



# DuPage Water Commission

600 E. Butterfield Road, Elmhurst, IL 60126-4642  
(630) 834-0100 Fax: (630) 834-0120

## AGENDA

**FINANCE COMMITTEE**  
**THURSDAY, JUNE 12, 2008**  
**7:00 P.M.**

## COMMITTEE MEMBERS

A. Poole, Chair  
G. Mathews  
J. Vrdolyak

**600 EAST BUTTERFIELD ROAD**  
**ELMHURST, IL 60126**

- I. Roll Call
- II. Approval of Minutes for Committee Meeting of July 12, 2007
- III. Approval of Minutes for Committee Meeting of March 13, 2008
- IV. Treasurer's Report – May, 2008
- V. Financial Statements – May, 2008
- VI. Accounts Payable
- VII. Ordinance No. O-5-08: Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2008 and Ending April 30, 2009
- VIII. Purchasing Policy
- IX. Other
- X. Adjournment

Board\Agendas\Finance\FC 2008-06.doc

All visitors must present a valid drivers license or other government-issued photo identification, sign in at the reception area and wear a visitor badge while at the DuPage Pumping Station.

**MINUTES OF A MEETING OF THE  
FINANCE COMMITTEE  
OF THE DUPAGE WATER COMMISSION  
HELD ON JULY 12, 2007**

The meeting was called to order at 7:17 P.M. at the offices of the DuPage Water Commission, 600 E. Butterfield Rd., Elmhurst, Illinois 60126. Committee members in attendance: Committee Chairman A. Poole, Commissioner G. Mathews, and Commissioner J. Vrdolyak. Also in attendance: Treasurer R. Thorn and Financial Administrator M. Richter.

**MINUTES OF MEETING – May 10, 2007**

A motion by Commissioner Vrdolyak, seconded by Commissioner Mathews, to approve the minutes of the May 10, 2007 Finance Committee meeting. This motion carried unanimously.

**TREASURER'S REPORT – June 2007**

Treasurer Thorn presented the June 2007 Treasurer's Report for Committee review.

**FINANCIAL STATEMENTS – June 2007**

The Committee reviewed the June 2007 financial statements. After a brief discussion, the Committee accepted the financial statements for June 2007.

**ACCOUNTS PAYABLE**

The Committee reviewed the Accounts Payable in the amount of \$14,793.18; a consensus for recommendation to the Board for approval.

**OTHER BUSINESS**

None

**ADJOURNMENT**

With no further business to come before the Committee, the meeting was adjourned at 7:20 P.M.

**MINUTES OF A MEETING OF THE  
FINANCE COMMITTEE  
OF THE DUPAGE WATER COMMISSION  
HELD ON MARCH 13, 2008**

The meeting was called to order at 7:00 P.M. at the offices of the DuPage Water Commission, 600 E. Butterfield Rd., Elmhurst, Illinois 60126. Committee members in attendance: Committee Chairman A. Poole, Commissioner G. Mathews, and Commissioner J. Vrdolyak. Also in attendance: Treasurer R. Thorn and Financial Administrator M. Richter.

**TREASURER'S REPORT – February 2008**

Treasurer Thorn presented the February 2008 Treasurer's Report for Committee review.

**FINANCIAL STATEMENTS – February 2008**

The Committee reviewed the February 2008 financial statements. After a brief discussion, the Committee accepted the financial statements for February 2008.

**ACCOUNTS PAYABLE**

The Committee reviewed the Accounts Payable in the amount of \$14,848.00; a consensus for recommendation to the Board for approval.

**Resolution No. R-10-08** A Resolution Approving and Accepting the Proposal of McGladrey & Pullen, LLP for Audit Services

After discussion, it was agreed to recommend approval to the Board.

**OTHER BUSINESS**

Financial Administrator Richter inquired of the Committee whether the Committee would like to meet with the Auditors prior to the beginning of the Audit. The Committee agreed that a meeting would be worth while.

**ADJOURNMENT**

With no further business to come before the Committee, the meeting was adjourned at 7:26 P.M.



