

**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, October 26, 2016 at the DePere City Hall, 2<sup>nd</sup> Floor, 335 South Broadway, DePere, WI

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**Present:** Allouez-Dennis, Bellevue-Gorall, DePere-Thoresen, Howard-Farr,  
Lawrence-Trembl,  
**Excused:** Ledgeview  
**Also Present:** Dave Vaclavik-Manager  
Don Voogt-McMahon, Inc.  
Cole Buerger – Leonard & Finco  
Sue Schinkten – Schinkten Design

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The meeting was called to order by Vice-President Geoff Farr at 1:30 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 Bellevue to approve the agenda.  
MOTION UNANIMOUSLY APPROVED**

**Approval of Minutes:**

Approve Minutes: September 28, 2016

Minutes were corrected to show that Bill Balke attended the 9-29-16 meeting for the Village of Bellevue and not Angela Gorall as shown.

**Motion made by Bellevue, seconded by DePere to approve the minutes as corrected. MOTION UNANIMOUSLY APPROVED**

**Public Comment:** None

**Appearances:**

1. **Sue Schinkten, Schinkten Design regarding Logo Design:**  
Ms. Schinkten presented several logo design options for review. She explained they include not only water colors, but also show the membership and that the Authority is comprised of several communities. Overall response by the Board was that the designs are very good and a decision will be under discussion.

**CBCWA Member Meeting on Proposed 2017 Budget and Water Rates:**

1. **Presentation and Discussion of Proposed 2017 Budget and Water Rates**  
Manager Vaclavik presented the 2017 Budget, explaining this is the last year there will be an increase in the debt service. In the future water rates will cover debt service and operating costs. Member communities were issued copies of the draft budget for their review. To date, Vaclavik stated he has received no

questions or suggested amendments regarding the budget from any of the members. He reported that he made a presentation to the Allouez Board on October 18<sup>th</sup> which resulted in a good discussion with Allouez officials.

The Technical Committee met on October 11<sup>th</sup> and discussed Capital Improvement Project alternatives with McMahon Inc. and have suggested that the 2017 CIP be modified to include the following:

- By Pass at Howard Booster Station	\$100,000
- MPU HVAC Modifications	50,000
- MPU Software Reprogramming	30,000
- MPU Replacement Equipment	100,000
- Unanticipated Capital	<u>120,000</u>
Sub-Total	\$400,000
(VFD Junction Box (optional))	<u>225,000</u>
Total	<u>\$625,000</u>

The details of the above items were explained by the Manager who indicated that the \$400,000 budgeted amount remains unchanged with \$200,000 derived from rates and \$200,000 taken from reserves. The Technical Committee recommended that the VFD project be reconsidered after the first of the year when the Authority's reserve status becomes clearer. If not possible in 2017, inclusion in the 2018 budget is recommended.

In addition, the Manager pointed out three items of note in the 2017 budget:

- Debt service has increased from \$8,162,158 in 2016 to \$9,227,364 in 2017. This is the last scheduled debt service increase of any importance over the remaining life of the bonds.
- This budget plans total rebates to members of \$1,136,318 intended to blunt the impact of the rate increases required to meet coverage requirements. This is higher than anticipated (\$925,920) when the rate stabilization schedule was first established due to continued decline in water sales. Future rebates may need to be adjusted if sales continue to decline.
- This budget does not include any provision for Suamico. Should that move forward, the budget will be amended accordingly.

**Administrative Actions and Reports:**

1. **Consideration of 2017 Budget and Capital Improvement Program including suggested amendments to CIP made by the Technical Committee:**  
See above for discussion on the 2017 Budget.

**Motion made by DePere, seconded by Lawrence to adopt the 2017 Budget and Capital Improvement Program, including suggested amendments to the CIP made by the Technical Committee and the Manager.**  
**MOTION UNANIMOUSLY APPROVED**

**2. Purchase of Office Copier/Printer/Scanner for Joint CBCWA/Village of Bellevue use in the amount of \$1,595:**

The Manager explained that the Village of Bellevue has maintained a copy machine which he shares with the Court Clerk since renting office space. He uses the copier for scanning documents, an occasional fax, and both bulk copying and printing. In the past, the Authority has contributed to the purchase of paper supplies but have not paid for use of the machine. At this time, the machine has become outdated and parts are no longer available. Replacement is not in the Village's budget. The Manager is suggesting that the Authority contribute to the cost of a new copier (\$1,595) and that they continue to make contributions toward future paper purchase.

He noted that the Board has previously approved the installation of blinds in the conference room adjacent to the Authority's office. This did not occur due to installation issues, suggesting these funds be reallocated for the copier.

