

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, OCTOBER 18, 2018
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 6:32 P.M.

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

Commissioners Absent: D. Russo

Also in attendance: Treasurer W. Fates, J. Spatz, C. Johnson, C. Peterson, A. Stark, T. McGhee, F. Frelka, J. Schori, J. Rodriguez, M. Weed, C. Bostick, E. Kazmierczak, P. Luetkehans of Schirott, Luetkehans & Garner, LLC, Dan Mackey and Tom Wiedemann from Alliant/Mesirow Insurance Services, Joel Lehman and Lucy Dolya from AIG Companies.

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Healy moved to approve the Minutes of the August 16, 2018 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'S

Treasurer Fates reported that he had reviewed and approved all journal entries and bank reconciliations for the months of August and September and provided a brief summary of the September 2018 Treasurer's Report as follows:

September 2018

Treasurer Fates pointed out the \$172.8 million of cash and investments on page 4, which reflected a decrease of about \$0.3 million from the previous month. Treasurer Fates also pointed out the schedule of investments on pages 5 through 10 totaling \$152.0 million and the market yield on the total portfolio showed 1.87% 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 \$1.8 million and operating activities generated \$4.7 million, and roughly \$113,000 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 Pruyn moved to accept the August and September 2018 Treasurer's Report's. Seconded by Commissioner Scheck 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 and recommended for approval all action items listed on the Finance Committee Agenda, specifically noting the in-depth discussion for clarification regarding the purchase of property, pollution and liability insurance coverage. Commissioner Suess then referred to a handout from Alliant/Mesirow Insurance Services, that had been distributed at the meeting, that summarized the renewal coverage. Discussion ensued regarding property insurance and new sublimits for the Commission's water transmission lines and tunnels. With the new proposed property insurance renewal, underground piping and infrastructure would have a new sublimit of \$50M per occurrence. After noting that the Commission would continue to work with Alliant/Mesirow and AIG Companies, in the future, to see about increasing the sublimit, 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 Healy.

Commissioner Obarski asked about the purpose of pollution insurance coverage and if we had this coverage for the last couple of years. General Manager Spatz stated that the Commission had purchased pollution coverage for a 3-year period and that it was time to renew for another 3 years. General Manager Spatz added that the pollution insurance coverage is to cover the Commission for any offsite events that would occur, such as, a chemical spill or contamination.

With no further discussion, the motion was unanimously approved by a Roll Call Vote.

Ayes: J. Broda, J. Fennell, R. Gans, J. Healy, D. Loftus, D. Novotny, R. Obarski, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: D. Russo

Item 2: Request for Board Action - To suspend the purchasing procedures of the Commission's By-Laws and to Purchase Property, Pollution and Liability Insurance (total premium of approximately \$440,335.00 as proposed by Alliant/Mesirow Insurance Services)

Item 3: Request For Board Action - To suspend the purchasing procedures of the Commission's By-Laws and to purchase Workers' Compensation and Employer's Liability Insurance (total premium not-to-exceed \$92,000 as proposed by Illinois Public Risk Fund and outlined by Alliant/Mesirow Insurance Services)

Administration Committee – Reported by Commissioner Healy

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

Ayes: J. Broda, J. Fennell, R. Gans, J. Healy, D. Loftus, D. Novotny, R. Obarski, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: D. Russo

Item 2: Resolution No. R-31-18: A Resolution Approving Employee Insurance Benefits for Plan Year Beginning December 1, 2018 and ending November 30, 2019

Item 3: Request for Board Action: To Authorize the Execution of a Consulting Agreement with Rory Group, LLC., for a one-year period, in an amount not to exceed \$18,000.00.

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 and provided a brief summary of each item. After Commissioner Loftus pointed out that two of the items on the agenda required suspending the purchasing procedures of the Commission's By-Laws as these items were being purchased from sole source manufacturers, he welcomed any questions. Hearing none, Commissioner Loftus moved to suspend the Purchasing Procedures of the Commission's By-Laws for Resolution No. R-28-18 and Requisition No. 53408. Seconded by Commissioner Fennell and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, J. Fennell, R. Gans, J. Healy, D. Loftus, D. Novotny, R. Obarski, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: D. Russo

Commissioner Loftus noted that staff would be looking into upgrading its current SCADA system and asked Manager of Water Operations McGhee to provide a summary of the project. Manager of Water Operations McGhee noted that the Commission's current SCADA system was still working but is very outdated as it has been in place since 1991. He noted that the Commission had hired an engineering firm to help develop a scope for an RFP. Once the RFP is completed, the Commission would invite 7 prequalified engineering firms to submit their proposal for the project. Status updates will be provided at the next Board meeting.

