

**PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY**  
**TECHNICAL COMMITTEE**

Pursuant to Section 19.84 Wis. Stats, a regular meeting of the **Central Brown County Water Authority – Technical Committee** was held on Tuesday, February 19, 2019 at the Bellevue Public Safety Building Conference Room – 3100 Eaton Road, Bellevue, Wisconsin

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**Members Present:** Allouez – Sean Gehin, Mike Mahloch  
Bellevue –Dave Betts, Shawn Geiger  
De Pere – Scott Thoresen  
Howard – Geoff Farr  
Lawrence – Kurt Minten  
Ledgeview – Dave Strelcheck

**Also Present:** Nic Sparacio, Manager  
Don Voogt – McMahan, Inc.  
Gary Rosenbeck – McMahan, Inc. (via telephone)  
Rob Michaelson – Manitowoc Public Utilities

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The February 19, 2019 Central Brown County Water Authority – Technical Committee Meeting was called to order at 1:40 p.m. by Chairman Dave Betts of Bellevue.

**Roll Call:**

Attendance was recorded as shown above.

**Approval of Agenda:**

1. Approve Agenda  
**Motion made by Lawrence, seconded by Ledgeview to approve the agenda.**  
**MOTION UNANIMOUSLY APPROVED**

**Approval of Minutes:**

2. There were no questions or comments on the December 6, 2018 minutes.  
**Motion made by De Pere, seconded by Ledgeview to approve the December 6, 2018 minutes as presented.**  
**MOTION APPROVED UNANIMOUSLY**

**Appearances:**

3. None

**Communications:**

4. None

**Agenda Items:**

5. **2018 true-up and rebate adjustments and 2019 budgeted member rebate allocation**

Manager Sparacio summarized the true-up and rebate schedule for 2018 water use and 2019 budgeted rebates. He explained the year end water consumption as measured by the various meters and the resulting additional Operation and Maintenance cost of \$11,242 that was charged to the members. This is primarily to ensure compliance with bond covenants. Sparacio further explained the water consumption as measured by Manitowoc Public Utilities (MPU) was lower due to variations in the meters. As a result, there is a small take-or-pay charge for 2018 of \$7,023.

Discussion ensued regarding the discrepancy between the meter readings. We know that the finished water meter in Manitowoc and the Master Meter Station in Ledgeview both read lower than the sum of the Connection Station meters. Rob Michaelson stated that there is an agreement to temporarily use the Master Meter Station for MPU billing. Sparacio stated that this issue is being further discussed between the Water Authority and MPU to find a permanent solution. Scott Thoresen asked why there is a difference in dates between the final meter reading for the monthly water consumption report versus the monthly bill from MPU and whether this impacted take-or-pay charges for 2018. Sparacio will review this further and get back to the Committee. Gary Rosenbeck joined the meeting at this time.

Sparacio stated that these rebates reflect the final year under the 2016 rate stabilization plan. Future rebates can be provided, but they would need to be identified from a different source of surplus revenues at budget time. There were no further questions and no issues with the true-up or rebate amounts provided in the schedule. Sparacio will finalize and send out the invoices and checks as appropriate.

**6. Project status updates**

**a. Transmission system operation and maintenance**

Sparacio explained that he is bringing this item to the Committee for awareness and input. MPU continues to do great work for the Water Authority in the operation and maintenance of the transmission main and other system elements, but there is always room for improvement. He further explained that the issue that brought this to his attention was corrosion on the generator housing at the Howard Booster Station. MPU identified this issue during a site visit, but based on the vendor's feedback, was already beyond repair and in need of a costly replacement.

Sparacio noted other repair and replacement costs that occurred in 2018. These were smaller cost items but were additional examples of unplanned expenses. This raises the question of whether the preventive maintenance plan needs to be more comprehensive and how the Water Authority can partner with MPU to achieve that.

Thoresen asked what the Water Authority pays MPU for O&M. Sparacio stated the rate is 1.5 cents per thousand gallons per the MPU Water Purchase Agreement. This amounted to about \$37,000 for the year in 2018. He further noted that their services cover Central Storage even though the Agreement has not yet been modified to reflect that. Thoresen asked whether the rate covers these kinds of equipment replacements.

Sparacio stated that per the Agreement, these items are not covered by the rate, but are billed to the Water Authority as the expenses are incurred.

