

**MINUTES OF A MEETING OF THE  
DuPAGE WATER COMMISSION  
HELD ON THURSDAY, MAY 21, 2015  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 7:03 P.M.

Commissioners in attendance: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, D. Russo, F. Saverino, M. Scheck, P. Suess and J. Zay

Commissioners Absent: J. Fennell and J. Pruyn

Also in attendance: Treasurer D. Ellsworth, J. Spatz, C. Johnson, C. Peterson, T. McGhee, J. Rodriguez, R. C. Bostick, J. Schori, F. Frelka, E. Kazmierczak, and R. Jones of Gorski & Good

**PUBLIC HEARING**

Commissioner Broda moved to open the Public Hearing regarding the Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2015 and Ending April 30, 2016. Seconded by Commissioner Loftus and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

There being no comments, Commissioner Broda moved to close the Public Hearing regarding the Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2015 and Ending April 30, 2016. Seconded by Commissioner Loftus and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**PUBLIC COMMENT**

None

**APPROVAL OF MINUTES**

Commissioner Furstenau moved to approve the Minutes of the April 16, 2015 Regular Meeting and the Minutes of the April 16, 2015 Executive Session Meeting of the DuPage Water Commission. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**TREASURER REPORT**

Treasurer Ellsworth presented the April 2015 Treasurer's Report, consisting of twelve pages, noting that pages 1, 2 and 3 contained a brief summary of the report.

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Treasurer Ellsworth pointed out the \$99.6 million of cash and investments on page 4, which reflected an increase of about \$2.2 million from the previous month. Treasurer Ellsworth also pointed out the schedule of investments on pages 5 through 10 totaling \$95.8 million and the market yield on the total portfolio showed 81 basis points which had slightly increased from the prior month. On page 11, the statement of cash flows showed an increase in cash and investments by about \$29.6 million and operating activities increased cash by approximately \$14.5 million, roughly \$36.4 million of sales tax was received, and principal and interest debt payments on bonds totaled about \$21.3 million. On page 12, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements and approximately \$12.0 million of outstanding debt in Table 3, Row J.

Commissioner Furstenau asked how much higher sales tax revenues were in FY2014-2015. Financial Administrator Peterson stated that sales tax revenues were \$1.8 million (5%) higher in FY2014-2015 than the previous fiscal year.

Discussion ensued regarding year end budget estimates versus actuals with Commissioner Suess noting that the Commission's year end finances ended with a surplus.

Commissioner Suess moved to accept the April 2015 Treasurer's Report. Seconded by Commissioner Russo 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 had reviewed and recommended for approval all action items listed on the Finance Agenda.

With regards to Resolution No. R-16-15, Commissioner Suess reviewed the following recommended changes to the Investment Policy:

- Limiting the supranational securities to a maximum position of no greater than 5% of the total portfolio
- Commercial Paper maturity extended from 210 days to 270 days
- Added taxable interest also under local government investment
- Removed year specific bond ordinances and changed to any bond ordinances
- Added 5 year weighted average life for U.S. Government Agency Mortgage Backed Securities

Commissioner Furstenau asked for an explanation as to why the invested \$1.2 million in African Development Bank Supranational securities was bought and sold within a 30 day period. General Manager Spatz noted that the Commission's investment advisor, PFM, sold the investment at the opportune time and netted a positive gain.

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Commissioner Suess noted that the Finance Committee was in full support of PFM's proposed changes to the Investment Policy and that Commissioners would be receiving a redline version of the changes for review and consideration at the next Board meeting.

With no further discussion, Commissioner Suess moved to adopt item numbers 2 and 3 under the Finance Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, D. Russo, F. Saverino, M. Scheck, P. Suess and J. Zay

Nays: None

Absent: J. Fennell and J. Pruyn

Item 2: Ordinance No. O-4-15: Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2015 and Ending April 30, 2016

Item 3: Resolution No. R-16-15: A Resolution Amending and Restating the Investment Policy of the DuPage Water Commission – First Reading

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

Commissioner Crawford reported that the Administration Committee had reviewed and recommended for approval all action items listed on the Administration Agenda. After providing a brief summary, Commissioner Crawford moved to Suspend the Purchasing Procedures of the Commission's By-Laws and Authorize the General Manager to enter into an Agreement to continue to use Reach HR Consulting for a two year period. Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, D. Russo, F. Saverino, M. Scheck, P. Suess and J. Zay

Nays: None

Absent: J. Fennell and J. Pruyn

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

Commissioner Loftus reported that the Engineering & Construction Committee had reviewed and recommended for approval all action items listed on the Engineering & Construction Agenda. After providing a brief summary of all items, Commissioner Loftus welcomed any questions. Hearing none, Commissioner Loftus 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 Broda and unanimously approved by a Roll Call Vote.

