

**MINUTES OF A MEETING OF THE  
DuPAGE WATER COMMISSION  
HELD ON THURSDAY JULY 21, 2011  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 7:35 P.M.

Commissioners in attendance: L. Crawford, T. Cullerton, R. Furstenau, D. Loftus, W. Murphy, J. Pruy, D. Russo, F. Saverino, M. Scheck, and J. Zay

Commissioners Absent: C. Janc, P. Suess, and J. B. Webb

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

**PUBLIC HEARING**

Commissioner Pruy moved to open the Public Hearing regarding the Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2011 and Ending April 30, 2012. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

There being no comments to consider, Commissioner Pruy moved to close the Public Hearing regarding the Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2011 and Ending April 30, 2012. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**PUBLIC COMMENT**

None

**APPROVAL OF MINUTES**

Commissioner Furstenau moved to approve the Minutes of the June 23, 2011 Regular Meeting and the Executive Session Minutes of the June 23, 2011 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**TREASURER REPORT**

Financial Consultant Cavaliere presented the June 2011 Treasurer's Report, consisting of four pages.

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Financial Consultant Cavaliere highlighted the \$54.2MM of cash and investments reflected on page 1, the \$61.7MM in total funds for the month reflected on page 2, and the \$8MM decrease reflected in Table 3 on page 2 for funds applied towards the West Suburban Bank Certificate of Debt. In referring to Column E in Table 1 on page 2, titled Amount Over – (Under) Required, Commissioner Furstenau questioned whether the \$416.00 should have shown in Line D rather than Line E. After some discussion, Financial Consultant Cavaliere confirmed there were errors in Column E that required correction and Commissioner Murphy moved to accept the June 2011 Treasurer's Report as so corrected. 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.

With regard to Ordinance No. O-14-11, Commissioner Pruyn explained that the ordinance would appropriate additional amounts not contemplated or appropriately included in the budget, such as:

- Debt principal payments
- Potential water quality loan settlement principal repayments from Downers Grove
- Advisory services for certificate of debt restructuring
- Reimbursement to Naperville of 1/3<sup>rd</sup> of the cost of the TS-3 Transmission Main relocation
- Re-characterization of copier lease payments

With regard to Resolution No. R-32-11, Commissioner Pruyn asked General Manager Spatz for an update on the Downers Grove settlement. General Manager Spatz stated that the Commission was in receipt of approximately three payments totaling \$3.8MM to be applied towards the discounted payoff, with the remaining balance expected by July 30, 2011.

Commissioner Pruyn then referred to the election of interest period under the Northern Trust Certificate of Debt, noting that the Finance Committee recommended that the LIBOR rate be extended and locked in for an additional three month period.

Next, Commissioner Pruyn noted that the Finance Committee recommended using \$5MM from the cash and reserve account towards prepaying a portion of the \$40MM Northern Trust Certificate of Debt.

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Finally, Commissioner Pruyn noted that the Finance Committee discussed the Commission's electrical service at the DuPage Pumping Station and asked General Manager Spatz to provide a brief summary. General Manager Spatz noted that staff was currently in communication with Jim Bachman of SPI Energy Group as well as other energy consultants to evaluate the Commission's power supply costs. General Manager Spatz added that he would like the opportunity to lock in a more favorable power supply rate for a one or two year term commencing upon expiration of the Commission's current electric supply agreement.

