

**MINUTES OF A MEETING OF THE  
RESCHEDULED DuPAGE WATER COMMISSION  
HELD ON THURSDAY, AUGUST 20, 2015  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 6:08 P.M.

Commissioners in attendance: J. Broda, L. Crawford, J. Fennell, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, and J. Zay

Commissioners Absent: P. Suess

Also in attendance: J. Spatz, C. Johnson, C. Peterson, J. Rodriguez, R. C. Bostick, J. Schori, M. Weed, T. McGhee, Frank Frelka, E. Kazmierczak, R. Jones of Gorski & Good and J. Savio of Sikich LLP

**PUBLIC COMMENT**

None

**APPROVAL OF MINUTES**

Commissioner Furstenau moved to approve the Minutes of the June 18, 2015 Regular Meeting. Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**TREASURER REPORT**

Commissioner/Treasurer Pruyn presented the June and July 2015 Treasurer's Reports, consisting of twelve pages each, noting that pages 1, 2 and 3, of each report, contained a brief summary.

For the month of June, Commissioner/Treasurer Pruyn pointed out the \$106.6 million of cash and investments on page 4, which reflected an increase of about \$4.1 million from the previous month. Commissioner/Treasurer Pruyn also pointed out the schedule of investments on pages 5 through 10 totaling \$102.8 million and the market yield on the total portfolio showed 78 basis points which had decreased from the prior month. On page 11, the statement of cash flows showed an increase in cash and investments by about \$7.0 million and operating activities increased cash by approximately \$4.0 million, roughly \$5.5 million of sales tax was received, and principal and interest debt payments on bonds totaled about \$2.1 million. On page 12, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$9.9 million of outstanding debt in Table 3, Row J.

## Minutes of the 8/20/15 Rescheduled Commission Meeting

For the month of July, Commissioner/Treasurer Pruyn pointed out the \$108.2 million of cash and investments on page 4, which reflected an increase of about \$1.6 million from the previous month. Commissioner/Treasurer Pruyn also pointed out the schedule of investments on pages 5 through 10 totaling \$104.9 million and the market yield on the total portfolio showed 79 basis points which had slightly increased from the prior month. On page 11, the statement of cash flows showed an increase in cash and investments by about \$8.6 million and operating activities increased cash by approximately \$4.9 million, roughly \$8.5 million of sales tax was received, and principal and interest debt payments on bonds totaled about \$3.0 million. On page 12, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$9.0 million of outstanding debt in Table 3, Row J.

Discussion ensued regarding sales tax collections.

Commissioner Loftus moved to accept the June and July 2015 Treasurer's Reports.  
Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

### **COMMITTEE REPORTS**

#### **Finance Committee – Reported by Commissioner/Treasurer Pruyn**

Commissioner/Treasurer Pruyn reported that the Finance Committee had reviewed and recommended for approval all action items listed on the Finance Agenda and provided a brief summary of those items.

Other items discussed included the Treasurer's position which Commissioner/Treasurer Pruyn informed that initial interviews would be conducted by General Manager Spatz and Financial Administrator Peterson. Upon completion of the interviews, staff would recommend one candidate to be interviewed by the full Board at the September meeting.

With regards to the subsequent customer capital cost recovery charge payment, Commissioner/Treasurer Pruyn noted that staff would be looking into giving the four remaining subsequent customers that carry an outstanding loan with the Commission (Argonne National Laboratories, Illinois American Water, City of Oakbrook Terrace, and the Village of Winfield) an opportunity to pay off the loan in full. Steps involved regarding the payoff process would be reported at the September meeting.

With regards to the 2015 Annual Audit Report, Chairman Zay asked Sikich LLP representative Jim Savio to present the 2015 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.

## Minutes of the 8/20/15 Rescheduled Commission Meeting

Commissioner/Treasurer Pruyn inquired about the new GASB Standard regarding accounting and financial reporting for pensions. Mr. Savio responded that going forward under the new standard, the auditor would be reporting on a market value basis, the actuarial value as of December 31<sup>st</sup>.

With no further discussion, Commissioner/Treasurer Pruyn moved to adopt item numbers 2 and 3 under the Finance Report Section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded Commissioner Russo and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, J. Fennell, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: P. Suess

Item 2: 2015 Annual Audit Report - To accept the draft audit report for the fiscal year ending April 30, 2015, to direct the auditors to print the final report, and to direct staff to distribute the FY2015 audit report to the Commission's customers and other interested parties

Item 3: Request For Board Action – Authorizing the Transfer of Funds from the General Account to the Operating Reserve Account (\$5 million)

### **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 Agenda. After providing a brief summary, Commissioner Crawford moved to authorize the Execution of a Consulting Agreement with Rory Group, LLC. for a one year period in an amount not to exceed \$18,000.00. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, J. Fennell, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: P. Suess

Commissioner Crawford concluded her report by noting that staff and Reach HR Consulting, are in the process of revising the Employee Handbook in its entirety and should be completed for Board review at the September meeting. In addition, Reach HR Consulting had been assisting staff with a compensation survey which would update current job descriptions as well as establish salary ranges for senior level employees. Results would be presented within the first quarter of 2016.

**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 providing a brief summary of all items, Commissioner Loftus moved to adopt item numbers 2 through 6 under the Engineering & Construction Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, J. Fennell, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyn, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: P. Suess

Item 2: Resolution No. R-21-15: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-6/12 at the August 20, 2015, DuPage Water Commission Meeting (Divane Bros. Electric Co. estimated cost of \$16,500.00)

Item 3: Resolution No. R-22-15: A Resolution Approving and Ratifying Certain Work Authorization Orders Under quick Response Contract QR-10/13 at the August 20, 2015, DuPage Water Commission Meeting (John Neri Construction Co Inc. estimated cost of \$93,100.00)

Item 4: Resolution No. R-23-15: A Resolution Awarding a Contract to Furnish and Deliver Steel Pipe (Trinity Steel and Pipe Inc. - \$23,800.00)

Item 5: Resolution No. R-24-15: A Resolution Awarding a Contract for Vacuum Excavation Services (Airy's Inc. – \$154,945.00)

Item 6: Request For Board Action: To Authorize Purchase Requisition No. 20219 in the amount of \$39,412.00 to LF George, Inc.

Chairman Zay referred to the pictures that had been distributed at the meeting which showed the water tanks that had been recently painted with the Commission's logo and commended staff on a job well done.

**ACCOUNTS PAYABLE**

Commissioner Furstenau moved to approve the Accounts Payable in the amount of \$8,733,726.11, (June 2015, disbursements made with concurrence of Commission's Chairman) and \$9,991,583.21 (July 2015) subject to submission of all contractually required documentation, for invoices that have been received and to approve the Accounts Payable in the amount of \$1,223,090.00, (June 2015, disbursements made with concurrence of Commission's Chairman) and \$1,563,075.00 (July 2015) subject to

Minutes of the 8/20/15 Rescheduled Commission Meeting

submission of all contractually required documentation, 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, J. Fennell, R. Furstenau, R. Gans, D. Loftus, D. Novotny, J. Pruyne, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: P. Sues

**CHAIRMAN'S REPORT**

Chairman Zay extended his appreciation to the Board members for changing their schedules to accommodate the earlier start time for the meetings. Chairman Zay noted that staff would be polling the Commissioners to see if an earlier start time would be more favorable.

**OMNIBUS VOTE REQUIRING MAJORITY VOTE**

None

**OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE**

None

**OLD BUSINESS**

None

**NEW BUSINESS**

None

**EXECUTIVE SESSION**

None

Commissioner Russo moved to adjourn the meeting at 6:30 P.M. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.