

PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY

Pursuant to Section 19.84 Wis. Stats., regular meeting of the **Central Brown County Water Authority** was held on Wednesday, August 19, 2009, at the DePere City Hall, 2nd Floor – 335 South Broadway, DePere, WI

Present: Allouez – Kopish, Bellevue - Oppenheimer, DePere- Delo, Lawrence -Trembl, Ledgeview – Burdette

Excused: Howard

Also

Present: Dave Vaclavik – Public Management Partners
Gary Rosenbeck – McMahon Inc
Scott Thoresen – City of DePere
Craig Berndt – Village of Allouez

The meeting was called to order by President Delo at
President Delo welcomed Mr. Kothari and Mayor Nickels to the Board meeting.

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 Lawrence to approve the agenda.

MOTION APPROVED UNANIMOUSLY

Approval of Minutes:

Approve Minutes: July 15, 2009

Motion made by Ledgeview and seconded by Lawrence to approve the minutes.

MOTION APPROVED UNANIMOUSLY

Appearances:

1. **Mayor Justin Nickels, City of Manitowoc, and General Manager Nilaksh Kothari, Manitowoc Public Utilities:**

Mayor Nickels was introduced by Mr. Kothari as the new Mayor of the City of Manitowoc and Board members introduced themselves. Mayor Nickels explained that he was updated by former Mayor Kevin Crawford before he took office and that he looks forward to a continued relationship with the Authority.

AGENDA:

Administrative Committee Recommendations:

Aaron Oppenheimer highlighted discussion from the committee meeting held this date:

AGENDA:

Oppenheimer stated that the first three agenda items were updates to the committee and will be brought back.

1. **Mid-Year Water Use Report/2010 Member Consumption Forecast:**
2. **CBCWA 2010 Proposed Budget and Water Rates:**
3. **Resolution Amending Water Purchase & Sale Agreement:**

4. **Resolution of Inclusion, Wisconsin Retirement System:**

Motion made by Bellevue and seconded by Ledgeview to accept the recommendation of the Administrative Committee and approve the Resolution of Inclusion in the Wisconsin Retirement System. MOTION APPROVED UNANIMOUSLY

5. **Certificate of Deposit Roll-Over:**

Motion made by Bellevue and seconded by Ledgeview to accept the recommendation of the Administrative Committee to approve Certificate of Deposit Roll-Over. MOTION APPROVED UNANIMOUSLY

6. **Financial Reports:**

Motion made by Bellevue and seconded by DePere to accept the recommendation of the Administrative Committee to approve Financial Reports. MOTION APPROVED UNANIMOUSLY

7. **Pay Authorizations/Vouchers:**

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

President Delo announced that the budget will be brought back to the Administration Committee at their September meeting in order to finalize formatting and numbers. At that time, the Manager will schedule a hearing for adoption in October.

Technical Committee Recommendations:

Dave Vaclavik highlighted discussion at the meeting held on August 17, 2009:

1. **Engineer's Project Status Report:**
 - a. **Phase III A/R Valve Project – Engineering Services Agreement in the amount of \$32,700:**

Phase III construction work has been included with the Phase II contract with a total construction cost of \$161,900 compared to the 2009 budget amount of \$300,000. The Technical Committee previously approved this amount. Additional engineering and inspection services to McMahon to facilitate the work are estimated at \$32,700.

Motion made by DePere and seconded by Ledgeview to accept the recommendation of the Technical Committee and approve additional engineering and inspection services to McMahon in the amount of \$32,700. MOTION APPROVED UNANIMOUSLY

2. **Locating Service – Allow MPU to seek proposals for locating services subject to Authority review and approval of contract:**

Vaclavik informed the Board that MPU has asked if the Authority would allow them to subcontract for utility locates. On advice of the manager and attorney, it was the consensus of the Technical Committee to consider this alternative subject to review and approval of the contract and insurance provisions for any proposed service provider. No Action.

3. **Change Orders and Final Payments – Howard Booster Pump Station Repairs:**

Repairs at the Booster Pump Station have been completed. Extra costs have been incurred because of the unexpected discovery of a leak in the fuel tank. The Technical Committee has recommended final payments and change orders be made to complete the project.

- a. **West Electric - \$2,484.41**
- b. **Cummins Npower - \$4,220**
- c. **US Petroleum - \$351.25**
- d. **McMahon – Change Order \$2,975**

Motion made by DePere and seconded by Allouez to accept the recommendation of the Technical Committee and approve costs associated with repairs at the Howard Booster Station, including engineering, for a total of \$10,030.66.

