

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

The meeting was called to order by Chairman Zay at 7:00 P.M.

Commissioners in attendance: J. Broda, R. Furstenau, C. Janc, D. Loftus, J. Pruyn, M. Scheck, P. Suess, J.B. Webb and J. Zay

Commissioners Absent: L. Crawford, W. Murphy, D. Russo, and F. Saverino

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

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Broda moved to approve the Minutes of the February 20, 2014 Special Committee of the Whole Meeting, the Minutes of the February 20, 2014 Regular Meeting, and the Minutes of the February 20, 2014 Executive Session Meeting of the DuPage Water Commission. Seconded by Commissioner Janc and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER REPORT

Treasurer Ellsworth presented the February 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 \$71.7 million of cash and investments on page 3, which reflected an increase of about \$2.1 million from the previous month. Treasurer Ellsworth also pointed out the schedule of investments on pages 4 through 8 totaling \$69.0 million and the market yield on the total portfolio showed 51 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 \$6.8 million and operating activities increased cash by approximately \$7.5 million, roughly \$28.7 million of sales tax was received, and principal and interest debt payments on bonds totaled about \$29.6 million. On page 10, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$41.4 million of outstanding debt in Table 3, Rows H and I.

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Commissioner Suess moved to accept the February 2014 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 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.

With respect to the 2014/2015 appropriation budget, Commissioner Suess stated that the Finance Committee recommended that staff post and make available to the public for viewing.

Commissioner Suess moved to adopt Resolution No. R-8-14: A Resolution Authorizing and Directing the Use of General Account Balances for the Payment of Debt Service on the Northern Trust Certificate of Debt – up to \$6M. Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, R. Furstenau, C. Janc, D. Loftus, J. Pruyn, M. Scheck, P. Suess, J.B. Webb and J. Zay

Nays: None

Absent: L. Crawford, W. Murphy, D. Russo, and F. Saverino

Administration Committee – Reported by Commissioner Broda

Commissioner Broda reported that the Administration Committee reviewed and recommended for approval all items listed on the Administration Committee Agenda. After Commissioner Broda gave a brief summary of each item, he welcomed any questions.

Hearing none, Commissioner Broda moved to adopt Resolution No. R-9-14: A Resolution Authorizing and Ratifying the Disposal of Certain Personal Property Owned by the DuPage Water Commission. Seconded by Commissioner Loftus.

Commissioner Loftus inquired as to how the two groups were selected for the donated items. General Manager Spatz replied that the Commission had worked with Assistive Technology Exchange Network in the past and the other organization was suggested by a staff member. With no further discussion, the motion was unanimously approved by a Roll Call Vote.

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Ayes: J. Broda, R. Furstenau, C. Janc, D. Loftus, J. Pruy, M. Scheck, P. Suess, J.B. Webb and J. Zay

Nays: None

Absent: L. Crawford, W. Murphy, D. Russo, and F. Saverino

Commissioner Webb left the meeting at 7:05 P.M.

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. Before the motion was made, Commissioner Loftus referred to Item Number 5 and requested that it be removed from the Omnibus Group Vote Agenda for separate consideration and added that the item would be considered by two separate votes; 1) to suspend the purchasing procedures of the Commission By-Laws; and 2) to approve the purchase.

With no further discussion, Commissioner Loftus moved to adopt item numbers 2, 3, 4, and 6 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.

Ayes: J. Broda, R. Furstenau, C. Janc, D. Loftus, J. Pruy, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, W. Murphy, D. Russo, F. Saverino, and J.B. Webb

Item 2: Ordinance No. O-1-14: An Ordinance Requesting the Intergovernmental Transfer of Easement Rights for the DuPage County York Township Water Facility Metering Station and Authorizing the Execution of the DuPage County York Township Water Facility Metering Station Easement Agreement (No Cost Component)

Item 3: Resolution No. R-6-14: 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 \$55,100.00 and Divane Bros. Electric Co., Estimated not-to-exceed \$6,500.00)

Item 4: Resolution No. R-7-14: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-10/13 (Rossi Contractors, Inc Estimated Range Between \$125,000.00 and \$145,000.00)

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Item 6: Request for Board Action: To give the General Manager the authorization to purchase Surge Protective Devices from Steiner Electric Company (in the amount of \$33,999.00).