## DuPage Water Commission MEMORANDUM

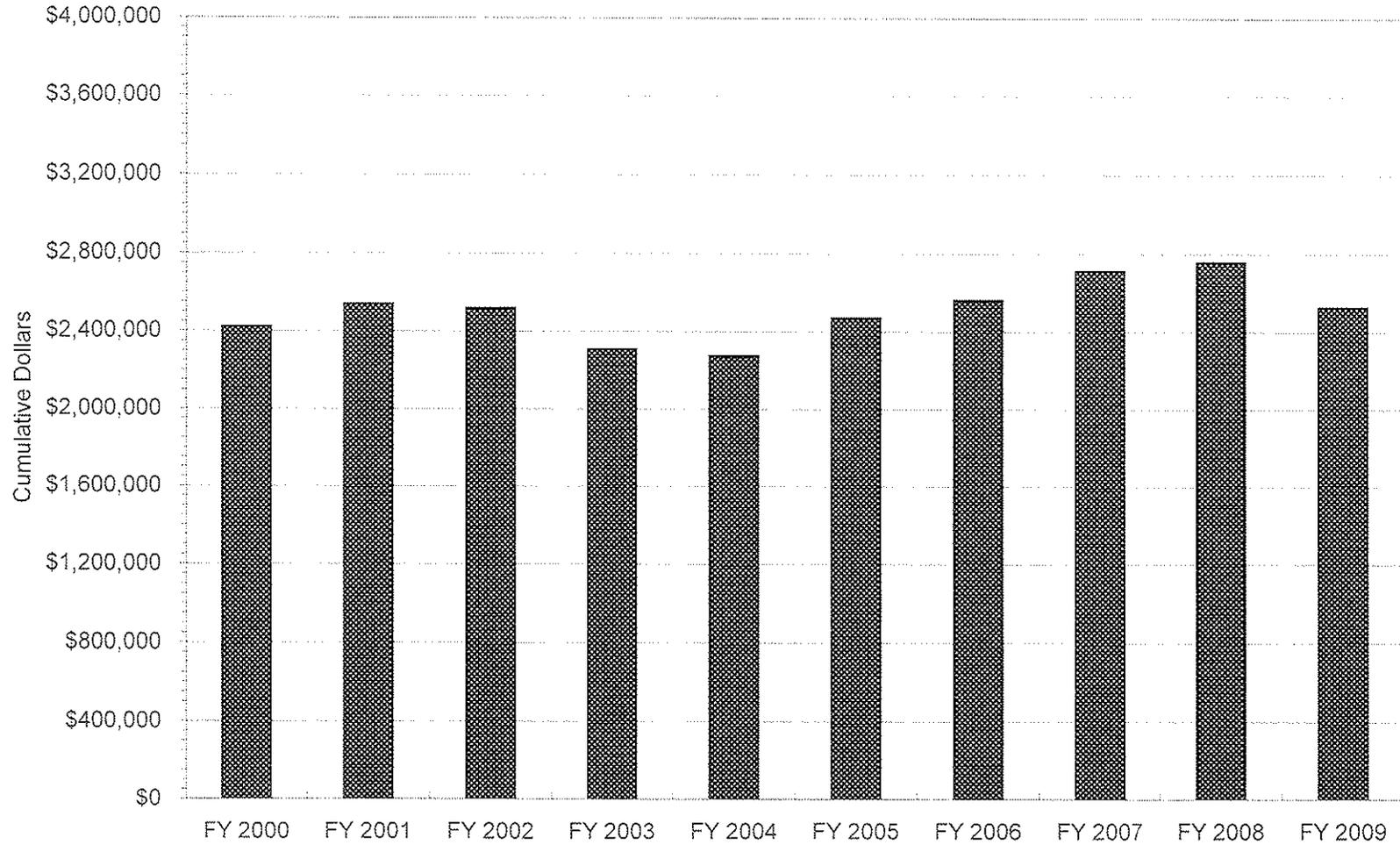
TO: Robert Martin, General Manager  
FROM: R. Max Richter, Financial Administrator  
DATE: June 6, 2008  
SUBJECT: Financial Report – May

*RMR*

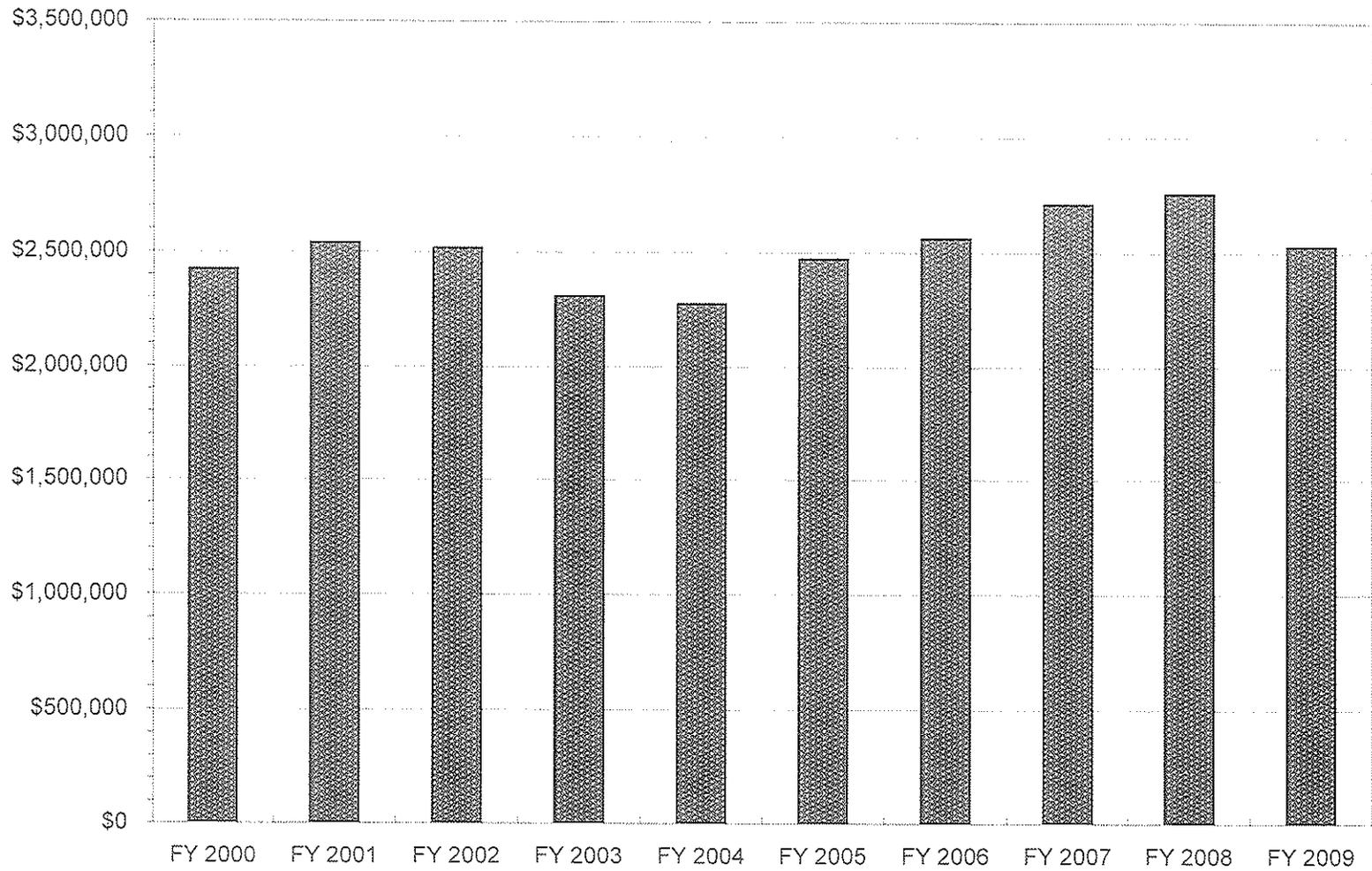
- Water sales for the month are under budget by \$ 0.8 million (20%) and water purchases from Chicago are under budget by \$0.8 million (17.0%).
- May sales tax collections (February sales) were \$47,706 (1.8%) less than the same period last fiscal year.
- Commission's investment portfolio had a market value of \$71.3 million on May 31, 2008. The original purchase price of the portfolio was \$71.5 million. The portfolio was earning approximately 2.811% based on market yield and 2.686% based on original purchase price.
- The revenue bond principal and interest payment of \$11,707,843 was made on May 1<sup>st</sup>.

