

**MINUTES OF THE NOVEMBER 12, 2009  
REGULAR A MEETING OF THE  
DuPAGE WATER COMMISSION  
(AS ADJOURNED TO, AND RECONVENED  
ON, WEDNESDAY, NOVEMBER 18, 2009)  
600 E. BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order on Thursday, November 12, 2009, by Chairman S. Louis Rathje at 7:31 P.M.

Commissioners in attendance: E. Chaplin (arrived at 7:05 P.M. on November 18, 2009), T. Bennington, T. Elliott, L. Hartwig (until 9:15 P.M. on November 12, 2009), W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Commissioners Absent: E. Chaplin (November 12, 2009) and L. Hartwig (November 18, 2009)

Also in attendance: Treasurer R. Thorn, R. Martin, M. Crowley, C. Johnson, R. Skiba, T. McGhee (until 9:15 P.M. on November 12, 2009), J. Nesbitt, R. C. Bostick, J. Schori (until 9:15 P.M. on November 12, 2009) E. Kazmierczak, and F. Frelka

**PUBLIC COMMENTS**

None

**APPROVAL OF MINUTES**

Commissioner Elliott moved to approve the Minutes of the October 8, 2009 Regular Meeting of the DuPage Water Commission. Seconded by Commissioner Mueller and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

After Commissioner Zay requested that a reference be added to the October 8, 2009 Executive Session Minutes regarding the then recent discovery of certain accounting anomalies, Commissioner Zay moved to table approval of the October 8, 2009 Executive Sessions Minutes to the December meeting. Seconded by Commissioner Bennington and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**TREASURER'S REPORT**

Treasurer Thorn presented the Treasurer's Report for the month of October 31, 2009, which showed year-to-date receipts of \$40,899,190.44, year-to-date disbursements of \$59,759,569.21, and a cash and investment balance of \$49,841,085.09.

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

Commissioner Murphy moved to accept the October 2009 Treasurer's Report. Seconded by Commissioner Mueller.

Commissioner Zay noted his concerns regarding the Commission's current financial situation and questioned the accuracy of the Treasurer's Report as presented. Former Financial Administrator Skiba reassured the Board that the Treasurer's Report provided had been balanced to the penny and was up-to-date.

After Commissioner Maio confirmed with the Staff Attorney that there was no statutory requirement for the Board to accept the Treasurer's Report, Commissioner Maio moved to defer acceptance of the October 2009 Treasurer's Report until the end of the meeting. Seconded by Commissioner Bennington and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

## **COMMITTEE REPORTS**

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

Commissioner Murphy reported that the Administration Committee reviewed all items listed on the Administration Committee agenda and, specifically, the updated rules and regulations for the implementation of the January 1, 2010, comprehensive amendments to the Illinois Freedom of Information Act, noting that Staff Attorney Crowley had provided a detailed overview for the Board and requesting that the Commissioners promptly review the materials as the item would be on the December Agenda for approval.

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

Commissioner Maio reported that the Engineering & Construction Committee reviewed all items listed on the Engineering & Construction Committee agenda, noting that all current projects seem to be on schedule and that all requests for additional funds should be held until after the presentation on the Financial Review.

### **Finance Committee – Reported by Commissioner Mathews**

Commissioner Mathews reported that the Finance Committee reviewed all items listed on the Finance Committee agenda and, specifically, conducted an extensive review of the Treasurer's Report.

## **CHAIRMAN'S REPORT**

Chairman Rathje reminded the Board of the upcoming Water Conservation breakfast being held on Tuesday, November 17<sup>th</sup> at BoBak's Signature Room with guest speaker

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

David Dempsey and also noted that General Manager Martin canceled the Commissioner and Staff Holiday parties in consultation with Chairman Rathje.

### **MAJORITY OMNIBUS VOTE AGENDA**

Commissioner Zay requested that Ordinance No. O-13-09 and R-65-09 be removed from the Omnibus Vote Agenda for separate consideration. Commissioner Zay then withdrew his request and moved to suspend the regular order of business and take up the Financial Evaluation Agenda item before the Board approves any of the other items listed on the Agenda. Seconded by Commissioner Bennington and unanimously approved by a Voice Vote:

All voted aye. Motion carried.

