

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, SEPTEMBER 20, 2012
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 8:23 P.M.

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

Commissioners Absent: T. Cullerton

Also in attendance: J. Spatz, C. Peterson, C. Johnson, T. McGhee, J. Rodriguez, F. Frelka, J. Schori, E. Kazmierczak, R. Jones of Gorski & Good, and S. Lux of Baker Tilly

Before proceeding with Public Comments, Chairman Zay requested a moment of silence in remembrance of former Commissioner William Mueller noting his friendly personality, dedication and leadership would be greatly missed.

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Pruyn moved to approve the Minutes of the August 16, 2012 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Scheck.

Before the vote was called, Commissioner Suess referred to page 3 second paragraph under the Administration Committee report requesting that the following be added "There were no objections from the Commissioners present".

There being no further corrections, the motion was unanimously approved, as amended, by a Voice Vote.

All voted aye. Motion carried.

TREASURER REPORT

Financial Consultant Lux presented the August 2012 Treasurer's Report, consisting of six pages.

Financial Consultant Lux highlighted the \$69.3MM of cash and investments on page 1, noting that the balance was higher by about \$4.77MM because no payments were due towards either Certificate of Debt. Financial Consultant Lux also pointed out the schedule of investments on pages 2, 3, and 4. On page 5, the negative \$17MM net cash from capital and related financing activities was due to \$15MM principal payments

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and \$1.8MM interest payments on the Bonds and construction. The reserve analysis showed \$14.1MM of unrestricted cash on hand as well as the full funding of the Operations and Maintenance, Operations and Maintenance Reserve, and Depreciation Accounts with a total cash balance of \$69MM shown on page 6. Also reflected on page 6 was an approximate \$95MM of outstanding debt in Table 3, Rows H, I and J.

Commissioner Russo moved to accept the August 2012 Treasurer's Report. Seconded by Commissioner Saverino 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 the action items listed on the Finance Committee Agenda.

With respect to the selection of a Financial Advisor, Commissioner Suess noted that the Finance Committee held a special meeting on September 6th to conduct interviews with three candidates and it was by unanimous consent to recommend PFM as their organization offers very good resources that they can bring to the table.

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 from last month.

Commissioner Suess lastly noted that staff would soon be soliciting Requests for Proposals for the auditor services as well as bond counsel.

After Chairman Zay thanked the Finance Committee members for their time in conducting the interviews, Commissioner Suess moved to engage the services of the Public Financial Management Group (PFM) as a Financial Advisor in accordance with its proposal dated September 11, 2012, and in an amount not to exceed \$30,000.00 without prior Board approval, and to authorize the General Manager to enter into any required retention agreements. 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, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton

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Committee of the Whole – Reported by Commissioner Crawford

Commissioner Murphy moved to suspend the first reading requirements of the Commission's By-Laws, to adopt Ordinance No. O-10-12 and to further direct the Administration Committee to review any written concerns regarding any aspect of the Ordinance identified by any Commissioner in a timely way. Seconded by Commissioner Loftus.

Commissioner Suess shared his concerns with waiving First Reading noting that there is a provision in the existing By-Laws which states *"no proposal shall be passed at the same meeting at which it is initially considered"*. Commissioner Suess further noted that he understood that the By-Laws had been discussed during the Committee of the Whole and that the Committee of the Whole was a separate meeting, but that the consensus among the Commissioner present at the August 16th Board meeting was to hold any action until the October meeting.

With no further discussion, the motion was approved by a Roll Call Vote.

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

Nays: R. Furstenau and P. Suess

Absent: T. Cullerton

Commissioner Murphy moved to adopt item numbers 3 and 4 under the Committee of the Whole section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Loftus 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, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton

Item 3: Resolution No. R-34-12: A Resolution Further Amending Resolution No. R-43-07 to Specify Authorized Credit Card Users and Limits Per the Adoption of the Newly Amended By-Laws which contain a New Credit Card Policy

Item 4: Resolution No. R-35-12: A Resolution Authorizing the Execution of an Intergovernmental Agreement with the County of DuPage – Ethics

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Commissioner Furstenau asked when the Board members should be submitting any further questions for Committee discussion and Chairman Zay suggested that all questions and/or concerns should be submitted, in writing, to Administration Committee Chairperson Crawford in advance of the October meeting for review.

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.

After Commissioner Loftus gave a brief summary of each item listed on the Engineering & Construction Committee Agenda, he offered to answer any questions regarding the Status of Operations Report.

With no further discussion, Commissioner Loftus moved to adopt item numbers 2 and 5 under the Engineering & Construction Committee section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Furstenau.

After General Manager Spatz clarified that Resolution No. R-30-12 would also include an option to extend the agreement for an additional two years, the motion was 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, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton

Item 2: Resolution No. R-30-12: A Resolution Directing Advertisement for Bids on a Contract for Quick Response Electrical Work (Contract QRE-6/12)

Item 3: Resolution No. R-31-12: A Resolution Approving and Authorizing the Execution of a Master Contract with AT&T

Item 4: Resolution No. R-32-12: A Resolution Approving and Authorizing the Execution of a First Amendment to the Contract for Consulting Services for Design and Construction of a Joint Connection Facility for the DuPage Water Commission Facility- \$2,866.78 not-to-exceed

Item 5: Resolution No. R-33-12: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-5/10 at the September 20, 2012, DuPage Water Commission Meeting - \$13,000.00 - \$15,000.00 (estimated)

ACCOUNTS PAYABLE

Commissioner Murphy moved to approve the Accounts Payable in the combined amount of \$8,452,901.45, 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 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, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton

CHAIRMAN'S REPORT

Chairman Zay reported that Commissioner's Loftus, Saverino, Scheck, and Suess Commission terms would be expiring on January 1, 2013; noting that he would like to see everyone reappointed and asked that the County members interested in being reappointed to the Commission Board to submit their letters to County Board Chairman Cronin for consideration and members on the Municipal side would continue to serve until a reappointment or replacement is made.

With regards to the Accountability Report from the City of Chicago, Chairman Zay shared his disappointment with the report stating that the report was not what was expected as it did not include most of the information that the Commission had requested. Chairman Zay stated that the Commission has done their part in following up with letters to the city and meeting with Mayor Rahm Emanuel in which Mayor Emanuel reassured both General Manager Spatz and he that a report would be prepared containing all their requested information.

Commissioner Furstenau shared his frustration noting that the issue needs to be put on the front burner because there are a lot of people that think the Commission is just rolling over and the Commission needs to discuss and have a game plan as a group.

It was the consensus of the Board members present to wait another 7 to 10 days before reaching out to the City of Chicago to schedule another meeting.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

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OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

None

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). 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, D. Russo, F. Saverino, M. Scheck, P. Suess, J.B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton

The Board went into Executive Session at 9:00 P.M.

Commissioner Murphy moved to come out of Executive Session at 9:28 P.M. Seconded by Commissioner Scheck and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Murphy moved to adjourn the meeting at 9:29 P.M. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.