cc: Chairman and Commissioners

DuPage Water Commission  
Sales Tax Collections - Year to Date



DuPage Water Commission  
Sales Tax Collected - Current Month



DU PAGE WATER COMMISSION  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: MAY 31ST, 2008

01 -WATER FUND  
 FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>							
WATER SERVICE	48,698,950.00	3,244,236.13	0.00	3,244,236.13	0.00	45,454,713.87	6.66
TAXES	36,268,083.00	2,528,015.65	0.00	2,528,015.65	0.00	33,740,067.35	6.97
OTHER INCOME	4,449,291.00	153,940.44	0.00	153,940.44	0.00	4,295,350.56	3.46
<b>TOTAL REVENUES</b>	<b>89,416,324.00</b>	<b>5,926,192.22</b>	<b>0.00</b>	<b>5,926,192.22</b>	<b>0.00</b>	<b>83,490,131.78</b>	<b>6.63</b>
<u>EXPENDITURE SUMMARY</u>							
<u>ADMINISTRATION</u>							
REBATE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PERSONNEL SERVICES	4,502,215.37	319,385.49	0.00	319,385.49	0.00	4,182,829.88	7.09
CONTRACT SERVICES	1,211,665.00	41,285.08	0.00	41,285.08	0.00	1,170,379.92	3.41
INSURANCE	831,874.00	62,121.19	0.00	62,121.19	0.00	769,752.81	7.47
OPERATIONAL SUPPORT SRVS	966,339.00	76,731.46	0.00	76,731.46	0.00	889,607.54	7.94
WATER OPERATION	65,608,960.00	4,314,479.95	0.00	4,314,479.95	0.00	61,294,480.05	6.58
BOND INTEREST	6,767,972.00	573,712.75	0.00	573,712.75	0.00	6,194,259.25	8.48
CAPITAL	6,991,524.00	549,775.18	0.00	549,775.18	0.00	6,441,748.82	7.86
WORK IN PROGRESS	17,882,500.00	22,992.83	0.00	( 678,822.66)	0.00	18,561,322.66	3.80-
<b>TOTAL ADMINISTRATION</b>	<b>4,763,049.37</b>	<b>5,960,483.93</b>	<b>0.00</b>	<b>5,258,668.44</b>	<b>0.00</b>	<b>99,504,380.93</b>	<b>5.02</b>
<b>TOTAL EXPENDITURES</b>	<b>4,763,049.37</b>	<b>5,960,483.93</b>	<b>0.00</b>	<b>5,258,668.44</b>	<b>0.00</b>	<b>99,504,380.93</b>	<b>5.02</b>
<b>REVENUE OVER/(UNDER) EXPENDITURES</b>	<b>(15,346,725.37)</b>	<b>( 34,291.71)</b>	<b>0.00</b>	<b>667,523.78</b>	<b>0.00</b>	<b>(16,014,249.15)</b>	<b>4.35-</b>

