

**MINUTES OF A MEETING OF THE  
DuPAGE WATER COMMISSION  
HELD ON THURSDAY, AUGUST 16, 2012  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order by Vice Chairman Murphy at 7:34 P.M.

Commissioners in attendance: L. Crawford, T. Cullerton, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruy, M. Scheck, P. Suess, and J.B. Webb

Commissioners Absent: D. Russo, F. Saverino and J. Zay

Also in attendance: J. Spatz, C. Peterson, C. Johnson, T. McGhee, J. Rodriguez, R. C. Bostick, M. Weed, F. Frelka, J. Schori, E. Kazmierczak, G. Gorski of Gorski & Good, Lou Karrison of Sikich, and S. Lux of Baker Tilly

**PUBLIC COMMENT**

None

**APPROVAL OF MINUTES**

Commissioner Janc moved to approve the Minutes of the July 19, 2012 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Loftus and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**TREASURER REPORT**

Financial Consultant Lux presented the July 2012 Treasurer's Report, consisting of six pages.

Financial Consultant Lux highlighted the \$64.6MM of cash and investments on page 1, noting that the balance was higher by about \$2.44MM because no payments were due towards either Certificate of Debt. Financial Consultant Lux also pointed out the schedule of investments on pages 2, 3, and 4. On page 5, the negative \$16.9MM net cash from capital activities was due to \$15MM principal payments and \$1.8MM interest payments on the Bonds and construction. The reserve analysis showed \$8.6MM of unrestricted cash on hand as well as the full funding of the Operations and Maintenance, Operations and Maintenance Reserve, and Depreciation Accounts with a total cash balance of \$64MM shown on page 6. Also reflected on page 6 was an approximate \$95MM of outstanding debt in Table 3, Rows H, I and J.

Commissioner Furstenau moved to accept the July 2012 Treasurer's Report. Seconded by Commissioner Pruy 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 and recommended for approval the action items listed on the Finance Committee Agenda and specifically summarized the following items:

With respect to the selection of a Financial Advisor, Commissioner Suess noted that the requests for proposals are due the week of August 20<sup>th</sup> and that the Finance Committee would be holding a Special Meeting on September 6<sup>th</sup> at 7:00P.M. to conduct interviews.

With respect to the Treasurer's position, Commissioner Suess stated that resumes are being collected until August 31<sup>st</sup> and that progress would be reporting at the September meeting.

With respect to the Interest Period under the Northern Trust Certificate of Debt, Commissioner Suess stated that the Finance Committee recommended electing another one month interest period as the interest rate had remained the same.

Commissioner Suess noted that the Finance Committee reviewed and recommended approval of the 2012 Annual Audit Report and asked Sikich LLP representative, Louis Karrison, to present the report. Mr. Karrison stated that his firm's professional opinion of the Commission's financial statements for the fiscal year ending April 30, 2012, was clean and free from material weakness. He explained that the Commission's financial position at FYE2012 was fair and that the changes in financial position and cash flows for the year then ended were reflected in conformity with generally accepted accounting principles. Mr. Karrison continued by highlighting various aspects of the Management's Discussion and Analysis. Mr. Karrison specifically pointed out that the Commission's net assets were around \$341MM as reflected on MD&A page 5. He stated that the changes in net assets were \$18.7MM as reflected on MD&A page 5. Finally, Mr. Karrison explained that at the end of FYE2012, the Commission had \$110MM in outstanding bonded debt versus \$142MM at the end of the 2011 fiscal year as reflected on MD&A page 7. He then offered to answer any questions.

Commissioner Furstenau questioned the Commission's funding level for the Illinois Municipal Retirement Fund (IMRF) on page 28. Mr. Karrison explained that the IMRF requirements were met and that the plan is funded at 75%.

There being no further questions on the audit, Commissioner Janc moved to accept the draft audit report for the fiscal year ending April 30, 2012, to direct the auditors to print the final report, and to direct staff to distribute the FY2012 audit report to the Commission's customers and other interested parties. Seconded by Commissioner Suess and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

## Minutes of the 8/16/12 Meeting

### **Administration Committee – Reported by Commissioner Crawford**

Commissioner Crawford reported that the Administration Committee reviewed all the items listed on the Administration Committee Agenda, specifically the draft of the amended By-Laws noting that the Intergovernmental Agreement Shared Ethics and the Credit Card Policy would be incorporated and finalized for review at the September Board meeting.

Commissioner Suess shared concerns with rushing the adoption of the amended and restated By-Laws and suggested that the Board have a full discussion at the September Board meeting and hold any action until the October Board meeting. Commissioner Furstenau agreed adding that it would give the Commissioners an opportunity to get all their questions answered. There were no objections from the Commissioners present.

Commissioner Crawford concluded her report by asking that those Commissioners interested in using an iPad to review their Board packet materials in place of receiving paper packets to email Executive Assistant Johnson with their request.

### **Engineering & Construction Committee – Reported by Commissioner Loftus**

Commissioner Loftus reported that the Engineering & Construction Committee reviewed and recommended for approval the action items listed on the Engineering & Construction Committee Agenda and offered to answer any questions regarding the Status of Operations Report.

With respect to R-29-12, Commissioner Loftus noted that three bid proposals had been received with J. Neri Construction being the lowest bidder. Commissioner Pruyn questioned why there was such disparity among the bids. General Manager Spatz explained that there was a big discrepancy in the unit pricing for directional drilling and cabling.

Commissioner Loftus moved to adopt Resolution No. R-29-12: A Resolution Awarding a Contract for the Construction of Corrosion Protection and Control for South Transmission Main (Contract TS-8/12).—John Neri Construction in the amount of \$449,400.00. Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote.

Ayes: L. Crawford, T. Cullerton, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruyn, M. Scheck, P. Suess, and J.B. Webb

Nays: None

Absent: D. Russo, F. Saverino, and J. Zay

## Minutes of the 8/16/12 Meeting

Commissioner Loftus concluded his report by noting that the Engineering Committee had reviewed the draft RFQ for General Engineering Services proposal noting that the terms and conditions have been revised to fit more of an industry standard level which should result in a better response for potential qualified firms and that the proposal should be ready for consideration at the September Board meeting.

### **ACCOUNTS PAYABLE**

Commissioner Suess moved to approve the Accounts Payable in the combined amount of \$10,562,069.29, subject to submission of all contractually required documentation, for invoices that have been received and for invoices that have not yet been received but have been estimated. Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote:

Ayes: L. Crawford, T. Cullerton, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruyn, M. Scheck, P. Suess, and J.B. Webb

Nays: None

Absent: D. Russo, F. Saverino, and J. Zay

### **CHAIRMAN'S REPORT**

None

### **OMNIBUS VOTE REQUIRING MAJORITY VOTE**

None

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

None

### **OLD BUSINESS**

None

### **NEW BUSINESS**

None

### **EXECUTIVE SESSION**

None

Commissioner Furstenau moved to adjourn the meeting at 7:58 P.M. Seconded by Commissioner Janc and unanimously approved by a Voice Vote.

All voted aye. Motion carried.