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Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, D. Russo, F. Saverino, M. Scheck, P. Suess and J. Zay

Nays: None

Absent: J. Fennell and J. Pruyn

Item 2: Resolution No. R-12-15: A Resolution Approving a two-year contract Time Extension of Contract QR-10/13 with John Neri Construction Co. Inc. and Rossi Contractors, Inc. at the May 21, 2015, DuPage Water Commission Meeting (No Cost)

Item 3: Resolution No. R-13-15: A Resolution Approving and Ratifying Certain Work Authorization Orders under Quick Response Contract QR-10/13 at the May 21, 2015 DuPage Water Commission Meeting (Rossi Contractors, Inc. – Cost Not-to-Exceed \$5,500.00)

Item 4: Resolution No. R-14-15: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract QR-10/13 at the May 21, 2015, DuPage Water Commission Meeting –(Rossi Contractors, Inc. minimum estimated cost of \$56,300.00)

Item 5: Resolution No. R-15-15: A Resolution Authorizing the Execution of an Agreement between the DuPage Water Commission and Dixon Engineering, Inc., for Professional Engineering Services –(estimated cost of \$185,398.90)

Item 6: Request For Board Action: To authorize a contract for the Roof Replacement at the DuPage Water Commission facility – (Malcor Roofing of Illinois for a cost of \$715,700.00).

Item 7: Request For Board Action: Authorization of a contract extension with SPI for Electrical Supply Consulting – (\$260/per hour, as needed)

### **ACCOUNTS PAYABLE**

Commissioner Russo moved to approve the Accounts Payable in the amount of \$7,906,833.94 subject to submission of all contractually required documentation, for invoices that have been received and the Accounts Payable in the amount of \$1,086,325.00 subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated. Seconded by Commissioner Suess and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, L. Crawford, R. Furstenau, R. Gans, D. Loftus, D. Novotny, D. Russo, F. Saverino, M. Scheck, P. Suess and J. Zay

Nays: None

Absent: J. Fennell and J. Pruyn

**CHAIRMAN'S REPORT**

Chairman Zay began by thanking General Manager Spatz for meeting with the Commission's lobbyist, John J. Millner to give testimony in Springfield regarding SB0816. Chairman Zay noted that this legislation had passed both houses which would remove the Water Act of 1985 from previous legislation. General Manager Spatz added that Commissioner Broda also attended the hearing in Springfield.

General Manager Spatz noted that a DVD of AECOM's Condition Assessment had been distributed to all Board members. Commissioner Loftus shared his concerns regarding the condition of the Commission's infrastructure and General Manager Spatz reassured that additional capital funding had been budgeted to address and provided a more in depth assessment where needed.

**OMNIBUS VOTE REQUIRING MAJORITY VOTE**

None

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

None

**OLD BUSINESS**

General Manager Spatz referred back to last month's meeting where the Board members discussed costs involving logos for the Commission's water tanks. General Manager Spatz stated that staff received costs for the logos and found them to be very reasonable. Discussion ensued and it was determined that the tanks that sit in a high visible area would be painted with the Commission's logo. The Commissioner's also discussed the distribution system, current condition, and future maintenance.

**NEW BUSINESS**

Commissioner Sues asked if staff would contact the City of Chicago to arrange another tour of both the Lexington Pumping Station and the Jardine Water Purification Plant to give the new Commissioners as well as the Commissioners that were unable to attend the previous tour an opportunity to visit the facilities. General Manager Spatz agreed noting that another tour shouldn't be a problem to arrange.

Other items discussed relating to the City of Chicago were the Lexington Pumping Station property title transfer and also the accountability report.

**EXECUTIVE SESSION**

None

Commissioner Broda moved to adjourn the meeting at 7:35 P.M. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.