MOTION APPROVED UNANIMOUSLY

4. **Review of Final Flow Projections for 2010 – Recommending Adjustments to Final Flow Projects for DePere and Howard:**

The Technical Committee reviewed projections for each member and recommended modifications to flow projections for DePere and Howard which resulted in a small increase in total projected volume for 2010. These revised projections have been used in the preparation of the budget. No Action

5. **10-Year CIP – Recommendation reducing 2010 CIP to \$135,000:**

The Technical Committee reviewed the proposed CIP and recommended reducing 2010 expenditures by \$500,000, reducing the 2010 CIP to \$135,000. These figures have been used in budget and rate calculations. No Action

Delo pointed out the importance of minimizing capital projects for the next two years because of the economy and level of development in the area.

6. **Selection of Consultant for General Engineering Services:**

Proposals were received from five engineering firms and presentations made by three of the firms before the Technical Committee on 8/12/09. At their meeting on August 17th the Committee voted to recommend McMahon Inc as the engineer for the CBCWA. The Committee asked that Gary Rosenbeck be designated as the principal contact with the Authority. If he should leave McMahon, a re-evaluation of services would be desired.

Vaclavik stated there was a comprehensive review process involved and although general services were comparable, also of consideration was the history McMahon has with the Authority, litigation services, travel time, etc.

Various questions and concerns were addressed by Mr. Rosenbeck. Ray Kopish stated he personally had hoped the Authority would be looking at a different firm, therefore, would not support the selection. Bellevue pointed out that they knew going in that history would be an overriding factor. Other comments and concerns were made relative to the process, which was overall found to be reliable with the opinion that it provided a clear and accurate conclusion.

Motion made by DePere and seconded by Lawrence to accept the recommendation of the Technical Committee to select McMahon Inc as the general engineer for the CBCWA for a three year period, with the understanding Gary Rosenbeck is designated as the principal contact to the Authority, and contingent on completion of a contract agreement.

Ayes: Lawrence, Ledgeview, DePere

Nays: Allouez, Bellevue

MOTION APPROVED 3-2

PROJECT UPDATE AND STATUS REPORTS

1. Engineer's Report:

Gary Rosenbeck highlighted activities during the last reporting period from his written report, including:

- Project Close Out – Contract D has been completed. There are two remaining issues on Contract A. Contracts G, H, & I are being addressed with Attorney Kobza and demand letters are being considered.
- Work at Howard Booster Station is complete. See #3 under Technical Committee report above.
- Phase III A/R Valve Project - See 1a above under Technical Committee recommendations.
- Chlorination – A meeting will be held with the DNR and members of the various communities on Tuesday, 8/25/09.

Randy Trembl asked about known deficiencies noted on the Manitowoc report, i.e. "lacking confirmation that all water mains are pressure tested . . . Rosenbeck reported that Manitowoc has all information and test reports that are available.

2. Manager's Report:

Dave Vaclavik highlighted items from his written report not covered above. They include:

System Study Status – Although negotiations continue for final contract terms with CDM, work is underway. The system model has been created and CDM has started the calibration process to match actual field conditions.

MPU – Fiber Optic – Discussions with MPU to manage the fiber optic system have been Re-activated. Vaclavik stated he will have a report at the next Board meeting.

Open Projects

Audit Contract Extension – A letter of engagement is expected from Baker Tilly agreeing to a 3-year extension of their contract at \$11,700 per year.

MPU Audit – Baker Tilly will be conducting an audit of MPU's project expenses.

Purchasing Policy – A revised draft is being prepared based on comments from Attorney Kobza.

Budget & Rate Policy – At the request of the Board a policy is being developed.

Vaclavik also reported that Attorney Kobza has completed modifications to the Water Purchase & Sale Agreement and forwarded them to Bond attorney for review. Upon review, the appropriate resolution will be prepared for Board and member action.

Old Business:

1. None

New Business:

1. **Establish Hearing Date for Budget Adoption:**
Public Hearing will be held prior to the October Board meeting on October 21, 2009

Kopish suggested that efforts be accelerated to re-examine marketing the Authority to other users. Delo asked if a marketing strategy had ever been drafted, and Vaclavik stated he has prepared outlines in the past. Ways to move forward were discussed with President Delo suggesting that concepts and strategies first be presented to the Administrative Committee with the possibility of creating a Marketing Committee.

Closed Session:

The Board may go into closed session to discuss pending litigation pursuant to Wisconsin State Statute 19.85 (1)(g) conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Board will then reconvene back into open session.

Motion made by DePere and seconded by Lawrence to enter into closed session.

Roll Call: All Present. MOTION APPROVED UNANIMOUSLY

Motion made by Allouez and seconded by Bellevue to return to regular order of business.

Roll Call: All Present. MOTION APPROVED UNANIMOUSLY

1. **Recommendations resulting from closed session if any:**

Next Meeting: September 16, 2009:

Adjournment:

Motion made by Bellevue and seconded by Ledgeview to adjourn at 4:52 p.m.

MOTION APPROVED UNANIMOUSLY

Respectfully Submitted,

Rae G. Knippel
Recording Secretary