hartwig agreed with Commissioner Zay and added that special legal counsel reporting directly to the Board should also be retained.

Commissioner Maio suggested seeking proposals from accounting firms such as Deloitte & Touche or from a firm of similar caliber and referring to Commissioner Elliott for a recommendation as to legal counsel. After determining it was the consensus of the Commissioners to defer the rest of the Agenda items to allow more time for the Commissioners to thoroughly review the financial material presented, Chairman Rathje reported that the meeting should be adjourned to 7:00P.M. on Wednesday, November 18, 2009, and Chairman Rathje selected Commissioners Elliott, Mathews, and Zeilenga to act as the Board's liaisons or informal subcommittee with respect to the various pending financial matters, including retention of a forensic auditor and special legal counsel.

Before the meeting was adjourned to November 18, 2009, General Manager Martin referred to the Agenda item of retaining the services of a Financial Advisor and asked the Board for direction and approval.

Commissioner Mueller moved to retain the services of Speer Financial, Inc. in accordance with its proposal dated November 6, 2009. Seconded by Commissioner Hartwig and failed by a Roll Call Vote for lack of an approving special majority:

Ayes: T. Elliott, L. Hartwig, G. Mathews, W. Mueller, W. Murphy, F. Saverino, and L. Rathje

Nays: T. Bennington, W. Maio, A. Poole, J. Zay, and D. Zeilenga

Absent: E. Chaplin

At 9:15 P.M., Commissioner Maio moved to adjourn the meeting to 7:00 P.M. on Wednesday, November 18, 2009, at 600 East Butterfield Road, Elmhurst, Illinois. Seconded by Commissioner Bennington and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

After the November 12, 2009, regular meeting of the DuPage Water Commission was adjourned to 7:00 P.M. on Wednesday, November 18, 2009, at 600 East Butterfield

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Road, Elmhurst, Illinois, the meeting reconvened at 7:03 P.M. on Wednesday, November 18, 2009, at 600 East Butterfield Road, Elmhurst, Illinois.

Commissioners in attendance: T. Bennington, E. Chaplin (arrived at 7:05 P.M.), T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Commissioners Absent: L. Hartwig

Also in attendance: Treasurer R. Thorn, R. Martin, M. Crowley, C. Johnson, R. Skiba, J. Nesbitt, R. C. Bostick, E. Kazmierczak, and F. Frelka

NEW BUSINESS

Chairman Rathje directed General Manager Martin to review staff's recommendations regarding a financial action plan. General Manager Martin reported his recommendations as follows:

- Continue with the hiring process for a new Financial Administrator
- Hire a Financial Advisor and Bond Counsel
- Seek both short and long term borrowings at \$30MM short term and \$60MM long term

Commissioner Chaplin arrived at 7:05 P.M.

General Manager Martin concluded his recommendations, referencing the proposed one-time rate increase of 42% as of May 1, 2010, regular rate increases thereafter as needed to coincided with City of Chicago rate increases, and continuing the practice of subsidizing the Fixed Costs portion of the water rate.

Commissioner Zeilenga referred to several handouts distributed to the Commissioners, which included a breakdown of a three-phase financial plan: Phase 1 would identify all issues, such as, evaluating financial statements for the current financial situation and determining shortfalls in monthly operations, if/what bonds can be refinanced, issues with abating the 2010 property tax, water rate increases, short and long term borrowing, etc.; Phase 2 would determine the financial direction needed by hiring the services of a financial management consultant; and Phase 3 would be to conduct a thorough audit, specifically with a forensic audit team, to identify all issues involved, fix the problems, and implement action plans to avoid a repeat in the future.

Commissioner Zeilenga then recommended retaining the services of Deloitte & Touche LLP retired partner, Philip C. Adams, Jr., as a Financial Management Consultant. Commissioner Zeilenga noted that Mr. Adams is a respected friend of his and offers 35 years of experience and is available to start immediately at a cost of \$1,500 per day but not-to-exceed \$30,000.00. Commissioner Zeilenga concluded his recommendation by

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noting that Mr. Adams would be a short term consultant (3 - 4 weeks) to get the ball rolling and then would turn things over to the forensic accounting firm to continue with the evaluation and forensic audit.

With regards to the Agenda for the reconvened portion of the Commission's regular November meeting, Commissioner Zay noted his concerns with adding additional items to an agenda for a meeting that was adjourned to, and reconvened at, a later date, noting that he checked with State's Attorney Tony Hayman and Mr. Hayman disagreed with Staff Attorney Crowley's opinion. Staff Attorney Crowley reassured the Board that, as stated in an earlier email which included citation to state statute, nothing in the Open Meetings Act prohibits changes to the agenda of reconvened meetings so long as public notice is given at least 48 hours in advance and, in fact, if no change had been made to the Agenda, then no public notice would have been required.

In referring back to various accounting firms, Commissioner Zeilenga stated that he has been in contact with the accounting firms of Deloitte & Touche LLP and Crowe Horwath, noting that both firms are qualified in public and government financing and are available to conduct the forensic audit.

Chairman Rathje asked if rates were provided. Commissioner Zeilenga stated that Deloitte & Touche requires a \$50,000 retainer fee up front, but that Crowe Horwath did not submit rates as of yet.

After Commissioner Murphy noted his appreciation to Commissioners Elliott, Mathews, and Zeilenga for their hard work, Commissioner Murphy moved to appoint Commissioner Zeilenga to be the Board liaison on the team, to retain the services of Philip Adams, retired partner of the accounting firm of Deloitte and Touche LLP, as a financial management consultant at a rate of \$1,500/per day but not-to-exceed \$30,000.00, and to retain the services of Deloitte & Touche LLP to conduct the forensic audit. Seconded by Commissioner Maio.

Commissioner Zay noted his concerns with Deloitte and Touche requiring an upfront retention fee of \$50,000.00 for forensic auditing services versus retaining the services of Crowe and Horwath which did not include a required retainer fee and, therefore, from a cost savings perspective, Commissioner Zay stated that he is leaning towards retaining the forensic auditing services of Crowe and Horwath. Commissioner Elliott suggested holding further discussion until after the Board discusses in Executive Session the retention of legal counsel. At which point, Commissioner Rathje suspended the regular order of business to go into Executive Session for a discussion concerning the retention of legal counsel.

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EXECUTIVE SESSION

Commissioner Elliott moved to go into Executive Session to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2). Seconded by Commissioner Murphy and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

The Board went into Executive Session at 7:31 P.M.

Commissioner Mueller moved to come out of Executive Session at 8:10 P.M. Seconded by Commissioner Elliott and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Elliott temporarily left the meeting at 8:11 P.M.

Based on the discussion during Executive Session, Commissioner Murphy as the movant, and Commissioner Maio as the seconder, agreed to withdraw the pending motion and second.

Commissioner Maio moved to retain the services of Philip Adams for financial management assistance in the amount of \$1,500.00/per day but not to exceed \$30,000.00 in accordance with the proposal. Seconded by Commissioner Mueller and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Elliott and L. Hartwig

After Commissioner Zay strongly urged the Board to defer the process of hiring a new Financial Administrator until all financial issues had been resolved, Commissioner Elliott returned to the meeting.

Commissioner Zay noted how shaken he is with the Commission's current financial situation and stated how reluctant he is to take any of staff's recommendations. Commissioner Zay also suggested that perhaps one of the Board members should be

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involved, at the appropriate time, in the interviewing process for a new Financial Administrator.

Chairman Rathje polled the Board members and it was the consensus of the Commissioners present to defer the process of filling the position of Financial Administrator until further notice, at which point Chairman Rathje asked former Financial Administrator Skiba to explain the forecast to the Board.

Former Financial Administrator Skiba noted that if the intention was to abate the General Obligation Bond property tax levy in February 2010, based on a rough cash flow forecast, the Commission would have to do a short term borrowing or stop construction payments and immediately implement a \$0.22 to \$0.25 fixed cost rate increase on January 1, 2010, because the projection showed that sales taxes could not be used to support the water rate until the end of February 2010. Former Financial Administrator Skiba also noted that unless a Certificate of Deposit was withdrawn early, the operations and maintenance account was projected to be less than \$300,000.00 by December 31, 2009, and, by April 30, 2010, if there were no interim or permanent financing, the Commission was projected to have only \$1.2 million available for water operations and nothing available for construction contracts.

Commissioner Bennington inquired as to how much is outstanding in accounts receivable and about the payment schedule and Commissioner Zay inquired about the various loans. Former Financial Administrator Skiba explained that customer receivables have a contractual due date of 40 days from end of billing month; sales tax receivable is a function of when the state makes its distributions; the water quality loans are contractual long term receivables; the Chicago construction reimbursement is behind in billing and the Commission is working to get the bill out; and the expected Chicago receivable is limited to 10% of the water bill so only about \$400,000.00/per month would be received once this bill is issued.

Commissioner Maio requested that General Manager Martin re-confirm his affirmative answer to a question that Commissioner Maio asked November 12, 2009, and that Commissioner Maio requested be set forth verbatim in the minutes as follows: "Did staff provide to the Commission for approximately the last two years, financial recommendations for the Board to adopt, based on what is now known to have been faulty financial reports that they provided to the Commission?" General Manager Martin reconfirmed his positive response.

Commissioner Mathews requested detail concerning the location of Commission assets such as bank statements, and Commissioner Zay requested a copy of the Commission's revenue bond ordinance. Commissioner Chaplin inquired as to whether the funds have been reconciled and also noted that throughout the past couple of years some of the Commissioners had been asking staff to provide better financials for the Board to review. Former Financial Administrator Skiba stated that as of September

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30th, everything had been reconciled and balanced, and welcomed all Board members to come in and review any financial information they wished.

TREASURER'S REPORT

Treasurer Thorn presented the Treasurer's Report for the month of October 2009 which showed year-to-date receipts of \$40,899,190.44, year-to-date disbursements of \$59,759,569.21, and a cash and investment balance of \$49,841,085.09.

Commissioner Bennington expressed his gratitude to Former Financial Administrator Skiba for doing a great job and asked for an explanation concerning the calculation of the two certificates of deposits and the state treasurer's pool.

Former Financial Administrator Skiba identified the specific investments of the Commission and noted that Certificates of Deposits are collateralized with U.S. Obligations for deposit amounts in excess of FDIC coverage.

Commissioner Bennington moved to table acceptance of the Treasurer's Report.
Seconded by Commissioner Zay and unanimously approved by a Voice Vote:

All voted aye. Motion carried.

MAJORITY OMNIBUS VOTE AGENDA

Commissioner Zay requested that Resolution No. R-65-09 be removed from the Omnibus Vote Agenda for separate consideration.

Commissioner Muller 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 Zay and unanimously approved by a Roll Call Vote:

Majority Omnibus Vote

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

Item 1: Ordinance No. O-13-09: An Ordinance Requesting the Intergovernmental Transfer of Easement Rights for Access to the Winfield Metering Station 27A Site and Authorizing the Execution of the Partial Assignment of Private Roadway Easement Rights—"Majority Omnibus Vote"

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Item 2: Resolution No. R-68-09: A Resolution Approving and Authorizing the Execution of the AT&T Customer Work Agreement for Project Number 7587433 for Emergency Generation Facility Related Distribution System Improvements—"Majority Omnibus Vote"

With regards to Resolution No. R-65-09: A Resolution Authorizing and Directing the Regular and Automatic Transfer of Certain Excess Account Balances to the General Account of the Water Fund, Commissioner Zay suggested adding a requirement for the Chairman of the Board or the Finance Committee to approve all excess account balance transfers. After Staff Attorney Crowley suggested deferring Resolution No. R-65-09 to the December meeting in order to give staff time to make the appropriate changes, Commissioner Zay moved to table Resolution No. R-65-09: A Resolution Authorizing and Directing the Regular and Automatic Transfer of Certain Excess Account Balances to the General Account of the Water Fund for consideration at the December meeting. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

SUPER/SPECIAL MAJORITY OMNIBUS VOTE AGENDA

It was the consensus of the Commissioners that all resolutions be removed from the Omnibus Vote Agenda for separate consideration.

Commissioner Elliott shared his concerns with awarding a Contract for the Construction of Corrosion Protection and Control for the South Transmission Main (Contract TS-8/09) noting, as discussed at the October 8th meeting, there was no urgency in completing the project and therefore the project could wait until next year. Commissioner Elliott commended staff for negotiating an overall cost savings, but suggested re-structuring the base price of the contract and then, if additional work were needed, to submit change orders for approval. Commissioner Maio asked what the outcome would be if the project was delayed six months to one year. General Manager Martin noted that the outcome depends only upon whether the water main were to break. Commissioner Zay strongly urged the Board to delay the project, stating that due to the Commission's current financial situation, no new projects should be approved at this time.

Commissioner Mathews moved to remove from the Agenda Resolution No. R-54-09: A Resolution Awarding a Contract for the Construction of Corrosion Protection and Control for the South Transmission Main (Contract TS-8/09). Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

Minutes of the 11/12/09 Regular Meeting
(as adjourned to, and reconvened on, 11/18/09)

All voted aye. Motion carried.

Commissioner Zay moved to adopt Resolution No. R-66-09: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-4/08 at the November 12, 2009, DuPage Water Commission Meeting. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

Commissioner Zay moved to adopt Resolution No. R-67-09: A Resolution Approving and Ratifying Certain Contract Change Orders at the November 12, 2009, DuPage Water Commission Meeting. Seconded by Commissioner Mueller and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

Commissioner Zay moved to adopt Resolution No. R-69-09: A Resolution Annulling the Award to D. E. Thompson Excavating Co. and Re-Awarding a Contract for the Construction of 30 Inch Diameter Water Main Relocation—75th and Washington Streets (Contract TS-7/09). Seconded by Commissioner Elliott and approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: W. Mueller

Absent: L. Hartwig

OLD BUSINESS

With regard to the purchase of property and liability insurance coverage, Commissioner Zeilenga confirmed the total premium amount of \$480,570, and suggested to General Manager Martin to contact Nugent Consulting Group and check if they offer a payment plan.

Minutes of the 11/12/09 Regular Meeting
(as adjourned to, and reconvened on, 11/18/09)

Commissioner Mueller moved to purchase property and liability insurance coverage in accordance with the Insurance Proposal Analysis letter dated November 16, 2009, from Nugent Consulting Group, including storage tank liability coverage for above-ground and underground storage tanks, with a \$25,000.00 deductible, and a \$225,000,000 per claim limit on underground piping losses, for a total not to exceed premium of \$480,570, and to repeal all prior approvals in conflict therewith. Seconded by Commissioner Zay and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

With regards to the purchase of Pollution Liability Insurance, Commissioner Maio confirmed that the \$30,132.00 is the total cost for a three-year term. General Manager Martin noted he would also check with the Lexington Insurance Company regarding a payment plan.

Commissioner Zay moved to approve the purchase of Pollution Liability Insurance with Lexington Insurance Company for a three-year term at a cost of \$30,132.00. Seconded by Commissioner Elliott and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

With regards to the draft Audit Report for the Fiscal Year ending April 30, 2009, Former Financial Administrator Skiba stated that (1) he had added a subsequent event footnote, the text of which was provided to the Board on November 12, 2009; (2) because of the forensic audit discussion on November 12, 2009, the auditors are doing more work; and (3) the auditors raised a question concerning auditor independence in light of the proposed forensic audit that could result in a disclaimer opinion on the financial statements. As a result, Former Financial Administrator Skiba recommended deferring approval of the draft Audit Report at this time.

ACCOUNTS PAYABLE

Commissioner Elliott moved to approve the Accounts Payable in the amount of \$3,201.89 subject to submission of all contractually required documentation. Seconded by Commissioner Zay and approved by a Roll Call Vote:

Minutes of the 11/12/09 Regular Meeting
(as adjourned to, and reconvened on, 11/18/09)

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, and L. Rathje

Nays: D. Zeilenga

Absent: L. Hartwig

Commissioner Elliott moved, subject to ratification at the next meeting, to retain the services of Jenner & Block LLP at a blended rate of \$500.00 per hour for all hours worked, including authority for Jenner & Block to retain accounting and financial consultants to assist with various finance and accounting matters, as requested by, and reporting directly to, the Board of Commissioners and to authorize the General Manager to enter into any required retention agreements. Seconded by Commissioner Murphy and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

With regards to the Accounts Payables, Commissioner Zeilenga asked if the Commission was under state obligation regarding payment terms.

Staff Attorney Crowley noted that most of the Commission's contracts, such as the construction contracts, have their own contractual payment terms which govern instead of statutory requirements but the invoices for the legal services of Holland & Knight have no such written contract.

Commissioner Maio requested that staff provide the Board, at the December or January meeting, with a report showing an evaluation of current projects, including an analysis of the Commission's right to reduce the scope of and/or terminate or suspend existing contracts and a breakdown of what the engineering repercussions would be if the projects were altered, eliminated, or suspended. After Commissioner Maio suggested the Board meet on a weekly basis for financial updates, Chairman Rathje took a poll of the Commissioners present and it was determined that the Board meet on a regular weekly basis every Wednesday at 7:00 P.M. at the Commission offices starting with the first Wednesday in December.

In referring back to retaining the legal services of Jenner & Block, Commissioner Bennington reminded the Board that the item was not listed on the Agenda and would need to be ratified at the next meeting and suggested calling a special meeting for Monday, November 23rd at 7:00 P.M.

Minutes of the 11/12/09 Regular Meeting
(as adjourned to, and reconvened on, 11/18/09)

Commissioner Mathews moved to adjourn the meeting at 9:25 P.M. Seconded by
Commissioner Maio and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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**MINUTES OF A SPECIAL MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON TUESDAY, NOVEMBER 17, 2009,
AT**

**BOBAK'S SIGNATURE EVENTS AND CONFERENCE CENTER
AT SEVEN BRIDGES
6440 DOUBLE EAGLE DRIVE
WOODRIDGE, ILLINOIS 60517**

The meeting was called to order at 8:00 A.M., starting with a meet and greet, followed by breakfast, and concluding with a formal presentation.

Commissioners in attendance: L. Hartwig, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, and L. Rathje

Commissioners Absent: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, and D. Zeilenga

Also in attendance: R. Martin, M. Crowley, C. Johnson, J. Nesbitt, T. McGhee, R. C. Bostick, J. Schori, E. Kazmierczak, F. Frelka, and Dave Dempsey, author of *On the Brink: The Great Lakes in the 21st Century* and *Great Lakes for Sale: From Whitecaps to Bottlecaps*

Chairman S. Louis Rathje began the formal presentation at 8:20 A.M. by introducing current and former Board members of the DuPage Water Commission. Chairman Rathje then thanked everyone for attending the meeting, giving special recognition to Chicago Water Commissioner John Spatz, State Representative Patricia Bellock, and State Senator Carole Pankau. After concluding the introductions, Chairman Rathje asked Commissioner Hartwig to lead the Pledge of Allegiance.

After the Pledge of Allegiance, Chairman Rathje noted the purpose of the special meeting was to educate state and local government officials and community leaders as to the dangers of misusing the Lake Michigan water supply and suggested that the Commission's customer utilities and others join the Commission in taking a proactive role in water conservation rather than a reactive role.

Chairman Rathje then introduced DuPage Water Commission's Manager of Water Operations Terry McGhee. Manager of Water Operations McGhee began his presentation on the Commission's newly developed Water Conservation Protection Program, www.preservingeverydrop.org, which provides communities as well as individual residents with ideas for various ways to participate in the water conservation program. After Manager of Water Operations McGhee concluded his opening remarks, Chairman Rathje introduced General Manager Martin who, in turn, introduced the guest speaker and author of *On the Brink: The Great Lakes in the 21st Century* and *Great Lakes for Sale: From Whitecaps to Bottlecaps*, Dave Dempsey.

After Mr. Dempsey concluded his presentation on the dangers of misusing the Lake Michigan water supply, he opened the floor to questions, after which, the meeting was adjourned at 10:00 A.M.

**MINUTES OF A SPECIAL MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON MONDAY NOVEMBER 23, 2009
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Vice Chairman W. Mueller at 7:02 P.M.

Commissioners in attendance: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, F. Saverino, J. Zay (arrived at 7:11 P.M.), and D. Zeilenga

Commissioners Absent: L. Hartwig, W. Murphy, A. Poole, and L. Rathje

Also in attendance: Treasurer R. Thorn, R. Martin, R. Skiba, J. Nesbitt, M. Weed, F. Frelka, and B. Adams (Holland & Knight)

Vice Chairman Mueller asked Commissioner Elliott to begin with the first item listed on the agenda.

Commissioner Elliott moved to retain the services of Jenner & Block LLP at a blended rate of \$500.00 per hour for all hours worked, including authority for Jenner & Block to retain accounting and financial consultants to assist with various financial and accounting matters, as requested by, and reporting directly to, the Board of Commissioners and to authorize the General Manager to enter into any required retention agreements. Seconded by Commissioner Bennington.

Before the vote was called, Commissioner Saverino inquired as to whether a not-to-exceed dollar amount was included in the written proposal from Jenner & Block LLP. Commissioner Elliott noted that a not-to-exceed dollar amount was not established. After Commissioner Maio confirmed with Commissioner Elliott that the services of Jenner & Block LLP would include a regular accounting/financial report to the Board for review, the motion failed by a Roll Call Vote for lack of an approving special majority:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, and D. Zeilenga

Nays: F. Saverino

Absent: L. Hartwig, W. Murphy, A. Poole, J. Zay, and L. Rathje

After the motion failed, Commissioner Saverino explained his reasoning for voting against the motion, stating that he did not have an issue with retaining the services of Jenner & Block LLP at a rate of \$500/per hour, but was concerned that the Commission could spend \$50,000 to \$60,000 and find out nothing new because former Financial Administrator Richter was only doing what the Board had directed him to do.

Commissioner Chaplin agreed with Commissioner Saverino's concerns relating to the lack of a not-to-exceed dollar amount in the proposal submitted by Jenner & Block LLP, and suggested establishing a not-to-exceed limit of \$20,000.00. With respect to

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Commissioner Saverino's other comments, Commissioner Chaplin stated that back in June of 2009, former Financial Administrator Richter was questioned regarding various fund balances and told the Board that the Commission's funds would be fine until 2019 or 2020.

Commissioner Zay arrived at 7:11 P.M.

Commissioner Maio explained that he is willing to go along with a tentative cap and let the Board's liaison work with Jenner & Block LLP on the appropriate amount, noting his concern that a \$20,000.00 cap might only be a week's worth of work. Commissioner Maio then agreed with Commissioner Saverino's statement that former Financial Administrator Richter was only doing what the Board directed him to do but stressed that the Board's decisions were based on the inaccurate financial reports presented.

Commissioner Elliott understood Commissioner Saverino's concerns regarding establishing a not-to-exceed limit, but assured the Board that weekly progress meetings will be scheduled with the team from Jenner & Block LLP and suggested the Board table further discussion until after Executive Session.

Commissioner Maio asked Commissioner Saverino if he would reconsider his vote so the Board could move forward. Commissioner Saverino responded that if he thought there was any chance that funds were missing, he would have no issue with the forensic audit but that did not appear to be the case.

At this point Commissioner Zeilenga recommended that the Board go into Executive Session to discuss the matter in more detail.

Commissioner Zay cautioned the Board against placing blame before all of the facts were known, acknowledging his understanding of Commissioner Saverino's concerns but stating that the Board needs to find out what happened and what needs to be done to change and correct the situation.

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

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, F. Saverino, J. Zay, and D. Zeilenga

Nays: None

Absent: L. Hartwig, W. Murphy, A. Poole, and L. Rathje

The Board went into Executive Session at 7:18 P.M.

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Commissioner Zeilenga moved to come out of Executive Session at 7:42 P.M. Seconded by Commissioner Maio and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Saverino moved to reconsider the motion to retain the services of Jenner & Block LLP at a blended rate of \$500.00 per hour for all hours worked, including authority for Jenner & Block to retain accounting and financial consultants to assist with various financial and accounting matters, as requested by, and reporting directly to, the Board of Commissioners and to authorize the General Manager to enter into any required retention agreements. Seconded by Commissioner Bennington and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, F. Saverino, J. Zay, and D. Zeilenga

Nays: None

Absent: L. Hartwig, W. Murphy, A. Poole, and L. Rathje

Commissioner Maio moved to retain the services of Jenner & Block LLP at a blended rate of \$500.00 per hour for all hours worked, including authority for Jenner & Block to retain accounting and financial consultants to assist with various financial and accounting matters, as requested by, and reporting directly to, the Board of Commissioners and to authorize the General Manager to enter into any required retention agreements. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, F. Saverino, J. Zay, and D. Zeilenga

Nays: None

Absent: L. Hartwig, W. Murphy, A. Poole, J. Zay, and L. Rathje

Before the meeting was adjourned, Commissioner Zeilenga asked counsel whether it was permissible to discuss other financial matters at the meeting. General Counsel Adams stated that even though not an agenda item, the Board could proceed with the discussion because no final action would be taken.

Commissioner Zeilenga distributed a worksheet he had prepared with the help of General Manager Martin, former Financial Administrator Skiba, and hired financial advisor Philip Adams covering a 15 year period ending April 30, 2025 and reviewed the mechanisms of the worksheet and how, with the proper level of borrowing, the Commission could resolve the situation rather quickly. Commissioner Zeilenga added that he will be working with General Manager Martin and the financial advisor(s) to prepare for the December Board meeting.

Minutes of the 11/23/09 Special Meeting

After Commissioner Zeilenga concluded his explanation, Commissioner Chaplin voiced her concerns with General Manager Martin working on the budget projection, stating that she would feel more confident if former Financial Administrator Skiba took the lead. Commissioner Zeilenga assured the Board that General Manager Martin was very cooperative and professional during the process of creating the budget projection model. Commissioner Zay shared Commissioner Chaplin's concerns and confirmed with Commissioner Zeilenga that no action on the financing could take place without Board approval, and that the Board will be updated on a weekly basis.

Commissioner Elliott noted the following concerns to be discussed at the December Commission meeting:

- 1) Former Financial Administrator Skiba's restrictions and limitations relating to his IMRF pension; and
- 2) Establishing, at a minimum, a short-term borrowing plan for Board approval next month; and
- 3) Funding of the 2011 General Obligation Bond payment.

After much discussion regarding the 2011 General Obligation Bond payment, former Financial Administrator Skiba explained that the financing is needed in order to pay contractors and abate property taxes for the 2011 bond payment.

Commissioner Bennington commended Commissioner Zeilenga for preparing, in three days, the Sample 2011-2025 Budget Projection Model that was distributed. Commissioner Bennington suggested looking at the Commission's current construction projects to decide if some projects could be delayed; the penalties involved in delaying projects, if any; and the existing bond coverage which Commissioner Zeilenga offered to look at.

Commissioner Zeilenga stated that he was hopeful that Jenner & Block LLP will be identifying how the financial situation occurred and what is needed to move forward. Commissioner Zeilenga further stated that General Manager Martin will be hiring a temporary accountant to help with the day-to-day accounting duties and former Financial Administrator Skiba will be contacting the Illinois Municipal Retirement Fund to find out what options, if any, are available to allow former Financial Administrator Skiba to continue to assist the Commission without jeopardizing his pension.

Commissioner Chaplin strongly urged that for the next couple of weeks, Jenner & Block LLP should focus on determining that no funds are missing before moving forward with other projects.

