

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 24, 2016 at the DePere City Hall, 2nd Floor, 335 South Broadway, DePere, WI

Present: Bellevue-Gorall, De Pere-Delo, Howard-Farr, Lawrence-Trem
Excused: Allouez, Ledgeview
Also Present: Dave Vaclavik-Manager
Don Voogt - McMahan

The meeting was called to order by Vice-President Jeff Farr 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 Bellevue to approve the agenda as presented. MOTION UNANIMOUSLY APPROVED

Approval of Minutes:

Approve Minutes: January 27, 2015

Motion made by DePere, seconded by Lawrence to approve the minutes as presented. MOTION UNANIMOUSLY APPROVED

Public Comment: None

Appearances: None

Administrative Actions and Reports:

1. **Proposal for Web Site Development and Hosting:**
The Manager reported that he has met with Leonard & Finco to review the present website, discuss how it can be improved to generate user data, to increase the interactive capabilities, and generally improve user experience. He noted that the existing hosting site has limited capabilities and is fairly difficult to work with. Leonard & Finco have suggested that the Water Authority consider a change in the service provider and have recommended Infinity Technology as an alternative. The Manager provided a proposal from Infinity, noting there is a one-time set up and design fee of \$3,896 and an annual hosting fee of \$660. Noting that the Authority has a \$25,000 marketing budget, funds would be available. Vaclavik explained that Infinity would be used to redesign the site and that Leonard & Finco would keep the site updated.

When asked the potential functions by Mr. Trem, the Manager explained they would include the ability to provide statistics, public notice of minutes and records, to improve interactive questions and answers from communities.

Vaclavik explained that instead of the current newsletter, this site could provide more frequent updates regarding current activities of the Authority.

Farr asked if Leonard & Finco has had prior experience with Infinity regarding maintenance of websites, stating that Howard has worked with this firm in the past and found making changes to be difficult and came at an expense. He indicated that Howard presently uses Civic Plus which designs municipal type websites. He finds it easy to use, noting that many changes can be made internally.

Angela Gorall stated that the Village of Bellevue updated their website this year using Civic Plus. She has found them to be very user friendly.

Mr. Delo also suggested additional proposals, questioning the necessity of future involvement of Leonard & Finco if a change is made.

The Manager agreed to collect further information and return with additional proposals for the next Board meeting.

No Action. Manager to seek additional proposals.

2. **Strategic Plan Status – Schedule of Special Meetings:**

The Manager referred to a separate communication he sent to Board members in the last week regarding goals of the Strategic Plan. In addition to the reference manuals that were distributed, he has provided portions of the enabling legislation and the Water Authority's Purchase Agreement which would apply to external service to new customers or members. The Manager indicated there will be a legal opinion from Attorney Kobza before the March meeting regarding the flexibility of weighted voting and how that might work.

Other efforts underway in the Strategic Plan include the following:

- McMahan, Inc. is working on a proposal to assist the Authority and its members in the development of a master plan in conjunction with Green Bay Water. Manager Vaclavik continues to be in contact with the Water Utility Manager and expects to be having another meeting soon to discuss coordination.
- McMahan has begun meeting with members as the initial step in development of an optimization plan.
- The Manager is attempting to set up a joint meeting with Boardman Clark and Baker Tilly to continue evaluation of alternatives related to the agreement with MPU.

The Manager indicated that the first Strategic Plan deadline will be in September. He will begin to coordinate meeting dates with the Board for further discussion by sending e-mails with available dates. Meetings will be in one hour blocks.

3. **Financial Reports:**

The Manger reported that he continues to struggle with the financial reporting system. Although he attached a preliminary report, note was made that O&M rate revenues in the P&L have been reduced by the amount of the rate

stabilization rebates issued. He will be talking with the auditors to see if there is an alternative way to show the rebate that does not indicate a shortfall in the revenue stream, noting that the Authority is, in fact, on budget.

The Manager will return with an answer to Mr. Delo's question related to appropriated earned surplus.

Other discrepancies in the various reports were highlighted and clarified by the Manager who stated that adjusting entries will be made. Mr. Delo confirmed that the present reports are up to date through the end of January, noting that salaries/benefits are at a higher percent than would be expected. Mr. Delo asked for identification notes to be provided to verify the various questions that have been asked in the next report. The Manager noted that an audit presentation will be made in March.

