

**MINUTES OF A MEETING OF THE  
DuPAGE WATER COMMISSION  
HELD ON THURSDAY, NOVEMBER 18, 2021  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 6:32 P.M.

Commissioners in attendance: J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, J. Pruyne, K. Rush, D. Russo, F. Saverino, P. Suess, and J. Zay

Commissioners Absent: D. Bouckaert and P. Gustin

Also in attendance: Treasurer W. Fates, J. Spatz, C. Johnson, C. Peterson, D. Panaszek, A. Stark, J. Bonnema, D. Cuvalo, M. Weed, J. Schori, J. Rodriguez and P. Luetkehans of Luetkehans, Brady, Garner & Armstrong LLC.

**PUBLIC COMMENT**

None

**APPROVAL OF MINUTES**

Commissioner Healy moved to approve the Minutes of the October 21, 2021, 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 REPORT**

Treasurer Fates presented the October 2021 Treasurer's Report consisting of 13 pages with pages 1 and 2 containing a summary of the report.

Treasurer Fates pointed out the \$213.8 million of cash and investments on page 4, which reflected a decrease of about 0.3 million from the previous month. Treasurer Fates also pointed out the schedule of investments on pages 5 through 11 totaling \$178.1 million and the market yield on the total portfolio showed 0.97% which had decreased from the prior month. On page 12, the statement of cash flows showed an increase in cash and investments by about \$3.0 million and operating activities increased by approximately 2.5 million. On page 13, the monthly cash/operating report showed that the Commission has met all recommended reserve balances.

Commissioner Russo moved to accept the October 2021 Treasurer's Report. Seconded by Commissioner Broda 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 reviewed all financial reports with no action items for consideration.

**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. After providing a brief summary, Commissioner Healy moved to adopt item numbers 2 through 5 under the Administration Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, J. Pruyn, K. Rush, D. Russo, F. Saverino, P. Suess, and J. Zay

Nays: None

Absent: D. Bouckaert and P. Gustin

Item 2: Resolution No. R-56-21: A Resolution Authorizing and Ratifying the Disposal of Certain Personal Property Owned by the DuPage Water Commission

Item 3: Resolution No. R-59-21: A Resolution Reviewing/Releasing Certain Executive Session Meeting Minutes at the November 18, 2021, DuPage Water Commission Meeting

Item 4: Resolution No. R-60-21: A Resolution Approving Employee Insurance Benefits for Plan Year Beginning January 1, 2022 and ending December 31, 2022

Item 5: Request for Board Action: To Suspend the Purchasing Procedures of the Commission's By-Laws and Authorize the General manager to Approve Requisition No. 73206 in the amount of \$62,164.58 to Hexagon AB (formerly Infor)

**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.



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After providing a brief summary, Commissioner Fennell moved to adopt item numbers 2 through 7 under the Engineering & Construction Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Gans and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, J. Pruyn, K. Rush, D. Russo, F. Saverino, P. Suess, and J. Zay

Nays: None

Absent: D. Bouckaert and P. Gustin

Item 2: Resolution No. R-53-21: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-9/20 at the November 18, 2021 DuPage Water Commission Meeting (McWilliams Electric Co. Inc. at an estimated cost of \$1,500.00)

Item 3: Resolution No. R-54-21: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-9/20 at the November 18, 2021, DuPage Water Commission Meeting (Courtesy Electric Inc., at an estimated amount of \$24,000.00)

Item 4: Resolution No. R-55-21: A Resolution Directing Advertisement for Bids on a Contract for the Construction of the SCADA Replacement Project (Contract PSD-09/21) (no cost)

Item 5: Resolution No. R-57-21: A Resolution Directing Advertisement for Bids on a Contract for the Construction of DPPS Emergency Generation System Improvements (Contract PSD-10/22) (no cost)

Item 6: Resolution No. R-58-21: A Resolution Approving and Ratifying Task Order 1 under a Master Contract with Dixon Engineering, Inc. at the November 18, 2021 DuPage Water Commission Meeting (total not-to-exceed \$9,200.00)

Item 7: Resolution No. R-61-21: A Resolution Approving and Ratifying Task Order 2 and 3 under a Master Contract with DeLasCasas CP, LLP at the November 18, 2021 DuPage Water Commission Meeting (an amount not-to-exceed \$55,470.00)