**Motion made by Howard, seconded by Allouez to approve the Purchase of Office Copier/Printer/Scanner for Joint CBCWA/Village of Bellevue use in the amount of \$1,595. MOTION UNANIMOUSLY APPROVED**

**3. Financial Reports:**

Reports through the end of September were provided for review. The Manager pointed out that reserves will drop substantially in the next month due to a bond payment to be made.

**Motion made by Lawrence, seconded by DePere to approve Financial Reports as presented. MOTION UNANIMOUSLY APPROVED**

**4. Pay Authorizations: Vouchers:**

An updated voucher list was provided for review. Questions were asked and answered relative to payments to IEI General Contractors (final payment), and Manitowoc Public Utilities and Highway Department.

**Motion made by Lawrence, seconded by Bellevue to approve Pay Authorizations/Vouchers as presented. MOTION UNANIMOUSLY APPROVED**

**Technical Committee Recommendations:**

- 1. Contingent Approval of Contract Award for Facilities Maintenance to Mill Coatings, Inc. in the amount of \$176,300.00 subject to commitment from MPU and CBCWA members to contribute their respective shares of project cost:**

Don Voogt, McMahan, Inc. stated that two bids were received for this project, ranging in price from \$176,730 to \$286,960. It is the recommendation of McMahan, Inc. that the project be awarded to the low bidder, Mill Coatings, Inc. in the amount of \$176,730. The Manager asked that the award be contingent to commitment from MPU and all six CBCWA members to contribute their respective share of project cost, pointing out that the project includes

components that are the responsibility of all. Discussion by the Board members resulted in their stating there should not be a problem with funding their respective share.

**Motion made by Howard, seconded by DePere to approve Contract Award for Facilities Maintenance to Mill Coatings, Inc. in the amount of \$176,300 contingent to commitment from MPU and CBCWA members to contribute their respective shares of project cost.**  
**MOTION UNANIMOUSLY APPROVED**

**Project Update and Status Reports:**

**1. Engineer's Report:**

Mr. Voogt updated the Board on the operation of the storage facility.

**2. Manager's Report:**

The Manger highlighted the following activities during the last reporting period:

- **Suamico** – The Village held a closed session scheduled yesterday, November 25<sup>th</sup> to discuss their water study. There have not been any questions recently, nor was the Authority asked to attend the meeting.
- **Village of Denmark** – The Manager reported that he met with Erika Sisel, Director of Public Works for the Village of Denmark. They discussed the Authority's revised approach to new members and the existence of the connection location installed as part of the Authority's original project. As of this date, Denmark has invested heavily in their wells and are presently satisfied with their water supply. The Manager advised them there is no urgency but that if there is need in the future, rates would be competitive. They also discussed the possibility of an emergency services agreement where the Authority would supply the Village in a backup capacity. At this time there is not a policy for emergency service with Denmark, however, the Manager informed Ms. Sisel that option would be open for discussion.
- **Pavement Repair** – Relative to a request from the Manitowoc County Highway Department regarding the cost of pavement repair, the Manager requested a meeting with them to discuss respective responsibilities for maintenance of roads. As of this writing, he has received no response. Vaclavik noted that inspection of the requested repair site in Francis Creek showed that no repairs have taken place in spite of the County's indication that the area was unsafe.
- **Sobush/McCardle Agreement** – The agreement has been signed and the Authority has received a waiver of future liability. Mr. McCardle has agreed to take on final restoration responsibilities in exchange for the payment made.
- **Easements** – As of now, there is one easement left to complete and turn over to NSight for filing. This is for the former Best Western Hotel on City owned property in Manitowoc. The property is in foreclosure and the Manger stated he has been unable to get a signature from the Hotel owners. He has contacted the City Attorney to request they move forward independently as the property owners, but he has received no response.

- **CDM Smith Valve Replacement Protocol** – Comments have been received and the Manager indicated he will be discussing bidding services with CDM Smith shortly.
- **Municipal Cooperation/Collaboration** – The Manager reported that he has started work on this portion of the strategic plan and has presented a preliminary list of information he will be requesting to the Technical Committee at their last meeting.

**Old Business:**

1. None

**Next Meeting:**

Suggested Agenda Items for next meeting on November 16, 2016 (3<sup>rd</sup> Wednesday)

**Adjourn:**

**Motion made by DePere, seconded by Bellevue to adjourn at 3:59 p.m.**

**MOTION UNANIMOUSLY APPROVED**

Respectfully submitted,

Rae G. Knippel  
Transcription