

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, SEPTEMBER 18, 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. Pruyne, D. Russo, F. Saverino, M. Scheck, and J. Zay

Commissioners Absent: J. Broda, P. Suess, and J.B. Webb

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

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Murphy moved to approve the Minutes of the August 21, 2014 Regular Meeting and the Minutes of the August 21, 2014 Executive Session 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 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 \$81.8 million of cash and investments on page 4, which reflected an increase of about \$3.5 million from the previous month. Treasurer Ellsworth also pointed out the schedule of investments on pages 5 through 9 totaling \$79.0 million and the market yield on the total portfolio showed 56 basis points which had decreased slightly from the prior month. On page 10, the statement of cash flows showed an increase in cash and investments by about \$11.9 million and operating activities increased cash by approximately \$5.0 million, roughly \$11.5 million of sales tax was received, and principal and interest debt payments on bonds totaled about \$4.8 million. On page 11, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$28.4 million of outstanding debt in Table 3, Rows H and I.

Commissioner Furstenau moved to accept the August 2014 Treasurer's Report. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Finance Committee – Reported by Commissioner Pruyn

Commissioner Pruyn reported that the Finance Committee reviewed and recommended for approval all items listed on the Finance Committee Agenda.

Commissioner Pruyn noted that the Finance Committee also discussed potential updates to the Commission's Reserve Policy and that the Finance Committee would be bringing recommended changes to the Board for full discussion in the next couple of months.

With no further discussion, Commissioner Pruyn moved to adopt Resolution No. R-24-14: A Resolution Authorizing the Redemption of the Northern Trust Third Amended and Extended 2010 Debt Certificate and Authorizing and Directing the Use of General Account Balances for the Payment Thereof. Seconded by Commissioner Janc and unanimously approved by a Roll Call Vote:

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

Nays: None

Absent: J. Broda, P. Suess, and J.B. Webb

Chairman Zay shared his appreciation to Board members and staff for their hard work in getting both of the short-term loans paid off in less than three years noting it was a real team effort.

In early spring of 2015, General Manager Spatz noted that he would like to meet with the Commission's customers and provide an update on the Commission's status and possible future directions.

Administration Committee – Reported by Commissioner Crawford

Even though there were no action items on the Administration Committee Agenda, Commissioner Crawford reported that the Administration Committee had discussed the Commission's 2015 Healthcare Benefits noting that the rates for the 2015 current Blue Cross Blue Shield healthcare plan are estimated to increase between 25-30 percent. Commissioner Crawford noted that General Manager Spatz would be holding a staff meeting to review and explain how the 2015 increased rates would be shared between the Commission and employees. General Manager Spatz added that in order for the Commission to maintain its current plans, the Commission would need to notify the healthcare provider before October 15th and that the Commission's employee benefits would be on the October meeting agenda for consideration.

Minutes of the 9/18/14 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, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: J. Broda, P. Suess, and J.B. Webb

Item 2: Resolution No. R-23-14: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-6/12 (WAO No. 11 to Divane Bros. Electric Co. estimated not-to-exceed \$1,300.00, WAO No. 12 to McWilliams Electric Co., Inc. estimated not-to-exceed \$7,000.00, WAO No. 13 to McWilliams Electric Co., Inc. estimated not-to-exceed \$3,100.00 and WAO No. 14 to Divane Bros. Electric Co. estimated not-to-exceed \$3,400.00)

Item 3: Resolution No. R-25-14: A Resolution Approving the Execution of a Settlement Agreement and Mutual General Release - Metra (Metra to pay 50% cost share to the Commission in the amount of \$65,029.81)

With regards to the Emergency Interconnections to the Commission's 90-Inch and 72-Inch Diameter Supply Lines Report, Manager of Water Operations McGhee summarized the findings from the report by noting that the Commission hired AECOM to conduct the evaluation on the supply line and found that the Commission could offer an emergency connection, but that it would severely limit the Commission's capacity for any future expansion. General Manager Spatz added that the Commission originally constructed a redundant pipeline for emergency purposes and that the report also revealed that should the Commission allow these emergency connections that it would most likely lose its redundancy.

Chairman Zay noted safety concerns with regards to adding numerous connections upstream before the water even reached the Commission's pumping station noting the Commission's obligation is to serve the people of DuPage County. Commissioner Russo echoed Chairman Zay's concerns adding the importance of reserving the Commission's water supply for its customers. General Manager Spatz noted that staff would be looking into updating the Commission's current Ordinance regarding this matter for Board review.

Minutes of the 9/18/14 Commission Meeting

ACCOUNTS PAYABLE

Commissioner Janc moved to approve the Accounts Payable in the amount of \$8,759,323.07 subject to submission of all contractually required documentation, for invoices that have been received. 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, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: J. Broda, P. Suess, and J.B. Webb

Commissioner Furstenau moved to approve the revised Accounts Payable in the amount of \$7,720,165.00 subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated, as amended. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote.

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

Nays: None

Absent: J. Broda, P. Suess, 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

Minutes of the 9/18/14 Commission Meeting

EXECUTIVE SESSION

None

Commissioner Murphy moved to adjourn the meeting at 7:21 P.M. Seconded by
Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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