



DuPage Water Commission

600 E. Butterfield Road, Elmhurst, IL 60126-4642
(630) 834-0100 Fax: (630) 834-0120

AGENDA

DUPAGE WATER COMMISSION

THURSDAY, AUGUST 16, 2018
6:30 P.M.

600 EAST BUTTERFIELD ROAD
ELMHURST, IL 60126

- I. Call to Order and Pledge of Allegiance
- II. Roll Call
(Majority of the Commissioners then in Office—minimum 7)
- III. Public Comments (limited to 3 minutes per person)
- IV. Approval of Minutes
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To approve the Minutes of the July 26, 2018 Rescheduled Meeting of the DuPage Water Commission (Voice Vote).

- V. Treasurer's Report
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To accept the July 2018 Treasurer's Report (Voice Vote).

- VI. Committee Reports
 - A. Finance Committee
 1. Report of 8/16/18 Finance Committee
 2. The 2018 Annual Audit Report

(Concurrence of a Majority of those Commissioners Present, provided there is a quorum- minimum 4)

RECOMMENDED MOTION: To accept the draft audit report for the fiscal year ending April 30, 2018, to direct the auditors to print the final report, and to direct staff to distribute the FY2018 audit report to the Commission's customers and other interested parties (Roll Call)

All visitors must present a valid driver's license or other government-issued photo identification, sign in at the reception area and wear a visitor badge while at the DuPage Pumping Station.

3. Request for Board Action: To Authorize the General Manager to engage in a two (2) year agreement with XXX for insurance brokerage services at the DuPage Water Commission

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

RECOMMENDED MOTION: To Authorize the General Manager to engage in a two (2) year agreement with XXX for insurance brokerage services at the DuPage Water Commission (Roll Call)

4. Actions on Other Items Listed on 8/16/18 Finance Committee Agenda

B. Administration Committee

1. Report of 8/16/18 Administration Committee
2. Resolution No. R-26-18: A Resolution Amending the Employee Handbook
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)
3. Ordinance No. O-9-18: An Ordinance Approving and Authorizing the Execution of an Amended and Restated Intergovernmental Agreement between the DuPage Water Commission and the Village of Bartlett Concerning the Loan for Connection Facilities to Implement Water Service to the Village of Bartlett
(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners (3 County + 3 Muni+1=7))
4. Ordinance No. O-10-18: An Ordinance Approving and Authorizing the Execution of a Second Amendment to the Water Purchase and Sale Contract between the DuPage Water Commission and the Village of Bartlett for the Village of Bartlett Unit System
(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners (3 County + 3 Muni+1=7))

RECOMMENDED MOTION: To adopt item numbers 2 through 4 under the Administration Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures (Roll Call).

5. Actions on Other Items Listed on 8/16/18 Administration Committee Agenda

C. Engineering & Construction Committee

1. Report of 8/16/18 Engineering & Construction Committee

2. **Resolution No. R-25-18: A Resolution Awarding a Contract for the Construction of Bartlett Meter Station 30A (Joseph J. Henderson & Son, Inc. in the amount of \$867,000.00)**

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

3. **Resolution No. R-27-18: A Resolution Approving and Ratifying Certain Contract Change Orders at the August 16, 2018 DuPage Water Commission Meeting (Contract TW 3/17 increase in net contract price by \$3,661,625.25)**

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

4. **Request for Board Action: To Authorize Approval of Requisition No. 53063 to Currie Motors for the Purchase of One Ford F-250 XL Pickup Truck and Snow Plow Equipment in the amount of \$40,508.00. (Suburban Purchasing Cooperative – Currie Motors in the amount of \$40,508.00)**

(Concurrence of a Majority of the Appointed Commissioners - 7)

RECOMMENDED MOTION: To adopt item numbers 2 through 4 under the Engineering & Construction Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures (Roll Call).

5. **Actions on Other Items Listed on 8/16/18 Engineering & Construction Committee Agenda**

VII. Accounts Payable

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

RECOMMENDED MOTION: To approve the Accounts Payable in the amount of \$11,359,291.27 subject to submission of all contractually required documentation, for invoices that have been received (Roll Call).

RECOMMENDED MOTION: To approve the Accounts Payable in the amount of \$3,303,330.00 subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated (Roll Call).

VIII. Chairman's Report

IX. Omnibus Vote Requiring Majority Vote

X. Omnibus Vote Requiring Super-Majority or Special Majority Vote

XI. Old Business

XII. New Business

XIII. Executive Session

(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To go into Executive Session to discuss security procedures pursuant to 5 ILCS 120/2(c)(8), to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2), to discuss acquisition of real estate pursuant to 5 ILCS 120/2(c)(5), to discuss pending, probable, or imminent litigation pursuant to 5 ILCS 120/2(c)(11), and/or to discuss minutes of closed meetings pursuant to 5 ILCS 120/2(c)(21) (Roll Call).

RECOMMENDED MOTION: To come out of Executive Session (Voice Vote).

XIV. Adjournment

(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

**MINUTES OF A RESCHEDULED MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, JULY 26, 2018
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 6:35 P.M.

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

Commissioners Absent: J. Fennell, J. Healy, R. Obarski, D. Russo, and P. Suess

Also in attendance: J. Spatz, C. Johnson, C. Peterson T. McGhee, D. Cuvalo, F. Frelka, J. Schori, J. Rodriguez, M. Weed, E. Kazmierczak, and B. Armstrong of Schirott, Luetkehans & Garner, LLC

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Loftus moved to approve the Minutes of the May 17, 2018 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER'S REPORT

In the absence of Treasurer Fates, Financial Administrator Peterson presented the May and June 2018 Treasurer's Reports each consisting of 12 pages, noting that pages 1, 2 and 3 contained a brief summary of the reports.

May 2018

Financial Administrator Peterson pointed out the \$173.5 million of cash and investments on page 4, which reflected a decrease of about \$1.1 million compared to the previous month. Financial Administrator Peterson also pointed out the schedule of investments on pages 5 through 10 totaling \$153.4 million and the market yield on the total portfolio showed 1.61% basis points which reflected an increase from the prior month. On page 11, the statement of cash flows showed a decrease in cash and investments by about \$1.1 million and operating activities increased cash by approximately \$0.6 million, and roughly \$69,000 of sales tax was received. On page 12, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements.

Minutes of the 7/26/2018 Rescheduled Commission Meeting

June 2018

Financial Administrator Peterson pointed out the \$172.7 million of cash and investments on page 4, which reflected a decrease of about \$0.8 million compared to the previous month. Financial Administrator Peterson also pointed out the schedule of investments on pages 5 through 10 totaling \$151.3 million and the market yield on the total portfolio showed 1.70% basis points which reflected an increase from the prior month. On page 11, the statement of cash flows showed a decrease in cash and investments by about \$1.9 million and operating activities were breakeven as of the end of June 2018, and roughly \$76,000 of sales tax was received. On page 12, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements.

Commissioner Gans moved to accept the May and June 2018 Treasurer's Reports. Seconded by Commissioner Broda and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Finance Committee

No Meeting due to lack of a quorum.

Administration Committee – Reported by Commissioner Broda

Commissioner Broda reported that the Administration Committee reviewed and recommended for approval all action items listed on the Administration Committee Agenda. After providing a brief summary, he welcomed any questions. Hearing none, Commissioner Broda moved to adopt Resolution No. R-19-18: A Resolution Releasing Certain Executive Session Meeting Minutes at the July 26, 2018 DuPage Water Commission Meeting. Seconded by Commissioner Gans and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, R. Gans, D. Loftus, D. Novotny, J. Pruyn, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: J. Fennell, J. Healy, R. Obarski, D. Russo, and P. Suess

Commissioner Broda concluded his report by referring to the employee retirement notice incentive plan noting that staff would be presenting full details of the benefit, at the next meeting, and possibly a resolution for Board consideration.

Minutes of the 7/26/2018 Rescheduled Commission Meeting

Engineering & Construction Committee – Reported by Commissioner Loftus

Commissioner Loftus reported that the Engineering & Construction Committee reviewed and recommended for approval all action items listed on the Engineering & Construction Committee Agenda. After providing a brief summary, he welcomed any questions. Hearing none, Commissioner Loftus moved to adopt item numbers 2 through 10 under the Engineering & Construction Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Scheck and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, R. Gans, D. Loftus, D. Novotny, J. Pruyn, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: J. Fennell, J. Healy, R. Obarski, D. Russo, and P. Suess

Item 2: Resolution No. R-17-18: A Resolution Awarding a Contract for Rehabilitation of Masonry and Pre-Cast Concrete Joint Sealants at 73 Locations Throughout DuPage County (Injection & Waterproofing Systems, Inc. in the amount of \$149,500.00)

Item 3: Resolution No. R-18-18: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response contract QR-11/17 at the July 26, 2018 DuPage Water Commission Meeting (John Neri Construction Co., Inc. at an estimated cost of \$187,500.00)

Item 4: Resolution No. R-20-18: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-8/17 at the July 26, 2018, DuPage Water Commission Meeting (Volt Electric, Inc. in the estimated amount of \$7,500.00)

Item 5: Resolution No. R-21-18: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-8/17 at the July 26, 2018 DuPage Water Commission Meeting (Volt Electric Co., Inc. in an estimated amount of \$17,226.00)

Item 6: Resolution No. R-22-18: A Resolution Directing Advertisement for Bids on a Contract for 36-Month Heavy Machinery and Equipment Rigging, Transportation and Installation Service (no cost)

Item 7: Resolution No. R-23-18: A Resolution Directing Advertisement for Bids on a contract for 36-Month Maintenance, Parts and Repair Service for Large Water Pumps (no cost)

Item 8: Resolution No. R-24-18: A Resolution Approving and Ratifying Certain Contract Change Orders at the July 26, 2018, DuPage Water Commission Meeting (Mecon Industries, Inc. for additional labor and parts totaling \$2,896.39)

Minutes of the 7/26/2018 Rescheduled Commission Meeting

Item 9: Request for Board Action: To Authorize Approval of Requisition No. 53105 for the Purchase of a Ford F-150 XL Super Cab Pickup Truck via the Illinois Department of Central Management Services – Joint Purchasing Program in the amount of \$27,960.00 to Morrow Brothers Ford

Item 10: Request for Board Action: To Authorize the General Manager to Purchase Industrial Electric Training Services through National Technology Transfer, Inc. at the July 26, 2018 DuPage Water Commission Meeting (NTT Training in the amount of \$22,988.00)

ACCOUNTS PAYABLE – (May and June 2018)

Commissioner Loftus moved to approve the Accounts Payable in the amount of \$11,398,629.65 (May 2018, disbursements made with concurrence of Commission's Chairman) and \$9,652,576.69 (June 2018) subject to submission of all contractually required documentation, for invoices that have been received and to approve the Accounts Payable in the amount of \$3,279,875.00 (May 2018, disbursements made with concurrence of Commission's Chairman) and \$957,080.00 (June 2018) subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, R. Gans, D. Loftus, D. Novotny, J. Pruyn, F. Saverino, M. Scheck, and J. Zay

Nays: None

Absent: J. Fennell, J. Healy, R. Obarski, D. Russo, and P. Suess

CHAIRMAN'S REPORT

Chairman Zay reported that the Village of Oswego continues to study all water supply options. In addition, Chairman Zay also reported that the City of St. Charles had recently contacted the Commission as they were also looking into water supply options. Any new developments would be reported at the next meeting.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

None

Minutes of the 7/26/2018 Rescheduled Commission Meeting

NEW BUSINESS

General Manager Spatz introduced new staff member Denis Cuvalo, the Commission's Coordinating Engineer. Chairman Zay, along with the Board members, welcomed Denis and wished him well.

EXECUTIVE SESSION

None

Commissioner Broda moved to adjourn the meeting at 6:45 P.M. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Board/Minutes/Commission/2018/Rcm180726.docx

**DUPAGE WATER COMMISSION
INTEROFFICE MEMORANDUM**

TO: Chairman and Commissioners
FROM: Bill Fates, Treasurer
DATE: August 7, 2018
SUBJECT: TREASURER'S REPORT – July 31, 2018

I am pleased to report that I have reviewed and approved all journal entries and bank reconciliations for the month of July. I have also reviewed the monthly financial statements and budget status reports, and found them to be in order.

Summary of Cash & Investments (Page 4)

1. Cash and investments totaled \$173.0 million at July 31st, an increase of \$0.3 million compared to the previous month. Cash inflows from operating and investment activities were nearly completely offset by cash outflows related to the Bartlett project.
2. The balance in the BMO Harris checking account was \$21.5 million at July 31st, unchanged from the \$21.5 million reported last month.
3. The BMO Harris money market accounts had \$12.2 million at month-end, relatively unchanged from the prior month balance.
4. During the month of July, the IIIT money market accounts increased by approximately \$2.8 million from the prior month.
5. In July, our holdings of Asset Backed/Mortgage Obligations increased by \$0.1 million and U.S. Agency investments and Commercial Paper decreased by \$1.4 million and \$2.5 million, respectively.
6. The current holdings of cash and investments are in compliance with the approved investment policy.
7. For the three months ended July 31, 2018, the Commission's cash and investments decreased a total of \$1.6 million.
 - The Operating & Maintenance Account increased by \$70,810 for an ending balance of \$33.7 million.
 - The General Account increased by \$1.6 million for an ending balance of \$8.1 million.
 - The Sales Tax Account remained unchanged at \$280.
 - The Capital Reserve Fund decreased by \$3.5 million for a balance of \$48.1 million. The decline is due to the transfer of funds to pay for expenses related to the Bartlett project.

- The Operating Reserve Account increased \$0.2 million for a balance of \$68.3 million.
- The Long-Term Capital Reserve Account increased by \$55,889 for a balance of \$14.8 million.

The following table presents a summary of the changes in cash position by account.

Cash and Investments by Account

Account	Balance 4/30/2018	Balance 7/31/2018	Increase (Decrease)
Operations & Maintenance	\$33,660,052	\$33,730,862	\$70,810
General Account	6,434,492	8,066,756	1,632,264
Sales Tax	279	280	1
Operating Reserve	68,095,853	68,326,170	230,317
Capital Reserve	51,699,745	48,144,034	(3,555,711)
Long-Term Cap. Reserve	14,706,490	14,762,379	55,889
Total Cash & Investments	\$174,596,911	\$173,030,481	\$(1,566,430)

Schedule of Investments (Pages 5-10)

1. The average yield to maturity on the Commission's investments was 1.76%, an increase from the prior month average yield to maturity of 1.70%.
2. The portfolio ended the month of July 2018 with \$2.7 million of unrealized losses, compared to \$2.8 million in unrealized losses at April 30, 2018.
3. The amortized cost of our investments was \$151.5 million at July 31st.

Statement of Cash Flows (Page 11)

1. The statement of cash flows shows a breakdown of the \$1.6 million decrease in cash and investments for the fiscal year.
2. Operating activities generated \$1.4 million as of the end of July 2018.
3. Approximately \$94,000 of sales tax revenue was received.
4. Loans Receivable, primarily related to Bartlett activity, increased by approximately \$3.4 million.
5. Capital Assets purchased were \$224,000.
6. Cash flow from investment activity generated \$0.6 million of income.

Reserve Analysis (Page 12)

1. The reserve analysis report shows the commission has met or exceeded all recommended reserve balances at July 31st, except for the Operating Reserve. The Commission continues to adjust reserves targeted and transfer funds from the Capital Reserve account as the Bartlett project proceeds.
2. The Operating and Maintenance Account was \$33.7 million which is a balance currently sufficient enough to cover an estimated 87 days of normal operation and maintenance costs.
3. The Operating Reserve account was \$68.3 million which is approximately 177 days, this amount is currently 3 days below the minimum balance per the reserve policy.

Respectfully submitted,

Handwritten signature of Bill Fates in cursive script.

Bill Fates, CPA
Treasurer

DU PAGE WATER COMMISSION
 TREASURER'S REPORT
 SUMMARY OF CASH AND INVESTMENTS
 July 31, 2018

FUNDS CONSIST OF:	July 31, 2018	June 30, 2018	INCR. - (DECR.)
PETTY CASH	1,300.00	1,200.00	100.00
CASH AT HARRIS BANK	21,481,827.43	21,464,843.17	16,984.26
TOTAL CASH	21,483,127.43	21,466,043.17	17,084.26
IIIT MONEY MARKET FUNDS	8,294,090.72	5,459,949.99	2,834,140.73
BMO HARRIS MONEY MARKET FUNDS	12,247,735.06	12,226,887.38	20,847.68
U. S. TREASURY INVESTMENTS	62,032,046.61	61,620,816.11	411,230.50
U. S. AGENCY INVESTMENTS	43,706,004.62	45,111,606.01	(1,405,601.39)
MUNICIPAL BONDS	5,586,546.75	5,586,923.40	(376.65)
COMMERCIAL PAPER	3,927,762.06	6,418,329.61	(2,490,567.55)
ASSET BACKED SEC/COLLATERALIZED MORTGAGE OBLIG	15,753,167.62	14,844,751.53	908,416.09
TOTAL INVESTMENTS	151,547,353.44	151,269,264.03	278,089.41
TOTAL CASH AND INVESTMENTS	173,030,480.87	172,735,307.20	295,173.67
	July 31, 2018	June 30, 2018	% CHANGE
IIIT MONEY MARKET FUNDS	5.5%	3.7%	51.9%
BMO HARRIS MONEY MARKET FUNDS	8.1%	8.1%	0.2%
U. S. TREASURY INVESTMENTS	40.9%	40.7%	0.7%
U. S. AGENCY INVESTMENTS	28.8%	29.8%	-3.1%
MUNICIPAL BONDS	3.7%	3.7%	0.0%
COMMERCIAL PAPER	2.6%	4.2%	-38.8%
ASSET BACKED SEC/COLLATERALIZED MORTGAGE OBLIG	10.4%	9.8%	6.1%
TOTAL INVESTMENTS	100.0%	100.0%	0.2%

Note 1 - Investments are carried at amortized cost.

DU PAGE WATER COMMISSION
 INVESTMENTS
 (Unaudited)
 July 31, 2018

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE		YIELD TO MATURITY (COST)	PAR VALUE	PURCHASE PRICE	AMORTIZED DISCOUNT (PREMIUM)	AMORTIZED COST	ACCRUED INTEREST 07/31/18
Water Fund Oper. & Maint. Acct. (01-121103)										
BMO Harris - Money Market	2.040%	07/31/18	08/01/18	1	2.040%	\$ 12,247,735.06	\$ 12,247,735.06	0.00	\$ 12,247,735.06	-
Water Fund General Account (01-121700)										
IIIT - Money Market	2.040%	07/31/18	08/01/18	1	2.040%	6,069,308.03	6,069,308.03	0.00	6,069,308.03	-
GE Capital Treasury LLC	0.000%	12/15/17	08/15/18	15	1.800%	1,000,000.00	987,985.00	11,322.78	999,307.78	-
GE Capital Treasury LLC	0.000%	12/15/17	09/07/18	38	1.830%	1,000,000.00	986,626.11	11,513.61	998,139.72	-
	Weighted Avg Maturity			7	1.984%	\$ 8,069,308.03	\$ 8,043,919.14	22,836.39	\$ 8,066,755.53	\$ -
Sales Tax Funds (01-123000)										
IIIT - Money Market	2.040%	07/31/18	08/01/18	1	2.040%	280.06	280.06	0.00	280.06	-
	Weighted Avg Maturity			1	2.040%	\$ 280.06	\$ 280.06	0.00	\$ 280.06	\$ -