## BALANCE SHEET

AS OF: MAY 31ST, 2008

01 -WATER FUND

ACCOUNT #	ACCOUNT NAME	2007-2008 BALANCE	2008-2009 BALANCE
<u>ASSETS</u>			
=====			
<u>CURRENT</u>			
CASH		398,631.04	74,447.97
INVESTMENTS		94,979,022.96	71,344,611.95
ACCOUNTS RECEIVABLE			
WATER SALES		4,421,137.32	4,192,283.86
INTEREST RECEIVABLE		877,297.23	808,870.14
OTHER		8,542,632.77	8,328,632.77
INVENTORY & PREPAIDS		<u>560,197.38</u>	<u>527,198.69</u>
TOTAL CURRENT ASSETS		109,778,918.70	85,276,045.38
<u>NONCURRENT ASSETS</u>			
FIXED ASSETS		447,680,623.58	448,278,851.24
LESS: ACCUMULATED DEPRECIATION	(	93,143,018.53)	( 99,532,116.74)
CONSTRUCTION WORK IN PROGRESS		21,553,558.70	23,871,843.06
LONG TERM RECEIVABLES		4,999,623.00	5,637,191.54
DEFERRED WATER SUPPLY CONTRACTS		<u>0.00</u>	<u>0.00</u>
TOTAL NONCURRENT ASSETS		<u>381,090,786.75</u>	<u>378,255,769.10</u>
TOTAL ASSETS		490,869,705.45	463,531,814.48
=====			
<u>LIABILITIES</u>			
=====			
<u>CURRENT LIABILITIES</u>			
ACCOUNTS PAYABLE		5,455,929.55	5,064,532.55
BONDS PAYABLE		19,840,000.00	20,830,000.00
DUE TO THE COUNTY		15,000,000.00	0.00
ACCRUED INTEREST		1,031,136.46	859,178.13
CONTRACT RETENTION		71,377.90	131,943.20
DEFERRED REVENUE		<u>2,595,138.04</u>	<u>2,394,145.77</u>
TOTAL CURRENT LIABILITIES		43,993,581.95	29,279,799.65
<u>NONCURRENT LIABILITIES</u>			
REVENUE BONDS		87,771,541.02	78,412,667.20
GENERAL OBLIGATION BONDS		35,718,628.03	24,303,924.65
DUE TO THE COUNTY		<u>0.00</u>	<u>0.00</u>
TOTAL NONCURRENT LIABILITIES		<u>123,490,169.05</u>	<u>102,716,591.85</u>
TOTAL LIABILITIES		167,483,751.00	131,996,391.50
=====			
BEGINNING EQUITY/RESERVES		362,973,609.61	330,867,899.20
TOTAL REVENUE		6,661,624.45	5,926,192.22
TOTAL EXPENSES		<u>46,249,279.61</u>	<u>5,258,668.44</u>
TOTAL EQUITY/RESERVES	(	<u>39,587,655.16)</u>	<u>667,523.78</u>
NET ASSETS		490,869,705.45	463,531,814.48
=====			

DU PAGE WATER COMMISSION  
 INVESTMENTS  
 (Unaudited)  
 May 31, 2008

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 05/31/08	BID PRICE 05/31/08
<b>Water Fund Depository Accounts (01-1210)</b>											
Illinois Funds-Money Market	2.105%	05/31/08	06/01/08	2.105%	2.105%	\$ 1,175,434.56	\$ 1,175,434.56	\$ -	\$ 1,175,434.56	\$ -	100.000
Illinois Funds-Prime Fund	2.378%	05/31/08	06/01/08	2.378%	2.378%	1,213,509.13	1,213,509.13	-	1,213,509.13	-	100.000
				2.244%	2.244%	\$ 2,388,943.69	\$ 2,388,943.69	\$ -	\$ 2,388,943.69	\$ -	
<b>Water Fund Oper. &amp; Maint. Acct. (01-1211)</b>											
Illinois Funds-Money Market	2.105%	05/31/08	06/01/08	2.105%	2.105%	\$ 6,797,109.42	\$ 6,797,109.42	\$ -	\$ 6,797,109.42	\$ -	100.000
Illinois Funds-Prime Fund	2.378%	05/31/08	06/01/08	2.378%	2.378%	4,963,686.56	4,963,686.56	-	4,963,686.56	-	100.000
				2.220%	2.220%	\$ 11,760,795.98	\$ 11,760,795.98	\$ -	\$ 11,760,795.98	\$ -	
<b>Revenue Bond Interest Account (01-1212)</b>											
One Group Government Money Market	1.680%	05/31/08	06/01/08	1.680%	1.680%	\$ 451.64	\$ 451.64	\$ -	\$ 451.64	\$ 35.66	100.000
U. S. Treas. Notes (JP Morgan)	4.875%	05/07/08	10/31/08	1.144%	1.630%	582,000.00	588,729.38	(1,818.75)	590,548.13	2,364.38	101.156
				1.144%	1.830%	\$ 582,451.64	\$ 589,181.02	\$ (1,818.75)	\$ 590,999.77	\$ 2,400.04	
<b>Revenue Bond Principal (01-1213)</b>											
One Group Government Money Market	1.680%	05/31/08	06/01/08	1.680%	1.680%	\$ 402.72	\$ 402.72	\$ -	\$ 402.72	\$ 194.52	100.000
U. S. Treas. Notes (JP Morgan)	4.500%	05/07/08	04/30/09	1.915%	2.000%	1,368,000.00	1,397,497.50	(4,702.50)	1,402,200.00	5,130.00	102.156
				1.915%	2.000%	\$ 1,368,402.72	\$ 1,397,900.22	\$ (4,702.50)	\$ 1,402,602.72	\$ 5,324.52	
<b>Revenue Bond Debt Svc. Reserve (01-1214)</b>											
				N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Water Fund Oper. &amp; Maint. Res. (01-1215)</b>											
Illinois Funds-Money Market	2.105%	05/31/08	06/01/08	2.105%	2.105%	\$ 7,185,629.63	\$ 7,185,629.63	\$ -	\$ 7,185,629.63	\$ -	100.000
Illinois Funds-Prime Fund	2.378%	05/31/08	06/01/08	2.378%	2.378%	6,204,633.21	6,204,633.21	-	6,204,633.21	-	100.000
				2.231%	2.231%	\$ 13,390,262.84	\$ 13,390,262.84	\$ -	\$ 13,390,262.84	\$ -	
<b>Water Fund Depreciation Account (01-1216)</b>											
Illinois Funds-Money Market	2.105%	05/31/08	06/01/08	2.105%	2.105%	\$ 1,131,715.05	\$ 1,131,715.05	\$ -	\$ 1,131,715.05	\$ -	100.000
Illinois Funds-Prime Fund	2.378%	05/31/08	06/01/08	2.378%	2.378%	4,428,659.50	4,428,659.50	-	4,428,659.50	-	100.000
				2.322%	2.322%	\$ 5,560,374.55	\$ 5,560,374.55	\$ -	\$ 5,560,374.55	\$ -	
<b>Water Fund General Account (01-1217)</b>											
Illinois Funds-Money Market	2.105%	05/31/08	06/01/08	2.105%	2.105%	\$ -	\$ -	\$ -	\$ -	\$ -	100.000
Illinois Funds-Prime Fund	2.378%	05/31/08	06/01/08	2.378%	2.378%	820,327.76	820,327.76	-	820,327.76	-	100.000
				2.378%	2.378%	\$ 820,327.76	\$ 820,327.76	\$ -	\$ 820,327.76	\$ -	