**ACCOUNTS PAYABLE**

Commissioner Pruyn moved to approve the Accounts Payable in the amount of \$9,035,325.89 subject to submission of all contractually required documentation, for invoices that have been received and to approve the Accounts Payable in the amount of \$1,659,425.00 subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, J. Fennell, R. Gans, J. Healy, D. Novotny, J. Pruyn, K. Rush, D. Russo, F. Saverino, P. Suess, and J. Zay

Nays: None

Absent: D. Bouckaert and P. Gustin

**CHAIRMAN'S REPORT**

Chairman Zay began by asking General Manager Spatz to provide an update regarding a possible water supply to the Villages of Oswego, Yorkville and Montgomery. General Manager Spatz informed that during discussions with the representative of the three towns, he was informed that the towns were ready to make a final decision on December 13<sup>th</sup> and 14<sup>th</sup>. Chairman Zay referred to a Memorandum of Understanding that was sent to the Village of Oswego and distributed to all Board members at the meeting. Chairman Zay wanted to review it with members to allow for any additional questions and/or concerns. Chairman Zay noted that he was uncomfortable with obtaining Board consensus through individual discussions noting that the Board works very well together and discussions should be an open process. He then opened the floor for discussion.

Commissioner Russo noted his concerns regarding a possible seventh district and its population and what impact it could have on the Commission in the future. Commissioner Russo further noted concerns regarding the possibility of giving up authority of the DuPage Water Commission with DuPage County appointments to representatives outside the county. Discussion ensued regarding the City of Aurora.

After the first Memorandum of Understanding and feedback from the 3 towns, General Manager Spatz noted that he had reviewed with all Commissioners each item that needed to be addressed or clarified and then obtained a consensus to move forward. One of the items in the Memorandum of Understanding was the formation of a new special district and Chairman Zay noted his concerns regarding the appointment procedures and the population of a possible seventh district. Discussion then ensued regarding the special district and possible impacts to the Commission in the future.



General Manager Spatz reminded Board members that the Memorandum of Understanding was only stating concepts for consensus. Each item would need to be officially voted on in the future and that the Board remains in full control. In addition, the Board would also need to approve a water purchase agreement in order for any community to join the Commission.

Board members then discussed revising the Memorandum of Understanding specifically representation for the special district. Commissioner Suess stated that he understood the concerns, noting that the Board would still have full control over who comes in and who doesn't, the loan amount, the term length, etc. Commissioner Suess reminded members that the revised Memorandum of Understanding would not be a contractual obligation. Chairman Zay felt that members were fine with the concept, but legislation would need to be modified to create the special district.

Commissioner Rush understood some of the concerns about the process, but stated that the Board gave General Manager Spatz the direction to have the opportunity for a consensus. The Commissioner's then discussed representation and regionalization.

General Manager Spatz stated that in 2019 the topic of expanding outside the County limits had been discussed with all the Commission's customers and the feedback was unanimously favorable. General Manager Spatz stated that the Water Act of 1985 would need to be amended before these towns would be able to enter into contracts with the Commission. Commissioner Suess noted that he thought the revisions to the Memorandum of Understanding were fine and discussed additional representation.

Commissioner Saverino shared concerns regarding the water allocation process, the decrease of the Village of Carol Stream's allocation, and the possibility of future growth in Carol Stream. General Manager Spatz noted that according to the Illinois Department of Natural Resources (IDNR), they would work with the communities to expand their future allocation due to additional growth. Currently, IDNR is drastically cutting most communities allocation and that the Commission's customers future allocations are being proposed by IDNR to decrease by approximately 25%. General Manager Spatz stated that the Commission had sent IDNR a letter regarding concerns with the new proposed IDNR allocations as it relates to our current water supply contracts and maximum flow rate, which is 1.7 of the current daily allocation in the contract. Commissioner Suess noted his frustration with the IDNR process and discussion ensued regarding the topic. Commissioner Saverino added that many communities have put water conservation in place and now it seems like they're getting punished for it.

With no further discussion, Chairman Zay wished everyone a Happy Thanksgiving.

**OMNIBUS VOTE REQUIRING MAJORITY VOTE**

None

**OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE**

None



## **OLD BUSINESS**

General Manager Spatz noted that the Village of Romeoville is still interested in considering the Commission as a possible water supplier and should be making a final decision within the next couple of weeks. General Manager Spatz stated that he was working on a Draft Memorandum of Understanding of what they would like him to bring to the Board for discussion and consensus. However, due to the limited timeframe, a special meeting of the Board would need to be called.

