

PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY

Pursuant to Section 19.84 Wis. Stats., a joint meeting of the **Admin Committee** and the **Central Brown County Water Authority** was held on Wednesday, August 20, 2008, at the Bellevue Government & Safety Building: Board Chambers, 3100 Eaton Road, Bellevue

Present: Allouez, Kopish; Bellevue-Oppenheimer; DePere-Delo;
Lawrence-Treml; Ledgeview- Burdette

Excused: Howard

Also

Present: Dave Vaclavik/Barbara Grant – Public Management Partners
Gary Rosenbeck-McMahon Associates
Vicki Hellenbrand – Virchow Krause
Jerry Halvorsen/Gary Kennedy – Manitowoc County Highway Dept.

The meeting was called to order by President Larry Delo at 3:21 p.m.

Roll Call:

Call the roll for attendance.

Roll call was taken as noted above.

Approval of Agenda:

Approve Agenda

Motion made by Bellevue and seconded by Allouez to approve the agenda.

MOTION APPROVED UNANIMOUSLY

Approval of Minutes:

Approve Minutes – July 9, 2008

Motion made by Bellevue and seconded by DePere to approve the minutes.

MOTION APPROVED UNANIMOUSLY

Appearances:

1. **Vicki Hellenbrand – Presentation of Audit Report**

Ms. Hellenbrand distributed documents relative to the 2007 audit, the first being Financial Statements, with the second related to the actual Report on Internal Control, including a Memorandum on Accounting Procedures, and other matters.

The Financial Statements reported data on net assets; revenues, expenses, and changes in net assets; statements of cash flows; and notes to financial statements. Ms. Hellenbrand explained that the audit was conducted according to auditing standards acceptable in the United States. Those standards require that the audit be performed to obtain reasonable assurance that the financial statements are free of material misstatement.

Ms. Hellenbrand stated it is the opinion of Virchow Krause that the financial statements presented fairly describe the financial position of the CBCWA as of 12/31/07 and 2006. (Please see documents for details)

Mr. Delo requested a "schedule of events" be presented at the next meeting. Mr. Trembl agreed to provide a monthly review.

Motion made by Bellevue and seconded by Ledgeview to accept the Audit Report. MOTION APPROVED UNANIMOUSLY

Administrative Committee Recommendations:

Mr. Oppenheimer highlighted discussion from the meeting held this date.

1. **Insurance:**

a. **Altered Policy Terms (Local Govt. Property Insurance Fund):**

Ms. Grant explained the altered policy terms received from the LGPIF.

b. **Recommended Umbrella Coverage (WSA):**

The amount of necessary umbrella coverage will be researched and Ms. Grant will report back.

2. **Word Works Proposed Contract Revision:**

A request by the Recording Secretary for an increase in hourly wage was approved.

Motion made by Bellevue and seconded by Ledgeview to accept the recommendation of the Administrative Committee and approve an increase in the hourly rate paid the Recording Secretary, along with a 3% increase annually. MOTION APPROVED UNANIMOUSLY

3. **Financial Reports:**

Line items were reviewed and found to be appropriate. No action.

4. **Pay Authorizations: Vouchers:**

Motion made by Lawrence and seconded by DePere to accept the recommendation of the Administrative Committee and approve payment of the pay authorizations/vouchers. MOTION APPROVED UNANIMOUSLY

5. **Investment Recommendations;**

Because of low interest return and questionable service from Associated Bank, it is suggested that an RFP be sent to other financial institutions. PMP will move forward with this recommendation.

6. **2009 Budget:**

A handout relative to 2009 budget assumptions was distributed and the various sections highlighted. Mr. Vaclavik indicated that a public hearing is required and will be scheduled sometime after the September meeting of this Authority. Also distributed was the Profit & Loss Budget Overview for review. Mr. Kopish asked that that an RFP be considered for engineering costs.

Also distributed was the calculation for water requirements, with Mr. Vaclavik explaining formulas that were used to determine rates, projected at \$3.23 in 2009, down from the current rate of \$3.31.

Management services for the future were discussed, with three different scenarios presented. Mr. Delo requested a closed session excluding PMP at the next Board meeting.

Motion made by Allouez and seconded by Lawrence to adjourn the Administrative Committee. MOTION APPROVED UNANIMOUSLY

Technical Committee Recommendations:

Three meetings have been held since the last Water Authority meeting - August 11th, August 15th, and today, August 20th. This is a summary of the discussion.

1. **River Valley Testing Report and Recommendations regarding Trench Settlement:**

Mr. Vaclavik reported that discussion by the Technical Committee resulted in a recommendation to contract with River Valley Testing to perform an investigation at the intersection of Johnston Drive and Magnolia in Manitowoc relative to concrete distress not to exceed \$4,500.

Motion made by DePere and seconded by Bellevue to accept the recommendation of the Technical Committee and approve the contract with River Valley Testing to perform an investigation at the intersection at Johnston and Magnolia not to exceed \$4,500. MOTION APPROVED UNANIMOUSLY

Secondly is the issue of sinkholes along County R. Two special meetings were held to discuss this issue and the Technical Committee has recommended a not to exceed agreement with Dorner at \$100,000 to lower fiber optic cable depth to a 24" minimum, with field decisions on needed sinkhole repair, with an inspector/engineer on site daily.