### **NEW BUSINESS**

General Manager Martin began the Financial Evaluation with a PowerPoint presentation. During the PowerPoint presentation, Commissioner Maio asked the following question: "Did staff provide to the Commission for approximately the last two years, financial recommendations for the Board to adopt, based on what is now known to have been faulty financial reports that they provided to the Commission?" General Manager Martin responded in the affirmative. The Commissioners then discussed their concerns, including:

- The insufficiency of rates, based upon the FY 2009-2010 Budget, to cover daily operation costs in conjunction with the City of Chicago's water rate increases and the monthly shortage, on a non-discretionary basis, of approximately \$2 - \$2.5 million per month.
- The inability to maintain unrestricted reserves at the target balance of \$20 million.
- The inaccuracy or insufficiency of the financial data and other information provided by staff for the past several years and the auditor's role in verifying that data.
- The length of service of the auditing firm, McGladrey and Pullen, from 2003 to present.
- Staff's recommendation for a \$30 million short term borrowing to abate the property tax levy in February 2010 and to cover construction costs from November 2009 – January 2010 and water purchases.
- Staff's recommendation for a \$60 million long term borrowing that would allow the Commission to repay the short term loan, defer a water rate increase until

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

May 1, 2010, fund outstanding construction obligations, and re-establish reserves.

- The need for, and timing of, a water rate increase, with staff proposing a one-time increase of 42% as of May 1, 2010, and regular increases thereafter as needed to coincide with City of Chicago rate increases, and whether the Commission should continue its practice of subsidizing the Fixed Costs portion of the water rate.
- The lack of accounting for the amount of sales taxes used to subsidize water purchases.

Commissioner Zay thanked former Financial Administrator Skiba for helping and for doing a great job. Commissioner Zay suggested getting a forensic audit prepared before applying for a short-term loan, noting the outside forensic auditor should report directly to the Board.

Commissioners Elliott and Hartwig agreed with Commissioner Zay and added that special legal counsel reporting directly to the Board should also be retained.

Commissioner Maio suggested seeking proposals from accounting firms such as Deloitte & Touche or from a firm of similar caliber and referring to Commissioner Elliott for a recommendation as to legal counsel. After determining it was the consensus of the Commissioners to defer the rest of the Agenda items to allow more time for the Commissioners to thoroughly review the financial material presented, Chairman Rathje reported that the meeting should be adjourned to 7:00P.M. on Wednesday, November 18, 2009, and Chairman Rathje selected Commissioners Elliott, Mathews, and Zeilenga to act as the Board's liaisons or informal subcommittee with respect to the various pending financial matters, including retention of a forensic auditor and special legal counsel.

Before the meeting was adjourned to November 18, 2009, General Manager Martin referred to the Agenda item of retaining the services of a Financial Advisor and asked the Board for direction and approval.

Commissioner Mueller moved to retain the services of Speer Financial, Inc. in accordance with its proposal dated November 6, 2009. Seconded by Commissioner Hartwig and failed by a Roll Call Vote for lack of an approving special majority:

Ayes: T. Elliott, L. Hartwig, G. Mathews, W. Mueller, W. Murphy, F. Saverino, and L. Rathje

Nays: T. Bennington, W. Maio, A. Poole, J. Zay, and D. Zeilenga

Absent: E. Chaplin

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

At 9:15 P.M., Commissioner Maio moved to adjourn the meeting to 7:00 P.M. on Wednesday, November 18, 2009, at 600 East Butterfield Road, Elmhurst, Illinois. Seconded by Commissioner Bennington and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

After the November 12, 2009, regular meeting of the DuPage Water Commission was adjourned to 7:00 P.M. on Wednesday, November 18, 2009, at 600 East Butterfield Road, Elmhurst, Illinois, the meeting reconvened at 7:03 P.M. on Wednesday, November 18, 2009, at 600 East Butterfield Road, Elmhurst, Illinois.

