

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, OCTOBER 11, 2007
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Rathje at 7:36 P.M.

Commissioners in attendance: E. Chaplin, T. Feltes, L. Hartwig, W. Maio, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, D. Zeilenga, and L. Rathje

Commissioners Absent: W. Murphy, F. Saverino, and G. Wilcox

Also in attendance: Treasurer R. Thorn, R. Martin, R. M. Richter, M. Crowley, C. Johnson, T. McGhee, R. C. Bostick, F. Frelka, E. Kazmierczak, and Dave Tucker of Camp Dresser and McKee Inc.

PUBLIC COMMENTS

Scott Sorgenfrei, who represents Storage Battery Systems, Inc. (SBS), N56 W16665 Ridgewood Drive, Menomonee Falls, WI. 53051, attended the meeting to ask for reconsideration of the bid proposal SBS submitted for the engine generator units for both the DuPage and Lexington pumping stations, the contract for which was awarded at the September 13th Board meeting. Mr. Sorgenfrei questioned the propriety of the award, believing a different matrix was used in evaluating the bid of SBS than was used in evaluating the other bids. Mr. Sorgenfrei advised the Board that SBS had standing to complain, both as a business and as a taxpayer. Mr. Sorgenfrei explained that the bid of SBS was \$600,000 less for an engine generator that he believed was suitable for the Commission's intended purpose. Mr. Sorgenfrei further explained, by analogy, that the Commission specified that it wanted a car with not more than 8 cylinders and not less than 6 cylinders when a 4-cylinder vehicle would be sufficient, and that the Commission was unnecessarily purchasing an 8-cylinder vehicle at significant cost. Mr. Sorgenfrei concluded his comments by distributing copies of a letter dated September 25, 2007, from SBS to S. Louis Rathje; a letter dated October 1, 2007, from Nixon Power Services Company to SBS; and a letter dated October 8, 2007, from Kohler Power Systems to Nixon Power Products.

General Manager Martin informed the Board that he was not involved and did not participate in the decision-making but offered to review the matter with those who did participate—the Facilities Construction Supervisor, R. Christopher Bostick, and representatives from Camp Dresser and McKee, Inc., Greeley & Hansen, and the City of Chicago—and report back to the Board. General Manager Martin further informed the Board that he believed that Caterpillar, despite being the highest bidder, was the only bidder that met specifications.

Scott Rubenzer, President of Storage Battery Systems, Inc. (SBS), N56 W16665 Ridgewood Drive, Menomonee Falls, WI. 53051 also attended the meeting and informed the Board that SBS maintains competitive pricing, would provide a product that

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will do the job at the least cost, and asked the Board for a fresh set of eyes to reevaluate the SBS proposal.

Commissioner Mathews asked if an explanation was provided to SBS as to why they weren't awarded the contract. Mr. Rubenzer commented that an explanation was provided but it still had some grey areas.

Commissioner Maio urged the Board to cease any further discussion on the subject during open session in case litigation results.

Commissioner Hartwig agreed to end the discussion since General Manager Martin already had agreed to meet with representatives from Storage Battery Systems, Inc. and report back to the Board.

APPROVAL OF MINUTES

Commissioner Chaplin moved to approve the Minutes of the September 13, 2007 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Vrdolyak and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Chaplin moved to approve the Executive Session Minutes of the September 13, 2007 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Vrdolyak and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Poole moved to amend as recommended by the General Manager, and approve as amended, the Minutes of the August 9, 2007 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Feltes and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Feltes moved to amend as recommended by the General Manager, and approve as amended, the Executive Session Minutes of the August 9, 2007 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Vrdolyak and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER'S REPORT

Treasurer Thorn presented the Treasurer's Report for the month of September 2007 which showed receipts of \$6,883,571.00, disbursements of \$6,515,868.00, and a cash and investment balance of \$85,872,502.00.

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Commissioner Mueller moved to accept the September 2007 Treasurer's Report. Seconded by Commissioner Hartwig and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Administration Committee

No meeting

Engineering & Construction Committee

No meeting

Finance Committee

No meeting

CHAIRMAN'S REPORT

No report

MAJORITY OMNIBUS VOTE AGENDA

Commissioner Mathews moved to adopt the items listed on the Majority Omnibus Vote Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

Majority Omnibus Vote

Ayes: E. Chaplin, T. Feltes, L. Hartwig, W. Maio, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, D. Zeilenga, and L. Rathje

Nays: None

Absent: W. Murphy, F. Saverino, and G. Wilcox

Item 1: Resolution No. R-58-07: A Resolution Directing the Transfer of Certain Excess Account Balances to the General Account of the Water Fund—"Majority Omnibus Vote"

Item 2: Resolution No. R-60-07: A Resolution Amending and Restating the Personnel Manual—"Majority Omnibus Vote"

Item 3: Resolution No. R-62-07: A Resolution Releasing Certain Executive Session Meeting Minutes at the October 11, 2007, DuPage Water Commission Meeting—"Majority Omnibus Vote"

SUPER/SPECIAL MAJORITY OMNIBUS VOTE AGENDA

Commissioner Poole moved to adopt the items listed on the Super/Special Majority Omnibus Vote Agenda in a single group pursuant to the Omnibus Vote Procedures.
Seconded by Commissioner Feltes and unanimously approved by a Roll Call Vote:

Super/Special Majority Omnibus Vote

Ayes: E. Chaplin, T. Feltes, L. Hartwig, W. Maio, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, D. Zeilenga, and L. Rathje