Motion made by DePere and seconded by Bellevue to accept the recommendation of the Technical Committee to approve an agreement with Dorner to lower fiber optic cable depth to 24" and to do needed sinkhole repair, with an inspector on site daily on a time and material basis not to exceed \$100,000. MOTION APPROVED UNANIMOUSLY

2. **Claim from Radandt Development for water service repair – Recommend payment to Radandt in the amount of \$6,744:**

As this invoice for repair appears to be the responsibility of the Water Authority, a recommendation was made for payment.

Motion made by Lawrence and seconded by Bellevue to accept the recommendation of the Technical Committee and approve payment of the

claim from Radandt Development for water service repair in the amount of \$6,755. MOTION APPROVED UNANIMOUSLY

3. **MPU Fiber Optic Management Proposal – Recommend that MPU be contracted to manage the fiber optic system on a time and materials basis and that their proposal for marketing services be reconsidered in 90 days:**

A proposal from MPU relative to CBCWA fiber optic was reviewed relative to a communication on 8/17/08 that MPU perform management services for the fiber optic system while the CBCWA retain ownership

CBCWA has installed fiber optic cable and a conduit system adjacent to the 65 miles of transmission water main. The installation contractor spliced the fibers required to facilitate SCADA communication, with 12 fibers available for revenue generation. MPU purposes to manage the system as follows:

Part A – Managing – MPU will provide underground locating services. This will be invoiced as 30% of the cost of locating the water transmission facilities. They will facilitate adds, moves, changes, and repairs to accommodate additional customers, infrastructure relocates, etc. These services will be invoiced/ reimbursed on a time and materials basis for both MPU and contractor related costs.

Part B - Marketing – The CBCWA has at least 12 to 16 unused fibers for revenue generation. MPU owns the fiber loop with their city and has been able to generate revenues. They propose that the CBCWA establish a marketing budget annually for fiber optic from which MPU costs will be reimbursed on a time and expense basis. When MPU is successful in obtaining a lease agreement for the fiber, revenues will be split 80% for the CBCWA and 20% for MPU

Discussion of the proposal resulted in the consensus to implement Part A at this time, however, to hold Part B for 90 days to investigate other options.

**Motion made by Allouez and seconded by Bellevue to accept the recommendation of the Technical Committee to implement Part A of the MPU proposal and hold Part B for 90 days.
MOTION APPROVED UNANIMOUSLY**

4. **Hobart Booster Station Repair – Recommendations and Award:**
Two options were presented for repair, one being to purchase additional property, with the second to request a variance from the Village of Hobart. At this time, the Technical Committee has recommended that Advance move forward and order the necessary panel while the two mentioned options are being researched.

**Motion made by De Pere and seconded by Allouez to direct purchase the necessary ATS equipment and to seek alternative providers for installation services.
MOTION APPROVED UNANIMOUSLY**

5. **Sidewalk Replacement at Metering Stations – Recommend award to Martell in the amount of \$20,400 for the replacement of sidewalk at the Master Meter Station:**

A proposal from Martell Construction in the amount of \$10,400 for sidewalk replacement at the Master Meter Station was recommended for approval by the Technical Committee.

Motion made by Bellevue and seconded by DePere to accept the recommendation of the Technical Committee and approve the bid of Martell Construction for sidewalk replacement at the Master Meter Station in the amount of \$10,400. MOTION APPROVED UNANIMOUSLY

6. **Corrpro Status Report:**

As directed, Mr. Rosenbeck met with Mark Lambert of Manitowoc to discuss discontinuity and locating issues. Manitowoc has agreed to re-survey two sections in question.

7. **Final Approval Contract J:**

This contract, related to chlorination, was recommended for approval.

Motion made by Lawrence and seconded by Ledgeview to accept the recommendation of the Technical Committee for final approval of Contract J in the amount of \$7,423.62. MOTION APPROVED UNANIMOUSLY

8. **Culvert Damage at Pine Grove Blvd:**

Mr. Rosenbeck will report on this issue after reviewing videos.

9. **Manitowoc County Highway Department Issues:**

A lengthy discussion by the Technical Committee including input from the Manitowoc County Highway Department resulted in the consensus that sinkholes need to be filled and fiber optic cable needs to be at a depth no higher than 24 inches. A directive was given as included in the motion.

Motion made by Bellevue and seconded by Allouez to accept the recommendation of the Technical Committee regarding sinkholes and fiber optic depth as follows:

- Time and materials not to exceed \$100,000
- Lower fiber optic cable depth to a 24 inch minimum
- Field decisions on needed trench repair
- Inspector/Engineer on the job daily.

MOTION APPROVED UNANIMOUSLY

Closed Session:

1. **None Scheduled**

Project Update & Status Reports:

1. **Engineer's Report:**

Updates and status of the various contracts were reported.

2. **Manager's Report:**

Mr. Vaclavik highlighted activities during the last reporting period.

Old Business - none

New Business - none

Future Agenda Items:

1. **Schedule of Events (pertaining to audit)**
2. **Marketing Strategy of Future Customers**
3. **Management Services**

Public Comment: None

Adjournment:

Next Meeting – Wednesday, September 10, 2008

**Motion made by Bellevue and seconded by Allouez to adjourn at 5:13 p.m.
MOTION APPROVED UNANIMOUSLY**

Respectfully Submitted,

Rae G. Knippel
Recording Secretary