

## **PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY**

Pursuant to §19.84 Wis. Stats, a regular meeting of the Central Brown County Water Authority **Board of Directors** was held on Wednesday, February 22, 2023 at the Town of Ledgeview Community Center, 3700 Dickenson Road, De Pere, WI, and via video conference.

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**Present:** Allouez – Chris Sampson  
Bellevue – Teal Spellman (video)  
Denmark – Susan Selner (video)  
De Pere – Larry Delo (video)  
Howard – Geoff Farr (video)  
Ledgeview – Sarah Burdette  
Lawrence – Patrick Wetzel (video)

**Also Present:** Gary Rosenbeck, McMahan (video)  
Tony Kappell, McMahan (video)  
Nic Sparacio, CBCWA General Manager

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The meeting was called to order at 3:00 p.m. by President Sarah Burdette of Ledgeview.

### **Roll Call:**

Roll Call was taken as recorded above. (Attendees present via video conference are noted above with “video.”)

### **Approval of Agenda:**

1. Approve agenda  
**Motion made by Allouez, seconded by De Pere to approve the agenda.**  
**MOTION UNANIMOUSLY APPROVED**

### **Approval of Minutes:**

2. January 25, 2023 regular meeting  
There were no revisions to the draft minutes.  
**Motion made by Ledgeview, seconded by Howard to approve the minutes of the regular Board meeting of January 25, 2023.**  
**MOTION UNANIMOUSLY APPROVED**

### **Public Comment and Appearances:**

3. None.

### **Administrative Actions & Reports:**

4. Communication Planning  
Nic Sparacio reported on progress with the communication planning project. Activity on the social media page continues to show good growth. The Denmark groundbreaking event was well attended, had good media coverage, and also brought traffic to social media. The

Board discussed potential community business contacts to include in future communications. Sparacio will reach out to the Members to explore this further.

Sparacio then presented draft messaging relative to key water quality topics. While the current draft is still a work in progress, the intent will be to create detailed website content with this information and to then encourage people to visit the website via social media. The Board discussed messaging related to PFAS, as water supply sampling results will be provided in the months ahead. This information should be shared with the community along with perspectives on how to understand the related state and federal standards, health advisory levels, and PFAS levels found elsewhere in the environment. The draft messaging will be further refined as it is prepared for the Water Authority website.

**5. Report on 2022 Manitowoc Public Utilities (MPU) water purchase expenses**

Sparacio presented the 2022 MPU water purchase expense summary. He noted that most trends we have seen over the last few years have continued, with the most significant changes in the area of treatment plant pass-through costs. This area saw inflationary impacts and some increased electricity costs with the installation and testing of the new variable frequency drive in Manitowoc. The overall effective rate remains stable, and take-or-pay charges were minimal in 2022. We will expect to see the volume-based charges increase slightly in 2023, as the ongoing MPU rate case will likely be approved by the Public Service Commission (PSC) in the near future.

**6. Financial report**

Sparacio presented the January financial statements. With the new year, the reserve account balances are updated per 2023 schedules, and additional updates will occur as part of the audit process. He also noted that the Water Authority's investment account continued to recover some value in January and remains relatively flat into February.

**Motion made by De Pere, seconded by Ledgeview to approve the financial report.**

**MOTION UNANIMOUSLY APPROVED**

**7. Bill payment list**

Sparacio presented an updated bill payment list. There were no changes to any of the charges; just to the numbering of the checks due to the position on the list of the Member rebates for annual true-up. He also pointed out that the updated true-up amounts and the VFD project payment to MPU have additional details under other agenda items. Gary Rosenbeck joined the meeting at this time.

**Motion made by Howard, seconded by Allouez to approve the bill payment list as revised.**

**MOTION UNANIMOUSLY APPROVED**

**Technical Committee Recommendations:**

**8. Approval of Manitowoc Public Utilities invoice for VFD project**

Sparacio explained that the installation of the Variable Frequency Drive (VFD) at the Finished Water Pump Station was a key part of the overall optimization process. The Water Authority also intends to install one more VFD in the future so that all the pumps have them and also intends to review the HVAC system in the building to improve its efficiency. He reported that MPU managed this project on the Authority's behalf, and it went very well.

The VFD is working properly, and the final costs are well within the overall budget. Sparacio explained that he has additional documentation that he used to validate each of the line-item costs forwarded by MPU and the Technical Committee. Discussion continued on the overall project costs including the previously invoiced engineering study. It was concluded that project budget expectations were clearly met.

**Motion made by Denmark, seconded by Lawrence to approve payment of MPU invoice #1706 in the amount of \$394,456.73.**

**MOTION UNANIMOUSLY APPROVED**

**Project Update and Status Reports:**

**9. Engineer's report**

Rosenbeck provided an update on the results of the cell-to-cell survey. Communications with NIS are ongoing toward review of the survey report and the procedures used to complete the survey. The goal of these discussions is to bring the survey to a conclusion, but the next steps for action are already clear. The addition of some form of corrosion protection to the ductile iron portion of the system is advisable.

**10. Manager's report**

Sparacio referred to his written report for details on work completed over the last month. He then asked Geoff Farr to update the Board on the work that the Village of Howard has done regarding the water service proposal to the Village of Pulaski. Farr reported that the Village of Howard has continued communication with the Village of Pulaski due to Howard's interest in future growth to its northwest. As a result of these discussions, the Village of Pulaski may have additional questions for the Water Authority on its water service proposal.

Chris Sampson asked whether Farr represented himself as an officer of the Water Authority in these communications. Farr responded that he represented himself as only speaking for the Village of Howard and that any questions for the Water Authority should be directed to Sparacio. Sparacio explained that he is concerned about how this competitive proposal process has affected the Water Authority's relationship with Green Bay Water. The Board directed Sparacio to continue working with Green Bay Water where opportunities remain and to offer any further information that the Village of Pulaski might require on the Water Authority's water service proposal.

Sparacio then reported on progress with the MPU rate case. The PSC Revenue Requirement has been released, and MPU and the Water Authority submitted a cooperative response to the PSC. There are some outstanding concerns with the PSC analysis that may lead to a contested case hearing, but it appears that MPU and the Water Authority have alignment on these items and could work cooperatively in that process.

**Old Business**

**11. 2022 true-up adjustments and Member allocation**

Sparacio reported that upon further review of 2022 operational expenses, there was a substantial change to the initial annual true-up calculations that were presented last month. Upon final review, operational costs were far enough under budget, even with the loss in

investment value that impacted budgeted interest income, to warrant a rebate. About \$96,000 is distributed back to the Members under this updated schedule. Members receiving rebates will receive higher rebates, and Members receiving invoices will have lower balances due.

**Motion made by Allouez, seconded by Lawrence to approve the 2022 true-up adjustments and Member allocation as presented.**

**MOTION UNANIMOUSLY APPROVED**

**New Business**

**12.** None.

**Next Meeting:**

The next meeting is scheduled for March 22, 2023.

**Adjourn:**

**Motion made and seconded to adjourn at 4:25 p.m.**

**MOTION UNANIMOUSLY APPROVED**

Respectfully submitted,  
Nicolas Sparacio