DU PAGE WATER COMMISSION
 INVESTMENTS
 (Unaudited)
 July 31, 2018

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE		YIELD TO MATURITY (COST)	PAR VALUE	PURCHASE PRICE	AMORTIZED DISCOUNT (PREMIUM)	AMORTIZED COST	ACCRUED INTEREST 07/31/18
Water Fund Operating Reserve (01-121800)										
IIT - Money Market	2.040%	07/31/18	08/01/18	1	2.040%	1,619,503.35	1,619,503.35	0.00	1,619,503.35	-
US Treasury Notes	2.125%	12/30/15	08/31/20	762	1.740%	575,000.00	584,950.20	(5,411.45)	579,538.75	5,113.28
US Treasury Notes	1.750%	02/03/16	10/31/20	823	1.350%	740,000.00	753,701.56	(7,094.17)	746,607.39	3,272.69
US Treasury Notes	2.625%	05/03/16	11/15/20	838	1.210%	1,585,000.00	1,683,319.53	(47,936.52)	1,635,383.01	8,818.72
US Treasury Notes	2.000%	03/24/16	11/30/20	853	1.380%	2,000,000.00	2,056,015.63	(27,699.93)	2,028,315.70	6,775.96
US Treasury Notes	2.375%	03/31/16	12/31/20	884	1.280%	775,000.00	813,931.64	(18,857.01)	795,074.63	1,600.54
US Treasury Notes	2.000%	07/06/16	02/28/21	943	0.920%	775,000.00	812,902.34	(16,644.78)	796,257.56	6,486.41
US Treasury Notes	1.250%	06/27/16	03/31/21	974	0.980%	1,265,000.00	1,281,108.99	(6,988.91)	1,274,120.08	5,314.04
US Treasury Notes	2.000%	01/05/17	05/31/21	1,035	1.870%	1,300,000.00	1,307,007.81	(2,429.57)	1,304,578.24	4,404.37
US Treasury Notes	2.000%	09/01/16	05/31/21	1,035	1.220%	1,950,000.00	2,020,078.13	(27,768.77)	1,992,309.36	6,606.56
US Treasury Notes	2.000%	10/05/16	08/31/21	1,127	1.210%	1,275,000.00	1,322,862.30	(17,451.68)	1,305,410.62	10,671.20
US Treasury Notes	2.000%	12/05/16	08/31/21	1,127	1.930%	2,150,000.00	2,156,382.81	(2,146.36)	2,154,236.45	17,994.57
US Treasury Notes	1.250%	03/13/17	10/31/21	1,188	2.110%	855,000.00	822,603.52	9,328.06	831,931.58	2,700.92
US Treasury Notes	2.000%	08/30/17	10/31/21	1,188	1.640%	2,000,000.00	2,028,515.63	(6,110.29)	2,022,405.34	10,108.70
US Treasury Notes	1.750%	04/03/17	11/30/21	1,218	1.860%	1,500,000.00	1,492,734.38	2,009.70	1,494,744.08	4,446.72
US Treasury Notes	1.750%	10/03/17	11/30/21	1,218	1.860%	1,500,000.00	1,495,195.31	931.09	1,496,126.40	4,446.72
US Treasury Notes	2.125%	06/28/17	12/31/21	1,249	1.720%	4,000,000.00	4,070,781.25	(16,669.09)	4,054,112.16	7,391.30
US Treasury Notes	1.750%	08/01/17	02/28/22	1,308	1.780%	1,800,000.00	1,797,539.06	526.59	1,798,065.65	13,182.07
US Treasury Notes	1.750%	05/11/17	04/30/22	1,369	1.930%	1,050,000.00	1,040,935.55	2,153.42	1,043,088.97	4,643.68
US Treasury Notes	1.875%	01/02/18	09/30/22	1,522	2.240%	275,000.00	270,552.73	516.58	271,069.31	1,732.84
US Treasury Notes	1.750%	06/04/18	01/31/23	1,645	2.760%	3,600,000.00	3,442,640.63	4,960.39	3,447,601.02	171.20
African Development Bank Note	1.125%	09/14/16	09/20/19	416	1.160%	505,000.00	504,464.70	330.44	504,795.14	2,067.34
Intl Bank of Recons and Dev Notes Global Notes	1.125%	08/18/17	11/27/19	484	1.500%	850,000.00	843,028.87	2,870.10	845,898.97	1,700.00
Intl Bank of Recons and Dev Notes (World Bank)	1.625%	03/14/16	03/09/21	952	1.730%	925,000.00	920,597.00	2,055.93	922,652.93	5,928.99
Intl Bank of Recons and Dev Notes Global Notes	2.750%	07/18/18	07/23/21	1,088	2.830%	790,000.00	788,151.40	9.91	788,161.31	362.08
MS ST Taxable GO Bonds	1.472%	02/18/15	10/01/18	62	1.470%	150,000.00	150,000.00	0.00	150,000.00	736.00
NYC, NY Taxable GO Bonds	1.650%	03/31/15	10/01/18	62	1.650%	565,000.00	565,000.00	0.00	565,000.00	3,107.50
CT ST Taxable GO Bonds	1.974%	03/25/15	03/15/19	227	1.970%	300,000.00	300,000.00	0.00	300,000.00	2,237.20
UNIV OF CAL Taxable Rev Bonds	2.003%	03/25/15	05/15/19	288	2.000%	135,000.00	135,000.00	0.00	135,000.00	570.86
FL ST Board Admin Fin Corp Taxable Rev Bonds	2.183%	03/08/16	07/01/19	335	2.160%	925,000.00	925,000.00	0.00	925,000.00	1,667.31
CT ST Taxable GO Bonds	1.300%	08/03/16	08/15/19	380	1.230%	710,000.00	711,533.60	(995.27)	710,538.33	4,256.06
MS ST Taxable GO Bonds	1.679%	02/18/15	10/01/19	427	1.680%	310,000.00	310,000.00	0.00	310,000.00	1,734.97
NY Trans Fin Auth, NY Txbi Rev Bonds	2.750%	04/23/15	02/01/20	550	1.880%	375,000.00	389,816.25	(10,017.74)	379,798.51	5,156.25
NY Trans Fin Auth, NY Txbi Rev Bonds	1.500%	07/14/16	05/01/21	1,005	1.500%	600,000.00	600,000.00	0.00	600,000.00	2,250.00
FHMS K731 A1	3.481%	04/13/18	04/25/24	2,095	2.740%	344,337.85	351,224.61	(328.36)	350,896.25	998.87
FNMA Pool #AJ3174	3.500%	02/17/16	10/01/26	2,984	2.270%	294,256.84	294,585.40	(2,566.17)	292,019.23	808.67
FNMA Pool #AT3221	3.500%	06/17/16	03/01/27	3,135	2.270%	303,186.97	322,325.64	(2,245.68)	320,079.96	884.30
FN AL2092	3.000%	03/06/18	07/25/27	3,281	2.900%	507,537.38	508,171.80	(32.03)	508,139.77	1,268.84
FN AP4718	2.500%	07/20/18	08/25/27	3,312	2.960%	348,874.42	341,951.44	0.00	341,951.44	726.82
Fannie Mae Pool	3.500%	04/05/18	02/25/28	3,496	2.770%	696,469.12	712,357.32	(841.92)	711,515.40	2,031.37
Fannie Mae Pool	3.500%	04/05/18	03/25/28	3,525	2.780%	141,122.06	144,341.40	(173.15)	144,168.25	411.61
FN CA1940	4.000%	07/11/18	06/01/28	3,593	3.080%	518,456.36	533,848.03	(95.94)	533,752.09	1,728.19
FNMA Pool #AU1266	3.000%	10/31/17	07/25/28	3,647	2.240%	578,920.00	593,664.36	(460.08)	593,204.28	1,447.30
FNMA Pool #AS4197	3.500%	07/16/15	01/01/30	4,172	2.620%	229,619.46	243,109.61	(2,453.01)	240,656.60	669.72
FHLMC Pool #U49048	3.000%	03/17/16	08/01/30	4,384	2.350%	349,520.37	364,866.50	(2,306.74)	362,559.76	873.80
FNMA Pool #AL7738	3.500%	02/17/16	11/01/30	4,476	2.550%	392,539.22	417,992.93	(4,461.07)	413,531.86	1,144.91
Fannie Mae Pool	3.500%	02/13/18	01/25/33	5,292	2.980%	625,000.84	639,453.98	(762.12)	638,691.86	1,822.92
Freddie Mac Pool	4.000%	06/07/18	02/15/33	5,313	3.260%	311,463.36	320,855.93	(133.56)	320,722.37	1,038.21

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FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE		YIELD TO MATURITY (COST)	PAR VALUE	PURCHASE PRICE	AMORTIZED DISCOUNT (PREMIUM)	AMORTIZED COST	ACCRUED INTEREST 07/31/18	
Water Fund Operating Reserve (01-121800) Continued...											
FNMA Series 2015-M15 ASQ2	1.899%	11/30/15	01/01/19	154	1.200%	15,989.34	16,149.23	(157.13)	15,992.10	25.29	
Fannie Mae Series 2015-M13 ASQ2	1.646%	10/30/15	09/01/19	397	1.080%	139,670.24	141,068.88	(1,146.72)	139,922.16	191.58	
FHLMC Multifamily Structured Pool	4.251%	06/12/18	01/25/20	543	1.570%	525,000.00	535,664.06	(636.81)	535,027.25	1,859.81	
Fannie Mae Series 2016-M1 ASQ2	2.132%	01/29/16	02/01/21	916	1.680%	736,607.02	743,960.13	(4,260.44)	739,699.69	1,308.71	
FNMA Series 2010-18 LV	4.500%	07/21/15	04/01/21	975	2.030%	66,899.41	71,540.55	(4,641.14)	66,899.41	250.87	
FHLMC Series K032 A1	3.016%	06/13/18	02/01/23	1,646	2.880%	235,898.69	236,460.79	(28.34)	236,432.45	592.89	
FHLMC Multifamily Structured Pool	2.669%	06/13/18	02/25/23	1,670	2.810%	268,948.05	267,571.80	14.35	267,586.15	598.19	
FHLMC Multifamily Structured Pool	2.741%	10/31/17	10/25/23	1,912	2.010%	643,818.46	656,693.53	(1,566.47)	655,127.06	1,470.59	
FHLMC Multifamily Structured Pool	2.951%	12/15/17	04/15/04	360,022	2.240%	640,905.47	653,701.15	(1,220.89)	652,480.26	1,576.09	
FHMS K732 A1	3.627%	06/20/18	09/25/24	2,248	2.900%	349,249.10	356,229.19	(25.92)	356,203.27	1,055.61	
FNA 2017-M15 AV1	2.724%	11/30/17	11/25/24	2,309	2.230%	93,234.79	94,361.25	(105.23)	94,256.02	204.84	
FHS 287 150	1.500%	12/21/17	10/15/27	3,363	2.480%	581,466.90	564,022.89	301.45	564,324.34	726.83	
Freddie Mac Notes	1.125%	03/24/16	04/15/19	258	1.150%	1,175,000.00	1,174,154.00	647.85	1,174,801.85	3,892.19	
FNMA Notes	1.750%	06/30/16	06/20/19	324	0.800%	1,000,000.00	1,027,710.00	(19,380.87)	1,008,329.13	1,993.06	
FHLB Global Note	1.125%	06/02/16	06/21/19	325	1.140%	1,050,000.00	1,049,559.00	310.49	1,049,869.49	1,312.50	
FHLMC Reference Note	0.875%	07/20/16	07/19/19	353	0.960%	1,500,000.00	1,496,040.00	2,669.24	1,498,709.24	437.50	
FNMA Benchmark Note	0.875%	07/29/16	08/02/19	367	0.930%	1,600,000.00	1,597,312.00	1,781.17	1,599,093.17	6,961.11	
FHLB Global Note	0.875%	08/03/16	02/06/79	716,065	0.940%	600,000.00	598,848.00	760.46	599,608.46	2,566.67	
FHLB Notes	1.375%	11/17/16	11/15/19	472	1.380%	1,790,000.00	1,789,588.30	232.27	1,789,820.57	5,195.97	
FNMA Benchmark Note	1.750%	12/03/14	11/26/19	483	1.610%	475,000.00	478,063.75	(2,228.18)	475,835.57	1,500.87	
FNMA Notes	1.500%	02/24/17	02/28/20	577	1.520%	1,075,000.00	1,074,312.00	322.95	1,074,634.95	6,853.13	
FHLMC Agency	1.375%	04/19/17	04/20/20	629	1.490%	1,075,000.00	1,071,323.50	1,549.85	1,072,873.35	4,146.96	
FNMA Notes	1.500%	08/01/17	07/30/20	730	1.600%	1,500,000.00	1,495,455.00	1,492.13	1,496,947.13	62.50	
FHLB Notes	1.375%	09/08/17	09/28/20	790	1.480%	600,000.00	598,074.00	555.74	598,629.74	2,818.75	
FHLB Global Note	1.125%	08/02/16	07/14/21	1,079	1.210%	1,000,000.00	996,160.00	1,521.73	997,681.73	531.25	
FHLB Global Note	1.125%	07/14/16	07/14/21	1,079	1.250%	1,525,000.00	1,515,726.48	3,724.56	1,519,451.04	810.16	
Fannie Mae Notes	1.875%	04/06/17	04/05/22	1,344	1.970%	1,120,000.00	1,114,971.20	1,271.86	1,116,243.06	6,766.67	
MUFG Bank Ltd/NY CP	0.000%	05/11/18	11/13/18	105	2.490%	1,340,000.00	1,322,968.60	7,508.46	1,330,477.06	-	
Weighted Avg Maturity					10.848	1.749%	\$ 68,076,495.07	\$ 68,542,292.40	(216,122.74)	\$ 68,326,169.66	\$ 229,223.17

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FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE		YIELD TO MATURITY (COST)	PAR VALUE	PURCHASE PRICE	AMORTIZED DISCOUNT (PREMIUM)	AMORTIZED COST	ACCRUED INTEREST 07/31/18
Water Fund L-T Water Capital Reserve (01-121900)										
IIIT - Money Market (PFM Asset Management)	2.040%	07/31/18	08/01/18	1	2.040%	318,772.47	318,772.47	0.00	318,772.47	-
US Treasury Notes	1.250%	06/04/18	02/29/20	578	2.490%	250,000.00	244,765.62	459.67	245,225.29	1,307.74
US Treasury Notes	2.500%	06/04/18	05/31/20	670	2.510%	500,000.00	499,941.41	4.76	499,946.17	2,117.49
US Treasury Notes	1.750%	02/03/16	10/31/20	823	1.350%	250,000.00	254,628.91	(2,396.68)	252,232.23	1,105.64
US Treasury Notes	2.000%	03/28/16	11/30/20	853	1.380%	265,000.00	272,442.77	(3,672.12)	268,770.65	897.81
US Treasury Notes	1.625%	11/14/16	11/30/20	853	1.400%	320,000.00	322,800.00	(1,166.78)	321,633.22	880.87
US Treasury Notes	2.000%	03/28/16	10/31/21	1,188	1.520%	275,000.00	282,014.65	(2,867.71)	279,146.94	1,389.95
US Treasury Notes	1.875%	01/12/15	11/30/21	1,218	1.780%	260,000.00	261,675.78	(838.45)	260,837.33	825.82
US Treasury Notes	1.500%	12/30/15	01/31/22	1,280	2.040%	75,000.00	72,697.27	945.30	73,642.57	3.06
US Treasury Notes	1.500%	09/03/15	01/31/22	1,280	1.870%	350,000.00	342,234.38	3,413.69	345,648.07	14.27
US Treasury Notes	1.625%	02/26/15	08/15/22	1,476	1.820%	175,000.00	172,662.11	1,034.96	173,697.07	1,311.90
US Treasury Notes	1.625%	12/04/15	11/15/22	1,568	1.930%	200,000.00	196,109.38	1,429.34	197,538.72	688.86
US Treasury Notes	1.500%	02/01/17	03/31/23	1,704	2.210%	425,000.00	407,800.78	3,963.61	411,764.39	2,142.42
US Treasury Notes	1.750%	04/24/15	05/15/23	1,749	1.790%	390,000.00	388,781.25	474.59	389,255.84	1,446.60
US Treasury Notes	1.375%	08/31/17	06/30/23	1,795	1.850%	175,000.00	170,378.91	696.54	171,075.45	209.24
US Treasury Notes	1.375%	01/03/17	08/31/23	1,857	2.240%	200,000.00	189,320.31	2,378.91	191,699.22	1,150.82
US Treasury Notes	1.375%	09/01/16	08/31/23	1,857	1.470%	275,000.00	273,259.77	458.48	273,718.25	1,582.37
US Treasury Notes	2.750%	12/05/16	11/15/23	1,933	2.260%	60,000.00	61,877.34	(421.43)	61,455.91	349.73
US Treasury Notes	2.750%	03/28/16	11/15/23	1,933	1.720%	150,000.00	160,974.61	(3,218.41)	157,756.20	874.32
US Treasury Notes	2.750%	10/09/15	11/15/23	1,933	1.910%	155,000.00	164,766.21	(3,221.68)	161,544.53	903.46
US Treasury Notes	2.750%	05/26/16	11/15/23	1,933	1.650%	275,000.00	296,097.66	(5,871.47)	290,226.19	1,602.92
US Treasury Notes	2.750%	10/05/16	02/15/24	2,025	1.460%	75,000.00	81,738.28	(1,601.47)	80,136.81	951.48
US Treasury Notes	2.500%	03/16/17	05/15/24	2,115	2.450%	300,000.00	300,960.94	(167.90)	300,793.04	1,589.67
US Treasury Notes	2.000%	06/28/17	05/31/24	2,131	1.970%	285,000.00	285,545.51	(79.77)	285,465.74	965.57
US Treasury Notes	2.375%	03/28/16	08/15/24	2,207	1.810%	200,000.00	208,679.69	(2,296.33)	206,383.36	2,191.30
US Treasury Notes	2.375%	08/02/17	08/15/24	2,207	2.070%	200,000.00	204,039.06	(535.75)	203,503.31	2,191.30
US Treasury Notes	2.125%	12/01/17	11/30/24	2,314	2.280%	475,000.00	470,416.99	401.07	470,818.06	1,709.87
US Treasury Notes	2.125%	05/03/16	05/15/25	2,480	1.760%	150,000.00	154,558.59	(1,063.56)	153,495.03	675.61
US Treasury Notes	2.875%	07/02/18	05/31/25	2,496	2.830%	250,000.00	250,732.42	(6.97)	250,725.45	1,217.55
US Treasury Notes	2.250%	07/06/16	11/15/25	2,664	1.320%	105,000.00	113,613.28	(1,811.77)	111,801.51	500.75
US Treasury Notes	2.250%	06/27/16	11/15/25	2,664	1.450%	115,000.00	123,036.52	(1,697.40)	121,339.12	548.44
US Treasury Notes	1.625%	06/04/18	05/15/26	2,845	2.930%	250,000.00	227,099.61	400.10	227,499.71	861.07
US Treasury Notes	2.250%	06/04/18	08/15/27	3,302	2.950%	250,000.00	236,035.16	212.84	236,248.00	2,594.96
Inter-American Development Bank	1.000%	04/12/16	05/13/19	286	1.100%	140,000.00	139,580.00	312.02	139,892.02	303.33
Intl Bank of Recons and Dev Notes (World Bank)	1.625%	03/14/16	03/09/21	952	1.730%	150,000.00	149,286.00	333.39	149,619.39	961.46
Asian Development Bank Note	1.625%	03/16/16	03/18/21	959	1.640%	150,000.00	149,884.50	53.70	149,938.20	914.06
Intl Bank of Recons and Dev Notes Global Notes	2.750%	07/18/18	07/23/21	1,088	2.830%	250,000.00	249,415.00	3.14	249,418.14	114.58
NYC, NY Taxable GO Bonds	1.650%	03/31/15	10/01/18	62	1.650%	95,000.00	95,000.00	0.00	95,000.00	522.50
FL ST Board Admin Fin Corp Taxable Rev Bonds	2.163%	03/08/16	07/01/19	335	2.160%	150,000.00	150,000.00	0.00	150,000.00	270.38
MS ST Taxable GO Bonds	1.679%	02/18/15	10/01/19	427	1.680%	40,000.00	40,000.00	0.00	40,000.00	223.87
NY Trans Fin Auth, NY Txbi Rev Bonds	2.750%	04/23/15	02/01/20	550	1.880%	75,000.00	77,963.25	(2,003.55)	75,959.70	1,031.25
CT ST Taxable GO Bonds	2.294%	03/25/15	03/15/20	593	2.290%	70,000.00	70,000.00	0.00	70,000.00	606.64
UNIV OF CAL Taxable Rev Bonds	2.253%	03/25/15	05/15/20	654	2.250%	50,000.00	50,000.00	0.00	50,000.00	237.82
NY Trans Fin Auth, NY Txbi Rev Bonds	1.500%	07/14/16	05/01/21	1,005	1.500%	100,000.00	100,000.00	0.00	100,000.00	375.00
FNMA Pool #AJ3174	3.500%	02/17/16	10/01/26	2,984	2.270%	44,409.12	47,184.67	(411.01)	46,773.66	129.53
FNMA Pool #AT3221	3.500%	06/17/16	03/01/27	3,135	2.270%	55,404.71	58,902.13	(410.38)	58,491.75	161.60
FNMA Pool #AU1266	3.000%	10/31/17	07/25/28	3,647	2.240%	133,596.92	136,999.48	(106.19)	136,893.29	333.99
FNMA Pool #AS4197	3.500%	07/16/15	01/01/30	4,172	2.620%	56,729.52	60,062.38	(606.03)	59,456.35	165.46
FHLMC Pool #U49048	3.000%	03/17/16	08/01/30	4,384	2.350%	52,428.04	54,729.98	(346.03)	54,383.95	131.07
FNMA Pool #AL7738	3.500%	02/17/16	11/01/30	4,476	2.550%	64,788.05	68,989.16	(736.30)	68,252.86	188.97
Freddie Mac Pool	4.000%	06/07/18	02/15/33	5,313	3.260%	95,834.88	98,724.90	(41.09)	98,683.81	319.45

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 (Unaudited)
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FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE		YIELD TO MATURITY (COST)	PAR VALUE	PURCHASE PRICE	AMORTIZED DISCOUNT (PREMIUM)	AMORTIZED COST	ACCRUED INTEREST 07/31/18
Water Fund L-T Water Capital Reserve (01-121900) Continued...										
FNMA Series 2015-M15 ASQ2	1.899%	11/30/15	01/01/19	154	1.200%	3,689.86	3,726.76	(36.26)	3,690.50	5.84
Fannie Mae Series 2015-M13 ASQ2	1.646%	10/30/15	09/01/19	397	1.080%	26,290.87	26,554.14	(215.85)	26,338.29	36.06
Fannie Mae Series 2016-M1 ASQ2	2.132%	01/29/16	02/01/21	916	1.680%	139,358.07	140,749.20	(806.03)	139,943.17	247.59
FNMA SERIES 2015	2.013%	03/31/15	07/01/22	1,431	1.710%	2,457.46	2,481.99	(13.11)	2,468.88	4.12
FHLMC Multifamily Structured Pool	2.741%	10/31/17	10/25/23	1,912	2.010%	123,811.24	126,287.22	(301.25)	125,985.97	282.81
FHLMC Multifamily Structured Pool	2.951%	12/15/17	02/25/24	2,035	2.240%	197,201.69	201,138.82	(375.66)	200,763.16	484.95
FHMS K732 A1	3.627%	06/20/18	09/25/24	2,248	2.900%	99,785.46	101,779.77	(7.40)	101,772.37	301.60
Fannie Mae Global Notes	1.625%	12/30/13	11/27/18	119	1.780%	275,000.00	273,036.50	1,829.54	274,866.04	794.44
Fannie Mae Benchmark Notes	1.875%	05/15/14	02/19/19	203	1.550%	400,000.00	405,944.00	(5,234.62)	400,709.38	3,375.00
FHLB Global Note	1.125%	06/02/16	06/21/19	325	1.140%	375,000.00	374,842.50	110.89	374,953.39	468.75
FNMA Notes	1.000%	10/19/16	08/28/19	393	1.040%	2,135,000.00	2,132,651.50	1,459.02	2,134,110.52	9,073.75
FHLB Global Note	1.125%	07/13/16	07/14/21	1,079	1.230%	250,000.00	248,767.50	495.58	249,263.08	132.81
Fannie Mae Notes	1.875%	04/06/17	04/05/22	1,344	1.970%	500,000.00	497,755.00	567.80	498,322.80	3,020.83
FNMA Notes	2.125%	04/26/16	04/24/26	2,824	2.210%	210,000.00	208,357.80	341.00	208,698.80	1,202.40
FNMA Notes	2.125%	06/04/18	04/24/26	2,824	3.070%	250,000.00	233,645.00	288.51	233,933.51	1,431.42
			Weighted Avg Maturity	1,392	1.847%	\$ 14,759,558.36	\$ 14,784,896.79	(22,517.96)	\$ 14,762,378.83	\$ 64,656.19
Capital Reserve (01-122000)										
IIIT - Money Market (PFM Asset Management)	2.040%	07/31/18	08/01/18	1	2.040%	286,226.81	286,226.81	0.00	286,226.81	-
US Treasury Notes	0.750%	06/22/17	02/15/19	199	1.340%	220,000.00	217,885.94	1,418.75	219,304.69	761.19
US Treasury Notes	0.875%	06/22/17	09/15/19	411	1.400%	1,040,000.00	1,028,015.62	5,912.77	1,033,928.39	3,437.23
US Treasury Notes	1.500%	12/05/16	11/30/19	487	1.450%	775,000.00	776,210.94	(664.85)	775,546.09	1,969.26
US Treasury Notes	1.250%	01/05/17	01/31/20	549	1.520%	150,000.00	148,798.83	608.71	149,407.54	5.10
US Treasury Notes	1.375%	02/01/17	02/29/20	578	1.570%	1,500,000.00	1,491,386.72	4,126.48	1,495,513.20	8,631.11
US Treasury Notes	1.125%	03/14/17	03/31/20	609	1.700%	600,000.00	589,875.00	4,533.02	594,408.02	2,268.44
US Treasury Notes	1.375%	06/22/17	03/31/20	609	1.490%	2,500,000.00	2,492,285.16	3,058.59	2,495,343.75	11,552.25
US Treasury Notes	1.375%	05/09/17	05/31/20	670	1.570%	1,000,000.00	994,257.81	2,277.11	996,534.92	2,329.23
US Treasury Notes	1.625%	06/28/17	06/30/20	700	1.500%	3,300,000.00	3,311,988.28	(4,295.78)	3,307,692.50	4,663.04
US Treasury Notes	2.000%	07/06/17	07/31/20	731	1.610%	1,000,000.00	1,011,757.81	(4,037.56)	1,007,720.25	54.35
US Treasury Notes	2.000%	06/22/17	07/31/20	731	1.550%	1,200,000.00	1,216,359.37	(5,750.63)	1,210,608.74	65.22
US Treasury Notes	1.375%	08/30/17	08/31/20	762	1.450%	2,000,000.00	1,995,703.13	1,296.17	1,996,999.30	11,508.15
US Treasury Notes	1.375%	10/05/17	09/30/20	792	1.640%	1,620,000.00	1,607,533.59	3,375.18	1,610,908.77	7,485.86
US Treasury Notes	1.375%	11/01/17	10/31/20	823	1.770%	1,200,000.00	1,186,406.25	3,328.05	1,189,734.30	4,169.84
US Treasury Notes	1.750%	12/01/17	12/31/20	884	1.910%	2,500,000.00	2,488,281.25	2,463.78	2,490,745.03	3,804.35
US Treasury Notes	1.375%	01/02/18	01/31/21	915	2.050%	750,000.00	735,029.30	2,738.00	737,767.30	28.02
US Treasury Notes	2.625%	06/11/18	05/15/21	1,019	2.660%	500,000.00	499,531.25	22.61	499,553.86	2,781.93
US Treasury Notes	2.625%	07/02/18	05/15/21	1,019	2.640%	1,475,000.00	1,474,308.59	21.69	1,474,330.28	8,206.69
African Development Bank Note	1.625%	10/31/16	10/02/18	63	1.120%	200,000.00	201,914.00	(1,743.15)	200,170.85	1,074.31
Inter-American Development Bank	1.000%	04/12/16	05/13/19	286	1.100%	420,000.00	418,740.00	936.06	419,676.06	910.00
African Development Bank Note	1.125%	09/14/16	09/20/19	416	1.160%	235,000.00	234,750.90	153.77	234,904.67	962.03
Intl Bank of Recons and Dev Notes Global Notes	1.125%	08/18/17	11/27/19	484	1.500%	1,000,000.00	991,798.67	3,376.59	995,175.26	2,000.00
Intl Bank of Recons and Dev Notes Global Notes	2.750%	07/18/18	07/23/21	1,088	2.830%	420,000.00	419,017.20	5.27	419,022.47	192.50
FL ST Board Admin Fin Corp Taxable Rev Bonds	2.163%	03/08/16	07/01/19	335	2.160%	600,000.00	600,000.00	0.00	600,000.00	1,081.50
CT ST Taxable GO Bonds	1.300%	08/03/16	08/15/19	380	1.230%	330,000.00	330,712.80	(462.59)	330,250.21	1,978.17