Commissioners in attendance: T. Bennington, E. Chaplin (arrived at 7:05 P.M.), T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Commissioners Absent: L. Hartwig

Also in attendance: Treasurer R. Thorn, R. Martin, M. Crowley, C. Johnson, R. Skiba, J. Nesbitt, R. C. Bostick, E. Kazmierczak, and F. Frelka

### **NEW BUSINESS**

Chairman Rathje directed General Manager Martin to review staff's recommendations regarding a financial action plan. General Manager Martin reported his recommendations as follows:

- Continue with the hiring process for a new Financial Administrator
- Hire a Financial Advisor and Bond Counsel
- Seek both short and long term borrowings at \$30MM short term and \$60MM long term

Commissioner Chaplin arrived at 7:05 P.M.

General Manager Martin concluded his recommendations, referencing the proposed one-time rate increase of 42% as of May 1, 2010, regular rate increases thereafter as needed to coincided with City of Chicago rate increases, and continuing the practice of subsidizing the Fixed Costs portion of the water rate.

Commissioner Zeilenga referred to several handouts distributed to the Commissioners, which included a breakdown of a three-phase financial plan: Phase 1 would identify all issues, such as, evaluating financial statements for the current financial situation and determining shortfalls in monthly operations, if/what bonds can be refinanced, issues with abating the 2010 property tax, water rate increases, short and long term borrowing, etc.; Phase 2 would determine the financial direction needed by hiring the services of a financial management consultant; and Phase 3 would be to conduct a thorough audit,

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

specifically with a forensic audit team, to identify all issues involved, fix the problems, and implement action plans to avoid a repeat in the future.

Commissioner Zeilenga then recommended retaining the services of Deloitte & Touche LLP retired partner, Philip C. Adams, Jr., as a Financial Management Consultant. Commissioner Zeilenga noted that Mr. Adams is a respected friend of his and offers 35 years of experience and is available to start immediately at a cost of \$1,500 per day but not-to-exceed \$30,000.00. Commissioner Zeilenga concluded his recommendation by noting that Mr. Adams would be a short term consultant (3 - 4 weeks) to get the ball rolling and then would turn things over to the forensic accounting firm to continue with the evaluation and forensic audit.

With regards to the Agenda for the reconvened portion of the Commission's regular November meeting, Commissioner Zay noted his concerns with adding additional items to an agenda for a meeting that was adjourned to, and reconvened at, a later date, noting that he checked with State's Attorney Tony Hayman and Mr. Hayman disagreed with Staff Attorney Crowley's opinion. Staff Attorney Crowley reassured the Board that, as stated in an earlier email which included citation to state statute, nothing in the Open Meetings Act prohibits changes to the agenda of reconvened meetings so long as public notice is given at least 48 hours in advance and, in fact, if no change had been made to the Agenda, then no public notice would have been required.

In referring back to various accounting firms, Commissioner Zeilenga stated that he has been in contact with the accounting firms of Deloitte & Touche LLP and Crowe Horwath, noting that both firms are qualified in public and government financing and are available to conduct the forensic audit.

Chairman Rathje asked if rates were provided. Commissioner Zeilenga stated that Deloitte & Touche requires a \$50,000 retainer fee up front, but that Crowe Horwath did not submit rates as of yet.

After Commissioner Murphy noted his appreciation to Commissioners Elliott, Mathews, and Zeilenga for their hard work, Commissioner Murphy moved to appoint Commissioner Zeilenga to be the Board liaison on the team, to retain the services of Philip Adams, retired partner of the accounting firm of Deloitte and Touche LLP, as a financial management consultant at a rate of \$1,500/per day but not-to-exceed \$30,000.00, and to retain the services of Deloitte & Touche LLP to conduct the forensic audit. Seconded by Commissioner Maio.

Commissioner Zay noted his concerns with Deloitte and Touche requiring an upfront retention fee of \$50,000.00 for forensic auditing services versus retaining the services of Crowe and Horwath which did not include a required retainer fee and, therefore, from a cost savings perspective, Commissioner Zay stated that he is leaning towards retaining the forensic auditing services of Crowe and Horwath. Commissioner Elliott suggested holding further discussion until after the Board discusses in Executive Session the

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

retention of legal counsel. At which point, Commissioner Rathje suspended the regular order of business to go into Executive Session for a discussion concerning the retention of legal counsel.