After the Board confirmed that a special meeting would not be held during the same week as the regularly scheduled Board meeting, it was confirmed that the next special meeting of the Board will be held on Wednesday, December 2nd at 7:00 P.M.

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Commissioner Maio moved to adjourn the meeting at 8:10 P.M. Seconded by
Commissioner Chaplin and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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**MINUTES OF A SPECIAL MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON WEDNESDAY, DECEMBER 2, 2009
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Rathje at 7:02 P.M.

Commissioners in attendance: T. Bennington (arrived at 7:11 P.M.), E. Chaplin, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, D. Zeilenga, and L. Rathje

Commissioners Absent: T. Elliott, L. Hartwig, W. Murphy, and J. Zay

Also in attendance: R. Martin, M. Crowley, C. Johnson, R. Skiba, J. Nesbitt, F. Frelka, and E. Kazmierczak

Chairman Rathje explained the reason for calling a Special Board meeting was to discuss short term financing but, before that discussion began, Chairman Rathje opened the floor for public comment.

PUBLIC COMMENT

Bill Wrobel, Downers Grove, expressed his concerns with the Commission's current financial situation, stating that the Commission should have seen the situation coming.

Commissioner Bennington arrived at 7:11 P.M.

Before Commissioner Zeilenga began his report on short term financing options, Chairman Rathje noted that he would be abstaining from any discussion and/or vote related to Northern Trust Bank due to his stock ownership of less than 1% in the publicly traded company. Commissioner Zeilenga noted that his cousin works for West Suburban Bank, but, after discussing the matter with the Staff Attorney, the personal relationship does not constitute a disqualifying conflict of interest.

Commissioner Zeilenga reported that he and General Manager Martin met with representatives from West Suburban Bank and Northern Trust Bank regarding a short term financing need, noting they were impressed with both banks and that both banks could meet the Commission's needs in the timeframe required. Commissioner Zeilenga then referred to a revised DPWC Loan-LOC Summary that was distributed at the meeting, noting the comparisons were fairly similar. Commissioner Zeilenga explained that it is in the best interest of the Commission to secure short term financing by December 31st in order to retain the greatest flexibility and urged the Board to move forward by authorizing staff to proceed with the negotiations of a \$30MM short term loan for a one year period with West Suburban Bank first, and Northern Trust Bank, if need be.

In response to Chairman Rathje's question, General Manager Martin explained that Bank of American was only interested in longer term financing of five years or more.

Minutes of the 12/2/09 Special Meeting

Commissioner Chaplin expressed her concerns with borrowing any funds at the present time, considering the Board has not been informed of the actual dollar amount of the Commission's outstanding obligations. Commissioner Zeilenga stated that based upon his review of the data, the Commission's financial situation could be summarized as follows:

- \$40MM in construction payments will be needed between December 1, 2009, and May 1, 2010
- \$13MM will be needed for the final, March 1, 2011, payment on the General Obligation Bonds, which amount needs to be reserved and set aside by January/February 2010 in order to abate the next property tax levy
- \$10MM - \$20MM in unrestricted reserves has been depleted

Commissioner Maio confirmed with Commissioner Zeilenga that West Suburban Bank was offering a fixed rate loan, Northern Trust was offering a variable rate loan, and Commissioner Zeilenga's sense of the matter was that West Suburban Bank, being a smaller bank, would be able to formally approve and extend the financing more quickly than Northern Trust Bank with its more structured approval process.

Commissioner Maio asked if there was any advantage to splitting the total amount of the short term loan between West Suburban Bank and Northern Trust Bank. Commissioner Zeilenga suggested proceeding with West Suburban Bank first and using Northern Trust Bank if more short term financing is needed. Commissioner Zeilenga noted that both banks were ready to proceed with the \$30MM short term loan so the Board could very well split the total amount of the loan between the two banks, or, if West Suburban Bank handles the initial \$30MM short term loan, then the Commission could use Northern Trust Bank for a second short term loan in 2010 in the event the Commission determines to defer bonding until 2011.

Commissioner Chaplin again expressed her concerns with borrowing money and asked if the Commission currently has on hand the \$13MM needed to abate the 2010 property tax levy. Commissioner Zeilenga stated that at the present time, the Commission does not have the funds on hand to abate the 2010 property tax levy, noting the critical nature of securing the short term loan by December 31st.

Commissioner Mathews requested that staff provide at the next meeting a breakdown of the Commission's significant contractual obligations. Commissioner Bennington agreed with Commission Mathews, but requested the information be provided in advance of the regular December meeting and that the information include:

- Vendor names
- Contract project

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- Amount paid to date
- Remaining work to be completed
- Monies owed and payment schedule
- If construction work can be slowed

After Commissioner Bennington noted that he would not be participating in the discussion regarding selection of a lender in order to avoid a possible or perceived conflict of interest because his firm has Northern Trust as a client, Commissioner Bennington stated the Commission's only priorities should be: (1) payment for water from the City of Chicago and (2) payroll.

Commissioner Bennington inquired whether West Suburban Bank had received the Commission's financial statement. Commission Zeilenga responded that he had spoken to West Suburban Bank and they were fully advised as to the Commission's financial situation. Commissioner Bennington also inquired whether the short term financing would be collateralized and whether the short term financing would violate any existing Commission contract or the Revenue Bond ordinance. Staff Attorney Crowley responded that the short term financing would be unsecured and would not violate any existing Commission contract or the Revenue Bond ordinance.

In response to Commissioner Bennington's further inquiry, Commissioner Zeilenga noted that based upon his review of the last couple of weeks, it was Commissioner Zeilenga's opinion that there are certain cash flow problems that need to be addressed immediately and, specifically, the fact that more money is going out than revenue coming in. Commissioner Zeilenga further noted that \$30MM would be needed and, possibly, more.

After Commissioner Maio reminded staff that he had previously requested a report showing an evaluation of current projects, including an analysis of the Commission's right to reduce the scope of and/or terminate or suspend existing contracts and a breakdown of what the engineering repercussions would be if the projects were altered, eliminated, or suspended, General Manager Martin responded that he had previously advised the Board that the requested information would be provided in January. Commissioner Maio then requested that the information be provided as soon as possible and before the regular December meeting.

Commissioner Maio then inquired whether maintaining a personal IRA with Northern Trust Bank would constitute a disqualifying conflict of interest, and Staff Attorney Crowley replied that simply maintaining bank accounts with a proposed lender, without a financial interest in the loan or the bank, would not constitute a disqualifying conflict of interest. Commissioner Mueller nevertheless noted that he would not be participating in any discussion or vote on the short term financing to avoid a possible or perceived

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conflict of interest because he maintains certain bank accounts with West Suburban Bank.

Due to the number of absent Commissioners, Commissioner Bennington suggesting deferring the matter to the regular December meeting. Commissioner Mathews responded that the Board would only be authorizing bank negotiations at this meeting, with the actual financing to be approved by the Board at a later date.

Commissioner Zeilenga moved to authorize General Manager Martin, Staff Attorney Crowley, and himself to negotiate a not-to-exceed \$30MM one year debt certificate with West Suburban Bank and/or Northern Trust Bank for recommendation to the Board. Seconded by Commissioner Maio.

After Commissioner Bennington left the meeting to avoid a possible or perceived conflict of interest because his firm has Northern Trust as a client, Commissioner Zeilenga as the movant, and Commissioner Maio, as the seconder, agreed to withdraw the pending motion (and second). After which, Commissioner Zeilenga moved to authorize General Manager Martin, Staff Attorney Crowley, and himself to negotiate a not-to-exceed \$30MM one year debt certificate with various banks for recommendation to the Board. Seconded by Commissioner Saverino and approved by a Roll Call Vote:

Ayes: W. Maio, G. Mathews, A. Poole, F. Saverino, and D. Zeilenga

Nays: E. Chaplin

Absent: T. Bennington, T. Elliott, L. Hartwig, W. Murphy, and J. Zay

Abstain: W. Mueller and L. Rathje

Commissioner Mathews moved to authorize the General Manager to spend up to \$20,000.00 to retain the services of Speer Financial, Inc. to assist in the negotiations with various banks on the proposed short-term financing. Seconded by Commissioner Mueller.

Commissioner Zeilenga stated that he would only support retaining a financial advisor if the not-to-exceed cap was in the three to four thousand dollar range. Commissioner Chaplin asked how Speer Financial, Inc. was selected, and Staff Attorney Crowley replied that Speer Financial, Inc. was recommended by the Bond Counsel on several of the Commission's bond issues as well as by the Commission's former (and now retired) independent financial advisor on several of the Commission's bond issues.

Commissioner Mathews as the movant, and Commissioner Mueller, as the seconder, agreed to withdraw the pending motion (and second).

Commissioner Maio questioned the need for a financial advisor at the present time and asked whether the Commission would be better served by waiting to hire a financial advisor until a bond issue was being considered. Commissioner Zeilenga stated that he

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was not sure if the services of a financial advisor would be needed for the short term loan, but would definitely be needed for a bond issue. Staff Attorney Crowley advised that hiring a financial advisor would protect the Commission by having an independent party with experience in the industry advise the Board as to the fairness of the transaction, in addition to assisting the Board in structuring the loan between taxable, tax-exempt, and bank qualified tax exempt debt.

Commissioner Mathews moved to authorize the General Manager to retain the services of Speer Financial, Inc. to act as a financial advisor on an as needed basis and at a cost not-to-exceed \$5,000.00 without further Board approval. Seconded by Commissioner Saverino.

Commissioner Bennington requested that Commissioner Mathews amend his motion to include a requirement that the financial advisor be directed by, and report to, Commissioner Zeilenga. Commissioner Mathews questioned the need for such an amendment, at which point Commissioner Bennington moved to amend Commissioner Mathews' motion to add the following clause to the end of the motion: ", the financial advisor to be directed by and report to Commissioner Zeilenga." Seconded by Commissioner Maio.

Commissioner Mathews asked for the rationale of appointing one person to oversee the decisions of the financial advisor. Commissioner Bennington explained that the situation is moving at a very fast pace, there needs to be one captain of the ship, and Commissioner Zeilenga is the most familiar with the Commission's current financial situation, has been working almost daily on the matter with staff, and would make sure everything is coordinated and communicated appropriately.

After Commissioner Mathews confirmed with Commissioner Zeilenga that he would be willing to act in the capacity suggested by Commissioner Bennington, and Chairman Rathje stated his view that even though Commissioner Zeilenga has been extremely helpful to staff, the chain of command should remain with the General Manager, the motion to amend Commissioner Mathews' motion was approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, W. Maio, G. Mathews, A. Poole, and D. Zeilenga

Nays: W. Mueller, F. Saverino, and L. Rathje

Absent: T. Elliott, L. Hartwig, W. Murphy, and J. Zay

At which point, the amended motion to authorize the General Manager to retain the services of Speer Financial, Inc. to act as a financial advisor on an as needed basis and at a cost not-to-exceed \$5,000.00 without further Board approval, the financial advisor to be directed by and report to Commissioner Zeilenga was unanimously approved by a Roll Call Vote:

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Ayes: T. Bennington, E. Chaplin, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Elliott, L. Hartwig, W. Murphy, and J. Zay

Commissioner Mathews moved to retain the services of Chapman and Cutler LLP as Bond Counsel for the proposed short-term financing at a cost not-to-exceed \$19,500.00.
Seconded by Commissioner Saverino.

Commissioner Bennington asked if Jenner & Block could act as bond counsel for the short-term loan. Staff Attorney Crowley noted that Jenner & Block's engagement letter specifically excluded bond counsel services, that she was not aware that Jenner & Block had a public finance practice, and that there was no question that Chapman and Cutler is a "nationally recognized bond counsel" and the opinion of a nationally recognized bond counsel is generally required for any tax exempt debt issuance.

Commissioner Chaplin asked if Chapman and Cutler submitted a breakdown of their services and how they arrived at a total cost of \$19,500.00. Staff Attorney Crowley stated that an engagement letter will be provided detailing the scope of services but that the fixed fee of \$19,500.00 includes structuring assistance for the short-term loan and advice on use of proceeds in order to meet tax exemption requirements, in addition to document preparation and generalized consulting on issues related to the Commission's outstanding general obligation and revenue bonds.

Commissioner Mathews as the movant, and Commissioner Saverino, as the seconder, agreed to withdraw the pending motion (and second). As a result of which, Commissioner Mathews moved to retain the services of Chapman and Cutler LLP as Bond Counsel in connection with the proposed short-term financing, on a \$19,500.00 fixed fee basis as outlined by Counsel. Seconded by Commissioner Saverino and approved by a Roll Call Vote:

Ayes: T. Bennington, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, D. Zeilenga, and L. Rathje

Nays: E. Chaplin

Absent: T. Elliott, L. Hartwig, W. Murphy, and J. Zay

General Manager Martin suggested deferring both Ordinance No. O-14-09 and the hiring of Financial Administrator to the regular December Board meeting.

Commissioner Bennington requested that a discussion of the water rate and its components be placed on the December Agenda. General Manager Martin advised that due to the time and data collection involved in connection with the forensic audit, staff may not be able to immediately address Commissioner Bennington's request,

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noting, for example, that the Board packet would most likely be delayed until the following week. Chairman Rathje then referred Commissioner Bennington to the various displays in the meeting room identifying and describing the water rate and its components and relationship to the cost of water, which General Manager Martin explained.

Commissioner Chaplin asked that a discussion of hiring an Ethics Officer be placed on the Agenda for the regular December meeting of the Administration Committee or the Board.

Commissioner Maio reported that he had received a copy of a letter that Commission staff sent to a contractor on November 17th and asked staff to explain the changes being made to the payment submittal process, noting he was told that the contractor was told that the changes were being required by the Board. Staff Attorney Crowley stated that it was the responsibility of the Financial Administrator to review all payment requests for verification of compliance with contract requirements but that recently it was discovered that contract requirements regarding sworn statements and lien waivers were not being adhered to. As a result, staff sent the letter to remind the contractor to submit all contractually required payment documentation and that full compliance would be expected in the future. Neither the Staff Attorney nor the General Manager were aware of any staff statement to the effect that the Board had implemented a change.

EXECUTIVE SESSION

None

Before the meeting was adjourned, Commissioner Bennington noted that he will be calling an Executive Session at the December meeting to discuss matters relating to litigation and personnel and requested that an attorney from Jenner & Block LLP be present for the discussion.

Commissioner Chaplin moved to adjourn the meeting at 8:23 P.M. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, DECEMBER 10, 2009
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman S. Louis Rathje at 7:36 P.M.

Commissioners in attendance: T. Bennington, E. Chaplin, T. Elliott, L. Hartwig, W. Maio, W. Mueller, W. Murphy, A. Poole (teleconference), F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Commissioners Absent: G. Mathews

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

PUBLIC COMMENTS

Michael Maicke, Western Springs, Illinois, expressed concerns regarding payment to his construction company, noting the company has performed work in good faith, was 50% complete, paid for 10%, and should be 80% complete by the end of the year.

Claude Schmook, Lisle, Illinois, expressed concerns regarding the Commission's financial position, including questioning why the auditors hadn't alerted the Commission to the reserve reduction and why the Commission sold water for less than it cost to provide.

Frank Falesch, Downers Grove, Illinois, expressed concerns regarding the Commission's financial position, including questioning why a number of Commissioners were not in attendance with a bond issue on the agenda and noted that the Commission could have avoided the current situation if the reserve reduction had been discovered sooner and rates were raised.

Kevin O'Donnell, Wheaton, Illinois, expressed concerns regarding the Commission's financial position, including questioning the Commission's retention of a politically connected law firm to conduct the forensic audit and approving bids that came in over budget for projects favored by Mayor Daley.

Jack Bajor, Winfield, Illinois, expressed concerns regarding the Commission's financial position, including questioning how the Commission could not know that reserves were being depleted.

Debra Fulks, Glen Ellyn, Illinois, expressed concerns regarding the Commission's financial position, including reading a prepared statement from DuPage United that questioned the wisdom of declaring a \$40MM customer rebate and reducing the water rate in April of 2007.

APPROVAL OF MINUTES

Due to the lateness of submitting the meeting minutes to the Board for review, it was determined to defer approval of the minutes to the January 2010 regular Commission meeting.

TREASURER'S REPORT

After Commissioner Zay noted the Treasurer's Report was only distributed at the meeting, allowing insufficient time to conduct a proper review, Commissioner Zay moved to table acceptance of the November Treasurer's Report to the next meeting. Seconded by Commissioner Bennington and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Administration Committee – Reported by Commissioner Murphy

Commissioner Murphy reported that the Administration Committee reviewed all items listed on the Administration Committee agenda. With respect to the proposed employee health insurance renewal, Commissioner Murphy reported that the General Manager was proposing that the Commission reduce its contribution towards employee coverage from 100% to 80% of the individual employee's health and dental premiums but that the Administration Committee members were split on whether that change should be phased in over a two-year period.

Commissioner Murphy then moved to renew the Commission's health insurance as presented and change the personnel policy, effective January 1, 2010, requiring employees to pay 20% of health and dental insurance premiums for both employee and dependent coverage. Seconded by Commissioner Zay.

After Commissioner Elliott explained that even though he had been convinced by other members of the Administration Committee that the suggested change was the right direction to follow, Commissioner Elliott was hesitant to make such a dramatic increase in employee contributions for a \$21,000 savings to the Commission, especially when the change would place the Commission on the high end of what customer utilities charge their employees. As a result, Commissioner Elliott suggested phasing in the change: Requiring a 10% employee contribution in 2010 and then requiring a 20% contribution in 2011. After Commissioner Chaplin acknowledged that 20% was a big increase but noted that employers all over are having to tighten their belts and, in the private sector, a 60/40 split is more common, the motion was approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, L. Hartwig, W. Maio, W. Mueller, W. Murphy, A. Poole, J. Zay, and D. Zeilenga

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Nays: T. Elliott, F. Saverino, and L. Rathje

Absent: G. Mathews

Commissioner Murphy concluded his report by noting the Administration Committee reviewed and recommended for approval the new Freedom of Information Act rules and regulations contained in Resolution No. R-70-09.

Engineering & Construction Committee – Reported by Commissioner Maio

Commissioner Maio reported that the Engineering & Construction Committee reviewed and recommended all items listed on the Engineering & Construction Committee agenda, noting current construction projects remain on schedule.

Finance Committee – Reported by Commissioner Saverino

Commissioner Saverino reported that the Finance Committee did not have a quorum.

CHAIRMAN'S REPORT

Chairman Rathje requested that the Commission discuss its meeting dress code at the regular January 2010 Commission meeting.

MAJORITY OMNIBUS VOTE AGENDA

Chairman Rathje requested that each item on the Majority Omnibus Vote Agenda be separately considered.

Commissioner Elliott moved to approve Resolution No. R-65-09: A Resolution Authorizing and Directing the Regular and Automatic Transfer of Certain Excess Account Balances to the General Account of the Water Fund. Seconded by Commissioner Hartwig.

General Manager Martin explained that historically, staff would present the Board with semi-annual resolutions identifying specific dollar amounts of the excess account balances that needed to be transferred to the "general" account of the Water Fund under the Commission's Revenue Bond Ordinance. Noting that in recent years, transfers of those excess account balances were only made sporadically, restricting the Commission's use of those excess funds until transferred, General Manager Martin further explained that as requested by the Board at the November 12, 2009, meeting, Resolution No. R-65-09 would authorize the automatic transfer of those excess account balances on a monthly basis, beginning as of the December 30, 2009, accounting day but only upon the prior approval the Chairman of the Board or the Chairman of the Finance Committee.

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Commissioner Chaplin noted her concerns regarding the responsibility for two Board members (Chairman and Finance Committee Chairman) to approve transfers instead of having the entire Board approve them.

Commissioner Zay noted his concerns regarding the transfer of any Commission funds without Board approval, highlighting the recharacterization of the \$3,000,000 in construction payments made in October as being paid out of the depreciation account.

Commissioner Zeilenga noted that in the November Finance Committee it was discovered that the Commission's finances were in serious crisis and that the depreciation reserves had been spent towards construction payments in an unauthorized manner at the discretion of General Manager Martin and Former Financial Administrator Skiba, adding that this decision was completely inappropriate by staff or whoever above staff authorized the transfer for the payment.

General Manager Martin noted that the payments were made prior to October 31st and that funds in the depreciation account were intended and allowed to be used for the construction payments.

Commissioner Zeilenga responded that it was a matter of process and that the Board should be making those kinds of decisions.

Commissioner Bennington noted that the transfers are hard to follow considering they are always moving and noted that until a certified financial statement or treasurer's report is provided, he will not be approving anything.

Former Financial Administrator Skiba explained that this recharacterization was allowable under the water revenue bond ordinance and was done to provide access to sales tax funding for the property tax abatement. Former Financial Administrator Skiba advised that he believed that this recharacterization was in accordance with the Board's desire to abate the property tax, but offered to reverse the recharacterization if the Board so chose.

Commissioner Elliott commented that even though he was not sure what the accounting recharacterization had to do with the pending motion to approve R-65-09, it seemed as if sometime after the November 12th meeting the General Manager and Former Financial Administrator Skiba determined it was better for the Commission if the pre 10/31 construction payments were recharacterized as having been expended from the depreciation account. Commissioner Elliott added that he believed this recharacterization should have been vetted with the Board, and asked Commissioner Zeilenga to advise whether the recharacterization should be reversed as offered by Former Financial Administrator Skiba.

Commissioner Zeilenga noted that the real issue is whether the construction payments should have been made and not the accounting treatment of the payments. Commissioner Zeilenga added that the staff's priorities should have been to find the

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funds for the property tax abatement first, then to accumulate funds to replenish the reserves, and finally, to make contractor payments.

Commissioner Zay stressed that staff was instructed not to make any payments and proceeded anyway. Staff Attorney Crowley clarified that the construction payments were made in full compliance with the authority delegated to the General Manager under the Commission's By-Laws and that the accounting recharacterization was not a transfer of excess account balances that would have been regulated by the Board's direction at the November 12, 2009, meeting, that excess account balance transfers be made only upon the prior approval the Chairman or the Finance Committee Chairman. Staff Attorney Crowley added, however, that at one time all disbursements required prior Board approval but that the By-Laws were changed to eliminate, among other things, the requirement for prior Board approval for disbursements made in accordance with the payment provisions of contracts approved by the Board or procured in accordance with the purchasing procedures of the By-Laws.

Commissioner Elliott as the movant, and Commissioner Hartwig as the seconder, agreed to withdraw the pending motion and second. At which point, Commissioner Maio moved to reinstate previous practice of no disbursements without prior Board approval. Seconded by Commissioner Zay.

After Commissioner Hartwig confirmed that the Commission's By-Laws would need to be changed and approved with a special majority vote, and General Manager Martin assured the Board that staff would nevertheless adhere to the restriction until the Board had considered the necessary By-Law amendment, the motion was approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, L. Hartwig, W. Maio, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: W. Mueller

Absent: G. Mathews

Commissioner Murphy moved to approve Resolution No. R-70-09: A Resolution Approving Rules and Regulations and Forms for Implementation of the Freedom of Information Act. Seconded by Commissioner Maio and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, L. Hartwig, W. Maio, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: G. Mathews

SUPER/SPECIAL MAJORITY OMNIBUS VOTE AGENDA

Commissioner Hartwig moved to approve Resolution No. R-71-09: A Resolution Approving a Second Amendment to Task Order No. 10 under the Master Contract with AECOM USA, Inc. Seconded by Commissioner Murphy.

After Commissioner Zay questioned whether, and Facilities Construction Supervisor Bostick confirmed that, the Village of Winfield posted a 110% cash deposit to cover the cost, the motion was unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, L. Hartwig, W. Maio, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: G. Mathews

OLD BUSINESS

With regards to the proposed short term loan, Commissioner Zeilenga recommended a \$30,000,000 Debt Certificate, noting that West Suburban Bank had agreed to all necessary requirements, is ready to move quickly, and should be able to fund within 7-10 days. Commissioner Zeilenga added that by financing water purchases and certain construction and related services, the Commission will be able to abate the property tax in February 2010 and begin re-building reserves. With that said, Commissioner Zeilenga recommended moving forward with Ordinance No. O-14-09 to get the financing in place but not authorizing expenditures from the proceeds of the financing until a detailed plan acceptable to the Commission's Chairman and Finance Committee Chairman is developed.

General Manager Martin agreed with Commissioner Zeilenga, adding that a second longer term loan would be needed to fully fund construction payments and, thus, continue rebuilding the reserves and defer a rate increase until May 1, 2010. General Manager Martin added that the Commission can work with both West Suburban Bank and Northern Trust Bank for funding.

Commissioner Zeilenga agreed that additional financing is needed, but stated he was not certain another \$30,000,000 is necessary. After Commissioner Zay inquired as to who had discussions with Northern Trust Bank, Commissioner Zeilenga stated that General Manager Martin, Former Financial Administrator Skiba, and Commissioner Zeilenga interviewed both West Suburban Bank and Northern Trust Bank and the action taken at the December 2nd meeting was to direct staff to negotiate the terms and conditions for proposed debt certificates up to \$30,000,000 for a one year term with various banks. Commissioner Zeilenga added that if it is determined that further financial support is needed, then the Board could vote on obtaining a second loan.

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To avoid a possible or perceived conflict of interest because his firm has Northern Trust as a client, Commissioner Bennington left the meeting 8:58 P.M.

Commissioner Murphy noted his support of Ordinance No. O-14-09 and asked both Commissioner Zeilenga and staff what the payment timeframe is, if any. Commissioner Zeilenga noted a timeframe of 60 days to pay bills. General Manager Martin added that if the Board approves Ordinance No. O-14-09, then the Commission will be able to pay outstanding construction invoices and abate the property tax.

After Commissioner Zeilenga first moved to adopt Ordinance No. O-14-09 without condition and then withdrew the motion in order to restate it with a condition, Commissioner Zeilenga moved to adopt Ordinance No. O-14-09: An Ordinance of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, authorizing and providing for the issuance of not to exceed \$30,000,000 Debt Certificates, Series 2009, evidencing interests in an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the Commission, and providing for the security for and means of payment under the Agreement and the Certificates; provided, however, that no proceeds from the financing be expended without prior Board approval. Seconded by Commissioner Hartwig.

Commissioner Elliott suggested the Board meet within the next 10 days to discuss outstanding construction payments.

Commissioner Bennington returned to the meeting at 9:04 P.M., and Commissioner Mueller left the meeting to avoid a possible or perceived conflict of interest because he maintains certain bank accounts with West Suburban Bank.

Commissioner Bennington clarified that under the purchase program, proceeds from the debt certificates could only be used towards water purchases and construction and related services such as attorney fees. Commissioner Zeilenga clarified that the Commission was allowed to reimburse itself for water purchase payments and payments made for construction and related services during under a 60-day look back period, which reimbursement could then be allocated to whatever accounts the Commission chose. Commissioner Zeilenga added that the split between tax-exempt and taxable debt would determine the use of financing proceeds going forward, noting the most flexible option is to have the total \$30,000,000 designated taxable.

Staff Attorney Crowley agreed and explained that under Ordinance No. O-14-09, the Chairman and the General Manager, acting together, would be authorized to determine the amount of the financing, not-to-exceed \$30MM, and the split between tax-exempt and taxable debt, and that each of either the Treasurer or the Board were authorized under the Ordinance to designate the construction contracts to be covered under the Installment Purchase Agreement.

