

## PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY

Pursuant to Section 19.84 Wis. Stats, a regular meeting of the **Central Brown County Water Authority** was held on Wednesday, January 23, 2019 at the De Pere City Hall, Council Chambers, 335 South Broadway, De Pere, WI.

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**Present:** Allouez – Christopher Sampson  
De Pere – Larry Delo  
Howard – Geoff Farr  
Lawrence – Patrick Wetzel  
Ledgeview – Sarah Burdette

**Excused:** Bellevue

**Also Present:** Nic Sparacio, Manager  
Don Voogt – McMahan, Assoc.

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The meeting was called to order by President Burdette at 3:00 p.m.

### **Roll Call:**

Roll Call was taken as recorded above.

### **Approval of the Agenda:**

1. Approve agenda

**Motion made by Allouez, seconded by De Pere to approve the agenda.**

**MOTION UNANIMOUSLY APPROVED**

### **Approval of Minutes:**

2. December 19, 2018 regular meeting

**Motion made by Allouez, seconded by De Pere to approve the minutes of the regular meeting of December 19, 2018.**

**MOTION UNANIMOUSLY APPROVED**

### **Public Comment:**

3. None

### **Appearances:**

4. None

### **Administrative Actions & Reports:**

5. RFP for Accounting Services

Manager Sparacio described the input he used to assemble the draft RFP and the process he would use to solicit responses from accounting firms. He noted he would seek input from a new firm on how to improve internal controls, and that he would expect our rate for accounting services to increase in comparison to what we are paying currently.

Larry Delo asked how long the Authority has been working with Alberts and Heling. Sparacio responded that the existing letter agreement is from 2017. Burdette asked whether we went through an RFP process at that time. Sparacio responded that we did not. It was more of an informal arrangement.

**Motion made by De Pere, seconded by Lawrence to approve the RFP for Accounting Services contingent upon Attorney Kobza's review and to authorize the Manager to proceed with the solicitation process.**

**MOTION UNANIMOUSLY APPROVED**

6. 2018 true-up and rebate adjustments and 2019 budgeted member rebate allocation  
Sparacio presented the true-up and rebate results for 2018. Because our water consumption for the year was so close to the take-or-pay amount, the small discrepancies in metering are resulting in an apparent conflict. Specifically, there will be a small invoice from MPU for take-or-pay charges, but the Authority will also need to collect additional fees from the members for water consumed beyond budget.

Goeff Farr asked whether our agreement with MPU specifies whether they are to bill the Authority based on the Finished Water Pump Station (FWPS) meter or the Master Meter Station (MMS) meter. Sparacio responded that the agreement with MPU indicates the FWPS meter. Use of the MMS meter is a fallback while the metering discrepancies are being worked on. Chris Sampson asked for clarification on the magnitude of the metering discrepancy. Don Voogt responded that magnetic metering is intended to meet published accuracies but will never result in 100% accuracy. Flows of water at varying velocities through large pipes are difficult to measure. A discrepancy of 0.7% is within reason for magnetic metering. Farr further noted that magnetic meters are considered the best alternative for this application. Sparacio noted that leak detection and meter testing took place last fall.

**Motion made by Howard, seconded by Lawrence to approve the 2018 true-up and rebate adjustments and 2019 budgeted member rebate allocation.**

**MOTION UNANIMOUSLY APPROVED**

7. Report on water purchase expenses  
Sparacio stated that he did not receive all December 2018 invoices in time to complete this report. He will bring the information to the next meeting.
8. Financial Report  
Sparacio stated that the financial statements are now in much better shape. He has continued to work with the accountant on correcting errors, and the numbers are making more sense. He further explained the final net income figure for the year. On the Budget versus Actuals report, there are some elements missing from net income, but after those adjustments, the Authority does finish out the year in a better cash position than expected. This helps with the discussions on unrestricted cash reserve levels that the Board had at budget time. The Board appreciates the progress on cleaning up the financial statements and the end results for the year.

**Motion made by De Pere, seconded by Lawrence approve the Financial Report.  
MOTION UNANIMOUSLY APPROVED**

**9. Pay Authorizations**

Sparacio stated that there were three additional bills to add to the January list, and he distributed an updated bill payment document to the Board members. He pointed out the three additional checks for Alberts and Heling, NSight Teleservices, and Manitowoc Public Utilities. Sparacio also reviewed with the Board some of the automatic payments that do not show up on the monthly bill payment list such as monthly software subscription fees, insurance premiums, and the monthly credit card statement. Sparacio always brings these bills and documentation to the Board meetings if there are ever questions. This will be reviewed as part of the 2018 audit as in the past.

**Motion made by De Pere, seconded by Lawrence to approve the updated Bill Payment List as presented.**

**MOTION UNANIMOUSLY APPROVED**

**Technical Committee Recommendations:**

**10. None**

**Project Update and Status Reports:**

**11. Engineer's Report:**

Voogt stated that contractors are reviewing the request for bids on the water system improvements project, and there are currently six plan holders that are primary contractors. This is a positive indication that we will likely receive some competitive bids. The planned bid opening is February 5<sup>th</sup>, so he expects to have a contract award recommendation for the Board at its February meeting. Voogt also provided an update on the potential projects at the FWPS in Manitowoc. Progress is being made in discussions with MPU where the Authority will have meaningful input throughout the design process in a joint effort if these projects proceed.

**12. Manager's Report:**

Sparacio provided a summary of items he worked on for the past month and his plans for the month ahead. The SPLASH Study is moving into a critical stage, so that has been a big focus. He will continue working through audit preparation and releasing the accounting services RFP.

**Old Business**

**13. None**

**New Business:**

**14. Resolution 2019-01 Establishing the Growth Management Task Force**

Sparacio presented the draft resolution. Attorney Kobza has reviewed the draft, and the version provided to the Board includes her edits. Sparacio is looking for the Board's input on the draft resolution, the charge to the task force in particular, and for interest in participating as task force members. The timing for launching the Growth Management Task Force would be toward the end of the SPLASH Study.

Farr asked whether the financial considerations would include establishing a process for how new members would be charged for water service. Sparacio responded that we need to establish a framework and principles that make sense but still allow for some flexibility to tailor to individual community needs. The Board discussed that in every case we need to maintain compliance with the Authority's bond covenants.

Delo indicated his interest in participating on the Task Force. Delo also asked whether the cooperative efforts with the SPLASH Study and Green Bay Water Utility would be Task Force considerations. Sparacio stated that continuing to build on collaboration initiatives should definitely be in front of the Task Force in its discussions. It was clarified that the resolution language does not need to change on this basis, but that this should be included in the work of the Task Force.

Patrick Wetzel asked for clarification on whether the work of the Task Force includes just review of proposals or also generating new amendments. Sparacio stated the intent is for the Task Force to both review and develop amendments. Burdette stated that no action is necessary at this time and looks forward to the final resolution coming back with this edit.

**Next Meeting:**

February 27, 2019

Suggested Agenda Items for next meeting on February 27, 2019:

- 1) Potential action on Resolution 2019-01
- 2) Progress report on SPLASH Study

**Adjourn:**

**Motion made to adjourn at 3:35 p.m.**

**MOTION UNANIMOUSLY APPROVED**

Respectfully submitted,  
Nicolas Sparacio