

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, February 28, 2018 at the DePere City Hall, 2nd Floor Riverview Conference Room, 335 South Broadway, DePere, WI

Present: Bellevue-Betts, DePere-Thoresen, Howard-Farr, Lawrence-Treml,
Ledgeview-Burdette
Excused: Allouez
Also Present: Dave Vaclavik-Manager
Don Voogt – McMahon, Inc.

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

Roll Call:

Call the Roll for Attendance. Roll Call was taken as recorded above.

Approval of the Agenda:

Approve Agenda

Motion made by Lawrence, seconded by DePere to approve the agenda.

MOTION UNANIMOUSLY APPROVED

Approval of Minutes:

Approve Minutes: January 31 and Special Meeting of February 14, 2018

Motion made by Bellevue, seconded by Lawrence to approve the minutes of 1-31-2018 and the Special Meeting of 2-14-2018.

MOTION UNANIMOUSLY APPROVED

Public Comment: None

Appearances:

1. **David Yeghiaian regarding Strategic Plan progress:**
Mr. Yeghiaian addressed the Goals of the Strategic Plan projected to occur from 2018-2020 plus:
:
#1 – Expansion
- **Update and revise the MPU agreement – or submit paperwork to contest the agreement by 3-31-2018.**

The Manager stated that the MPU Water Commission will be meeting on March 12th. President Burdette and Manager Vaclavik have asked to be on the March agenda, not to negotiate issues, but rather to update them on Authority plans. He pointed out that it has been some time since Mr. Kothari has been at an Authority meeting and the Authority has never attended an MPU Commission meeting. The Manager also indicated that

he informed Mr. Kothari that the Authority search consultant would like to talk to him about his impressions of a new Manager for the Authority. Kothari responded that he would be interested in doing that, however, has not responded to the agenda request.

- **Continue discussions with Green Bay Water Utility for all collaborative agreements, including mutual back-up/emergency service agreement and any/all other items which make sense for joint collaboration.**

The Manager indicated that the interconnection study is in final draft form. The Technical Committee will discuss it at their meeting on March 13th. The Manager will provide the link to download the study, noting it is a large file. He stated it appears that interconnection is technically feasible if both entities reach 20 year estimated projections. He noted there are no financial projections for the study at this time.

- **Create a simple, but formal process to evaluate and handle new community requests while respecting rural sprawl concerns – specifically the ability to evaluate opportunities on a case-by-case basis.**

This item has not progressed. President Burdette stated while attending a meeting recently in the Village of Suamico, she was informed the Village continues to consider their well options. Because of elements such as the hiring of a new manager, MPU issues, interconnect etc. the projected date for this item is late 2018.

- **Complete Public Relations/Marketing Plan focused on trust and transparency to engage more people to use more water.**

Due to the above mentioned pending elements, Yeghiaian asked if this item remains projected for May of 2018. Consensus was to move to later in the year.

#2 Infrastructure and Maintenance

- **Participate in GBWU's Master Plan and Strategic Plan processes as they occur.**

The Manager suggested that the 3-31-2018 date be extended, noting that the first step is to review the GBWU Plan in order to finalize the Master Plan of the Authority.

#3 Collaboration & Cooperation

- **Create RFQ, interview and hire consultant to work with CBCWA members to evaluate and prioritize items for collaboration based on savings, need/want, and other factors. This may include consulting services – consulting with member communities and expanding outside of external communities – similar to MPU – for guidance and expertise.**

- **Implement consultant priorities and best-practice elements into CBCWA members by 12-31-2020.**
- **Based on prioritization and implementation of CBCWA and GBWU collaboration efforts, begin discussions with other regional entities on items to collaborate related to joint purchasing and shared services. This should be an evaluation of feasibility. Goal is to achieve efficiency and keep costs low.**

The Manager indicated that the RFQ has been drafted and is on today's agenda with the intent to issue in early March.

#4 Training & Education

- **Utilize Orientation and Onboarding Manual with new Board members as appointed and review annually with current Board members (each October).**
- **Create Succession Plan for Manager**
The Manager position was advertised January 1. Due to problems with the approach, the Authority has contracted with Novak Consultant Group. A new hire is projected for June.