General Manager Spatz noted that Romeoville's average daily usage was over 4 million gallons per day which would possibly make them the Commission's second largest customer.

Chairman Zay asked if Romeoville was seeking loans from the Commission and General Manager Spatz replied yes, they are seeking terms very similar to the Memorandum of Understanding with the other 3 towns. Discussion ensued regarding Romeoville funding, bonds, WIFIA and other terms. General Manager Spatz noted that staff would try to set up a special meeting to discuss a draft Memorandum of Understanding for Romeoville.

Next, General Manager Spatz informed that the Commission had been working with its electrical energy consultant and in the past the Board usually gave consent for the General Manager to enter into an agreement once rates were favorable. General Manager Spatz noted that the electrical energy rates are currently significantly higher (approximately 50%) based on a future contract term up to 3 years. Attorney Luetkehans noted that there may be a way to provide General Manager Spatz the approval authority ahead of time as other organizations are able to do that noting that he would look into it and let him know. Commissioner Fennell questioned why he wouldn't seek consent and Attorney Luetkehans noted that he would prepare a resolution that would provide that direction of authority.

Commissioner Suess questioned how much the photovoltaic solar panels at the Lexington Pumping Station are helping to keep costs down. General Manager Spatz stated minimally, but also added that a study had been conducted to see if the Commission's pumping station would benefit from solar panels and the result was not favorable. General Manager Spatz continued noting that the Lexington Pumping Station is in the process of updating equipment which would continue to be monitored through the Commission's SCADA system.

Next, General Manager Spatz reported that the Commission's water rate costs are based upon either the Consumer Price Index or 5% whichever is less. Over the years, the Commission has been able to absorb increases because the increases had been lower. With that said, right now the Consumer Price Index through the month of October was at 6.4% and continues to increase. Water rates from the City would most likely be at a 5% increase which is equivalent to \$0.21/per 1,000 gallons beginning June 1st. General Manager Spatz cautioned Board members noting that with this increase and other various significant cost increases, the Commission may not be able to absorb these increases like in the past.



Chairman Zay agreed with Commissioner Saverino and noted that the Board needs to proceed with caution when reviewing and approving the next fiscal year budget to avoid any potential financial mishaps. Discussion on the topic will continue over the next couple of months.

Next, Board members discussed the possibility of changing the December board meeting and notification would be sent as soon as a decision was made.

With regards to filling the General Manager's position, General Manager Spatz asked Commission employees, Cheryl Peterson, Alan Stark and Mike Weed to leave the meeting as they had applied for the position. All three left the meeting at 8:00 P.M. General Manager Spatz then updated the Board members on the process and timeline for filling his position. Special meetings would need to be scheduled in early January to conduct formal in-person interviews. General Manager Spatz strongly advised that members participating in the in-person interview process, plan on participating in the whole interview process in fairness to each candidate interviewing. Upon completion of the in-person interview process, each Board member would rank their top three candidates and allow Chairman Zay to begin negotiations with the top candidate. Next steps would be for the Commission Board to vote on a candidate with the advice and consent of the DuPage County Board which would bring the timeline to the end of January. Chairman Zay added this would allow the Board to further narrow down the final selection and allow for second interviews, if needed.

Cheryl Peterson, Alan Stark and Mike Weed returned at 8:23 P.M.

With regards to the Village of Oak Brook's interest in selling part of their Water System to Aqua Illinois, Chairman Zay requested that the letter that was sent to Oak Brook's Village Manager and Director of Public Works along with the response letter received from the law firm of Mayer Brown (Oak Brook's attorney) disagreeing with the Commission's position be emailed to the Board members.

Commissioner Gans left the meeting at 8:30 P.M. and returned at 8:32 P.M.

General Manager Spatz noted that he disagreed with their attorney's interpretation of territorial limits located in the unincorporated areas. Regardless, Aqua would still need to be approved by the Board to become a customer. Discussion ensued regarding potential issues and negative impacts and Chairman Zay stated that the Board would need to discuss the topic in more detail at a future meeting.

### **NEW BUSINESS**

None

### **EXECUTIVE SESSION**

None

With no further discussion, Commissioner Healy moved to adjourn the meeting at 8:39 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.