DU PAGE WATER COMMISSION
INVESTMENTS
(Unaudited)
July 31, 2018

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE		YIELD TO MATURITY (COST)	PAR VALUE	PURCHASE PRICE	AMORTIZED DISCOUNT (PREMIUM)	AMORTIZED COST	ACCRUED INTEREST 07/31/18
Capital Reserve (01-122000) Continued...										
FN AB8565	2.000%	04/09/18	03/25/23	1,698	2.520%	267,453.27	264,277.27	114.82	264,392.09	445.76
Fannie Mae Pool	3.500%	04/17/18	06/25/26	2,886	2.820%	466,617.01	475,074.43	(142.22)	474,932.21	1,360.97
Fannie Mae Pool	3.500%	04/17/18	08/25/26	2,947	2.830%	453,354.44	461,571.49	(132.96)	461,438.53	1,322.28
FN AL2092	3.000%	03/06/18	07/25/27	3,281	2.900%	386,778.48	387,261.96	(24.42)	387,237.54	966.95
Fannie Mae Pool	3.500%	04/05/18	02/25/28	3,496	2.770%	580,390.94	593,631.11	(701.60)	592,929.51	1,692.81
Fannie Mae Pool	3.500%	04/05/18	03/25/28	3,525	2.780%	329,284.78	336,796.59	(404.03)	336,392.56	960.41
Fannie Mae Pool	3.500%	04/05/18	04/25/28	3,556	2.820%	407,291.43	416,200.94	(487.88)	415,713.06	1,187.93
FN CA1940	4.000%	07/11/18	06/01/28	3,593	3.080%	375,263.65	386,404.29	(69.45)	386,334.84	1,250.88
FNMA Series 2014-M1 ASQ2	2.323%	09/01/16	11/01/18	93	1.150%	102,595.46	104,775.62	(2,039.76)	102,735.86	198.61
FNMA Series 2015-M15 ASQ2	1.899%	11/30/15	01/01/19	154	1.200%	10,659.59	10,766.19	(104.76)	10,661.43	16.86
FNMA Series 2016-M9 ASQ2	1.785%	06/09/16	06/01/19	305	1.050%	47,311.41	47,784.52	(390.85)	47,393.67	70.38
Fannie Mae Series 2015-M13 ASQ2	1.646%	10/30/15	09/01/19	397	1.080%	90,374.84	91,279.85	(742.01)	90,537.84	123.96
Freddie Mac Series 4459 NB	4.500%	06/11/15	01/01/20	519	0.770%	4,679.30	4,905.95	(162.59)	4,743.36	17.55
FHLMC Multifamily Structured Pool	4.251%	06/12/18	01/25/20	543	1.570%	380,000.00	387,718.75	(460.93)	387,257.82	1,346.15
FNMA Series 2015-M12 FA	0.540%	09/30/15	04/25/20	634	0.540%	155,827.20	155,771.13	56.07	155,827.20	314.89
FNMA Series 2010-18 LV	4.500%	07/21/15	04/01/21	975	2.030%	46,829.59	50,078.39	(3,248.80)	46,829.59	175.61
FHLMC Series K032 A1	3.016%	06/13/18	02/01/23	1,646	2.880%	171,026.55	171,434.07	(20.54)	171,413.53	429.85
FHLMC Multifamily Structured Pool	2.669%	06/13/18	02/25/23	1,670	2.810%	197,660.62	196,649.14	10.55	196,659.69	439.63
FHLB Global Note	0.875%	08/25/16	10/01/18	62	0.910%	550,000.00	549,626.00	343.99	549,969.99	1,604.17
FNMA Benchmark Note	1.125%	09/01/15	10/19/18	80	1.180%	1,475,000.00	1,472,610.50	2,221.36	1,474,831.86	4,701.56
FHLB Notes	1.250%	12/08/16	01/16/19	169	1.250%	700,000.00	699,972.00	21.34	699,993.34	364.58
Freddie Mac Notes	1.125%	03/31/16	04/15/19	258	1.050%	925,000.00	927,201.50	(1,684.56)	925,516.94	3,064.06
FHLB Global Note	1.125%	06/27/16	06/21/19	325	0.820%	1,125,000.00	1,135,196.42	(7,127.22)	1,128,069.20	1,406.25
FHLMC Reference Note	0.875%	07/19/16	07/19/19	353	0.960%	650,000.00	648,427.00	1,060.77	649,487.77	189.58
FNMA Benchmark Note	0.875%	07/29/16	08/02/19	367	0.930%	750,000.00	748,740.00	834.92	749,574.92	3,263.02
Freddie Mac Notes	1.375%	07/18/17	08/15/19	380	1.450%	1,900,000.00	1,897,207.00	1,379.57	1,898,586.57	12,046.53
FNMA Notes	0.875%	08/31/16	08/28/19	393	1.050%	1,675,000.00	1,672,387.00	1,663.71	1,674,050.71	7,118.75
FHLB Global Note	1.000%	10/03/16	09/26/19	422	1.010%	750,000.00	749,737.50	160.05	749,897.55	2,604.17
FNMA Notes	1.500%	02/24/17	02/28/20	577	1.520%	750,000.00	749,520.00	225.32	749,745.32	4,781.25
FHLMC Agency	1.375%	04/19/17	04/20/20	629	1.490%	1,200,000.00	1,195,896.00	1,730.06	1,197,626.06	4,629.17
FNMA Notes	1.500%	07/28/17	07/30/20	730	1.600%	2,500,000.00	2,492,425.00	2,486.88	2,494,911.88	104.17
FHLB Notes	1.375%	09/08/17	09/28/20	790	1.480%	1,300,000.00	1,295,827.00	1,204.10	1,297,031.10	6,107.29
Credit Agricole CIB NY CP	0.000%	02/07/18	08/06/18	6	1.970%	600,000.00	594,150.00	5,687.50	599,837.50	-
Weighted Avg Maturity			769		1.628%	\$ 48,144,625.37	\$ 48,120,079.83	23,954.47	\$ 48,144,034.30	\$ 146,225.80
TOTAL ALL FUNDS					1.756%	\$151,298,001.95	\$151,739,203.28	(191,849.84)	\$ 151,547,353.44	\$ 440,105.16
Less: Net Unsettled Trades									\$ 151,547,353.44	
July 31, 2018					90 DAY US TREASURY YIELD	2.03%	Longest Maturity	\$ 250,000.00	2,824.00	
					3 month US Treasury Bill Index	1.93%				
					0-3 Year US Treasury Index	2.45%				
					1-3 Year US Treasury Index	2.64%				
					1-5 Year US Treasury Index	2.71%				
					1-10 Year US Treasury Index	2.77%				

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
TREASURER'S REPORT
STATEMENT OF CASH FLOWS
For the Period from May 1, 2018 to July 31, 2018

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash received from customers	\$ 32,061,491
Cash payments to suppliers	(29,788,270)
Cash payments to employees	(829,671)
Net cash from operating activities	<u>1,443,550</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>	
Cash received from sales taxes	93,575
Cash received/paid from long term loans	(3,437,139)
Cash payments for net pension activity	0
Net cash from noncapital financing activities	<u>(3,343,564)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>	
Interest paid	0
Principal Paid	0
Construction and purchase of capital assets	(223,901)
Net cash from capital and related financing activities	<u>(223,901)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Investment income	557,485
Net cash from investing activities	<u>557,485</u>
 Net Increase (Decrease) in cash and investments	 (1,566,430)
 CASH AND INVESTMENTS, MAY 1, 2018	 <u>174,596,911</u>
 CASH AND INVESTMENTS, June 30, 2018	 <u>\$ 173,030,481</u>

July 31, 2018
 TREASURER'S REPORT
 DPWC MONTHLY CASH/OPERATING REPORT

	7/31/2018		
	YEAR END TARGETED Reserve or Monthly Cash Amount-Needed	Amount On Hand	Amount Over - (Under) Target
	A	B	C
TABLE 1			
RESERVE ANALYSIS			
A .Operating Reserve # of days per current fiscal year management budget	\$ 69,404,464 180	\$ 68,326,170 177	\$ (1,078,294)
B. Capital Reserve	\$ 44,131,605	\$ 47,535,730	\$ 3,404,125
C. Long Term Water Capital Reserve	\$ 14,125,000	\$ 14,762,379	\$ 637,379
D. O+M Account (1)	\$ 12,747,437	\$ 33,730,862	\$ 20,983,426
E. Current Construction Obligation and Customer Construction Escrows	\$ 608,304	\$ 608,304	\$ -
TOTAL SUMMARY CASH + RESERVE ANALYSIS	\$ 141,016,810	\$ 164,963,445	\$ 23,946,635

TABLE 2	
OTHER CASH	
F. General Fund	\$ 8,066,756
G. Sales Tax	\$ 280
TOTAL TABLE 2-OTHER CASH	\$ 8,067,036
TOTAL MONTH END FUNDS CASH BALANCE-Table1+2	\$ 173,030,481

Note 1: The O&M Account target varies from month to month. The cash balance should be enough to cover the current months operating cash outflows.

DuPage Water Commission



Annual Financial Report

For the Fiscal Years Ended
April 30, 2018 and 2017

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Years Ended
April 30, 2018 and 2017

“We are submitting to you the following draft of your financial statements to expedite your review. As stated in our engagement letter with you, the fair presentation of the financial statements is your responsibility. This draft, or elements within should not be shared with any external parties, nor should any inference be made to any parties that no material adjustments or material disclosure modifications are expected before these statements are submitted as final.”

Prepared by Finance Department

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INTRODUCTORY SECTION

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

**Preliminary and Tentative
For Discussion Purposes Only**

PRINCIPAL OFFICIALS

April 30, 2018

General Manager

Mr. John F. Spatz, Jr.

Financial Administrator

Ms. Cheryl Peterson

Manager of Operations

Mr. Terrance McGhee

Commission administrative offices are located at:

600 East Butterfield Road
Elmhurst, IL 60126

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners
DuPage Water Commission
Elmhurst, Illinois

We have audited the accompanying financial statements of the DuPage Water Commission (the Commission) as of and for the years ended April 30, 2018 and 2017, and the related notes to financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the DuPage Water Commission, as of April 30, 2018 and 2017, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section, supplemental data, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental data is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental data is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Naperville, Illinois
June 27, 2018

Preliminary and Tentative
For Discussion Purposes Only

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

**DuPage Water Commission
Management's Discussion and Analysis**

OVERVIEW OF THE FINANCIAL STATEMENTS

This section of the DuPage Water Commission's annual financial report presents our discussion and analysis of the Commission's financial performance during the fiscal years ending April 30, 2018, 2017, and 2016.

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements are comprised of the following components: Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows and Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Statement of Net Position presents information on all the Commission's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating. The Statement of Revenues, Expenses and Changes in Net Position presents the information necessary to show how the Commission's net position changed during the fiscal years ending April 30, 2018 and 2017.

Both statements are presented using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies.

The Statement of Cash Flows provides information on the Commission's gross sources and uses of cash during the fiscal year.

The Notes to the Financial Statements generally provide more detailed information about the Commission's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position and operations, as well as summarize the Commission's significant accounting policies.

FINANCIAL OPERATIONS SUMMARY

In fiscal year 2018, net position increased by \$5.5 million to approximately \$510.0 million. Revenues of \$130.5 million were approximately 0.2% higher in fiscal year 2018 compared to the prior year. Expenses increased by approximately 4.3% to \$125.0 million compared to \$119.9 million in fiscal 2017. The Commission's revenues were basically flat due to higher water sales and increased rates being offset by lower sales tax collections. Water sales were 7.4% above budgeted amounts. Total operating expenditures were greater than budgeted amounts due to higher than anticipated water purchases. As of April 30, 2018, net investment in capital assets was \$338.3 million.

The Commission's net position rose by approximately \$10.4 million in fiscal year 2017. Revenues and contributions were \$130.3 million in fiscal 2017 compared to expenses totaling \$119.9 million in fiscal year 2016. The Commission's revenues benefitted from greater than projected water sales and higher than budgeted investment income. Expenditures were lower than budgeted primarily due to a decrease in energy costs and continued cost savings through improved efficiencies throughout the Commission. As of April 30, 2017, net investment in capital assets was \$343.3 million.

FINANCIAL ANALYSIS

Changes in Net Position. The table on page MD&A 3 presents information on the Commission's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the four reported as net position at April 30, 2018, 2017 and 2016. Net capital assets represent the total of assets capitalized less accumulated depreciation.

Fiscal Year 2018

Net capital assets decreased by \$5.0 million in fiscal year 2018 due to depreciation expense of \$8.7 million offset by investment in construction, vehicles and equipment of \$3.7 million.

Net investment in capital assets decreased \$5.0 million from the prior year. This is due to the \$5.0 million decrease in capital assets mentioned above. The Commission repaid all of its loans at the end of fiscal year 2016.

Fiscal Year 2017

Net capital assets decreased by \$4.5 million in fiscal year 2017 due to depreciation expense of \$8.4 million offset by investment in new construction and equipment of \$3.9 million.

Net investment in capital assets also declined by \$4.5 million from fiscal year 2016. This is due to the \$4.5 million decrease in capital assets mentioned above. The Commission repaid all of its loans at the end of fiscal year 2016.

COMPARATIVE SUMMARY OF NET POSITION
April 30,

	2018	2017	2016
Assets and Deferred Outflows of Resources			
Current:			
Cash and cash equivalents	\$ 38,719,761	\$ 43,899,609	\$ 29,820,942
Investments	133,065,661	117,494,722	107,006,719
Receivables	11,464,108	12,270,285	20,470,151
Other assets	593,228	587,611	580,304
Non-current:			
Long term loan receivable	16,425,966	13,422,982	441,393
Net pension asset	2,072,202	-	-
Land and construction in process	13,804,937	12,542,774	12,670,288
Capital assets, net of depreciation	324,484,065	330,789,440	335,136,154
Total assets	540,629,928	531,007,423	506,125,951
Deferred outflows of resources:			
Pension items	752,735	1,002,332	1,221,840
Total deferred outflows of resources	752,735	1,002,332	1,221,840
Total assets and deferred outflow of resources	541,382,663	532,009,755	507,347,791
Liabilities			
Current:			
Payables and accrued liabilities	11,870,509	8,890,118	9,206,800
Customer deposits	18,799	18,799	18,799
Capital lease payable	-	-	3,240
Unearned revenue	780,302	780,302	434,232
Non-current:			
Unearned revenue	16,932,213	17,712,516	3,039,623
Net pension liability	-	32,906	459,305
Other liabilities	91,032	76,802	66,118
Total liabilities	29,692,855	27,511,443	13,228,117
Deferred inflows of resources:			
Pension items	1,739,228	-	-
Total liabilities and deferred inflows of resources	31,432,083	27,511,443	13,228,117
Net Position			
Net investment in capital assets	338,289,002	343,332,214	347,803,202
Unrestricted	171,661,578	161,166,098	146,316,472
NET POSITION	\$ 509,950,580	\$ 504,498,312	\$ 494,119,674

Revenues and Expenses. The table which follows presents a comparative summary of revenues, expenses and changes in net position for the years ended April 30, 2018, 2017 and 2016. The most significant source of revenues for the Commission continues to be from water sales.

Fiscal Year 2018

In fiscal year 2018, water sales increased to 26.53 billion gallons compared to 25.91 billion gallons in the prior fiscal year. The charter customer operations and maintenance water rate increased from \$4.80 per thousand gallons in fiscal year 2017 to \$4.88 per thousand gallons for fiscal year 2018. Higher water rates and water sales were the reasons the Commission's water revenue increased by \$5.0 million or 4.0% compared to the prior year. There were no major new customers.

On May 1, 2017, the total charter customer's water rate increased 2% to \$4.88 per thousand gallons, with operations and maintenance rate being \$4.88 per thousand gallons and the fixed cost equivalent remained at \$0.00 per thousand gallons.

As of June 1, 2016, the sales tax imposed was no longer imposed or collected. Sales tax received subsequent to June 1, 2016 is the result of collections efforts by the state and remitted to the Commission.

Investment income decreased \$0.9 million from the prior year due to over \$2.2 million of higher unrealized losses in market values in the fiscal year. The unrealized losses were partially offset by the improvement of the Commission's yield on investments and increased investment balances. In fiscal year 2018, the Commission met or exceeded all the targeted minimum balances for its reserve funds.

The highest expense in the Commission's operations remains water distribution costs. The City of Chicago increased their water rate charged to their customers in June 2017 by approximately 2%. In addition, water purchases were up 2.6% compared to prior year purchases. The combination of higher water rates and purchases were main drivers of water distribution costs increasing by \$4.8 million (4.5%) in fiscal year 2018.

Fiscal Year 2017

Water sales for fiscal year 2017 were 25.91 billion gallons versus 25.81 billion gallons in fiscal year 2016. The charter customer operations and maintenance average water rate decreased from an average of \$4.85 per thousand gallons to an average of \$4.80 per thousand gallons for fiscal year 2017 due to a rate decrease of 1% in May 2016. Water revenue decreased in fiscal year 2017 by \$0.9 million or 0.7% because of the lower rates, which were partially offset by an increase in water sales of 0.4%.

The Commission's sales tax revenues decreased by \$33.0 million. As of June 1, 2016, the sales tax imposed was no longer imposed or collected.

Investment income decreased by nearly \$0.7 million from fiscal year 2016 due to unrealized losses related to market values, partially offset by improved investment yield rates and higher investment balances. The Commission met all the targeted balances for its reserve funds.

Water distribution costs remain the highest expense in the Commission's operations. Water distribution costs increased \$0.5 million mainly due to the 0.6% increase in water purchases in fiscal 2017.

**COMPARATIVE SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET
POSITION**

For the Fiscal Years Ending April 30,

	2018	2017	2016
REVENUES			
Operating:			
Water sales - all categories	\$ 130,310,821	\$ 125,321,137	\$ 126,209,059
Other	35,631	23,533	44,654
Nonoperating:			
Sales tax	361,789	4,251,754	37,284,925
Investment income	(209,088)	659,821	1,399,369
Total Revenue	130,499,153	130,256,245	164,938,007
EXPENSES			
Operating:			
Water supply costs	110,529,039	105,745,058	105,243,073
Depreciation	8,750,995	8,392,781	8,094,468
Personal services	4,106,649	4,201,056	4,170,996
Other	1,660,202	1,538,668	1,521,340
Nonoperating:			
Interest and other charges	-	44	586,997
Total Expense	125,046,885	119,877,607	119,616,874
Change in net position	5,452,268	10,378,638	45,321,133
Net position, May 1	504,498,312	494,119,674	449,334,104
Change in accounting principle	-	-	(535,563)
Net position, May 1, restated	504,498,312	494,119,674	448,798,541
Net position, April 30	\$ 509,950,580	\$ 504,498,312	\$ 494,119,674

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The Commission's capital assets before depreciation totaled \$513.6 million in fiscal year 2018.

COMPARATIVE SUMMARY OF CHANGES IN NET CAPITAL ASSETS

For Fiscal Years Ending April 30,

	2018	2017	2016
Land and permanent easements	\$ 11,728,902	\$ 11,728,902	\$ 11,728,902
Construction in progress	2,076,035	813,872	941,386
Water mains	259,455,565	263,314,702	267,862,429
Buildings and other structures	49,307,597	51,795,773	53,786,996
Pumping equipment	15,413,730	15,385,140	13,138,711
Office furniture and equipment	196,351	199,714	264,906
Vehicles and other equipment	110,822	94,111	83,112
TOTAL CAPITAL ASSETS, NET	\$338,289,002	\$343,332,214	\$347,806,442

Detailed information about the Commission's capital assets is presented in the Notes to the Financial Statements.

Debt Administration. The Commission completed repayment of the 2013 Revenue Bonds in April 2016. With the payment made in April 2016, the Commission no longer had any revenue bonds or certificates of debt outstanding. The Commission made no other material changes in structure or changed any ordinances in fiscal year 2016.

Fiscal Year 2018

The Commission entered into no new debt certificates or issued new revenue bonds in fiscal year 2018. No additional capital lease obligations were entered into during fiscal year 2018.

Fiscal Year 2017

The Commission entered into no new debt certificates or issued new revenue bonds in fiscal year 2017. No additional capital lease obligations were entered into during fiscal year 2017. The remaining principal value remaining on the capital lease was repaid in September 2016.

