

# South Suburban Joint Action Water Agency

## Minutes of May 10, 2012 Rescheduled Regular Meeting

A public notice of the cancelled agency regular meeting of April 26, 2012 was posted in the Markham City Hall on April 24, 2012. The April 26, 2012 regular meeting was rescheduled to May 10, 2012. The public notice and agenda for the rescheduled meeting was posted in the Markham City Hall on May 8, 2012.

The rescheduled regular meeting of May 10, 2012 was held in the city council chambers of the Markham, Illinois City Hall and called to order by Agency Chairman David Webb, Jr. and the Pledge of Allegiance recited at 10:40 am.

The roll call of agency directors recognized Chairman David Webb, Alternate Director Willie Carter, Alternate Director Nesbit, Director Donald Peloquin and Director Kitching as present and legal quorum was declared.

Additional Present: Brett Postl & Dan Donahue, Postl-Yore & Associates, Inc.; Joe Letke & Dave Schutter, Letke & Associates, Inc.; Susan Homeier, Stern Brothers; Mayor Terry Stephens & Village Attorney Dan McGrath; Midlothian, Village Trustee Ron Denson & Village Manager Kent Oliven; Village of Calumet Park; Blue Island Alternate Director Mark Patoska, Burton Odelson, Odelson & Sterk; and Ron Young, Blue Island

A motion was offered by Director Peloquin seconded by Director Kitching to approve the minutes of the agency regular meeting of February 23, 2012.

Motion Discussion: none

Motion Roll Call:

Webb; Carter; Peloquin, Kitching - Yes Nesbit - abstain

Motion approved: 4 yea/ 0 nay/ 1 abstain/ 0 absent

The Agency Chairman offered no comments.

The Program Manager Brett Postl stated, in consideration of the extensive meeting agenda, he will answer questions and offer comments on specific meeting agenda items in lieu of a program manager's report

The Agency Counsel Burt Odelson reminded the Directors and Alternate Directors appointed in the year 2011 of their legal responsibility to file Statements of Economic

Interest with the Cook County Clerk in relation to their service as agency directors. Odelson stated the deadline to file was May 1, 2012, and a civil fine is applicable to late filings.

The Agency Treasurer Joe Letke offered no report and stated as the Agency Financial Advisor he would comment and answer questions and offer comments on specific meeting agenda items.

A motion was offered by Director Peloquin seconded by Alternate Director Carter to approve Resolution 2012-R-3, a resolution extending agency membership to the Village of Midlothian, Illinois.

Resolution 2012-R-3 Discussion: none

Resolution 2012-R-3 Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching - Yes

Motion approved: 5 yea/ 0 nay/ 0 abstain/ 0 absent

Chairman Webb welcomed the Village of Midlothian to the agency and invited Director Stephens to join the directors on the dais.

A motion was offered by Director Peloquin seconded by Alternate Director Nesbit to approve Resolution 2012-R-4, a resolution extending agency membership to the Village of Calumet Park, Illinois.

Resolution 2012-R-4 Discussion: none

Resolution 2012-R-4 Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens - Yes

Motion approved: 6 yea/ 0 nay/ 0 abstain/ 0 absent

Chairman Webb welcomed the Village of Calumet Park to the agency and invited Alternate Director Denson to join the directors on the dais.

A motion was offered by Director Peloquin seconded by Alternate Director Nesbit to approve Resolution 2012-R-5, a resolution to amend the agency Intergovernmental cooperation agreement.

Resolution 2012-R-5 Discussion:

Director Peloquin requested Agency Counsel Odelson affirm amendments to the agency intergovernmental cooperation agreement allowed new agency members Midlothian and Calumet Park to begin agency membership as Charter Members. Odelson affirmed Director Peloquin's question and stated

one several purposes of amending the agreement was to permit Charter Membership admission of the new members.

Resolution 2012-R-5 Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

A motion was offered by Director Peloquin seconded by Alternate Director Carter to approve Resolution 2012-R-6, a resolution to amend the agency regular meeting schedule.

Resolution 2012-R-6 Discussion: none

Resolution 2012-R-6 Amendment:

An amendment to the original motion was offered by Director Peloquin seconded by Director Kitching to schedule future agency meetings at 4:00pm

Resolution 2012-R-6 Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Amended motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

A motion was offered by Director Peloquin seconded by Alternate Director Carter to approve Resolution 2012-R-7, a resolution to establish Agency Charter Member Design Capacity.

Resolution 2012-R-7 Discussion:

Director Peloquin requested Program Manager Postl affirm agency members could amend their system design capacity in the future. Postl affirmed members would have an opportunity to amend their system design capacity before the final system design capacity is established. Program Manager Postl additionally explained the member design capacities listed in the resolution are each member's Illinois Department of Natural Resources Lake Michigan Water Allocations for 2012 necessary to establish a member's system design demand and pro-rata cost share for the preliminary system design and feasibility study.

