

**MINUTES OF A MEETING OF THE  
DuPAGE WATER COMMISSION  
HELD ON THURSDAY, OCTOBER 17, 2013  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

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

Commissioners in attendance: L. Crawford, R. Furstenau, C. Janc, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Commissioners Absent: J. Broda, D. Loftus, and W. Murphy

Also in attendance: J. Spatz, C. Johnson, C. Peterson, T. McGhee, J. Rodriguez, M. Weed, F. Frelka, J. Schori, R. C. Bostick, E. Kazmierczak, and G. Gorski of Gorski & Good, LLP.

**PUBLIC COMMENT**

None

**APPROVAL OF MINUTES**

Commissioner Furstenau moved to approve the Minutes of the September 19, 2013 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**TREASURER REPORT**

In the absence of Treasurer Ellsworth, Financial Administrator Peterson presented the September 2013 Treasurer's Report, consisting of six pages.

Financial Administrator Peterson pointed out the \$68.3MM of cash and investments on page 1, which reflected an increase of about \$3.6MM from the previous month. Financial Administrator Peterson also pointed out the schedule of investments on pages 2, 3, and 4 totaling \$65.8MM and the market yield on the total portfolio showed 44 basis points which unchanged from the prior month. On page 5, the statement of cash flows showed an increase in cash and investments by about \$3.3MM and operating activities increased cash by approximately \$5.4MM, roughly \$14.1MM of sales tax was received, and Debt service payments totaled about \$16.6MM. On page 6, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$54.2MM of outstanding debt in Table 3, Rows H and I.

Commissioner Janc moved to accept the September 2013 Treasurer's Report. Seconded by Commissioner Russo 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 all items listed on the Finance Committee Agenda.

With regards to the Property and Liability Insurance, Commissioner Suess noted that he would be recusing himself from any discussion or vote related to the item, noting that Commissioner Pruyn would be reporting.

Commissioner Pruyn reported that the Commission had received a letter from Michael Nugent of Nugent Consulting Group regarding the Commission's renewal of its property and liability insurance. In reviewing all options, Commissioner Pruyn noted that Mr. Nugent and staff had recommended a few policy changes which in turn would keep the renewal costs similar to the prior year.

After Commissioner Pruyn noted that the Finance Committee had recommended Option D of the Marsh renewal plan, Commissioner Pruyn moved to suspend the purchasing procedures of the Commission's By-Laws and to purchase property and liability insurance coverage, for a total premium of approximately \$430,000.00, as proposed by Marsh USA and outlined by Nugent Consulting Group. Seconded by Commissioner Russo and approved by a Roll Call Vote.

Ayes: L. Crawford, R. Furstenau, C. Janc, J. Pruyn, D. Russo, F. Saverino, M. Scheck, J.B. Webb, and J. Zay

Nays: None

Recused: P. Suess

Absent: J. Broda, D. Loftus, and W. Murphy

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 decreased.

**Administration Committee – Reported by Commissioner Crawford**

Commissioner Crawford reported that the Administration Committee reviewed and recommended for approval all items listed on the Administration Committee Agenda.

With regards to Ordinance No. O-6-13, Commissioner Crawford referred back to the September Board meeting in which the Board, by consensus, agreed to amend the General Manager's spending authority level in emergency situations. Commissioner Crawford noted that approval of the Ordinance would also require waiving the First Reading and deferred to the Commission's General Counsel Gerry Gorski to explain the requirements.

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General Counsel Gorski explained that the Commission's By-Laws require that when there is an amendment to the By-Laws, the Ordinance by which you take that action is subject to a First Reading and not to be acted on until the subsequent regularly scheduled meeting. However, the Commission's By-Laws also provides the option to waive the First Reading.

After General Counsel Gorski explained the changes within the section, General Manager Spatz provided an example of an emergency situation by referring back to earlier in the year when the county experienced horrible flooding conditions on the same day of a regularly scheduled Board meeting and that members were pulled away from the flooding issues because disbursements needed to be approved.

Commissioner Suess supported the amendment, but suggested adding the Chairman's consent for purposes of a balance check.