COMPARATIVE SUMMARY OF CHANGES IN OUTSTANDING DEBT

For Fiscal Years Ending April 30,

	2018	2017	2016
Certificates of debt	\$ -	\$ -	\$ -
Water revenue bonds	-	-	-
Capital lease	-	-	3,240
TOTAL OUTSTANDING DEBT	\$ -	\$ -	\$ 3,240

Detailed information about the Commission's debt is presented in the Notes to the Financial Statements.

INVESTMENT PORTFOLIO

Fiscal Year 2018

The Commission's investment portfolio totaled \$150.3 million. At the end of the fiscal year, the overall portfolio was earning approximately 1.58%. The benchmarks adopted by the Commission are based on the nature of the accounts and expected duration of the investments. The indices range from the 3 month U.S. Treasury Bill index to the 1-10 year U.S. Treasury Bill index.

Commission funds were invested as follows at April 30, 2018: United States treasury obligations (38%), United States agency investments (33%), money market funds (11%), asset/mortgage backed securities (8%), commercial paper (6%), and municipal bonds (4%).

Fiscal Year 2017

The Commission's investment portfolio totaled \$143.7 million. At the end of the fiscal year, the portfolio was earning 1.23%. The benchmarks adopted by the Commission are based on the nature of the accounts and expected duration of the investments. The indices range from the 3 month U.S. Treasury Bill index to the 1-10 year U.S. Treasury Bill index.

Commission funds were invested as follows at April 30, 2017: United States agency investments (39%), United States treasury obligations (23%), money market funds (16%), commercial paper (11%), asset/mortgage backed securities (5%), municipal bonds (4%), and certificates of deposits (2%).

OTHER FINANCIAL INFORMATION

The Commission joined with the County of DuPage and the municipalities within the county to solve a water quality issue involving unincorporated areas not presently receiving a Lake Michigan water supply. As a wholesale distributor of Lake Michigan water, the Commission is not able to directly address this issue. However, the Commission agreed to make long-term, low-interest loans available to customer municipalities, retailers of Lake Michigan water, to extend their systems to serve county areas having water quality issues. The full extent of this contamination is unknown at this time. However, the Commission has committed to provide loans totaling not more than \$10 million toward mitigating the problem.

In total the Commission issued three loans for approximately \$5.6 million to charter customers during 2003-2007. Two of the loans were to be repaid in 13 installments, commencing in 2011 and continuing through 2023. Both of these loans have been paid in full. The third loan is to be repaid in 13 installments, commencing in 2014 and continuing through 2026. As of April 30, 2018 only \$0.4 million remained outstanding from the customers.

On February 7, 2017, the Commission entered into an Intergovernmental Agreement Concerning Loan for Capital Cost Recovery Charge to the Village of Bartlett and an Intergovernmental Agreement Concerning the Loan for Connection Facilities to Implement Water Service to the Village of Bartlett concurrent to entering into a Water Purchase and Sales Contract with the Village of Bartlett.

Upon becoming a member of the Commission and to comply with the Water Purchase and Sales Contract, the Village of Bartlett must pay its proportional share of costs for all of the property owned by the Commission (the “Capital Cost Recovery Charge”) by February 24, 2024. The Village of Bartlett did not currently have, nor foresee having, the ability to pay for the Capital Cost Recovery Charge by February 24, 2024. Therefore, the Commission, based upon a previously enacted resolution that gave the Commission the ability to finance the Capital Cost Recovery Charge for potential subsequent customers, entered into the Intergovernmental Agreement Concerning Loan for Capital Cost Recovery Charge to the Village of Bartlett.

The Capital Cost Recovery Charge loan was in the amount of \$13,030,632 and was immediately returned as full payment of the Capital Cost Recovery Charge per the Water Purchase and Sale Contract between the Commission and the Village of Bartlett. The loan will be repaid over 360 monthly payments (30 years) at an interest rate of 0% beginning the month after the Village of Bartlett begins receiving water from the Commission. As of April 30, 2018 loans totaling \$13,030,632 were due from the customer.

The Commission, based upon a previously enacted resolution that gave the Commission the ability to finance the Connection Facilities Cost for potential subsequent customers, entered into the Intergovernmental Agreement Concerning Loan for Connection Facilities to Implement Water Service to the Village. The Connection Facilities loan amount will be capped at \$21,000,000. The Commission would draw money from this amount as needed to complete the construction of all charges related to the completion of the connection facilities needed to supply water to the Village.

The loan will be repaid over 240 monthly payments (20 years) at an interest rate of the lower of the highest monthly average yield to maturity interest rate earned by the Commission (total all funds) as reported monthly on the Commission’s Schedule of Investments for the immediately preceding fiscal year (May 1 - April 30) as determined by the Commission plus one percent (1%) or four percent (4%) per annum. Interest will begin to be charged as withdrawals from the loan are needed. Interest will be capitalized on a monthly basis until the Village begins making payments on this loan. The Commission’s highest monthly average yield in fiscal year 2016-2017 was 1.23% and in 2017-2018 was 1.58%.

Loan payments will begin on the earlier of the first month after the Village begins taking water from the Commission or January 10, 2020. As of April 30, 2018 loans totaling \$3,052,028 were due from the customer.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the DuPage Water Commission’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Financial Administrator, DuPage Water Commission, 600 E. Butterfield Road, Elmhurst, IL 60126-4642, (630) 834-0100. E-mail requests should be sent to admin@dpwc.org.

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

Preliminary and Tentative
For Discussion Purposes Only

STATEMENTS OF NET POSITION

April 30, 2018 and 2017

	2018	2017
CURRENT ASSETS		
Cash and cash equivalents	\$ 38,719,761	\$ 43,899,609
Investments	133,065,661	117,494,722
Receivables		
Water sales	11,003,917	11,873,586
Accrued interest	460,191	396,699
Long-term loans receivable, current portion	49,044	49,044
Inventory	177,768	177,768
Prepaid expenses and deposits	366,416	360,799
Total current assets	<u>183,842,758</u>	<u>174,252,227</u>
NONCURRENT ASSETS		
Net pension asset	2,072,202	-
Long-term loans receivable	16,425,966	13,422,982
Capital assets		
Not being depreciated	13,804,937	12,542,774
Being depreciated	499,776,975	497,382,401
Less accumulated depreciation	<u>(175,292,910)</u>	<u>(166,592,961)</u>
Net capital assets	<u>338,289,002</u>	<u>343,332,214</u>
Total noncurrent assets	<u>356,787,170</u>	<u>356,755,196</u>
Total assets	<u>540,629,928</u>	<u>531,007,423</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension items	<u>752,735</u>	<u>1,002,332</u>
Total deferred outflows of resources	<u>752,735</u>	<u>1,002,332</u>
Total assets and deferred outflows of resources	<u>541,382,663</u>	<u>532,009,755</u>

(This statement is continued on the following page.)

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

Preliminary and Tentative
For Discussion Purposes Only

STATEMENTS OF NET POSITION (Continued)

April 30, 2018 and 2017

	2018	2017
CURRENT LIABILITIES		
Unearned revenue	\$ 780,302	\$ 780,302
Contract retentions	94,259	-
Customer deposits	18,799	18,799
Accounts payable	8,756,048	7,814,487
Accrued liabilities	2,765,737	853,913
Compensated absences	254,465	221,718
	12,669,610	9,689,219
LONG-TERM LIABILITIES		
Unearned revenue	16,932,213	17,712,516
Net pension liability	-	32,906
Other postemployment benefits obligation	91,032	76,802
	17,023,245	17,822,224
	29,692,855	27,511,443
DEFERRED INFLOWS OF RESOURCES		
Pension items	1,739,228	-
	31,432,083	27,511,443
NET POSITION		
Net investment in capital assets	338,289,002	343,332,214
Unrestricted	171,661,578	161,166,098
	\$ 509,950,580	\$ 504,498,312
	\$ 509,950,580	\$ 504,498,312

See accompanying notes to financial statements.

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

Preliminary and Tentative
For Discussion Purposes Only

STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION

For the Years Ended April 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Water sales		
Operations and maintenance costs	\$ 129,421,733	\$ 124,194,634
Customer differential	889,088	1,126,503
Other income	35,631	23,533
Total operating revenues	130,346,452	125,344,670
OPERATING EXPENSES		
Water supply costs	110,529,039	105,745,058
Personal services	4,106,649	4,201,056
Insurance	554,144	540,416
Professional and contractual services	640,709	593,195
Administrative costs	465,349	405,057
Total operating expenses	116,295,890	111,484,782
OPERATING INCOME BEFORE DEPRECIATION	14,050,562	13,859,888
Depreciation	8,750,995	8,392,781
OPERATING INCOME	5,299,567	5,467,107
NON-OPERATING REVENUES (EXPENSES)		
Sales tax	361,789	4,251,754
Investment income	(209,088)	659,821
Interest and other charges	-	(44)
Total non-operating revenues (expenses)	152,701	4,911,531
CHANGE IN NET POSITION	5,452,268	10,378,638
NET POSITION, MAY 1	504,498,312	494,119,674
NET POSITION, APRIL 30	\$ 509,950,580	\$ 504,498,312

See accompanying notes to financial statements.

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

**Preliminary and Tentative
For Discussion Purposes Only**

STATEMENTS OF CASH FLOWS

For the Years Ended April 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 130,400,187	\$ 140,334,979
Cash payments to suppliers	(110,550,701)	(109,098,607)
Cash payments to employees	(2,966,727)	(2,906,371)
Other cash receipts	35,631	23,534
	16,918,390	28,353,535
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from sales taxes	361,789	12,546,754
Cash received from water quality loans	49,044	49,044
Cash paid for cost recovery loans	-	(13,030,632)
Cash paid for connection facilities loans	(3,052,028)	-
	(2,641,195)	(434,834)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Interest paid on capital lease payable	-	(44)
Principal paid on capital lease payable	-	(3,240)
Construction and purchases of capital assets	(3,613,523)	(3,918,553)
	(3,613,523)	(3,921,837)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	1,997,669	1,648,545
Proceeds from sale of investments	59,842,712	101,730,031
Purchase of investments	(77,683,901)	(113,296,773)
	(15,843,520)	(9,918,197)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,179,848)	14,078,667
CASH AND CASH EQUIVALENTS, MAY 1	43,899,609	29,820,942
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 38,719,761	\$ 43,899,609

(This statement is continued on the following page.)

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

**Preliminary and Tentative
For Discussion Purposes Only**

STATEMENTS OF CASH FLOWS (Continued)

For the Years Ended April 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 5,299,567	\$ 5,467,107
Adjustments to reconcile operating income to net cash from operating activities		
Depreciation	8,750,995	8,392,781
Changes in assets and liabilities		
(Increase) decrease in water sales receivable	869,669	(5,120)
Increase in inventory	-	(3,000)
Increase in prepaid expenses and deposits	(5,617)	(4,307)
Increase in unearned revenue	(780,303)	15,018,963
(Decrease) increase in accounts payable	941,561	(374,433)
Increase in accrued liabilities and compensated absences	1,944,571	57,751
Increase in other postemployment benefits obligation	14,230	10,684
Decrease in net pension asset/liability	(2,105,108)	(426,399)
Decrease (increase) in deferred pension items	1,988,825	219,508
Decrease in customer deposits	-	-
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 16,918,390</u>	<u>\$ 28,353,535</u>
NONCASH INVESTING ACTIVITIES		
Unrealized gain (loss) on investments	<u>\$ (2,811,489)</u>	<u>\$ (541,239)</u>

See accompanying notes to financial statements.

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

April 30, 2018 and 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The DuPage Water Commission (the Commission) is a county water commission, body politic and corporate, political subdivision and unit of local government, in DuPage County, Illinois, existing and operating under the Water Commission Act of 1985 (70 ILCS 3720), effective July 30, 1985, as amended (the 1985 Commission Act). The Commission declared the official start of operations on May 1, 1992.

The Board of Commissioners consists of 13 members. Seven of the board members are appointed by the DuPage County Board Chairman with the advice and consent of the County Board. One of these appointees is designated as Chairman of the Commission and must be approved by the Board of Commissioners. The other six board members are appointed by vote of the mayors of municipalities within the DuPage County districts.

The purpose and objectives of the Commission are:

- a. To provide water to municipalities and other customers within DuPage County.
- b. To plan, construct, acquire, develop, operate, maintain, and/or contract for facilities for receiving, storing, and transmitting water from Lake Michigan for the principal use and mutual benefit of the municipalities and other customers.
- c. To provide adequate supplies of such water on an economical and efficient basis for the municipalities and other customers.
- d. To provide a forum for discussion, study development, and implementation of recommendations of mutual interest regarding water distribution and supply facilities within DuPage County.

The primary authority to designate management, influence operations, formulate budgets, and set water rates rests with the Board of Commissioners. Significant matters that require board action include setting water rates, borrowing funds, amending the Chicago Water Supply Contract or Commission by-laws, and employing the general manager, treasurer, financial administrator, and professional contractors. These significant matters must carry a majority vote of all commissioners, which majority must contain at least one-third of the DuPage County appointed Board members and 40% of the municipality appointed board members.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting policies are described below.

a. Reporting Entity

The Commission is considered to be a primary government pursuant to GASB Statement No. 14 since it is legally separate and fiscally independent. These financial statements include all functions, programs, and activities under the control of the Board of Commissioners.

b. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Non-operating revenues/expenses are incidental to the operation of the fund.

c. Fund Accounting

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the Commission is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Commission has decided that periodic determination of revenues earned, expenses incurred, and net income or loss is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Commission's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

e. Investments

Investments with a maturity of one year or less when purchased are stated at cost or amortized cost. Investments and negotiable certificates of deposits with a maturity date greater than one year from the date of purchase are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Accounts Receivable

Customer receivables are recorded as receivables and revenues at their original invoice amount. Management has determined no allowance for uncollectible accounts necessary as of April 30, 2018 and 2017. A receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 40 days.

g. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report, if any, are recorded as prepaid expenses.

h. Inventory

Inventories are accounted for at cost, using the first-in/first-out (FIFO) method.

i. Capital Assets - Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost. If actual cost cannot be determined, estimated historical cost is used; donated capital assets are valued at acquisition value on the date donated. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Depreciation of property, plant, and equipment has been provided for over the estimated useful lives using the straight-line method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets - Property, Plant, and Equipment (Continued)

Estimated useful lives are as follows:

Water mains	80 years
Buildings and other structures	40 years
Pumping equipment	30 years
Office furniture and equipment	3 - 10 years
Vehicles and other equipment	5 - 25 years

Maintenance and repairs are charged to expense in the year incurred. Expenses that extend the useful life or increase productivity of property, plant, and equipment are capitalized. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

j. Bond Discounts, Bond Premiums, and Losses on Refundings

Bond discounts, bond premiums, and losses on refundings are deferred and amortized over the term of the bonds using the bonds outstanding method, which approximates the effective interest method. Bond discounts and losses on refundings are presented as a reduction of the face amount of bonds payable; bond premiums are presented as an addition to the face amount of bonds payable. Bond issuance costs are expensed in the period incurred.

k. Compensated Absences

Employees earn vacation based on their anniversary date with the Commission. Earned vacation may be accumulated and is payable to the employee upon termination of employment and, therefore, is accrued through April 30. Accumulated sick leave is not reimbursable upon termination of employment and, therefore, is not accrued.

l. Unearned Revenue

Payments from member communities due in subsequent years and received in the current year are reported as unearned revenue.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Net Position

Restricted net position represent amounts required to be segregated by bond ordinance provisions. None of the net position is restricted as a result of enabling legislation adopted by the Commission. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Net investment in capital assets represents the net book value of capital assets less long-term debt principal outstanding issued to construct or acquire capital assets.

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission does not have any deferred inflows of resources that meet this criteria.

o. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Commission categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

2. DEPOSITS AND INVESTMENTS (Continued)

The Commission’s investment policy limits investments of the Commission’s funds to the following: (a) direct or fully guaranteed obligations of the United States Government; (b) fully guaranteed obligations of certain U.S. federally chartered agencies; (c) interest-bearing demand or time deposits in banks and savings and loan associations; (d) short-term obligations of U.S. corporations with assets exceeding \$500,000,000 and with a rating of A1/P1; (e) money market mutual funds whose portfolio consists solely of U.S. Government obligations; (f) the Illinois Funds Investment Pool of the State of Illinois; (g) state and local obligations rated A-/A3; and (h) repurchase agreements.

It is the policy of the Commission to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Commission and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety, liquidity, and rate of return.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Commission’s deposits may not be returned to it. The Commission’s investment policy allows for the pledging of collateral for all bank balances in excess of federal depository insurance, with collateral held by a third party under a trust agreement or safekeeping agreement. The bank balance of cash and certificates of deposit was fully insured or collateralized at April 30, 2018 and 2017.

b. Investments

The following table presents the investments and maturities of the Commission’s debt securities as of April 30, 2018 and 2017:

Investment Type	2018				
	Investment Maturities (in Years)				
	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 56,413,122	\$ 593,063	\$ 52,373,372	\$ 3,446,687	\$ -
U.S. agency	49,401,423	13,081,346	36,124,399	195,678	-
Commercial paper	9,211,016	9,211,016	-	-	-
Municipal bond	5,510,234	1,106,652	4,403,582	-	-
Asset backed/mortgage backed securities	12,529,866	247,764	2,108,976	7,583,713	2,589,413
TOTAL	\$ 133,065,661	\$ 24,239,841	\$ 95,010,329	\$ 11,226,078	\$ 2,589,413

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Investment Type	2017				
	Investment Maturities (in Years)				
	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 32,953,347	\$ -	\$ 29,703,419	\$ 3,249,928	\$ -
U.S. agency	55,875,362	2,292,490	53,379,900	202,972	-
Commercial paper	15,745,049	15,745,049	-	-	-
Municipal bond	6,385,077	209,970	6,175,107	-	-
Asset backed/mortgage backed securities	6,535,887	488,725	3,629,707	1,008,407	1,409,048
TOTAL	\$ 117,494,722	\$ 18,736,234	\$ 92,888,133	\$ 4,461,307	\$ 1,409,048

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Commission limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Investments cannot have a maturity greater than five years except commercial paper which is limited to 270 days and investments within the Long-Term Water Capital Reserve, which may have a maximum maturity of ten years provided that such investments have a maximum five-year weighted average maturity. For U.S. Government Agency Mortgage Backed Securities (MBS), the five-year maturity limit will be the weighted average life (WAL) calculation, rather than final maturity.

The Commission has the following recurring fair value measurements as of April 30, 2018 and 2017: the U.S. Treasury notes are valued using IDSI Institutional Bond quotes (Level 1 inputs). The U.S. agency obligations are valued using IDSI Institutional Bond quotes (Level 2 inputs). Commercial paper are valued using Matrix pricing (Level 2 inputs). The municipal obligations are valued using Kenny Municipals (Level 2 inputs). The asset backed/mortgage backed securities are valued using IDSI MBS pricing and IDSI CMO pricing (Level 2 inputs).

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Commission limits its exposure to credit risk by primarily investing in U.S. Government obligations, municipal bonds rated at least A- by Standard and Poor's or A3 by Moody's at the time of purchase, and external investment pools. At April 30, 2018, the money market fund and Illinois Funds are AAA rated. The commercial paper is rated A1 and the municipal bonds are rated A to AAA or are not rated. The U.S. Treasury notes and asset backed/mortgage backed securities are AA+ rated. The U.S. agency obligations are AAA rated. The municipal obligations are rated AA- through AAA.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Commission will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Commission’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian in the Commission’s name and evidenced by safekeeping receipts. Money market funds are not subject to custodial credit risk.

Concentration of credit risk is the risk of loss due to a high percentage of the Commission’s investments being invested with any one issuer. The Commission’s investment policy places no limit on the amount the Commission may invest in any one issuer, except for commercial paper and obligations classified as supranational securities, which are limited to 5% of the total portfolio.

3. CHARTER CUSTOMER LOANS RECEIVABLE

On April 25, 2002, the Commission approved a motion for a proposed agreement to make long-term, low-interest loans available to Charter Customer municipalities for the purpose of providing financing under certain circumstances to future customers who presently live in areas of DuPage County not presently served by the Commission. The Commission had one loan outstanding as of and during the years ending April 30, 2018 and 2017. The loan is to be repaid in 13 installments, commencing in 2014 and continuing through 2026. Interest at a rate of 2% per annum shall be paid annually until the principal balance of the loan has been paid in full. As of April 30, 2018 and 2017, loans totaling \$392,350 and \$441,394, respectively, were due from the customer. These loans are reported as long-term loans receivable on the statement of net position.

Payments due from Charter Customers are as follows:

Fiscal Year Ending April 30	2018	
	Principal	Interest
2019	\$ 49,044	\$ 7,847
2020	49,044	6,866
2021	49,044	5,885
2022	49,044	4,904
2023	49,044	3,924
2024-2026	147,130	5,885
TOTAL	\$ 392,350	\$ 35,311

3. CHARTER CUSTOMER LOANS RECEIVABLE (Continued)

Fiscal Year Ending April 30	2017	
	Principal	Interest
2018	\$ 49,044	\$ 8,828
2019	49,044	7,847
2020	49,044	6,866
2021	49,044	5,885
2022	49,044	4,904
2023-2026	196,174	9,809
TOTAL	\$ 441,394	\$ 44,139

4. CAPITAL ASSETS

Capital asset activity for years ended April 30, 2018 and 2017 is as follows:

	2018			
	Balances May 1	Additions	Retirements	Balances April 30
Capital assets not being depreciated				
Land and permanent easements	\$ 11,728,902	\$ -	\$ -	\$ 11,728,902
Construction in progress	813,872	1,925,410	663,247	2,076,035
Total capital assets not being depreciated	12,542,774	1,925,410	663,247	13,804,937
Capital assets being depreciated				
Water mains	364,135,069	690,749	-	364,825,818
Buildings and other structures	104,453,344	177,675	-	104,631,019
Pumping equipment	23,414,564	1,462,431	9,174	24,867,821
Office furniture and equipment	4,678,127	77,505	5,645	4,749,987
Vehicles and other equipment	701,297	37,260	36,227	702,330
Total capital assets being depreciated	497,382,401	2,445,620	51,046	499,776,975
Less accumulated depreciation				
Water mains	100,820,367	4,549,886	-	105,370,253
Buildings and other structures	52,657,571	2,665,851	-	55,323,422
Pumping equipment	8,029,424	1,433,841	9,174	9,454,091
Office furniture and equipment	4,478,413	80,868	5,645	4,553,636
Vehicles and other equipment	607,186	20,549	36,227	591,508
Total accumulated depreciation	166,592,961	8,750,995	51,046	175,292,910
Total capital assets being depreciated, net	330,789,440	(6,305,375)	-	324,484,065
CAPITAL ASSETS, NET	\$ 343,332,214	\$ (4,379,965)	\$ 663,247	\$ 338,289,002

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

4. CAPITAL ASSETS (Continued)

	2017			Balances April 30
	Balances May 1	Additions	Retirements	
Capital assets not being depreciated				
Land and permanent easements	\$ 11,728,902	\$ -	\$ -	\$ 11,728,902
Construction in progress	941,386	3,869,766	3,997,280	813,872
Total capital assets not being depreciated	12,670,288	3,869,766	3,997,280	12,542,774
Capital assets being depreciated				
Water mains	364,135,069	-	-	364,135,069
Buildings and other structures	103,814,368	638,976	-	104,453,344
Pumping equipment	20,059,385	3,355,179	-	23,414,564
Office furniture and equipment	4,658,064	20,063	-	4,678,127
Vehicles and other equipment	669,448	31,849	-	701,297
Total capital assets being depreciated	493,336,334	4,046,067	-	497,382,401
Less accumulated depreciation				
Water mains	96,272,640	4,547,727	-	100,820,367
Buildings and other structures	50,027,372	2,630,199	-	52,657,571
Pumping equipment	6,920,674	1,108,750	-	8,029,424
Office furniture and equipment	4,393,158	85,255	-	4,478,413
Vehicles and other equipment	586,336	20,850	-	607,186
Total accumulated depreciation	158,200,180	8,392,781	-	166,592,961
Total capital assets being depreciated, net	335,136,154	(4,346,714)	-	330,789,440
CAPITAL ASSETS, NET	\$ 347,806,442	\$ (476,948)	\$ 3,997,280	\$ 343,332,214

5. WATER CONTRACT WITH THE CITY OF CHICAGO

The Commission has entered into a 40-year contract (from March 19, 1984) with the City of Chicago, Illinois (the Chicago Contract), under which the City of Chicago (the City) has agreed to supply all of the Commission's water requirements, up to 1.7 times the year's annual average day amount, with water of such quality as will meet or exceed applicable standards of the state and federal governments. The Chicago Contract provides that the cost of water to the Commission is furnished by the City through meters.