### **EXECUTIVE SESSION**

Commissioner Elliott moved to go into Executive Session to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2). Seconded by Commissioner Murphy and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

The Board went into Executive Session at 7:31 P.M.

Commissioner Mueller moved to come out of Executive Session at 8:10 P.M. Seconded by Commissioner Elliott and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Elliott temporarily left the meeting at 8:11 P.M.

Based on the discussion during Executive Session, Commissioner Murphy as the movant, and Commissioner Maio as the seconder, agreed to withdraw the pending motion and second.

Commissioner Maio moved to retain the services of Philip Adams for financial management assistance in the amount of \$1,500.00/per day but not to exceed \$30,000.00 in accordance with the proposal. Seconded by Commissioner Mueller and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: T. Elliott and L. Hartwig

After Commissioner Zay strongly urged the Board to defer the process of hiring a new Financial Administrator until all financial issues had been resolved, Commissioner Elliott returned to the meeting.

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

Commissioner Zay noted how shaken he is with the Commission's current financial situation and stated how reluctant he is to take any of staff's recommendations. Commissioner Zay also suggested that perhaps one of the Board members should be involved, at the appropriate time, in the interviewing process for a new Financial Administrator.

Chairman Rathje polled the Board members and it was the consensus of the Commissioners present to defer the process of filling the position of Financial Administrator until further notice, at which point Chairman Rathje asked former Financial Administrator Skiba to explain the forecast to the Board.

Former Financial Administrator Skiba noted that if the intention was to abate the General Obligation Bond property tax levy in February 2010, based on a rough cash flow forecast, the Commission would have to do a short term borrowing or stop construction payments and immediately implement a \$0.22 to \$0.25 fixed cost rate increase on January 1, 2010, because the projection showed that sales taxes could not be used to support the water rate until the end of February 2010. Former Financial Administrator Skiba also noted that unless a Certificate of Deposit was withdrawn early, the operations and maintenance account was projected to be less than \$300,000.00 by December 31, 2009, and, by April 30, 2010, if there were no interim or permanent financing, the Commission was projected to have only \$1.2 million available for water operations and nothing available for construction contracts.

Commissioner Bennington inquired as to how much is outstanding in accounts receivable and about the payment schedule and Commissioner Zay inquired about the various loans. Former Financial Administrator Skiba explained that customer receivables have a contractual due date of 40 days from end of billing month; sales tax receivable is a function of when the state makes its distributions; the water quality loans are contractual long term receivables; the Chicago construction reimbursement is behind in billing and the Commission is working to get the bill out; and the expected Chicago receivable is limited to 10% of the water bill so only about \$400,000.00/per month would be received once this bill is issued.

Commissioner Maio requested that General Manager Martin re-confirm his affirmative answer to a question that Commissioner Maio asked November 12, 2009, and that Commissioner Maio requested be set forth verbatim in the minutes as follows: "Did staff provide to the Commission for approximately the last two years, financial recommendations for the Board to adopt, based on what is now known to have been faulty financial reports that they provided to the Commission?" General Manager Martin reconfirmed his positive response.

Commissioner Mathews requested detail concerning the location of Commission assets such as bank statements, and Commissioner Zay requested a copy of the Commission's revenue bond ordinance. Commissioner Chaplin inquired as to whether the funds have been reconciled and also noted that throughout the past couple of years



some of the Commissioners had been asking staff to provide better financials for the Board to review. Former Financial Administrator Skiba stated that as of September 30<sup>th</sup>, everything had been reconciled and balanced, and welcomed all Board members to come in and review any financial information they wished.

### **TREASURER'S REPORT**

Treasurer Thorn presented the Treasurer's Report for the month of October 2009 which showed year-to-date receipts of \$40,899,190.44, year-to-date disbursements of \$59,759,569.21, and a cash and investment balance of \$49,841,085.09.

Commissioner Bennington expressed his gratitude to Former Financial Administrator Skiba for doing a great job and asked for an explanation concerning the calculation of the two certificates of deposits and the state treasurer's pool.

