

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

The meeting was called to order by Chairman Zay at 7:35 P.M.

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

Commissioners Absent: W. Murphy

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

Chairman Zay opened the meeting by congratulating Daniel J. Loftus on his appointment as County Representative for District 2 and Philip J. Suess on his appointment as Municipal Representative for District 4. Commissioner's Loftus and Suess took their Oath of Office.

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Russo moved to approve the Minutes of the December 20, 2012 Regular Meeting. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER REPORT

Treasurer Ellsworth presented the December 2012 Treasurer's Report, consisting of six pages.

Treasurer Ellsworth pointed out the \$67.2MM of cash and investments on page 1, noting that the balance was lower from the previous month due to the debt payment in the amount of \$12MM to West Suburban Bank. The balance in the Illinois Funds Money Market decreased \$12.3MM which was also due to the debt payment and U.S. Treasury and Agency Investments increased by \$1.2MM. Treasurer Ellsworth noted that the Finance Committee had discussed revising the Treasurer's Report to include the amortized cost of investments. Treasurer Ellsworth also pointed out the schedule of investments on pages 2, 3, and 4 totaling \$64.1MM which decreased \$10.4MM from the prior month and the market yield on the total portfolio showed 34 basis points which was a slight increase from the prior month. On page 5, the statement of cash flows showed

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a decrease in cash and investments by \$10.1MM since April 30, 2012 and operating activities reduced cash by about \$511,000. The sales tax receipts showed an increase in cash of \$21.8MM. Debt service payments totaled \$30.6MM with capital assets decreasing cash slightly under \$1MM. Treasurer Ellsworth concluded his report by noting the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements reflected on page 6.

Commissioner Russo moved to accept the December 2012 Treasurer's Report. Seconded by Commissioner Janc 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 action items listed on the Finance Committee Agenda. After Commissioner Suess gave a brief summary of each item, he welcomed any questions.

With regards to item number 4 Resolution No. R-5-13 Pledge Agreement, General Manager Spatz explained that General Counsel Gorski had requested a couple minor changes and if approved would be in substantial form.

Commissioner Suess moved to adopt item numbers 2 through 4 under the Finance Committee section of the Agenda in a single group pursuant to the Omnibus Vote Procedures subject to modifications suggested by General Counsel Gorski and approved by staff. Seconded by Commissioner Janc and unanimously approved by a Roll Call Vote:

Finance Omnibus Vote

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

Nays: None

Absent: W. Murphy

Item 2: Resolution No. R-3-13: A Resolution Authorizing and Implementing a Reserve Fund Policy for the DuPage Water Commission- "Finance Omnibus Vote"

Item 3: Resolution No. R-4-13: A Resolution Amending the Investment Policy of the DuPage Water Commission - "Finance Omnibus Vote"

Item 4: Resolution No, R-5-13: A Resolution Amending and Implementing Cash Management Services- "Finance Omnibus Vote"

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Commissioner Suess concluded his report by noting that the refinancing of the current bond deal with BMO Harris Bank was moving along and would be completed in the first week in February and lastly, that the Finance Committee recommended electing another one month interest period under the Northern Trust Certificate of Debt.

Commissioner Furstenau inquired as to whether the refinancing with BMO Harris Bank was held at a 1.05% all in rate. General Manager Spatz explained that the interest rate stayed the same at a rate of .98%. The Bank costs were originally set to be spread over a four year period. The Commission had reduced the term to a three year period so the same Bank costs, when spread over a shorter three year period, caused the 1.05% to increase slightly.

Administration Committee – Reported by Commissioner Crawford

Commissioner Crawford reported that the Administration Committee reviewed all items listed on the Administration Committee Agenda, specifically DuPage County's amended ethics ordinance with no issue. Commissioner Crawford stated that it was her understanding that since the Commission, last year, adopted the County's ethics ordinance that any further changes/amendments made by the County would automatically be accepted and adopted by the Commission.

General Manager Spatz added that he and General Counsel Gorski had reviewed the County's revisions and found that they were done to provide for more clarity and structure throughout the document.

Lastly General Manager Spatz referred to the Ethics Training and stated that he would keep the Board informed once the training date(s) become available.

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 gave a brief summary of all items.

With regards to the Enterprise Asset Management System Annual Software Maintenance Fee, Commissioner Loftus pointed out that approval would require suspending the purchasing procedures as Infor Global Solutions was a sole source supplier for the Commission's leased software. Commissioner Loftus then offered to answer any questions.

With no further discussion, Commissioner Loftus moved to suspend the purchasing procedures of the Commission's By-Laws and to adopt item numbers 2 and 3 under the Engineering & Construction Committee section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote.

Engineering & Construction Omnibus Vote

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

Nays: None

Absent: W. Murphy

Item 2: Resolution No. R-2-13: A Resolution Awarding a Contract for the Configuration, Delivery and Installation Assistance of a 900 MHz Licensed MAS Radio System at the January 17, 2013, DuPage Water Commission Meeting (RKA Applied Solutions (\$173,469.90)-“Engineering & Construction Omnibus Vote”

Item 3: Enterprise Asset Management System Annual Software Maintenance Fee – Infor Global Solutions Inc. (\$35,305.90)-“Engineering & Construction Omnibus Vote”

ACCOUNTS PAYABLE

Commissioner Suess moved to approve the Accounts Payable in the amount of \$6,447,601.83 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 Russo and unanimously approved by a Roll Call Vote:

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

Nays: None

Absent: W. Murphy

CHAIRMAN’S REPORT

Chairman Zay began by congratulating Commissioner Cullerton as newly elected Illinois State Senator and confirmed receipt of his resignation letter. Chairman Zay thanked him for his service and wished him the best of luck.

Commissioner Cullerton stated that it was his pleasure serving as a Commissioner and praised everyone for their hard work and dedication in turning the Commission around when times were tough. He assured the Board that a new District 2 appointment would be put in place to serve out the remainder of his term and welcomed all members to contact him for water related or other issues that may arise as he would be happy to provide any assistance that he could.

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Commissioner Saverino commended Commissioner Cullerton for all his accomplishments serving as Village President for the Village of Villa Park sharing the great job he would do in Springfield as he had done in Villa Park and wished him much luck.

With respect to the Committee Appointments, Chairman Zay stated that he would be keeping the committee appointments as is as he felt that so much had been accomplished over the last two years from all the Committees and thanked members for their continued commitment.

Commissioner Furstenau moved to confirm Chairman Zay's appointments of Commissioners to serve on the Committees, as Chair or otherwise, as set forth in Chairman Zay's memorandum dated January 10, 2013. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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 Cullerton moved to adjourn the meeting at 7:59 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.