

PROCEEDINGS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY
TECHNICAL COMMITTEE

Pursuant to §19.84 Wis. Stats, a regular meeting of the Central Brown County Water Authority **Technical Committee** was held on Tuesday, July 12, 2022 at the Village of Allouez Village Hall, 1900 Libal Street, Allouez WI, and via video conference.

Members Present: Allouez – Sean Gehin, Mike Mahloch
Bellevue – Cole Erickson
Denmark – Erika Thronson (video)
De Pere – Scott Thoresen, Eric Zygarlicke
Howard – Geoff Farr
Lawrence – Kurt Minten
Ledgeview – Greg Potts, Andy Tenor

Also Present: Rob Michaelson, Manitowoc Public Utilities
Gary Rosenbeck, McMahan Assoc.
Nic Sparacio, CBCWA General Manager

The Central Brown County Water Authority – Technical Committee Meeting was called to order at 1:30 p.m. by Chair Sean Gehin of Allouez.

Roll Call:

Attendance was recorded as shown above. (Attendees present via video conference are noted with “video.”)

Approval of Agenda:

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

Approval of Minutes:

2. June 7, 2022
There were no revisions to the draft minutes.
Motion made by Lawrence, seconded by Ledgeview to approve the June 7, 2022 minutes as presented.
MOTION APPROVED UNANIMOUSLY

Appearances or Communications:

3. None.

Agenda Items:

4. Member and Water Authority operations – open discussion

Mike Mahloch reported on some issues he is having with meter battery life. The Committee discussed the warranty provisions, different options for replacing meter heads, and the related supply chain challenges. Nic Sparacio reported on regulatory updates related to PFAS compounds. The Committee discussed testing options for PFAS compounds and the upcoming implementation of a Maximum Contaminant Level at the state level. Gehin reported that he received limited responses on the cooperative request for quotes on leak detection for Allouez, Bellevue, and Manitowoc Public Utilities (MPU). The Committee discussed experiences with various approaches to leak detection.

5. Review of transmission system Preventive Maintenance Program

Sparacio stated that he has reviewed the revised Preventive Maintenance Program document from MPU, and all but a few expected updates have been included. He is waiting for any additional feedback from McMahan. He then presented an overview of the changes to the document identified in the working meeting with MPU, McMahan, and the Water Authority.

Scott Thoresen asked about the status of the billable operations and maintenance work for system elements added after the initial construction. Sparacio responded that the MPU rate case is proposing to roll all operation and maintenance costs into the rate, even for these additional “billable” elements. Discussion continued on the status of the Preventive Maintenance Program document, and it was clarified that it is a “living” document. It can be updated at any time as MPU and the Water Authority implement the program. Even if the Technical Committee recommends today that it be received and place on file in its current format, there will be opportunity to make additional updates after the rate case process is complete. The section addressing billable activities is one such example. Thoresen then asked how MPU and McMahan are involved in the review of excavation/ construction projects near the transmission main. Sparacio reviewed the communication process for plan review.

Discussion continued on whether it would be better to wait for McMahan’s review of the updated document. There was a consensus that due to the “living” nature of the document, and due to the involvement of all the parties to date, it can be received and placed on file with final edits pending.

Motion made by Allouez, seconded by Howard to receive and place on file the transmission system Preventive Maintenance Program plan contingent upon incorporating final feedback from the Water Authority and McMahan.

MOTION APPROVED UNANIMOUSLY

6. Quote from Preferred Controls for VFD Startup

Sparacio explained the need for this additional work from Preferred Controls related to the VFD startup process. He further reported that the work is necessary to complete the VFD installation project, funds are available within the project budget, and McMahan has reviewed the quote and recommends approval. Michaelson provided an update on the

status of the VFD installation project. He anticipates start-up of the drive in early August after this quote is approved.

Motion made by Lawrence, seconded by De Pere to recommend to the Board approval of the VFD startup quote from Preferred Controls for \$9,390.

MOTION APPROVED UNANIMOUSLY

7. Review of Water Authority's Change Order Policy

Sparacio reviewed the initial discussion on the Change Order Policy from last month. He then reported on his follow-up discussion with Attorney Kobza. As with similar questions in the past, her advice is that the Water Authority is not required to follow the public bidding statutes. However, when the Authority elects to utilize the public bidding process for a given project, she advises that all of the applicable statutes are followed and that the Authority continue to follow the statutory process all the way through project completion. Relative to change orders, this would then mean that valid change orders under a given contract must be no more than 15% of the original contract value. Sparacio had further asked whether any changes to the language of the Change Order Policy are needed on that basis, and Attorney Kobza did not recommend any changes. The existing Policy already states that it is "intended to work in conjunction with applicable State Statutes," so this should be sufficient.

Sparacio then asked if the Technical Committee is comfortable with the Change Order Policy as written, or whether they would recommend any changes or updates to the Board. Thoresen asked for clarification on how the Change Order Policy interacts with the recently updated Purchasing Policy. Sparacio responded that the Purchasing Policy allows the General Manager to make budgeted purchases up to \$5,000 without seeking multiple quotes or without additional approvals. The Change Order Policy sets a threshold of \$10,000 for approval by the Engineer, General Manager, and at least one Board member. Change orders over \$10,000 require Board approval. These are two different types of purchasing decisions so the two policies are compatible. There were no recommendations from the Committee for changes to the Change Order Policy.