Resolution 2012-R-7 Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

Chairman Webb requested action on agency meeting agenda Item 14 be deferred and discussion be referred to executive session as a matter of real estate. A motion was offered by Director Peloquin seconded by Director Stephens to defer Item 14 to executive session.

Motion Discussion: none

Motion Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

A motion was offered by Director Peloquin seconded by Director Stephens to adopt the proposed agency Appropriation Ordinance for Fiscal Year 2013.

Motion Discussion:

Agency Treasurer Letke explained to directors an agency appropriation ordinance is statutorily required and the summarized appropriations are a product of proposed budget prepared by the program manager. Counsel Odelson added the approval of an appropriation ordinance does not require the agency to expend the budgeted amounts and without agency action to fund the appropriations, no expenditures are possible.

Director Peloquin inquired if the professional services line item in the appropriation ordinance cover the projected professional service costs of the system preliminary design and feasibility study. Program Manager Postl affirmed Director Peloquin's question. Agency Counsel Odelson stated the professional services line item in the appropriation ordinance will additionally cover the cost of professional services accrued from the agency's inception in June of 2011. Counsel Odelson explained the professionals currently working on the agency's behalf hold contracts which defer payment until the agency project is funded or cancel payment if the agency project is not funded. Director Peloquin requested copies of the agency's current professional service contracts for himself and all new directors to review. Counsel Odelson stated he would forward copies of agency professional service contracts to all directors.

Motion Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

Chairman Webb directed the Agency Acting Secretary to prepare copies of the proposed Agency Appropriation Ordinance for public examination and publish a legal notice of a scheduled public hearing on the Appropriation Ordinance for May 31, 2012 to precede the agency regular meeting.

A motion was offered by Director Peloquin seconded by Alternate Director Carter to approve Resolution 2012-R-8, a resolution to approve agency approval of a Short Term Financing Intergovernmental Cooperation Agreement.

**Resolution 2012-R-8 Discussion:**

Director Peloquin inquired if the Short Term Financing Intergovernmental Cooperation Agreement, in addition to the approval by the agency, required ratification by ordinance of the member local governments? Counsel Odelson affirmed the Director Peloquin's question.

**Resolution 2012-R-8 Roll Call:**

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

A motion was offered by Director Peloquin seconded by Alternate Director Nesbit to direct the Agency Financial Advisor to solicit and evaluate Short Term Financing proposals consistent with the Short Term Financing Intergovernmental Agreement and Supplemental Term Sheet and present a written report and recommendation for short term financing of the agency needs at the next regular agency meeting of May 31, 2012.

**Motion Discussion: none**

**Motion Roll Call:**

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

A motion was offered by Director Kitching seconded by Director Peloquin to accept the terms of the Stern Brothers & Company Underwriting Agreement dated May 1, 2012 subject to the Agency Financial Advisor's determination and recommendation the Agency Short Term Financing is best achieved through the sale of Variable Rate Demand bonds.

**Motion Discussion:**

Counsel Odelson noted agency acceptance of the Stern Brothers agreement is subject to the future determination by the agency directors and financial advisor a capital market bond issuance by the agency is the preferred instrument for agency short term financing.

**Motion Roll Call:**

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

The Agency Acting Secretary offered no report.

The Agency Director offered no comments.

The public offered no comments.

A motion was offered by Director Peloquin seconded by Director Kitching to adjourn to executive session to discuss pending real estate negotiations.

Motion Discussion: none

Motion Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

Agency Directors reconvened the regular meeting at 11:55 am.

The Agency Chairman reminded the Directors the next agency regular meeting is scheduled for May 31, 2012 at 4:15 pm preceded by the public hearing on the Agency Appropriation Ordinance for Fiscal Year 2013 at 4:00 pm.

A motion was offered by Alternate Director Nesbit seconded by Director Stephens to adjourn the regular meeting.

Motion Discussion: none

Motion Roll Call:

Webb; Carter; Nesbit, Peloquin, Kitching, Stephens, Denson - Yes

Motion approved: 7 yea/ 0 nay/ 0 abstain/ 0 absent

The regular meeting adjourned at 12:00 pm.

A public hearing on the Agency Appropriation Ordinance for Fiscal Year 2013 is scheduled for 4:00 p.m. on Thursday, May 31, 2012 in the city council chambers of the Markham City Hall.

The next regular meeting of the South Suburban Joint Action Water Agency is scheduled for 4:15 p.m. on Thursday, May 31, 2012 in the city council chambers of the Markham City Hall.