Minutes of the 10/18/2018 Commission Meeting

With no further discussion, Commissioner Loftus moved to adopt item numbers 2 through 8 under the Engineering & Construction Report section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Gans and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, J. Fennell, R. Gans, J. Healy, D. Loftus, D. Novotny, R. Obarski, J. Pruyn, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: D. Russo

Item 2: Ordinance No. O-8-18: An Ordinance Determining the Prevailing Rate of Wages in DuPage County and Cook County

Item 3: Ordinance No. O-11-18: An Ordinance Approving and Requesting the Intergovernmental Transfer of Easement Rights for the Bartlett Metering Station MS-30A Site and Authorizing the Execution of the Bartlett Metering Station Easement Agreement

Item 4: Resolution No. R-28-18: A Resolution Suspending the Purchasing Procedures and Authorize the General Manager to Purchase Mechanical Seals, Spare Parts and Labor Service for the Commission's Large Service Pumps (Superior Industrial Equipment at an estimated cost of \$110,000.00)

Item 5: Resolution No. R-29-18: A Resolution Awarding a Contract for 36-Month Heavy Machinery and Equipment Rigging, Transportation and Installation Services (Mecon Industries, Inc. estimated for unit price contract in the amount of \$779,600.00)

Item 6: Resolution No. R-30-18: A Resolution Awarding a Contract for 36-Month Maintenance, Parts and Repair Service for Large Water Pumps (Xylem Water Solutions U.S.A., Inc., not-to-exceed amount \$1,124,770.00)

Item 7: Resolution No. R-32-18: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Contract -11/17 at the October 18, 2018 DuPage Water Commission Meeting (Work Authorization Order No. 8 to Rossi Contractors, Inc. at an estimated cost of \$45,000.00)

Item 8: Request for Board Action: To Suspend the Purchasing Procedures of the Commission's By-Laws and to Authorize the General Manager to Approve Requisition No. 53408 in the amount of \$27,000.00 to Utility Service Co., Inc.

ACCOUNTS PAYABLE

Commissioner Healy moved to approve the Accounts Payable in the amount of \$10,636,562.81 (August 2018, disbursements made with concurrence of Commission's Chairman) and \$9,399,110.93 (September 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 \$1,092,980.00 (August 2018, disbursements made with concurrence of Commission's Chairman) and \$1,630,030.00 (September 2018) subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated. Seconded by Commissioner Gans and unanimously approved by a Roll Call Vote.

Ayes: J. Broda, J. Fennell, R. Gans, J. Healy, D. Loftus, D. Novotny, R. Obarski, J. Pruyne, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: D. Russo

CHAIRMAN'S REPORT

Chairman Zay began his report by suggesting that the December Board meeting be rescheduled one week earlier as the original meeting date was too close to the holiday and attendance may be a problem. An email would be sent to check everyone's availability.

Chairman Zay reported that the terms for Commissioners Loftus, Saverino, Scheck and Suess would be expiring on January 1, 2019 noting that staff would be sending out the notification letters within the week and added that those Commissioners interested in being reappointed to please let him know.

On Tuesday, October 23rd, Chairman Zay informed that General Manager Spatz would be providing a brief presentation at the DuPage County Board meeting on the Commission's current projects which would include the possibility of the Commission taking on more customers. With that said, General Manager Spatz provided an update with regards to the possibility of the Commission supplying water to the Village of Oswego, the Village of Montgomery and the City of Yorkville noting that they had completed their feasibility study and that the Commission looks to be the best option for those communities. In addition, General Manager Spatz noted that staff had met with representatives from the City of Joliet regarding their interest in water supply options. Discussion ensued regarding water supplies to the City of Joliet, a Will County Water Authority and any jurisdictional issues.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

None

NEW BUSINESS

General Manager Spatz noted that the salary compensation report had been completed including the salary ranges for employee comparative job titles and experience with similar water utilities and that recommended adjustments would be presented at the next Board meeting.

General Manager Spatz introduced new staff member Alan Stark, the Commission's Coordinating Engineer noting that Alan has over 30 years of experience with the City of Chicago's water department and will be a great asset to the Commission. Chairman Zay, along with the Board members, welcomed Alan and wished him well.

EXECUTIVE SESSION

None

Commissioner Healy moved to adjourn the meeting at 6:58 P.M. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.