Commissioner Pruyn moved to adopt item numbers 2 through 3 under the Finance Report section of the Agenda and to approve a Three-Month LIBOR Interest Period election and a \$5MM prepayment under the \$40MM Northern Trust Certificate of Debt, all in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Murphy and unanimously approved by a Roll Call Vote:

### **Finance Omnibus Vote**

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

Nays: None

Absent: C. Janc, P. Suess, and J. B. Webb

Item 2: Ordinance No. O-14-11: Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2011 and Ending April 30, 2012—“Finance Omnibus Vote”

Item 3: Resolution No. R-32-11: A Resolution Approving and Authorizing the Execution of an Accord, Satisfaction and Release Agreement between the Village of Downers Grove and the DuPage Water Commission—“Finance Omnibus Vote”

Item 4: Actions on Other Items Listed on 7/21/11 Finance Committee Agenda: Election of Three-Month LIBOR Interest Period under Northern Trust Certificate of Debt and \$5MM Northern Trust Prepayment—“Finance Omnibus Vote”

Commissioner Pruyn moved to authorize General Manager Spatz to enter into a new contract for electrical services at the DuPage Pumping Station to commence upon expiration of the Commission's current contract, for a term not to exceed two years, and at a lower cost. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote:

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

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Nays: None

Absent: C. Janc, P. Suess, and J. B. Webb

Commissioner Pruyn concluded his report by noting that Treasurer Narducci had prepared a task list containing approximately 25 items that he will be working on and reporting back to the Board at the August meeting.

### **Administration Committee – Reported by Commissioner Crawford**

Commissioner Crawford reported that the Administration Committee continued its discussion regarding the possibility of going paperless for future Board meetings, noting that a survey would be distributed to all Commissioners containing a few multiple choice questions to determine their level of commitment to the project.

### **Engineering & Construction Committee – Reported by Commissioner Loftus**

Commissioner Loftus reported that the Engineering & Construction Committee reviewed and recommended for approval all items listed on the Engineering & Construction Committee Agenda, explaining that Resolution No. R-33-11 relates to a time extension with no additional costs incurred.

Commissioner Loftus move to adopt Resolution No. R-33-11: A Resolution Approving and Ratifying Certain Contract PSC-4/08 Change Orders at the July 21, 2011, DuPage Water Commission Meeting. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote:

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

Nays: None

Absent: C. Janc, P. Suess, and J. B. Webb

Commissioner Loftus moved to approve Purchase Order No. 12956 in the amount of \$42,715.60 to HD Supply Waterworks. Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote:

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

Nays: None

Absent: C. Janc, P. Suess, and J. B. Webb

**ACCOUNTS PAYABLE**

After it was noted that the revised Accounts Payable included the previously approved \$167,408.69 reimbursement to the City of Naperville for 1/3<sup>rd</sup> of the cost of the TS-3 Transmission Main relocation and the \$5MM Northern Trust Prepayment approved under the Finance Report section of the Agenda, Commissioner Murphy moved to approve the revised Accounts Payable in the amount of \$10,979,449.46, 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, T. Cullerton, R. Furstenau, D. Loftus, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: C. Janc, 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**

**Request by City of Naperville to Pay for the Cost of Relocation of Transmission Main at 75<sup>th</sup> Street and Washington Street**

Commissioner Furstenau moved to amend the June 23, 2011, motion approving a settlement among the City of Naperville, the County of DuPage, and the Commission by eliminating the requirement for a release from the County of DuPage. Seconded by Commissioner Loftus.

After Commissioner Furstenau thanked members of the Board, General Manager Spatz, and staff for their help and noted that the City of Naperville was much appreciative, the motion was unanimously approved by a Roll Call Vote:

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

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Nays: None

Absent: C. Janc, P. Suess, and J. B. Webb

### **NEW BUSINESS**

Commissioner Furstenau asked how the City of Chicago and the Commission determined the appropriate sharing of operation and maintenance costs for the Lexington Pumping Station. General Manager Spatz replied that the cost sharing is made based upon the original master agreement between the two agencies and that under the agreement the Commission pays approximately 80% of the electrical costs (depending upon water levels in the tunnel) and 50% of the other operation and maintenance costs.

### **EXECUTIVE SESSION**

None

Commissioner Murphy moved to adjourn the meeting at 7:58 P.M. Seconded by Commissioner Scheck and unanimously approved by a Voice Vote.

All voted aye. Motion carried.