

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, March 24, 2021 at the Town of Ledgeview Community Center, 3700 Dickenson Road, De Pere, WI, and via video conference. Note that in light of ongoing public health concerns regarding COVID-19, Board members had the option of joining the meeting via telephone/video conference. Members of the public were offered the opportunity to either attend the meeting at the location noted above or to contact the Water Authority to obtain telephone or internet access to the meeting.

Present: Allouez – Chris Sampson
Bellevue – Diane Wessel
De Pere – Larry Delo
Howard – Geoff Farr
Lawrence – Kurt Minten
Ledgeview – Greg Potts (in person)

Also Present: Gary Rosenbeck, McMahon
Nic Sparacio, CBCWA General Manager (in person)

The meeting was called to order at 3:10 p.m. by Vice President Geoff Farr of Howard.

Roll Call:

Roll Call was taken as recorded above. (Note that all attendees listed were present via video conference or teleconference unless otherwise noted as “in person.”)

Approval of the Agenda:

1. Approve agenda

Motion made by De Pere, seconded by Howard to approve the agenda.

MOTION UNANIMOUSLY APPROVED

Approval of Minutes:

2. February 24, 2021 regular meeting

There were no revisions to the draft minutes.

Motion made by Allouez, seconded by De Pere to approve the minutes of the regular meeting of February 24, 2021.

MOTION UNANIMOUSLY APPROVED

Public Comment:

3. None

Appearances:

4. None scheduled

Administrative Actions & Reports:

5. Discussion on municipal COVID Relief/Rescue Plan Act funds

Diane Wessel explained that funds coming to municipalities from the American Rescue Plan Act can be used for various infrastructure projects including water. She believes that collaborating on the use of these funds could be an opportunity to overcome the financial hurdles preventing construction of the emergency interconnection with Green Bay Water. This would be a long-lasting and impactful expenditure.

The Board discussed the status of Rescue Plan Act funds within their respective municipalities. Decision making is ongoing for the use of these funds. Potential uses include replacing lost revenue, financing business assistance grants and loans, or constructing other infrastructure. It was also noted that communities considering connection to the Water Authority could potentially use these funds for that purpose. Farr requested that the Members have some local discussion on how these funds might be used and bring that information back to the Board.

The Board then discussed the timing of Rescue Plan Act funds. Larry Delo noted that the initial payment through the State is anticipated in the next four months for non-entitlement communities, the second payment comes about one year later, and funds must be spent by 2024. Discussion continued on whether State earmark program funds would also be a potential source for Water Authority capital projects. Given the immediate timing of the current round of earmarks, this could be a future consideration.

Chris Sampson asked whether the Water Authority should actively promote the use of these funds toward the emergency interconnection project. There was a consensus that the Water Authority should put together a request outlining the need and the expected costs so that the Member communities can use this information. Nic Sparacio will prepare a draft of that request for Board review. Sampson further stated that he is willing to approach his local staff to make them aware of the opportunity with Rescue Plan Act funds. Delo further stated that it is unlikely that De Pere would be able to commit any funds from its initial allocation. It would have to be the second round if De Pere would be able to participate.

6. Recommendations of the Growth Management Task Force

Sparacio identified that the Task Force members were Larry Delo, Chris Sampson, Geoff Farr, and Kurt Minten with support from Gary Rosenbeck and Lawrie Kobza. He thanked them for their efforts over the last year. Sparacio then reported that the recommendation of the Task Force is to move forward with the proposed 9th Amendment to the Water Purchase and Sale Contract as well as the supplemental policy guides related to budgeting and subsequent contracts.

Sparacio provided an overview of the presentation that has been drafted for the joint meeting of the governing bodies. The presentation covers the issue background and process to date, the substance of the proposed amendments, the potential risks and benefits analyzed, and the next steps in the process. He also reported on the results of various financial scenarios generated with a budget model based on the proposed 9th Amendment.

Farr asked for clarification on the budget scenarios where all members overestimate water use and wonders how this has a net positive impact. Sparacio responded that it has to do with the fact that the largest operational expense is the wholesale water purchase from MPU. (In this budget model, wholesale water purchase is 19% of total annual expenses, consistent with recently adopted budgets.) If all members overestimate their annual water use, then this directly lowers the actual expenses for the year. In the two scenarios tested, a small overestimate, and a substantial overestimate, the reduced water purchase expense was enough to yield a net positive impact. Some of this would then be reimbursed back to the Charter Members with the annual true-up.

Sparacio then noted that Bond Counsel has approved the proposed amendments. They did not identify any potential conflicts with bond covenants or any concerns for bond holders. If the Board believes the Amendment is ready to proceed, he recommended that the joint meeting of governing bodies be held on April 28th prior to the next Board meeting.

Motion made by De Pere, seconded by Lawrence to proceed with the proposed 9th Amendment to the Water Purchase and Sale Contract and schedule a joint meeting of the Member governing bodies for April 28th.
MOTION UNANIMOUSLY APPROVED

7. Financial report

Sparacio presented the February financial statements. He highlighted a few changes on the balance sheet and budget versus actuals report, and he continues to update invoicing details and designated fund balances for the new year. All other measures are tracking as expected.

Motion made by Allouez, seconded by Howard to approve the financial report.
MOTION UNANIMOUSLY APPROVED

8. Bill payment list

Sparacio reported that there are no changes to the March bill payment list. The bills remain as presented in the agenda materials, and he is requesting approval.

Motion made by Lawrence, seconded by Bellevue to approve the bill payment list as presented.
MOTION UNANIMOUSLY APPROVED

Technical Committee Recommendations:

9. None

Project Update and Status Reports:

10. Engineer's Report

Gary Rosenbeck reported on the Emergency Interconnection Evaluation project and the VFD design at the Finished Water Pump Station. He is in need of updated well information from most Members relative to the Emergency Interconnection Evaluation project. The VFD designs have been reviewed and are ready to be released for bids.

11. Manager's Report

Sparacio provided a summary of items he worked on for the past month and his plans for the month ahead. There are no issues or concerns to report. He further reported that Brown County has agreed to start treating the Water Authority like a municipality when it comes to permit requests for working in County road rights-of-way near the transmission main. This is greatly appreciated as it will give us more advanced notice to troubleshoot any potential conflicts with other entities doing construction near the pipeline. He also reported on recent communications with Denmark and Suamico regarding their respective water service proposals.

Old Business

12. None

New Business

13. Request for grant application letter of support from City of Manitowoc

Sparacio presented the draft letter of support and stated that he would recommend approval unless there is a conflict for any Water Authority Members. Farr clarified that the potential conflict would be whether any of the Members are applying for the same pool of funds and would thus be in competition with the City of Manitowoc. Diane Wessel responded that the Village of Bellevue is applying for funds under the WDNR Urban Nonpoint Source and Stormwater Management program and asked whether this is the same program. Sparacio responded, yes, this is the same program.

Upon discussion by the Board, there was a consensus that the lack of a letter of support from the Water Authority should not hurt the City of Manitowoc's application, but that the Board should not be in a position of potentially taking away grant opportunities from the Member communities. No action was taken, so the letter of support will not be provided.

Next Meeting:

The next meeting is scheduled for April 28, 2021.

Adjourn:

Motion made and seconded to adjourn at 4:40 p.m.

MOTION UNANIMOUSLY APPROVED

Respectfully submitted,
Nicolas Sparacio