

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, AUGUST 21, 2014
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

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

Commissioners in attendance: L. Crawford, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruy, F. Saverino, M. Scheck, P. Suess, and J. Zay

Commissioners Absent: J. Broda, D. Russo, and J.B. Webb

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, T. Good of Gorski & Good, LLP and J. Savio of Sikich LLP

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Murphy moved to approve the Minutes of the June 19, 2014 Regular Meeting and the Minutes of the June 19, 2014 Executive Session Meeting of the DuPage Water Commission. Seconded by Commissioner Pruy and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER REPORT

Treasurer Ellsworth presented the July 2014 Treasurer's Report, consisting of eleven pages, noting that pages 1, 2 and 3 contained a brief summary of the report.

Treasurer Ellsworth pointed out the \$78.4 million of cash and investments on page 4, which reflected an increase of about \$3.6 million from the previous month. Treasurer Ellsworth also pointed out the schedule of investments on pages 5 through 9 totaling \$75.6 million and the market yield on the total portfolio showed 58 basis points which had increased slightly from the prior month. On page 10, the statement of cash flows showed an increase in cash and investments by about \$8.4 million and operating activities increased cash by approximately \$3.6 million, roughly \$8.4 million of sales tax was received, and principal and interest debt payments on bonds totaled about \$3.6 million. On page 11, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$29.5 million of outstanding debt in Table 3, Rows H and I.

Commissioner Suess moved to accept the June and July 2014 Treasurer's Reports. 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 and recommended for approval all items listed on the Finance Committee Agenda.

With respect to the Northern Trust Certificate of Debt, Commissioner Suess stated that the final payment on the Certificate of Debt with Northern Trust Bank in the amount of \$7 million would be on the September agenda for Board consideration.

With respect to the 2014 Annual Audit Report, Commissioner Suess noted that the Finance Committee reviewed and recommended the Annual Audit Report for distribution and asked Sikich LLP representative Jim Savio to present the 2014 Annual Audit Report. Mr. Savio provided a favorable summary of the report pointing out that the Commission had no audit adjustments, no past adjustments, no material weaknesses, no significant deficiencies, no deficiencies, and also issued an unmodified opinion to the Commission.

After Commissioner's Suess and Furstenau expressed how pleased they were with the positive results from the audit report and thanked General Manager Spatz and Financial Administrator Peterson for a job well done, Commissioner Suess moved to accept the draft audit report for the fiscal year ending April 30, 2014, to direct the auditors to print the final report, and to direct staff to distribute the FY2014 audit report to the Commission's customers and other interested parties. Seconded by Commissioner Janc and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Administration Committee – Reported by Commissioner Crawford

Commissioner Crawford reported that the Administration Committee had reviewed and recommended for approval all action items listed on the Administration Committee Agenda.

With no further discussion, Commissioner Crawford moved to adopt Resolution No. R-22-14: A Resolution Releasing Certain Executive Session Meeting Minutes at the August 21, 2014 DuPage Water Commission Meeting. Seconded by Commissioner Murphy and unanimously approved by a Roll Call Vote.

Ayes: L. Crawford, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: J. Broda, D. Russo, and J.B. Webb

Minutes of the 8/21/14 Commission Meeting

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 the items, he welcomed any questions. 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 Furstenau and unanimously approved by a Roll Call Vote.

Ayes: L. Crawford, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: J. Broda, D. Russo, and J.B. Webb

Item 2: Resolution No. R-19-14: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-10/13 at the August 21, 2014, DuPage Water Commission Meeting (Rossi Contractors Inc. in the amount of \$184,000.00)

Item 3: Resolution No. R-20-14: A Resolution Approving and Authorizing the Execution of a Master Agreement(s) with Westin Engineering Inc. for Professional Engineering Services

Commissioner Loftus asked General Manager Spatz to update the Commissioners with the results from a meeting held between staff and representatives from Metra regarding last year's water main break issue that occurred in the City of Itasca. General Manager Spatz began by referring back to last winter where a leak had occurred on one of the Commission's pipelines noting that the pipeline ran under the area where Metra had installed a spur track. After meeting with Metra, General Manager Spatz stated that Metra had agreed to pay one half (approximately \$65,000.00) of the Commission's contractor's cost for the repair. After General Manager Spatz noted that a Settlement Agreement had been prepared by the Commission's legal counsel and reviewed and agreed upon by Metra, he asked for a consensus from the Commissioners to execute the agreement. With no further comments, it was the consensus of the Board members to authorize the General Manager to execute the Settlement Agreement with Metra for approval and ratification at the next Board meeting.

Commissioner Loftus concluded his report by noting that the Engineering Committee would be reporting on the Commission's condition assessments in the coming months.

ACCOUNTS PAYABLE

Commissioner Furstenau moved to approve the Accounts Payable in the amount of \$8,350,586.46, (June 2014, disbursements made with concurrence of Commission's Chairman) and \$8,744,414.76 (July 2014) subject to submission of all contractually required documentation, for invoices that have been received and to approve the Accounts Payable in the amount of \$795,015.00, (June 2014, disbursements made with concurrence of Commission's Chairman) and \$683,815.00 (July 2014) subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated. Seconded by Commissioner Suess and unanimously approved by a Roll Call Vote.

Ayes: L. Crawford, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: J. Broda, D. Russo, and J.B. Webb

CHAIRMAN'S REPORT

None

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

None

NEW BUSINESS

None

EXECUTIVE SESSION

Commissioner Murphy 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 Crawford and unanimously approved by a Roll Call Vote:

Ayes: L. Crawford, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

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Absent: J. Broda, D. Russo, and J.B. Webb

The Board went into Executive Session at 7:24 P.M.

Commissioner Murphy moved to come out of Executive Session at 7:41 P.M. Seconded by Commissioner Crawford and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Janc moved to adopt R-21-14: A Resolution Approving and Authorizing the Execution of Collective Bargaining Agreements with the International Union of Operating Engineers Local 399 (AFL-CIO) and International Union of Operating Engineers Local 150, Public Employee Division. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote:

Ayes: L. Crawford, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: J. Broda, D. Russo, and J.B. Webb

Before the meeting adjourned, Commissioner Furstenau inquired as to the blue/green algae incident that recently occurred in Toledo, Ohio and wanted to know if a similar incident could occur in Lake Michigan. General Manager Spatz briefly described the event and conditions that occurred and why a similar event is unlikely to happen in Lake Michigan.

Commissioner Murphy moved to adjourn the meeting at 7:46 P.M. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.