The Commission is obligated to purchase a minimum amount of water; such minimum is 50% of the aggregate Illinois Department of Natural Resources allocations. In fiscal 2018 and 2017, the Commission purchased 27.4 and 26.8 billion gallons of water, respectively, from the City, which equaled 74.04% and 72.79%, respectively, of the aggregate Illinois Department of Natural Resources allocations.

6. RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to and illnesses of the Commission’s employees. These risks, along with medical claims for employees and retirees, are provided for through insurance purchased from private insurance companies.

There have been no reductions in the Commission’s insurance coverage for any of its programs since the prior fiscal year. Settlements have not exceeded insurance coverage during the current year or prior three fiscal years.

7. LONG-TERM DEBT

a. A schedule of changes in long-term obligations payable is as follows:

	2018				
	Balances	Issuances	Retirements	Balances	Due
	May 1			April 30	Within One Year
Other postemployment benefits obligation	\$ 76,802	\$ 14,230	\$ -	\$ 91,032	\$ -
Net pension liability	32,906	-	32,906	-	-
TOTAL	\$ 109,708	\$ 14,230	\$ 32,906	\$ 91,032	\$ -

	2017				
	Balances	Issuances	Retirements	Balances	Due
	May 1			April 30	Within One Year
Other postemployment benefits obligation	\$ 66,118	\$ 10,684	\$ -	\$ 76,802	\$ -
Net pension liability	459,305	-	426,399	32,906	-
Capital lease	3,240	-	3,240	-	-
TOTAL	\$ 528,663	\$ 10,684	\$ 429,639	\$ 109,708	\$ -

8. CONTINGENCIES

Contingent Liabilities

The Commission has certain other contingent liabilities resulting from litigation, claims, and commitments incident to the ordinary course of business. It is expected that final resolution of such contingencies will not materially affect the financial position or changes in financial position of the Commission.

9. MAJOR CUSTOMER

During fiscal year 2018 and 2017, approximately 5.5 and 5.3 billion gallons, or 20.82% and 20.37%, respectively, of water sales revenue in the Water Fund were realized from the City of Naperville, the Commission's largest customer.

10. DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

Plan Description

The Commission's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The Commission's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained online at www.imrf.org.

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required. Benefits and refunds are recognized as an expense and liability when due and payable.

10. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2017, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	6
Active employees	<u>33</u>
 TOTAL	 <u><u>48</u></u>

At December 31, 2016, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	8
Inactive employees entitled to but not yet receiving benefits	6
Active employees	<u>31</u>
 TOTAL	 <u><u>45</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

10. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

As set by statute, the Commission's regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires the Commission to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Commission's annual required contribution rate for calendar years 2017 and 2016 was 8.03% and 10.90%, respectively. The Commission also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Actuarial Assumptions

The Commission's net pension liability was measured as of December 31, 2017 and 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2017
Actuarial cost method	Aggregate Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.39% to 14.25%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

10. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Actuarial valuation date	December 31, 2016
Actuarial cost method	Aggregate Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

10. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2017 and 2016 was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Commission contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Position Liability (Asset)
BALANCES AT JANUARY 1, 2017	\$ 15,081,818	\$ 15,048,912	\$ 32,906
Changes for the period			
Service cost	315,765	-	315,765
Interest	1,126,142	-	1,126,142
Difference between expected and actual experience	(122,844)	-	(122,844)
Changes in assumptions	(506,771)	-	(506,771)
Employer contributions	-	289,995	(289,995)
Employee contributions	-	129,996	(129,996)
Net investment income	-	2,616,212	(2,616,212)
Benefit payments and refunds	(448,960)	(448,960)	-
Administrative expense	-	-	-
Other (net transfer)	-	(118,803)	118,803
Net changes	363,332	2,468,440	(2,105,108)
BALANCES AT DECEMBER 31, 2017	\$ 15,445,150	\$ 17,517,352	\$ (2,072,202)

Changes in assumptions related to price inflation, salary increases, retirement age and mortality rates were made since the prior measurement date.

10. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2016	\$ 13,898,430	\$ 13,439,125	\$ 459,305
Changes for the period			
Service cost	305,807	-	305,807
Interest	1,038,857	-	1,038,857
Difference between expected and actual experience	238,543	-	238,543
Changes in assumptions	-	-	-
Employer contributions	-	889,218	(889,218)
Employee contributions	-	131,239	(131,239)
Net investment income	-	940,747	(940,747)
Benefit payments and refunds	(399,819)	(399,819)	-
Administrative expense	-	-	-
Other (net transfer)	-	48,402	(48,402)
Net changes	1,183,388	1,609,787	(426,399)
BALANCES AT DECEMBER 31, 2016	\$ 15,081,818	\$ 15,048,912	\$ 32,906

10. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2018, the Commission recognized pension expense of \$168,416. At April 30, 2018, the Commission reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 272,473	\$ 106,288
Changes in assumption	-	438,472
Commission contributions subsequent to the measurement date	66,256	-
Net difference between projected and actual earnings on pension plan investments	414,006	1,194,468
TOTAL	\$ 752,735	\$ 1,739,228

\$66,256 reported as deferred outflows of resources related to pensions resulting from the Commission contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2019. Other amounts reported as deferred outflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2019	\$ 138,238
2020	138,240
2021	317,558
2022	336,014
2023	37,397
Thereafter	85,302
TOTAL	\$ 1,052,749

10. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
 (Continued)*

For the year ended April 30, 2017, the Commission recognized pension expense of \$375,422. At April 30, 2017, the Commission reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 319,931	\$ -
Changes in assumption	-	-
Commission contributions subsequent to the measurement date	70,619	-
Net difference between projected and actual earnings on pension plan investments	<u>611,782</u>	-
TOTAL	<u><u>\$ 1,002,332</u></u>	<u><u>\$ -</u></u>

\$70,619 reported as deferred outflows of resources related to pensions resulting from the Commission contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2018.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate at December 31, 2017. The table below presents the net pension liability (asset) of the Commission calculated using the discount rate of 7.50% as well as what the Commission's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 24,889	\$ (2,072,202)	\$ (3,803,350)

10. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity (Continued)

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate at December 31, 2016. The table below presents the net pension liability (asset) of the Commission calculated using the discount rate of 7.50% as well as what the Commission's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 2,225,100	\$ 32,906	\$ (1,763,492)

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Commission provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions, and employer contributions are governed by the Commission and can be amended by the Commission. Certain benefits are controlled by state laws and can only be changed by the Illinois Legislature. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report.

b. Benefits Provided

The Commission provides pre- and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Commission's retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Commission's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At April 30, 2016 (the most recent actuarial valuation) membership consisted of:

Retirees and dependents	2
Active fully eligible to retire	7
Active not yet fully eligible to retire	24
	<hr/>
TOTAL	33
	<hr/> <hr/>
Participating employers	1
	<hr/> <hr/>

d. Funding Policy

The Commission is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The Commission's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2018, 2017, and 2016 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
<hr/>			
2015	\$ 8,272	77.00%	\$ 54,264
2016	24,397	51.00%	66,118
2017	25,438	58.00%	76,802
2018	26,509	46.00%	91,032

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

The net OPEB obligation as of April 30, 2018 and 2017 was calculated as follows:

	2018	2017
Annual required contribution	\$ 25,997	\$ 24,997
Interest on net OPEB obligation	3,072	2,645
Adjustment to annual required contribution	(2,560)	(2,204)
Annual OPEB cost	26,509	25,438
Contributions made	12,279	14,754
Increase in net OPEB obligation	14,230	10,684
Net OPEB obligation, beginning of year	76,802	66,118
NET OPEB OBLIGATION, END OF YEAR	\$ 91,032	\$ 76,802

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2016 was as follows:

Actuarial accrued liability (AAL)	\$ 256,153
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	256,153
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 2,604,921
UAAL as a percentage of covered payroll	9.80%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2016 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4.00% and an initial healthcare cost trend rate of 7.80% with an ultimate healthcare inflation rate of 5.00%. Both rates include a 3.00% inflation assumption and 4.00% wage inflation assumption. The actuarial value of assets was not determined as the Commission has not advanced funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2016 was 30 years.

12. CUSTOMER PREPAYMENTS AND NON-CHARTER CUSTOMERS LOANS RECEIVABLE

Payments from non-Charter Customers for customer differential revenues are reported as unearned revenues. These unearned revenues will be amortized on a straight-line basis through April 30, 2024. Customer differentials represent payments for connecting to the Commission's system as well as fixed costs charged to subsequent customers to cover costs which would have been paid by subsequent customers if they had been Charter Customers.

On February 7, 2017, the Commission entered into an Intergovernmental Agreement Concerning Loan for Capital Cost Recovery Charge to the Village of Bartlett (the Village) and an Intergovernmental Agreement Concerning the Loan for Connection Facilities to Implement Water Service to the Village concurrent to entering into a Water Purchase and Sales Contract with the Village.

Upon becoming a member of the Commission and to comply with the Water Purchase and Sales Contract, the Village must pay its proportional share of costs for all of the property owned by the Commission (the "Capital Cost Recovery Charge") by February 24, 2024. The Village did not currently have, nor foresee having, the ability to pay for the Capital Cost Recovery Charge by February 24, 2024. Therefore, the Commission, based upon a previously enacted resolution that gave the Commission the ability to finance the Capital Cost Recovery Charge for potential subsequent customers, entered into the Intergovernmental Agreement Concerning Loan for Capital Cost Recovery Charge to the Village.

12. CUSTOMER PREPAYMENTS AND NON-CHARTER CUSTOMERS LOANS RECEIVABLE (Continued)

The Capital Cost Recovery Charge loan was in the amount of \$13,030,632 and was immediately returned as full payment of the Capital Cost Recovery Charge per the Water Purchase and Sale Contract between the Commission and the Village. The loan will be repaid over 360 monthly payments (30 years) at an interest rate of 0% beginning the month after the Village begins receiving water from the Commission. As of April 30, 2018 and 2017, loans totaling \$13,030,632 were due from the customer. This loan is reported as long-term loans receivable on the statement of net position.

The Commission, based upon a previously enacted resolution that gave the Commission the ability to finance the Connection Facilities Cost for potential subsequent customers, entered into the Intergovernmental Agreement Concerning Loan for Connection Facilities to Implement Water Service to the Village. The Connection Facilities loan amount will be capped at \$21,000,000. The Commission would draw money from this amount as needed to complete the construction of all charges related to the completion of the connection facilities needed to supply water to the Village.

The loan will be repaid over 240 monthly payments (20 years) at an interest rate of the lower of the highest monthly average yield to maturity interest rate earned by the Commission (total all funds) as reported monthly on the Commission's Schedule of Investments for the immediately preceding fiscal year (May 1 - April 30) as determined by the Commission plus one percent (1%) or four percent (4%) per annum. Interest will begin to be charged as withdrawals from the loan are needed. Interest will be capitalized on a monthly basis until the Village begins making payments on this loan. The Commission's highest monthly average yield in fiscal year 2016-2017 was 1.23% and in 2017-2018 was 1.58%.

Loan payments will begin on the earlier of the first month after the Village begins taking water from the Commission or January 10, 2020. As of April 30, 2018 and 2017, loans totaling \$3,052,028 and \$0, respectively, were due from the customer. This loan is reported as long-term loans receivable on the statement of net position.

13. SALES TAX

As of June 1, 2016, the sales tax imposed was no longer imposed or collected. There was no referendum introduced for a continuation of the tax to be approved by the voters. Sales tax received subsequent to June 1, 2016 is the result of collections efforts by the state and remitted to the Commission. This additional sales tax is recorded as revenue in the period received.

REQUIRED SUPPLEMENTARY INFORMATION

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

**Preliminary and Tentative
For Discussion Purposes Only**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2017**	2016*	2015
TOTAL PENSION LIABILITY			
Service cost	\$ 315,765	\$ 305,807	\$ 289,658
Interest	1,126,142	1,038,857	963,114
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(122,844)	238,543	146,673
Changes of assumptions	(506,771)	-	-
Benefit payments, including refunds of member contributions	(448,960)	(399,819)	(395,421)
Net change in total pension liability	363,332	1,183,388	1,004,024
Total pension liability - beginning	15,081,818	13,898,430	12,894,406
TOTAL PENSION LIABILITY - ENDING	\$ 15,445,150	\$ 15,081,818	\$ 13,898,430
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 289,995	\$ 889,218	\$ 1,594,623
Contributions - member	129,996	131,239	122,417
Net investment income	2,616,212	940,747	64,591
Benefit payments, including refunds of member contributions	(448,960)	(399,819)	(395,421)
Other/administrative expense	(118,803)	48,402	(204,380)
Net change in plan fiduciary net position	2,468,440	1,609,787	1,181,830
Plan fiduciary net position - beginning	15,048,912	13,439,125	12,257,295
PLAN FIDUCIARY NET POSITION - ENDING	\$ 17,517,352	\$ 15,048,912	\$ 13,439,125
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (2,072,202)	\$ 32,906	\$ 459,305
Plan fiduciary net position as a percentage of the total pension liability	113.42%	99.78%	96.70%
Covered-employee payroll	\$ 2,888,810	\$ 2,916,407	\$ 2,720,369
Employer's net pension liability as a percentage of covered-employee payroll	(71.73%)	1.13%	16.88%

*No assumption changes were made since the prior measurement date.

**Changes in assumptions related to salary increases, price inflation, mortality tables, and retirement ages.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2018	2017	2016
Actuarially determined contribution	\$ 285,631	\$ 282,313	\$ 294,359
Contributions in relation to the actuarially determined contribution	285,631	282,313	294,359
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 2,936,315	\$ 2,864,078	\$ 2,747,867
Contributions as a percentage of covered-employee payroll	9.73%	9.86%	10.71%

Notes to Required Supplementary Information

The Commission made additional contributions of \$300,000 and \$1,574,330 during the fiscal years ending April 30, 2017 and 2016, respectively. Accordingly, these additional contributions are not included in contributions in relation to the actuarially determined contribution above.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years (ten-year rolling period for nontaxing bodies); the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is

(See independent auditor's report.)

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2018

Actuarial Valuation Date April 30	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4)/(5)
2013	\$ -	\$ 86,237	0.00%	\$ 86,237	\$ 2,643,508	3.26%
2014	*	*	*	*	*	*
2015	*	*	*	*	*	*
2016	*	256,153	0.00%	256,153	2,604,921	9.80%
2017	*	*	*	*	*	*
2018	*	*	*	*	*	*

*The requirements under GASB Statement No. 45 require an actuarial valuation every three years. Therefore, no actuarial valuation was done as of April 30, 2014, 2015, 2017, and 2018.

The following assumption changes were made during the April 30, 2016 valuation: The implicit liability factor was changed from 40% to 80% of the premium.

(See independent auditor's report.)

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

Preliminary and Tentative
For Discussion Purposes Only

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

April 30, 2018

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2013	\$ 6,370	\$ 7,755	82.14%
2014	6,370	7,755	82.14%
2015	6,370	7,755	82.14%
2016	12,543	24,036	52.18%
2017	14,754	24,997	59.02%
2018	12,279	25,997	47.23%

The following assumption changes were made during the April 30, 2016 valuation: The implicit liability factor was changed from 40% to 80% of the premium.

(See independent auditor's report.)

SUPPLEMENTAL DATA

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

**Preliminary and Tentative
For Discussion Purposes Only**

SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2018
(with comparative actual for the year ended April 30, 2017)

	2018		2017	
	Budget	Actual	Variance	Actual
OPERATING REVENUES				
Water sales				
Operations and maintenance costs	\$ 120,555,173	\$ 129,421,733	\$ 8,866,560	\$ 124,194,634
Customer differential	873,712	889,088	15,376	1,126,503
Other income	-	35,631	35,631	23,533
	<hr/>			
Total operating revenues	121,428,885	130,346,452	8,917,567	125,344,670
	<hr/>			
OPERATING EXPENSES				
Water supply costs	105,636,435	110,529,039	4,892,604	105,745,058
Personal services	4,536,638	4,106,649	(429,989)	4,201,056
Insurance	659,800	554,144	(105,656)	540,416
Professional and contractual services	1,032,600	640,709	(391,891)	593,195
Administrative costs	697,071	465,349	(231,722)	405,057
	<hr/>			
Total operating expenses	112,562,544	116,295,890	3,733,346	111,484,782
	<hr/>			
OPERATING INCOME BEFORE DEPRECIATION	8,866,341	14,050,562	5,184,221	13,859,888
	<hr/>			
Depreciation	9,094,000	8,750,995	(343,005)	8,392,781
	<hr/>			
OPERATING INCOME (LOSS)	(227,659)	5,299,567	5,527,226	5,467,107
	<hr/>			
NON-OPERATING REVENUES (EXPENSES)				
Sales tax	-	361,789	361,789	4,251,754
Investment income	560,000	(209,088)	(769,088)	659,821
Interest and other charges	-	-	-	(44)
	<hr/>			
Total non-operating revenues (expenses)	560,000	152,701	(407,299)	4,911,531
	<hr/>			
CHANGE IN NET POSITION	\$ 332,341	5,452,268	\$ 5,119,927	10,378,638
	<hr/>			
NET POSITION, MAY 1		504,498,312		494,119,674
		<hr/>		
NET POSITION, APRIL 30		\$ 509,950,580		\$ 504,498,312
		<hr/>		

(See independent auditor's report.)

STATISTICAL SECTION

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

Preliminary and Tentative
For Discussion Purposes Only

SALES TAX REVENUES

For the Years Ended April 30

Year Ended	Sales Tax Revenues
2018	\$ 361,789
2017	4,251,754
2016	37,284,925
2015	36,791,962
2014	34,945,975

As of June 1, 2016, the sales tax imposed was no longer imposed or collected. There was no referendum introduced for a continuation of the tax to be approved by the voters. Sales tax received subsequent to June 1, 2016 is the result of collections efforts by the state and remitted to the Commission. This additional sales tax is recorded as revenue in the period received.

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

**Preliminary and Tentative
For Discussion Purposes Only**

STATE WATER ALLOCATIONS

April 30, 2018

	(Millions Gallons Per Day) ⁽¹⁾		
	2010	2020	2030
Addison	4.230	4.457	4.682
Argonne National Laboratory (2)	0.758	0.758	0.758
Bartlett		3.290	3.700
Bensenville	2.571	2.616	2.660
Bloomingtondale	2.767	3.048	3.327
Carol Stream	4.213	4.600	4.926
Clarendon Hills	0.832	0.888	0.942
Darien	2.934	3.254	3.293
Downers Grove	6.589	7.265	7.937
DuPage County			
Glen Ellyn Heights	0.210	0.283	0.395
Steeple Run	0.183	0.189	0.195
S.E.R.W.F.	0.643	0.708	0.782
Hobson Valley	0.051	0.126	0.195
York Township	0.172	0.172	0.172
Elmhurst	4.699	4.749	4.797
Glen Ellyn	2.985	3.164	3.349
Glendale Heights	2.869	2.977	3.086
Hinsdale	2.762	2.923	3.081
Illinois American			
Arrowhead	0.190	0.190	0.190
Country Club Estates	0.105	0.105	0.105
Dupage/Lisle	0.555	0.585	0.615
Liberty Ridge East	0.042	0.048	0.054
Liberty Ridge West	0.305	0.349	0.400
Lombard Heights	0.065	0.065	0.065
Valley View	0.700	0.700	0.700
Itasca	1.666	1.951	2.143
Lisle	3.024	3.261	3.497
Lombard	4.777	5.177	5.572
Naperville	18.803	21.683	24.560
Oak Brook	4.205	4.508	4.675
Oak Brook Terrace	0.281	0.293	0.293
Roselle	2.206	2.357	2.508
Villa Park	2.146	2.206	2.284
Westmont	2.945	3.069	3.173
Wheaton	5.821	6.008	6.191
Willowbrook	1.267	1.452	1.636
Winfield	1.011	1.188	1.366
Wood Dale	1.613	1.680	1.747
Woodridge	3.876	4.479	4.479
TOTAL AVERAGE MGD	<u><u>95.071</u></u>	<u><u>106.821</u></u>	<u><u>114.530</u></u>

(1) State Water allocations are expressed in terms of average quantity per day. Actual use in a day may exceed average daily use.

(2) The state has determined that no water allocation permit is required for Argonne National Laboratory to draw water from Lake Michigan. The figures set forth in this table represent the maximum amount of water the Commission is obligated to sell to Argonne National Laboratory.

**DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS**

Preliminary and Tentative
For Discussion Purposes Only


WATER REVENUES AND USAGE

For the Years Ended April 30

Year Ended	Water Sales (1)	Gallons Sold (in 000's)
2018	\$ 129,421,733	26,526,474
2017	124,194,634	25,914,123
2016	124,688,829	25,811,051
2015	115,470,573	25,959,645
2014	104,939,687	27,841,047

(1) Amounts include water sales from operation and maintenance costs and fixed costs, excludes customer differential.