DU PAGE WATER COMMISSION  
 INVESTMENTS  
 (Unaudited)  
 May 31, 2008

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 05/31/08	BID PRICE 05/31/08
Water Fund General Account (01-1218)											
Illinois Funds-Money Market	2.105%	05/31/08	06/01/08	2.105%	2.105%	\$ -	\$ -	\$ -	\$ -	\$ -	100.000
Illinois Funds-Prime Fund	2.378%	05/31/08	06/01/08	2.378%	2.378%	-	-	-	-	-	100.000
				N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	-
Sales Tax Funds (01-1230)											
Illinois Funds-Money Market	2.105%	05/31/08	06/01/08	2.105%	2.105%	\$ -	\$ -	\$ -	\$ -	\$ -	100.000
Illinois Funds-Prime Fund	2.378%	05/31/08	06/01/08	2.378%	2.378%	556,465.51	556,465.51	-	556,465.51	-	100.000
Cert. of Deposit (Winfield Community Bank)	4.500%	06/15/07	06/15/08	4.500%	4.500%	2,500,000.00	2,500,000.00	-	2,500,000.00	108,184.93	100.000
Cert. of Deposit (West Suburban Bank)	5.276%	07/17/07	07/17/08	5.276%	5.276%	5,935,100.00	5,935,100.00	-	5,935,100.00	273,672.18	100.000
Cert. of Deposit (West Suburban Bank)	4.750%	10/16/07	10/16/08	4.750%	4.750%	64,900.00	64,900.00	-	64,900.00	1,925.66	100.000
Cert. of Deposit (Suburban Bank & Trust)	4.750%	10/18/07	10/17/08	4.750%	4.750%	6,000,000.00	6,000,000.00	-	6,000,000.00	176,465.75	100.000
Cert. of Deposit (Oak Brook Bank)	3.240%	01/15/08	01/14/09	3.240%	3.240%	6,000,000.00	6,000,000.00	-	6,000,000.00	72,966.58	100.000
				4.376%	4.376%	\$ 21,056,465.51	\$ 21,056,465.51	\$ -	\$ 21,056,465.51	\$ 633,215.10	
2001 G. O. Bonds Debt Service (01-1243)											
FAMGOFIC Money Market	2.116%	05/31/08	06/01/08	2.116%	2.116%	\$ 4,464.12	\$ 4,464.12	\$ -	\$ 4,464.12	\$ 7.97	100.000
U. S. Treas. Notes (U.S. BANK)	4.875%	03/14/08	08/31/08	1.296%	1.820%	982,000.00	988,444.38	(9,243.20)	997,687.58	11,968.13	100.656
U. S. Treas. Notes (U.S. BANK)	4.750%	03/14/08	02/28/09	1.392%	1.980%	13,133,000.00	13,387,451.88	(160,293.94)	13,547,745.82	155,954.38	101.938
				1.386%	1.969%	\$ 14,119,464.12	\$ 14,380,360.38	\$ (169,537.14)	\$ 14,549,897.52	\$ 167,930.48	
TOTAL ALL FUNDS				2.686%	2.811%	\$ 71,047,488.81	\$ 71,344,611.95	\$ (176,058.39)	\$ 71,520,670.34	\$ 808,870.14	
May 31, 2008				90 DAY US TREASURY YIELD		1.340%					



# DuPage Water Commission

## MEMORANDUM

TO: Administration Committee  
Finance Committee

CC: Commissioners

FROM: Maureen A. Crowley *mac*  
Staff Attorney

DATE: June 5, 2008

SUBJECT: Purchasing Policy

In response to Commissioner Chaplin's request, and to assist in your deliberations in Committee, attached is a copy of the Commission's purchasing policy, which is contained within Article VIII and Article IX (as amended by Ordinance O-1-05) of the Commission's By-Laws.

