

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, JANUARY 16, 2020
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 6:39 P.M.

Commissioners in attendance: D. Bouckaert, J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, R. Obarski, J. Pruyn, K. Rush, P. Suess and J. Zay

Commissioners Absent: D. Russo and F. Saverino

Also in attendance: Treasurer W. Fates, J. Spatz, C. Johnson, C. Peterson, J. Rodriguez, A. Stark, F. Frelka, M. Weed, D. Cuvalo, C. Bostick, E. Kazmierczak, P. Luetkehans of Schirott, Luetkehans & Garner, LLC.

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Healy moved to approve the Minutes of the November 21, 2019 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER'S REPORTS

Treasurer Fates reported that he had reviewed and approved all journal entries and bank reconciliations for the months of November and December. He then presented the December 2019 Treasurer's Report consisting of 13 pages, noting that pages 1 and 2 contained a brief summary of the report.

December 2019

Treasurer Fates pointed out the \$178.8 million of cash and investments on page 4, which reflected an increase of about \$0.8 million from the previous month. Treasurer Fates also pointed out the schedule of investments on pages 5 through 11 totaling \$155.7 million and the market yield on the total portfolio showed 2.03% which was down from the prior month. On page 12, the statement of cash flows showed an increase in cash and investments by about \$7.7 million and operating activities generated \$5.4 million. On page 13, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements.

Commissioner Pruyn moved to accept the November and December 2019 Treasurer's Reports. Seconded by Commissioner Rush and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Finance Committee – Reported by Commissioner Suess

Commissioner Suess reported that the Finance Committee had reviewed and recommended for approval all action items listed on the Finance Committee Agenda. After providing a brief summary, Commissioner Suess moved to approve Resolution No. R-10-20: A Resolution Authorizing the Execution of a BMO Harris Bank, N.A. Commercial Card Agreement for BMO Harris Bank Commercial MasterCard® Credit Cards. Seconded by Commissioner Obarski and unanimously approved by a Roll Call Vote.

Ayes: D. Bouckaert, J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, R. Obarski, J. Pruyne, K. Rush, P. Sues and J. Zay

Nays: None

Absent: D. Russo and F. Saverino

At the request of Commissioner Suess, Financial Administrator Peterson explained that the contribution income of \$15M shown in the December financial statements is related to the addition from of the assets (transmission main and metering station) contributed by Bartlett. The assets recorded were \$14M for the TW-3 transmission main and \$1M for the Bartlett metering station.

Administration Committee – Reported by Commissioner Healy

Commissioner Healy reported that the Administration Committee reviewed and recommended for approval all action items listed on the Administration Committee Agenda. With regards to the consulting agreements with John J. Millner and Associates, Inc. and the Rory Group, Commissioner Healy stated that the Committee had requested that staff obtain quarterly reports from each consultant. Commissioner Healy moved to adopt item number 2 through 5 under the Administration Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Obarski.

Before the vote was called, Commissioner Pruyne shared concerns regarding approval of the consulting agreements and requested that item numbers 3 and 4 be removed from the single group Omnibus Vote for separate consideration.

Commissioner Healy amended his motion, with the consent of the seconder, to adopt item numbers 2 and 5 under the Administration Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Obarski and unanimously approved by a Roll Call Vote.

Ayes: D. Bouckaert, J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, R. Obarski, J. Pruyne, K. Rush, P. Sues and J. Zay

Nays: None

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Absent: D. Russo and F. Saverino

Item 2: Resolution No. R-9-20: A Resolution Suspending Purchasing Procedures and Approving Requisition 64272 for the Purchase of New HPE 10GB Switches from IT Savvy, LLC at the January 16, 2020 DuPage Water Commission Meeting (IT Savvy, LLC in the estimated amount of \$15,000.00)

Item 5: Request for Board Action – To approve Requisition No. 64223 in the amount of \$55,326.25 to Infor Global Solution Inc.

Commissioner Healy moved to adopt item numbers 3 and 4 under the Administration Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Obarski.

Commissioner's Suess and Pruyn expressed concerns regarding the value and service that has been provided from both consultants noting that ongoing issues do not seem to get resolved. They both shared that they were not in favor of continuing either contract and therefore would be voting against approving them.

With regards to the John Millner Consulting Agreement, Commissioner Healy explained the importance of having a consultant representing the Commission in Springfield noting that it would be very difficult to have someone travel back and forth trying to keep an eye on everything and with having Mr. Millner constantly present in Springfield, he immediately brings forward, to General Manager Spatz, any discussion relating to the Commission and the water industry. Commissioner Healy noted that Mr. Millner is well respected and is able to get staff in front of the right people, if needed. With the Rory Group, Commissioner Healy noted that they have assisted the Commission with getting Commission issues to the right people in the City of Chicago.

General Manager Spatz reminded Board members that the Commission use to employ a full-time staff attorney that would keep on top of any legislation that could negatively impact to the Commission. Recently, Mr. Millner was able to assist the Commission with legislation that would have possibly cost the Commission millions. General Manager Spatz noted the Mr. Millner is very valuable and continues to have the Commission's best interest. Commissioner Broda agreed with General Manager Spatz adding that when he visited Springfield Mr. Millner took care of everything. Chairman Zay noted that there are a lot of issues coming up in Springfield related to water, such as lead, regionalization of water suppliers, among other issues that could possibly affect the Commission and having Mr. Millner as our eyes and ears is a plus.