The Manager also indicated that he has met with Kerber Rose to discuss what services and reporting capabilities they might be able to provide. He and President Burdette met with MPU to view their new accounting system and discuss how they might be able to help. Their system is clearly a major step over QuickBooks based accounting software and appears to have the ability to generate substantially improved financial and management reports. Further information will be provided at the March Board meeting.

Mr. Delo suggested that the Manager review the agreement that DePere made with Green Bay related to water billing.

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

4. **Pay Authorizations: Vouchers:**

Comments were made by the Manager relative to invoices from Springstead and Milton Propane. Mr. Delo indicated he used to work as the administrator of Milton who was referred to the Authority by August Winter.

Motion made by Lawrence, seconded by Bellevue to approve payment of Pay Authorizations/Vouchers. MOTION UNANIMOUSLY APPROVED

Technical Committee Recommendations:

1. **Pay Authorization #19 to IEI in the amount of \$107,253.31**

The Manager indicated that IEI has substantially completed work. The amount of \$100,483.54 is being held as retainage for a small amount of restoration to be addressed in the spring. He has had contact with the DNR regarding closing the project and expects to hear from them soon. He also noted that the project has come in under budget.

Motion made by Howard, seconded by DePere to accept the recommendation of the Technical Committee to approve Pay Authorization #19 as partial payment to IEI in the amount of \$107,253.31. MOTION UNANIMOUSLY APPROVED

Project Update and Status Reports:

1. **Engineer's Report:** Don Voogt reported the following:
 - There has been a new startup of the control system at the pressure reducing station valve
 - The tank project is in tune and wiring with site restoration is planned for spring.
 - Tomorrow, 2/15, there will be a meeting with the operators of the member communities to discuss operation of their facilities, along with other housekeeping business, one being to look at operations to develop a plan to maximize efficiencies and energy costs.

Mr. Delo asked if there will be follow-up inspections and Mr. Voogt responded that they are not required, however, he would not be surprised if they occurred when the contractor is working in the area. He did state that the contract does require reservoir inspections, etc.

Mr. Trembl asked if there is an agreement with MPU regarding inspections and Mr. Vaclavik indicated that tank inspections are done on a time and material basis. They have been good about notifying the Authority of other issues that may arise. Mr. Trembl suggested that a formal agreement be drafted. The Manager agreed there should be a formal agreement of maintenance of the distribution system and he has discussed this with Attorney Kobza.

2. **Manager's Report:**

The following activities were highlighted in the Manager's written report:

- **Johnson Bank** – Will be meeting with the Bank on Monday, 2/29/16, regarding increasing the investment pool, accessibility and timing as the Authority gets nearer the rebate program.
- **Water Report** – The auditor spent 1 ½ days reviewing documents during the last reporting period. They are very pleased with the new banking control system. The Manager reported that water consumption overall was again down in the month of January. He pointed out that in the last year there was 50 million gallons paid for and not used. He is concerned with continuing this trend in the future.
- **Master Planning Process** – Has been in contact with Green Bay who is sending information to the consultant. A meeting will soon be scheduled to discuss emergency services.
- **Easement Process** – The Manitowoc Board has approved the last of the temporary easements. They have been sent for attorney approval and documents are expected within the next month or so.

In addition, the manager reported the following in his written report:

- **Safe Drinking Water Loan** – The Authority has accepted \$10,540,872.72 of the authorized loan of \$12,958,106.00. The Manager has contacted the Wisconsin DNR to inform them that the Authority will not be requesting

additional funds and are currently operational with only punch list items and restoration to complete. The DNR will be sending the necessary paperwork to close out the loan process.

- **Fund Balances and Investment Allocation** – As approved at the last Board meeting, the investment portfolio will be increasing by \$7,500,000 with a reduction in the money market account. A meeting is scheduled on February 29th with Johnson Bank to discuss investment of these additional funds.
- **Audit Report** – Baker Tilly will present the Audit Report at the March Board meeting.
- **CDM Smith Valve Replacement Protocol** - Documentation has been received for the purchase of equipment and the selection of contractors to place on an emergency call list for any necessary 48” valve repairs. Modifications to repair protocols have been suggested. Revised documents are expected with project completion by year end.

Old Business: None

New Business: None

Next Meeting:

Suggested Agenda Items for next regular meeting: March 23, 2016

Adjourn:

Motion made by DePere, seconded by Lawrence to adjourn at 3:44 p.m.

MOTION UNANIMOUSLY APPROVED

Respectfully submitted,

Rae G. Knippel
Transcription