In essence, the procurement procedures contained in the Commission's By-Laws require all contracts for supplies, material, or work in excess of \$20,000.00 (except contracts for personal services or services rendered in a professional capacity such as accounting, engineering or legal services and contracts for the construction of the Commission's water supply system) to be made only after the solicitation of at least two sealed quotations. However, pursuant to Article XII, Section 3, of the Commission's By-Laws, the procurement procedures of the Commission's By-Laws (among other things) may be waived by a two-thirds majority vote of the Commissioners present at the meeting at which a non-conforming contract is awarded. In addition, Board approval is required for all contracts

- For professional services
- For the acquisition, construction, extension, repair or replacement of the Waterworks System in excess of \$100,000
- For supplies, material, or work in excess of \$20,000.00 if (a) the procurement procedures of the Commission's By-Laws were not followed; or (b) only one sealed quotation is received; or (c) the vendor is a sole source; or (d) the purchase was not included in Annual Management Budget or would exceed the amount budgeted

As a unit of local government, the Commission is also subject to the requirements of the Local Government Professional Services Selection Act and its qualification-based selection process whenever the Commission desires to procure non-emergency

architectural, engineering, or land surveying services from entities with whom the Commission has no satisfactory pre-existing relationship at a reasonably estimated cost of \$25,000.00 or more.<sup>1</sup>

Finally, the Commission is subject to a statutory competitive bidding requirement but that requirement is only applicable to “. . . contracts for the construction of a waterworks system or of a common source of supply of water, or both. . . .” 65 ILCS 5/11-135-5.<sup>2</sup>

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<sup>1</sup>Under the Local Government Professional Services Selection Act, a public body must generally advertise for proposals unless the public body has a satisfactory pre-existing relationship with an architect, engineer, or land surveyor (as the case may be). Once the public body has received proposals for the specific project, the public body may conduct discussions and hold public presentations with the proposers. Based upon the public body's evaluation of the proposals received and the discussions and public presentations, the public body then ranks the top three proposals. Thereafter, contract negotiations with the most favorably ranked proposer begin. If the public body cannot come to terms with the most favorably ranked proposer, it then negotiates with the next most favorably ranked proposer. If the public body cannot negotiate a contract with any of the three most favorably ranked proposers, the public body reevaluates the project and then creates a second list of three proposals with respect to which the public body will commence negotiations (in the same rank order as was the case with the first list).

<sup>2</sup>In order to achieve the goals and objectives of competitive bidding statutes, the solicitation of contract procedure must be specific, binding, and prohibit post-bid or post-offer negotiations of material issues. The plans and specifications for the work must be sufficiently detailed so as to enable bidders to determine the true nature of the work to be performed, but not so specific as to preclude competitive bidding by limiting the number of potential bidders. *Smith v. Intergovernmental Solid Waste Disposal Association*, 239 Ill. App. 3d 123 (4<sup>th</sup> Dist. 1992).

~~Commissioners. Task force membership may include, but need not be limited to Commissioners.~~

## ARTICLE VIII

### PURCHASING PROCEDURES

Section 1. Coverage. These procedures shall cover all contracts for supplies, material or work being purchased by the Commission except as herein set forth.

Section 2. Definitions. For the purpose of these procedures, "supplies, material or work" shall mean and include, except as hereinafter limited, all work, labor or services; other contracts for services; supplies, equipment or other materials; and the rental, repair or maintenance of equipment, machinery and other personal property. The term "work" shall not include personal services or services rendered in a professional capacity such as accounting, engineering or legal services.

Section 3. Minor Purchases. The General Manager shall have the authority to purchase on behalf of the Commission supplies, material or work requiring an expenditure of the sum provided for in Ill. Rev. Stat. ch. 24, § 8-9-1 or less pursuant to such procedures as he or she deems calculated to insure the best interests of the Commission, without a specific solicitation of quotations or advertisement for bids; provided, however, that this section shall not apply to contracts for construction of the Commission's water supply system, which shall be governed by Section 5 below.

Section 4. Purchases Requiring Quotations. All purchases of supplies, material or work included in the Annual Management Budget and requiring an expenditure in excess of the sum provided for in Ill. Rev. Stat. ch. 24, § 8-9-1 shall be made only after the solicitation of at least two written quotations. All such quotations shall be submitted sealed to the Commission and shall be opened in public at a date and time set by the General Manager. A tabulation of all quotations received shall be presented to the Board of Commissioners. In cases where only one quotation is received, there is only a single source for the supplies, materials or work or the purchase was not included in the Annual Management Budget, the expenditure may only be authorized by the Board of Commissioners. This section shall not apply to contracts for construction of the Commission's water supply system, which shall be governed by Section 5 below. The General Manager shall keep a record of all such purchases and the quotations submitted pursuant to the solicitation therefor.

Section 5. Water Supply System Contracts. All contracts for the construction of the Commission's water supply system shall be entered into only after advertising for bids in the manner required by the Water Commission Statute.

Section 6. Bid Deposits. When deemed necessary by the General Manager and Board of Commissioners, bid deposits shall be required.

Section 7. Specifications. The following shall apply to specifications.

- a. Specifications shall be available to all bidders;
- b. Specifications shall be general in nature and not so specific as to limit a bidder to a specific brand; and
- c. The Commission shall reserve the right to make clarifications, corrections or changes in specifications at any time prior to the time bids are opened so long as all bidders or prospective bidders are informed of said clarifications, corrections or changes in the specifications.

Section 8. Bid Opening Procedure.