As for the Rory Group, Chairman Zay shared his frustration noting that it's not easy dealing with the City of Chicago. The Commission had made a little headway, but part of the problem is that Chicago has had several administrative changes. General Manager Spatz agreed and added that the follow through from the City is very challenging and that the Rory Group did help assist the Commission with working with the City in getting the Commission's SCADA system, which monitors the Lexington Pumping Station, operational.

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Discussion ensued regarding the cost of these services and quarterly reporting.

With no further discussion the motion was approved by a Roll Call Vote.

Ayes: D. Bouckaert, J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, R. Obarski, K. Rush, and J. Zay

Nays: J. Pruyn and P. Suess

Absent: D. Russo and F. Saverino

Item 3: Request for Board Action – To authorize the General Manager to enter into a Consulting Agreement with John J. Millner and Associates, Inc., subject to negotiation of acceptable terms, in an amount not to exceed \$30,000.00.

Item 4: Request for Board Action – To authorize the Execution of a Consulting Agreement with Rory Group, LLC., for a one-year period in the amount not-to-exceed \$20,000.00.

Engineering & Construction Committee – Reported by Commissioner Fennell

Commissioner Fennell reported that the Engineering & Construction Committee reviewed and recommended for approval all action items listed on the Engineering & Construction Committee Agenda. After providing a brief summary, Commissioner Fennell moved to adopt item numbers 2 through 9 under the Engineering & Construction Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Bouckaert and unanimously approved by a Roll Call Vote.

Ayes: D. Bouckaert, J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, R. Obarski, J. Pruyn, K. Rush, P. Suess and J. Zay

Nays: None

Absent: D. Russo and F. Saverino

Item 2: Resolution No. R-1-20: A Resolution Awarding A Contract for Janitorial Services (Multisystem Management Company estimated at \$79,056.00 for 3 years)

Item 3: Resolution No. R-2-20: A Resolution Approving and Authorizing the Execution of a New Electrical Supply Agreement Extension (Constellation New Energy – 2-year contract for a total electrical cost of 2.978 cents per kWh)

Item 4: Resolution No. R-3-20: A Resolution Awarding a Contract for the Construction of Tank Site Improvements (Rossi Contractors, Inc., in the amount of \$1,337,200.00)

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- Item 5: Resolution No. R-4-20: A Resolution Approving a Contract extension of the Contract for Soils and materials Testing Services (Contract MT-11/18) for one additional year at the January 16, 2020 DuPage Water Commission Meeting (Construction and Geotechnical Material Testing, Inc. - no cost)
- Item 6: Resolution No. R-5-20: A Resolution Approving a First Amendment to Task Order No. 3 under a Master Contract with Strand Associates, Inc. (increase cost of \$9,500.00)
- Item 7: Resolution No. R-6-20: A Resolution Approving and Ratifying Certain Work Authorization Orders under Quick Response electrical Contract QRE-8/17 at the January 16, 2020 DuPage Water Commission Meeting (Volt Electric, Inc., in an estimate cost of \$1,353.00)
- Item 8: Resolution No. R-7-20: A Resolution Approving and Ratifying Certain Task Orders under a Master Contract with Baxter & Woodman, Inc., at the January 16, 2020 DuPage Water Commission Meeting (Baxter & Woodman in an estimated cost of \$42,300.00)
- Item 9: Resolution No. R-8-20: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-11/17 at the January 16, 2020 DuPage Water Commission Meeting (John Neri Construction Co., Inc., in the estimated amount of \$20,000.00)

ACCOUNTS PAYABLE

Commissioner Gans moved to approve the Accounts Payable in the amount of \$7,886,819.50 (November 2019, disbursements made with concurrence of Commission's Chairman) and \$8,231,280.09 (December 2019) subject to submission of all contractually required documentation, for invoices that have been received and moved to approve the Accounts Payable in the amount of \$1,300,475.00 (November 2019, disbursements made with concurrence of Commission's Chairman) and \$872,580.00 (December 2019) subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated. Seconded by Commissioner Broda and unanimously approved by a Roll Call Vote.

Ayes: D. Bouckaert, J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, R. Obarski, J. Pruyne, K. Rush, P. Suess and J. Zay

Nays: None

Absent: D. Russo and F. Saverino

CHAIRMAN'S REPORT

Chairman Zay began his report by reminding the Commissioners to complete their online ethics training by the end of the month.

For the February Board Meeting, Chairman Zay noted that a Committee of the Whole meeting would be scheduled for 6:00pm to begin discussions on the Tentative Draft Management Budget for Fiscal Year 2020-2021 and that all Committee start times would be rescheduled to begin at 5:30pm.

Chairman Zay concluded his report by noting that the meeting with the Villages of Oswego, Montgomery and Yorkville, was still scheduled with the towns Mayors and Managers for January 29th to continue discussing water supply options.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

None

NEW BUSINESS

Commissioner Suess asked General Manager Spatz to comment on the discussion during the Finance Committee regarding the Consumer Price Index. General Manager Spatz noted that the Consumer Price Index number that the City of Chicago uses to calculate its water rate increase is up 2.445%. This increase should be the equivalent to about a \$0.10/per 1,000 gallons increase from the City of Chicago. General Manager Spatz relayed that the Commission is currently preparing the budget for FY2020-2021 and is considering its options which would be presented at the Committee of the Whole meeting next month.

EXECUTIVE SESSION

None

Commissioner Broda moved to adjourn the meeting at 7:20 P.M. Seconded by Commissioner Healy and unanimously approved by a Voice Vote.

All voted aye. Motion carried.