

PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY
ADMINISTRATIVE COMMITTEE

Pursuant to Section 19.84 Wis. Stats, a regular meeting of the **Central Brown County Water Authority –Administrative Committee** was held on Wednesday, October 21, 2009 at the DePere City Hall, 2nd Floor – 335 South Broadway, DePere, Wisconsin

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

Also

Present: Dave Vaclavik – Public Management Partners

The meeting was called to order by Chairman Oppenheimer at 2:32 p.m.

ROLL CALL:

Call the roll for attendance.

Roll Call as noted above.

APPROVAL OF AGENDA:

Approve Agenda

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

MOTION APPROVED UNANIMOUSLY

APPROVAL OF MINUTES:

September 16, 2009

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

MOTION APPROVED UNANIMOUSLY

COMMUNICATIONS: None

AGENDA:

1. **Resolution Amending Water Purchase & Sales Agreement:**
Manager Vaclavik reported that he has been working with Attorney Kobza on this resolution, however, the document is not ready at this time. Bond counsel has become reluctant to issue any opinion on sale of bonds. A two part opinion will be sought. No Action.
2. **Development of “Customer Class” Water Rates:**
A meeting was held with Mr. Kothari of MPU, who has indicated a willingness to participate in a joint effort to develop a new customer class. Attorney Kobza has been asked to modify the language allowing this and a proposal is expected soon. Mr. Vaclavik stated that he has had discussions with the Village of Denmark who have expressed interest in becoming a customer.
3. **CBCWA Budget Review:**

Mr. Vaclavik highlighted aspects of the 2010 budget, stating that 2008/09 were challenging years for the Authority. The economic downturn combined with water conservation efforts resulted in decreased water sales. The Authority remains sound financially and continues to meet bond coverage and operating requirements, however, the decline in sales has led to variation in the effective water rates charged to members. 2009 also saw a decline in interest rates and investment income, with a corresponding impact on non-rate revenues. Interest rates are not projected to recover in the 2010 fiscal year. 2008/09 included unusual expenses for attorney fees associated with litigation the Authority is pursuing against its former engineer and several contractors associated with the construction of the pipeline system.

The 2010 budget reflects the changes experienced by the Authority over recent history and projects, nominal interest income, reduced sales projections, and an effort by the Board to control expenditures. The net result is a budget increase of approximately 0.3% over 2009. The Authority is helped in this effort by a projected rate from Manitowoc Public Utilities equivalent to the 2009 rate.

Modifications to the Authority's agreement with members are proposed to eliminate the variances to member water rates that occurred in 2008 due to the proscribed "true-up" procedure used to equalize rates at year-end. The proposed revisions will ensure that rates paid by all members remain equal.

Referred to Public Hearing for adoption at CBCWA Board meeting to follow.

4. **Contract with Baker Tilly for Audit Services for 2009-2011 at a cost of \$11,700 per year:**

A letter received from Baker Tilly (Virchow Krause) reiterating the terms and objectives of the three year contract (2009-2011), at a cost of \$11,700 per year, was reviewed and recommended for approval.

Motion made by Lawrence and seconded by Allouez to recommend approval of a three year contract (2009-2011) with Baker Tilly at a cost of \$11,700 per year. MOTION APPROVED UNANIMOUSLY

5. **CBCWA Manager Contract Renewal Process:**

As the contract with the Manager will expire 12/31/2009, the committee directed Mr. Vaclavik to meet with President Delo to negotiate a future contract. Mr. Vaclavik informed the committee that he is no longer involved with Public Management Partners, that it has been sold to a consulting group.

6. **Designation of Agent/Alternative for Wisconsin Retirement System:**

Discussion by the committee resulted in the recommendation that Mr. Vaclavik serve as Agent to the Wisconsin Retirement System, and that Randy Tremi serve as Alternate.

Motion made by Bellevue and seconded by Ledgeview to recommend

Dave Vaclavik as the agent to the Wisconsin Retirement System, and Randy Trembl as the Alternate. MOTION APPROVED UNANIMOUSLY

7. Financial Reports:

Not Available. Held for next meeting.

8. Pay Authorizations/Vouchers:

Invoices were reviewed and questions answered. Mr. Trembl requested a running total of expenses paid to the Boardman Law Firm.

**Motion made by Lawrence and seconded by Ledgeview to recommend approval and payment of pay authorizations/vouchers.
MOTION APPROVED UNANIMOUSLY**

FUTURE AGENDA ITEMS:

1. **Next Meeting – Wednesday, November 18, 2009 – Need to reschedule due to conflict:**

**Administrative Committee meeting moved up one week to:
Wednesday, November 11, 2009 – 2:30 p.m.
DePere City Hall**

Agenda Items:

Marketing Policy

ADJOURN:

**Motion made by Ledgeview and seconded by Bellevue to adjourn at 3:00 p.m.
MOTION APPROVED UNANIMOUSLY**

Respectfully submitted,

Rae G. Knippel
Recording Secretary