

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, OCTOBER 15, 2015
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 6:31 P.M.

Commissioners in attendance: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess and J. Zay

Commissioners Absent: J. Fennell

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

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Furstenau moved to approve the Minutes of the September 17, 2015 Regular Meeting and the Minutes of the September 17, 2015 Executive Session of the DuPage Water Commission. Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER REPORT

Commissioner/Treasurer Pruyn presented the September 2015 Treasurer's Report, consisting of twelve pages, noting that pages 1, 2 and 3 contained a brief summary of the report.

Commissioner/Treasurer Pruyn pointed out the \$114.0 million of cash and investments on page 4, which reflected an increase of about \$2.1 million from the previous month. Commissioner/Treasurer Pruyn also pointed out the schedule of investments on pages 5 through 10 totaling \$108.0 million and the market yield on the total portfolio showed 85 basis points which had increased from the prior month. On page 11, the statement of cash flows showed an increase in cash and investments by about \$14.5 million and operating activities increased cash by approximately \$6.2 million, roughly \$15.1 million of sales tax was received, and principal and interest debt payments on bonds totaled about \$4.8 million. On page 12, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$7.2 million of outstanding debt in Table 3, Row J.

Commissioner Loftus moved to accept the September 2015 Treasurer's Report. Seconded by Commissioner Gans 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 had reviewed and recommended for approval all action items listed on the Finance Agenda.

Commissioner Suess noted that the Committee also discussed the funding actuarial liability under the Illinois Municipal Retirement Fund Plan noting that the Commission's current unfunded liability was \$1.4 million with an approximately 7% interest rate per year stating that the Committee felt that it would be beneficial to the Commission to pay that off in full.

With regards to the Property, Liability, and Pollution Insurance, Commissioner Suess noted that Commissioner/Treasurer Pruyn would be reporting on the insurance as he would be recusing himself from any discussion or vote related to the items.

Commissioner/Treasurer 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 \$412,155.00 as proposed by Marsh USA and outlined by Nugent Consulting Group. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Recused: P. Suess

Absent: J. Fennell

Commissioner/Treasurer Pruyn moved to suspend the purchasing procedures of the Commission's By-Laws and to purchase pollution insurance coverage for a three year period, for a total premium of approximately \$30,000.00 as proposed by AJ Gallagher Risk Management and recommended by Nugent Consulting Group. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Recused: P. Suess

Absent: J. Fennell

Administration Committee – Reported by Commissioner Crawford

Commissioner Crawford reported that the Administration Committee had reviewed and recommended for approval all action items listed on the Administration Agenda and provided a brief summary of the 2016 employee insurance benefits. Commissioner Crawford explained that the Commission's current Blue Cross Blue Shield Plan had increased in cost, but that the employees had agreed to split the additional cost with the Commission in order to keep their current health insurance benefits.

Commissioner Crawford moved to suspend the purchasing procedures of the Commission's By-Laws and to approve Resolution No. R-30-15: A Resolution Approving Employee Insurance Benefits for the Plan Year beginning December 1, 2015 and ending November 30, 2016. Seconded by Commissioner Russo.

Discussion ensued regarding the additional costs associated with renewing the current insurance plan. General Manager Spatz reassured that he had compared all other insurance plans to the Commission's current plan and that the current plan was the best plan for the employees. General Manager Spatz added that he had met with staff to discuss all options and the consensus was to keep the current plan and that employees would help with the additional costs rather than switch over to one of the metallic plans. After General Manager Spatz noted that the Commission would not be contributing as much into the employees 2016 Health Savings Accounts, the motion was unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: J. Fennell

Commissioner Crawford concluded her report by noting that the revised Commission's Employee Handbook was currently under legal review and would be presented to the Administration Committee for review.

Engineering & Construction Committee – Reported by Commissioner Loftus

Commissioner Loftus reported that the Engineering & Construction Committee had reviewed and recommended for approval all action items listed on the Engineering & Construction Agenda. After providing a brief summary of all items, Commissioner Loftus moved to adopt item numbers 2 through 5 under the Engineering & Construction Report 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.

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Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: J. Fennell

Item 2: Resolution No. R-29-15: A Resolution Awarding a Contract to Furnish 60" Resilient Seat Flanged Butterfly Valves (Crispin Valve in the amount of \$87,746.00)

Item 3: Resolution No. R-31-15: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-10/13 at the October 13, 2015, DuPage Water Commission Meeting (John Neri Construction Co Inc. at an estimated cost of \$1,475.00)

Item 4: Resolution No. R-32-15: A Resolution Directing Advertisement for Bids on a Contract for Quick Response Electrical Work (Contract QRE-7/15) (No Cost Component)

Item 5: Resolution No. R-33-15: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-6/12 at the October 15, 2015 DuPage Water Commission Meeting - (Divane Bros. Electric Co. in an estimated not to exceed \$21,500.00)

ACCOUNTS PAYABLE

Commissioner Russo moved to approve the Accounts Payable in the amount of \$9,370,472.57 subject to submission of all contractually required documentation, for invoices that have been received and the revised Accounts Payable in the amount of \$1,684,550.00 subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: J. Fennell

CHAIRMAN'S REPORT

None

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

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OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

Commissioner Suess asked if staff had heard anything from the City of Chicago regarding any increase in water rates for 2016. General Manager Spatz noted that the Commission should receive information regarding water rates sometime in January as Chicago's decision would be based upon their 2015 fiscal year consumer price index or 5% whichever is less.

Commissioner Furstenau referred to the Commission's consultant John J. Millner and requested that more updates be provided throughout the year.

NEW BUSINESS

None

Commissioner Gans moved to adjourn the meeting at 6:53 P.M. Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.