In response to Commissioner Bennington's question concerning DTC, Staff Attorney Crowley explained that the book-entry provisions under Ordinance No. O-14-09 would

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only apply if West Suburban Bank desired to use such a system to hold the debt certificates. Staff Attorney Crowley also confirmed for Commissioner Bennington that the representations and warranties in the Ordinance were accurate.

Commissioner Bennington then referred to page 39 of Ordinance No. O-14-09, which referred to a rebate requirement, and asked for an explanation. Staff Attorney Crowley introduced Brent Feller, a tax attorney with Chapman and Cutler, the Commission's Bond Counsel, and Mr. Feller explained the arbitrage rebate requirements under federal tax law, which require investment earnings to be tracked and rebated to the federal government if the proceeds of any tax-exempt portion of the financing were invested at a yield greater than the interest rate on the tax-exempt debt. Mr. Feller added, however, that the rebate requirement could be avoided if the tax-exempt portion of the proceeds were spent quickly.

Commissioner Bennington then referred to page 32 of Ordinance No. O-14-09 and asked about the Section 14 certificate fund. Staff Attorney Crowley stated that the Commission could either establish a separate fund or account, which did not necessarily mean a separate bank account, or pursuant to Subsection 14D on page 35 of Ordinance No. O-14-09, use one or more of the Commission's existing funds or accounts provided that such use comported with "good accounting practice."

Commissioner Zay asked if Ordinance No. O-14-09 specifies the use of proceeds. Staff Attorney Crowley reiterated that the Ordinance did not provide specifics other than identifying construction in general and the Chicago Water Supply Contract and the Bond Counsel engagement and delegated to the Treasurer or the Board the specific construction contracts and related services contracts to be covered under the Installment Purchase Agreement. After Commissioner Zeilenga confirmed with the Staff Attorney that the amount designated in the Ordinance for water purchases was not set in stone, Commissioner Zeilenga volunteered to work with staff in developing a more detailed plan for the use of proceeds.

With respect to Commissioner Zeilenga's email concerning the financial advisor, Staff Attorney Crowley noted that Ordinance No. O-14-09 requires a certificate of a financial advisor before the debt certificates could be issued to protect the Commission by having an independent party with experience in the industry advise as to the fairness of the transaction. Staff Attorney Crowley also noted that even though the Ordinance identified Speer Financial as the financial advisor for the transaction, a different financial advisor could be used so long as a financial advisor's certificate, in substantially the form attached to the Ordinance, was obtained prior to sale.

Commissioner Zeilenga questioned the role Speer Financial had in relation to arranging the financing from West Suburban Bank, noting that he had made several requests for Speer Financial to contact him and no contact was ever made. Commissioner Zeilenga further noted that even if General Manager Martin had not directed Speer Financial to contact Commissioner Zeilenga, Commissioner Zeilenga still would not be approving any fees submitted related to the West Suburban Bank financing but noted he had no

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objection to paying for their services in connection with the conference call with Moody's and any preliminary financial planning services rendered to staff.

Staff Attorney Crowley reminded the Board that a financial advisor's certificate is required by Ordinance No. O-14-09 in order to sell the debt certificates. Commissioner Zay questioned why Speer Financial did not contact Commissioner Zeilenga and who conducted the conference call with Moody's. General Manager Martin noted that it was an oversight on his part not to advise Speer Financial to contact Commissioner Zeilenga, and that he and Former Financial Administrator Skiba conducted the conference call with Moody's that had been scheduled by Jenner & Block on very short notice.

Commissioner Elliott noted that he understood that having Speer contact Commissioner Zeilenga did not work out, but urged the Board not to lose sight of the issue and suggested going forward with Speer Financial as the financial advisor for the West Suburban Bank loan.

After Commissioner Murphy called the question, Chairman Rathje agreed to allow Commissioner Bennington to make his final remarks. Commissioner Bennington confirmed with Staff Attorney Crowley (1) that West Suburban Bank had full access to the Commission's financials; and (2) that going forward with Ordinance No. O-14-09 would not violate any existing Commission contract or the Revenue Bond ordinance.

At which point, the motion to adopt Ordinance No. O-14-09: An Ordinance of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, authorizing and providing for the issuance of not to exceed \$30,000,000 Debt Certificates, Series 2009, evidencing interests in an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the Commission, and providing for the security for and means of payment under the Agreement and the Certificates; provided, however, that no proceeds from the financing be expended without prior Board approval was approved by a Roll Call Vote:

Ayes: T. Bennington, T. Elliott, L. Hartwig, W. Maio, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: E. Chaplin

Absent: G. Mathews and W. Mueller

Commissioner Mueller returned to the meeting at 9:30 P.M.

NEW BUSINESS

With regard to financial matters, Commissioner Bennington requested that a discussion of raising water rates be placed on the next regular Board meeting agenda, noting that even if the Commission decides to immediately raise water rates, the Board can always readjust the rates later. Commissioner Elliott agreed with Commissioner Bennington

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and asked staff to explain the procedures that needed to be followed. Staff Attorney Crowley advised that the portion of the water rate attributable to Fixed Costs, or debt service on the Commission's revenue bonds, could be raised by the simple passage of an ordinance but that the portion of the water rate attributable to Operation and Maintenance Costs could not be raised until after a hearing for the Charter Customers was held upon 21 days prior written notice. Commissioner Bennington suggested including the 21-day notice for the hearing and an ordinance increasing the Fixed Costs portion of the water rate on the agenda for the regular January meeting.

Commissioners Maio and Zay stepped out of the meeting at 9:35 P.M.

Commissioner Zeilenga distributed and explained two handouts providing a sample Core Budget Analysis and a sample Monthly Reserve Analysis, which Commissioner Zeilenga requested that staff update and provide to the Board for review on a monthly basis, and Commissioner Elliott requested that staff expand to include six months of historical data on the Core Budget Analysis. During the explanation, Commissioner Maio returned to the meeting at 9:40 P.M. and Commissioner Zay returned to the meeting at 9:45 P.M.

Commissioner Murphy suggested discussing the next phase regarding timeframes and restrictions, if any.

Commissioner Zeilenga noted three critical items: Abating the property tax in February 2010, rebuilding the reserve accounts, and paying construction costs.

Commissioner Chaplin suggested sending a letter of notification of late payment to construction contractors and Staff Attorney Crowley noted that the Commission would be better served by adhering to the contractually allowed 45 day window for making payments after all contractually required payment documentation has been approved.

Commissioner Mueller noted his regret that he had to step out the meeting during the discussion and vote concerning West Suburban Bank and asked that, in the future, discussions take place before agreements are put into place.

With regard to Interim Financial Services, Commissioner Zay suggested freezing any action to hire a new Financial Administrator, and requested that staff prepare a spreadsheet of all employee names, titles, date hired, yearly/hourly salary, and date of last performance review.

Commissioner Zeilenga suggested hiring as many temporary financial employees as necessary to get through the current financial situation.

Commissioner Murphy moved to purchase Workers Compensation and Employer's Liability Insurance in accordance with the November 18, 2009, Insurance Proposal prepared by Arthur J. Gallagher Risk Management Services, Inc., at a cost not-to-exceed \$115,154.00. Seconded by Commissioner Zay.

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After Commissioner Bennington confirmed that the current policy would expire December 15, 2009, the motion was unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, L. Hartwig, W. Maio, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: G. Mathews

ACCOUNTS PAYABLE

Commissioner Hartwig moved to approve the Accounts Payable in the amount of \$130,774.77 subject to submission of all contractually required documentation. Seconded by Commissioner Murphy.

Commissioner Zay questioned the Holland & Knight invoice as to whether the issues could be handled more in-house. Staff Attorney Crowley noted that the services of Holland & Knight covered two months of service, including service when the Staff Attorney was on vacation, and included two unemployment benefit disputes involving several appeals, employee termination issues, the development of new Freedom of Information Act Rules and Regulations, two document productions, and a bid dispute.

Commissioner Zay then questioned staff's use of a Commission credit cards. General Manager Martin explained that some items cannot be obtained using a purchase order and, therefore, a credit card is needed. General Manager Martin added that the Board approved, several years ago, the issuance of Commission credit cards to three managers.

Commissioner Chaplin noted that, in the past, staff provided a book with the documentation supporting paid invoices and invoices to be paid for any Commissioner's review and asked what happened to the book, stating that it is hard to approve the accounts payable listed on the Agenda when the detail is missing. General Manager Martin noted that the backup detail for the Accounts Payable was included in the Board packet and, with respect to the backup for the Items Paid, the practice of bringing the book to the meeting had been overlooked with the resignation of the Financial Administrator but would be reinstated.

After Commissioner Chaplin questioned several items on the Items Paid list, including the text writing consulting services for the Standard Operating Procedures project, the Peters and Associates invoice, and the uniform purchases, the motion was unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, L. Hartwig, W. Maio, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

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Absent: G. Mathews

EXECUTIVE SESSION

Commissioner Zeilenga stepped out of the meeting at 10:24 P.M.

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

Ayes: T. Bennington, E. Chaplin, T. Elliott, L. Hartwig, W. Maio, W. Murphy, W. Mueller, A. Poole, F. Saverino, J. Zay, and L. Rathje

Nays: None

Absent: G. Mathews and D. Zeilenga

Commissioner Mueller left the meeting, Commissioner Zeilenga returned to the meeting, and the Board went into Executive Session at 10:30 P.M.

Commissioner Murphy moved to come out of Executive Session at 12:20 A.M. Seconded by Commissioner Zay and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

After discussion, it was the consensus of the Commissioners present to hold a special meeting on December 17, 2009, to discuss the November 2009 Treasurer's Report, the total amount to be borrowed under Ordinance No. O-14-09 and the split between tax-exempt and taxable debt, the disbursements that needed to be approved prior to the regular January 2010 meeting, and any other items that needed to be addressed.

Commissioner Maio moved to adjourn the meeting at 12:30 A.M. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**MINUTES OF A SPECIAL MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, DECEMBER 17, 2009
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman S. Louis Rathje at 7:00 P.M.

Commissioners in attendance: E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller (arrived at 7:02 P.M.), A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Commissioners Absent: T. Bennington, L. Hartwig, and W. Murphy

Also in attendance: Treasurer R. Thorn, R. Martin, R. Skiba, M. Crowley, C. Johnson, T. McGhee, J. Nesbitt, R. C. Bostick, J. Schori, M. Weed, and E. Kazmierczak

Commissioner Mueller arrived at 7:02 P.M.

TREASURER’S REPORT

Commissioner Elliott moved to remove from the table acceptance of the November 2009 Treasurer’s Report. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All vote aye. Motion carried.

After Commissioner Zay asked Former Financial Administrator Skiba how confident he was in the Treasurer’s Report as presented and Former Financial Administrator Skiba reassured the Board that the Treasurer’s Report, as presented, was accurate and tied to both the ending balance and total fund balance, Commissioner Zay moved to accept the November 2009 Treasurer’s Report. Seconded by Commissioner Poole and unanimously approved by a Voice Vote.

All vote aye. Motion carried.

SHORT TERM FINANCING

As requested by Chairman Rathje, Commissioner Zeilenga explained the options relating to allocating the not-to-exceed \$30,000,000 in Debt Certificates authorized by Ordinance No. O-14-09 between taxable and tax-exempt. Commissioner Zeilenga noted the interest rate for a tax-exempt debt certificate would be 0.5% per annum and the proceeds could only be used to pay for construction and related services except for reimbursements under the 60-day look back period discussed at the meeting of December 10, 2009. Commissioner Zeilenga also noted that, pursuant to recent discussions with Bond Counsel, proceeds from a tax-exempt debt certificate should not be used for Lexington Pumping Station improvements in light of the cost-sharing arrangement that the Commission has with the City of Chicago regarding those improvements. With respect to a taxable debt certificate, Commissioner Zeilenga noted the interest rate would be 1.25% per annum and the proceeds could be used for water purchases in addition to all construction and related services.

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Commissioner Zeilenga recommended issuing the entire \$30,000,000 in debt certificates authorized by Ordinance No. O-14-09 as taxable in order to provide the Commission with the greatest flexibility. Commissioner Zeilenga explained that with the full \$30MM in financing, together with cash on hand and the Commission's other revenues, including sales taxes, \$13,000,000 could be set aside to abate the property tax by February 2010, \$8,000,000 could be used for operations and emergency purposes, and the rest could be used towards paying construction invoices that are 31 days or greater, which should cover the Commission until April 30, 2010, and the next scheduled rate increase. Commissioner Zeilenga finally noted that funds from the \$30,000,000 Debt Certificate should be made available within a week.

After Commissioner Chaplin confirmed with the General Manager that all construction contractors would be treated equally regarding payments, Commissioner Zay expressed concerns with outstanding invoices from construction contractors, noting that he received a phone call from JJ Henderson advising that they had not been paid since August and were owed more than \$3MM, with only approximately \$700,000 listed on the December 17th construction accounts payable for Board approval.

Former Financial Administrator Skiba noted that on the December 17th construction accounts payable is a list of the construction projects and outstanding contractor's invoices that have been reviewed by staff and recommended for approval by the Board, including a payment to JJ Henderson. General Manager Martin and Former Financial Administrator Skiba also noted that, in accordance with the terms set forth in each construction contract, the Commission has 45 days following approval of each contractor's payment documentation, including amounts requested and the lien waivers and sworn statements submitted by the contractors and their subcontractors and suppliers, to make payments.

Commissioner Zay then questioned the amounts previously reported in October as being needed for construction and, specifically, the \$6,000,000 that was needed in December and another \$2,000,000 in January, which equated to \$8,000,000, and now staff was reporting a \$13,000,000 figure which is almost double. Former Financial Administrator Skiba noted the differences were really a timing issue, contractor's working ahead of schedule and the like, but that since the end of September, the total construction amount the Commission has been discussing has been \$40,000,000, \$3,000,000 of which was paid in October, \$10,000,000 of which will be paid after May 1, 2010, and the remaining \$27,000,000 is to be paid from now up through April 30, 2010.

Commissioner Chaplin questioned how the contractors could be working ahead of the contract schedule. Former Financial Administrator Skiba advised that the contracts merely establish starting and ending dates, but that the rate of progress was up to the contractors.

Commissioner Maio questioned why JJ Henderson hadn't been paid since August. General Manager Martin noted that a \$1.3MM payment for the contractor's work in August was sent out on October 6th, and that payment for the contractor's work in

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September, invoiced in October, was on the December 17th construction accounts payable for approval. Commissioner Zeilenga also noted that approximately \$2.5MM in additional payments to JJ Henderson was noted on the “anticipated” payment schedule, with General Manager Martin and Facilities Construction Supervisor Bostick noting that JJ Henderson had not submitted pay requests for the amount of work they advised Commissioner Zay was owing.

Commissioner Maio asked what happens if the Board approves the accounts payable and the loan from West Suburban Bank falls through. Commissioner Zeilenga noted that any approval of the accounts payable will be subject to receipt of the \$30,000,000 loan.

Commissioner Zay questioned the recharacterization of the \$3,000,000 in construction payments made in October as being paid out of the depreciation account. Former Financial Administrator Skiba explained that this recharacterization was allowable under the water revenue bond ordinance and was done to provide access to sales tax funding for the property tax abatement. Former Financial Administrator Skiba advised that he believed that this recharacterization was in accordance with the Board’s desire to abate the property tax and that he had worked with Commissioner Zeilenga on this matter. Former Financial Administrator Skiba then offered to reverse the recharacterization if the Board so chose. Commissioner Zeilenga stated that he had not approved nor recommended the initial recharacterization nor was he recommending it be reversed and, therefore, no action was taken by the Board.

Commissioner Mueller stated that there were a lot of numbers floating around and questioned whether the JJ Henderson inquiry was referred to staff. Commissioner Zay responded that, according to JJ Henderson, they had already spoken to the General Manager who advised that he could not commit to making any disbursements prior to Board approval and that the General Manager’s statement had been made before the Board directed staff to hold all disbursements for Board approval.

Commissioner Poole questioned why Divane was listed for a payment of \$3.2MM yet a representative from Divane previously advised the Board that they had provided work amounting to \$5MM. General Manager Martin advised that under the Divane contract, payments are made only when certain defined milestones have been achieved.

Commissioner Mueller left the meeting at 7:30 P.M. to avoid a possible or perceived conflict of interest because he maintains certain bank accounts with West Suburban Bank.

Commissioner Zeilenga moved to direct the Chairman and the General Manager to cause to be issued and sold to West Suburban Bank \$30,000,000 Debt Certificates, Series 2009, consisting of a \$30,000,000 Taxable Debt Certificate, Series 2009, in accordance with the terms and conditions set forth in Ordinance No. O-14-09. Seconded by Commissioner Maio.

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Commissioner Zay confirmed that the original interest rate was locked in even though the offer acceptance deadline of Friday, December 11th by 3:30 P.M. was not met. Commissioner Zeilenga noted the General Manager was concerned with proceeding because the Board indicated at the December 10, 2009, meeting that it was going to hold a special meeting on December 17, 2009, to discuss the total amount to be borrowed under Ordinance No. O-14-09 and the split between tax-exempt and taxable debt.

Commissioner Zay then questioned why the Staff Attorney had not advised the Board that it needed to determine the total amount to be borrowed under Ordinance No. O-14-09 and the split between tax-exempt and taxable debt by the acceptance deadline. Staff Attorney Crowley responded that, even though the deadline was included in Ordinance No. O-14-09, she did not highlight the December 11 deadline as she did with the December 21 closing deadline, because the offer was structured so that it could be accepted without committing the Commission to a specific dollar amount or to any particular split between tax-exempt and taxable. The Staff Attorney also noted that the offer was still in effect after the December 11 deadline had passed because it had not been withdrawn by the bank before the acceptance was signed and delivered on Monday, December 14.

Commissioner Zay then asked again why the offer had not been accepted by the deadline. General Manager Martin advised that he decided to err on the side of caution and discuss the acceptance with Commissioner Zeilenga first.

There being no further discussion, the motion was unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Elliott, W. Maio, G. Mathews, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Bennington, L. Hartwig, W. Mueller, and W. Murphy

Commissioner Mueller returned to the meeting at 7:40 P.M.

Commissioner Zay moved to ratify the motion to engage the services of Speer Financial, Inc. as Financial Advisor in connection with the short-term financing in the amount not to exceed \$5,000.00 without Board approval. Seconded by Commissioner Elliott.

Commissioner Zay questioned why the Board was being asked to ratify an engagement that the Board approved at the special meeting of December 2nd. General Manager Martin responded that he was asking the Board to ratify the engagement because of Commissioner Zeilenga's comments at the regular meeting of December 10th regarding not paying Speer Financial, Inc. for services rendered. Commissioner Zeilenga reiterated his previous comments that he questioned the role Speer Financial had in

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relation to arranging the financing from West Suburban Bank, noting that he had made several requests for Speer Financial to contact him and no contact was ever made. To address Commissioner Zeilenga's concern regarding the role Speer Financial had in relation to arranging the financing from West Suburban Bank, Commissioner Zay requested a breakdown of the services provided by Speer Financial.

After Staff Attorney Crowley reminded the Board that a financial advisor's certificate is required by Ordinance No. O-14-09 in order to sell the debt certificate, and that it would be difficult to obtain another financial advisor to provide the required certification in time to close the transaction on December 21, 2009, Commissioner Zeilenga withdrew his objection to paying for the services provided by Speer Financial, and Commissioner Zay as the movant, and Commissioner Elliott, as the seconder, agreed to withdraw the pending motion (and second).

Commissioner Saverino moved to ratify the use of Sikich LLP for accounting services pursuant to their proposal dated November 25, 2009. Seconded by Commissioner Zay.

Commissioner Zay asked how Sikich LLP was selected. Former Financial Administrator Skiba replied that Sikich LLP is a firm known to Former Financial Administrator Skiba and has extensive experience in the field of governmental auditing. Commissioner Maio asked how many other firms were interviewed and whether it was important to obtain these accounting services at the present time. Former Financial Administrator Skiba replied that no other firms were interviewed, but the higher level, semi-executive services provided by Sikich LLP to date, including sophisticated analyses, were important to have, in addition to the more routine accounting services of Account Temps personnel, in order to handle the Commission's day-to-day financial activities and allow Former Financial Administrator Skiba to direct more of his attention towards higher level management functions such as the debt certificate financing and the ongoing forensic audit.

There being no further discussion, the motion was unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Bennington, L. Hartwig, and W. Murphy

With regards to continuing to retain the services of former Financial Administrator Skiba, General Manager Martin explained that currently, Mr. Skiba is receiving an Illinois Municipal Retirement Fund pension and, therefore, is only allowed to work for the Commission in a job that is not expected to require more than 600 hours of service in any given year, starting with the first day of employment, or else he risks his pension. Former Financial Administrator Skiba noted that, at present, he only had approximately

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233 of working hours remaining under the 600-hour limit, and, in order to continue helping the Commission navigate through its current financial situation, Former Financial Administrator Skiba was proposing to work directly for Robert Half Management Resources as a consultant who would, in turn, be assigned to the Commission.

Commissioner Poole moved to contract accounting services with Robert Half Management Resources in accordance with their proposal. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Bennington, L. Hartwig, and W. Murphy

In response to Commissioner Zay's question concerning whether Former Financial Administrator Skiba saw light at the end of the tunnel, Former Financial Administrator Skiba enthusiastically stated that he did see the light, noting that approving the \$30,000,000 Debt Certificate was a huge step in the right direction and hiring a new Financial Administrator would be another positive step.

Commissioner Mueller asked what the status was of hiring a new Financial Administrator. Commissioner Zeilenga noted that resumes have been collected and suggested having the Finance Committee help with the process. Commissioner Zeilenga also requested that the current job description for the Financial Administrator position be provided to the Finance Committee for review and potential modifications specifically geared towards obtaining a more senior level person with experience in governmental accounting and/or with a different reporting structure.

In response to Commissioner Mueller's inquiring concerning the timing for hiring a new Financial Administrator, Commissioner Zeilenga thought it would not be immediate, noting that the Commission has secured the services of Former Financial Administrator Skiba who is as good or better than any Financial Administrator out there, and that even if the Commission were to hire a new Financial Administrator, then Commissioner Zeilenga would still want to retain the services of Former Financial Administrator Skiba. Commissioner Mueller responded that it would be helpful if staff provided the Board with a list of all the various financial personnel working for the Commission, their areas of responsibility, and who they report to.

Commissioner Zay noted that the current By-Laws state that most of the financial burden rests upon the General Manager and suggested adjusting that as well.

ACCOUNTS PAYABLE

Commissioner Zeilenga moved to approve the Accounts Payable in the amount of \$6,271,048.49, subject to submission of all contractually required documentation and to receipt of the \$30,000,000 short-term loan from West Suburban Bank, for construction invoices that have been received. Seconded by Commissioner Elliott and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Bennington, L. Hartwig, and W. Murphy

Commissioner Zeilenga moved to approve the Accounts Payable in the amount of \$940,173.98, subject to submission of all contractually required documentation, for invoices that have been received except construction invoices. Seconded by Commissioner Poole and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Bennington, L. Hartwig, and W. Murphy

Commissioner Zeilenga moved to approve the Accounts Payable in the amount of \$581,971.37, subject to submission of all contractually required documentation, for invoices that have not yet been received, but have been estimated. Seconded by Commissioner Elliott.

Commissioner Zay asked for an explanation regarding the proposed \$24,071.67 payment to Seeco Construction Services. General Manager Martin explained it was for materials testing services that the Commission performs instead of the contractors on various construction projects in order to ensure the accuracy and quality of the test results. Commissioner Chaplin asked for an explanation regarding the proposed \$12,268.00 payment to QuestMark. Manager of Water Operations McGhee explained that it was for an epoxy coating on a concrete floor of one of the new buildings in the back of the pumping station.

There being no further questions, the motion was unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

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Nays: None

Absent: T. Bennington, L. Hartwig, and W. Murphy

With respect to the next Agenda item regarding Custody of Verbatim Records, Commissioner Maio asked if the recommended motion in the Request for Board Action on this item could be changed to add at the end of the motion the phrase “until rescinded or reversed.” There being no objection from anyone present, Commissioner Elliott moved to suspend the verbatim records procedures of the Commission’s By-Laws with respect to the verbatim record of the December 10, 2009, closed meeting of the Board of Commissioners until rescinded or reversed. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Bennington, L. Hartwig, and W. Murphy

Commissioner Poole then referred back to the Treasurer’s Report and, specifically, the \$22.4MM shortfall. Former Financial Administrator Skiba explained that the shortfall was attributable to the Commission’s low water rates and over commitment of sales tax receipts for construction. Commissioner Poole then asked what construction projects were approved after April 30, 2009. Former Financial Administrator Skiba stated that all current construction projects were approved prior to April 30, 2009.

Commissioner Zay noted that the Commission is only guilty of keeping the water rates too low and asked when Crowe Horwath will be done with their forensic audit.

Commissioner Elliott noted that he spoke with Chris Gair of Jenner & Block and Mr. Gair stated that the forensic audit should be completed sometime in January. Commissioner Elliott cautioned, however, that completion of the audit depends upon the scope of the work and mentioned that Jenner & Block still needed to conduct internal interviews and review the documents collected by the accounting team. Commissioner Elliott concluded his remarks by suggesting Mr. Gair be invited to attend the next Board meeting to provide a progress report.

Commissioner Poole questioned whether the three previous water rate increases implemented by the City of Chicago had been passed through to Commission customers. General Manager Martin replied that the first two were passed through, with the third increase to be passed through May 1, 2010.

Commissioner Saverino questioned why Chicago’s rate increases were not immediately passed through to Commission customers. General Manager Martin explained that the City of Chicago usually informs the Commission just prior to January 1 whether or not there will be a water rate increase and, should that happen, the Commission adjusts its

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water rates accordingly to cover the lost cost during the 4-month interim (January – April) until the Commission's own water rate increase goes into effect.

Commissioner Mueller noted that the Board should stick with the issue at hand and discuss possible water rate increases at the appropriate time.

Commissioner Chaplin stated that questions regarding the depletion in the sales tax revenue began in June and if those questions hadn't been ignored, or a truthful answer received, the financial difficulties might have been stemmed.

Commissioner Zeilenga stated that in his opinion, the Commission's financial situation was not solely based upon the water rates being too low but, rather, the various construction projects and the 2007 rebate also played a role.

After Commissioner Mueller stated that the Board should make its decisions based solely upon the facts and not what is reported in the media, Commissioner Zay moved to go into Executive Session, after a ten minute recess, to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2). Seconded by Commissioner Elliott and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Elliott, W. Maio, G. Mathews, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: W. Mueller

Absent: T. Bennington, L. Hartwig, and Murphy

The Board went into Executive Session at 8:35 P.M.

Commissioner Mueller moved to come out of Executive Session at 9:20 P.M. Seconded by Commissioner Poole and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Before the meeting adjourned, Commissioner Saverino requested that the Finance Committee proceed with the process of hiring a new Financial Administrator and, as a result, Commissioner Zeilenga requested that the current job description for the position be emailed to the Committee members and the item be included on the January Finance Committee Agenda.

