

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, SEPTEMBER 19, 2013
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, L. Crawford, R. Furstenau, D. Loftus, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Commissioners Absent: C. Janc

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

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Murphy moved to approve the Minutes of the August 15, 2013 Regular Meeting and the Minutes of the August 23, 2013 Special Meeting of the DuPage Water Commission. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER REPORT

Treasurer Ellsworth presented the August 2013 Treasurer's Report, consisting of six pages.

Treasurer Ellsworth pointed out the \$64.5MM of cash and investments on page 1, which reflects an approximate decrease of \$145,000.00 from the previous month. Treasurer Ellsworth also pointed out the schedule of investments on pages 2, 3, and 4 totaling \$62.3MM and the market yield on the total portfolio showed 47 basis points which increased slightly from the prior month. On page 5, the statement of cash flows showed a decrease in cash and investments by about \$431,000.00 and operating activities increased cash by approximately \$3.5MM, roughly \$11MM of sales tax was received, and Debt service payments totaled about \$15.3MM. On page 6, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$55.4MM of outstanding debt in Table 3, Rows H, I and J.

Commissioner Suess moved to accept the August 2013 Treasurer's Report. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

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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 as the interest rate had decreased.

Administration Committee – Reported by Commissioner Crawford

Commissioner Crawford reported that the Administration Committee reviewed all items listed on the Administration Committee Agenda.

With regards to Article IX Disbursements under Section 2 Authorization of the Commission's By-Laws, Commissioner Crawford reported that the Committee had discussed and recommended amending the General Manager's spending authority to allow payment of reoccurring expenditures without prior Board approval in emergency situations. Commissioner Crawford explained that should the Board be unable to meet due to inclement weather, lack of a quorum, etc., the General Manager would have the authority to approve disbursements without the need to call a special meeting. With no further discussion, it was the consensus of the Commissioners to have staff prepare an Ordinance amending the Commission's By-Laws for review and consideration at the October Meeting.

With regards to the Commission's 2014 Healthcare Benefits, Commissioner Crawford reported that the Administration Committee briefly discussed the healthcare including the renewal date. It was determined that due to various uncertainties of The Affordable Care Act, the Administration Committee would be considering renewing the Commission's healthcare benefits one month earlier (December 1st) instead of the regular renewal date of January 1st. Commissioner Crawford further reported that the Administration Committee would be reviewing the entire benefits package, including costs, and report back to the Board.

Engineering & Construction Committee – Reported by Commissioner Loftus

Commissioner Loftus reported that the Engineering & Construction Committee met twice that evening noting that a Special Meeting of the Committee was held earlier followed by the regularly scheduled Committee Meeting.

With regards to the regularly scheduled Committee meeting, Commissioner Loftus reported that the Committee had reviewed and recommended for approval all action items listed on the Engineering & Construction Agenda. After Commissioner Loftus gave a brief summary of each item, he welcomed any questions.

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Hearing none, Commissioner Loftus moved to adopt item numbers 2 and 3 under the Engineering & Construction 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, R. Furstenau, D. Loftus, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: C. Janc

Item 2: Resolution No. R-24-13: A Resolution Awarding a Contract for Vacuum Excavation Services (Airy's Inc. for the unit prices set forth in its Contract/Proposal)

Item 3: To Suspend the Purchasing Procedures of the Commission's By-Laws and for Authorization for a Building Automation System upgrade from Schneider Electric estimated not to exceed \$35,000.00

With regards to the Special Meeting of the Engineering & Construction Committee, Commissioner Loftus reported that the Committee met earlier that evening to review and discuss various requests regarding emergency water supply connections and it was the recommendation of the Committee that before any decisions are made that a study be conducted to (1) access the Commission's capacity limitations; (2) access for any potential threat/vulnerability to the system; and (3) provide a rate analysis to determine costs.

With no further discussion, it was the consensus of the Commissioners to authorize the General Manager to enter into negotiations with an engineering firm to conduct the study in an amount not-to-exceed \$30,000.00.

ACCOUNTS PAYABLE

Commissioner Suess moved to approve the Accounts Payable in the amount of \$9,746,251.48 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: J. Broda, L. Crawford, R. Furstenau, D. Loftus, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: C. Janc

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CHAIRMAN'S REPORT

Chairman Zay reported that the Commission had received the 2013 Mid-Year Report to Suburban Customers from the City of Chicago noting that the report would be emailed to all Board members.

Chairman Zay shared that County Board Chairman Dan Cronin had invited General Manager Spatz to attend the County's October 8th Board meeting in which he will be providing a presentation of the Commission's accomplishments as well as future goals. General Manager Spatz added that he would provide a copy of the presentation to the Board members prior to the October 8th meeting.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

None

NEW BUSINESS

General Manager Spatz informed that staff was currently in communication with the Commission's electrical supply consultant to renegotiate the Commission's power supply contract which ends May of 2014. General Manager Spatz explained that electrical supply pricing for a new contract for the next two years are estimated to decrease by about 8% which in turn would save the Commission approximately \$150,000/per year. When the pricing reaches this level, General Manager Spatz noted that he would like the opportunity to lock in a more favorable power supply rate for another two year term commencing upon expiration of the Commission's current electric supply agreement. With no further comments, it was the consensus of the Commissioners for staff to move forward with rate negotiations and lock in a more favorable rate.

EXECUTIVE SESSION

None

Commissioner Murphy moved to adjourn the meeting at 7:17 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.