

**MINUTES**

**SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION**

**ADMINISTRATIVE COMMITTEE**

Thursday, December 22, 2005

1:30 p.m.

SEWRPC Office Building  
Commissioners' Conference Room  
W239 N1812 Rockwood Drive  
Waukesha, Wisconsin

Present:

Excused:

Committee Members:

Paul G. Vrakas, Chairman  
Thomas H. Buestrin  
William R. Drew  
Adelene Greene  
Allen L. Morrison  
Daniel S. Schmidt  
Linda J. Seemeyer  
Gustav W. Wirth, Jr.

Robert A. Brooks, Vice-Chairman  
Richard A. Hansen

Absent:

Staff:

Philip C. Evenson  
Loretta Watson

Executive Director  
Executive Secretary

**ROLL CALL**

Chairman Vrakas called the meeting to order at 1:30 p.m. Roll call was taken and a quorum declared present. Mr. Evenson noted for the record that Commissioners Brooks and Hansen had asked to be excused.

**APPROVAL OF MINUTES OF NOVEMBER 17, 2005, MEETING**

On a motion by Mr. Schmidt, seconded by Mr. Morrison, and carried unanimously, the minutes of the Administrative Committee meeting held on November 17, 2005, were approved as published.

## **APPROVAL OF DISBURSEMENTS**

Chairman Vrakas asked Mr. Evenson to review with the Committee the recent disbursements.

### **2005 Reporting Period No. 23**

Mr. Evenson distributed copies of the Check Register for the 23<sup>rd</sup> financial reporting period of 2005, October 31 to November 13.

In response to a comment by Mr. Vrakas, Mr. Evenson confirmed that the payment listed on page 3 of the Register to Scientific Instruments, Inc., was for a surveyor's "total station" to replace the one that was recently stolen.

There being no further questions or comments, on a motion by Ms. Seemeyer, seconded by Mr. Morrison, and carried unanimously, the Commission disbursements for the 23<sup>rd</sup> reporting period of 2005 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 23<sup>rd</sup> reporting period of 2005 (copy attached to Official Minutes).

### **2005 Reporting Period No. 24**

Mr. Evenson distributed copies of the Check Register for the 24<sup>th</sup> financial reporting period of 2005, November 14 to November 27.

In response to an inquiry by Mr. Wirth, Mr. Evenson indicated that the payment listed on page 1 of the Register to Cingular Wireless was for both Commission staff cell phone use and the ongoing telecommunications study monitoring of cell phone availability and quality.

There being no further questions or comments, on a motion by Mr. Drew, seconded by Mr. Wirth, and carried unanimously, the Commission disbursements for the 24<sup>th</sup> reporting period of 2005 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 24<sup>th</sup> reporting period of 2005 (copy attached to Official Minutes).

### **2005 Reporting Period No. 25**

Mr. Evenson distributed copies of the Check Register for the 25<sup>th</sup> financial reporting period of 2005, November 28 to December 11.

In response to an inquiry by Mr. Wirth, Mr. Evenson indicated that the payment listed on page 5 of the Register to We Energies represented the costs for both natural gas and electric services for one month.

There being no further questions or comments, on a motion by Mr. Schmidt, seconded by Ms. Greene, and carried unanimously, the Commission disbursements for the 25<sup>th</sup> reporting period of 2005 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 25<sup>th</sup> reporting period of 2005 (copy attached to Official Minutes).

### **REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING DECEMBER 11, 2005**

Copies of the Statement of Projected Revenues and Expenditures for the period ending December 11, 2005, were distributed for Committee review. Chairman Vrakas asked Mr. Evenson to review with the Committee the financial status of the Commission accounts as of the end of that period.

In reviewing the Statement with the Committee, Mr. Evenson commented that the period covered represented about 95 percent of calendar year 2005. As he reviewed the Statement, he called attention to the following items:

1. With regard to Federal and State revenues, no changes have been made to the entries on the Statement since the last report, these revenues now being secure and fixed for the calendar year.
2. With respect to service agreement revenues, the Business Manager reviewed all of the entries and made adjustments only to the anticipated revenues supporting the land information program and the regional water supply program. Land information program revenue has been reduced by about \$18,000 from the last report. Revenues for the water supply program have been reduced to match anticipated expenditures. In both cases, the funds will simply carry forward into 2006 and be earned at that time.
3. The expenditure data on the Statement reflects 25 full reporting periods, or 50 weeks of the calendar year. The projected year end surplus approximates \$60,400, not including the \$200,000 to be placed in the Rockwood Drive Bond Redemption reserve account, and also not including interest income and miscellaneous revenues.
4. The liability, operating, and reserve accounts reported on the Statement have been changed since the November report to reflect the transfer of \$1,000,000 to JP Morgan, the trustee for the Rockwood Drive building bonds. To accomplish this transfer, \$900,000 was taken from the Rockwood Drive Bond Redemption reserve account and \$100,000 was taken from the program development reserve account.
5. The Commission had on hand as of December 11, 2005, about \$4.05 million. This includes about \$1.75 million of unearned revenue provided to the Commission in advance of expenditures. These funds are invested in the State of Wisconsin Local Government Investment Pool, which is presently paying 3.93 percent interest; in several certificates of deposit at banks throughout the Region; and in savings and checking accounts at Johnson Bank.