After General Counsel Gorski noted the amended language and all members agreed, Commissioner Suess moved to request that Article IX, Section 2 entitled "Authorization" of the Commission's By-Laws would read as follows: All disbursements in excess of \$20,000.00 shall be approved in advance by the Board of Commissioners except that, in the case of emergencies or in cases where the Commission is unable to meet or establish a quorum, the General Manager is hereby authorized, with the concurrence of the Commission's Chairman, to make all disbursements which have been previously budgeted and/or expenditures for which the Commission has previously contracted. All disbursements made under this authorization shall be placed on the agenda for the next regular meeting of the Commission for the purpose of ratification. The General Manager is authorized to incur and pay contingency expenditures up to and including \$20,000.00 without the prior approval of the Board of Commissioners. Seconded by Commissioner Furstenau and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

With no further discussion, Commissioner Crawford moved to suspend the First Reading requirements of the Commission's By-Laws and adopt Ordinance No. O-6-13, as amended. Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote.

Ayes: L. Crawford, R. Furstenau, C. Janc, J. Pruy, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: J. Broda, D. Loftus, and W. Murphy

Commissioner Crawford moved to suspend the Purchasing Procedures of the Commission's By-Laws and adopt Resolution No. R-27-13. Seconded by Commissioner Russo.

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General Manager Spatz noted that the 2014 employee healthcare benefits renewal costs had slightly increased by about 3.5%, plus additional fees relating to the Affordable Care Act, adding that the Commission's insurance costs were still lower than compared to 2011.

After Commissioner Furstenau confirmed with General Manager Spatz that employee contributions would remain at 20%, he then suggested, for next year, that the employee contribution portion be reevaluated for possible changes.

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

Ayes: L. Crawford, R. Furstenau, C. Janc, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: J. Broda, D. Loftus, and W. Murphy

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

Commissioner Furstenau reported that the Engineering & Construction Committee had reviewed and recommended for approval all action items listed on the Engineering & Construction Agenda.

With regards to the emergency water supply connections capacity study, Commissioner Furstenau updated the Commissioners that requests for proposals had been sent to various consulting firms and that staff would be reviewing all proposals received and report back to the Board.

After Commissioner Furstenau gave a brief summary of each item, he welcomed any questions.

Hearing none, Commissioner Furstenau moved to adopt item numbers 2 through 4 under the Engineering & Construction 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: L. Crawford, R. Furstenau, C. Janc, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: J. Broda, D. Loftus, and W. Murphy

Item 2: Resolution No. R-25-13: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-10/13 at the October 17, 2013, DuPage Water Commission Meeting (John Neri Construction Co. Inc. – Estimated Not to Exceed \$100,750.00)

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- Item 3: Resolution No. R-26-13: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-6/12 at the October 17, 2013, DuPage Water Commission Meeting (Work Authorization Order No. 4 to McWilliams Electric Co. Inc. estimated not to exceed \$2,000.00 and Work Authorization Order No. 5 to Divane Bros. Electric Co. estimated not to exceed \$9,500.00)
- Item 4: To Authorize the General Manager to Purchase one F-250 Pick-Up Truck and Snow Plow Equipment- State of Illinois Joint Purchasing Contract in the amount of \$38,934.00

**ACCOUNTS PAYABLE**

Commissioner Janc moved to approve the Accounts Payable in the amount of \$8,454,306.82 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 Suess and unanimously approved by a Roll Call Vote:

Ayes: L. Crawford, R. Furstenau, C. Janc, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: J. Broda, D. Loftus, and W. Murphy

**CHAIRMAN'S REPORT**

Chairman Zay shared his appreciation to General Manager Spatz for his excellent presentation to the County Board members at the County's October 8<sup>th</sup> Board meeting noting that he had received several compliments regarding the presentation as well as with all that had been accomplished at the Commission. Chairman Zay thanked the Board members and staff for their hard work and team effort stating that the amount of debt that the Commission had paid down over the past two years was staggering and that everyone should be commended.

Commissioner Suess echoed Chairman Zay stating that he had attended the October 8<sup>th</sup> County meeting and also felt that General Manager Spatz had done a very good job sharing the Commission's financial accomplishments from 2011 to present day.

**OMNIBUS VOTE REQUIRING MAJORITY VOTE**

None

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

None

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**OLD BUSINESS**

None

**NEW BUSINESS**

None

**EXECUTIVE SESSION**

None

Commissioner Russo moved to adjourn the meeting at 7:26 P.M.    Seconded by  
Commissioner Furstenau and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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