Nays: None

Absent: W. Murphy, F. Saverino, and G. Wilcox

Item 1: Resolution No. R-59-07: A Resolution Approving and Ratifying Certain Task Orders under a Master Contract with Consoer Townsend Envirodyne Engineers, Inc. at the October 11, 2007, DuPage Water Commission Meeting—"Super/Special Majority Omnibus Vote"

Item 2: Resolution No. R-61-07: A Resolution Approving and Authorizing the Execution of a Fourth Amendment to the Contract for Design of Concrete Reservoirs and Other Improvements at the DuPage Pump Station—"Super/Special Majority Omnibus Vote"

Item 3: Resolution No. R-63-07: A Resolution Approving a First Amendment to Task Order No. 15 under the Master Contract with Consoer Townsend Envirodyne Engineers, Inc.—"Super/Special Majority Omnibus Vote"

Item 4: Resolution No. R-64-07: A Resolution Approving and Ratifying Certain Contract Change Orders at the October 11, 2007, DuPage Water Commission Meeting—"Super/Special Majority Omnibus Vote"

Item 5: Resolution No. R-65-07: A Resolution Approving a Third Amendment to Task Order No. 2 Under a Master Contract with Cathodic Protection Management, Inc. —"Super/Special Majority Omnibus Vote"

Item 6: Resolution No. R-66-07: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QRE-3/07 at the October 11, 2007, DuPage Water Commission Meeting—"Super/Special Majority Omnibus Vote"

OLD BUSINESS

General Manager Martin, at the request of Chairman Rathje, informed the Board that he is receiving responses regarding the November 14th luncheon with Peter Annin.

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Chairman Rathje commented that he met with the former head of the Department of Natural Resources and was informed that although the aquifers had risen after the Commission began operations, the aquifers were once again being depleted faster than they could be recharged. Chairman Rathje further commented that he was informed that by the end of 2008, Atlanta will be faced with a serious water shortage. Chairman Rathje concluded his comments by noting that such facts stress the importance of water conservation.

NEW BUSINESS

General Manager Martin informed the Board that the Annual Report for fiscal year 2006-2007 is ready for distribution but he wanted to wait for the release of the Financial Audit and Compliance Examination. General Manager Martin stated that once he is in receipt of the audit, both reports will be mailed together to all Commissioners and customer utilities.

After much discussion regarding (1) where to hold future Commission meetings (onsite or offsite) and (2) the possibility of discontinuing Standing Committee meetings (Administrative, Engineering & Construction, and Finance), it was the consensus of the Board to continue holding the Commission meetings at the DuPage Pumping Station facility as well as continuing with the three Standing Committee meetings prior to the regular Commission meeting.

After Commissioner Maio exited the meeting at 7:58 P.M., noting that he was not participating in the discussion on the next agenda item, Commissioner Feltes moved to purchase property and liability insurance coverage in accordance with the September 11, 2007, Insurance Proposal prepared by Arthur J. Gallagher Risk Management Services, Inc., for a total premium of \$562,025.00. Seconded by Commissioner Mathews and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Feltes, L. Hartwig, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, D. Zeilenga, and L. Rathje

Nays: None

Absent: W. Maio, W. Murphy, F. Saverino, and G. Wilcox

Commissioner Maio returned to the meeting at 8:00 P.M.

Commissioner Mueller moved to approve Purchase Order No. 10273 in the amount of \$73,088.33 to Infor-Datastream. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Feltes, L. Hartwig, W. Maio, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, D. Zeilenga, and L. Rathje

Nays: None

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Absent: W. Murphy, F. Saverino, and G. Wilcox

ACCOUNTS PAYABLE

Commissioner Hartwig moved to approve the Accounts Payable in the amount of \$44,541.35 subject to submission of all contractually required documentation. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

Ayes: E. Chaplin, T. Feltes, L. Hartwig, W. Maio, G. Mathews, W. Mueller, A. Poole, J. Vrdolyak, D. Zeilenga, and L. Rathje

Nays: None

Absent: W. Murphy, F. Saverino, and G. Wilcox

EXECUTIVE SESSION

None

Before the meeting was adjourned, Commissioner Poole distributed a survey conducted by the City of Naperville concerning leak detection. Commissioner Poole stressed the importance of water conservation and explained how the City of Naperville is in the process of replacing old water meters as another step towards conserving water.

After Commissioner Maio confirmed that the survey results indicated a water loss of 2% of the City of Naperville's total annual demand, which equates to 352,000 gallons per day or \$160,000 per year, he suggested that all customers conduct a leak detection study in their own towns and recommended putting together a master contract for the utility customers. General Manager Martin advised that he had previously confirmed that all Commission utility customers have some sort of leak detection program in place and General Manager Martin also confirmed that staff is investigating if there is a cost benefit for a master contract for the utility customers.

Commissioner Maio suggested helping the municipalities with the study and initial costs, which would eventually make the maintenance easier. General Manager Martin noted that he would research the costs involved and report back to the Board.

Commissioner Mueller commented that unless drastic changes were made, people do not listen. General Manager Martin referred to the upcoming water conservation luncheon which will make communities more aware of the seriousness of this issue.

After Commissioner Mueller noted that the Unaccounted For Flow data previously presented by Commissioner Poole at a prior meeting was two years old, General Manager Martin then informed the Board of a possible 15% water rate increase that the City of Chicago is proposing in their budget for fiscal year 2007-2008. Commissioner Hartwig noted that perhaps the only way to make people conserve is to hit them in the pocketbook. Commissioner Chaplin again suggested that the Commission form a

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Water Conservation Committee to take a more active role in conservation, but General Manager Martin advised that he was waiting to attend an upcoming seminar on conservation before making recommendations to the Board.

Commissioner Mueller moved to adjourn the meeting at 8:15 P.M. Seconded by Commissioner Chaplin and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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