

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, FEBRUARY 20, 2014
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

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

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

Commissioners Absent: R. Furstenau, C. Janc, W. Murphy, and J.B. Webb

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

PUBLIC COMMENT

None

APPROVAL OF MINUTES

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

All voted aye. Motion carried.

TREASURER REPORT

Treasurer Ellsworth presented the January 2014 Treasurer's Report, consisting of ten pages, noting that pages 1 and 2 contained a brief summary of the report.

Treasurer Ellsworth pointed out the \$69.7 million of cash and investments on page 3, which reflected an increase of about \$3.7 million from the previous month. Treasurer Ellsworth also pointed out the schedule of investments on pages 4 through 8 totaling \$66.8 million and the market yield on the total portfolio showed 52 basis points which had decreased slightly from the prior month. On page 9, the statement of cash flows showed an increase in cash and investments by about \$4.7 million and operating activities increased cash by approximately \$7.2 million, roughly \$25.8 million of sales tax was received, and principal and interest debt payments on bonds totaled about \$28.4 million. On page 10, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$42.5 million of outstanding debt in Table 3, Rows H and I.

Commissioner Suess moved to accept the January 2014 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 all items listed on the Finance Committee Agenda.

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.

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. After Commissioner Crawford gave a brief summary of each item, she welcomed any questions.

Hearing none, Commissioner Crawford moved to adopt item numbers 2 and 3 under the Administration Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Pruyn and unanimously approved by a Roll Call Vote.

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

Nays: None

Absent: R. Furstenau, C. Janc, W. Murphy, and J.B. Webb

Item 2: To authorize the General Manager to enter into a Consulting Agreement with John J. Millner and Associates, Inc., subject to negotiation of acceptable terms, in an amount not to exceed \$24,000.00.

Item 3: To retain the services of Storino, Ramello & Durkin as Labor Counsel for the DuPage Water Commission

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 Commissioner Loftus provided a brief summary of each item, he welcomed any questions.

Hearing none, Commissioner Loftus moved to adopt item numbers 2 through 7 under the Engineering & Construction Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote.

Minutes of the 2/20/14 Commission Meeting

- Ayes: J. Broda, L. Crawford, D. Loftus, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay
- Nays: None
- Absent: R. Furstenau, C. Janc, W. Murphy, and J.B. Webb
- Item 2: Resolution No. R-1-14: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-6/12 at the February 20, 2014 DuPage Water Commission Meeting (Divane Bros. Electric Co. - increase not-to-exceed limit to \$9,507.59)
- Item 3: Resolution No. R-2-14: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-6/12 (McWilliams Electric Co. Inc. - estimated not-to-exceed \$2,000.00)
- Item 4: Resolution No. R-3-14: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-10/13 at the February 20, 2014, DuPage Water Commission Meeting (John Neri Construction Co., Inc. estimated range of \$35,000.00 - \$45,000.00)
- Item 5: Resolution No. R-4-14: A Resolution Approving and Ratifying Certain Task Orders Under a Master Contract with AECOM Technical Services, Inc. (AECOM Technical Services, Inc. cost not-to-exceed \$5,000.00 per assignment)
- Item 6: Resolution No. R-5-14: A Resolution Suspending the Purchasing Procedures and Authorize the General Manager to Continue to use the consulting services of SPI Consulting in an amount not-to-exceed \$24,000.00
- Item 7: To authorize the General Manager to execute a three (3) year Janitorial Services Contract with Eco Clean Maintenance for services at the DuPage Pumping Station in the amount of \$56,479.80.

Commissioner Loftus concluded his report by noting a couple leaks in the Commission's water main; one in City of Wheaton and one in the Village of Itasca. The Commission is in the process of isolating and fixing the damage and noted that the Board would be kept up-to-date on the progress.

Chairman Zay thanked General Manager Spatz and staff for addressing these water main leaks so quickly noting that General Manager Spatz had been keeping the Commission's legal team informed every step of the way.

ACCOUNTS PAYABLE

Commissioner Suess moved to approve the Accounts Payable in the total amount of \$15,540,168.74 for the December 2013 disbursements (made with concurrence of Commission's Chairman) and the January 2014 disbursement 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, as revised.
Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote:

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

Nays: None

Absent: R. Furstenau, C. Janc, W. Murphy, and J.B. Webb

CHAIRMAN'S REPORT

Chairman Zay began by thanking Commissioner Pruyn for the nice reception from the DuPage Mayors and Managers Conference which met the night before. Chairman Zay informed the Board members that the presentation that he and General Manager Spatz provided reflected the Commission's positive financial changes from 2011 to present day. Commissioner Pruyn thanked Chairman Zay and General Manager Spatz for attending and sharing the Commission's impressive story adding that he felt that the presentation was well received. Chairman Zay also thanked General Manager Spatz for preparing a good presentation noting that it really showed how much the Commission had turned around.

Chairman Zay concluded his report by informing the Board that John J. Millner and Associates had been keeping a close eye on several pieces of legislation involving the Commission, specifically two Bills created by The Suburban Water Task Force, a sub-group established by the West Central Municipal, aimed at establishing the Water Rate Protection Act which would regulate Lake Michigan water. Chairman Zay noted that he would keep the Board members informed when/if anything develops.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

None

Minutes of the 2/20/14 Commission Meeting

NEW BUSINESS

General Manager Spatz informed the Board that he and Chairman Zay are scheduled to meet with Commissioner Tom Powers of the Department of Water Management for the City of Chicago regarding a couple of items; 1) the possibility of amending the Water Contract between the Chicago of Chicago and the Commission to include some water rate safeguards and 2) the discussion of insurance coverage for the Lexington Pumping Station should something catastrophic happen, the Commission would be protected.

EXECUTIVE SESSION

Commissioner Russo moved to go into Executive Session to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2). Seconded by Commissioner Broda and unanimously approved by a Roll Call Vote:

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

Nays: None

Absent: R. Furstenau, C. Janc, W. Murphy, and J.B. Webb

The Board went into Executive Session at 7:15 P.M.

Commissioner Broda moved to come out of Executive Session at 7:23 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Suess moved to adjourn the meeting at 7:24 P.M. Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.