#5 Value

- **Refinance in 2024**
- **Pay off existing debt by 12-31-2034**
- **Evaluate grant opportunities and take advantage of grant dollars.**
- **Develop capital plan and financing for projects resulting from GBWU collaboration and/or other regionalization efforts by 6-30-2022.**

Yeghiaian summarized that it appears that administrative actions based on issues with MPU and the Green Bay Water Utility, along with the hiring of a new Manager have delayed decisions on financial possibilities and other value items.

1. **Strategic Plan Discussion:**

See Above No Action.

2. **RFQ for Consulting Services:**

A current copy of the RFQ was distributed. It has been on the various Board agendas and at this time has received favorable response (Ledgeview, Bellevue, DePere, Lawrence (3-5-18)).

Mr. Farr stated that Howard has expressed concerns with the dollar value, although overall feel that the collaborative effort is valuable. The Manager stated the plan needs to work financially for all participants or it won't happen. He noted that the cost will be expensive, however, there is no commitment at this time in

terms of moving forward with the RFQ. Cost will be determined at time of scope development.

Motion made by DePere, seconded by Ledgeview to proceed with Issuance of the RFQ. MOTION UNANIMOUSLY APPROVED

3. Manager Retirement and Recruitment:

President Burdette reported that Novak Consulting has begun intensely working on behalf of the Authority to find a new Manager. They are looking at June 1 as being a realistic date for a new hire. A recruitment brochure should be ready for distribution by the end of this week. Burdette stated that out of 45 applicants there are 7 who merit consideration.

President Burdette and other members noted it appears it will be difficult to replace the role of the Manager pointing out the position requires a background of engineering/technical/financial/business experience. Vaclavik stated there has been confusion with whether the position is full-time or part-time and what the actual salary range is. Vaclavik stated that McMahon has offered to step up and keep things running during any interim.

Meanwhile, Manager Vaclavik identified his timeframe, stating he has not yet filed retirement papers. He does not plan to leave Wisconsin until the end of July permanently. If all goes well, he hopes to spend some time with the new hire. He is discussing the transition with Attorney Kobza. Vaclavik stated that in preparation for his retirement, he has been making notes for his successor including daily activities, a reminder calendar showing due dates, a summary of contracts, spreadsheets, budget process, records compilation, filing, etc. Julie McGuire, who helps with these activities, has agreed to aid the successor on a limited basis if needed after his retirement.

4. Water Purchase and Sale Agreement, Amendment #8:

The Manager reported he has been reviewing the existing agreements and will be sending his comments and recommendations to Attorney Kobza. This item will return on the next agenda. No Action.

5. Financial Reports:

Vaclavik stated that the 2018 budget has been entered into Quick Books.

Mr. Trembl asked if restricted payments to Manitowoc County have been entered and the Manager noted that it will be.

Motion made by Howard, seconded by Bellevue to approve. MOTION UNANIMOUSLY APPROVED

4. Pay Authorizations:

A correction to the invoice from Word Works Transcription was noted. Although \$107.56 is listed on the voucher list, the correct amount to be paid is \$188.23.

Other questions and clarifications related to cost of water study, payment to Mill Coatings (see #2 under Technical Committee Recommendations).

Motion made by Lawrence, seconded by Howard to approve vouchers with the change to check #5439 to Word Works Transcription in the amount of \$188.23 and others as listed. MOTION UNANIMOUSLY APPROVED

Technical Committee Recommendations:

1. **Engineering Agreement with McMahon, Inc. in the amount of \$25,000 for Automatic Chlorine System Shutoff Modifications at the Connection Stations and Member Facilities:**

Mr. Voogt explained this cost relates to the purchase of safety equipment for gas chlorine installations, explaining that the current systems were constructed under an old code which did not include automatic shutoffs. Any future modifications will require upgrading. As this impacts all stations, there is the possibility of a joint project to be run through the Water Authority. As members have chlorine systems which are not a part of the CBCWA system, there has been discussion to expand the project and allow members to participate in a unified bid process. A Master Services Agreement has been discussed using a qualifications based selection.

