

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, FEBRUARY 16, 2012
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 7:34 P.M.

Commissioners in attendance: L. Crawford, R. Furstenau, D. Loftus, J. Pruyn, D. Russo, F. Saverino, M. Scheck (arrived at 7:44 P.M. by teleconference), P. Suess, J.B. Webb, and J. Zay

Commissioners Absent: T. Cullerton, C. Janc, and W. Murphy

Also in attendance: N. Narducci, J. Spatz, M. Crowley, C. Johnson, T. McGhee, J. Nesbitt, C. Bostick, J. Schori, M. Weed, E. Kazmierczak, F. Frelka, and S. Lux of Baker Tilly

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Russo moved to approve the Minutes of the January 19, 2012 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER REPORT

Financial Consultant Lux presented the January 2012 Treasurer's Report, consisting of five pages.

Financial Consultant Lux highlighted the \$70MM of cash and investments reflected on page 1. Financial Consultant Lux also pointed out the schedule of investments on pages 2 and 3; the \$4MM in net cash from operating activities reflected in the summary statement of cash flows on page 4; and the \$14.7MM of unrestricted cash on hand as well as the full funding of the Operations and Maintenance, Operations and Maintenance Reserve, and Depreciation Accounts shown on page 5.

Commissioner Saverino moved to accept the January 2012 Treasurer's Report. Seconded by Commissioner Furstenau 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 the 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 by about 3 basis points.

Commissioner Suess also stated that the search for a Financial Administrator was well underway, noting that the Commission had received over 400 resumes from candidates for the position.

Commissioner Furstenau inquired how the Commission would proceed with the selection process and General Manager Spatz explained that staff would review the resumes received, select approximately 30 candidates whose resumes describe candidates that best fit the position, and then start the interview process. General Manager Spatz added that the candidates initially selected for interviews would be informally interviewed by staff via Skype and then, based upon the results of the informal interviews, staff would formally interview 10-12 of the most favorably ranked candidates. Once the formal interviews by staff had been completed and the number of candidates eligible for further consideration had been narrowed, General Manager Spatz stated that he would be presenting the final candidates to the Finance Committee for discussion. General Manager Spatz concluded his response to Commissioner Furstenau's question by noting his hope that the process could be completed, and the new Financial Administrator put in place, by April.

Administration Committee – Reported by Commissioner Crawford

Commissioner Crawford reported that the Administration Committee did not have a quorum but that the members present reviewed and discussed the items listed on the Administration Committee Agenda and, specifically, started to review the changes to the By-Laws being recommended by staff.

Next, Commissioner Crawford reminded the Commissioners that they needed to complete Open Meetings Act training by the end of the year, adding that they could do so by visiting the Attorney General's website and clicking on the box labeled "Ensuring Open and Honest Government" on the left hand side of the home page which would bring them directly to the portal for the Open Meetings Act Training and Registration.

In response to General Manager Spatz' question, Staff Attorney Crowley advised that the recent Open Meetings Act legislation requires that training be completed separately for each main public body on which an individual serves and, thus, even though some of the Commissioners may have already completed their Open Meetings Act on-line

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training for a different government agency, they would still be required to complete it as a Commissioner for the DuPage Water Commission and file a certificate of completion with the Commission. Staff Attorney Crowley also advised the Commissioners that they should soon be receiving Statement of Economic Interest materials from the Cook County Clerk's office and that the completed statements would need to be filed with that office by May first. In response to which, Chairman Zay stressed that the completed statements did, in fact, need to be filed with the Cook County Clerk's office as the Commission's principal place of business was located in Cook County.

Engineering & Construction Committee – Reported by Commissioner Loftus

Commissioner Loftus reported that the Engineering & Construction Committee reviewed and recommended for approval the action items listed on the Engineering & Construction Committee Agenda and offered to answer any questions regarding the Status of Operations Report.

At which point, Commissioner Scheck joined the meeting by teleconference at 7:44 P.M.

