

**PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY**  
**ADMINISTRATIVE COMMITTEE**

Pursuant to Section 19.84 Wis. Stats, a regular meeting of the **Central Brown County Water Authority –Administrative Committee** was held on Wednesday, May 20, 2009 at the DePere City Hall, 2<sup>nd</sup> Floor – 335 South Broadway, DePere, Wisconsin

---

**Present:** Allouez-Kopish, Bellevue-Oppenheimer, DePere-DeLo, Lawrence-Treml,  
Ledgeview-Burdette

**Also**

**Present:** Dave Vaclavik – Public Management Partners  
Gary Rosenbeck - McMahon

---

The meeting was called to order by Chairman Aaron Oppenheimer at 2:30 p.m.

**ROLL CALL:**

Call the roll for attendance.  
Roll Call as noted above.

**APPROVAL OF AGENDA:**

Approve Agenda

**Motion made by Ledgeview and seconded by Allouez to approve the agenda.**

**MOTION APPROVED UNANIMOUSLY**

**APPROVAL OF MINUTES:**

April 22, 2009

**Motion made by DePere and seconded by Lawrence to approve the minutes.**

**MOTION APPROVED UNANIMOUSLY**

**COMMUNICATIONS:** None

**AGENDA:**

1. **CBCWA Manager Employment Agreement:**

Mr. DeLo informed the committee that a salary has been agreed upon for the Manager position. It is based on that of the Manager of the Green Bay Water Utility. Other terms of the agreement including paid time off, vacation, holidays, etc. have been identified.

Separate from the Employment Agreement is an addendum relative to equipment and software use.

**Motion made by Ledgeview and seconded by DePere to recommend approval of the CBCWA Manager Employment Agreement and Addendum as presented.**

**MOTION APPROVED UNANIMOUSLY**

2. **Recommended Financial Control System:**

- a. **Dual Control:**
- b. **Bank as Administrator:**

Mr. Vaclavik explained that he and Randy Treml are presently identified as administrators over the financial control system. He has met with Wells Fargo finding there are two options, one being dual control which would require two signatures for authorized

approval, with the other to use the bank as administrator. Because the option of using the bank may present a timing issue, Vaclavik recommends the option of dual control.

**Motion made by DePere and seconded by Bellevue to recommend adoption of a dual control financial system which will require the signature of two members, the Manager, and the Treasurer. MOTION APPROVED UNANIMOUSLY**

3. **Debt Service Payment – Wire Transfer of \$3,049,553.69 to Associated Bank:**  
Vaclavik reported that an interest only debt service payment will be made on June 1st in the amount of approximately \$3 million. The November payment will be higher. The dual control system identified above will be used with the signatures of Vaclavik and Trembl.
4. **Purchase of Additional CD's for Debt Service Fund:**  
The current investment rate for money in the sweep account is 6/10ths of a per cent, Vaclavik explained. Wells Fargo has informed him there are better rates available over 6, 8, and 12 month periods, that being .93, 1.08, and 1.46. He stated that because there is \$7.5 million in the debt service fund, suggested that part of that amount be invested in CD's at a better rate. Discussion resulted in the consensus to invest \$3 million for 12 months at a rate of 1.46%.

**Motion made by Ledgeview and seconded by Lawrence to recommend purchase of additional CD's from the debt service fund in the amount of \$3 million for 12 months. MOTION APPROVED UNANIMOUSLY**

5. **CBCW Purchasing Policy Amendments:**  
Vaclavik explained that a purchasing policy was adopted in October of 2008, however, it is lacking in areas of when to go out for proposals and when to get quotes. He has reviewed various models with the Technical Committee who has stressed they prefer that professional services be based on an RFQ process rather than an RFP process. It is suggested that Vaclavik rewrite the policy with the intent to establish parameters for purchasing levels, professional and engineering services, which at this time is silent to these matters.

When asked by Mr. Delo the statutory requirements, Vaclavik stated that the Board is exempt from the bidding process because of the original legislation establishing the Water Authority.

Mr. Kopish pointed out the availability of the Brown County Consortium for purchasing.

6. **General Engineering Services Contract:**  
Vaclavik reported that the Technical Committee has discussed the conflict with the engineering firm and the CBCWA resulting in a draft agreement for professional engineering services from McMahon, Inc. Mr. Rosenbeck explained that he has prepared a 3 year agreement for general services set forth by tasks, the first being for general engineering services not provided for under separate task orders; the second being design phase services for the implementation of year 3 of the modifications to the Air Release Valve Vault on the Water transmission System for the CBCWA; and thirdly, to provide design and construction phase services for a Cathodic Protection System for the 48" steel pipe line.

Delo stated that concerns related to the above uncompleted tasks, along with continuity issues, determined that in his opinion, McMahon Inc should be offered a three year minimum agreement. Oppenheimer stated that he liked the concept and that the general agreement included specific tasks. Members asked that they have time to review the agreement and bring it back at the next meeting.

When asked if this committee is comfortable with continuing with McMahon as is the Technical Committee rather than implementing an RFQ process, Mr. Oppenheimer pointed out there are limited firms that may be available because of pending litigation issues, other members were neutral, however, Mr. Kopish preferred to pursue an RFQ process.

**Motion made by Allouez and seconded by DePere to recommend pursuit of an RFQ process for engineering services with results reported at the July meeting.**  
**MOTION APPROVED UNANIMOUSLY**

7. **Financial Reports:**

Balance Sheet through April 30, 2009 was reviewed with Mr. Vaclavik pointing out that he will be monitoring flows as there has been a 9% loss over last years numbers. He stated this appears to be an industry trend and not specific to this Water Authority.

Mr. Tremi asked about an increase in bank service charges with Vaclavik explaining this is due to a different billing method between Associated and Wells Fargo, that Wells Fargo offers more interest, however, there is a charge for fees.

**Motion made by DePere and seconded by Ledgeview to recommend approval of financial reports. MOTION APPROVED UNANIMOUSLY**

8. **Pay Authorizations: Vouchers:**

Voucher list was reviewed with questions answered satisfactorily.

**Motion made by Lawrence and seconded by Ledgeview to recommend approval of pay authorizations/vouchers. MOTION APPROVED UNANIMOUSLY**

**FUTURE AGENDA ITEMS:**

Next Meeting – Wednesday, June 17, 2009

Agenda:

Purchasing Policy

Engineering Contract

**ADJOURN:**

**Motion made by DePere and seconded by Ledgeview to adjourn at 3:25 p.m.**  
**MOTION APPROVED UNANIMOUSLY**

Respectfully submitted,

Rae G. Knippel  
Recording Secretary