

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

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

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

Commissioners Absent: None

Also in attendance: J. Spatz, T. McGhee, R. Skiba, M. Crowley, C. Johnson, J. Nesbitt, R. C. Bostick, J. Schori, E. Kazmierczak, M. Weed, and F. Frelka

PUBLIC COMMENT

None

APPROVAL OF MINUTES

After Chairman Zay noted that revisions requested by Commissioner Janc had been incorporated into the Minutes of the April 11, 2011 Special Meeting of the DuPage Water Commission and the revised version placed at each Commissioner's desk before the meeting, Commissioner Pruyn moved to approve the Minutes of the March 17, 2011 Regular Meeting, the Minutes of the April 11, 2011 Special Meeting (as revised), and the Executive Session Minutes of the April 11, 2011 Special Meeting of the DuPage Water Commission. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**CHARTER CUSTOMER HEARING REGARDING MANAGEMENT BUDGET
ORDINANCE FOR THE FISCAL YEAR COMMENCING MAY 1, 2011 AND ENDING
APRIL 30, 2012**

Commissioner Russo moved to open the Charter Customer Hearing regarding the Management Budget Ordinance for the Fiscal Year Commencing May 1, 2011 and Ending April 30, 2012. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

After General Manager Spatz noted that the revisions requested by the Board in the Executive Session of the Committee of the Whole Meeting had been incorporated into Ordinance No. O-4-11 and the revised version placed at their desks during the break, the hearing was opened to Charter Customer comments. There being no comments, Commissioner Murphy moved to close the Charter Customer Hearing regarding the Management Budget Ordinance for the Fiscal Year Commencing May 1, 2011 and

Minutes of the 4/21/11 Meeting

Ending April 30, 2012. Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER'S REPORT

Former Financial Administrator Skiba presented the March 2011 Treasurer's Report, consisting of six pages designated Reports A (2 pages), B (4 pages), and C (1 page).

With respect to Report A, Former Financial Administrator Skiba noted that the March 2011 report reflected a \$2.1MM positive cash flow excluding construction expenditures.

With respect to Report B, Former Financial Administrator Skiba explained that Report B showed that the General Obligation fund reflects a zero balance as it was paid off March 1st, and that the revenue bond principal and interest accounts reflect an \$11.2MM balance that will be fully funded the following week, with total funds for the month at \$70.2MM, including a \$13.6MM surplus.

With respect to Report C, Former Financial Administrator Skiba explained that Report C reflected \$70.2MM of cash and investments and noted that Reports A and C reconciled with each other.

Commissioner Furstenau questioned whether, and Former Financial Administrator Skiba confirmed that, the Illinois Money Market funds are verified each month by checking the bank statement against the Commission's general ledger.

Commissioner Murphy moved to accept the March 2011 Treasurer's Report. Seconded by Commissioner Furstenau and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Finance Committee – Reported by Commissioner Suess

Commissioner Suess reported that the Finance Committee reviewed the items listed on the Finance Committee Agenda and, specifically, the options regarding the extension/refinancing of the \$40MM Certificate of Debt.

With regards to Ordinance No. O-8-11, the extension/refinancing of the \$40MM Certificate of Debt issued to Northern Trust, Commissioner Suess stated that the Finance Committee discussed the initial interest rate options available to the Commission under the Ordinance and recommended that the three month LIBOR option be selected initially.

Chairman Zay then apologized for the confusion surrounding the appointment of Lynn Lullo as Treasurer and thanked Commissioner Pruyn for stepping up to serve as

Minutes of the 4/21/11 Meeting

Treasurer on an interim basis until such time as an independent third party could be duly appointed and confirmed to serve in such office.

After Commissioner Suess concluded his report by noting that at the May meeting, the Finance Committee would be developing a long term plan for paying down the Commission's debt, Commissioner Murphy moved to adopt item numbers 2 through 7 under the Finance Committee Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Furstenau.

In regards to Ordinance No. O-5-11, Commissioner Furstenau questioned whether the Ordinance included the new water rate increase and, if so, the amount and/or percentage of the increase. Commissioner Suess responded that the Ordinance increased the rate for operation and maintenance to \$2.04 per 1,000 gallons which, along with the fixed costs rate of approximately \$0.25 per 1,000 gallons, resulted in a 10% increase or an average rate of \$2.29, effective May 1.

After Chairman Zay noted that General Manager Spatz would be working with the Finance Committee to develop a five year plan of projected future water rate increases, the motion was unanimously approved by a Roll Call Vote:

Finance Omnibus Vote

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

Nays: None

Absent: None

Item 2: Ordinance No. O-4-11: An Ordinance Approving and Adopting an Annual Management Budget for the Fiscal Year Commencing May 1, 2011 and Ending April 30, 2012 (as revised)—“Finance Omnibus Vote”

Item 3: Ordinance No. O-5-11: An Ordinance Establishing A Rate for Operation and Maintenance Costs for the Fiscal Year Commencing May 1, 2011 and Ending April 30, 2012—“Finance Omnibus Vote”

Item 4: Ordinance No. O-6-11: An Ordinance Establishing Fixed Costs to be Payable by Each Contract Customer for the Fiscal Year Commencing May 1, 2011 and Ending April 30, 2012—“Finance Omnibus Vote”

Item 5: Ordinance No. O-8-11: An Ordinance of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, Amending and Extending the \$40,000,000 Taxable Debt Certificate, Series 2010, of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, Pursuant to Agreement with the Original Purchaser—“Finance Omnibus Vote”