After numerous Commissioners expressed their appreciation for all of Commissioner Zeilenga's efforts, Commissioner Maio moved to adjourn the meeting at 9:25 P.M. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

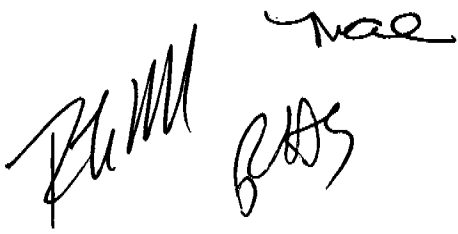
DU PAGE WATER COMMISSION
 TREASURER'S REPORT
 December 31, 2009

REVENUE				CURRENT MONTH ACTUAL	YEAR-TO-DATE ACTUAL FY 2010	
WATER SALES				4,189,721.01	34,423,304.26	
SALES TAXES				2,418,819.17	18,936,204.37	
INVESTMENT INCOME				(16.19)	469,101.11	
BONDS ISSUED				30,000,000.00	30,000,000.00	
OTHER INCOME				0.00	780.00	
TOTAL REVENUE				36,608,523.99	83,829,389.74	
EXPENSES						
PERSONAL SERVICES				300,990.11	2,683,896.40	
CONTRACTUAL SERVICES				154,560.28	628,059.82	
INSURANCE				444,412.75	481,798.75	
ADMINISTRATIVE COSTS				23,789.17	373,417.31	
WATER SUPPLY COSTS				3,905,034.95	39,346,038.85	
BOND PRINCIPAL & INTEREST				0.00	14,688,075.00	
LAND AND RIGHT OF WAY				0.00	0.00	
CAPITAL OUTLAY				139.98	26,238.91	
TOTAL OPERATING EXPENSES				4,828,927.24	58,227,525.04	
CONSTRUCTION/CAPITAL CONTRIBUTIONS				6,015,712.13	22,223,307.51	
TOTAL EXPENSES				10,844,639.37	80,450,832.55	
NET FUND TRANSACTIONS				25,763,884.62	3,378,557.19	
BEGINNING BALANCE				0.00	68,701,463.86	
ENDING BALANCE				25,763,884.62	72,080,021.05	
FUNDS CONSIST OF:				December 31, 2009	April 30, 2009	INCR. - (DECR.)
PETTY CASH				800.00	800.00	0.00
CASH AT BANK ONE				7,062.87	7,525.91	(463.04)
CASH AT MB FINANCIAL LOCK BOX				1,000.00	78,174.37	(77,174.37)
CASH AT HARRIS BANK				83,016.39	176,079.56	(93,063.17)
TOTAL CASH				91,879.26	262,579.84	(170,700.58)
ILLINOIS FUNDS MONEY MARKET				42,957,487.46	15,073,069.69	27,884,417.77
ILLINOIS FUNDS PRIME FUND				0.00	18,398,355.95	(18,398,355.95)
GOVERNMENT MONEY MARKET FUNDS				791.21	14,203,059.24	(14,202,268.03)
U. S. TREASURY INVESTMENTS				20,594,763.12	12,264,399.14	8,330,363.98
U. S. AGENCY INVESTMENTS				0.00	0.00	0.00
CERTIFICATES OF DEPOSIT				8,435,100.00	8,500,000.00	(64,900.00)
TOTAL INVESTMENTS				71,988,141.79	68,438,884.02	3,549,257.77
TOTAL FUNDS				72,080,021.05	68,701,463.86	3,378,557.19

	December 31, 2009	April 30, 2009	% CHANGE
ILLINOIS FUNDS MONEY MARKET	59.7%	22.0%	185.0%
ILLINOIS FUNDS PRIME FUND	0.0%	26.9%	-100.0%
GOVERNMENT MONEY MARKET FUNDS	0.0%	20.8%	-100.0%
U. S. TREASURY INVESTMENTS	28.6%	17.9%	67.9%
U. S. AGENCY INVESTMENTS	0.0%	0.0%	N/A
CERTIFICATES OF DEPOSIT	11.7%	12.4%	-0.8%
	100.0%	100.0%	5.2%

DATE: January 8, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION	Omnibus Vote Requiring Majority Vote	ORIGINATING DEPARTMENT	Finance
ITEM	An Ordinance of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, Abating the 2009 Tax Levy for the \$93,970,000 General Obligation Water Refunding Bonds, Series 2001, of the Commission Ordinance No. O-1-10	APPROVAL	
<p>The Commission has on hand funds sufficient to provide for payment of principal and interest on the Commission's outstanding General Obligation Bonds up to and including March 1, 2011. As a result, there is no need for the property tax levy previously made by the Commission to pay for such debt service and Ordinance No. O-1-10 would therefore fully abate the 2009 tax levy.</p> <p>It is important to note, however, that by making the abatement in January instead of February, there is a risk that the Commission could become subject to an arbitrage rebate requirement because the G.O. Bond Fund would no longer be considered a <i>bona fide</i> debt service fund exempt from arbitrage rebate requirements under federal tax law.</p> <p>To be considered a <i>bona fide</i> debt service fund, money deposited in the G.O. Bond Fund must be spent within a 13-month period beginning on the date of deposit, and must be depleted at least annually to an amount not in excess of one-twelfth of the particular annual debt service on the Bonds. This will not occur if the abatement is made in January instead of February.</p> <p>On the other hand, the risk that the Commission will be obligated to make any rebate is minimal if interest rates remain at current levels because money deposited in the G.O. Bond Fund would not be invested at a yield greater than the interest rate on the Bonds.</p>			
MOTION: To approve Ordinance No. O-1-10.			

DuPAGE WATER COMMISSION

ORDINANCE NO. O-1-10

AN ORDINANCE OF THE DuPAGE WATER COMMISSION,
COUNTIES OF DuPAGE, COOK AND WILL, ILLINOIS,
ABATING THE 2009 TAX LEVY FOR THE \$93,970,000 GENERAL
OBLIGATION WATER REFUNDING BONDS, SERIES 2001, OF THE COMMISSION

WHEREAS the Board of Commissioners (the "Board") of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois (the "Commission") does hereby find and determine as follows:

A. Pursuant to Ordinance Number O-12-01 of the Commission (the "Bond Ordinance") as adopted June 14, 2001, by the Board, the Commission has issued \$93,970,000 General Obligation Water Refunding Bonds, Series 2001 (the "Bonds").

B. Section 9 of the Bond Ordinance, as amended by the Bond Order dated as of August 23, 2001, sets forth a tax levy for the payment of interest on and principal of the Bonds up to and including March 1, 2011, in the amount of \$13,119,412.50. The taxes so levied constitute a portion of the "Pledged Taxes" as defined in the Bond Ordinance.

C. Section 13 of the Bond Ordinance sets forth the procedures by which the Commission may from time to time abate the levy of Pledged Taxes.

D. In accordance with the procedures set forth in said Section 13, the Board intends now to abate the levy of Pledged Taxes for the year 2009 (the "2009 Levy").

E. The Commission has on hand and lawfully available the sum of \$13,119,412.50 derived from sales taxes and other lawfully available funds sufficient to provide for payment of interest on and principal of the Bonds due up to and including March 1, 2011.

F. Sufficient funds are available for the purpose of fully abating the 2009 Levy.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois as follows:

Section 1. Incorporation of Preambles

The Board hereby finds that the recitals contained in the preambles to this Ordinance are true, correct and complete and does incorporate them into this Ordinance by this reference.

Section 2. Abatement Declarations

A. The Board hereby declares and determines that the amounts of funds available from lawfully available sources ("Available Funds") to enable the abatement of the 2009 Levy is not less than \$13,119,412.50.

B. The Board hereby appropriates the Available Funds to pay interest on and principal of the Bonds.

C. From the Available Funds, the Treasurer of the Commission is hereby authorized and directed to deposit a sum sufficient to pay the interest on and principal of the Bonds due up to and including March 1, 2011, into the Bond Fund as soon as possible, without further order or direction from the Board; and upon performing each of said acts, the Treasurer shall officially notify the Clerk of the Commission.

D. The entire 2009 Levy in the amount of \$13,119,412.50 is hereby abated.

E. Upon receipt of notification from the Treasurer of deposit into the Bond Fund as hereinabove provided, the Clerk of the Commission is hereby authorized and directed to file a certified copy of this abatement ordinance with the County Clerks of the

Ordinance No. O-1-10

Counties of DuPage, Cook and Will; and such filing shall constitute full and proper authority for said County Clerks to abate the 2009 Levy.

Section 3. County Clerks to Abate

Upon the filing of this abatement ordinance, the County Clerks as aforesaid shall completely abate the 2009 Levy.

Section 4. Superseder and Effective Date

All ordinances, resolutions, motions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded, and this Ordinance shall be in full force and effect upon its passage and approval.

AYES:

NAYS:

ABSENT:

ADOPTED this ____ day of _____, 2010

ATTEST:

Chairman, DuPage Water Commission
Counties of DuPage, Cook and Will,
Illinois

Clerk

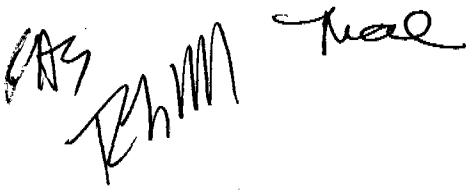
RECORDED in Commission Records: _____

ATTEST:

Clerk

DATE: January 7, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION Omnibus Vote Requiring Majority Vote	ORIGINATING DEPARTMENT Finance
ITEM An Ordinance Transferring Appropriations Within Certain Funds for the Fiscal Year Commencing May 1, 2009 and Ending April 30, 2010 Ordinance No. O-2-10	APPROVAL 
<p>Section 3 of the Illinois Municipal Budget Law (50 ILCS 330/3), as amended, authorizes transfers between the various line items within any fund. Staff has determined that it is necessary to make certain transfers among line items within certain funds. This Ordinance allows for those transfers.</p> <p>Most of the appropriation transfers are proposed for potential bond issue costs and forensic auditing costs.</p>	
MOTION: To approve Ordinance No. O-2-10.	

DUPAGE WATER COMMISSION

ORDINANCE NO. O-2-10

AN ORDINANCE TRANSFERRING
APPROPRIATIONS WITHIN CERTAIN FUNDS
FOR THE FISCAL YEAR COMMENCING
MAY 1, 2009 AND ENDING APRIL 30, 2010

WHEREAS, on the 11th day of June, 2009, the Board of Commissioners of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois adopted Ordinance No. O-7-09 being an Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2009 and Ending April 30, 2010; and

WHEREAS, the Board of Commissioners has determined that it is appropriate to make certain transfers among items within certain funds as set forth in this Ordinance; and

WHEREAS, Section 3 of the Illinois Municipal Budget Law (50 ILCS 330/3), as amended, authorizes transfers between the various line items within any fund in such Ordinance; and

WHEREAS, such transfers do not exceed in the aggregate 10% of the total amount appropriated in the fund within which they are made:

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, as follows:

SECTION ONE: The sums of money hereinafter set forth are hereby transferred from the unexpended balance of the specified line items in the various funds of the Commission and are hereby added to the specified line items in the same fund all as set forth as follows:

Ordinance No. O-2-10

DU PAGE WATER COMMISSION
 APPROPRIATION TRANSFER ORDINANCE
 MAY 1, 2009 TO NOVEMBER 30, 2010

ACCT #	ACCOUNT TITLE	BUDGET/ APPROPRIATION AMOUNT	TRANSFER INCREASE (DECREASE)	AMENDED APPROPRIATION AMOUNT
WATER FUND EXPENDITURES				
01-1700	COST OF FIXED ASSETS ACQUIRED	6,062,374		6,062,374
01-2191	LEGISLATIVE TRANSFER PAYABLE TO DU PAGE COUNTY	0		0
01-2350	GENERAL OBLIGATION BOND PRINCIPAL PAYMENTS	11,250,000		11,250,000
01-2341	REVENUE BOND PRINCIPAL PAYMENTS	9,580,000		9,580,000
01-60-6000	CUSTOMER REBATES	0		0
01-60-6110	SALARIES OF COMMISSION PERSONNEL	3,502,246		3,502,246
01-60-6121	COST OF PENSION PROGRAM	715,200		715,200
01-60-6122	COST OF MEDICAL/LIFE INSURANCE BENEFITS	821,000		821,000
01-60-6123	COST OF FEDERAL PAYROLL TAXES	271,250		271,250
01-60-6128	STATE UNEMPLOYMENT TAX EXPENSE	5,750		5,750
01-60-6131	COST OF TRAVEL FOR MEETINGS & INSPECTIONS	13,000		13,000
01-60-6132	COST OF PERSONNEL TECHNICAL TRAINING	69,500		69,500
01-60-6133	STAFF PROFESSIONAL DEVELOPMENT EXPENSES	81,206		81,206
01-60-6191	PERSONNEL RECRUITING EXPENSES	58,263		58,263
01-60-6210	WATER CONSERVATION	175,000		175,000
01-60-6232	COST OF BOND ISSUE ADVISORY SERVICES	0		0
01-60-6233	COST OF TRUST SERVICES	49,656		49,656
01-60-6239	ARBITRAGE REBATE CALCULATION SERVICES EXPENSES	2,750		2,750
01-60-6251	COST OF GENERAL COUNSEL SERVICES	112,500		112,500
01-60-6252	COST OF BOND COUNSEL SERVICES	2,500	100,000	102,500
01-60-6253	COST OF SPECIAL COUNSEL SERVICES	75,000	500,000	575,000
01-60-6258	LEGAL NOTICE PUBLICATION EXPENSES	6,250	20,000	26,250
01-60-6259	OTHER LEGAL SERVICES	31,250		31,250
01-60-6260	COST OF AUDIT SERVICES	79,750	100,000	179,750
01-60-6280	CONSULTING SERVICES	511,875	50,000	561,875
01-60-6290	CONTRACTUAL SERVICES	338,340		338,340
01-60-6411	COST OF GENERAL LIABILITY INSURANCE	109,593	10,000	119,593
01-60-6412	COST OF PUBLIC OFFICIAL'S LIABILITY INSURANCE	102,928		102,928
01-60-6413	COST OF TEMPORARY CONSTRUCTION BONDS	940		940
01-60-6414	COST OF ENGINEER'S LIABILITY INSURANCE	0		0
01-60-6415	COST OF WORKER'S COMPENSATION INSURANCE	137,056		137,056
01-60-6416	COST OF UMBRELLA LIABILITY INSURANCE COVERAGE	91,720		91,720
01-60-6417	COST OF ALL RISK-BUILDER'S INSURANCE	0		0
01-60-6421	COST OF PROPERTY INSURANCE	470,600		470,600
01-60-6422	COST OF AUTOMOBILE INSURANCE	19,500		19,500
01-60-6491	COST OF SELF INSURED CLAIMS	65,000		65,000

Ordinance No. O-2-10

DU PAGE WATER COMMISSION
 APPROPRIATION TRANSFER ORDINANCE
 MAY 1, 2009 TO NOVEMBER 30, 2010

ACCT #	ACCOUNT TITLE	BUDGET/ APPROPRIATION AMOUNT	TRANSFER INCREASE (DECREASE)	AMENDED APPROPRIATION AMOUNT
01-60-6510	BUILDING ELECTRIC COSTS	0		0
01-60-6512	GENERATOR DIESEL FUEL	180,000		180,000
01-60-6513	GAS UTILITY EXPENSES	51,975		51,975
01-60-6514	COMMUNICATION SYSTEMS	87,400		87,400
01-60-6520	ADMINISTRATIVE SUPPLIES	0		0
01-60-6521	OFFICE SUPPLIES	43,625		43,625
01-60-6522	PURCHASE OF BOOKS & PUBLICATIONS	16,166		16,166
01-60-6531	PRINTING EXPENSES	14,500		14,500
01-60-6532	POSTAGE & DELIVERY	27,600		27,600
01-60-6540	PROFESSIONAL DUES	29,391		29,391
01-60-6550	COST OF REPAIRS AND MAINT. OF OFFICE EQUIPMENT	27,449		27,449
01-60-6560	REPAIRS AND MAINTENANCE OF BUILDINGS	513,550		513,550
01-60-6580	COMPUTER SOFTWARE	57,500	115,000	172,500
01-60-6590	SOFTWARE MAINTENANCE	63,238		63,238
01-60-6591	OTHER ADMINISTRATIVE EXPENSES	34,000		34,000
01-60-6611	COST OF WATER PURCHASES	79,785,419		79,785,419
01-60-6612	ELECTRIC UTILITY EXPENSES	4,037,900		4,037,900
01-60-6613	PURCHASE OF WATER CHEMICALS	37,500		37,500
01-60-6614	COST OF WATER TESTING	25,000		25,000
01-60-6620	PUMP STATION OPERATIONS	644,938		644,938
01-60-6630	COST OF REPAIRS AND MAINTENANCE OF PIPELINES	3,134,349		3,134,349
01-60-6640	COST OF REPAIRS AND MAINT. OF VEHICLES & EQUIPMENT	121,098		121,098
01-60-6721	GENERAL OBLIGATION BOND INTEREST PAYMENTS	2,055,000		2,055,000
01-60-6722	REVENUE BOND INTEREST PAYMENTS	5,862,066		5,862,066
01-60-6800	LAND AND RIGHT-OF-WAY ACQUISITION COSTS	32,500		32,500
01-60-6850	COST OF FURNITURE & EQUIPMENT PURCHASES	321,200		321,200
01-60-6860	COST OF MOTOR VEHICLES PURCHASES	276,450		276,450
01-60-6920	WATER MAIN DEPRECIATION	5,696,259		5,696,259
01-60-6930	WATER BUILDING DEPRECIATION	2,552,181		2,552,181
01-60-6952	EQUIPMENT DEPRECIATION	125,250		125,250
01-60-6956	PUMPING EQUIPMENT DEPRECIATION	224,340		224,340
01-60-6960	VEHICLE DEPRECIATION	94,443		94,443
01-60-7110	CONSTRUCTION OF WATER METERING STATIONS	0	500,000	500,000
01-60-7210	CONSTRUCTION OF DU PAGE PUMPING STATION	21,263,505		21,263,505
01-60-7410	CONSTRUCTION OF WATER SYSTEM STORAGE	0		0
01-60-7510	CONSTRUCTION OF WATER TRANSMISSION MAINS	0		0
01-60-7610	CONSTRUCTION OF WATER FEEDER MAINS	0		0
01-60-7610	CONSTRUCTION OF STANDPIPE IMPROVEMENTS	0		0
01-60-7919	SYSTEM DISINFECTION AND START UP EXPENSES	0		0
01-60-7910	COST OF CONSTRUCTION ENGINEERING	0	50,000	50,000
01-60-7920	COST OF CONSTRUCTION PROFESSIONAL SERVICES	0		0
01-60-7920	COST OF CONSTRUCTION LEGAL SERVICES	60,000		60,000
01-60-7940	COST OF CONSTRUCTION MATERIAL TESTING SERVICES	0		0
01-60-7970	COST OF CONSTRUCTION RIGHTS-OF-WAY AND EASEMENTS	50,000		50,000
01-60-7980	COST OF CAPITALIZED FIXED ASSETS	0		0
01-60-7990	CONTINGENCY	0		0
01-60-8200	CONSTRUCTION OF CHICAGO PUMPING STATION	38,564,226	(1,445,000)	37,119,226
TOTAL WATER FUND EXPENDITURES		200,922,015	0	200,922,015
		% TRANSFERRED	0.72%	

Ordinance No. O-2-10

SECTION TWO: These transfers shall be in full force and effect from and after adoption of this Ordinance.

SECTION THREE: This Ordinance shall be available for public inspection at the office of the DuPage Water Commission.

AYES:

NAYS:

ABSENT:

ADOPTED this ____ day of _____, 2010

Chairman

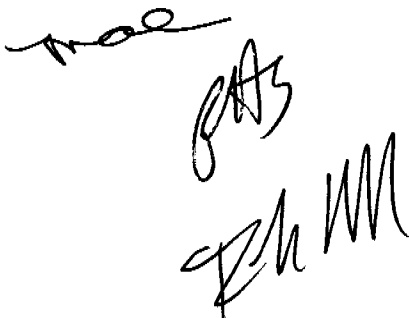
ATTEST:

Clerk

Board/Ordinances/O-2-10.doc

DATE: January 7, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION	Omnibus Vote Requiring Majority Vote	ORIGINATING DEPARTMENT Finance
ITEM	A Resolution Approving Reimbursements of Eligible Costs Paid Between October 12, 2009, and December 10, 2009, from the Proceeds of the DuPage Water Commission \$30,000,000 Taxable Debt Certificate, Series 2009, and Directing the Allocation and Deposit of Said Reimbursements Resolution No. R-1-10	APPROVAL 
Account No.: NA Pursuant to Ordinance No. O-14-09, adopted on December 10, 2009, the Commission issued its \$30,000,000 Taxable Debt Certificate, Series 2009, the proceeds of which are on deposit in the Purchase Program Fund and are to be used for the Purchase Program and Related Expenses, all as defined in Ordinance No. O-14-09. Pursuant to Ordinance No. O-14-09, the Commission may use the proceeds of the \$30,000,000 Taxable Debt Certificate, Series 2009, to pay, directly or indirectly, in whole or in part, all costs of the Purchase Program paid after 60 days prior to the date of adoption of Ordinance No. O-14-09 and up to the December 21, 2009, date of issuance of the \$30,000,000 Taxable Debt Certificate, Series 2009, and all costs of the Purchase Program and Related Expenses paid thereafter. In addition, with respect to the reimbursement of Purchase Program costs paid during the 60-day look back period and up to the December 21, 2009, date of issuance of the \$30,000,000 Taxable Debt Certificate, Series 2009, the reimbursements may be allocated to whatever accounts the Commission so chooses. This resolution provides for the reimbursement of Purchase Program costs paid between October 12, 2009, and December 10, 2009, from the proceeds of the \$30,000,000 Taxable Debt Certificate, Series 2009, and directs the allocation and deposit of these reimbursements, including the creation of a new Contingency Reserve Account.		
MOTION: To approve Resolution No. R-1-10.		

DUPAGE WATER COMMISSION

RESOLUTION NO. R-1-10

A RESOLUTION APPROVING REIMBURSEMENTS OF ELIGIBLE COSTS PAID
BETWEEN OCTOBER 12, 2009, AND DECEMBER 10, 2009, FROM
THE PROCEEDS OF THE DUPAGE WATER COMMISSION
\$30,000,000 TAXABLE DEBT CERTIFICATE, SERIES 2009,
AND DIRECTING THE ALLOCATION AND DEPOSIT
OF SAID REIMBURSEMENTS

WHEREAS, pursuant to Ordinance No. O-14-09, adopted on December 10, 2009, the Commission issued its \$30,000,000 Taxable Debt Certificate, Series 2009, the proceeds of which are on deposit in the "Purchase Program Fund" and are to be used for the "Purchase Program" and "Related Expenses," all as defined in Ordinance No. O-14-09; and

WHEREAS, pursuant to Ordinance No. O-14-09, the Commission may use the proceeds of the \$30,000,000 Taxable Debt Certificate, Series 2009, to pay, directly or indirectly, in whole or in part, all costs of the Purchase Program paid after 60 days prior to the date of adoption of Ordinance No. O-14-09 and up to the December 21, 2009, date of issuance of the \$30,000,000 Taxable Debt Certificate, Series 2009, and all costs of the Purchase Program and Related Expenses paid thereafter; and

WHEREAS, with respect to the reimbursement of Purchase Program costs paid during the 60-day look back period and up to the December 21, 2009, date of issuance of the \$30,000,000 Taxable Debt Certificate, Series 2009, the reimbursements may be allocated to whatever accounts the Commission so chooses; and

WHEREAS, the Commission desires to reimburse the Purchase Program costs paid between October 12, 2009, and December 10, 2009, during the 60-day look back period and before the December 21, 2009, date of issuance of the \$30,000,000

Resolution No. R-1-10

Taxable Debt Certificate, Series 2009, as set forth on Exhibit A attached hereto and by this reference incorporated herein and made a part hereof;

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

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

SECTION TWO: The Treasurer of the Commission shall be and hereby is directed to reimburse \$13,976,202.67 of Purchase Program costs paid between October 12, 2009, and December 10, 2009, during the 60-day look back period and prior to the December 21, 2009, date of issuance of the \$30,000,000 Taxable Debt Certificate, Series 2009, from the proceeds of the \$30,000,000 Taxable Debt Certificate, Series 2009, as set forth on Exhibit A attached hereto.

SECTION THREE: From the funds on deposit in the Purchase Program Fund, the Treasurer of the Commission shall be and hereby is authorized and further directed to allocate and deposit the reimbursement proceeds as follows:

To a new Contingency Reserve Fund, which is hereby established separate and distinct from the "Water Fund" established by Section 8.01 of Ordinance No. O-1-87, the amount of \$8,000,000.00; and

To the Sales Tax Sub-account of the General Account of the Water Fund created by Resolution No. R-28-00, the amount of \$5,976,202.67.

Resolution No. R-1-10

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

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2010.

Chairman

ATTEST:

Clerk

Board\Resolutions\R-1-10.doc

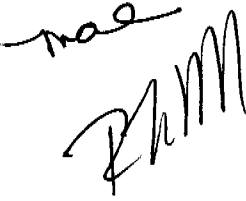
Exhibit A
Resolution R-1-10

\$30 Million Certificate of Debt
Approved December 10, 2009
Look-back Period October 12 - December 10, 2009

Disbursement Date	Check Number	Contractor/Supplier	Amount to be Reimbursed
10/13/09	CK #5932	Chicago- Sep 09 Water Bill	\$ 4,732,461.45
11/05/09	CK #6036	Williams Bros. Constr. #9	\$ 1,696,258.56
11/12/09	CK #6046	Chicago- Oct 09 Water Bill	\$ 3,876,001.95
12/10/09	CK #6109	Camp Dresser McKee	\$ 59,859.51
12/10/09	CK #6125	Chicago- Nov 09 Water Bill	\$ 3,611,621.20
			<u>\$ 13,976,202.67</u>

DATE: January 6, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION	Omnibus Vote Requiring Majority Vote	ORIGINATING DEPARTMENT	General Manager's Office
ITEM	A Resolution Delegating Authority to Designate Commission Employees, Officers, or Members Required to Receive Training Under the Illinois Open Meetings Act Resolution No. R-2-10	APPROVAL 	
Account No.: N/A On August 17 th , Governor Quinn signed Senate Bill 189 into law as Public Act 96-0542, which is a complete rewrite of the Freedom of Information Act (FOIA) that went into effect on January 1, 2010. In addition to rewriting the FOIA, Public Act 96-0542 amended the Open Meetings Act to require, among other things, every public body to designate personnel (employees, officers, or members) to receive annual training on compliance with the Open Meetings Act. As was the case with the designation of the Commission's Freedom of Information Officer and any Deputy Freedom of Information Officers, Resolution No. R-2-10 would delegate to the General Manager the authority to designate the Commission employees, officers, or members required to receive this training.			
MOTION: To approve Resolution No. R-2-10.			

DuPAGE WATER COMMISSION

RESOLUTION NO. R-2-10

A RESOLUTION DELEGATING AUTHORITY TO DESIGNATE
COMMISSION EMPLOYEES, OFFICERS, OR MEMBERS
REQUIRED TO RECEIVE TRAINING UNDER
THE ILLINOIS OPEN MEETINGS ACT

WHEREAS, the DuPage Water Commission (the "Commission") is subject to the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* (the "Act"); and

WHEREAS, pursuant to the Act, the Commission is required to designate personnel (employees, officers, or members) to receive annual training on compliance with the Act; and

WHEREAS, it is appropriate and in the public interest that the Commission delegate to the General Manager the authority to determine the appropriate Commission members, officers, or employees to receive this training;

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

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

SECTION TWO: Delegation of Authority. The General Manager shall be and hereby is authorized to designate the Commission employees, officers, or members required to receive the annual training required by the Act.