Michaelson stated that MPU is not recommending that the generator housing be replaced as the vendor suggested. He thinks a fabricator could come and make some repairs. The housing is largely intact except for a few joints that are rusting. Discussion continued regarding the terms of the O&M agreement and whether there could be a budget for these kinds of items.

Dave Strelcheck asked whether the generator housing is made up of panels and noted that Ledgeview keeps some spare panels for its generator housings. There was a consensus that a replacement door or other fabricated repair should be feasible and less costly.

Sparacio asked for Tech Committee input on what should be included in the preventive maintenance plan for the transmission main and related systems. He will continue working with MPU and McMahon to bring back a plan for Committee review.

**b. Cla-Val maintenance**

Sparacio asked how this project is going for the members so far. Shawn Geiger stated that Dorner has started the work in Bellevue. Thoresen noted that De Pere decided to work with Dorner as well.

**c. Sensus meter AMI software upgrade**

Sparacio asked whether any of the members have heard from Sensus at this point. They have not, therefore the expected four- to six-week testing period has not yet begun.

**d. Leak detection and meter testing**

Sparacio forwarded the reports provided by MPU on the 2018 leak detection and meter testing work. Overall, the meter test results were very good, but the Master Meter Station meter continues to be of concern at low flows. MPU will perform a tank drawdown test in spring for further comparison. Geoff Farr arrived at this time.

Sparacio stated that the leak detection report, which listened to the 48-inch main at each valve, found no leaks. More extensive surveying was done in addition to the valve locations for Contract H due to the expiring warranty.

Gary Rosenbeck reminded the Committee of the pressurized testing that took place on the 48-inch main several years back, which also showed no evidence of leakage. The recent testing was done at normal system pressure.

**e. Green Bay Water Utility Interconnect Study**

Sparacio stated that he has received a report from Green Bay Water Utility and AECOM on the estimated cost and feasibility of emergency interconnection alternatives. He noted that the discussion is ongoing, and some of the numbers still need to be

validated, but he wanted to report to the Committee on what has been identified so far. He then reviewed the various alternatives and estimated costs for several possible scenarios.

Geoff Farr asked what limitations in the GBWU system we run into. Sparacio stated that the first one is hydraulic capacity of the GBWU water mains from the filter plant to the distribution system. In the future, the raw water supply on Lake Michigan also becomes a limiting factor. Betts stated that our purpose is to achieve an emergency supply, so limiting our take with conservation measures is a given. Maximum day demand should not be an issue for an emergency supply. Discussion ensued regarding adequacy of an emergency water supply for fire protection and the differences between an emergency supply and a backup supply. Don Voogt stated that if an interconnection with Green Bay is limited to an emergency supply, then the members may still have to keep wells as additional backup supply.

Sparacio stated again that he has questions for GBWU and wants to validate his understanding of the report from AECOM. Sean Gehin asked whether the interconnection would also provide an emergency supply to Green Bay. Sparacio stated, yes, the interconnection would go both ways as analyzed. The willingness of GBWU to contribute toward costs must also be explored.

Thoresen asked whether we anticipate the WDNR to require the Water Authority to add a second transmission main from Manitowoc at some point in the future. Discussion ensued on the importance of an emergency supply and various possible alternatives. Sparacio stated the next steps are to meet with GBWU on our questions and to then perform the economic analysis to compare these options with the cost of maintaining and improving wells over time. We have some dated information on the cost of member well maintenance, but the members may need to update that information as we proceed.

f. **Utility Cooperation and Collaboration Study**

Sparacio asked how the members are doing with the request for information sent out by the consultants. The reason for the consultant asking for this depth of financial information is that the process is now looking at the top priority areas for potential collaboration. This additional data is required to perform the business case evaluations, which will attempt to quantify the benefits of collaborating in these areas. The previous information request was very high level and covered a greater number of topics. The five topics in the current RFI are those identified by the stakeholders and have the greatest potential for additional cost-savings.

Discussion continued on the potential use of Sharepoint as a platform for the central clearinghouse for collaborative projects.

Chairman Betts then moved to agenda item 9.

**New Business:**

**9. Review of bids for Water System Improvements project**

Don Voogt provided an overview of the bids received for the three combined projects:

- Contract A: Howard Booster Control Valves
- Contract B: Automated Chlorine Shutoff System Improvements
- Contract C: Pipeline Repair Material Procurement

One bid was received for all three contracts, and another bid was received that only included contracts A and B. The recommendation from McMahon is to award the low bid for each contract item. Both bidders are qualified to do the work.

