

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, June 16, 2010, at the DePere City Hall, 2nd Floor – 335 South Broadway, DePere, WI

Present: Allouez – Kopish, Bellevue - Oppenheimer, DePere-Delo, Howard-Farr.
Lawrence –Tremi

Excused: Ledgeview

Also

Present: Dave Vaclavik – Manager, CBCWA
Don Voogt, McMahan Inc
Vicki Hellenbrand – Baker Tilly

The meeting was called to order by President Delo at 3:02 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 Lawrence to approve the agenda.

MOTION APPROVED UNANIMOUSLY

Approval of Minutes:

Approve Minutes: May 19, 2010

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

MOTION APPROVED UNANIMOUSLY

Appearances:

1. **Vicki Hellenbrand for Presentation of 2009 Audit Report:**

Ms. Hellenbrand distributed the report completed by Baker Tilly on Internal Controls of the Central Brown County Water Authority including a Memorandum on Accounting Procedures, Internal Controls and Other Matters covering the period from 12/2008 to 12/2009.

In addition, Financial Statements for the years ending December 31, 2008 and 2009 were highlighted. This included statements of net assets, of revenues, expenses, and changes in net assets, and of cash flows.

As discussed previously, a concern over segregation of duties was expressed. Bellevue has offered to take over the services now being performed by *Bookkeeping by Amy* and Mr. Vaclavik will be meeting with Bellevue to discuss this.

Administrative Actions & Reports:

1. **Approval of 2009 Audit:**

**Motion made by Bellevue and seconded by Allouez to approve the 2009 Audit.
MOTION APPROVED UNANIMOUSLY**

2. **Consideration of Investment Proposal from Community Investment Partners:**

As requested, Mr. Vaclavik presented a report from Community Investment Partners regarding their investment proposal. A sample portfolio was provided showing that CIP currently has 31 public sector clients with total assets under management exceeding \$100 million. Review by the Board resulted in the consensus CIP did not have much more to offer than already being received, therefore, no action was taken.

3. **Discussion of Potential System Customers:**

Mr. Vaclavik explained that the CBCWA currently has three existing system connection points located at Hobart, Cooperstown, and Denmark. Although Hobart has been actively connected to our system for emergency water supply, they recently chose Green Bay for their permanent source of supply. Denmark has been considering connection, however, without a significant cost break, connection is not financially viable for them. Vaclavik stated there are a number of issues that affect the potential for water sales, one being the fact that the enabling legislation specifically prohibits direct sales to non-members. In addition, the agreement and the buy-in conditions to become a new member after the system has been constructed are harsh. Consequently, the cost of membership is prohibitive to anyone with a viable alternative source of water. Vaclavik added that the system was designed for the benefit of existing members, and the addition of any large customer could accelerate the need for additional capital development, indicating that the spoke system was not designed for additional demand beyond member needs.

President Delo indicated he would like to pursue an analysis/study with the goal of establishing a policy with possible funding through grants from the DNR. The Manager suggested he meet with Bay Lakes Regional Planning to draft a scope of what is trying to be accomplished.

4. **Financial Reports:**

Financial reports were distributed and reviewed.

**Motion made by Bellevue and seconded by Allouez to approve.
MOTION APPROVED UNANIMOUSLY**

5. **Pay Authorizations/Vouchers:**

Vouchers were reviewed and recommended for payment.

**Motion made by Lawrence and seconded by DePere to approve.
MOTION APPROVED UNANIMOUSLY**

Technical Committee Recommendations:

1. **No Action Items**

PROJECT UPDATE AND STATUS REPORTS

1. **Engineer's Report:**

Don Voogt highlighted the following activities:

- A Task Order for GIS system development has been submitted for signature.
- Purchase orders have been issued for the chlorination equipment and McMahon will follow -up with vendors regarding delivery and installation.
- McMahon has been asked to prepare a supplemental proposal on potential system interconnects between members which would build on the results of the CDM study. Until committee discussion has concluded, this directive is on hold.

2. **Manager's Report:**

Manager Vaclavik distributed his written report highlighting the following:

- Wetlands Permit - The WDNR has reviewed and accepted the final report submitted by Bonestroo (formerly Northern Environmental) and the permit, along with monitoring requirements, is now closed.
- MPU Audit – Baker Tilly has been provided information to prepare the audit. Remaining contractor issues should be resolved soon in conjunction with scheduled plant maintenance.
- MPU Fiber Optic – Still unresolved. The Manager will be scheduling a meeting with MPU staff in the near future.
- Nowak Agreement – Is being circulated for signature.
- 2011 Capital Improvement Budget - Development of the CIP for 2011 and beyond will be on the agenda of the Technical Committee targeting August completion.
- Litigation – Depositions on the Dorner/PTS/Michels case have begun.

New Business:

1. None

Old Business:

1. None

Next Meeting:

1. **Suggested Agenda Items:**

- MPU Audit
- Closed Session

2. **Next Regular Meeting scheduled for Wednesday, July 21, 2010 - 3 p.m., DePere City Hall**

Motion made by Bellevue and seconded by Allouez to adjourn at 4:05 p.m.

MOTION APPROVED UNANIMOUSLY

Respectfully Submitted,

Rae G. Knippel
Recording Secretary