Resolution No. R-2-10

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

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2010.

Chairman

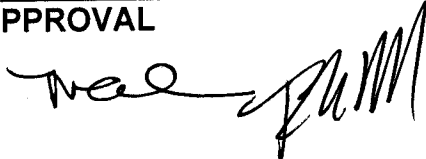
ATTEST:

Clerk

Board\Resolutions\R-2-10.docx

DATE: January 7, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION	Omnibus Vote Requiring Majority Vote	ORIGINATING DEPARTMENT	Administration
ITEM	A Resolution Amending the Personnel Manual Resolution No. R-3-10	APPROVAL	
<p>At the December 10, 2009, Commission meeting, the Board voted to change the personnel policy, effective January 1, 2010, by requiring employees to pay 20% of health and dental insurance premiums for both employee and dependent coverage. Resolution No. R-3-10 would amend the Personnel Manual to incorporate such a change, effective as of January 1, 2010, as well as to correct certain typographical errors.</p>			
MOTION: To approve Resolution No. R-3-10.			

DUPAGE WATER COMMISSION

RESOLUTION NO. R-3-10

A RESOLUTION AMENDING THE PERSONNEL MANUAL

WHEREAS, the DuPage Water Commission (the "Commission") is a county water commission created and existing under the Water Commission Act of 1985, 70 ILCS 3720/0.01 et seq., and Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-135-1 et seq.; and

WHEREAS, the Water Commission Act of 1985 provides that the Commission shall determine its own rules of proceeding; and

WHEREAS, in furtherance thereof, the Commission adopted By-Laws of the DuPage Water Commission, which By-Laws were restated by Ordinance No. O-5-92 and amended by Ordinance Nos. O-1-93, O-1-94, O-14-94, O-10-99, O-7-00, O-11-02, O-2-04, O-11-04, O-12-04, O-1-05, O-11-06, and O-7-08 (the "By-Laws"); and

WHEREAS, pursuant to the By-Laws, the Board of Commissioners of the DuPage Water Commission has the power to pass and enforce all necessary ordinances, resolutions, rules, regulations, and administrative orders for the conduct of business and management of property of the Commission; and

WHEREAS, in furtherance thereof and pursuant to Resolution No. R-60-07, the Commission comprehensively amended and restated its regulations affecting Commission employment, working conditions, and employee benefits, effective as of January 1, 2008 (the "Personnel Manual"); and

WHEREAS, the Board of Commissioners of the DuPage Water Commission has determined that it is reasonable, necessary and desirable, and in the best interest of the Commission, to amend the Personnel Manual to correct certain typographical errors

Resolution No. R-3-10

and, effective as of January 1, 2010, to require employees to pay 20% of health and dental insurance premiums for both employee and dependent coverage;

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 and made a part hereof as findings of the Board of Commissioners of the DuPage Water Commission.

SECTION TWO: Amendment to Section 4.25. The first sentence of Section 4.25, entitled "Use of Equipment and Facilities," of Chapter 4, entitled "Employment Policies, Procedures and Rules," of the Personnel Manual shall be and it hereby is amended in its entirety so that the first sentence of said Section 4.25 shall hereafter be and read as follows:

"The Commission provides its employees with vehicles, equipment, uniforms, protective clothing, identification badges, manuals, instructions, and other items to be used in performing their job duties."

SECTION THREE: Amendment to Section 8.11. Effective as of January 1, 2010, the second paragraph of Section 8.11, entitled "Personal Leave," of Chapter 8, entitled "Employee Benefits," of the Personnel Manual shall be and it hereby is amended in its entirety so that the second paragraph of said Section 8.11 shall hereafter be and read as follows:

"The Commission will continue to provide 80 percent Commission paid medical insurance for eligible employees on unpaid personal leave and, at the employee's sole expense, for his or her dependents, for a period of 30 calendar days or for such period as is permitted by the Commission's medical insurance plan in effect from time to time, whichever is shorter."

SECTION FOUR: Amendment to Section 8.14. Effective as of January 1, 2010, Section 8.14, entitled "Medical and Dental Insurance," of Chapter 8, entitled "Employee Benefits," of the Personnel Manual shall be and it hereby is amended in its entirety so that said Section 8.14 shall hereafter be and read as follows:

"8.14 Medical and Dental Insurance

The Commission provides medical insurance, including dental coverage, for eligible employees and their eligible dependents. The Commission pays 80 percent of the premiums for eligible employees' coverage and for eligible employees' dependent coverage.

Federal and State laws give Commission employees and their qualified beneficiaries the opportunity to continue, at their own cost, coverage under the Commission's medical insurance plan when a "qualifying event" would normally result in the loss of eligibility ("COBRA Continuation Coverage") and provide certain options to convert to an individual policy ("COBRA Conversion Option"). The Commission will provide each eligible employee with a written notice describing specific COBRA Continuation Coverage and Conversion Option rights granted under such laws when the employee becomes eligible for coverage under the Commission's medical insurance plan.

The Commission will provide, for a limited duration, 80 percent Commission paid COBRA Continuation Coverage for certain eligible employees but not for their dependents. 80 percent Commission paid COBRA Continuation Coverage will be provided for eligible employees when the "qualifying event" is due to an extended medical leave of continuous duration that gives rise to coverage under the Commission's long term disability insurance. 80 percent Commission paid COBRA Continuation Coverage will be provided only for so long as said eligible employees are covered under the Commission's long term disability insurance or the maximum period of COBRA Continuation Coverage required by law for said eligible employees, whichever is shorter."

SECTION FIVE: Distribution. The General Manager shall make copies of this Resolution available to all Commission employees within 10 days following its adoption.

SECTION SIX: Effective Date. After its adoption, this Resolution shall be in full force and effect; provided, however, that the amendments to the Personnel Manual

Resolution No. R-3-10

SECTION FIVE: Distribution. The General Manager shall make copies of this Resolution available to all Commission employees within 10 days following its adoption.

SECTION SIX: Effective Date. After its adoption, this Resolution shall be in full force and effect; provided, however, that the amendments to the Personnel Manual made in Sections Three and Four of this Resolution shall be effective as of January 1, 2010.

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2010.

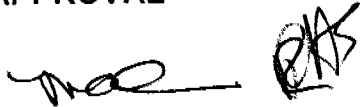
Chairman

ATTEST:

Clerk

DATE: January 7, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION	Omnibus Vote Requiring Majority Vote	ORIGINATING DEPARTMENT	Finance
ITEM	A Resolution Approving and Authorizing the Execution of a Wire Transfer Services Agreement with Terms and Conditions Resolution No. R-5-10	APPROVAL	
Account Number: Not Applicable			
<p>The Commission maintains various accounts with The Illinois Funds which, in turn, are held by U.S. Bank. The Illinois Funds has been working with the Bank to reduce the risk of payment fraud and, as a result, has required that each participant in The Illinois Funds enter into a wire transfer agreement for each account at The Illinois Funds through which wires are processed or else the participant will lose the ability to make wire transfers.</p> <p>The agreement is attached as Exhibit 1 to Resolution No. R-5-10 and, among other things and fairly typically, establishes standards of commercial reasonableness regarding security procedures, does not bind the Bank to adhere to the Commission's restrictions on wire transfers, and requires the Commission to hold harmless and indemnify the Bank, and limit the Bank's liability, in a variety of circumstances, including whenever the Bank acts without gross negligence or willful misconduct.</p> <p>Resolution No. R-5-10 would approve the wire transfer agreement with the Bank as required by The Illinois Funds and designate the Chairman, the Treasurer, the Finance Committee Chairman, the General Manager, the Financial Administrator, and the Staff Attorney as an "Authorized Signer" and "Authorized User" thereunder.</p>			
MOTION: To approve Resolution No. R-5-10.			

DUPAGE WATER COMMISSION

RESOLUTION NO. R-5-10

A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF
A WIRE TRANSFER SERVICES AGREEMENT WITH TERMS AND CONDITIONS

WHEREAS, the Commission maintains various accounts with The Illinois Funds which, in turn, are held by U.S. National Bank Association (“U.S. Bank”); and

WHEREAS, the Illinois Funds has been working with U.S. Bank to reduce the risk of payment fraud and, as a result, has required that each participant in The Illinois Funds enter into a wire transfer agreement in the form of the Wire Transfer Services Agreement with Terms and Conditions attached hereto and by this reference attached hereto as Exhibit 1 (the “Wire Transfer Agreement”) for each account at The Illinois Funds through which wires are processed or else the participant will lose the ability to make wire transfers; and

WHEREAS, pursuant to Resolution No. R-27-90, as modified by Resolution Nos. R-34-90, R-34-96 as amended, R-46-04 as amended, R-5-05 as amended, R-6-08 as amended, and R-54-08, and as amended by Resolution No. R-14-00, the Commission routinely makes wire transfers from accounts held in the name of the Commission at The Illinois Funds;

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

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

SECTION TWO: A Wire Transfer Agreement in the form attached hereto as Exhibit 1 for each account at The Illinois Funds through which wires are processed shall be and hereby is approved. The General Manager of the DuPage Water Commission shall be and hereby is authorized and directed to execute a Wire Transfer Agreement in the form attached as Exhibit 1 for each account at The Illinois Funds through which wires are processed and designating the Chairman, the Treasurer, the Finance Committee Chairman, the General Manager, the Financial Administrator, and the Staff Attorney as an "Authorized Signer" and "Authorized User" thereunder.

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

AYES:

NAYS:

ABSENT:

ADOPTED THIS ___ DAY OF _____, 2010.

Chairman

ATTEST:

Clerk



**WIRE TRANSFER SERVICES AGREEMENT
WITH TERMS AND CONDITIONS**

Thank you for choosing U.S. Bank Wire Transfer Services. Please read this agreement and the attached Terms and Conditions carefully (collectively referred to as the "Agreement") as they will govern the wire transfer services provided to you.

Participant Name: _____

Participant Address: _____

Tax Identification Number: _____

Account Number: _____

The undersigned, on behalf of the Participant, hereby appoints the person(s) listed below as the Authorized Signer(s) referred to herein as the "Authorized Signers" to act on behalf of Participant in all actions taken under this Agreement, including without limitation establishing Participant's internal security procedures, establishing authority levels, establishing authorization requirements, and distributing access devices, identification numbers, passwords and other internal security devices related to this service.

U.S. Bank may, at its discretion, require Participant to sign additional documentation in order to implement or amend certain wire transfer services. In such cases, documentation necessary to implement or amend wire transfer services shall be signed by at least one of the Authorized Signers listed below. Participant further acknowledges that U.S. Bank may implement or amend services based on the verbal, written, facsimile, e-mail, voicemail or other electronically communicated instructions that in good faith it believes to have been received by an Authorized Signer.

Authorized Signers

Printed Name: _____ **Signature:** _____

Printed Name: _____ **Signature:** _____

Printed Name: _____ **Signature:** _____

The undersigned (a) represents and warrants to U.S. Bank on behalf of the Participant that the signatures appearing above are the true and authentic signature(s) of the Authorized Signers and that Participant has taken all action required by its organizational documents to enter into this Agreement; and (b) agrees that all wire transfers initiated by Participant shall be governed by this Agreement.

Contract Signer

Signature : _____

Printed Name: _____

Title: _____

Date: _____

APPROVAL BY U.S. BANK NATIONAL ASSOCIATION

Signature: _____

Printed Name: _____

Officer Number: _____

Telephone Number: _____

Title: _____

Date: _____

WIRE TRANSFER SERVICES TERMS AND CONDITIONS

The following sets forth the terms and conditions under which Bank will provide wire transfer services to Participant. Unless otherwise defined herein, capitalized terms shall have the meanings provided in this Agreement.

1. **Definitions.** As used herein, the following terms shall have the following meanings:

a. "Authorization" shall mean the Participant's authorization designated on Bank's then standard set-up forms, fully completed and delivered to Bank, and any supplement, thereto or amendment, thereof.

b. "Authorized User" shall mean the individual or individuals, if any, authorized on behalf of the Participant and listed in the most current Authorization on file at Bank.

c. "Beneficiary" shall mean the person to be paid by a funds transfer initiated by Participant hereunder.

d. "Covered Account" shall mean each deposit account maintained in the name of Participant at Bank and described in the most current Authorization on file at Bank.

e. "Fedwire Regulation" shall mean Subpart B of Regulation J of the Board of Governors of the Federal Reserve System, as amended from time to time.

f. "Fedwire" shall mean the funds-transfer system owned and operated by the Federal Reserve Bank that is used primarily for the transmission and settlement of payment orders governed by the Fedwire Regulation.

g. "Payment Order" shall mean an instruction to Bank, from or in the name of Participant, to pay or cause another financial institution to pay a fixed or determinable amount of money to a Beneficiary.

h. "Repetitive Transfers" shall mean funds transfers in which the Covered Account, Beneficiary, Beneficiary's financial institution, and Beneficiary's deposit account are the same for each transfer, and only the date and dollar amount and any optional additional information vary.

i. "Security Procedures" shall mean those procedures (i) specified in the Authorization or (ii) as otherwise agreed to by Bank and Participant, for transmitting Payment Orders to Bank and for verifying such Payment Orders upon receipt by Bank, as such procedures may be amended or supplemented from time to time by Participant and Bank.

2. **Authorized User or Covered Account Designations.** Participant shall promptly deliver to Bank an updated Authorization whenever there are deletions from, additions to or changes to (i) the lists of Authorized Users, if any designated by such Participant (ii) the funds transfer authority of Authorized Users, or (iii) the list of Covered

Accounts. For all services hereunder, until Bank has received such an updated Authorization and has had a reasonable time to act thereon, Bank may continue to act pursuant to the most current Authorization on file at Bank. With respect to Participants who designate Authorized Users, Participant warrants and represents that each Authorized User shall be a person who is authorized to direct funds transfers of Participant's funds pursuant to depository resolutions of Participant from time to time in effect at Bank.

3. **Security Procedures.** Bank and Participant will follow the Security Procedures to detect unauthorized Payment Orders prior to execution of such Payment Orders by Bank. The Security Procedures are designed solely for the purpose of verifying the origination of Payment Orders and not for the detection of errors. Participant agrees that such Security Procedures are commercially reasonable. Some of the Security Procedures offered by Bank are available only if Participant transmits Payment Orders directly to Bank's funds transfer department by telephone, computer or other electronic means. Accordingly, Participant acknowledges that if Participant issues a Payment Order to a representative of Bank outside Bank's funds transfer department, Participant will be deemed to have refused such Security Procedures and to have agreed to be bound by such Payment Order, whether or not authorized, which is issued in Participant's name and accepted by Bank in good faith. Access to services may be controlled through the use of Participant IDs, user IDs passwords and other security devices. If such a Security Procedure is so assigned or otherwise offered, Participant shall use or cause such security device to be used when submitting any and all Payment Orders to Bank. If such a security device is so assigned or offered and a Payment Order uses the identifying number, code or other security device, Bank may rely solely on the security device as conclusive identification of the sender. Participant is solely responsible for maintaining its own internal security and agrees to use the utmost care in selecting any company or individual given access to use this service. Participant shall not disclose any information regarding the service of the Security Procedures that an unauthorized user would find helpful to obtain access to this service. If a Payment Order received by Bank purports to have been transmitted or authorized by Participant and Bank has acted in compliance with the Security Procedures with respect to such Payment Order, such Payment Order shall be deemed effective as Participant's Payment Order, and Participant shall be obligated to pay to Bank the amount of such Payment Order.

4. Processing of Payment Orders.

a. Authorization. Participant authorizes Bank from time to time to transfer funds of Participant from any Covered Account to any other deposit account of Participant or a Beneficiary at Bank or another financial institution, or to another financial institution for the benefit of Participant or a Beneficiary, when requested to do so in a Payment Order. With respect to Participants who designate Authorized Users, Participant authorizes Bank to accept Payment Orders from an Authorized User or any person purporting to be an Authorized User. For all services hereunder, Payment Orders may be transmitted to Bank by any means approved by Bank, including oral, written or electronic communication.

b. Accuracy/Inconsistent Name and Account Numbers. In submitting any Payment Order, Participant shall be responsible for providing all necessary information required by Bank. Bank's funds transfer services are only designed to respond to information provided by Participant. Accordingly, any inaccuracy in any information provided by Participant may result in an unintended transfer of funds. Bank bears no responsibility and shall not be liable to Participant for any information provided by Participant in a Payment Order, which is inaccurate, incomplete or otherwise incorrect. Bank and any other party executing or receiving a payment order, including the beneficiary's bank, may rely on the number in the Payment Order that identifies the beneficiary and on any numbers that identify the beneficiary's bank and any intermediate financial institutions identified in the Payment Order, even if such numbers do not correspond to the name of the beneficiary or the financial institution. Bank and any other receiving financial institution have no obligation to determine whether a name and number identify the same person or institution. Participant acknowledges that payment of a Payment Order might be made by the beneficiary's bank on the basis of an identifying or bank account number even if it identifies a person different from the named beneficiary. With respect to incoming wire transfers that do not include an account number recognizable to Bank, Bank may return the wire transfer to the sending financial institution without incurring any liability to Participant.

c. Method of Execution. No Payment Order shall instruct Bank to debit any deposit account of Participant at Bank other than a Covered Account. Bank in its sole discretion may execute Payment Orders it receives from Participant and payment orders it receives from other Participants in any order convenient to Bank and may select such means and routes for the transfer of funds as Bank considers appropriate under the circumstances. If more than one Payment Order is made at or about the same time and the available funds in the applicable Covered Account do not cover all of such Payment Orders, Bank may at its option execute as many of such Payment Orders as possible within the dollar limits of such available funds in any order convenient to Bank.

d. Timing. Participant shall submit Payment Orders to Bank prior to the daily cutoff time established by Bank from time to time. Any Payment Order received by Bank

after its daily cutoff time may be processed on the next banking day.

e. Repetitive Transfers. If Bank or Participant determines that certain funds transfers have become Repetitive Transfers, Bank may assign a repetitive code to Payment Orders pertaining to such Repetitive Transfers.

f. Standing Payment Orders. If requested by Participant and agreed to by Bank, Participant may initiate a standing payment order, which is one where the Participant pre-programs the beneficiary, the beneficiary's financial institution, and the accounts to be debited and credited and such information remains constant for subsequent payment orders. Participant shall provide Bank with the necessary information to execute the standing payment order, including, without limitation, the dollar amount to be transferred or the desired peg balance, the frequency of the order and the day of week or month when the payment order is to be executed. Participant may terminate a standing payment order at any time upon receipt by Bank of a written notice. Bank shall have a reasonable time to act on such notice.

g. Mainframe Batch Wire Transfers. If requested by Participant and agreed to by Bank, Participant may initiate payment orders from its mainframe computer to Bank's mainframe computer, subject to the provisions of this Agreement. Participant will comply with interface specifications established by Bank, including, without limitation, file formats and means of data transmission (the "Specifications"). Bank may furnish Participant with modifications to the Specifications and Participant shall implement such modifications as soon as reasonably practicable. Participant shall maintain the confidentiality of the Specifications and permit access solely to those authorized to initiate Payment Orders. Participant shall implement passwords and other security devices commensurate with the highest level of security afforded by Participant to other computer programs and confidential information of Participant.

h. Confirmation of Outgoing Wire Transfers. Participant and Bank shall agree to the method of confirming payment orders received from Participant. Participant shall designate Authorized Users to confirm payment orders. Bank recommends a minimum of three potential Authorized Users to confirm payment orders and that Authorized Users serve as an initiator or a confirmer, but not both. Bank advises Participant not to waive confirmation. If Participant, however, chooses to waive confirmation, Participant agrees to be liable for all outgoing payment orders, except those payment orders where (1) Participant is able to conclusively prove that the unauthorized transfer could not have been prevented by the use of confirmation procedures; (2) Bank is unable to produce any evidence that the unauthorized transfer could have been prevented by the use of confirmation procedures; and (3) Participant is not otherwise liable for the transfer under this Agreement, or applicable law. Participant acknowledges that not using confirmation procedures

substantially increases the Participant's risk of liability for an unauthorized wire transfer.

i. Rejection of Payment Orders. Bank may reject a payment order (either incoming or outgoing orders, or both) from Participant if such payment order is not initiated in accordance with the applicable security procedures, if there is any inconsistency between a payment order and information previously supplied to Bank, if Bank is unable to obtain confirmation of such payment order satisfactory to Bank, if there are insufficient collected funds in Participant's specified account to fund the payment order, or if Bank has other reasonable grounds not to honor the payment order. Bank will notify Participant of any payment order rejection by facsimile, electronic mail or other commercially reasonable method.

j. Cancellation. Participant shall have no right to cancel any Payment Order after its receipt by Bank. Bank shall, however, use reasonable efforts to act on a request by Participant for cancellation of a Payment Order prior to execution by Bank of such Payment Order, provided such request complies with the Security Procedures, but Bank shall have no liability if such cancellation is not effected. Participant shall reimburse Bank for any expenses, losses or damages Bank may incur in effecting or attempting to effect Participant's request for the cancellation of any Payment Order.

k. Advices. Participant will select the type of advice it wishes to receive after Bank sends an outgoing wire transfer or receives an incoming wire transfer. If Participant selected telephonic advices, Participant will designate person(s) to be contacted and telephone numbers to be used for advice purposes. Bank shall not be required to make more than one attempt to reach Participant's designated location by telephone if Bank is able to reach the Participant's designated location, but not Participant's designated Agent, Bank may leave a message containing the information to be conveyed. If Participant selects advices by facsimile ("fax"), Participant shall exercise extreme care in maintaining its own security in the receipt of fax advices. Participant acknowledges that the information to be received by fax may include confidential information, including, without limitation, names, amounts, phone numbers, originating account information, and the text of incoming wires. Participant further acknowledges that it alone assumes full responsibility for maintenance of its internal security procedures to keep such information confidential. Participant agrees to indemnify, defend and hold Bank harmless against any and all claims, demands, expenses, liabilities and damages, including attorney fees at trial and on any appeal or petition for review, incurred by Bank arising directly or indirectly from the transmission by fax of an incoming wire transfer advice. Participant may waive its right under the Uniform Commercial Code to receive advices by so indicating on the applicable Authorization.

l. Compliance. The rights and obligations of Participant and Bank with respect to any funds transfer which is carried out through Fedwire shall be governed by the Fedwire Regulation. Any Payment Order submitted by

Participant shall also be subject to the rules, regulations and by-laws governing the particular funds transfer network utilized by Bank.

5. Cooperation. If Bank is entitled under the law governing mistake and restitution to recover from any Beneficiary or other recipient all or any part of a funds transfer hereunder, Participant shall upon Bank's request, but without expense to Bank, testify in any legal proceedings, sign all lawful papers, make all lawful oaths, and generally do all other and further lawful acts, deemed necessary or expedient by Bank to assist or enable Bank to recover from such Beneficiary or other recipient.

6. International Payments. If a Payment Order provides for the transfer of funds to a Beneficiary located in a foreign country, the Beneficiary may not receive funds on that day. Additionally, the Beneficiary's financial institution may elect to pay the Beneficiary in foreign currency at the buying rate of exchange for funds transfers of the Beneficiary's financial institution. It is Participant's responsibility to advise the Beneficiary of these possibilities. Participant bears all risk of loss due to fluctuation in the rate of exchange.

7. Reverse Wire Transfers. If requested by Participant and agreed to by Bank, Participant authorizes Bank to debit Participant's account(s) with Bank upon receipt of a Fedwire drawdown request, and to send funds to the Requesting Bank. Each transfer will be done on the Business Day Bank receives the incoming request from the Requesting Bank if the request is received within a reasonable time to determine whether Participant's Account has sufficient available funds and to obtain access to the Federal Reserve network prior to the close of business. Participant agrees not to make any reverse wire request in excess of available collected balances on deposit in the designated account(s). Bank may reject any reverse wire request in excess of the collected and available balance. Requesting Bank will be notified if the request is rejected by Bank. Participant's obligation to pay Bank the amount of the funds transfer in the event that the Fedwire message does not identify the same account or financial institution is not excused in such circumstances. When names and numbers are inconsistent, the numbers shall control. With respect to incoming wire transfers that do not indicate an account number recognizable to Bank, Bank may return the wire transfer to the sending financial institution without incurring any liability. Participant's authorization for reverse wire requests shall remain in effect until Participant gives written notice to Bank. Bank will have a reasonable time to act on any written notice received from Participant. In consideration of Bank's compliance with this authorization, Participant agrees that Bank's treatment of any charge, and Bank's rights with respect to it, shall be the same as if the entry were initiated personally by Participant. Bank shall have no liability if any charge is dishonored.

8. Representations and Warranties. Participant and Bank each represents and warrants to the other, as of the date this Agreement is entered into and at the time any service is used or performed, that: (a) it is validly existing

and in good standing under the laws of the jurisdiction of its organization; (b) it has all requisite power and authority to execute and deliver, and to perform its obligations under, this Agreement and each service used or performed by it; (c) this Agreement has been duly authorized and executed by it and constitutes its legal, valid and binding obligation; and (d) any consent or authorization of any governmental authority or third party required to be obtained by it in connection with this Agreement or any service used or performed by it has been obtained. Bank makes no representation or warranty, express or implied, and disclaims all warranties as to the merchantability, fitness for a particular purpose or suitability of any services for Participant, or as to the compatibility of Bank's software, equipment or communication interfaces with those of Participant. Participant represents and warrants to Bank, and agrees with Bank, that the services are not intended to and shall not be used by Participant for personal, family or household purposes.

9. Liability. Participant acknowledges that Bank's fees for the services are very small in relation to the amounts of transfers initiated and consequently Bank's willingness to provide such services is based on the liability limitations contained in this Agreement. In addition to greater limitations on Bank's liability that may be provided elsewhere, Bank's liability related to this service shall be limited exclusively to actual proven damages arising directly from its own gross negligence or willful misconduct. Bank will not, under any circumstances, be liable for any special, incidental, indirect, consequential, punitive or similar losses or damages, whether or not the likelihood of such losses or damages was known by either party at the time Participant first obtains services from Bank or at the time any instruction or order is given to a Bank pursuant to this service, and whether such losses or damages arise from tort, contract or otherwise. Bank's maximum liability for any loss of interest shall be calculated using a rate equal to the average Federal Funds rate at the Federal Reserve Bank of New York for the period involved. Notwithstanding the foregoing, Bank shall not be liable for any losses or damages caused, in whole or in part, by the action or inaction of Participant, or any Agent or employee of Participant, whether or not such action or inaction constitutes negligence or a breach of this Agreement. Bank shall not be liable for any damage, cost, loss, liability or delay caused by accident, strike, fire, flood, war, riot, equipment breakdown, electrical or mechanical failure, acts of nature, or any cause which is attributable to a third party, that was beyond Bank's reasonable control. Participant agrees that the fees charged for the performance of the services shall be deemed to have been established in contemplation of these liability limitations.

10. Indemnification. To the extent permitted by applicable law, Participant shall indemnify and hold harmless Bank and each of its directors, officers, employees, agents, successors and assigns ("Indemnitees") from and against all liability, loss and damage of any kind (including attorneys' fees and other costs incurred in connection therewith) incurred by or asserted against such Indemnitee in any way relating to or arising out of any service, by

reason of any acts or omissions of Participant or any third party or otherwise, except to the extent such liability, loss or damage is caused by the gross negligence or willful misconduct of such Indemnitee (provided that reliance, without further investigation, on any oral, telephonic, electronic, written or other request, notice or instruction believed in good faith to have been given by Participant will in no event constitute gross negligence or willful misconduct on the part of such Indemnitee).