Former Financial Administrator Skiba identified the specific investments of the Commission and noted that Certificates of Deposits are collateralized with U.S. Obligations for deposit amounts in excess of FDIC coverage.

Commissioner Bennington moved to table acceptance of the Treasurer's Report. Seconded by Commissioner Zay and unanimously approved by a Voice Vote:

All voted aye. Motion carried.

### **MAJORITY OMNIBUS VOTE AGENDA**

Commissioner Zay requested that Resolution No. R-65-09 be removed from the Omnibus Vote Agenda for separate consideration.

Commissioner Muller moved to adopt the items listed on the revised Majority Omnibus Vote Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Zay and unanimously approved by a Roll Call Vote:

#### **Majority Omnibus Vote**

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

Item 1: Ordinance No. O-13-09: An Ordinance Requesting the Intergovernmental Transfer of Easement Rights for Access to the Winfield Metering Station 27A Site and Authorizing the Execution of the Partial Assignment of Private Roadway Easement Rights—"Majority Omnibus Vote"

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

Item 2: Resolution No. R-68-09: A Resolution Approving and Authorizing the Execution of the AT&T Customer Work Agreement for Project Number 7587433 for Emergency Generation Facility Related Distribution System Improvements—"Majority Omnibus Vote"

With regards to Resolution No. R-65-09: A Resolution Authorizing and Directing the Regular and Automatic Transfer of Certain Excess Account Balances to the General Account of the Water Fund, Commissioner Zay suggested adding a requirement for the Chairman of the Board or the Finance Committee to approve all excess account balance transfers. After Staff Attorney Crowley suggested deferring Resolution No. R-65-09 to the December meeting in order to give staff time to make the appropriate changes, Commissioner Zay moved to table Resolution No. R-65-09: A Resolution Authorizing and Directing the Regular and Automatic Transfer of Certain Excess Account Balances to the General Account of the Water Fund for consideration at the December meeting. Seconded by Commissioner Chaplin and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

**SUPER/SPECIAL MAJORITY OMNIBUS VOTE AGENDA**

It was the consensus of the Commissioners that all resolutions be removed from the Omnibus Vote Agenda for separate consideration.

Commissioner Elliott shared his concerns with awarding a Contract for the Construction of Corrosion Protection and Control for the South Transmission Main (Contract TS-8/09) noting, as discussed at the October 8<sup>th</sup> meeting, there was no urgency in completing the project and therefore the project could wait until next year. Commissioner Elliott commended staff for negotiating an overall cost savings, but suggested re-structuring the base price of the contract and then, if additional work were needed, to submit change orders for approval. Commissioner Maio asked what the outcome would be if the project was delayed six months to one year. General Manager Martin noted that the outcome depends only upon whether the water main were to break. Commissioner Zay strongly urged the Board to delay the project, stating that due to the Commission's current financial situation, no new projects should be approved at this time.

Commissioner Mathews moved to remove from the Agenda Resolution No. R-54-09: A Resolution Awarding a Contract for the Construction of Corrosion Protection and Control for the South Transmission Main (Contract TS-8/09). Seconded by Commissioner Saverino and unanimously approved by a Voice Vote.

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

All voted aye. Motion carried.

Commissioner Zay moved to adopt Resolution No. R-66-09: A Resolution Approving and Ratifying Certain Work Authorization Orders Under Quick Response Electrical Contract QRE-4/08 at the November 12, 2009, DuPage Water Commission Meeting. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

Commissioner Zay moved to adopt Resolution No. R-67-09: A Resolution Approving and Ratifying Certain Contract Change Orders at the November 12, 2009, DuPage Water Commission Meeting. Seconded by Commissioner Mueller and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

Commissioner Zay moved to adopt Resolution No. R-69-09: A Resolution Annuling the Award to D. E. Thompson Excavating Co. and Re-Awarding a Contract for the Construction of 30 Inch Diameter Water Main Relocation—75<sup>th</sup> and Washington Streets (Contract TS-7/09). Seconded by Commissioner Elliott and approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: W. Mueller

Absent: L. Hartwig

### **OLD BUSINESS**

With regard to the purchase of property and liability insurance coverage, Commissioner Zeilenga confirmed the total premium amount of \$480,570, and suggested to General Manager Martin to contact Nugent Consulting Group and check if they offer a payment plan.