8. Project status updates

a. Cell-to-cell pipe survey

Sparacio reported that the survey of the ductile iron pipe has been completed by NIS. The work was overseen by McMahan with field visits and additional communications with the contractor. Sparacio also met with the contractor early in the survey to observe the process. The result of the survey is that three minor anomalies were found, and NIS will provide a report with recommendations for any needed follow-up actions. Rosenbeck added that this survey will also provide a baseline of soil condition data for comparison in the future. The survey should be repeated every 5 to 10 years.

b. Emergency back-up supply study

Sparacio reported that Geoff Farr, Sarah Burdette, and he recently met with Green Bay Water and received confirmation that further discussion of potential emergency interconnections will be on hold until after a decision is made on the competitive

proposals for water service to Pulaski. Sparacio will work with Rosenbeck to discuss how the current study of smaller scale emergency interconnections can be wrapped up without participation by Green Bay. The Committee discussed whether it might still be possible to reach an agreement on a very limited basis for those communities with the greatest groundwater quality issues. Sparacio will follow up on this when the timing is appropriate. At this time, a Pulaski decision is anticipated in mid-August.

c. Meter accuracy and process for calibration

Michaelson reported that MPU received a new proposal from Midwest Meter, and MPU has provided detail on the piping in each station to assist with improving the testing accuracy. He anticipates that the meter testing will be performed in late summer or early fall. Any Members also interested in having meters tested by Midwest Meter on that timeframe should contact Michaelson.

d. Manitowoc pump station optimization

Michaelson reported that the VFD installation is complete and is ready for commissioning and startup in early August.

e. Door replacements

Sparacio reported on the status of the project. Doors for two locations were reordered and are expected to be installed later this month. Invoices for the Members will be sent out after the project is complete.

f. SPLASH Study implementation

There are no updates, so this item was not discussed.

g. Asset management planning

Sparacio reported that he has completed a draft of a Request for Qualifications for the project. He expects to have the draft RFQ ready for Technical Committee review at the August meeting.

h. Village of Denmark water supply connection

Sparacio reported that the connection station plans have been completed and submitted to DNR for review. Those plans will soon be submitted for Water Authority review as well. Rosenbeck added that the schedule shows release for bids in September. He then described the new building that will be constructed with control valves, chlorination, and booster pumps. It will be similar to the Allouez connection station in that the Water Authority's and Denmark's equipment will all be housed in the same room without dividing walls. Mahloch asked how electric metering will be handled for the booster pumps. Sparacio reviewed the contract provisions that will result in similar electrical cost-sharing for Denmark as with the other Members.

9. Report on change order for FWPS VFD installation (PLC wiring)

Sparacio explained the nature of this change order as a planned bid alternate in the original contract between MPU and Sargent Electric. Charges for additional wiring could have been

as high as \$19,602 per the bid but will actually be much less at \$4,802.74. He then reported that he followed the procedure for a small change order under \$10,000 for this request. He obtained the recommendation of McMahon, then requested approval from Sarah Burdette, Board President. He then gave MPU the approval on that basis, so no further action is needed.

10. Preliminary flow projections and draft Capital Improvement Program for 2023 budget

Sparacio explained how the annual water consumption projections serve as the foundation for the budget and rate setting process. The 2023 budget will be different from years past in that Denmark will be included in the process with water service anticipated to begin in September of 2023. While Denmark will be billed differently than the Charter Members, their projected water use is included in calculating the budgeted water rate.

Sparacio reviewed a five-year history of budgeted flow projections versus actual water consumption, two alternative 10-year projections for future water consumption, and the status of budgeted flows relative to contract minimums for each community. He then reviewed the preliminary 2023 budgeted volumes for each Member community. These are to serve as preliminary volumes, so they can be changed later in the budget process as needed. The Committee discussed water consumption trends, community growth trends, and the goals of the rate making process.

De Pere, Ledgeview, Lawrence, Bellevue, and Howard confirmed their preliminary 2023 budgeted volumes. Allouez and Denmark requested additional time to review their estimates. Sparacio requested all the Members' preliminary numbers by the end of the month. Rosenbeck left the meeting at this time.

Sparacio then reviewed the status of ongoing capital projects and presented the preliminary draft Capital Improvement Program for the 2023 budget. Kurt Minten reported that the proposed build-out of connection station LE-2 is currently being discussed in the Town of Lawrence. Geoff Farr asked for clarification on the timing of the installation of the final VFD at the Finished Water Pump Station. Michaelson responded that he would request pricing on the additional VFD, but he suspects that current inflationary impacts will make that project less attractive for the near term. Thoresen asked how replacements are being handled at the treatment plant. Sparacio explained the agreement that has been reached related to plant replacements within the MPU rate case that has just been submitted. Sparacio stated that he plans to present the preliminary budget and rates at the August meeting so that the Members can pull that into their local budget processes.

11. Water sales report through June 30, 2022

Sparacio reported that June water consumption was typical for the time of year, but June of 2021 was a higher-than-normal month. As a result, the increase in total water use over last year was reduced to the point that June of 2022 is nearly identical to the total for the same time last year. The year-end MPU take-or-pay charge is projected to be relatively small based on current trends.

Old Business:

12. None

Next Meeting:

Agenda Items for the Tuesday, August 9, 2022 Meeting

Potential items for the August meeting include:

- Report on DIP cell-to-cell survey results
- Highlights of preliminary 2023 budget and rates
- Asset management draft RFQ
- Proposal from NIS for test station repairs

Adjourn:

Motion made by De Pere, seconded by Ledgeview to adjourn at 3:40 p.m.

MOTION UNANIMOUSLY APPROVED

Respectfully submitted,
Nicolas Sparacio