Minutes of the 4/21/11 Meeting

- Item 6: Ordinance No. O-9-11: An Ordinance Transferring Appropriations Within Certain Funds for the Fiscal Year Commencing May 1, 2010 and Ending April 30, 2011—"Finance Omnibus Vote"
- Item 7: Resolution No. R-25-11: A Resolution Approving, Ratifying, and Accepting the Appointment of Commissioner Pruyn as Treasurer of the Commission for No Additional Compensation—"Finance Omnibus Vote"

Administration Committee – Reported by Commissioner Crawford

Commissioner Crawford reported that the Administration Committee discussed and recommended the two Resolutions listed on the Administration Committee Agenda. Next, Commissioner Crawford reported that the Administration Committee continued its discussion regarding the possibility of going paperless for future Board meetings and asked staff to contact several other government agencies that have successfully accomplished the paperless route for guidance. Lastly, Commissioner Crawford noted that the Committee also continued its discussion regarding the comprehensive amendment and restatement of the Commission's By-Laws and requested that General Manager Spatz review the current By-Laws for recommendation of changes needed to conform to current best practices.

Commissioner Furstenau moved to adopt item numbers 2 through 3 under the Administration Committee Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote:

Administration Omnibus Vote

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

Nays: None

Absent: None

Item 2: Resolution No. R-16-11: A Resolution Authorizing and Ratifying the Disposal of Certain Personal Property Owned by the DuPage Water Commission—"Administration Omnibus Vote"

Item 3: Resolution No. R-22-11: A Resolution Releasing Certain Executive Session Meeting Minutes at the April 21, 2011, DuPage Water Commission Meeting—"Administration Omnibus Vote"

Engineering & Construction Committee – Reported by Commissioner Loftus

Commissioner Loftus reported that the Engineering & Construction Committee reviewed and recommended for approval the Resolutions listed on the Engineering & Construction Committee Agenda and shared the Engineering & Construction

Minutes of the 4/21/11 Meeting

Committee's hope that Resolution No. R-23-11 would be the final change order submitted by Williams Brothers Construction.

Commissioner Pruyn moved to adopt item numbers 2 through 7 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:

Engineering & Construction Omnibus Vote

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

Nays: None

Absent: None

Item 2: Resolution No. R-17-11: A Resolution Approving and Ratifying Certain Task Orders Under a Master Contract with EN Engineering, LLC at the April 21, 2011, DuPage Water Commission Meeting—"Engineering & Construction Omnibus Vote"

Item 3: Resolution No. R-18-11: A Resolution Approving and Authorizing the Execution of a Contract between the DuPage Water Commission and Primera Engineers, Ltd. for Professional Engineering Services—"Engineering & Construction Omnibus Vote"

Item 4: Resolution R-19-11: A Resolution Awarding a Contract for High Lift Pump Motor Re-Build—"Engineering & Construction Omnibus Vote"

Item 5: Resolution No. R-20-11: A Resolution Approving a First Amendment to Task Order No. 28 Under the Master Contract with AECOM USA, Inc.—"Engineering & Construction Omnibus Vote"

Item 6: Resolution No. R-21-11: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-8/08 at the April 21, 2011, DuPage Water Commission Meeting—"Engineering & Construction Omnibus Vote"

Item 7: Resolution No. R-23-11: A Resolution Approving and Ratifying Certain Contract PSD-7/08 Change Orders at the April 21, 2011, DuPage Water Commission Meeting—"Engineering & Construction Omnibus Vote"

ACCOUNTS PAYABLE

Commissioner Murphy moved to approve the Accounts Payable in the amount of \$6,293,046.53 subject to submission of all contractually required documentation, for invoices that have been received and for invoices that have not yet been received but have been estimated. Seconded by Commissioner Janc and unanimously approved by a Roll Call Vote:

Minutes of the 4/21/11 Meeting

Ayes: L. Crawford, T. Cullerton, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruyne, D. Russo, F. Saverino, M. Scheck, P. Suess, J. B. Webb, and J. Zay

Nays: None

Absent: None

CHAIRMAN'S REPORT

Chairman Zay thanked General Manager Spatz for his hard work in reducing the FY 2011/2012 Budget by \$1MM in the short time that he has been with the Commission. Chairman Zay also complimented staff regarding the new layout of the main agenda, noting it was easier to follow.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

General Manager Spatz reported that staff met with representatives from DuPage County and the City of Naperville regarding the sharing of costs incurred in relocating the Commission's Transmission Main at 75th Street and Washington Street, noting that the negotiations were ongoing but a proposal should be ready for consideration at the May meeting.

With regards to selecting a permanent Treasurer, Chairman Zay thanked the Commissioners for submitting their recommendations and noted that General Manager Spatz will be interviewing, at a minimum, the two most favorably recommended candidates for final consideration at the May meeting.

NEW BUSINESS

None

EXECUTIVE SESSION

Commissioner Furstenau moved 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). Seconded by Commissioner Murphy and unanimously approved by a Roll Call Vote:

Minutes of the 4/21/11 Meeting

Ayes: L. Crawford, T. Cullerton, R. Furstenau, C. Janc, D. Loftus, W. Murphy, J. Pruy, D. Russo, F. Saverino, M. Scheck, P. Suess, J. B. Webb, and J. Zay

Nays: None

Absent: None

The Board went into Executive Session at 7:55 P.M.

Commissioner Russo moved to come out of Executive Session at 8:45 P.M. Seconded by Commissioner Pruy and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Murphy moved to adjourn the meeting at 8:46 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.