11. Payment. Participant shall compensate Bank for the performance of each service in accordance with the fee schedule established by Bank, which may be changed by Bank from time to time. At the time this Agreement is executed, Bank will not charge Participant for wire services (in accordance with that certain Custodian Agreement by and between Bank and the Office of the Illinois State Treasurer dated March 1, 2008 (the "Custodian Agreement")). Participant will be provided with notice of any such change in accordance with Bank's normal business practices. The price schedule for each service will be deemed accepted by Participant upon provision of such service to Participant. Participant shall pay any access, transfer, transmission and other charges established by Bank in providing each service. Participant shall also pay any sales, use or similar tax applicable to any service. If Bank is required to pay any such taxes, Participant shall reimburse Bank therefor upon demand. Participant shall also pay all attorneys' fees and other costs and expenses Bank may incur in collecting any fees or other sums Participant may owe to Bank in connection with any services. Unless otherwise prohibited by relevant statute, administrative law, ordinance or other governing body, Bank may collect any of the foregoing amounts and any other amounts due by Participant to Bank hereunder or in connection with the provision of any services to Participant by debiting any of Participant's accounts with Bank, billing Participant, and/or may be offset through account analysis, without any obligation to give prior notice thereof to Participant.

12. Confidentiality. All user guides, manuals, data, software, processes and other information provided to Participant in connection with this service and all fee and pricing information with respect to the services (the "Information") is the proprietary and confidential property of Bank and/or its relevant licensors or suppliers. Participant agrees to use the Information only in the manner specified by Bank and in the ordinary course of Participant's business, to return it to Bank upon termination of the relevant service, and to keep the Information confidential and limit access thereto only to its agents and employees who require access in the normal course of their duties, except to the extent the Information is already in the public domain or Participant is required to disclose the Information by law.

13. Intermediaries. Bank may act on any Communication and provide any service using any payment system or intermediary organization it reasonably selects. Bank's performance of services is subject to the rules and regulations of any such system or organization. Bank may engage third parties to provide services. Bank shall have no

obligation to disclose arrangements with third parties to Participant or obtain Participant's consent thereto. Participant authorizes the transfer of information relating to Participant to agents of Bank or Participant for use in connection with services or as required by law.

14. Recordings and Records. Either Participant or Bank may produce telephonic or electronic recordings or computer records, including e-mail and telefacsimile transmissions, as evidence in any proceedings brought in connection with any service. Participant agrees to Bank's telephonic or electronic recording for security and quality of service purposes.

15. Notices. All written notices to Bank shall be delivered or mailed to the address designated by Bank. Notices sent to Participant shall be delivered or mailed to Participant's current lead account address or other known address if deemed more appropriate by Bank under the circumstances. Notice may be delivered to same Participants in electronic format if requested or appropriate.

16. Accounts. All services involving Participant's accounts at Bank are subject to Bank's terms and conditions of deposit accounts and availability schedules in effect from time to time, provided that in the event of any conflict between this Agreement and Bank's terms and conditions of deposit accounts, this Agreement shall prevail. Participant and Bank shall also be bound by the terms and conditions set forth in the Custodian Agreement.

17. LEFT BLANK INTENTIONALLY

18. Discrepancies. Participant shall promptly notify Bank in writing of any error in connection with this service and any discrepancies between any records maintained by Participant and any notice Participant receives from Bank with respect to any service. Participant shall, within a reasonable time, which in no event shall be greater than 30 calendar days following the day Bank first mails or makes information available to Participant, notify Bank of any transaction or transfer Participant believes to be unauthorized. Participant agrees that the failure to report any discrepancies or unauthorized transaction in accordance with this Section shall relieve Bank of any liability for such unreported erroneous or unauthorized transaction.

19. Compliance. Participant shall comply with all laws, rules and regulations in connection with services. Participant agrees to be bound by such rules, and agrees not to initiate or receive a wire transfer Payment Order in violation of international, federal, state and local laws and regulations including, without limitation, the regulations promulgated by the Office of Foreign Assets Control ("OFAC"). To the extent permissible under applicable law, Participant shall be responsible for and shall fully indemnify Bank for any and all fines and assessments imposed on Bank as a result of any infraction or violation of such rules caused by or attributable to Participant.

20. Disclosure. Participant acknowledges that Bank may have certain legal recordkeeping and reporting

requirements with respect to services and consents to Bank's disclosure to governmental authorities of information concerning Participant and services provided to Participant which Bank believes to be appropriate or necessary to fulfill such legal requirements.

21. Termination. This Agreement may be terminated by either party upon 30 days' prior written notice to the other. Bank may also terminate or suspend any services without notice to Participant if any of the following occurs: (a) Participant becomes insolvent or files, or has filed against it, any bankruptcy or other insolvency, reorganization, liquidation or dissolution proceeding of any kind; (b) Bank has reason to believe that Participant has engaged in fraudulent or illegal activity; (c) Participant fails to maintain balances in accounts sufficient to cover overdrafts; (d) Participant violates the material terms of this Agreement or any financing arrangement with Bank; (e) Participant fails to provide financial information reasonably requested by Bank; (f) Bank determines it is impractical or illegal to provide any services because of changes in laws, regulations or rules; or (g) Bank, in good faith, is unable to satisfy itself that any services have been properly authorized by Participant. Notwithstanding any termination, the terms of this Agreement and the service Terms and Conditions shall apply to all transactions which have been initiated prior to termination.

22. Binding Effect. This Agreement shall bind and benefit the parties and their successors and assigns. None of the terms of this Agreement may be waived except as Bank may consent in writing, and no Agreement with or representation made by any employee of Bank that is in conflict with this Agreement will be binding on Bank unless contained in a written modification of this Agreement signed by an authorized officer of Bank. Bank may from time to time amend any of the terms of this Agreement. Participant will be provided with notice of any such amendment in accordance with Bank's normal business practices. By continuing to use any service after notice of such amendment, Participant shall be deemed to have agreed to such amendment and shall be bound by this Agreement as so amended. No delay on the part of Bank in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or power under this Agreement preclude further exercise thereof or the exercise of any other right or power. The rights and remedies under this Agreement are cumulative and not exclusive of any rights or remedies that Bank would otherwise have.

23. Governing Law; Severability. Except to the extent superseded by Federal law, the provision of services shall be governed by the laws of the State of Illinois. Participant agrees that the courts of such state shall have jurisdiction to hear any dispute arising out of any service and submits to the jurisdiction of such courts. Any provision of this Agreement that is unenforceable shall be ineffective to the extent of such provision, without invalidating the remaining provisions of this Agreement. If performance of the services would result in violation of any law, regulation or governmental policy, this Agreement shall

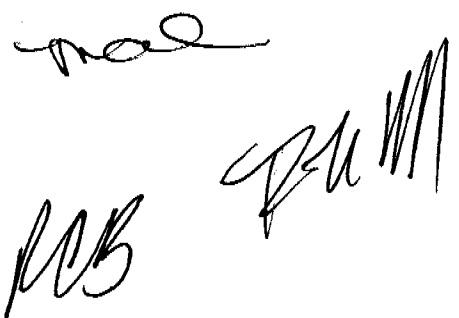
be deemed amended to the extent necessary to comply therewith.

24. Assignment. This Agreement may not be assigned by either party without the other party's prior written consent. Notwithstanding anything to the contrary, following a merger or acquisition arising under operation of law, Bank may assign this Agreement without Participant's consent.

25. Collection Costs. Should Bank have to undertake any action to recover any amount due under this Agreement, including without limitation fees, overdrafts, or overpayment, Participant will be liable to Bank for the cost of such effort, plus reasonable attorney fees in any court action or appeal therefrom if awarded by a court of competent jurisdiction.

26. Waiver of Jury Trial. PARTICIPANT AND BANK WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY LITIGATION OR OTHER PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY SERVICES USED BY PARTICIPANT.

REQUEST FOR BOARD ACTION

<p>AGENDA SECTION Omnibus Vote Requiring Super-Majority or Special Majority Vote</p>	<p>ORIGINATING DEPARTMENT Facilities Construction</p>
<p>ITEM A Resolution Amending Resolution No. R-61-09, being "A Resolution Approving and Authorizing the Quit Claim of a Temporary Construction Easement to the City of Chicago for the Reconstruction of the South Laramie Avenue Viaduct"</p> <p>Resolution No. R-4-10</p>	<p>APPROVAL</p> 
<p>Account No: N/A</p> <p>Pursuant to Resolution No. R-61-09, the Commission approved and authorized a quit claim to the City of a temporary construction easement for use in connection with the reconstruction of the City's South Laramie Avenue Viaduct conditioned upon, among other things, receipt of the sum of \$10,000.00 to reimburse the cost of certain engineering services provided to review and analyze the plans for the reconstruction project as well as for engineering services to be provided to monitor and inspect certain aspects of the reconstruction that have the potential for negatively impacting the Commission's tunnel adjacent to the Viaduct. The City has executed the Easement Agreement conditionally approved pursuant to Resolution No. R-61-09 but requested that the Commission also execute the Easement Agreement in order for it to release the \$10,000.00.</p> <p>Resolution No. R-4-10 would amend Resolution No. R-61-09 to eliminate receipt of \$10,000.00 as a condition precedent to the Commission's execution of the Easement Agreement. If the Board is agreeable to proceed as requested by the City, a copy of the fully-executed original would be delivered to the City's attorney but the fully-executed original would only be released upon receipt of the \$10,000.00.</p>	
<p>MOTION: To adopt Resolution No. R-4-10.</p>	

DUPAGE WATER COMMISSION

RESOLUTION NO. R-4-10

A RESOLUTION AMENDING RESOLUTION NO. R-61-09, BEING
"A RESOLUTION APPROVING AND AUTHORIZING THE QUIT CLAIM OF A
TEMPORARY CONSTRUCTION EASEMENT TO THE CITY OF CHICAGO FOR THE
RECONSTRUCTION OF THE SOUTH LARAMIE AVENUE VIADUCT"

WHEREAS, pursuant to Resolution No. R-61-09, being "A Resolution Approving and Authorizing the Quit Claim of a Temporary Construction Easement to the City of Chicago for the Reconstruction of the South Laramie Avenue Viaduct," the Commission approved and authorized the execution of an Easement Agreement conditioned upon, among other things, receipt of the sum of \$10,000.00 to reimburse the cost of certain engineering services; and

WHEREAS, the City of Chicago has executed the Easement Agreement conditionally approved pursuant to Resolution No. R-61-09 but requested that the Commission also execute the Easement Agreement in order for it to release the \$10,000.00 and, as a result, Resolution No. R-61-09 should be amended to eliminate receipt of \$10,000.00 as a condition precedent to the Commission's execution of the Easement Agreement;

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

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

SECTION TWO: Section Two of Resolution No. R-61-09 shall be and it hereby is amended in its entirety so that said Section Two shall hereafter be and read as follows:

Resolution No. R-4-10

SECTION TWO: The General Manager of the Commission shall be and hereby is authorized to execute, and the Clerk of the Commission or any licensed notary shall be and hereby is authorized to attest, an Easement Agreement with the City of Chicago in substantially the form attached hereto and by this reference incorporated herein and made a part hereof as Exhibit 1, with such modifications as may be required or approved by the General Manager; provided, however, that they shall neither execute nor attest the Easement Agreement on behalf of the Commission unless and until the General Manager shall have been presented with copies of the Easement Agreement executed by the City of Chicago. Upon execution and attestation by the General Manager and Clerk or licensed notary, respectively, the quit claim of temporary construction easement for the real estate described in Exhibit A of the Easement Agreement attached hereto as Exhibit 1, and all things provided for in the Easement Agreement as so executed, shall be deemed accepted by the Commission without further act."

SECTION THREE: Except as hereinabove amended, Resolution No. R-61-09 shall remain in full force and effect.

SECTION FOUR: This Resolution shall be in full force and effect from and after its adoption by a vote of two-thirds of the Commissioners present or the concurrence of a majority of the appointed Commissioners, whichever is greater.

AYES:

NAYS:

ABSENT:

ADOPTED THIS _____ DAY OF _____, 2010.

Chairman

ATTEST:

Clerk

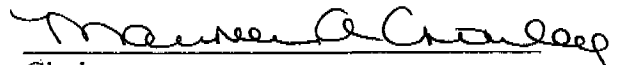
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

AVAILABILITY OF ORDER

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois (the "*Commission*"), and as such official I am the keeper of the official books, records, minutes and files of the Commission and of the Board of Commissioners thereof (the "*Board*").

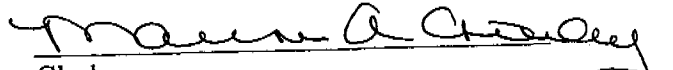
I do further certify that I shall make available to all members of the Board at the regular meeting of the Board to be held on the 14th day of January 2010, an Order for \$30,000,000 Taxable Debt Certificates, Series 2009, a true, correct and complete copy of which is attached hereto.

IN WITNESS WHEREOF I hereunto affix my official signature, this 21st day of December 2009.


Clerk
DuPage Water Commission, Counties of
DuPage, Cook and Will, Illinois

ACKNOWLEDGMENT OF FILING

Filed in the office of the Clerk of the DuPage Water Commission, Counties of DuPage,
Cook and Will, Illinois, this 21st day of December 2009.


Clerk
DuPage Water Commission, Counties of
DuPage, Cook and Will, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

ORDER
IN CONNECTION WITH THE ISSUANCE OF
TAXABLE DEBT CERTIFICATES, SERIES 2009

To: Board of Commissioners
DuPage Water Commission
Counties of DuPage, Cook and Will, Illinois

GREETINGS:

We are pleased to advise you as follows:

A. SALE

Please be advised that the Board of Commissioners (the "*Board*") of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois (the "*Commission*"), on the 10th day of December 2009, adopted a certificate ordinance entitled:

AN ORDINANCE of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, authorizing and providing for the issuance of not to exceed \$30,000,000 Debt Certificates, Series 2009, evidencing interests in an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the Commission, and providing for the security for and means of payment under the Agreement and the Certificates.

(the "*Certificate Ordinance*"), which authorizes the issuance of two series of Debt Certificates, entitled the Debt Certificate, Series 2009 (the "*Tax-exempt Certificate*") and the Taxable Debt Certificate, Series 2009 (the "*Taxable Certificate*"). **This Order pertains only to the Taxable Certificate.** Terms used but not defined herein shall have the same meanings as terms defined in the Certificate Ordinance. Responsive to authority contained in the Certificate Ordinance, the undersigned Chairman and General Manager of the Commission, acting as the Designated Officials, have sold the Taxable Certificate in the aggregate principal amount of \$30,000,000 to

the Purchaser thereof, namely, West Suburban Bank, pursuant to a purchase agreement by and between the Commission and the Purchaser and dated December ^{14th week} ~~18~~, 2009 (the "Purchase Agreement"), at a price of \$30,000,000 (representing par net of a closing fee of \$0.00) plus accrued interest. The Purchaser is (a) a bank or other financial institution with a place of business in the State of Illinois and (b) able to take up the Taxable Certificate in a private placement and represents that (i) it will be the first buyer of the Taxable Certificate and will hold same with no present intention to resell, and (ii) it is a sophisticated investor in securities such as the Taxable Certificate and is able to make an informed investment decision regarding same.

B. FURTHER FINDINGS

The following further conditions have also been met: (a) The Taxable Certificate has been sold in an amount not in excess of the maximum authorized amount of \$30,000,000 (such maximum being \$30,000,000 for the Tax-exempt Certificate and Taxable Certificate, collectively). (b) The interest rate on the Taxable Certificate does not exceed the maximum rate of 2.00% per annum. (c) The dated date of the Taxable Certificate is December 21, 2009, and the due date is December 21, 2010, being not later than one year later. (d) Interest on the Taxable Certificate shall be payable semiannually commencing June 21, 2010, and at maturity. (e) The purchase price of the Taxable Certificate to the Purchaser is not less than 100% of par. (f) The closing fee to the Purchaser does not exceed 0.25% of par. (g) The terms of the Taxable Certificate are fair and reasonable in light of current conditions in the market for obligations such as the Taxable Certificate.

C. NO CONFLICTS

Neither we nor any person advising us in the sale of the Taxable Certificate is in any manner financially interested either directly, in his or her own name, or indirectly in the name of

any other person, association, trust or corporation in said contract with the Purchaser for the purchase of the Taxable Certificate.

D. BANK QUALIFIED

The Taxable Certificate is not tax-exempt or bank-qualified.

E. DEPOSITS INTO FUNDS

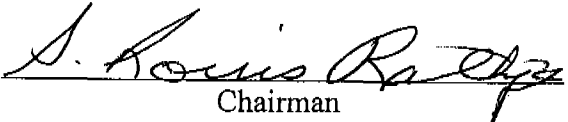
At the time of execution of this Order, the proceeds of the Taxable Certificate are expected to be used substantially as follows:


	Derived as follows:	(\$)
(1)	Par Amount	30,000,000
(2)	Purchaser's Closing Fee (-)	00
(3)	Purchase Price (=)	30,000,000
(4)	Accrued Interest (+)	<u>00</u>
(5)	Total Received by Commission (=)	<u>30,000,000</u>
	Allocated or spent as follows:	(\$)
(a)	Costs of Issuance to be paid directly or to Expense Fund (+)	00
(b)	Accrued Interest to Certificate Fund (+)	00
(c)	Deposit to Purchase Program Fund (+)	30,000,000
(d)	Total (=)	<u>30,000,000</u>

F. RECORDS

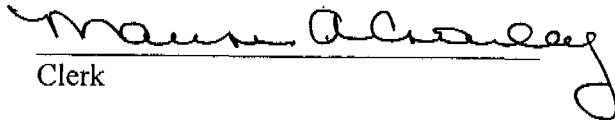
Finally, please be advised that this Order shall be entered into the records of the Commission and made available to all members of the Board at a public meeting thereof held after the date hereof.

Respectfully submitted as of this 21st day of December 2009.


Chairman


General Manager

ATTEST:


Clerk

[SEAL]

**FINANCIAL ADVISOR'S CERTIFICATE
RE: TAXABLE CERTIFICATE SALE**

To: Chairman and General Manager
DuPage Water Commission
Counties of DuPage, Cook and Will, Illinois

Speer Financial, Inc., Chicago, Illinois (collectively, "*We*" or the "*Financial Advisor*"),
by its duly authorized officer, does hereby certify as follows:

1. We have acted as financial advisor to the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois (the "*Commission*"), in connection with the authorization to issue two series of Debt Certificates, entitled the Debt Certificate, Series 2009 (the "*Tax-exempt Certificate*") and the Taxable Debt Certificate, Series 2009 (the "*Taxable Certificate*"), and the sale and issuance by the Commission of the Taxable Certificate. **This Certificate pertains only to the Taxable Certificate.** The Taxable Certificate has been sold in a negotiated arms-length sale to West Suburban Bank. We advised the Commission as to the terms of sale. The Taxable Certificate is to be purchased for a price of \$30,000,000 (representing par net of closing fee of \$0.00) plus accrued interest. The Taxable Certificate is to be issued under and pursuant to that certain Certificate Ordinance pertaining to same, adopted December 10, 2009 by the Board of Commissioners of the Commission (the "*Certificate Ordinance*").


2. The Taxable Certificate has been sold at a price such that the net interest rate, including the closing fee, calculated in accordance with customary market practice, to the Commission of the proceeds of the Taxable Certificate does not exceed 2.00%.

3. The following further conditions have also been met: (a) The Taxable Certificate has been sold in an amount not in excess of the maximum authorized amount of \$30,000,000 (such maximum being \$30,000,000 for the Tax-exempt Certificate and Taxable Certificate, collectively). (b) The interest rate on the Taxable Certificate does

not exceed the maximum rate of 2.00% per annum. (c) The dated date of the Taxable Certificate is December 21, 2009, and the due date is December 21, 2010, being not later than one year later. (d) Interest on the Taxable Certificate shall be payable semiannually commencing June 21, 2010, and at maturity. (e) The purchase price of the Taxable Certificate to the Purchaser is not less than 100% of par. (f) The closing fee to the Purchaser does not exceed 0.25% of par. (g) The terms of the Taxable Certificate are fair and reasonable in light of current conditions in the market for obligations such as the Taxable Certificate.


IN WITNESS WHEREOF the Financial Advisor hereunto affixes its corporate name by its duly authorized officer's signature this 21st day of December 2009.

SPEER FINANCIAL, INC.
Chicago, Illinois

By: 
Its: Douglas J. Sun
 Vice President
 and Authorized Officer

DATE: January 7, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION Old Business	ORIGINATING DEPARTMENT Finance
ITEM An Ordinance Amending the By-Laws of the DuPage Water Commission (Amending Section 2 of Article IX) Ordinance No. O-3-10	APPROVAL 
<p>At the meeting of December 10, 2009, the Board voted to reinstate the previous practice of no disbursements without prior Board approval. However, the original By-Laws provided: "All disbursements in excess of the amount provided for in Ill. Rev. Stat. ch. 24, § 8-9-1 shall be approved in advance by the Board of Commissioners. The General Manager is authorized to incur and pay contingency expenditures up to and including said amount without the prior approval of the Board of Commissioners."</p> <p>Accordingly, Ordinance No. O-3-10 would amend the By-Laws to reinstate the original provision except for updating the statutory citation to 65 ILCS 5/8-9-1 and to add an exception for payroll and payroll related taxes, contributions, and payments.</p> <p>In accordance with the By-Laws, the Ordinance cannot be adopted at the same meeting at which it is initially considered unless the first reading procedures of the By-Laws are suspended by a 2/3rds vote of the Commissioners present, in addition to the concurrence of a majority of the appointed Commissioners that is required to pass all Ordinances. It is therefore on First Reading at the January 14, 2010 meeting, for adoption at the February 2010 meeting.</p> <p>Notwithstanding the pending By-Law amendment, staff will nevertheless adhere to the restriction of no disbursements without prior Board approval until the Board votes on Ordinance No. O-3-10.</p>	
MOTION: To place Ordinance No. O-3-10 on First Reading.	

DUPAGE WATER COMMISSION

ORDINANCE NO. O-3-10

AN ORDINANCE AMENDING THE
BY-LAWS OF THE DUPAGE WATER COMMISSION
(Amending Section 2 of Article IX)

WHEREAS, the Board of Commissioners of the DuPage Water Commission has determined that it is appropriate and in the best interests of the Commission to amend the Commission's By-Laws, as restated in Ordinance No. O-5-92 and amended by Ordinance Nos. O-1-93, O-1-94, O-14-94, O-10-99, O-7-00, O-11-02, O-2-04, O-11-04, O-12-04, O-1-05, O-11-06, and O-7-08, to modify the approvals required for disbursements;

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

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

SECTION TWO: Amendment. Section 2, entitled "Authorization," of Article IX, entitled "Disbursements," of the Commission's By-Laws shall be, and it hereby is, amended in its entirety so that said Section 2 shall hereafter be and read as follows:

"Section 2. Authorization. All disbursements in excess of the amount provided for in 65 ILCS 5/8-9-1 shall be approved in advance by the Board of Commissioners except for payroll disbursements and disbursements for payroll related taxes, contributions, and payments. The General Manager is authorized to incur and pay contingency expenditures up to and including the amount provided for in 65 ILCS 5/8-9-1 without the prior approval of the Board of Commissioners."

SECTION THREE: Effective Date. This Ordinance shall be in full force and effect from and after its adoption by a majority affirmative vote of all of the Commissioners, including the affirmative votes of at least one-third of the

Ordinance No. O-3-10

Commissioners appointed by the County Board Chairman and 40% of the
Commissioners appointed by the Mayors.

AYES:

NAYS:

ABSENT:

ADOPTED this ____ day of _____, 2010

Chairman

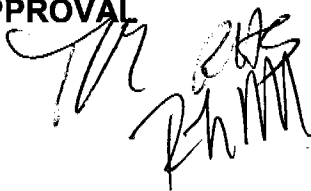
ATTEST:

Clerk

Board/Ordinances/O-3-10.doc

DATE: January 4, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION	New Business	ORIGINATING DEPARTMENT	Operations
ITEM	Purchase Order No. 11952 in the amount of \$29,643.52 to Infor Global Solutions	APPROVAL	
Account Number: 01-60-6590			
<p>Attached is Purchase Order No. 11952 in the amount of \$29,643.52, to Infor Global Solutions, the sole supplier for the Infor DataStream Enterprise Asset Management system (EAM). The Infor EAM is used to schedule maintenance, track equipment costs, track man-hours, and develop reports for all of the Commission's assets.</p> <p>Purchase Order No. 11952 is for the annual software maintenance fee associated with the Infor GIS, Advanced Mobile, Bar-coding, and Reporting software.</p> <p>Even though this expense was budgeted in the Annual Management Budget, Board approval is required due to the sole source supply.</p>			
MOTION: To approve Purchase Order No. 11952 in the amount of \$29,643.52, to Infor Global Solutions.			



DuPage Water Commission
 600 E. Butterfield Road
 Elmhurst, IL 60126

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

Purchase Order: 11952

Ordered By: UNGER JASON
 Order Date: 12/22/2009
 Due Date: 12/22/2009

Supplier: Infor Datastream
 Address: Infor Global Solutions Inc
 Wachovia
 P.O. Box 933751
 Atlanta, Ga 31193-3751
 Telephone:
 Fax No.:
 Contact

Delivery Address: DuPage Water Commission
 600 East Butterfield Road
 Elmhurst, Illinois 60126

Line	Account	Manufact Part	Item	Date	QTY	UOM	Unit Price	Total
Line	Account			Hours Requested			Quantity Rate	Total
1				12/23/2009			29,643.52	29,643.52
				1				

01-60-6590

Activity/PO Line Comments:


EAM Enterprise Edition software maintenance for mobile, GIS, barcoding, reporting, and requestor. Invoice #P-30935-00D1 dated 11/11/09.