- a. ~~Sealed.~~ Sealed. Bids shall be submitted sealed to the Commission and shall be identified as bids on the envelopes. The date and time the bid was received shall be recorded on the envelope of the bid.
- b. Opening. Bids shall be opened in public at the time and place stated in the public notices.
- c. Tabulation. A tabulation of all bids received shall be posted for public inspection.

Section 9. Acceptance or Rejection of Bids. Except when expressly and specifically limited by the terms of a particular bid solicitation, the Board of Commissioners shall have the authority to accept the bid which, in its judgment, is the best

bid and most favorable to the interests of the Commission and the public; to reject the low bid; to accept any item of any bid; to reject any and all bids; to accept and incorporate corrections or clarifications following bid opening when to do so would not, in the Commission's opinion, prejudice the bidding process or create any improper advantage to bidders; and to waive irregularities and informalities in any bid submitted or in the bidding process.

Section 10. Bidders in Default to Commission. The Board of Commissioners shall not accept the bid of a contractor who is or has been in default on a contract with the Commission or in the payment of monies due the Commission.

Section 11. Award of Contract.

- a. Authority in Board of Commissioners. The Board of Commissioners shall have the authority to award all contracts for the construction of the Commission's water supply system.
- b. Awards. Contracts shall be awarded to the bidder whose proposal is found to be in the best interests of the Commission. In determining the bidder who is to receive the award, the Commission shall consider the following factors in addition to price:
  - (i) The ability, capacity, and skill of the bidder to perform the contract or provide the service required;

(ii) Whether the bidder has the requisite facilities, plant, organization and staffing to enable the bidder to perform the contract or provide the service successfully and promptly, within the time specified, without delay or interference;

(iii) The character, integrity, reputation, judgment, experience and efficiency of the bidder;

(iv) The quality of the bidder's performance of previous contracts or services;

(v) The previous and existing compliance by the bidder with the laws and ordinances relating to the contract or services;

(vi) The sufficiency of the financial resources and ability of the bidder to perform the contract or to provide the services;

(vii) The quality, availability, adaptability and capabilities of the supplies, material or work to the particular use required;

(viii) The ability of the bidder to provide future maintenance and service for the subject of the contract, if applicable.

(ix) Any other factor that the Commission may legally consider in determining the proposal that is in the best interests of the Commission.

c. Subsequent Awards. Contracts awarded to a bidder who fails to comply with all conditions precedent to formal execution of the contract agreement may be annulled. Upon annulment of an award, the Commission may award the contract to any other bidder whose proposal is found to be in the best interests of the Commission in accordance with subpart (b), above, or the Commission may advertise anew for bids.

Section 12. Single Bids. The Board of Commissioners desires competitive bids; however, where there is only one bid, that fact alone shall not prevent the Board of Commissioners from accepting that bid.

Section 13. Performance and Payment Bonds. The Board of Commissioners may require a performance bond before entering a contract in such amount as it shall find reasonably necessary to protect the best interests of the Commission. The Board of Commissioners shall require a payment bond in such amount as it shall find reasonably necessary to secure payment for material used and labor performed in connection with a public work.

Section 14. Change Orders. All contract change orders shall be considered and approved or disapproved by the Commission

during the regular course of its conduct of business except in the following circumstances.

- a. By General Manager: The General Manager shall have the authority to approve any contract change order:
  - (i) based entirely upon approved unit prices; or
  - (ii) in an amount not in excess of \$100,000 when in the judgment of the General Manager and the Commission's consulting engineer such change order requires immediate approval to avoid the incurring of unnecessary and excessive costs by the Commission.

A full written description and explanation of any change order so approved by the General Manager shall be distributed to the Board of Commissioners as soon as possible following its approval.

- b. By Commission at Special or Emergency Meeting. When in the judgment of the General Manager a change order in an amount in excess of \$100,000 requires a more immediate approval than the Commission's regular meeting schedule would permit in order to avoid the incurring of unnecessary and excessive costs by the Commission, or when, in any other

case, in the judgment of the General Manager a change order requires the immediate attention of the Commission, the General Manager may call a special or emergency meeting of the Commission for the consideration of such change order.

Section 15. Prohibition Against Subdivision. No contract or change order shall be subdivided to avoid the requirements of these By-Laws. This prohibition shall not prevent the repetitive purchase of supplies, material or work which is purchased over a period of time as needed.

Section 16. Emergencies. In case of an apparent emergency which requires immediate purchase of supplies, material or work to protect persons or property, the General Manager shall be authorized to secure any supplies, material or work necessary to address such emergency by whatever means deemed necessary without regard to the procedures otherwise required under these By-Laws. A full written description and explanation of any such emergency purchase shall be distributed to the Board of Commissioners as soon as possible following the emergency.

Section 17. Bid Item Must Be Budgeted. Contracts or purchase orders cannot be executed and are invalid and void unless the amounts due thereunder have been budgeted by the Board of Commissioners.

Section 18. Cooperative Purchasing Arrangements. Nothing in this Article VIII shall be interpreted to prohibit the Commission from participating with other public bodies,

associations, or agencies, or with other units of government in any cooperative purchasing arrangements subject to bidding or other processes that assure the protection of the best interests of the Commission. Supplies, materials or work purchased through such arrangements shall be exempted from the requirements of this Article.

ARTICLE IX

DISBURSEMENTS

Section 1. No Disbursement Without Authority. No funds, monies or other things of value in the hands of the Commission shall be paid out, disbursed or delivered except upon warrant, draft or order approved and signed as herein provided.