REQUEST FOR BOARD ACTION

AGENDA SECTION Administration Committee	ORIGINATING DEPARTMENT General Manager's Office
ITEM A Resolution Amending the Employee Handbook to add a section on Early Notification of Retirement Incentive Program Resolution No. R-26-18	APPROVAL 
<p>The Commission is requesting to amend the Employee Handbook to include the following language and the full description, including procedures, contained within in Exhibit A into revised section 10.10 Early Notification of Retirement Incentive Program:</p> <p>Early Notification of Retirement Incentive Program</p> <p>The Commission is aware of how important strategic succession planning is to an organization. Therefore, the Commission believes it is in the best interest of the organization to offer an Early Notification of Retirement Incentive to eligible employees to give ample notice prior to retirement.</p> <p>Eligibility: For an employee to be eligible for the Early Notification of Retirement Incentive (ENRI) Program, the following criteria must be met: Eligibility Criteria–</p> <ul style="list-style-type: none"> • To be eligible for the Early Retirement Incentive Program employees must have been employed at the Commission for at least 20 years of continuous service or at least 20 years combined service within the water industry (minimum of 5 years with the Commission) • The employee must be 55 years of age • A full-time employee <p>Incentives – The employee would receive a lump sum payment on their last paycheck. The lump sum payment is to be calculated based on \$700 a month for each month given of early notification. The maximum compensable incentive period will be 12 months' notice.</p> <p>The previous section 10.10 Employee Assistance Program will now be section 10.11</p> <p>The Commission's Employee Handbook was last revised on December 14, 2017.</p>	
MOTION: To approve Resolution No. R-26-18	

DuPAGE WATER COMMISSION

RESOLUTION NO. R-26-18

A RESOLUTION AMENDING
THE EMPLOYEE HANDBOOK

WHEREAS, the DuPage Water Commission (the "Commission") is a county water commission created and existing under the Water Commission Act of 1985, 70 ILCS 3720/0.01 et seq., and Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-135-1 et seq.; and

WHEREAS, the Water Commission Act of 1985 provides that the Commission shall determine its own rules of proceeding; and

WHEREAS, in furtherance thereof, the Commission adopted By-Laws of the DuPage Water Commission, which By-Laws were restated by Ordinance No. O-10-12 and amended by Ordinance Nos. O-12-12, O-6-13, O-7-13, O-1-15 (the "By-Laws"); and

WHEREAS, pursuant to the By-Laws, the Board of Commissioners of the DuPage Water Commission has the power to pass and enforce all necessary ordinances, resolutions, rules, regulations, and administrative orders for the conduct of business and management of property of the Commission; and

WHEREAS, in furtherance thereof and pursuant to Resolution No. R-1-16, the Commission adopted regulations affecting Commission employment and working conditions, which regulations were amended by Resolution Nos. R-29-17 and R-46-17 (the "Employee Handbook"); and

WHEREAS, the Board of Commissioners of the DuPage Water Commission has determined that it is reasonable, necessary and desirable, and in the best interest of the Commission, to amend the Employee Handbook, effective as of September 1, 2018.

Resolution R-26-18

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: Recitals. The foregoing recitals are incorporated herein and made a part hereof as findings of the Board of Commissioners of the DuPage Water Commission.

SECTION TWO: Amendment of Section 10.10 Early Notification of Retirement Incentive. The Employee Handbook of the DuPage Water Commission shall be and hereby is amended, effective as of September 1, 2018, as set forth in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof. The General Manager shall provide copies of this amendment to the Employee Handbook to all Commission employees at least 10 days in advance of its effective date.

Resolution R-26-18

SECTION THREE: This Resolution shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2018.

Chairman

ATTEST:

Clerk

Exhibit A

CHAPTER 10 – EMPLOYEE BENEFITS

10.10 Early Notification of Retirement Incentive Program

The Commission is aware of how important strategic succession planning is to an organization. Therefore, the Commission believes it is in the best interest of the organization to offer an Early Notification of Retirement Incentive to eligible employees to give ample notice prior to retirement.

Initiation of the Early Notification of Retirement Agreement

Eligible employees desiring to participate in this program must advise their immediate supervisor as soon as possible.

Eligibility. To be eligible for the Early Notification of Retirement Incentive (ENRI) Program, the employee must meet following criteria:

- The employee must have been employed at the Commission for at least 20 years of continuous service, or at least 20 years of combined service within the water industry (minimum of 5 years with the Commission); and
- The employee must be at least 55 years of age; and
- The employee must be a Full-time employee; and
- The employee must apply for the ENRI Program at least 3 months before his/her proposed separation date.

Procedures. The employee must sign and submit to General Manager an Early Notification of Retirement Incentive Application (the “Application”) stating his/her intent to retire and proposed retirement date.

- Approval of the Application is at the discretion of the General Manager.
- The employee may withdraw the Application by submitting a written request to withdraw the Application to the General Manager within seven (7) days of submitting the Application.
- If the Application is approved, the employee is required to complete and submit to the General Manager a Separation Agreement and Release and letter of resignation within five days of approval in order to receive any ENRI payments. If the employee does not complete and submit the Separation Agreement and Release and submit a letter of resignation within five (5) days of approval of the Application by the General Manager, the approved Application will be automatically withdrawn, and the employee will receive no ENRI payment.
- After submitting the signed Separation Agreement and Release and letter of resignation, the employee will have seven days in which to revoke the ENRI agreement by submitting

Resolution R-26-18

his/her intent to revoke the Application, Separation Agreement and Release, and resignation, in writing, to the General Manager. Once the seven days have passed, the Separation Agreement and Release, resignation, and agreement to participate in the ENRI program is not revocable unless approved by the Commission for extenuating circumstances.

Incentives. The qualifying employee will receive a lump sum payment on their last paycheck. The lump sum payment is to be calculated based on \$700 a month for each month given of early notification, up to a maximum of 12 months.

The total incentive benefits may not exceed 12 months. Any changes to the employees' submitted resignation/retirement date must be approved by the General Manager and, if approved, may affect the amount of the ENRI payment.

10.11 Employee Assistance Program

The Commission is interested in the well-being of its employees and their families and recognizes personal and family problems may affect work performance if left unresolved. The Commission provides confidential and professional guidance, counseling and referral service to employees and their immediate family members through its Employee Assistance Program (EAP). The EAP is designed to assist employees and their family members who are experiencing behavioral, medical, family, substance abuse, or serious financial problems.

Participation in the EAP is voluntary and strictly confidential. An employee cannot be required to seek assistance; however, supervisors or the General Manager, may make a formal written referral if job performance has deteriorated. The EAP is offered at no cost to employee and their immediate family members. If a referral to an outside agency is necessary, the outside agency may require additional fees from the employee for their service.

Employees encountering such problems may contact the EAP office directly (Perspectives, LTD) at 800-456-6327 at any time. Perspectives EAP is available 24/7. The website is <https://www.perspectivesltd.com/home.aspx>

SEPARATION AGREEMENT AND RELEASE FORM

The following Separation Agreement and Release Form is made between _____ and DuPage Water Commission regarding
(Employee Name)
the terms of my voluntary separation from the DuPage Water Commission.

PERSONAL INFORMATION - All fields are required

EMPLOYEE NAME: _____

SUPERVISOR NAME: _____

STATUS: _____

EMPLOYEE PHONE NUMBER: _____

EMPLOYEE'S EMAIL ADDRESS: _____

SEPARATION DATE:

Month	Day	Year

LAST DAY WORKED:

Month	Day	Year

By submitting this form I am notifying you that I am voluntarily separating my employment with DuPage Water Commission.

I understand that I have seven (7) days from the date below to revoke (in writing) this Separation Agreement and Release. I further understand that if I revoke this Separation and Release Agreement during that seven (7) day period, I will not be eligible for any payments or other consideration under this ENRI.

I certify that the information furnished is true and correct I further acknowledge my decision to resign is voluntary.

Employee Signature _____ **Date** _____

Supervisor Signature _____ **Date** _____

EARLY NOTIFICATION OF RETIREMENT INCENTIVE PROGRAM APPLICATION

I wish to apply for the Early Notification of Retirement Incentive (ENRI) Program for DuPage Water Commission Employees. I understand participation in the ENRI means my employment will end on my separation date, and, if eligible and approved by the General Manager, I will receive a lump sum payment, less required deductions, in accordance with the terms of the ENRI Program.

I understand in order to be considered for this ENRI I must complete and submit this Application to the General Manager at least three months prior to my proposed separation date. I understand I can change my mind and withdraw this Application within seven (7) days after submitting this Application by notifying the General Manager in writing of my intent to withdraw the Application. If I withdraw my Application, I understand I will not be considered for participation in this ENRI unless I reapply at least three months before my proposed separation date.

My participation in this ENRI is not guaranteed and must be approved by the General Manager. I understand I will be informed of whether or not my Application to participate is approved. If approved, I understand I will be required to sign and submit to General Manager, within five (5) days of approval by the General Manager, a Separation Agreement and Release Form and resignation letter in order to receive the ENRI payment and any other consideration under the ENRI. If I do not submit the signed Separation Agreement and Release Form and resignation letter within this five (5) day period, my approved Application will be automatically withdrawn, and I will not receive any ENRI payment.

I understand I will have seven (7) days from the date I submit my signed Separation Agreement and Release Form and resignation letter to revoke the Separation Agreement and Release by submitting written notice of the revocation to the General Manager. If I revoke the Separation and Release Agreement during that seven (7) day period, I will not be eligible for any payment or other consideration under this ENRI Application.

Personal Information - All fields are required

Name: _____ **Job Title:** _____

Work Phone Number: _____

Work E-Mail Address: _____


Month Day Year

Proposed Separation Date:

By submitting this form, I am requesting participation in this ENRI. I understand I can change my mind within the designated time period described above. I acknowledge my decision to apply is voluntary.

DATE: August 10, 2018

REQUEST FOR BOARD ACTION

AGENDA SECTION	Administration Committee	ORIGINATING DEPARTMENT	General Manager's Office
ITEM	An Ordinance Approving and Authorizing the Execution of a Second Amendment to the DuPage Water Commission Water Purchase and Sale Contract with the Village of Bartlett for the Village of Bartlett Unit System Ordinance No. O-10-18	APPROVAL	
Account No.: N/A			
Ordinance No. O-10-18 would authorize and direct the Chairman to execute a Second Amendment to the Water Purchase and Sale Contract for the Village of Bartlett Unit System with the Village of Bartlett.			
MOTION: To approve Ordinance No. O-10-18			

DUPAGE WATER COMMISSION

ORDINANCE NO. O-10-18

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A SECOND AMENDMENT TO THE WATER PURCHASE AND SALE CONTRACT BETWEEN THE DUPAGE WATER COMMISSION AND THE VILLAGE OF BARTLETT FOR THE VILLAGE OF BARTLETT UNIT SYSTEM

WHEREAS, the DuPage Water Commission (the "Commission") was formed and exists pursuant to the Water Commission Act of 1985 (70 ILCS 3720/1 *et seq.*) and Division 11 of Article 135 of the Illinois Municipal Code (65 ILCS 5/11-135-1 *et seq.*) (collectively the "Act") for the purpose of financing, constructing, and operating a water supply system to serve its Charter Customers and other customers in DuPage County with a common source of supply of water from Lake Michigan; and

WHEREAS, the Commission and the Village of Bartlett ("Bartlett") previously entered into a Water Purchase and Sale Contract for the Bartlett Unit System; and

WHEREAS, the Commission and the Village of Bartlett ("Bartlett") subsequently entered into a First Amendment to the Water Purchase and Sale Contract for the Bartlett Unit System; and

WHEREAS, the Commission and Bartlett have each determined that it is in their respective best interests to enter into a Second Amendment to the Water Purchase and Sale Contract for the Bartlett Unit System in substantially the form attached hereto and by this reference incorporated herein and made a part of as Exhibit A; and

WHEREAS, prior to or simultaneously with the execution of the Second Amendment to the Water Purchase and Sale Contract for the Bartlett Unit System, Bartlett and the Commission shall enter into an Amended and Restated Intergovernmental Agreement Concerning the Loan for Connection Facilities to Implement Water Service to the Village of Bartlett; and

NOW, THEREFORE, BE IT ORDAINED, by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are hereby incorporated herein as findings of the Board of Commissioners of the DuPage Water Commission.

SECTION TWO: A Second Amendment to the Water Purchase and Sale Contract between the DuPage Water Commission and the Village of Bartlett for the Village of Bartlett Unit System, in substantially the form attached hereto as Exhibit A, is hereby approved.

SECTION THREE: The Chairman of the DuPage Water Commission shall be and hereby is authorized to and directed to execute a Second Amendment to the Water Purchase and Sale Contract for the Village of Bartlett Unit System with the Village of Bartlett in substantially the form attached hereto as Exhibit A; provided, however, that said Second Amendment to the Water Purchase and Sale Contract shall not be so executed on behalf of the DuPage Water Commission unless and until the Chairman shall have been presented with copies of the completed Second Amendment to the Water Purchase and Sale Contract and the Amended and Restated Intergovernmental Agreement Concerning the Loan for Connection Facilities to Implement Water Service to the Village of Bartlett executed by the Village of Bartlett.

SECTION FOUR: Upon execution by the Chairman, the Second Amendment to the Water Purchase and Sale Contract, and all other things provided for therein, shall be deemed accepted by the DuPage Water Commission without further act.

Ordinance No. O-10-18

SECTION FIVE: This Ordinance shall be in full force and effect from and after its adoption by a majority affirmative vote of all the Commissioners including the affirmative vote of at least 1/3 of the Commissioners appointed by the County Board Chairman and 40 percent of the Commissioners appointed by the Mayors.

AYES:

NAYS:

ABSENT:

ADOPTED this 16th day of August, 2018.

Chairman

ATTEST:

Clerk

**SECOND AMENDMENT TO THE DUPAGE WATER COMMISSION
WATER PURCHASE AND SALE CONTRACT WITH THE VILLAGE OF BARTLETT
FOR THE VILLAGE OF BARTLETT UNIT SYSTEM**

This Second Amendment to the February 7, 2017 Water Purchase and Sale Contract, dated as of August 16, 2018, (the "Second Amendment") by and between the **DUPAGE WATER COMMISSION**, DuPage, Cook and Will Counties, State of Illinois (the "Commission"), a county water commission and public corporation under Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 6/11-135-1 *et seq.*, and the Water Commission Act of 1985, 70 ILCS 3720/1 *et seq.* (collectively, the "Acts"), and the **VILLAGE OF BARTLETT**, Illinois, a municipal corporation duly organized and existing under the laws of the State of Illinois ("Bartlett");

W I N E S S E T H:

WHEREAS, the Commission has been organized under the Acts to supply water within its territorial limits; and

WHEREAS, Bartlett is in the process of designing and constructing a waterworks system that will be owned and operated by Bartlett and extended or improved from time to time to meet the potable water requirements of all residents and businesses to be served with water from Bartlett; and

WHEREAS, pursuant to the Acts, Article VII, Section 10 of the Illinois Constitution of 1970, and the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, the Commission and Bartlett are authorized to enter into this Contract; and

WHEREAS, the Commission and Bartlett entered into a Water Purchase and Sale Contract dated February 7, 2017 (the "Original Contract") to, *inter alia*, provide water to Bartlett along with building certain improvements on behalf of Bartlett; and

WHEREAS, the Commission and Bartlett entered into a First Amendment to the Water Purchase and Sale Contract dated May 15, 2018 (the "First Amendment") to, *inter alia*, provide water to Bartlett along with building certain improvements on behalf of Bartlett; and

WHEREAS, Bartlett has encountered obstacles to building certain of the necessary improvements in a timely manner; and

WHEREAS, to allow Bartlett to purchase water sooner than otherwise would have been possible, Bartlett has requested that the Commission build the improvements set forth in the plans attached hereto as Exhibit A (the "New Stearns Transmission Mains"); and

WHEREAS, Bartlett will pay the Commission for the cost of constructing the New Stearns Transmission Mains under the Second Amended Intergovernmental Agreement Concerning The Loan For Connection Facilities To Implement Water Service To The Village Of Bartlett; and

WHEREAS, having the Commission build the New Stearns Transmission Mains will provide cost savings to both the Commission and Bartlett, as well as allowing the Commission to sell water earlier to Bartlett.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual covenants and agreements herein contained, the Commission and Bartlett hereby agree as follows:

SECTION 1. PREAMBLES.

The preambles hereto are hereby incorporated herein by this referenced and are made fully a part of this Second Amendment.

SECTION 2. PRIOR AGREEMENTS.

Except as expressly amended by this Second Amendment, the Original Contract and the First Amendment shall remain in full force and effect in accordance with its terms, provisions and conditions. The Original Contract, the First Amendment and the Second Amendment are collectively known as the "Water Purchase and Sale Contract."

SECTION 3. DEFINITIONS.

Except as otherwise set forth in this Second Amendment, all capitalized terms used herein will have the respective meanings given them in the Original Contract and the First Amendment.

SECTION 4. CONSTRUCTION OF NEW STEARNS TRANSMISSION MAINS.

In addition to any other Connection Facilities being constructed by the Commission under the Original Contract and the First Amendment, the Commission shall construct the New Stearns Transmission Mains. The Commission shall not be liable for any delay in the completion of any Connection Facilities caused by the Commission's construction of the New Stearns Transmission Mains. To the fullest extent permitted by law, Bartlett shall indemnify and hold the Commission harmless from any and all claims, losses and injuries (including attorneys' fees) that may arise due to the Commission's construction of the New Stearns Transmission Mains.

SECTION 5. CONNECTION FACILITIES COST.

The definition of the Connection Facilities Cost in the Original Contract under Subsection 2T shall also include any additional costs incurred by the Commission to construct the New Stearns Transmission Mains.

SECTION 6. CONNECTION FACILITIES COST PAYMENT.

Subsection 7C of the Original Contract is deleted in its entirety and the following language is substituted therefor:

“Bartlett shall pay to the Commission its Connection Facilities Cost. Prior to the Commission’s commencement of design of the Commission Connection Facilities pursuant to Subsection 10H of the Original Contract, Bartlett and the Commission shall enter into an Intergovernmental Agreement Concerning The Loan For Connection Facilities To Implement Water Service To The Village Of Bartlett (the “Connection Facilities Cost IGA”) substantially in the form attached hereto as Exhibit H for a loan in an amount not to exceed \$21,000,000 (the “Commitment Amount”), which is the current estimated sum of: (i) all legal, engineering, consulting and administrative costs and expenses incurred or accrued in connection with the review and processing plans for the Bartlett Unit System Connection Facilities and in connection with the negotiation, preparation, consideration and review of the Water Purchase and Sale Contract, (ii) 125% of the Commission’s estimate of the total cost of construction of the Commission Connection Facilities, including without limitation all legal, engineering, consulting and administrative costs and expenses; and (iii) any costs incurred by the Commission to construct the New Stearns Transmission Mains. As of the date of the Original Contract, the Commission’s estimate of the total cost of construction of the Commission Connection Facilities, including legal, engineering, consulting and administrative costs and expenses, is set forth in Exhibit B-2 attached to the Original Contract. The Commission may draw upon the Commitment Amount, without Bartlett’s consent, but may only employ the proceeds to pay for the Connection Facilities Cost invoiced to, or otherwise documented by, the Commission and the

Commission shall promptly notify Bartlett of any such withdrawals in compliance with the terms of the Connection Facilities Cost IGA. If at any time the Commission reasonably determines that the funds remaining in the Commitment Amount are not, or may not be, sufficient to pay in full the remaining unpaid Connection Facilities Cost (the "Possible Shortfall"), then the Commission shall notify Bartlett of the Possible Shortfall, and if the parties do not agree within 30 days of said notice to increase the amount of the Commitment Amount to an amount reasonably determined by the Commission to be sufficient to pay in full the remaining unpaid Connection Facilities Cost, Bartlett shall within 10 days deposit the amount of the Possible Shortfall with the Commission. Failure to so deposit the amount of the Possible Shortfall within the 10-day time period shall be grounds for the Commission to retain a possessory lien upon any remaining balance of the Commitment Amount (as damages security) and terminate the Water Purchase and Sale Contract. Upon final payment of all amounts due under all executed contracts for the design, construction and inspection of the Commission Connection Facilities, the final loan amount under the Connection Facilities Cost IGA shall be set and the Commission shall not be obligated to lend any further funds to Bartlett. Bartlett's obligation to make the Connection Facilities Cost payments as required hereunder is unconditional and irrevocable, payable without setoff or counterclaim, and irrespective of whether Lake Water is ever furnished, made available, or delivered to Bartlett, or whether the Waterworks System is completed, operable, or operating, and notwithstanding suspension, interruption, interference, reduction, or curtailment of the supply of Lake Water."

SECTION 7. OWNERSHIP OF NEW STEARNS TRANSMISSION MAINS.

At the completion of the construction of the New Stearns Transmission Mains, Bartlett shall own and possess the New Stearns Transmission Mains and shall become a part of the

Bartlett Unit System. Within the exercise of reasonable business judgment in the manner so as not to cause of a default hereunder, Bartlett shall dispose of the New Stearns Transmission Mains only to the extent that such property is no longer useful or profitable in the operation of the Bartlett Unit System.

SECTION 8. PROPERTY ACQUISITION.

Bartlett shall cooperate with the Commission in the construction of the New Stearns Transmission Mains. Bartlett is responsible for acquiring all necessary real property and easements to build the New Stearns Transmission Mains and shall ensure the right and access to the area necessary for the Commission to build the New Stearns Transmission Mains prior to construction of the New Stearns Transmission Mains free and clear of all liens, claims, encumbrances and restrictions unless otherwise approved by the Commission in writing, provided the Commission agrees to restore the easement property in a reasonable manner after construction. Bartlett shall grant the Commission all access to its property and easements necessary to construct and install the New Stearns Transmission Mains and all other equipment and appurtenant devices.

SECTION 9. MUTUAL COOPERATION.

Should any person having proper standing to do so bring a cause of action before any court of competent jurisdiction challenging the method or procedures by or through which the parties entered into this Second Amendment, the parties agree that they shall fully cooperate to defend such cause of action. Further, and in addition to the foregoing sentence, the parties agree that they shall, to the extent legally permissible, execute such petitions, issue such notices, conduct such meetings, including all lawfully required public hearings and to promptly pass and

adopt such ordinances and resolutions and otherwise promptly exercise the respective lawful authority to effectuate the intent of this Second Amendment.

SECTION 10. SEVERABILITY.

In the event that any phrase, paragraph, or portion of this Second Amendment is found to be invalid, illegal or unenforceable by any court of competent jurisdiction, such finding of invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining portions of this Second Amendment.

SECTION 11. MODIFICATIONS OR AMENDMENTS.

The Water Purchase and Sale Contract shall not be modified or amended in any way except in writing approved by both parties hereto. No such modifications or amendment shall materially impair or adversely affect the ability or obligation of Bartlett to make payments to the Commission to meet the Commission's obligations under the Chicago Contract, the Charter Customer Contract, and the Bond Ordinances.

SECTION 12. EXHIBIT INCORPORATED.

Exhibit A to this Second Amendment is hereby fully incorporated into the Water Purchase and Sale Contract as a substantive provision of this Second Amendment.

SECTION 13. EXECUTION IN COUNTERPARTS.

This Second Amendment shall be executed in two counterparts, each of which shall be deemed to be an original, and each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused their respective corporate names to be subscribed hereto and their respective corporate seals to be affixed hereto and attested by their duly authorized offices, all on the date set opposite their respective corporate names.