Total	29,643.52
Total	29,643.52

1. **ACCEPTANCE OF PURCHASE ORDER.** This Purchase Order shall be effective when Seller executes it, otherwise indicates its acceptance, or delivers to the DuPage Water Commission (the "Owner") any of the goods ordered herein or renders for the Owner any of the services ordered herein. If this Purchase Order has been issued by the Owner in response to an offer, then the Issuance of this Purchase Order by the Owner shall constitute an acceptance of such offer subject to the express condition that the Seller assent to any additional or different terms contained herein. Any additional or different terms or conditions contained in any acknowledgment of the purchase by the Seller shall automatically be deemed objected to by the Owner and shall not be binding upon the Owner unless specifically accepted by the Owner in writing.
2. **ENTIRE AGREEMENT.** Upon acceptance of this Purchase Order, this Purchase Order and all specifications, drawings, and data submitted to the Seller with this Purchase Order or the solicitation for this Purchase Order shall constitute the entire contract between the Owner and the Seller (the "Contract"). The Contract replaces, supersedes, and merges all prior discussions, agreements, or understandings between the parties and shall be changed only by written agreement of the parties.
3. **INDEMNIFICATION AND INSURANCE.** The goods or services to be furnished under this Contract shall be provided at the sole risk and cost of the Seller until final payment therefor. The Seller shall, promptly and without charge to the Owner, repair, replace, or pay for any damage or loss suffered as a result of the work of this Contract. The Seller shall indemnify, keep, and hold harmless the Owner and its agents, officials, and employees from and against all injuries, losses, damages, claims, suits, liabilities, costs, and expenses (including attorneys' fees) arising out of or resulting in any way from any defect in the goods or services purchased hereunder, or from any act or omission of the Seller, its agents, employees, or subcontractors. This indemnification and hold harmless shall be in addition to the warranty obligations of the Seller. The Owner, including its Board members and elected and appointed officials, its officers, employees, agents, attorneys, consultants, and representatives, shall be named as an Additional Insured on all insurance required under this Contract and any such insurance requirements shall be deemed to be minimum requirements and shall not be construed in any way as a limitation on the Seller's liability for losses or damages under this Contract.
4. **DEFAULT.** Time is of the essence of this Contract and if delivery of acceptable items or rendering of services is not completed by the time promised, the Owner reserves the right, without liability and in addition to its other rights and remedies, to terminate this Contract by notice effective when received by the Seller and to purchase substitute items or services elsewhere and to charge the Seller with any and all losses incurred.
5. **TRANSPORTATION CHARGES.** Transportation expense for all shipments shall be prepaid, F.O.B. point of destination. No charges will be allowed by the Owner for transportation, packing, cartage, or containers unless otherwise authorized in this Contract.
6. **UNAVOIDABLE DELAY.** If the Seller is delayed in the delivery of goods purchased under this Contract by a cause beyond its control, then the Seller, upon receiving knowledge of such delay, must give written notice immediately to the Owner and request an extension of time or such extension shall be waived. An extension shall be granted at the sole and absolute discretion of the Owner.
7. **WARRANTY.** The Seller warrants that the prices for the goods or services sold to the Owner under this Contract are not less favorable than those currently extended to any other customer for the same or like goods or services in equal or less quantities. In the event the Seller reduces its price for such goods or services during the term of this Contract, the Seller agrees to reduce the prices hereof correspondingly. The Seller warrants that all goods and services furnished hereunder will be new and will conform in all respects to the terms of this Contract and that they will be free from latent and patent defects in materials, workmanship, title, and design. In addition, the Seller warrants that said goods and services are suitable for the purposes for which they are purchased, manufactured, and designed or for such other purposes as are expressly specified in this Contract. The Owner may return any nonconforming or defective items to the Seller or require correction or replacement of the item at the time the defect is discovered, all at the Seller's risk and expense. No inspection, test, acceptance, payment, or use of the goods or services furnished hereunder shall affect the Seller's obligation under these warranties and such warranties shall survive such inspection, test, acceptance, payment, and use. The Seller's warranties shall run to the Owner and its successors and assigns.
8. **REGULATORY COMPLIANCE.** The Seller represents and warrants that the goods or services furnished hereunder (including all labels, packages, and containers for said goods) will have been produced in compliance with, and the Seller agrees to be bound by, all applicable Federal, State, and local laws, standards, rules, and regulations. Without limiting the generality of the foregoing, the Seller shall furnish "Material Safety Data Sheets" in compliance with the Illinois Toxic Substances Disclosure to Employees Act.
9. **PAYMENT.** Payments will be made in accordance with the terms on the face of this Contract, or the Seller's invoice, whichever are more favorable to the Owner and payment date therefor shall be calculated from the receipt of invoice or receipt or final acceptance of the goods or services, whichever is later. All claims for money due or to become due from the Owner shall be subject to deduction or setoff by the Owner by reason of any counterclaim arising out of this or any other transaction with the Seller. The acceptance by the Seller of final payment shall operate as a full and complete release of the Owner. No payment for goods or services shall constitute acceptance of any defective or nonconforming goods or services by the Owner.
10. **TERMINATION.** The Owner may, at any time, suspend or terminate this Contract, in whole or in part, by written notice. Upon suspension or termination for convenience of the Owner, the Owner shall reimburse the Seller for expenses (which shall not include lost profits) resulting directly from any such termination or suspension, which amount shall in no event exceed the applicable pro rata portion of the Contract Price. The Seller shall not be paid for any work done after receiving notice of such suspension or termination for convenience nor for any expenses incurred which could have been reasonably avoided. Any and all services, property, publications, or materials provided during or resulting from the Contract shall become the property of the Owner. The foregoing states the Owner's entire liability and the Seller's exclusive remedy for any termination or suspension of all or any part of this Contract for convenience of the Owner. If, however, termination is occasioned by the Seller's breach of any condition hereof, including breach of warranty, or by the Seller's delay, except due to circumstances beyond the Seller's control and without the Seller's fault or negligence, the Seller shall not be entitled to any claim or costs or to any profit and the Owner shall have against the Seller all remedies provided by law and equity.
11. **TAXES.** The Owner is exempt from federal, State, and local taxes.
12. **LIMIT OF LIABILITY.** In no event shall the Owner be liable for anticipated profits, incidental or consequential damages, or penalties of any description. The Owner's liability on any claim arising out of or connected with or resulting from this Contract or from the performance or breach thereof shall in no case exceed the price allocable to the goods or services or unit thereof which gives rise to the claim.
13. **ASSIGNMENTS AND SUBCONTRACTING.** Neither this Contract, nor any interest herein, shall be assigned or subcontracted by the Seller except upon the prior written consent of the Owner.
14. **REMEDIES.** The Owner's remedies shall be cumulative and remedies herein specified do not exclude any remedies allowed by law or in equity. Waiver of any breach shall not constitute waiver of any other breach of the same or any other provision. Acceptance of any items or payment therefor shall not waive any breach.
15. **LAW GOVERNING.** This Contract shall be governed by and construed according to the internal laws, but not the conflict of law rules, of the State of Illinois.

DATE: January 7, 2010

REQUEST FOR BOARD ACTION

AGENDA SECTION New Business	ORIGINATING DEPARTMENT Instrumentation / Remote Facilities
ITEM Purchase Order No. 11956	APPROVAL 

Account Number: 01-60-6290

Purchase Order No. 11956 to Hewlett-Packard Company in the amount of \$19,471.64 is for three years of hardware support for the Commission's HP computer servers. The quote is based on a three year term which includes a 6% multi-year discount for all parts and labor. Payment is one year at a time. This agreement can be changed (servers removed or added) or cancelled with a 30 day written notice. The cost breakdown is as follows:

1 st Year: 01/01/2010 thru 12/31/2010	\$5,736.64
2 nd Year: 01/01/2011 thru 12/31/2011	\$6,235.30
3 rd Year: 01/01/2012 thru 12/31/2012	\$7,499.70
Total	\$19,471.64

The yearly cost takes into consideration the existing support on the newer servers. This support will allow the Commission to maintain our existing servers and not have to budget for replacements for the next two fiscal years, yet have confidence that any hardware problems will be taken care of in a very timely manner.

The Commission solicited competitive quotes for the same level of support from three other computer hardware service providers.

Company Name	Total cost for three years of support
Abtech Support	No Response
Park Place International	\$31,545.00
Hardware.com	No Response

The current fiscal year's budget did not include a specific line item for this expense of \$5,736.64; however there is money available in the budget to cover this expense.

MOTION: To approve Purchase Order No. 11956 in the amount of \$19,471.64 to Hewlett-Packard Company.



DuPage Water Commission
600 E. Butterfield Road
Elmhurst, IL 60126

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

Purchase Order: 11956

Ordered By: SCHORI JOHN	Supplier: Hewlett-Packard Company
Not Confirmed	Address: 8000 Foothills Blvd, MS 5511 Roseville, CA 95747
Order Date: 12/22/2009	Telephone: 916-785-0340, 800-386-1115 x2
Due Date: 01/15/2010	Fax No.: 800-355-7069
	Contact: Nicole Hovanis
Delivery Address: DuPage Water Commission 600 East Butterfield Road Elmhurst, Illinois 60126	

Line	Account	Manufact Part	Item	Date	QTY	UOM	Unit Price	Total
Line	Account			Hours Requested		UOM	Quantity Rate	Total
1				01/15/2010			5,736.64	5,736.64
		01-60-6290		1				
Activity/PO Line Comments: Quote #: 43063837, Amp ID: 364289NBQ, LLFL: DUPAGEWATE7339443657, Dates: 01/01/2010 thru 12/31/2012, Funding: \$19,471.64 30-day written notice to cancel or modify service agreement. 1st year support from 01/01/2010 - 12/31/2010								
2				01/15/2010			7,499.70	7,499.70
		01-60-6290		1				
Activity/PO Line Comments: 3rd year support from 01/01/2012 - 12/31/2012								
3				01/15/2010			6,235.30	6,235.30
		01-60-6290		1				
Activity/PO Line Comments: 2nd year support from 01/01/2011 - 12/31/2011								

Total 19,471.64

Total	19,471.64
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Payment Terms Net 45
FOB Point Point of Destination
Tax Exempt

1. **ACCEPTANCE OF PURCHASE ORDER.** This Purchase Order shall be effective when Seller executes it, otherwise indicates its acceptance, or delivers to the DuPage Water Commission (the "Owner") any of the goods ordered herein or renders for the Owner any of the services ordered herein. If this Purchase Order has been issued by the Owner in response to an offer, then the issuance of this Purchase Order by the Owner shall constitute an acceptance of such offer subject to the express condition that the Seller assent to any additional or different terms contained herein. Any additional or different terms or conditions contained in any acknowledgement of the purchase by the Seller shall automatically be deemed objected to by the Owner and shall not be binding upon the Owner unless specifically accepted by the Owner in writing.
2. **ENTIRE AGREEMENT.** Upon acceptance of this Purchase Order, this Purchase Order and all specifications, drawings, and data submitted to the Seller with this Purchase Order or the solicitation for this Purchase Order shall constitute the entire contract between the Owner and the Seller (the "Contract"). The Contract replaces, supersedes, and merges all prior discussions, agreements, or understandings between the parties and shall be changed only by written agreement of the parties.
3. **INDEMNIFICATION AND INSURANCE.** The goods or services to be furnished under this Contract shall be provided at the sole risk and cost of the Seller until final payment therefor. The Seller shall, promptly and without charge to the Owner, repair, replace, or pay for any damage or loss suffered as a result of the work of this Contract. The Seller shall indemnify, keep, and hold harmless the Owner and its agents, officials, and employees from and against all injuries, losses, damages, claims, suits, liabilities, costs, and expenses (including attorneys' fees) arising out of or resulting in any way from any defect in the goods or services purchased hereunder, or from any act or omission of the Seller, its agents, employees, or subcontractors. This indemnification and hold harmless shall be in addition to the warranty obligations of the Seller. The Owner, including its Board members and elected and appointed officials, its officers, employees, agents, attorneys, consultants, and representatives, shall be named as an Additional Insured on all insurance required under this Contract and any such insurance requirements shall be deemed to be minimum requirements and shall not be construed in any way as a limitation on the Seller's liability for losses or damages under this Contract.
4. **DEFAULT.** Time is of the essence of this Contract and if delivery of acceptable items or rendering of services is not completed by the time promised, the Owner reserves the right, without liability and in addition to its other rights and remedies, to terminate this Contract by notice effective when received by the Seller and to purchase substitute items or services elsewhere and to charge the Seller with any and all losses incurred.
5. **TRANSPORTATION CHARGES.** Transportation expense for all shipments shall be prepaid, F.O.B. point of destination. No charges will be allowed by the Owner for transportation, packing, cartage, or containers unless otherwise authorized in this Contract.
6. **UNAVOIDABLE DELAY.** If the Seller is delayed in the delivery of goods purchased under this Contract by a cause beyond its control, then the Seller, upon receiving knowledge of such delay, must give written notice immediately to the Owner and request an extension of time or such extension shall be waived. An extension shall be granted at the sole and absolute discretion of the Owner.
7. **WARRANTY.** The Seller warrants that the prices for the goods or services sold to the Owner under this Contract are not less favorable than those currently extended to any other customer for the same or like goods or services in equal or less quantities. In the event the Seller reduces its price for such goods or service during the term of this Contract, the Seller agrees to reduce the prices hereof correspondingly. The Seller warrants that all goods and services furnished hereunder will be new and will conform in all respects to the terms of this Contract and that they will be free from latent and patent defects in materials, workmanship, title, and design. In addition, the Seller warrants that said goods and services are suitable for the purposes for which they are purchased, manufactured, and designed or for such other purposes as are expressly specified in this Contract. The Owner may return any nonconforming or defective items to the Seller or require correction or replacement of the item at the time the defect is discovered, all at the Seller's risk and expense. No inspection, test, acceptance, payment, or use of the goods or services furnished hereunder shall affect the Seller's obligation under these warranties and such warranties shall survive such inspection, test, acceptance, payment, and use. The Seller's warranties shall run to the Owner and its successors and assigns.
8. **REGULATORY COMPLIANCE.** The Seller represents and warrants that the goods or services furnished hereunder (including all labels, packages, and containers for said goods) will have been produced in compliance with, and the Seller agrees to be bound by, all applicable Federal, State, and local laws, standards, rules, and regulations. Without limiting the generality of the foregoing, the Seller shall furnish "Material Safety Data Sheets" in compliance with the Illinois Toxic Substances Disclosure to Employees Act.
9. **PAYMENT.** Payments will be made in accordance with the terms on the face of this Contract, or the Seller's invoice, whichever are more favorable to the Owner and payment date therefor shall be calculated from the receipt of invoice or receipt or final acceptance of the goods or services, whichever is later. All claims for money due or to become due from the Owner shall be subject to deduction or setoff by the Owner by reason of any counterclaim arising out of this or any other transaction with the Seller. The acceptance by the Seller of final payment shall operate as a full and complete release of the Owner. No payment for goods or services shall constitute acceptance of any defective or nonconforming goods or services by the Owner.
10. **TERMINATION.** The Owner may, at any time, suspend or terminate this Contract, in whole or in part, by written notice. Upon suspension or termination for convenience of the Owner, the Owner shall reimburse the Seller for expenses (which shall not include lost profits) resulting directly from any such termination or suspension, which amount shall in no event exceed the applicable pro rata portion of the Contract Price. The Seller shall not be paid for any work done after receiving notice of such suspension or termination for convenience nor for any expenses incurred which could have been reasonably avoided. Any and all services, property, publications, or materials provided during or resulting from the Contract shall become the property of the Owner. The foregoing states the Owner's entire liability and the Seller's exclusive remedy for any termination or suspension of all or any part of this Contract for convenience of the Owner. If, however, termination is occasioned by the Seller's breach of any condition hereof, including breach of warranty, or by the Seller's delay, except due to circumstances beyond the Seller's control and without the Seller's fault or negligence, the Seller shall not be entitled to any claim or costs or to any profit and the Owner shall have against the Seller all remedies provided by law and equity.
11. **TAXES.** The Owner is exempt from federal, State, and local taxes.
12. **LIMIT OF LIABILITY.** In no event shall the Owner be liable for anticipated profits, incidental or consequential damages, or penalties of any description. The Owner's liability on any claim arising out of or connected with or resulting from this Contract or from the performance or breach thereof shall in no case exceed the price allocable to the goods or services or unit thereof which gives rise to the claim.
13. **ASSIGNMENTS AND SUBCONTRACTING.** Neither this Contract, nor any interest herein, shall be assigned or subcontracted by the Seller except upon the prior written consent of the Owner.
14. **REMEDIES.** The Owner's remedies shall be cumulative and remedies herein specified do not exclude any remedies allowed by law or in equity. Waiver of any breach shall not constitute waiver of any other breach of the same or any other provision. Acceptance of any items or payment therefor shall not waive any breach.
15. **LAW GOVERNING.** This Contract shall be governed by and construed according to the internal laws, but not the conflict of law rules, of the State of Illinois.

DUPAGE WATER COMMISSION

ORDINANCE NO. O-x-10

AN ORDINANCE AMENDING FIXED COSTS TO
BE PAYABLE BY EACH CONTRACT CUSTOMER
FOR THE MONTHLY BILLING PERIODS COMMENCING
Xxxxxx 1, 2010 AND ENDING APRIL 30, 2010

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

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

WHEREAS, the Commission wishes to amend the Fixed Costs to be payable by Contract Customers, in the aggregate, for the Covered Monthly Billing Periods in a stated aggregate dollar amount of \$X,XXX,XXX, which amount is generally allocated among Contract Customers based upon each Contract Customer's proportionate share of such Fixed Costs that such Contract Customer's Full Water Requirements or Minimum Take or Pay Requirements, as applicable, bears to the sum of the Full Water Requirements or Minimum Take or Pay Requirements, as applicable, of all Contract Customers for the period between January 1, 2007, and December 31, 2008; and

WHEREAS, after full review and consideration, the Commission has determined that it is reasonable, necessary, and sufficient for the Commission to approve and adopt the stated aggregate dollar amount of \$X,XXX,XXX as and for the amount of Fixed Costs

to be payable by Contract Customers, in the aggregate, for the Covered Monthly Billing Periods;

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

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

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

SECTION THREE: The Fixed Costs to be payable by Contract Customers, in the aggregate, for the Covered Monthly Billing Periods shall be and they hereby are established in the aggregate dollar amount of \$X,XXX,XXX, which amount is generally allocated among Contract Customers based upon each Contract Customer's proportionate share of such Fixed Costs that such Contract Customer's Full Water Requirements or Minimum Take or Pay Requirements, as applicable, bears to the sum of the Full Water Requirements or Minimum Take or Pay Requirements, as applicable, of all Contract Customers for the period between January 1, 2007, and December 31, 2008. Each Contract Customer's proportionate share of Fixed Costs established pursuant to this Ordinance for the Covered Monthly Billing Periods shall be in addition to, and not in lieu of or as a credit against, any and all other costs, fees, or charges imposed by the Charter Customer or applicable Subsequent Contract.

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

SECTION FIVE: This Ordinance shall be in full force and effect from and after its adoption by a majority affirmative vote of all of the Commissioners including the affirmative votes of at least 1/3 of the Commissioners appointed by the County Board Chairman and 40% of the Commissioners appointed by the Mayors.

AYES:

NAYS:

ABSENT:

ADOPTED this ____ day of _____, 2010.

Chairman

ATTEST:

Clerk

Xxxxxx xx, 2010

«Title» «FirstName» «LastName»
«JobTitle»
«Company»
«Address1»
«Address2»
«City» «State» «PostalCode»

Subject: DuPage Water Commission
Operation & Maintenance Rate Hearing

Dear «Title» «LastName»:

This is to notify you that a hearing will be held by the Commission, at its offices, at 7:30 P.M. Thursday, Xxxxx xx, 2010, to consider an Ordinance adjusting the Operation and Maintenance Water Rate effective Xxxxx xx, 2010. Notice of this hearing on the Operation and Maintenance Rate Ordinance is given to you in accordance with Section 7(L) of the Water Purchase and Sales Contract. If you have any questions, please feel free to contact me.

Very truly yours,

Robert L. Martin, P.E.
General Manager
/vb

cc: «CC1MGR»
«CC2Other»

ACCOUNTING\BUDGETO & M Rate Hearing Notice 100104.rhs.docx
ACCOUNTING\CORRESPONDENCE\SEND FINANCE REPORT OTHERS
ADMINISTRATION\LIST\CUSTOMER CONTACT DATA
CHAIRMAN AND COMMISSIONERS

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-
		BANK	POST DT	DISC DT	CHECK#					BALANCE	

01-1294		ACCONTEMPS									
	INV	30196883	11/10/09	11/10/09		N		ACCONTEMPS		1,829.70	
		IL	12/17/09					PO:		1,829.70	
	INV	30338835	12/08/09	12/08/09		N		ACCONTEMPS		1,656.36	
		IL	12/17/09					PO:		1,656.36	
	INV	30376429	12/15/09	12/15/09		N		ACCONTEMPS		1,242.27	
		DISB	12/29/09					PO:		1,242.27	
	INV	30422124	12/23/09	12/23/09		N		ACCONTEMPS		1,540.80	
		DISB	12/30/09					PO:		1,540.80	
	INV	30448197	12/29/09	12/29/09		N		ACCONTEMPS		934.11	
		DISB	12/31/09					PO:		934.11	
===== TOTALS: GROSS: 7,203.24 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 7,203.24 =====											
01-1663		AECOM									
	INV	4067556	12/11/09	12/11/09		N		CONCRETE RESERVOIR:8/29-11/27		8,429.43	
		DISB	12/31/09					PO:		8,429.43	
===== TOTALS: GROSS: 8,429.43 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 8,429.43 =====											
01-1516		ARAMARK REFRESHMENT SERVIC									
	INV	524492	12/28/09	12/28/09		N		COFFEE & SUPPLIES		96.76	
		DISB	12/31/09					PO: 11969		96.76	
===== TOTALS: GROSS: 96.76 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 96.76 =====											
01-1397		AT&T									
	INV	630834013912	12/22/09	12/22/09		N		AT&T:DPSS PHONE SVC 12/22-1/21		487.94	
		DISB	12/31/09					PO:		487.94	
	INV	630273557412	12/16/09	12/16/09		N		DPSS PHONE SVC:11/17-12/16		897.24	
		DISB	12/29/09					PO:		897.24	
===== TOTALS: GROSS: 1,385.18 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 1,385.18 =====											
01-1015		AUTOZONE, INC.									
	INV	2568053653	12/09/09	12/09/09		N		VEHICLE MAINTENANCE		11.99	

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-		
	BANK		POST DT	DISC DT	CHECK#					BALANCE			
01-1015	AUTOZONE, INC.		** CONTINUED **										
	DISB		12/29/09					PO:		11.99			
***** TOTALS:			GROSS:	11.99	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	11.99	*****
01-1461	BUSINESS CARD												
	INV	200912302457	12/14/09	1/07/10		N		MARTIN:DEC 09		2,937.53			
	DISB		12/30/09					PO:		2,937.53			
***** TOTALS:			GROSS:	2,937.53	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	2,937.53	*****
01-1199	CHAPMAN AND CUTLER LLP												
	INV	29-7098	12/18/09	12/18/09		Y		LEGAL CHARGES REG 2009 BOND		19,500.00			
	DISB		12/29/09					PO:		19,500.00			
***** TOTALS:			GROSS:	19,500.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	19,500.00	*****
01-1135	CITY OF CHICAGO SUPERINTEN												
	INV	201001062460	1/04/09	1/04/09		N		WATER BILLING:DEC 09		3,823,441.40			
	DISB		12/31/09					PO:		3,823,441.40			
***** TOTALS:			GROSS:	3,823,441.40	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	3,823,441.40	*****
01-1179	CHICAGO TRIBUNE												
	INV	863275001	11/30/09	12/15/09		N		JOB ADVERTISEMENT:FIN ADMN		675.00			
	DISB		12/29/09					PO: 11946		675.00			
***** TOTALS:			GROSS:	675.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	675.00	*****
01-1398	COMCAST												
	INV	200912292453	12/20/09	12/20/09		N		INTERNET SVC:12/27-01/26/10		99.95			
	DISB		12/29/09					PO:		99.95			
***** TOTALS:			GROSS:	99.95	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	99.95	*****
01-1716	CONCORD CONSTRUCTION SERVI												
	INV	1	10/23/09	10/23/09		N		GLEN ELLYN HTS MS/PAS 9A/9B		43,791.04			
	DISB		12/31/09					PO:		43,791.04			
***** TOTALS:			GROSS:	43,791.04	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	43,791.04	*****
01-1713	D R W SERVICES, INC												

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-		
		BANK	POST DT	DISC DT	CHECK#					BALANCE			
01-1713	D R W SERVICES, INC		** CONTINUED **										
	INV	0025409	12/03/09	12/03/09		N		REPAIR OF PUMP		145.62			
	DISB		12/31/09					PO: 11961		145.62			
***** TOTALS:			GROSS:	145.62	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	145.62	*****
01-1704	DAVID DEMPSEY												
	INV	200912292447	11/19/09	11/19/09		N		HOTEL		144.83			
	DISB		12/29/09					PO: 11917		144.83			
	INV	200912292452	12/14/09	12/14/09		N		WATER CONSERVATON PROGRAM		500.00			
	DISB		12/29/09					PO:		500.00			
***** TOTALS:			GROSS:	644.83	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	644.83	*****
01-1387	DRUCK INCORPORATED												
	INV	102698	12/11/09	1/10/10		N		PORTABLE PNEUMATIC CALIBRATOR		480.00			
	DISB		12/29/09					PO: 11892		480.00			
***** TOTALS:			GROSS:	480.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	480.00	*****
01-1567	ELMHURST FORD												
	INV	33190	12/22/09	12/22/09		N		VEHICLE REPAIR:M80328		440.50			
	DISB		12/31/09					PO: 11953		440.50			
	INV	T55043	12/16/09	12/16/09		N		VEHICLE MAINT & REPAIR:8647943		470.81			
	DISB		12/29/09					PO: 11948		470.81			
	INV	T55165	12/21/09	12/21/09		N		VEHICLE REPAIR:M127481		1,181.59			
	DISB		12/31/09					PO: 11959		1,181.59			
***** TOTALS:			GROSS:	2,092.90	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	2,092.90	*****
01-1446	EN ENGINEERING, LLC												
	INV	0025766	12/02/09	1/01/10		N		IND CORROSION ASSISTANCE		3,982.74			
	IL		12/17/09					PO:		3,982.74			
***** TOTALS:			GROSS:	3,982.74	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	3,982.74	*****
01-1570	FIVE STAR SAFETY EQUIPMENT												
	INV	2433438	12/14/09	1/13/10		N		CALGAZ FOR NEW GAS METERS		203.00			

A C C O U N T S P A Y A B L E
O P E N I T E M R E P O R T
D E T A I L

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-
	BANK		POST DT	DISC DT	CHECK#					BALANCE	
01-1570			FIVE STAR SAFETY EQUIPMENT** CONTINUED **								
	DISB		12/29/09					PO: 11908		203.00	
=====											
TOTALS:		GROSS:	203.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	203.00
=====											
01-1052			AJ GALLAGHER RISK MGMT SVC								
	INV	461229A	11/01/09	11/01/09			N	ENVIRONMENTAL LIABILITY		1,047.00	
	DISB		12/29/09					PO:		1,047.00	
=====											
TOTALS:		GROSS:	1,047.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,047.00
=====											
01-1628			GE CONSUMER & INDUSTRIAL								
	INV	175-987101	12/29/09	12/29/09			N	PUMP REPAIRS		1,515.00	
	DISB		12/31/09					PO: 11918		1,515.00	
=====											
TOTALS:		GROSS:	1,515.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,515.00
=====											
01-1055			GRAINGER								
	INV	9144312023	12/17/09	1/16/10			N	MAINTENANCE SUPPLIES		48.02	
	DISB		12/29/09					PO: 11945		48.02	
	INV	9144312031	12/17/09	1/16/10			N	MAINTENANCE SUPPLIES		143.84	
	DISB		12/29/09					PO: 11936		143.84	
	INV	9145579695	12/18/09	1/17/10			N	MAINTENANCE SUPPLIES		221.57	
	DISB		12/31/09					PO: 11934		221.57	
	INV	9146765368	12/22/09	1/21/10			N	MAINTENANCE SUPPLIES		135.76	
	DISB		12/31/09					PO: 11955		135.76	
	INV	9149816325	12/29/09	1/28/10			N	MAINTENANCE SUPPLIES		573.00	
	DISB		12/31/09					PO: 11949		573.00	
=====											
TOTALS:		GROSS:	1,122.19	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,122.19
=====											
01-1399			GREELEY AND HANSEN								
	INV	INV-0000301214	12/29/09	12/29/09			Y	LEX PS GENERATION FACILITIES		22,467.39	
	DISB		12/31/09					PO:		22,467.39	
	INV	INV-0000301215	12/29/09	12/29/09			Y	LEXINGTON PS VAR FREQ DRIVES		641.52	
	DISB		12/31/09					PO:		641.52	
	INV	INV-0000301216	12/29/09	12/29/09			Y	LEXINGTON PS PHOTOVOLTAIC CELL		958.63	