Section 2. Authorization. All disbursements in excess of the amount provided for in Ill. Rev. Stat. ch. 24, § 8-9-1 shall be approved in advance by the Board of Commissioners. The General Manager is authorized to incur and pay contingency expenditures up to and including said amount without the prior approval of the Board of Commissioners.

Section 3. Required Signatures. All checks shall be signed by one of the following: the Chairman, the Treasurer or the Finance Committee Chairman. All checks shall be co-signed by one of the following: the General Manager, the Assistant to the General Manager or the Financial Administrator.

Section 4. Designation of Fund and Payee. For each check issued by the Commission, a record shall be kept which specifies

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the particular fund or appropriation to which it is chargeable and the person or other entity to whom it is payable.

ARTICLE X

BUDGET AND AUDIT

Section 1. Fiscal Year. The fiscal year of the Commission shall begin May 1 and shall end April 30 of the following year.

Section 2. Tentative Management Budget. In accordance with the Commission's obligations under the Water Purchase and Sale Contract dated as of June 11, 1986 between the Commission and Charter Customers (the "Customer Contract") and the budget covenant contained in Ordinance No. 0-1-87 entitled an Ordinance of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, Authorizing the Issuance and Sale of Water Revenue Bonds and Providing The Terms of and Security for Repayment (the "Revenue Bond Ordinance"), the General Manager and Administrative Staff shall prepare and submit to the Board of Commissioners and the Commission's Charter Customers a tentative Management Budget not less than 60 days prior to the beginning of the fiscal year. The tentative Management Budget shall contain in reasonable detail an estimate of (i) revenues of the Waterworks System and any other funds to be deposited in the Water Fund (as defined in the Revenue Bond Ordinance), (ii) Fixed Costs (as defined in the Customer Contract) to be payable by each Charter Customer in a stated aggregate dollar amount per month for each, and (iii) Operations and Maintenance Costs (as defined in the Customer Contract) in a stated price per 1000 gallons of

DUPAGE WATER COMMISSION

ORDINANCE NO. O-1-05

AN ORDINANCE AMENDING THE  
BY-LAWS OF THE DUPAGE WATER COMMISSION  
(Amending Sections 2 and 3 of Article IX)

WHEREAS, the Board of Commissioners of the DuPage Water Commission has determined that it is appropriate and in the best interests of the Commission to amend the Commission's By-Laws, as restated in Ordinance No. O-5-92 and amended by Ordinance Nos. O-1-93, O-1-94, O-14-94, O-10-99, O-7-00, O-11-02, O-2-04, O-11-04, and O-12-04 to modify check processing including electronic signatures, more frequent payments to vendors and the option of having two managers sign checks;

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: Recitals. The foregoing recitals are hereby incorporated herein as findings of the Board of Commissioners of the DuPage Water Commission.

SECTION TWO: Amendment. Section 2, entitled "Authorization," of Article IX, entitled "Disbursements," of the Commission's By-Laws shall be, and it hereby is, amended in its entirety so that said Section 2 shall hereafter be and read as follows:

"Section 2. Authorization. All disbursements in excess of the amount provided for in 65 ILCS 5/8-9-1 shall be approved in advance by the Board of Commissioners except for disbursements made in accordance with the payment provisions of contracts for services, supplies, material, or work purchased by the Commission, which contracts were either approved by the Board of Commissioners or procured in accordance with the purchasing procedures of these By-Laws. The General Manager is authorized to incur and pay contingency expenditures up to and including the amount provided for in 65 ILCS 5/8-9-1 without the prior approval of the Board of Commissioners."

SECTION THREE: Amendment. Section 3, entitled "Required Signatures," of Article IX, entitled "Disbursements," of the Commission's By-Laws shall be, and it

hereby is, amended in its entirety so that said Section 3 shall hereafter be and read as follows:

"Section 3. Required Signatures. All checks shall be manually or electronically signed by any two of the following: the Chairman, the Treasurer, the Finance Committee Chairman, the General Manager, the Financial Administrator or the Staff Attorney."

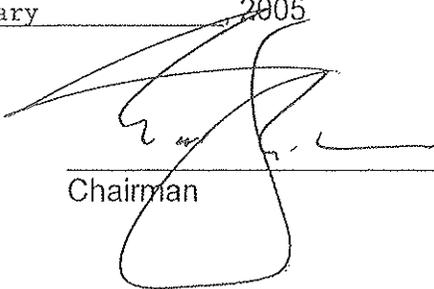
SECTION FOUR: Effective Date. This Ordinance shall be in full force and effect from and after its adoption.

AYES: R. Benson, E. Chaplin, R. Ferraro, L. Hartwig, G. Mathews,  
W. Mueller, W. Murphy, A. Poole, J. Vrdolyak, D. Zeilenga,  
and M. Vondra

NAYS: None

ABSENT: T. Feltes and G. Wilcox

ADOPTED this 10th day of February 2005



Chairman

ATTEST:



Clerk



# DuPage Water Commission

## MEMORANDUM

TO: Finance Committee

FROM: R. Max Richter *RMR*  
Financial Administrator

DATE: June 6, 2008

SUBJECT: A/P History Report  
A/P Regular Open Item Register

The following is a summary of the Historical Check Report and Accounts Payables for the June 12<sup>th</sup> Commission meeting as requested by the Finance Committee.

May A/P History Check Report (1)	\$3,639,289.14
A/P Regular Open Item Register	20,154.37
Total	<u>\$3,659,443.51</u>

(1) Previously authorized