DATE: _____, 2018

VILLAGE OF BARTLETT

By: _____

Its: _____

ATTEST:

Village Clerk

DATE: _____, 2018

DUPAGE WATER COMMISSION

By: _____

Its: _____

ATTEST:


Clerk

EXHIBIT A

PLANS FOR THE NEW STEARNS TRANSMISSION MAINS

DATE: August 9, 2018

REQUEST FOR BOARD ACTION

AGENDA SECTION	Omnibus Vote Requiring Super-Majority or Special Majority Vote	ORIGINATING DEPARTMENT	Facilities Construction												
ITEM	A Resolution Awarding a Contract for the Construction of Bartlett Meter Station 30A (Contract MS-21/19) Resolution No. R-25-18	APPROVAL													
Account Nos.: 01-60-711500 - \$867,000.00															
<p>On June 18, 2018, the Commission invited sealed bids for the construction of the Bartlett Meter Station 30A (Contract MS-21/18). As required by state statute, the Commission advertised for bids on two separate occasions in the Chicago Tribune and the Daily Herald; in addition to posting a notice of the invitation on the Commission's web site, posting notices with various plan rooms, and by direct invitation to various contractors who had previously performed similar work for the Commission.</p> <p>Sealed bids were received until 11:00 a.m., local time, August 2, 2018, at which time all bids were publicly opened and read aloud. The following bids were received:</p> <table><tbody><tr><td>Joseph J. Henderson & Son, Inc. – Gurnee, IL</td><td>\$867,000.00</td></tr><tr><td>Manusos General Contracting, Inc. – Fox Lake, IL</td><td>\$969,000.00</td></tr><tr><td>Keno & Sons Construction Co. – Lake Bluff, IL</td><td>\$975,000.00</td></tr><tr><td>Tower Contracting, LLC – Mokena, IL</td><td>\$1,198,000.00</td></tr><tr><td>Master Design Build, LLC – Chicago, IL</td><td>\$1,327,135.00</td></tr><tr><td>Benchmark Construction Co., Inc. – Bartlett, IL</td><td>\$1,388,000.00</td></tr></tbody></table> <p>Resolution No. R-25-18 would award the contract to the lowest and responsible bidder, Joseph J. Henderson & Son, Inc., in the amount of \$867,000. The engineer's opinion of probable cost was \$864,000.00.</p>				Joseph J. Henderson & Son, Inc. – Gurnee, IL	\$867,000.00	Manusos General Contracting, Inc. – Fox Lake, IL	\$969,000.00	Keno & Sons Construction Co. – Lake Bluff, IL	\$975,000.00	Tower Contracting, LLC – Mokena, IL	\$1,198,000.00	Master Design Build, LLC – Chicago, IL	\$1,327,135.00	Benchmark Construction Co., Inc. – Bartlett, IL	\$1,388,000.00
Joseph J. Henderson & Son, Inc. – Gurnee, IL	\$867,000.00														
Manusos General Contracting, Inc. – Fox Lake, IL	\$969,000.00														
Keno & Sons Construction Co. – Lake Bluff, IL	\$975,000.00														
Tower Contracting, LLC – Mokena, IL	\$1,198,000.00														
Master Design Build, LLC – Chicago, IL	\$1,327,135.00														
Benchmark Construction Co., Inc. – Bartlett, IL	\$1,388,000.00														
MOTION: To approve Resolution No. R-25-18.															

DUPAGE WATER COMMISSION

RESOLUTION R-25-18

A RESOLUTION AWARDING
A CONTRACT FOR THE CONSTRUCTION OF
BARTLETT METER STATION 30A
(Contract MS-21/18)

WHEREAS, bids for Contract MS-21/18: Contract for the Construction of Bartlett Meter Station 30A were received on August 2, 2018; and

WHEREAS, based upon staff's and legal counsel's review of the proposals received, the Board of Commissioners of the DuPage Water Commission has determined that the proposal of Joseph J. Henderson & Son, Inc. is the most favorable to the interests of the Commission;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are hereby incorporated herein as findings of the DuPage Water Commission.

SECTION TWO: The DuPage Water Commission hereby awards Contract MS-21/18: Contract for the Construction of Bartlett Meter Station 30A to Joseph J. Henderson & Son, Inc., in the lump sum amount of \$867,000.00, conditioned upon the receipt of all contractually required documentation and such other additional information that may be requested by the General Manager of the Commission in accordance with the Bid Package that is acceptable to the DuPage Water Commission.

Resolution No. R-25-18

SECTION THREE: This Resolution shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED THIS _____ DAY OF _____, 2018.

Chairman


ATTEST:

Clerk

Board/Resolutions/R-25-18.docx

DATE: August 16, 2018

REQUEST FOR BOARD ACTION

AGENDA SECTION	Omnibus Vote Requiring Super-Majority or Special Majority Vote	ORIGINATING DEPARTMENT	General Manager's Office
ITEM	A Resolution Approving and Ratifying Certain Change Orders for the Construction of the West Transmission Main (Contract TW-3/17) Resolution No. R-27-18	APPROVAL	
Account Numbers: 01-60-711500			
Resolution No. R-27-18 would approve the following Change Orders:			
Change Order No. 1 to the Construction of the West Transmission Main (Contract TW- 3/17)			
<p>Due to timing and cost the Village of Bartlett has requested that the Commission's contractor Benchmark Construction install additional piping to the Bartlett Unit System under the Commissions current Construction of the West Transmission Main project. This could help avoid any delays with Bartlett taking their water supply from the Commission. This work will be done under the First Amended Intergovernmental Agreement Concerning the Loan for Connection Facilities to Implement Water Service to the Village of Bartlett. This additional work would not increase the committed amount of \$21,000,000 that the Commission previously approved.</p>			
<p>Approval of this Change Order would increase the net Contract Price by \$3,661,625.25 making the Final Contract Price \$16,909,926.25.</p>			
<p>Approval of this Change Order does not authorize or necessitate an increase in the Contract Price that is 50% or more of the original Contract Price nor, based upon the Contractor's sworn certification, authorize or necessitate an increase in the price of any subcontract under the Contract that is 50% or more of the original subcontract price.</p>			
MOTION: To approve Resolution No. R-27-18.			

DRAFT

DUPAGE WATER COMMISSION

RESOLUTION NO. R-27-18

A RESOLUTION APPROVING AND RATIFYING
CERTAIN CONTRACT CHANGE ORDERS AT THE
AUGUST 16, 2018, DUPAGE WATER COMMISSION MEETING

BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The Change Orders set forth on Exhibit 1, attached hereto and by this reference incorporated herein and made a part hereof, shall be and hereby are approved and, if already issued, ratified because the Board of Commissioners of the DuPage Water Commission has determined, based upon the representations of staff and the Contractors, that the circumstances said to necessitate the changes were not reasonably foreseeable at the time the contracts were signed, the Change Orders are germane to the original contracts as signed and/or the Change Orders are in the best interest of the DuPage Water Commission and authorized by law.

SECTION TWO: This Resolution shall constitute the written determination required by Section 33E-9 of Article 33E of the Criminal Code of 1961 and shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2018.

Chairman

ATTEST:

Clerk

Exhibit 1

Resolution No. R-27-18

1. Change Order No. 1 to the Construction of the West Transmission Main (Contract TW-3/17) for a \$3,661,625.25 net increase in the Contract Price for Bartlett Unit System Improvements.

DUPAGE WATER COMMISSION
CHANGE ORDER

SHEET 1 OF 3

PROJECT NAME: Construction of the
West Transmission Main
(Contract TW-3/17)

CHANGE ORDER NO. 1

LOCATION: Elmhurst, Illinois

CONTRACT NO. N/A

CONTRACTOR: Benchmark Construction

DATE: August 16, 2018

I. A. DESCRIPTION OF CHANGES INVOLVED:

Change Order No. 1 for Construction of the West Transmission Main. The unused funds amounting to \$3,661,625.25 from the Commitment Amount of \$21,000,000 for the Construction of the West Transmission Main will be used to install additional pipe needed for Bartlett Unit System. This will help Bartlett accommodate taking their water supply from the Commission without further delay.

B. REASON FOR CHANGE:

Due to timing and cost the Village of Bartlett has requested that the Commission install additional piping. This could help avoid any delays with Bartlett taking their water supply from the Commission. This work will be done under the First Amended Intergovernmental Agreement Concerning the Loan for Connection Facilities to Implement Water Service to the Village of Bartlett. This additional work would not increase the committed amount of \$21,000,000 that the Commission previously approved.

C. REVISION IN CONTRACT PRICE:

Approval of this Change Order would represent an increase in the Contract Price by \$3,661,625.25, increasing the Contract Price to \$16,909,926.25, but does not authorize or necessitate an increase in the Contract Price that is 50% or more of the original Contract Price nor, based upon the Contractor's sworn certification, authorize or necessitate an increase in the price of any subcontract under the Contract that is 50% or more of the original subcontract price.

II. CHANGE ORDER CONDITIONS:

1. The Completion Date established in the Contract, as signed or as modified by previous Change Orders, is hereby unchanged.
2. Any Work to be performed under this Change Order shall be provided, performed, and completed in full compliance with, and as required by or pursuant to, the Contract, including any Specifications and Contract Drawings for the Work to be performed under this Change Order and for Work of the same type as the Work to be performed under this Change Order, and as specified in the preceding "Description of Changes Involved."
3. Unless otherwise provided herein, all Work included in this Change Order shall be guaranteed and warranted as set forth in, and Contractor shall not be relieved from strict compliance with, the guaranty and warranty provisions of the Contract.
4. All Work included in this Change Order shall be covered under the Bonds and the insurance coverages specified in the Contract. If the Contract Price, including this Change Order, exceeds the Contract Price set forth in the Contract, as signed, by twenty percent (20%), Contractor shall submit to Owner satisfactory evidence of such increased coverage under the Bonds if requested by Owner.

III. ADJUSTMENTS IN CONTRACT PRICE:

1.	Original Contract Price	\$	13,248,301.00
2.	Net [addition] [reduction] due to all previous Change Orders Nos. <u> 0 </u> to <u> 0 </u>	\$	0.00
3.	Contract Price, not including this Change Order	\$	13,248,301.00
4.	Addition to Contract Price due to this Change Order	\$	3,661,625.25
5.	Contract Price including this Change Order	\$	16,909,926.25

RECOMMENDED FOR ACCEPTANCE:

CONSULTING ENGINEERS:

By: _____ (_____)
Signature of Authorized Representative Date

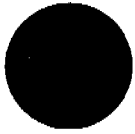
ACCEPTED: By my authorized signature below, being first duly sworn on oath, I certify on behalf of Contractor that this Change Order does not authorize or necessitate an increase in the price of any subcontract under the Contract that is 50% or more of the original subcontract price.

CONTRACTOR:

By: _____ (_____)
Signature of Authorized Representative Date

DUPAGE WATER COMMISSION:

By: _____ (_____)
Signature of Authorized Representative Date



Benchmark Construction Co., Inc.

General Construction / Construction Management / Engineering Services

City Office
3349 S. Kedzie Ave.
Chicago, IL 60623
(773) 247-0881

Suburban Office
2260 Southwind Blvd.
Bartlett, IL 60103
(630) 497-1700
(630) 497-1737 Fax

2018 Transmission Main - No Villa Olivia Work Village of Bartlett II - 7-12-18

DATE: July 12, 2018
Location:

ITEM #	PAY ITEM DESCRIPTION	QUANTITY	UN OF MSRE	BID	
				UNIT PRICE	TOTAL
1	6" DIP WATERMAIN CLASS 52	100.00	LF	80.00	8,000.00
2	8" DIP WATERMAIN CLASS 52	20.00	LF	100.00	2,000.00
3	12" DIP WATERMAIN CLASS 52	30.00	LF	110.00	3,300.00
4	16" DIP WATERMAIN CLASS 52	1,420.00	LF	130.00	184,600.00
5	24" DIP WATERMAIN CLASS 52	5,220.00	LF	180.00	939,600.00
6	6" DIP WATERMAIN CLASS 52 DIRECTIONALLY DRILLED		LF	no bid	0.00
7	12" DIP WATERMAIN CLASS 52 DIRECTIONALLY DRILLED		LF	no bid	0.00
8	16" DIP WATERMAIN CLASS 52 DIRECTIONALLY DRILLED	1,680.00	LF	272.00	451,520.00
9	24" DIP WATERMAIN CLASS 52 DIRECTIONALLY DRILLED	60.00	LF	1,800.00	96,000.00
10	12" DIP WATERMAIN CLASS 52 IN 20" DIP CASING W/SPACERS, AUGERED, & PULLED		LF	no bid	0.00
11	16" DIP WATERMAIN CLASS 52 IN 24" DIP CASING W/SPACERS, AUGERED, & PUSHED	160.00	LF	750.00	120,000.00
12	POLYETHYLENE ENCASEMENT	8,700.00	LF	2.00	17,400.00
13	NITRILE GASKETS	40.00	EA	100.00	4,000.00
14	FITTINGS MJ BODY CASTING WEIGHT	21,875.00	LBS	3.75	82,031.25
15	REINFORCED PCC THRUST BLOCKS		EA	no bid	0.00
16A	RESTRAINED JOINTS ALL DIAMETERS 24"	95.00	EA	845.00	51,775.00
16B	RESTRAINED JOINTS ALL DIAMETERS 16"	17.00	EA	284.00	4,998.00
16C	RESTRAINED JOINTS ALL DIAMETERS 12"	1.00	EA	250.00	250.00
17	6" NON-PRESSURE CONNECT/DISCONNECT EXISTING WATERMAIN (AS NEEDED)	1.00	EA	6,100.00	6,100.00
18	12" NON-PRESSURE CONNECT/DISCONNECT EXISTING WATERMAIN	1.00	EA	7,300.00	7,300.00
19	16" NON-PRESSURE CONNECT/DISCONNECT EXISTING WATERMAIN		EA	no bid	0.00
20	24" NON-PRESSURE CONNECT/DISCONNECT EXISTING WATERMAIN	1.00	EA	25,000.00	25,000.00
21	6" PRESSURE CONNECT/DISCONNECT EXISTING WATERMAIN (AS NEEDED)	1.00	EA	9,000.00	9,000.00
22	8" PRESSURE CONNECT/DISCONNECT EXISTING WATERMAIN (AS NEEDED)	1.00	EA	9,600.00	9,600.00
23	12" PRESSURE CONNECT/DISCONNECT EXISTING WATERMAIN	1.00	EA	10,000.00	10,000.00
24	16" PRESSURE CONNECT/DISCONNECT EXISTING WATERMAIN	3.00	EA	20,000.00	60,000.00
25	WATER SERVICE CONNECTION 2"		EA	no bid	0.00
26	CURB STOP AND BOX 2"		EA	no bid	0.00
27	WATER SERVICE PIPING 2"		EA	no bid	0.00
28	6" R.S. GATE VALVE	12.00	EA	3,000.00	36,000.00
29	8" R.S. GATE VALVE	1.00	EA	4,000.00	4,000.00
30	12" R.S. GATE VALVE	1.00	EA	6,000.00	6,000.00
31	16" rj butterfly valve	3.00	EA	8,000.00	24,000.00
32	24" rj butterfly valve	7.00	EA	20,000.00	140,000.00
33	48" DIA TYPE A VALVE VAULT WITH FRAME AND LID	1.00	EA	3,000.00	3,000.00
34	60" DIA TYPE A VALVE VAULT WITH FRAME AND LID	3.00	EA	6,000.00	18,000.00
35	72" DIA TYPE A VALVE VAULT WITH FRAME AND LID	11.00	EA	8,000.00	88,000.00
36	FIRE HYDRANT WITH 6" INLET	12.00	EA	8,000.00	96,000.00
37	VALVE BOX 6"	12.00	EA	300.00	3,600.00
38	RELOCATE EXISTING FIRE HYDRANT	2.00	EA	4,500.00	9,000.00
39	REMOVE EXISTING 12" R.S. GATE VALVE	1.00	EA	700.00	700.00
40	REMOVE WATER VAULT CONE SECTION RESET AND RESEAL FRAME	1.00	EA	1,300.00	1,300.00
41	SANITARY SEWER REMOVE AND REPLACE W/ 8" DIA PVC C-900		LF	no bid	0.00
42	6" PVC DR-18, C-900, DIRECTIONALLY DRILLED		LF	no bid	0.00
43	SANITARY SEWER 8" DIA PVC SDR 26		LF	no bid	0.00
44	SANITARY SEWER 8" DIA PVC SDR 26		LF	no bid	0.00
45	48" DIA TYPE A SAN MH WITH FRAME AND SS LID		EA	no bid	0.00
46	CONNECTION TO EXISTING SANITARY MANHOLE		EA	no bid	0.00
47	STORM SEWER 8" DIA ADS N12	20.00	LF	115.00	2,300.00
48	STORM SEWER 10" DIA RCP CL IV W/ RUBBER GASKETS (AS NEEDED)	14.00	LF	83.80	1,162.00
49	STORM SEWER 10" DIA PVC C-900 (AS NEEDED)	14.00	LF	86.00	1,232.00
50	STORM SEWER 12" DIA RCP CL IV W/ RUBBER GASKETS	90.00	LF	108.00	9,720.00
51	STORM SEWER 12" DIA PVC C-900	336.00	LF	76.00	25,536.00

**2018 Transmission Main - No Villa Olivia Work
Village of Bartlett II - 7-12-18**

DATE: July 12, 2018
Location:

ITEM #	PAY ITEM DESCRIPTION	QUANTITY	UN OF MSRE	BID	
				UNIT PRICE	TOTAL
52	STORM SEWER 15" DIA RCP CL IV W/ RUBBER GASKETS	22.00	LF	115.00	2,530.00
53	CATCH BASIN TY C 2' DIA W/TY1 FR & OL	1.00	EA	2,500.00	2,500.00
54	METAL END SECTION 12"	2.00	EA	2,000.00	4,000.00
55	STORM SEWER REMOVAL	632.00	LF	8.00	5,056.00
56	STORM SEWER REMOVAL (INL/MH)	3.00	EA	500.00	1,500.00
57	INL/MH TO BE ADJUSTED	3.00	EA	600.00	1,800.00
58	TRENCH BACKFILL FA-6 Jettied	4,810.00	CY	40.00	192,400.00
59	PCC SIDEWALK REMOVE AND REPLACE	1,500.00	SF	10.00	15,000.00
60	PCC CURB AND GUTTER REMOVE AND REPLACE	720.00	LF	30.00	21,600.00
61	HMA PAVEMENT REMOVE AND REPLACE-ROADWAY TY-1	1,350.00	SY	120.00	162,000.00
62	PAVEMENT HIGHWAY REMOVE AND REPLACE TY-2	100.00	SY	372.00	37,200.00
63A	HMA PVMNT RMVE AND RPLCE (BKPTH/DRVWY) TY-3 place stone & 4" asphalt	2,200.00	SY	45.00	99,000.00
63B	HMA PVMNT RMVE AND RPLCE (BKPTH/DRVWY) TY-3 grind and place 4" asphalt over existing stone	4,100.00	SY	40.00	164,000.00
63C	DEDUCT IF FULL AMOUNT OF ITEMS 63A&B ARE ACHIEVED (COMPLETE BIKE PATH)		LS	(100,000.00)	
64	PCC PAVEMENT REMOVE AND REPLACE TY-4	50.00	SY	225.00	11,250.00
65	DETECTABLE WARNINGS	170.00	SF	55.00	9,350.00
66	AGGREGATE SHOULDERS TYPE B 8"	10.00	TON	100.00	1,000.00
67	CONCRETE BARRICADES	160.00	LF	38.00	6,080.00
68	REMOVE AND REPLACE WOOD SPLIT FENCE	835.00	LF	30.00	25,050.00
69	REM/RELOCATE & REPLACE PICKET FENCE	190.00	LF	36.00	6,840.00
70	TREE REMOVAL 6 TO 15 UNITS DIA (AS NEEDED)	5.00	UNIT	450.00	2,250.00
71	TREE REMOVAL OVER 15 UNITS DIA (AS NEEDED)	3.00	UNIT	450.00	1,350.00
72	TOPSOIL FURNISH AND PLACE 6"	7,500.00	SY	6.00	45,000.00
73	SEEDING CLASS 1 (WITH FERTILIZER)	23,300.00	SY	0.75	17,475.00
74	EROSION CONTROL BLANKET	23,300.00	SY	1.40	32,620.00
75	INLET AND PIPE PROTECTION	20.00	EA	300.00	6,000.00
76	SILT FENCE	500.00	LF	3.50	1,750.00
77	DETECTOR LOOP REPLACEMENT (AS NEEDED)	250.00	LF	16.00	4,000.00
78	BED ROCK EXCAVATION (AS NEEDED)	4.00	CY	500.00	2,000.00
79	UNCONTAMINATED SOIL CERTIFICATION	1.00	LS	12,000.00	12,000.00
80	PASSIVE CATHODIC PROTECTION - ANODES	40.00	EA	250.00	10,000.00
81	TRAFFIC CONTROL AND PROTECTION	1.00	LS	90,000.00	90,000.00
82	MOBILIZATION	1.00	LS	207,000.00	207,000.00
				BID =	3,761,625.25

**AMENDMENT TO CONTRACT FOR THE CONSTRUCTION OF TW-3/17 WEST
TRANSMISSION MAIN
CONTRACT 1-17**

AMENDMENT to the Contract For The Construction of TW-3/17 West Transmission Main dated January 31, 2018 (the "Contract Agreement") between the DuPage Water Commission (the "DWC") and Benchmark Construction Co., Inc. ("Contractor").

RECITALS:

WHEREAS, the DWC and the Contractor entered the Contract Agreement dated January 31, 2018 (the "Original Contract Agreement") after the Contractor was awarded the said contract as the lowest responsible and responsive bidder meeting the specifications for the construction and installation of the TW-3/17 WEST TRANSMISSION MAIN together with attachments, equipment and appurtenances (the "Original Work") as described in the Project Manual for the DuPage Water Commission, Elmhurst Illinois, TW-3/17 West Transmission Main, November 2017 (the "Project Manual"); and

WHEREAS, the parties desire to expand the scope of the Original Work by written change order to additionally include a portion of the Bartlett Unit System, more fully described in Section 4 and defined herein as "the New Stearns Transmission Mains", hereinafter sometimes referred to as the "Additional Work", and to further amend the Contract Agreement as stated herein; and

WHEREAS, the parties intend and agree that the following amendments shall only apply to the Additional Work;

NOW, THEREFORE, in consideration of the foregoing Recitals and other good and valuable consideration, the parties hereto agree as follows:

1. Section 1.3 A. 2. B. of the Contract entitled "Engineer" is amended with respect to the Additional Work only to delete "AECOM USA, Inc., 303 East Wacker Drive, Suite 600, Chicago, Illinois, 60601", and replace it with "Rempe-Sharpe and Associates, Inc., 324 West State Street, Geneva, Illinois, 60134."

2. Section 6.7 of the Contract Agreement is amended to replace "[t]he County of DuPage" with "the Village of Bartlett" as a third party beneficiary of this Contract with respect to the Additional Work only.