Sparacio explained that while these bids are all greater than the budgeted amounts for these projects, they can still fit into the Capital Improvement Plan for the year with some tradeoffs. The Unanticipated Capital line item would need to be reduced and the MPU negotiated line item would also be reduced. Voogt stated that the Howard Booster Station project is anticipated to have a payback of about 10 years with energy savings.

Thoresen asked what the Manager recommends on the timing of proceeding with these projects. Sparacio stated that he is comfortable with the Water Authority's financial position to move forward with all three projects this year. He noted that the Water Authority has other designated funds for dealing with unanticipated capital needs, so the line item in the CIP is not the only cushion. Discussion ensued regarding the timing of the Pipeline Repair Material Procurement project.

**Motion made by De Pere, based on the recommendations of McMahon and the Water Authority Manager, to recommend awarding Contracts A and B to Reeke-Marold and awarding Contract C to August Winter and Sons.**

Discussion continued on alternative methods for repairing a break in the 48-inch transmission main. **The motion on the floor was seconded by Howard.**

Voogt requested further discussion. He explained that he received a call from August Winter and Son stating that they had some confusion on the lump sum deduct for being awarded all three contracts. There was a consensus that the Water Authority will not accept changes to the bids at this time.

Rosenbeck reminded the Committee that the contract for the Howard Booster Station project included an allowance for Preferred Controls to do the controls work and that their estimate was lower than the allowance. He further stated that he recommends delaying award of Contract C, or at least limiting it to procuring the valve and not the spool pieces. Those can be fabricated on a shorter timeline. Discussion continued on whether the Pipeline Repair Material Procurement should be delayed or modified.

Betts called for any amendments on the motion. There were none. Betts called for a vote on the motion.

**MOTION UNANIMOUSLY APPROVED**

Voogt left the meeting at this time, and Chairman Betts then returned to the regular order of business.

**6. Project status updates (continued...)**

**g. Emergency Response Plan updates and exercise**

Michaelson stated that it has been several years since a tabletop exercise was done for the Water Authority. He and Sparacio have a call scheduled with the Manitowoc County Emergency Management Department to start planning an event. He explained that the Emergency Response Plan document is currently up to date as he maintains it regularly. Farr suggested that the Brown County Emergency Manager also be invited to help plan this event.

Sparacio asked whether the member communities have as a goal meeting the needs for a tabletop exercise at the local level at the same time we are doing this for the Water Authority as a whole? There was a consensus that this is not a goal. Members might get some ideas on how to do this at the local level, but they would want to hold their own events for their own utility scenarios.

Discussion ensued on the status of mutual assistance agreements for water utilities. The Brown County Public Works group is working on a model that will be available soon. WDNR has also provided a model agreement that can be used.

**h. Finished Water Pump Station potential projects**

Sparacio presented the current status of the potential projects and issues that have been under discussion with MPU at the Finished Water Pump Station:

- Pump Optimization Analysis
- Non-Pumping Electrical Loads Analysis
- Finished Water Meter Accuracy

Thoresen stated that everything came to a stop with these projects in the past for legal reasons. He asked what has changed that we would now proceed. Betts asked whether the Committee should be discussing attorney advice in open session. There was a consensus that the engineering for the projects and the ongoing negotiations with MPU are closely connected. Sparacio responded that he could bring this item back at a future meeting as a closed session item as it relates to contract negotiations.

Michaelson explained his perspective on why these projects came to a stop in the past. He believes there is now a better understanding of which decisions fall with the Water Authority and with MPU so that we could proceed. MPU, with Water Authority input, requested proposals for the Pump Optimization Analysis, but for clarification, none of these projects are proceeding at this time without approval from both parties.

**7. Water sales report through January 1, 2019:**

There were no questions or comments on the January 2019 water sales report.

**Old Business:**

8. None

**Next Meeting:**

10. Agenda Items for the March 12, 2019 Meeting

- a. Closed session discussion of Finished Water Pump Station potential projects as they relate to ongoing negotiations with MPU
- b. Draft transmission system preventive maintenance plan

**Adjourn:**

**Motion made by Howard, seconded by Lawrence to adjourn at 3:45 p.m.**

**MOTION UNANIMOUSLY APPROVED**

Respectfully submitted,  
Nic Sparacio, Manager