

**MINUTES OF A MEETING OF THE
ADMINISTRATION COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, NOVEMBER 15, 2012
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS 60126**

The meeting was called to order at 7:08 P.M.

Committee members in attendance: L. Crawford, T. Cullerton, J. B. Webb and J. Zay
(*ex officio*)

Committee members absent: W. Murphy

Also in attendance: D. Loftus, M. Scheck, J. Spatz, F. Frelka, C. Bostick and G. Gorski
of Gorski & Good, LLP

The meeting commenced with approval of the October minutes with a motion by
Commissioner Webb and second by Commissioner Cullerton.

Commissioner Crawford commenced a brief discussion of Ordinance O-10-12 concerning
the procedure for commissioners to add items to Commission meeting agendas. The
ordinance requires four commissioners (2 County and 2 municipal) to submit a request in
writing at least seven business days before a scheduled meeting. The consensus was
that while the ordinance may not be invoked very often because generally it is a simple
enough matter for a commissioner to add agenda items by working with committee
chairpersons it may be helpful to have a formal procedure in effect in the future if and
when the Board faces contentious issues. The committee voted to recommend approval
of the ordinance.

General Manager Spatz discussed a proposed change to the Commission's flexible
spending account (FSA) plan. The Affordable Care Act reduced the maximum
contributable FSA amount from \$5,000 to \$2,500 and a change to the Commission's
personnel manual is needed to conform to the new statutory requirement. The committee
voted to recommend approval of this change.

General Manager Spatz also discussed the employee healthcare plan, which is up for
renewal January 1, 2013. Last year, for the first time, the Commission offered a Blue
Cross Health Savings Account (HSA) plan in addition to the traditional PPO plan. The
vast majority of employees enrolled in the HSA and a survey of employees reported a high
degree of satisfaction with it. It was discussed that because of how an HSA is structured
with an incentive for employees to be more mindful of how they spend their HSA money
and with a high deductible, the medical loss ratio for Blue Cross has been low resulting in
a Blue Cross premium reduction of over 20%. This is in contrast to what was an expected
approximate 7% increase.

With the savings from the Blue Cross premium reduction General Manager Spatz
proposed increasing the Commission's contribution to employees' HSAs and adding a
vision care plan. General Manager Spatz characterized this as a win-win situation for
employees and the Commission because even with the proposed changes the
Commission is going to save \$37,000 on employee benefit costs compared to last year.

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The consensus of the committee was favorable towards this proposal and Commissioner Cullerton commended General Manager Spatz for a job well done. The committee voted to recommend approval of this change.

General Manager Spatz discussed switching insurance providers for the employee dental plan from Prudential to Met Life due to cost savings. Met Life will also be the provider for the new vision plan.

A question was raised by Commissioner Cullerton asking if the Commission had a 457 deferred compensation plan with ICMA. A 457 plan in the public sector is similar to a 401k in the private sector. General Manager Spatz answered in the affirmative and stated his desire to have a representative from ICMA at the employee benefits fair/holiday luncheon in December. Overall, few employees participate in the plan. The consensus is that it's difficult to generate interest within ICMA's marketing department and promote employee participation because we are a small organization and the Commission's ICMA representative works out of Washington DC. At the end of the meeting, Commissioner Cullerton suggested an ICMA point of contact who could possibly send a local representative to give a presentation at the Commission and meet individually with employees.

There was discussion of iPads which were distributed to commissioners with executive session material loaded along with instructions for use and pass code information.

As a final item for discussion Commissioner Webb asked about emergency preparations, considering the problems caused for utilities on the east coast by Hurricane Sandy. General Manager Spatz stated we have the ability to add chlorine as needed and can also advise communities to issue boil orders if necessary. The Commission recently installed a Hach Guardian Blue Security System with a sampling capability. The system measures a number of parameters potentially affecting water quality and sends immediate alarms to operators if parameters are exceeded. The sampling capability allows for capture of the parameter exceeding water and thereby provides an ability to conduct more extensive testing and reduce uncertainty due to transient events.

The Administration Committee adjourned at 7:24 P.M.