Motion made by DePere, seconded by Howard to approve an Engineering Agreement with McMahon, Inc. in the amount of \$25,000 for Automatic Chlorine System Shutoff Modifications at the Connection Stations and Member Facilities. MOTION UNANIMOUSLY APPROVED

2. **Final Payment to Mill Coatings in the amount of \$21,548.10:**

**Motion made by DePere, seconded by Bellevue to approve final payment to Mill Coatings in the amount of \$21,548.10
MOTION UNANIMOUSLY APPROVED**

Project Update and Status Reports:

1. **Engineer's Report:**

Mr. Voogt highlighted engineering activities of McMahon Inc. over the last reporting period including the Engineering Agreement for automatic chlorine system shutoff modifications at the connection stations and member facilities as discussed above.

Voogt also addressed the issue of spare valve and repair parts. He will bring forward a bid document in the next few weeks.

In addition, McMahon is progressing on the Operations Optimization project and a draft report has been submitted to the Technical Committee. Known projects have been incorporated into the 2017/2018 CIP. Design for the Hobart pumping station bypass has been approved by the DNR. They are also working on a member interconnect study.

2. **Manager's Report:**

Manager Vaclavik highlighted items from his written report including the following:

- **Audit** – The process of collecting information for the audit has begun and Baker Tilly will be on site on March 29th.
- **Water Consumption Report** – Although the report for January shows an increase in water sales, there were three extra days due to dates of meter reading. There continues to be a steady decline in water sales.
- **Green Bay Water** – A revised report has been received from AECOM regarding emergency interconnection which at this time is under review.
- **Leonard & Finco** – Videotaping has been completed and editing is in process. The Manager indicated that he saw the first cut and was impressed. Once finalized, it will be available for local use as well as inclusion on the CBCWA website.
- **Boardman Law Firm** – The Manager is working with Attorney Kobza on amendments to the Water Purchase and Sale Agreement, By-Laws, and the original agreement formalizing the Authority.

In addition to the oral Manager's report, the written report included the following:

- **MPU Pending Issues:**
 - a) **Replacement of the CMF Plant Capacity** – MPU intends to replace their membrane filtration system by 2020. By contract, a meeting was scheduled with President Burdette, Gary Rosenbeck, and the Manager. The meeting included a PowerPoint presentation in which MPU explained their logic and plans. A letter response has been issued.
 - b) **Finished Water Master Meter** – This meter remains inaccurate at low flow rates and varies when different pumps are operational. As of yet, no fix has been proposed. A letter has been sent to MPU requesting an update and resolution.
 - c) **MPU HVAC and Pump Optimization** – MPU has received bids for review of the HVAC and pumping systems at the Finished Water Reservoir and Pumping Station. They have not moved forward as we have conflicting views of who is obligated to pay for the work.
 - d) **MPU Contract** – MPU has indicated that the Authority will receive a response to the various letters after the March 12th Commission meeting. The Manager and President Burdette have asked to be placed on the agenda for the purpose of updating MPU on the Authority and expressing a desire to work out issues.
 - e) **Take or Pay** – An invoice was received from MPU in the amount of \$94,219.23 representing an amount owing under the terms of the contract. This amount is being held in reserve based on advice from legal counsel. Apparently, the take or pay was not included in the PSC approved rate tariff and, as such, may not be an authorized charge in spite of being in the contractual agreement. MPU has been informed accordingly.

Central Brown County Water Authority
February 28, 2018

Old Business: None

New Business: None

Next Meeting:

Suggested Agenda Items for next meeting on March 28, 2018.

President Burdette indicated she is unable to attend this meeting, noting that Mr. Farr will take over in his role as Vice-President.

Adjourn:

Motion made by Lawrence, seconded by DePere to adjourn at 4:00 p.m.

MOTION UNANIMOUSLY APPROVED

Respectfully submitted,

Rae G. Knippel
Transcription