

**MINUTES OF A MEETING OF THE  
DuPAGE WATER COMMISSION  
HELD ON THURSDAY DECEMBER 15, 2011  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 7:30 P.M.

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

Commissioners Absent: T. Cullerton, D. Russo, and P. Suess

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

**PUBLIC COMMENT**

None

**APPROVAL OF MINUTES**

Commissioner Murphy moved to approve the Minutes the November 17, 2011 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**TREASURER REPORT**

Financial Consultant Lux presented the November 2011 Treasurer's Report, consisting of five pages.

Financial Consultant Lux highlighted the \$66.3MM of cash and investments reflected on page 1. Financial Consultant Lux also pointed out the schedule of investments on pages 2 and 3; the \$1.9MM in net cash from operating activities reflected in the summary statement of cash flows on page 4; and the \$14MM of unrestricted cash on hand as well as the full funding of the Operations and Maintenance, Operations and Maintenance Reserve, and Depreciation Accounts shown on page 5.

Commissioner Murphy moved to accept the November 2011 Treasurer's Report. Seconded by Commissioner Janc 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 did not have a quorum, but that the members of the Finance Committee that were in attendance reviewed and recommended for approval the action items listed on the Finance Committee Agenda.

Commissioner 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 by Commissioner Janc and unanimously approved by a Roll Call Vote:

**Finance Omnibus Vote**

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

Nays: None

Absent: T. Cullerton, D. Russo, and P. Suess

Item 2: Resolution No. R-47-11: A Resolution Approving the Declaration of Trust of the Illinois Institutional Investors Trust, Authorizing the Execution Thereof, and Implementing Related Changes—“Finance Omnibus Vote”

Item 3: Resolution No. R-48-11: A Resolution Implementing Changes Related to the Engagement of PFM Asset Management LLC as an Investment Advisor—“Finance Omnibus Vote”

With regard to the Draft Investment Policy, Commissioner Pruyn reported that PFM, the Commission’s investment advisor, would be reviewing the draft investment policy and reporting back to the Board by January or February of 2012.

With regard to the selection of an Auditor, Commissioner Pruyn stated that Sikich LLP had submitted a proposal for an additional three years of auditing services but the members of the Finance Committee that were in attendance recommended only one additional year of auditing services be accepted by the Commission. Commissioner Furstenau then asked whether, and Chairman Zay confirmed that, the Commission would be soliciting proposals for auditing services after Sikich completed the additional one-year service contract.

Commissioner Pruyn concluded his report by noting that the members of the Finance Committee that were in attendance discussed the Financial Administrator’s position along with the list of advertisement sites suggested by the Treasurer and recommended that staff move forward with the recruitment process.

**Administration Committee – Reported by Commissioner Crawford**

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

With regard to Paperless Board Packets, Commissioner Crawford noted that the Commission had purchased one IPAD to rotate among the Board members, starting with Commissioner Webb, so that Commissioners could better familiarize themselves with how the device works.

With regard to the By-Laws, Commissioner Crawford noted that the first review of the General Manager's recommended changes would start in February 2012.

After Commissioner Crawford first noted that a revised version of Resolution No. R-49-11 with minor typographical errors corrected had been placed at each Commissioner's desk before the meeting and, second, thanked General Manager Spatz for his hard work in providing different employee insurance benefit options which, in turn, would result in cost savings for the Commission, Commissioner Crawford moved to adopt Resolution No. R-49-11: A Resolution Approving Employee Insurance Benefits for Calendar Year 2012 (as revised). 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, J. B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton, D. Russo, and P. Suess

General Manager Spatz noted that the Board would need to approve amendments to the Commission's Flexible Benefits Plan documents at the January 2012 Commission meeting in order to coordinate the Commission's Flexible Benefits Plan with the Health Savings Accounts to be established by the Commission pursuant to Resolution No. R-49-11.

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

Commissioner Loftus reported that the Engineering & Construction Committee had no action items but reviewed and discussed the Status of Operations Report and welcomed any questions from Board members.

Hearing none, Commissioner Loftus concluded his report.

**ACCOUNTS PAYABLE**

Commissioner Janc moved to approve the Accounts Payable in the combined amount of \$5,083,740.31, 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 Pruyn 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, J. B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton, D. Russo, and P. Suess

**CHAIRMAN'S REPORT**

Chairman Zay began his report by mentioning that the new Board had been in place for almost a year and noting how much of a difference one year can make in that the Commission has been operating in a more positive manner. Chairman Zay then thanked both the Commissioners and staff for their hard work in getting the Commission back on track and moving in the right direction.

**OMNIBUS VOTE REQUIRING MAJORITY VOTE**

None

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

None

**OLD BUSINESS**

None

**NEW BUSINESS**

General Manager Spatz noted that he would be sending out an email to all Commission customers inviting them to attend a meeting for the purpose of developing a plan regarding the documentation needed to evidence the City of Chicago's accountability relating to the recently approved four-year water rate increase and use of the increased water fund revenues. General Manager Spatz further noted that it would be to the Commission's benefit to identify specific key items it would like to receive in the promised bi-annual reports from the City, and to do so well before the first sixth month mark.

## Minutes of the 12/15/11 Meeting

General Manager Spatz concluded his remarks by informing the Commissioners that he would be absent from the January 2012 Board meeting to attend an AWWA-affiliated water research foundation conference, but that Manager of Water Operations McGhee would be filling in for him.

### **EXECUTIVE SESSION**

Commissioner Crawford moved to go into Executive Session to discuss to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2) and to discuss pending, probable, or imminent litigation pursuant to 5 ILCS 120/2(c)(11). 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, J. B. Webb, and J. Zay

Nays: None

Absent: T. Cullerton, D. Russo, and P. Suess

The Board went into Executive Session at 7:45 P.M.

Commissioner Murphy moved to come out of Executive Session at 8:30 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 8:31 P.M. Seconded by Commissioner Scheck and unanimously approved by a Voice Vote.

All voted aye. Motion carried.