3. Section 4 of the Special Conditions of Contract entitled "Special Financial Assurances" shall be amended with respect to the Additional Work only to state as follows:

As provided in Subsection 4.2B and Section 4.3 of the Contract Agreement, the following Persons, including the elected and appointed officials, officers, employees, agents and assigns of said Persons (the "Additional Insureds") shall

be named as additional insureds on the Commercial General Liability Insurance required pursuant to this Amendment to Contract, and the hold harmless and indemnification protection specified in Section 4.3 of the Contract Agreement, shall be extended to such Additional Insureds as third-party beneficiaries thereof:

County of DuPage Bartlett Park District
Rempe-Sharpe & Associates, Inc. Forest Preserve District of DuPage County
Village of Bartlett

4. The Contract Drawings defined in Section 7.1 Q 8 of the General Conditions of Contract and the LIST OF CONTRACT DRAWINGS included in the Project Manual and made a part of the Contract Documents are hereby amended to include the following additional Drawings and Plans for the Additional Work, prepared by Rempe-Sharpe & Associates, Inc. for the Project entitled TRANSMISSION MAIN BARTLETT ILLINOIS, Project No. BRT-12 dated March 2018 (with last review date by DWC and DuPage Department of Transportation of May 2, 2018):

<u>SHEET NOS.</u>	<u>SHEET TITLES</u>	<u>DATE LAST REVISED</u>
1	TITLE SHEET AND INDEX OF DRAWINGS	March 2018
2	CONSTRUCTION NOTES	March 2018
3	STEARNS ROAD 16" TRANSMISSION WM PLAN & PROFILE STA 19 + 45 TO STA 25 + 50	March 2018
4	STEARNS ROAD 16" TRANSMISSION WM PLAN & PROFILE STA 25 + 50 TO STA 32 + 00	March 2018
5	STEARNS ROAD 16" TRANSMISSION WM PLAN & PROFILE STA + 00 TO STA 38 + 50	March 2018
6	STEARNS ROAD 16" TRANSMISSION WM PLAN & PROFILE STA 38 + 50 TO STA 45 + 00	March 2018
7	STEARNS ROAD 16" TRANSMISSION WM PLAN & PROFILE STA 45 + 00 TO STA 51 + 20	March 2018
8	STEARNS ROAD 24" TRANSMISSION WM PLAN & PROFILE STA 51 + 20 TO STA 61 + 00	March 2018
9	STEARNS ROAD 24" TRANSMISSION WM PLAN & PROFILE STA 61 + 00 TO STA 72 + 00	March 2018
10	STEARNS ROAD 24" TRANSMISSION WM PLAN & PROFILE STA 72 + 00 TO STA 82 + 00	March 2018

- | | | |
|----|---|------------|
| 11 | STEARNS ROAD
24" TRANSMISSION WM PLAN & PROFILE
STA 82 + 00 TO STA 93 + 00 | March 2018 |
| 12 | STEARNS ROAD
24" TRANSMISSION WM PLAN & PROFILE
STA 93 + 00 TO STA 102 + 80 | March 2018 |

5. The Owner and the Contractor hereby restate the Contract Agreement with respect to the Original Work, except as expressly modified by this Amendment. Owner and Contractor agree to execute Change Order No. 1, a copy of which is attached hereto as Exhibit A and incorporated as if fully set forth herein, which increases the Contract Price by the sum of \$3,661,625.25 for the said Additional Work as set forth in this Amendment.

6. The Additional Work shall be provided, performed and completed in full compliance with, and as required by or pursuant to, the Contract Agreement, including any Specifications and Contract Drawings for the Additional Work. The Additional Work shall be guaranteed and warranted as set forth in, and the Contractor shall not be relieved from strict compliance with, the guaranty and warranty provisions of the Contract Agreement as to the Original Work.

7. The Additional Work shall be covered under the Bonds and the insurance coverages specified in the Contract. If the Contract Price, including Change Order No. 1, exceeds the Contract Price by 20%, Contractor shall submit to Owner satisfactory evidence of such increased coverage under the Bonds and/or insurance if requested by Owner.

Dated: _____, 2018

DuPage Water Commission

By: _____

Dated: _____, 2018

Benchmark Construction Co., Inc.

By: _____

Title: _____

Attest:

Title: _____

DATE: August 6, 2018

REQUEST FOR BOARD ACTION

AGENDA SECTION	New Business	ORIGINATING DEPARTMENT	Operations
ITEM	To Authorize Approval of Requisition No. 53063 to Currie Motors for The Purchase of One Ford F-250 XL Pickup Truck and snow plow equipment in The Amount of \$40,508.00	APPROVAL	MW CAR gy
Account No. 01-60-686000 (\$40,508.00)			
<p>The FY2018/2019 Annual Budget includes \$50,000.00 for one 2019 Ford F-250 XL Pick-Up Truck including snow plow equipment that would replace an existing 2001 Ford Ranger. The F-250 will be utilized as a second snow plow vehicle and as an intradepartmental back up vehicle. The existing 2001 Ford Ranger would be auctioned off after purchase and receipt of the replacement truck.</p> <p>The replacement vehicle is in accordance with the Commission's Vehicle Replacement Program memorandum dated March 31, 2008 adopted as Commission policy at the regular Board meeting of May 8, 2008.</p> <p>Through the Suburban Purchasing Cooperative (SPC) - Joint Purchasing Program, Currie Motors can provide a 2019 Ford F-250 XL Pickup Truck under Contract # 142 at a cost less than local Ford Dealers can provide. The Illinois State Purchasing Contract did not have options for snow plow equipment and base model price was also higher.</p>			
Suburban Purchasing Cooperative – Currie Motors		\$40,508.00	
Al Piemonte Ford		\$43,247.94	
<p>Approval of Requisition Number 53063 would authorize the purchase of one Ford F-250 to Currie Motors in the amount of \$40,508.00.</p>			
MOTION: To authorize approval of requisition No. 53063 in the amount of \$40,508.00 to Currie Motors.			



DuPage Water Commission

MEMORANDUM

TO: John Spatz, General Manager

FROM: Cheryl Peterson, Financial Administrator *CP*

DATE: August 7, 2018 *CP*

SUBJECT: Accounts Payable Listings

Following is a summary of the Accounts Payable to be considered at the August 16, 2018 Commission meeting:

July 11, 2018 to August 7, 2018 A/P Report	\$11,359,291.27
Accrued and estimated payments required before September 2018 Commission meeting	<u>3,303,330.00</u>
Total	<u>\$14,662,621.27</u>

cc: Chairman and Commissioners



DuPage Water Commission

Board Open Payable Report

As Of 08/07/2018

Summarized by Payable Account

Payable Number	Description	Post Date	Payable Amount	Payable Count:	Net Amount
Payable Account: 01-211000 - ACCQUNTS PAYABLE					
Vendor: <u>1663</u> 2000088940	AECOM Transition Main to Bartlett	07/31/2018	41,011.58	(1)	41,011.58
Vendor: <u>1516</u> 7425329	ARAMARK REFRESHMENTS Supplies	08/03/2018	177.80	(1)	177.80
Vendor: <u>2173</u> SRV18-02681	Atomatic Mechanical Services, Inc. Repairs to chillers	07/24/2018	961.71	(1)	961.71
Vendor: <u>1802</u> BT1296388	BAKER TILLY VIRCHOW KRAUSE, LLP PROFESSIONAL SERVICES 7/5/18-7/17/18	07/31/2018	2,295.00	(1)	2,295.00
Vendor: <u>1980</u> 97988 100717 102503 102504	BEARY LANDSCAPE MANAGEMENT Tank Site Tree trimming Landscape Work LAWN MAINTENANCE: July 2018 TANK SITE LANDSCAPING: July 2018	07/24/2018 07/31/2018 07/31/2018 07/31/2018	600.00 570.95 712.00 2,493.00	(4)	4,375.95
Vendor: <u>2017</u> 822	BEDROCK EARTHSCAPES, LLC SERVICE VISIT - July 2018	07/31/2018	840.00	(1)	840.00
Vendor: <u>1692</u> 30215	BRIDGEPOINT TECHNOLOGIES Hosting Services August 2018	08/03/2018	45.00	(1)	45.00
Vendor: <u>1135</u> INV0002910	CITY OF CHICAGO SUPERINTENDENT OF WATER COLLECTION WATER BILLING: July 2018	07/31/2018	11,061,079.71	(1)	11,061,079.71
Vendor: <u>1821</u> 174631	COLLEY ELEVATOR COMPANY Elevator Test	07/24/2018	225.00	(1)	225.00
Vendor: <u>1262</u> 115440261	COMSEARCH Frequemcy protection service	07/31/2018	456.00	(1)	456.00
Vendor: <u>2202</u> 5104	Construction & Geotechnical Material Testing, Inc. TW-3 Materials testing services	07/24/2018	10,864.00	(1)	10,864.00
Vendor: <u>1197</u> 1145601	Core & Main LP Meter Replacement Supplies	07/24/2018	147.71	(1)	147.71
Vendor: <u>1295</u> 4698013A	DLT SOLUTIONS, LLC AutoCAD subscription	07/31/2018	1,031.95	(1)	1,031.95
Vendor: <u>1097</u> 42556 42606	ELMHURST PLAZA STANDARD INC. Vehicle Maint: M78556 Vehicle Maint: M153835	07/17/2018 07/31/2018	30.50 753.81	(2)	784.31
Vendor: <u>2041</u> 001-301801643 002-301802122	F.E. MORAN, INC. Fire sprinkler service Fire Sprinkler service	07/31/2018 07/31/2018	6,445.00 520.00	(2)	6,965.00
Vendor: <u>2143</u> 59240	Gas Depot Gasoline	07/31/2018	1,798.75	(1)	1,798.75
Vendor: <u>1068</u> 11039885 11046698	HACH COMPANY Monthly Chemicals Chemical Supplies	07/24/2018 07/24/2018	330.27 571.10	(2)	901.37
Vendor: <u>1063</u>	ILLINOIS SECTION AWWA			(4)	372.00

Board Open Payable Report

As Of 08/07/2018

Payable Number	Description	Post Date	Payable Amount	Net Amount
<u>200035748</u>	Conference: Weed	07/24/2018	80.00	80.00
<u>200035807</u>	Seminar: Leanos and Stirn	07/24/2018	112.00	112.00
<u>200037168</u>	Seminar on Meters: Schori, Nolan, Villegas	07/24/2018	108.00	108.00
<u>200037464</u>	Seminar: Nolan and Villegas	07/31/2018	72.00	72.00
Vendor: <u>1391</u>	J. J. KELLER & ASSOCIATES, INC.			Payable Count: (1) 559.00
<u>9103147084</u>	Employment Law Subscription	07/31/2018	559.00	559.00
Vendor: <u>1923</u>	JOHN NERI CONSTRUCTION COMPANY, INC.			Payable Count: (1) 175,265.52
<u>INV0002936</u>	QR-11 WAO #7	07/31/2018	175,265.52	175,265.52
Vendor: <u>1054</u>	MCMASTER-CARR SUPPLY COMPANY			Payable Count: (1) 352.65
<u>67664791</u>	Meter Station Supplies	07/24/2018	352.65	352.65
Vendor: <u>2210</u>	Millennium UPS			Payable Count: (1) 6,700.00
<u>DWC-2710</u>	Annual UPS Service Agreement	07/24/2018	6,700.00	6,700.00
Vendor: <u>1395</u>	OFFICE DEPOT			Payable Count: (1) 54.33
<u>174913161001</u>	Office Supplies	08/07/2018	54.33	54.33
Vendor: <u>1664</u>	PROGRAM ONE PROFESSIONAL BUILDING SERVICES			Payable Count: (1) 810.01
<u>114111</u>	Window Cleaing: July 2018	07/31/2018	810.01	810.01
Vendor: <u>1059</u>	RED WING SHOE STORE			Payable Count: (1) 195.49
<u>45-1-52822</u>	Safety Shoes: Melgoza	07/31/2018	195.49	195.49
Vendor: <u>2212</u>	Robert McAvoy			Payable Count: (1) 607.70
<u>INV0002941</u>	Training Reimbursement	08/07/2018	607.70	607.70
Vendor: <u>1950</u>	RORY GROUP, LLC.			Payable Count: (1) 1,500.00
<u>2657-12</u>	CONSULTING FEE: August 2018	08/03/2018	1,500.00	1,500.00
Vendor: <u>2187</u>	Schirott, Luetkehans & Garner, LLC			Payable Count: (2) 4,506.62
<u>INV0002939</u>	Legal Services July 2018	07/31/2018	3,124.37	3,124.37
<u>INV0002940</u>	Bartlett Legal Services July 2018	07/31/2018	1,382.25	1,382.25
Vendor: <u>1302</u>	SIR SPEEDY PRINTING AND MARKETING SERVICES			Payable Count: (1) 147.00
<u>74916</u>	Printing of Bartlett Documents	07/31/2018	147.00	147.00
Vendor: <u>1043</u>	SOOPER LUBE			Payable Count: (3) 129.84
<u>302916</u>	Vehicle Maint: M166601	07/17/2018	46.94	46.94
<u>302989</u>	Vehicle Maint: M79697	07/17/2018	44.95	44.95
<u>303452</u>	Vehicle Maint: M176151	07/31/2018	37.95	37.95
Vendor: <u>1040</u>	SPECIALTY MAT SERVICE			Payable Count: (2) 313.74
<u>929114</u>	MAT SERVICE: 7/12/18	07/31/2018	156.87	156.87
<u>930741</u>	MAT SERVICE: 7/26/18	07/31/2018	156.87	156.87
Vendor: <u>2163</u>	Sterling Talent Solutions			Payable Count: (1) 93.06
<u>7492765</u>	Background Check	07/24/2018	93.06	93.06
Vendor: <u>2029</u>	TREE TOWNS IMAGING & COLOR GRAPHICS			Payable Count: (1) 231.00
<u>0000264585</u>	Large Document Printing for Bartlett	07/31/2018	231.00	231.00
Vendor: <u>1080</u>	TYLER TECHNOLOGIES, INC			Payable Count: (1) 3,176.80
<u>025-230291</u>	Maintenance: 9/1/18-8/31/19	08/03/2018	3,176.80	3,176.80
Vendor: <u>1427</u>	VILLA PARK ELECTRICAL SUPPLY CO., INC.			Payable Count: (1) 65.00
<u>134694-00</u>	Uniforms	08/03/2018	65.00	65.00
Vendor: <u>2211</u>	Volt Electric, Inc.			Payable Count: (2) 28,584.00
<u>6867</u>	QRE-8.003	07/31/2018	27,653.00	27,653.00
<u>6950</u>	QRE-8.003	07/31/2018	931.00	931.00
Vendor: <u>2096</u>	William A. Fates			Payable Count: (1) 1,666.67
<u>INV0002915</u>	Service as Treasurer: August 2018	08/03/2018	1,666.67	1,666.67

Board Open Payable Report

As Of 08/07/2018

Payable Number	Description	Post Date	Payable Amount	Net Amount
			Payable Account 01-211000	Payable Count: (51)
			Total:	<u>11,359,291.27</u>

Payable Account Summary

Account	Count	Amount
01-211000 - ACCOUNTS PAYABLE	51	11,359,291.27
Report Total:	51	11,359,291.27

Payable Fund Summary

Fund	Count	Amount
01 - WATER FUND	51	11,359,291.27
Report Total:	51	11,359,291.27

DUPAGE WATER COMMISSION
ITEMS TO BE PAID BY 8-16-18
Board Meeting Date: July 19, 2018

Estimate Amount	Description	Check Number	Payment Date	Payment Amount
55,000.00	Blue Cross Blue Shield - Health Insurance			
6,000.00	Euclid Managers - Dental Insurance			
10,000.00	Illinois Public Risk Fund - Workers Comp.			
200.00	Envision Health Care - Administration Fees			
300.00	Healthiest You			
150.00	NCPERS - IMRF			
20,000.00	ComEd - Utility Charges			
300,000.00	Constellation (Exelon Energy) - Utility Charges			
180,000.00	City of Chicago - Lexington. Electric			
35,000.00	City of Chicago - Lexington Labor Costs			
30,000.00	City of Chicago - Repairs & Maintenance			
2,000.00	City of Naperville -Meter Station Electric Bills			
15,000.00	Nicor - Gas			
350.00	Comcast - Internet Service			
3,000.00	AT & T - Telephone Charges			
3,000.00	AT & T - Scada Backhaul Network/IP Flex			
1,000.00	Fed - Ex - Postage/Delivery			
5,000.00	Procurement Card Charges			
200.00	Anderson - Pest Control			
400.00	Republic Services - Disposal Services			
200.00	Elecsys - Cell Data Services			
1,500.00	Konica Minolta - Copy and Lease Charges			
625.00	Pitney Bowes - Postage			
8,000.00	Grainger - Supplies for Operations			
2,500.00	Verizon - Wireless Service			
300.00	Network Fleet - Diagnostics			
1,700.00	William Fates - Treasurer			
5,000.00	Baker Tilly			
15,000.00	Schrott, Luetkehans & Garner, LLC			
1,500.00	Rory Group			
7,000.00	IT Savvy - Network Support			
200.00	Edward Coughlin/Ken Lafin - Security			
600.00	Red Wing - Uniforms			
300.00	Storino Ramello & Durkin			
500.00	Local 399 Training courses			
50.00	City of Aurora - Microbial Analysis			
255.00	City of Elmhurst - Wireless Radio			
25,300.00	Beary - Plants and Irrigation Repair			

**DUPAGE WATER COMMISSION
ITEMS TO BE PAID BY 8-16-18
Board Meeting Date: July 19, 2018**

900.00 Belzona - Repair Hydraulic Line
1,000.00 Bilco - Hatch Cover
400.00 Core & Main - Service Saddles
2,100.00 Dawson Tree Service - Tree Removal
4,000.00 DuPage Welding - Crossbars on Hatches
800.00 Elmhurst Plaza Standard - Vehicle Repairs
1,600.00 Eco Clean - July Janitorial Services
2,200.00 GE Grid Solutions - Replacement Monitor
1,100.00 LF George - Vehicle Repairs
800.00 Hach - Pressure Regulators
1,000.00 Hach - Monthly Chemicals
5,000.00 Hill Mechanical - Hydraulic Leak Repair
200.00 McMaster Carr - Supplies
1,100.00 Mike Weed - IFMA Conference Reimbursement
23,000.00 National Technology Transfer - Industrial Electric Training
200.00 NFPA - Membership Dues
500.00 Staples - Office Supplies
300.00 Transcat - Voltage Dectectors Testing
30,000.00 Morrow Brothers - Ford F-150 XL Super Cab
45,000.00 Greeley and Hansen - Bartlett
75,000.00 Injection and Waterproofing Systems, Inc.
70,000.00 Oak Security Group - Sales and Install of Locksets

1,003,330.00

DUPAGE WATER COMMISSION
ITEMS TO BE PAID BY 8-16-18
Board Meeting Date: July 19, 2018

Estimate Amount	Description	Check Number	Payment Date	Payment Amount
55,000.00	Blue Cross Blue Shield - Health Insurance			
6,000.00	Euclid Managers - Dental Insurance			
10,000.00	Illinois Public Risk Fund - Workers Comp.			
200.00	Envision Health Care - Administration Fees			
300.00	Healthiest You			
150.00	NCPERS - IMRF			
20,000.00	ComEd - Utility Charges			
300,000.00	Constellation (Exelon Energy) - Utility Charges			
180,000.00	City of Chicago - Lexington. Electric			
35,000.00	City of Chicago - Lexington Labor Costs			
30,000.00	City of Chicago - Repairs & Maintenance			
2,000.00	City of Naperville -Meter Station Electric Bills			
15,000.00	Nicor - Gas			
350.00	Comcast - Internet Service			
3,000.00	AT & T - Telephone Charges			
3,000.00	AT & T - Scada Backhaul Network/IP Flex			
1,000.00	Fed - Ex - Postage/Delivery			
5,000.00	Procurement Card Charges			
200.00	Anderson - Pest Control			
400.00	Republic Services - Disposal Services			
200.00	Elecsys - Cell Data Services			
1,500.00	Konica Minolta - Copy and Lease Charges			
625.00	Pitney Bowes - Postage			
8,000.00	Grainger - Supplies for Operations			
2,500.00	Verizon - Wireless Service			
300.00	Network Fleet - Diagnostics			
1,700.00	William Fates - Treasurer			
5,000.00	Baker Tilly			
15,000.00	Schirott, Luetkehans & Garner, LLC			
1,500.00	Rory Group			
7,000.00	IT Savvy - Network Support			
200.00	Edward Coughlin/Ken Lafin - Security			
600.00	Red Wing - Uniforms			
300.00	Storino Ramello & Durkin			
500.00	Local 399 Training courses			
50.00	City of Aurora - Microbial Analysis			
255.00	City of Elmhurst - Wireless Radio			
25,300.00	Beary - Plants and Irrigation Repair			

**DUPAGE WATER COMMISSION
ITEMS TO BE PAID BY 8-16-18
Board Meeting Date: July 19, 2018**

900.00	Belzona - Repair Hydraulic Line
1,000.00	Bilco - Hatch Cover
400.00	Core & Main - Service Saddles
2,100.00	Dawson Tree Service - Tree Removal
4,000.00	DuPage Welding - Crossbars on Hatches
800.00	Elmhurst Plaza Standard - Vehicle Repairs
1,600.00	Eco Clean - July Janitorial Services
2,200.00	GE Grid Solutions - Replacement Monitor
1,100.00	LF George - Vehicle Repairs
800.00	Hach - Pressure Regulators
1,000.00	Hach - Monthly Chemicals
5,000.00	Hill Mechanical - Hydraulic Leak Repair
200.00	McMaster Carr - Supplies
1,100.00	Mike Weed - IFMA Conference Reimbursement
23,000.00	National Technology Transfer - Industrial Electric Training
200.00	NFPA - Membership Dues
500.00	Staples - Office Supplies
300.00	Transcat - Voltage Dectectors Testing
30,000.00	Morrow Brothers - Ford F-150 XL Super Cab
45,000.00	Greeley and Hansen - Bartlett
75,000.00	Injection and Waterproofing Systems, Inc.
70,000.00	Oak Security Group - Sales and Install of Locksets
2,300,000.00	Benchmark Construction - TW-3
<u>3,303,330.00</u>	



DuPage Water Commission

MEMORANDUM

TO: Chairman Zay and Commissioners

FROM: John F. Spatz
General Manager

A handwritten signature in black ink, appearing to be "JF Spatz", is written to the right of the name "John F. Spatz".

DATE: August 9, 2018

SUBJECT: July 2018 Invoice

I reviewed the Schirott, Luetkehans & Garner LLC July 2018 invoice for services rendered during the period July 1, 2018 – July 31, 2018 and recommend it for approval. This invoice should be placed on the August 16, 2018 Commission meeting accounts payable.

July 2018
 Schirott, Luetkehans & Garner

CATEGORY	<u>FEES</u>	<u>HOURS BILLED</u>	<u>AVERAGE HOURLY RATE</u>	<u>ATTORNEYS & PARALEGALS EMPLOYED</u>	<u>MAJOR ACTIVITIES</u>
General	\$4,360.00	21.8	\$200.00	Luetkehans (12.6 @ \$200/hr.) Garner (0 @ \$200/hr.) Armstrong (9.20 @ \$200/hr.)	various (meetings, review agreements, correspondence, contracts, Board material, and attend June Board meeting)
Misc:	<u>\$146.62</u>				
	<u>\$4,506.62</u>	<u>21.8</u>	<u>\$200.00</u>		