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

Commissioner Mueller moved to purchase property and liability insurance coverage in accordance with the Insurance Proposal Analysis letter dated November 16, 2009, from Nugent Consulting Group, including storage tank liability coverage for above-ground and underground storage tanks, with a \$25,000.00 deductible, and a \$225,000,000 per claim limit on underground piping losses, for a total not to exceed premium of \$480,570, and to repeal all prior approvals in conflict therewith. Seconded by Commissioner Zay and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

With regards to the purchase of Pollution Liability Insurance, Commissioner Maio confirmed that the \$30,132.00 is the total cost for a three-year term. General Manager Martin noted he would also check with the Lexington Insurance Company regarding a payment plan.

Commissioner Zay moved to approve the purchase of Pollution Liability Insurance with Lexington Insurance Company for a three-year term at a cost of \$30,132.00. Seconded by Commissioner Elliott and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

With regards to the draft Audit Report for the Fiscal Year ending April 30, 2009, Former Financial Administrator Skiba stated that (1) he had added a subsequent event footnote, the text of which was provided to the Board on November 12, 2009; (2) because of the forensic audit discussion on November 12, 2009, the auditors are doing more work; and (3) the auditors raised a question concerning auditor independence in light of the proposed forensic audit that could result in a disclaimer opinion on the financial statements. As a result, Former Financial Administrator Skiba recommended deferring approval of the draft Audit Report at this time.

### **ACCOUNTS PAYABLE**

Commissioner Elliott moved to approve the Accounts Payable in the amount of \$3,201.89 subject to submission of all contractually required documentation. Seconded by Commissioner Zay and approved by a Roll Call Vote:

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, and L. Rathje

Nays: D. Zeilenga

Absent: L. Hartwig

Commissioner Elliott moved, subject to ratification at the next meeting, to retain the services of Jenner & Block LLP at a blended rate of \$500.00 per hour for all hours worked, including authority for Jenner & Block to retain accounting and financial consultants to assist with various finance and accounting matters, as requested by, and reporting directly to, the Board of Commissioners and to authorize the General Manager to enter into any required retention agreements. Seconded by Commissioner Murphy and unanimously approved by a Roll Call Vote:

Ayes: T. Bennington, E. Chaplin, T. Elliott, W. Maio, G. Mathews, W. Mueller, W. Murphy, A. Poole, F. Saverino, J. Zay, D. Zeilenga, and L. Rathje

Nays: None

Absent: L. Hartwig

With regards to the Accounts Payables, Commissioner Zeilenga asked if the Commission was under state obligation regarding payment terms.

Staff Attorney Crowley noted that most of the Commission's contracts, such as the construction contracts, have their own contractual payment terms which govern instead of statutory requirements but the invoices for the legal services of Holland & Knight have no such written contract.

Commissioner Maio requested that staff provide the Board, at the December or January meeting, with a report showing an evaluation of current projects, including an analysis of the Commission's right to reduce the scope of and/or terminate or suspend existing contracts and a breakdown of what the engineering repercussions would be if the projects were altered, eliminated, or suspended. After Commissioner Maio suggested the Board meet on a weekly basis for financial updates, Chairman Rathje took a poll of the Commissioners present and it was determined that the Board meet on a regular weekly basis every Wednesday at 7:00 P.M. at the Commission offices starting with the first Wednesday in December.

In referring back to retaining the legal services of Jenner & Block, Commissioner Bennington reminded the Board that the item was not listed on the Agenda and would need to be ratified at the next meeting and suggested calling a special meeting for Monday, November 23<sup>rd</sup> at 7:00 P.M.

Minutes of the 11/12/09 Regular Meeting  
(as adjourned to, and reconvened on, 11/18/09)

Commissioner Mathews moved to adjourn the meeting at 9:25 P.M. Seconded by  
Commissioner Maio and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

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