Following a brief discussion, on a motion by Mr. Morrison, seconded by Mr. Schmidt, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending December 11, 2005, was accepted to be placed on file (copy attached to Official Minutes).

### **CONSIDERATION OF QUOTATION FOR PROFESSIONAL LIABILITY INSURANCE**

Mr. Evenson recalled that at the Administrative Committee meeting held on June 30, 2005, it was agreed that the Commission's insurance agent should be asked to obtain a quotation for the possible purchase of

professional liability insurance. He noted that he had provided to the members of the Committee in advance of the meeting copies of such a proposal, together with a letter dated December 8, 2005, from the Commission's legal counsel, Mr. James R. Sommers, providing review comments on the policy being quoted. He said that he had also invited Mr. Sommers to the meeting to help facilitate the discussion.

Mr. Vrakas asked Mr. Sommers to briefly comment on the issue. In his comments he made the following major points:

1. The Commission presently has a limited amount of liability insurance under its policy with the West Bend Mutual Insurance Company relative to the category of employment practices liability. The present policy would pay claims up to \$100,000 per occurrence, including defense fees. Employment practices liability generally relates to claims of discrimination and/or wrongful termination.
2. The quotation that the Commission's insurance agent obtained through a broker from the AIG Companies, while purported to cover employment practices liability, in fact does not. This proposal would provide for payment of up to \$1,000,000 per occurrence with respect to professional liability claims, with a \$10,000 deductible amount and an annual premium of nearly \$8,400.
3. While the Commission as a governmental agency enjoys a statutory \$50,000 cap on liability claims, that cap does not apply to employment discrimination, Federal civil rights actions, or contract liability.

A lengthy discussion then ensued. At the end of that discussion, it was agreed that Messrs. Evenson and Sommers would continue to work with the Commission's insurance agent to ascertain what it might cost to acquire a greater amount of liability insurance for employment practices and related actions. In addition, Mr. Evenson was directed to contact the Wisconsin County Mutual Insurance Corporation to determine whether or not that group might be willing to quote on Commission insurance needs.

#### **CORRESPONDENCE/ANNOUNCEMENTS/ATTENDANT ACTIONS**

Mr. Evenson distributed a letter dated November 29, 2005, from the Milwaukee Police Chief, Ms. Nannette H. Hegerty, responding to the Commission Chairman's concerns expressed in a letter dated October 20, 2005, relative to the length of time that it took the Milwaukee Police Department to respond to a report of a break-in and theft from a Commission survey crew vehicle. He noted that the Commission's call was given a relatively low priority assignment and, consistent with established operating procedures, it was several hours before a squad was able to be dispatched to prepare the appropriate incident report.

Mr. Evenson reported to the Committee that a break-in to the Rockwood Drive building was discovered on the morning of November 28, 2005. A window was shattered in the tenant space at the northeast corner of the eastern extension of the building. The tenant reported that some computers had been taken from the premises. There was no evidence that the apparent thief attempted to enter Commission occupied space in the building. The incident is being investigated by the Pewaukee Police Department. The Commission staff immediately ordered a window replacement which occurred about two weeks later. The cost to the Commission approximated \$450. Mr. Evenson indicated that he would consider next year potential security improvements, including an alarm system and/or a system of security cameras.

Mr. Evenson reported that long-time Commission staff member, Mr. Thomas D. Patterson, had decided to retire effective January 6, 2006. Since Mr. Patterson was one of the Commission staff members participating in the original deferred compensation program established in the mid-1970's, it is now necessary to formally release those funds to Mr. Patterson.

On a motion by Mr. Wirth, seconded by Mr. Schmidt, and carried unanimously, the Commission Chairman was authorized to execute the papers necessary to inform the Northwestern Mutual Life Insurance Company of Mr. Patterson's retirement and desire to assume control of the appropriate account.

Mr. Evenson reported that he and Commission Chairman Buestrin had made a supplemental offer to Medical Associates, Inc., the Commission's tenant at the Rockwood Drive building, relative to an extension of that firm's lease. The present lease expires at the end of March 2006. The supplemental offer takes into account the desire of the tenant to undertake certain improvements in the leased space, with such improvements having an estimated cost of about \$62,000. Under the new offer, Mr. Evenson continued, the Commission would undertake the requested improvements, being willing to absorb 20 percent of the improvement costs on an annual basis. Two alternative lease arrangements were suggested in the offer, he said, one being a straight five-year lease and the other being a three-year lease with two one-year renewal options combined with penalty triggers that would reimburse the Commission for 40 percent of the improvement costs if the lease were terminated after three years, and 20 percent of the improvement costs if the lease were terminated after four years. He reported that the offer is presently being considered by the CEO of Medical Associates, Inc., and that he expects to hear shortly from the firm's business manager.

#### **ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 2:40 p.m. on a motion by Mr. Drew, seconded by Mr. Morrison, and carried unanimously.

Respectfully submitted,

Philip C. Evenson  
Deputy Secretary

PCE/lw  
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Attachments