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

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VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-		
		BANK	POST DT	DISC DT	CHECK#					BALANCE			

01-1053		ILLINOIS PUBLIC RISK FUND ** CONTINUED **											
	INV	200912292448	10/14/09	11/13/09		Y		WORKERS COMPENSATION		8,785.00			
	DISB		12/29/09					PO:		8,785.00			
	INV	200912292449	11/14/09	12/14/09		Y		WORKERS COMPENSATION		9,596.00			
	DISB		12/29/09					PO:		9,596.00			
	INV	200912292450	12/14/09	1/13/10		Y		WORKERS COMPENSATION		9,596.00			
	DISB		12/29/09					PO:		9,596.00			
===== TOTALS:			GROSS:	27,977.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	27,977.00	=====
01-1152		INSIGHT PUBLIC SECTOR											
	INV	1100123272	12/10/09	1/09/10		N		MCAFFEE SECURE MESSAGING SVC		1,235.70			
	DISB		12/29/09					PO: 11900		1,235.70			
===== TOTALS:			GROSS:	1,235.70	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,235.70	=====
01-1711		JUDSON UNIVERSITY											
	INV	1108	11/23/09	11/23/09		N		SENSITIVITY TRAINING SESSIONS		1,875.00			
	DISB		12/29/09					PO: 11947		1,875.00			
===== TOTALS:			GROSS:	1,875.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,875.00	=====
01-1196		KARA COMPANY, INC.											
	INV	258503	12/24/09	1/23/10		N		VERIZON DATA LINE GPS DATA		60.70			
	DISB		12/31/09					PO: 11213		60.70			
===== TOTALS:			GROSS:	60.70	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	60.70	=====
01-1618		LIPT WORKS, INC.											
	INV	109788	12/17/09	1/16/10		N		20" CONTAINER RENTAL		75.00			
	DISB		12/29/09					PO: 11109		75.00			
===== TOTALS:			GROSS:	75.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	75.00	=====
01-1069		MEL'S ACE HARDWARE											
	INV	411628/4	12/01/09	12/01/09		N		MAINTENANCE SUPPLIES		4.64			
	IL		12/09/09					PO: 11799		4.64			
	INV	411654/4	12/02/09	12/02/09		N		MAINTENANCE SUPPLIES		12.11			

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-
		BANK	POST DT	DISC DT	CHECK#					BALANCE	
01-1069	MEL'S ACE HARDWARE		** CONTINUED **								
	IL		12/09/09					PO: 11799		12.11	
	INV 411688/4		12/07/09	12/07/09		N		VEHICLE MAINTENANCE		16.62	
	IL		12/09/09					PO: 11799		16.62	
	INV 411691/4		12/07/09	12/07/09		N		MAINTENANCE SUPPLIES		13.99	
	IL		12/09/09					PO: 11799		13.99	
	INV 411693/4		12/07/09	12/07/09		N		MAINTENANCE SUPPLIES		112.09	
	IL		12/09/09					PO: 11799		112.09	
	INV 411694/4		12/07/09	12/07/09		N		METER STN MAINTENANCE SUPPLIES		15.54	
	IL		12/15/09					PO: 11868		15.54	
	INV 411699/4		12/08/09	12/08/09		N		MAINTENANCE SUPPLIES		5.00	
	DISB		12/31/09					PO: 11868		5.00	
	INV 411702/4		12/08/09	12/08/09		N		MAINTENANCE SUPPLIES		4.04	
	IL		12/15/09					PO: 11868		4.04	
	INV 411729/4		12/11/09	12/11/09		N		MAINTENANCE SUPPLIES		12.14	
	IL		12/15/09					PO: 11868		12.14	
	INV 411736/4		12/11/09	12/11/09		N		PIPELINE SUPPLIES		3.58	
	IL		12/15/09					PO: 11868		3.58	
	INV 411766/4		12/14/09	12/14/09		N		PIPELINE SUPPLIES		8.09	
	DISB		12/29/09					PO: 11868		8.09	
***** TOTALS: GROSS:			207.84	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	207.84 *****
01-1051	MENARDS - HILLSIDE										
	INV 23074		12/10/09	12/10/09		N		MAINTENANCE SUPPLIES		8.44	
	DISB		12/29/09					PO: 11872		8.44	
***** TOTALS: GROSS:			8.44	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	8.44 *****
01-1710	MICHAEL WIEHE										
	INV 200912172438		12/11/09	12/11/09		N		SECURITY: 12-10-09		237.50	
	IL		12/17/09					PO:		237.50	
***** TOTALS: GROSS:			237.50	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	237.50 *****
01-1021	NAPERVILLE, CITY OF										

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-			
		BANK	POST DT	DISC DT	CHECK#					BALANCE				
01-1021		NAPERVILLE, CITY OF	** CONTINUED **											
	INV	200912292445	12/18/09	1/12/10		N		METER STN ELEC:63519-46646		39.51				
	DISB		12/29/09					PO:		39.51				
	INV	200912292446	12/18/09	1/12/10		N		METER STN ELEC:63519-125058		29.66				
	DISB		12/29/09					PO:		29.66				
	INV	200912302454	12/21/09	1/15/10		N		METER STN ELEC:63519-124896		71.60				
	DISB		12/30/09					PO:		71.60				
	INV	201001052459	12/23/09	1/17/10		N		METER STN ELEC:63519-53664		74.87				
	DISB		12/31/09					PO:		74.87				
	INV	201001062461	12/28/09	1/22/10		N		METER STN ELEC:63519-62606		105.47				
	DISB		12/31/09					PO:		105.47				
===== TOTALS: GROSS:			321.11	PAYMENTS:			0.00	DISCS:	0.00	ADJS:	0.00	BAL:	321.11	=====
01-1070		NATIONAL CITY BANK												
	INV	846542	12/22/09	12/22/09		N		SAFEKEEPING FEE:NOV 09		975.00				
	DISB		12/30/09					PO:		975.00				
===== TOTALS: GROSS:			975.00	PAYMENTS:			0.00	DISCS:	0.00	ADJS:	0.00	BAL:	975.00	=====
01-1373		NEUCO INC.												
	INV	649362	12/17/09	1/16/10		N		MAINTENANCE SUPPLIES		53.24				
	DISB		12/29/09					PO: 11941		53.24				
===== TOTALS: GROSS:			53.24	PAYMENTS:			0.00	DISCS:	0.00	ADJS:	0.00	BAL:	53.24	=====
01-1020		NEXTEL COMMUNICATIONS												
	INV	648652511-094	12/12/09	1/01/10		N		CELLPHONE SERV:11/09-12/08		1,890.47				
	DISB		12/29/09					PO:		1,890.47				
===== TOTALS: GROSS:			1,890.47	PAYMENTS:			0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,890.47	=====
01-1395		OFFICE DEPOT												
	INV	495198081001	10/30/09	11/29/09		N		OFFICE SUPPLIES		271.60				
	IL		12/17/09					PO: 11925		271.60				
	INV	497584105001	11/12/09	12/12/09		N		OFFICE SUPPLIES		48.25				
	IL		12/17/09					PO: 11924		48.25				

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	DESCRIPTION	GROSS/	-DISTRIBUTION-				
		BANK	POST DT	DISC DT	CHECK#			BALANCE					
01-1395	OFFICE DEPOT		** CONTINUED **										
	INV	500051941001	12/04/09	1/03/10		N	OFFICE SUPPLIES	94.38					
	DISB		12/30/09				PO: 11950	94.38					
	INV	500218066001	12/07/09	1/06/10		N	OFFICE SUPPLIES	108.36					
	DISB		12/30/09				PO: 11950	108.36					
	INV	500275800001	12/07/09	1/06/10		N	OFFICE SUPPLIES	294.64					
	DISB		12/30/09				PO: 11950	294.64					
	INV	500817858001	12/10/09	1/09/10		N	OFFICE SUPPLIES	63.27					
	DISB		12/29/09				PO: 11944	63.27					
	INV	502207110001	12/22/09	1/21/10		N	OFFICE SUPPLIES	190.13					
	DISB		12/31/09				PO: 11962	190.13					
	INV	502207151001	12/22/09	1/21/10		N	OFFICE SUPPLIES	24.20					
	DISB		12/31/09				PO: 11962	24.20					
***** TOTALS:			GROSS:	1,094.83	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,094.83	*****
01-1584	OFFICE MAX INCORPORATED												
	INV	605734	12/28/09	12/28/09		N	OFFICE SUPPLIES	18.94					
	DISB		12/31/09				PO: 11963	18.94					
***** TOTALS:			GROSS:	18.94	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	18.94	*****
01-1113	PATTEN INDUSTRIES, INC.												
	INV	4	12/14/09	12/14/09		N	ENGINE GENERATOR UNITS	2,178,547.20					
	DISB		12/31/09				PO:	2,178,547.20					
***** TOTALS:			GROSS:	2,178,547.20	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	2,178,547.20	*****
01-1114	PITNEY BOWES												
	INV	5795233-DC09	12/13/09	12/13/09		N	POSTAGE METER RENTAL	537.00					
	DISB		12/13/09				PO:	537.00					
***** TOTALS:			GROSS:	537.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	537.00	*****
01-1664	PROGRAM ONE PROFESSIONAL B												
	INV	8327	12/18/09	12/18/09		N	WINDOW CLEANING:12/15/09	150.00					
	DISB		12/31/09				PO:	150.00					
***** TOTALS:			GROSS:	150.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	150.00	*****

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	DESCRIPTION	GROSS/	-DISTRIBUTION-
		BANK	POST DT	DISC DT	CHECK#			BALANCE	

01-1041 SEECO CONSULTANTS, INC. ** CONTINUED **

INV	545		12/28/09	2/11/10		N	MATERIAL TESTING-PSC/PSD	21,708.41	
DISB			12/31/09				PO:	21,708.41	

===== TOTALS: GROSS: 21,708.41 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 21,708.41 =====

01-1715 SIKICH

INV	110129		12/30/09	12/30/09		Y	ACCOUNTING SERVICES	4,016.25	
DISB			12/31/09				PO:	4,016.25	

===== TOTALS: GROSS: 4,016.25 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 4,016.25 =====

01-1043 SOOPER LUBE

INV	164896A		10/09/09	10/09/09		N	VEHICLE MAINTENANCE	18.99	
IL			11/11/09				PO: 11715	18.99	

INV	167630		12/01/09	12/01/09		N	VEHICLE MAINTENANCE:M79697	69.99	
DISB			12/31/09				PO:	69.99	

INV	167637		12/01/09	12/01/09		N	VEHICLE MAINTENANCE:8647943	34.95	
IL			12/09/09				PO: 11801	34.95	

INV	167764		12/03/09	12/03/09		N	VEHICLE MAINTENANCE:M134705	47.40	
IL			12/17/09				PO: 11867	47.40	

INV	168463		12/15/09	12/15/09		N	VEHICLE MAINTENANCE:M80328	32.45	
DISB			12/29/09				PO: 11867	32.45	

INV	168571		12/16/09	12/16/09		N	VEHICLE MAINTENANCE:M66159	36.20	
IL			12/17/09				PO: 11867	36.20	

INV	169021		12/28/09	12/28/09		N	VEHICLE MAINTENANCE:M78556	36.20	
DISB			12/31/09				PO:	36.20	

===== TOTALS: GROSS: 276.18 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 276.18 =====

01-1040 SPECIALTY MAT SERVICE

INV	519623		12/03/09	1/10/10		N	MAT SERVICES:12/03/09	55.40	
IL			12/09/09				PO: 11406	55.40	

INV	521206		12/17/09	1/10/10		N	MAT SERVICES:12/17/09	55.40	
DISB			12/29/09				PO:	55.40	

INV	522798		12/31/09	1/10/10		N	MAT SERVICES:12/31/09	55.40	
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A C C O U N T S P A Y A B L E
O P E N I T E M R E P O R T
D E T A I L

BALANCE AS OF: 1/07/2010

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-		
	BANK		POST DT	DISC DT	CHECK#					BALANCE			

01-1040	SPECIALTY MAT SERVICE		** CONTINUED **										
	DISB		12/31/09					PO:		55.40			
=====													
***** TOTALS:			GROSS:	166.20	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	166.20	=====
01-1712	SPEER FINANCIAL, INC												
	INV	Serv 12-09	12/21/09	12/21/09			N	CONSULTING SVCS-ISSUE OF BOND		5,000.00			
	DISB		12/30/09					PO:		5,000.00			
=====													
***** TOTALS:			GROSS:	5,000.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	5,000.00	=====
01-1367	THERMOSYSTEMS PARTS DIVISI												
	INV	24117	12/07/09	1/06/10			N	MAINTENANCE SUPPLIES		203.99			
	DISB		12/29/09					PO: 11927		203.99			
=====													
***** TOTALS:			GROSS:	203.99	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	203.99	=====
01-1123	THOMPSON ELEVATOR INSPECTI												
	INV	09-4289	12/16/09	12/16/09			N	ELEVATOR INSPECTION		55.00			
	DISB		12/31/09					PO: 11957		55.00			
=====													
***** TOTALS:			GROSS:	55.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	55.00	=====
01-1627	WILLIAMS BROTHERS CONSTRUC												
	INV	11	11/30/09	11/30/09			N	PSD-7/08-PARTIAL PAYMENT # 11		1,342,619.35			
	DISB		12/31/09					PO:		1,342,619.35			
=====													
***** TOTALS:			GROSS:	1,342,619.35	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,342,619.35	=====

A C C O U N T S P A Y A B L E
O P E N I T E M R E P O R T
D E T A I L

BALANCE AS OF: 1/07/2010

T O T A L S

	GROSS	PAYMENTS	BALANCE
PAID ITEMS	0.00	0.00	0.00
PARTIALLY PAID	0.00	0.00	0.00
UNPAID ITEMS	7,637,983.89	0.00	7,637,983.89
** TOTALS **	7,637,983.89	0.00	7,637,983.89

**DUPAGE WATER COMMISSION
ITEMS TO BE PAID BY 2-11-10**

115,000.00 Payroll 01/22/10 Estimate
Payroll
State and Federal Payroll Taxes
ICMA
FSA

115,000.00 Payroll 02/05/10 Estimate
Payroll
State and Federal Payroll Taxes
ICMA
FSA

27,000.00 IMRF - for January 2010
Retirement Payment

49,000.00 Blue Cross Blue Shield
Health Insurance

4,500.00 Euclid Managers
Dental Insurance

180,000.00 Exelon Energy for December
Utility Charges

11,000.00 ComEd
Utility Charges Meter Stations

44,000.00 City of Chicago
DWC Portion of Lexington Labor

102,000.00 City of Chicago
DWC Portion of Lexington Electric

12,000.00 City of Chicago
DWC Portion of Lexington Repairs & Maint

1,000.00 City of Naperville
Meter Station Electric Bills

100.00 Comcast
Internet Service

1,700.00 AT & T
Telephone Charges

2,500.00 Sikich

1,600.00 US Automation

**DUPAGE WATER COMMISSION
ITEMS TO BE PAID BY 2-11-10**

1,188.93 AMS Mechanical Services
311.75 Grainger
29,643.52 Infor
24.25 National Safety Council
1,960.68 Unique Products
419.00 Tribune Interactive
90.27 Central Parts Warehouse
520.00 Eastland Industries
334.65 EESCO
4,750.00 Chicago Title Insurance
1,500.00 US Bank
1,130.00 Tyler Technologies
5,059.37 Tuition Reimbursement
3,120.00 Robert Half Intl
3,007.30 NICOR
18,605.17 Divane Brothers Electric
8.62 TelSpan
130.00 BW Technologies America
1,638.00 Avalon
836.36 Thyssenkrupp Elevator Corp

740,677.87

PACKET: 01533 Hold for Board Approval-0

VENDOR SET: 01 DUPAGE WATER COMMISSION

SEQUENCE : ALPHABETIC

DUE TO/FROM ACCOUNTS SUPPRESSED

Accounts Payable

-----ID-----			GROSS	P.O. #		
POST DATE	BANK CODE	-----DESCRIPTION-----	DISCOUNT	G/L ACCOUNT	-----ACCOUNT NAME-----	DISTRIBUTION
=====						
01-1608		MARTAM CONSTRUCTION, INC.				
I-10121		REPLACE MANHOLE FRAME-QR8-017	4,665.20			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		MAPLE & GARFIELD-HINSDALE		01 60-6631	PIPELINE REPAIRS	4,665.20
I-QR8-016A		REPAIR ERODING AREA	1,762.13			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		WEST AVE & RANDOLPH-ELMHURST		01 60-6633	REMOTE FACILITIES MAINTN	1,762.13
I-QR8-016B		REPLACE MANHOLE FRAME	7,059.99			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		CHURCH RD-BENSENVILLE		01 60-6633	REMOTE FACILITIES MAINTN	7,059.99
I-QR8-016C		REPLACE MANHOLE FRAME	5,864.22			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		GRACE ST & WINTHROP-ADDISON		01 60-6633	REMOTE FACILITIES MAINTN	5,864.22
I-QR8-016D		REPLACE MANHOLE FRAME	5,398.85			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		MAPLE & LEE ST-DOWNERS GROVE		01 60-6633	REMOTE FACILITIES MAINTN	5,398.85
I-QR8-016E		REPLACE MANHOLE FRAME	3,942.78			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		PRESIDENT & DALY RD-WHEATON		01 60-6633	REMOTE FACILITIES MAINTN	3,942.78
I-QR8-016F		REPLACE MANHOLE FRAME	6,056.67			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		GRACE & WINTHROP-ADDISON		01 60-6633	REMOTE FACILITIES MAINTN	6,056.67
I-QR8-016G		REPLACE MANHOLE FRAME	5,235.44			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		NAPERVILLE & FAIRMEADOW-NVILLE		01 60-6633	REMOTE FACILITIES MAINTN	5,235.44
I-QR8-016H		REPLACE MANHOLE FRAME	4,596.60			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		55TH & PARK AVE-DOWNERS GROVE		01 60-6633	REMOTE FACILITIES MAINTN	4,596.60
I-QR8-016I		REPLACE MANHOLE FRAME	2,183.22			
12/31/2009	DISB	DUE: 12/15/2009 DISC: 12/15/2009		1099: N		
		BUTTERFIELD & MARSHALL-OB TERR		01 60-6633	REMOTE FACILITIES MAINTN	2,183.22
		*** VENDOR TOTALS ***	46,765.10			
		*** PACKET TOTALS ***	46,765.10			

PACKET: 01533 Hold for Board Approval-0

VENDOR SET: 01 DUPAGE WATER COMMISSION

SEQUENCE : ALPHABETIC

DUE TO/FROM ACCOUNTS SUPPRESSED

** T O T A L S **

INVOICE TOTALS	46,765.10
DEBIT MEMO TOTALS	0.00
CREDIT MEMO TOTALS	0.00

BATCH TOTALS	46,765.10
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** G/L ACCOUNT TOTALS **

BANK	YEAR	ACCOUNT	NAME	AMOUNT	-----LINE ITEM-----		-----GROUP BUDGET-----	
					ANNUAL BUDGET	BUDGET OVER AVAILABLE BUDG	ANNUAL BUDGET	BUDGET OVER AVAILABLE BUDG
2009-2010	01	-60-6631	PIPELINE REPAIRS	4,665.20	785,000	619,539.69		
	01	-60-6633	REMOTE FACILITIES MAINTN	42,099.90	504,000	325,190.37		
			** 2009-2010 YEAR TOTALS	46,765.10				

PACKET: 01533 Hold for Board Approval-0

VENDOR SET: 01 DUPAGE WATER COMMISSION

SEQUENCE : ALPHABETIC

DUE TO/FROM ACCOUNTS SUPPRESSED

** POSTING PERIOD RECAP **

FUND	PERIOD	AMOUNT
01	12/2009	46,765.10

NO ERRORS

NO WARNINGS

** END OF REPORT **

TOTAL ERRORS: 0 TOTAL WARNINGS: 0



DuPage Water Commission

MEMORANDUM

TO: Chairman Rathje and Commissioners

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

DATE: December 28, 2009

SUBJECT: Accounting Services

This memorandum is in response to Commissioner Mueller's request to identify accounting services being provided to the Commission.

Firm	Individual(s)	Work Being Performed	Reporting to	Status
DWC	Ivin Drew	Payroll, General Ledger, Bank Reconciliations, Account Analysis	Rick Skiba	Employee
Accountemps	Rajinder Rehal	Accounts Payables, Assists with Bank Reconciliations and Account Analysis	Rick Skiba	Active
Crowe Horwath LLP	Raven Cox Mari Reidy Catherine Wu	Forensic Audit	Jenner & Block LLP	Active
RGP Diversified Services, Inc.	Dan Wiersma	Year End Audit Assistance	Robert Martin	Inactive

Robert Half International	Rick Skiba	Interim Financial Administrator, without cash access and control	Robert Martin	Active
Self Employed	Phil Adams	Account analysis	Donald Zeilenga	Inactive
Sikrich LLP	Tim Gavin	Account analysis and review toward Annual Audit, procedures review, and modification	Rick Skiba	Active



DuPage Water Commission

MEMORANDUM

TO: Chairman Rathje and Commissioners

FROM: Robert L. Martin, P.E. *RLM*
General Manager

DATE: December 28, 2009

SUBJECT: Construction Projects

The following is a list of construction projects that are currently under construction or scheduled for construction.

Project	Purpose	Amount of Contract	Work Completed to Date	Recommendation
Supply of Generators	<p>The supply of four 2.5 MW diesel fueled standby generators for the DuPage Pumping Station</p> <p>The supply of four 2.5 MW diesel fueled standby generators for the Lexington Pumping Station</p> <p>The supply of a portable 2.5 MW diesel fueled generator</p>	\$6,417,608.00	\$3,597,300.00	<p>Contractually the project can be stopped for convenience.</p> <p>Because this project is essential for the reliability of the Commission's system, and all eight permanent generators have been installed it is not recommended that the project be stopped.</p> <p>This contract is part of the joint project with the City of Chicago.</p>
<p>Contract PSC-4</p> <p>Backup Generation Lexington Pumping Station</p>	The installation of backup generation to provide average day flow to the Commission during loss of electrical service	<p>\$17,442,197.88</p> <p>Chicago is contributing \$8,000,000 towards this project</p>	\$3,989,486.38	<p>Contractually the project can be stopped for convenience.</p> <p>Because this project is a joint project with the City of Chicago and is essential for the reliability of the</p>

	<p>As part of the Commission's Vulnerability Assessment the loss of power was identified as a vulnerability</p> <p>The DuPage Water Commission is Chicago's only service area that would not receive water during a regional power failure</p>			<p>Commission's system it is not recommended that the project be stopped.</p>
<p>Contract PSC-5</p> <p>Photovoltaic Lexington Pumping Station</p>	<p>Chicago recommended this project as part of Chicago Green Initiative</p>	<p>\$8,246,000.00</p> <p>The Commission is contributing \$4,000,000 towards this project</p>	<p>\$3,998,000.00</p>	<p>Contractually the project can be stopped for convenience.</p> <p>Because 100% of the photovoltaic panels have been installed it is not recommended that the project be stopped.</p>

<p>Contract PSD-6A</p> <p>Equipment & Material Storage</p>	<p>With the construction of the backup generation facilities at the DuPage Pumping Station Site there was insufficient storage for the Commission's heavy equipment</p>	<p>\$1,227,403.00</p>	<p>\$1,227,403.00</p>	<p>Contractually the project can be stopped for convenience.</p> <p>Because this project is completed except for the payment of the retention it is not recommended that the project be stopped.</p>
<p>Contract PSD-7</p> <p>Backup Generation DuPage Pumping Station</p>	<p>The installation of backup generation to provide average day flow to the DWC during loss of electrical service</p> <p>As part of the Commission's Vulnerability Assessment the loss of power was identified as a vulnerability</p> <p>The DuPage Water Commission is Chicago's only service area that would not receive water during a regional power failure</p>	<p>\$17,131,764.00</p>	<p>\$9,059,865.46</p>	<p>Contractually the project can be stopped for convenience.</p> <p>Because this project is 53% complete and is essential for the reliability of the Commission's system it is not recommended that the project be stopped.</p>

Installation of Pump #10	Increase pumping capacity at DuPage Pumping Station	\$600,000 estimated		It is recommended that the project be delayed
Contract TS-8/09 Construction of Corrosion Protection and Control for the South Transmission Main	The installation of corrosion protection and control for the South Transmission Main because of indication of corrosion taking place on the main	\$750,000 estimated		The construction of the corrosion protection facilities for this contract has been delayed by the Board. Because the engineering evaluation indicates corrosion is taking place on this main, it is recommended that the project proceed because of the potential for property damage and injury in the event a main were to leak because of corrosion.
Corrosion Mitigation of Steel Water Mains	Mitigating the influences of corrosion, and/or stray electrical current, on approximately 48 miles of the Commission's steel water main	\$3,000,000 estimated		It is recommended that these projects not be delayed because of the potential for property damage and injury in the event of a main was to leak because of corrosion.

Valve Stem Replacement Project	<p>Some of the valve stems on the valves in the distribution system have corroded to the point that operation of the valves would require confine space entry in to the valve vault to operate the valves</p> <p>This project was going to replace the valve stems with robust solid steel valve stems.</p>	\$400,000 estimated		It is recommended that the project not be delayed because of the potential for property damage and injury in the event a main were to leak and the delay in isolating the main.
Standpipe Modifications at Standpipes 2, 3 and 4W	To allow for better mixing of water within standpipes	\$900,000 estimated		It is recommended that the project be delayed
Standpipe Painting	The existing painting system is the original painting system installed in 1989	\$5,400,000 estimated		It is recommended that the project be delayed

<p>Contract MS-17 Winfield Metering Station 27B</p>	<p>The construction of a second connection facility for the Village of Winfield</p>	<p>\$250,000 estimated</p>		<p>It is not recommended that this project be delayed because per Commission policy Winfield is paying all costs associated with this project.</p>
<p>Contract MS-18 DuPage County Connection Facilities</p>	<p>The construction of connection facilities for the Hobson Valley and Glen Ellyn Heights Service Areas</p>	<p>\$994,700.00</p>	<p>\$48,656.71</p>	<p>Contractually the project can be stopped for convenience. It is not recommended that this project be delayed because per Commission policy DuPage County is paying all costs associated with this project.</p>
<p>Contract TS-7 Construction of 30 inch Diameter Water Main Relocation - 75th and Washington Streets</p>	<p>Relocation of the Commission's South Transmission Main at the 75th and Washington Streets, Naperville as part of the County of DuPage and City of Naperville's improvements at the intersection</p>	<p>\$438,000.00</p>		<p>Contractually the project can be stopped for convenience. It is not recommended that this project be delayed because the City of Naperville is paying all costs associated with this project.</p>

	Total	\$51,897,672.88	\$21,920,711.55	
		\$12,246,000 Chicago contribution		
		\$11,300,000 estimated		

As of January 1, 2010