With regard to Resolution No. R-5-12, Commissioner Loftus noted that the Valve Stem Riser project would be partially completed in-house as opposed to 100% outsourced as originally planned, resulting in a significant cost savings to the Commission.

With regard to Resolution No. R-6-12, Commissioner Loftus noted that approval of the resolution would not only allow the generator supply contract to be closed out but also would provide a credit to the Commission for spare parts no longer needed.

Lastly, Commissioner Loftus reported that approval of Purchase Order No. 13521 appeared to be necessary for the Commission to continue its Asset Management Program.

There being no questions, Commissioner Loftus moved to adopt and approve item numbers 2 through 4 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.

Engineering & Construction Omnibus Vote

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

Nays: None

Absent: T. Cullerton, C. Janc, and W. Murphy

Item 2: Resolution No. R-5-12: A Resolution Awarding a Contract for the Valve Stem Riser Fabrication (Contract VSR-1/11) and Repealing Resolution

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No. R-38-06, being “A Resolution Authorizing Advertisement for Bids on a Contract for the Replacement of Valve Stem Risers (Contract VSR-1/06)”—“Engineering & Construction Omnibus Vote”

Item 3: Resolution No. R-6-12: A Resolution Approving and Ratifying Certain Change Orders to the Contract for Supply of Engine Generator Units at the February 16, 2012, DuPage Water Commission Meeting—“Engineering & Construction Omnibus Vote”

Item 4: Purchase Order No. 13521 to Infor Global Solutions Inc. in the amount of \$33,307.46—“Engineering & Construction Omnibus Vote”

ACCOUNTS PAYABLE

Commissioner Suess moved to approve the Accounts Payable in the combined amount of \$6,440,349.42, 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: L. Crawford, R. Furstenuau, D. Loftus, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton, C. Janc, and W. Murphy

CHAIRMAN’S REPORT

Chairman Zay reported that he and General Manager Spatz had met with Chicago Mayor Rahm Emanuel and Commissioner Tom Powers of the Department of Water Management regarding the City of Chicago’s bi-annual accountability reports. Chairman Zay further reported that he felt the meeting went well in that the City was willing to include in their bi-annual accountability reports the items the Commission had requested be included.

Chairman Zay also reported that the Commission, with the help of Mayor Larry Hartwig, had scheduled a meeting for the next week at the Chicago Metropolitan Agency for Planning with non-Commission suburban customers of the City of Chicago to review the items the Commission had requested be included in the City’s bi-annual accountability reports and to determine if that group’s interests were aligned with the Commission’s. General Manager Spatz added that by unifying with the other suburban customers, we may have a stronger voice in the future

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Chairman Zay concluded his report by noting that Commission staff would also be meeting with representatives from the bond rating agencies of Moody's Investor Services, Inc. and Standard and Poor's Financial Services LLC to discuss the possibility of upgrading the Commission's current bond rating.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

General Manager Spatz referred to the DuPage County Steele Run Service Area, noting that he would like to get consensus from the Board as to whether staff should move forward with the bidding process for the connection facilities as requested by DuPage County, subject to receiving all necessary documentation. After Commissioner Loftus confirmed that there would be no cost or risk to the Commission by proceeding with the bidding process because the County would be paying all costs involved and the Commission could always reject the bids received, it was the consensus of the Board members to move forward with obtaining sealed proposals.

NEW BUSINESS

None

EXECUTIVE SESSION

Commissioner Furstenau moved to go into Executive Session to discuss to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2) and to discuss pending, probable, or imminent litigation pursuant to 5 ILCS 120/2(c)(11). Seconded by Commissioner Pruyn and unanimously approved by a Roll Call Vote:

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

Nays: None

Absent: T. Cullerton, C. Janc, and W. Murphy

The Board went into Executive Session at 7:50 P.M.

Commissioner Furstenau moved to come out of Executive Session at 8:44 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

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All voted aye. Motion carried.

Commissioner Russo moved to adjourn the meeting at 8:46 P.M. Seconded by
Commissioner Loftus and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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