After Commissioner Loftus provided a brief summary of Item Number 5, Commissioner Loftus moved to Suspend the Purchasing Procedures of the Commission's By-Laws. Seconded by Commissioner Janc and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, R. Furstenau, C. Janc, D. Loftus, J. Pruyne, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, W. Murphy, D. Russo, F. Saverino, and J.B. Webb

Commissioner Loftus moved to Authorize the Purchase and Installation Services for an Additional Four (4) PAX Mixers from Utility Service Company estimated cost of \$198,400.00. Seconded by Commissioner Scheck and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, R. Furstenau, C. Janc, D. Loftus, J. Pruyne, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, W. Murphy, D. Russo, F. Saverino, and J.B. Webb

ACCOUNTS PAYABLE

Commissioner Broda moved to approve the Accounts Payable in the total amount of \$8,062,500.54 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 Pruyne and unanimously approved by a Roll Call Vote:

Ayes: J. Broda, R. Furstenau, C. Janc, D. Loftus, J. Pruyne, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, W. Murphy, D. Russo, F. Saverino, and J.B. Webb

CHAIRMAN'S REPORT

Chairman Zay reported that he and General Manager Spatz met with Commissioner Tom Powers from the Department of Water Management for the City of Chicago noting that the meeting went well. Chairman Zay noted the topics of discussion were: 1) the possibility of amending the Water Contract between the City of Chicago and the

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Commission to include some water rate safeguards and 2) the discussion of sharing costs regarding insurance coverage for the Lexington Pumping Station should something catastrophic happen, the Commission would be protected. Both items were well received.

Chairman Zay concluded his report by congratulating General Manager Spatz as he would be celebrating his third year anniversary with the Commission the following day.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

With regards to the FY2014-2015 Tentative Annual Draft Budget, Chairman Zay asked if any of the Board members had any questions/comments. Hearing none, Chairman Zay welcomed Board members to contact General Manager Spatz should they need further explanation.

Commissioner Furstenau suggested that staff put together, at the end of the fiscal year, a report of what the Commission had forecasted and what the Commission had accomplished to show customers the positive steps that the Commission has made.

Chairman Zay reminded the Commissioners of how well received the presentation that he and General Manager Spatz gave at the DuPage Mayors and Managers Conference in February which included the Commission's accomplishments.

General Manager Spatz noted that staff had updated the 4-year model with comparisons from what was forecasted versus what was actually spent and/or budgeted and would make it available to Commissioner Furstenau.

NEW BUSINESS

Chairman Zay shared how pleased he was with General Manager Spatz and staff's work during the recent water main leaks that occurred in the City of Wheaton and in the Village of Itasca; noting the positive responses that he had received from customers and others regarding staff's hard work and professionalism.

With regards to the current pieces of legislation involving the Commission, Commissioner Furstenau inquired as to the status of the Bills and its effect on the Commission. General Manager Spatz noted that the proposed changes would create a significant negative impact concerning the Commission's annual audit, budget, billing system, and with the process of water rate increases.

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Commissioner's Broda and Pruyn noted that they had shared the legislation Bills with the DuPage Mayors and Managers staff and their lobbyist. Chairman Zay and General Manager Spatz added that the County was aware of it, as well as, the Commission's consultant, John J. Millner and Associates.

EXECUTIVE SESSION

Commissioner Furstenau 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 Pruyn and unanimously approved by a Roll Call Vote:

Ayes: J. Broda, R. Furstenau, C. Janc, D. Loftus, J. Pruyn, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, W. Murphy, D. Russo, F. Saverino, and J.B. Webb

The Board went into Executive Session at 7:20 P.M.

Commissioner Webb returned at 7:30 P.M.

Commissioner Broda moved to come out of Executive Session at 7:50 P.M. Seconded by Commissioner Loftus and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Pruyn moved to adjourn the meeting at 7:51 P.M. Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.