

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, November 16, 2022 at the Town of Ledgeview Community Center, 3700 Dickenson Road, De Pere, WI, and via video conference.

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

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

The meeting was called to order at 3:10 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 Denmark, seconded by Howard to approve the agenda.
MOTION UNANIMOUSLY APPROVED

Approval of Minutes:

2. October 26, 2022 regular meeting
There were no revisions to the draft minutes.
Motion made by Ledgeview, seconded by Allouez to approve the minutes of the regular Board meeting of October 26, 2022.
MOTION UNANIMOUSLY APPROVED

Public Comment and Appearances:

3. None.

Administrative Actions & Reports:

4. Audit services engagement letter from Baker Tilly
Nic Sparacio presented the updated engagement letter for audit services. He noted that the letter has undergone legal review and that all previously negotiated revisions are still included where necessary. He then reviewed the changes in audit service fees for the next three years. The Board discussed the terms of the engagement letter and the frequency for

reaching out to other professional service firms for competitive quotes. There was a consensus that this should be done periodically.

Motion made by Lawrence, seconded by De Pere to approve the audit services engagement letter from Baker Tilly.

MOTION UNANIMOUSLY APPROVED

5. Property insurance renewal proposal from Gallagher

Sparacio presented the property insurance quotes from EMC, the existing carrier, and from Cincinnati, a potential new carrier. The quotes are provided by a broker, Gallagher Insurance. Sparacio then explained that the two quotes provided by Gallagher were initially not comparable as they came with different deductibles, different limits of coverage, and the property values being used did not match. He worked with the insurance broker to request many adjustments with the goal of making the two quotes more comparable. Once these adjustments were made, the two quotes were very similar in premium cost. However, there are still unanswered questions regarding the necessary limits of coverage. A decision must be made as the existing policy has expired. Sparacio then recommended that the Authority accept the EMC quote due to the significantly higher limits of coverage for a relatively small increase in premium as compared to Cincinnati.

Susan Selner asked whether the existing policy has been extended to provide temporary coverage after expiration of the previous policy. Sparacio responded, yes, the policy was extended with EMC so that the Authority will not have a lapse in property coverage. The Board discussed the need for a more thorough review of the Water Authority's property insurance needs prior to future renewals.

Motion made by Allouez, seconded by De Pere to approve the property insurance quote from EMC and to authorize the General Manager to bind coverage.

MOTION UNANIMOUSLY APPROVED

6. Financial report

Sparacio presented the October financial statements. Budget and financials are tracking as expected, and the November 1st debt payments were completed. He then reported on a meeting with Johnson Financial regarding performance of the investment portfolio. While the loss in investment value is concerning, the higher interest rate environment should help turn values upward as new bonds are purchased with greater expected returns.

Motion made by Denmark, seconded by Ledgeview to approve the financial report.

MOTION UNANIMOUSLY APPROVED

7. Bill payment list

Sparacio reported that the bill payment list was not ready in advance of the meeting due to the earlier meeting date this month. He then distributed the November bill payment list to the Board members and reviewed the charges.

Motion made by Lawrence, seconded by Bellevue to approve the bill payment list.

MOTION UNANIMOUSLY APPROVED

Technical Committee Recommendations:

8. Approval of a letter agreement with Manitowoc County for CTH R culvert rehabilitation
Sparacio updated the Board on the situation and reported on the process of requesting and reviewing quotes for rehabilitation of the failing culverts. He noted that McMahon reviewed the quotes and recommended the cured-in-place liner from Subsurface Inc. Since the last Board meeting, Sparacio met with the Manitowoc County Highway Commissioner to discuss the details, and the resulting proposed letter agreement outlines a 50-50 cost-share between the parties. This includes the contractor costs from Subsurface and some in-kind work on the project to be provided by Manitowoc County. The Manitowoc County Highway Committee has already reviewed and approved the agreement.

Ben Krumenauer asked how any cost overruns would be handled. Sparacio responded that he would follow the change order policy, so a significant overrun would have to come back to the Board for approval.

Motion made by Allouez, seconded by De Pere to authorize execution of the letter agreement with the Manitowoc County Highway Department for CTH R culvert rehabilitation.

MOTION UNANIMOUSLY APPROVED

9. Approval of a coordinated construction agreement with the Village of Denmark consistent with the terms presented to the Technical Committee
Sparacio reported on progress with contracting for construction of the Village of Denmark's connection station. For the sake of efficiency, the Village of Denmark has included in its much larger contract the few items that the Water Authority is purchasing for installation within the station. There are timing complexities due to the steps in the bid process and the Safe Drinking Water Loan Program (SDWLP), so the proposed working agreement was drafted with that in mind. Sparacio then reviewed the main points of the proposed intergovernmental agreement for coordinated construction of the joint use building. He reported on the engineering, legal, and Technical Committee reviews, which have all been completed.

Selner then reported that the Denmark Village Board approved the selected bid earlier this week with the contingency that the Water Authority also approves. If that approval is granted, she will then direct her staff to pursue additional principal forgiveness under the SDWLP. Sparacio reviewed the bid tabulation and noted that there was a difference in the most advantageous bids for Denmark versus the Water Authority. The Board has the option of shifting some of the Authority's project costs to Denmark on this basis. The Board discussed the potential for shifting project costs, and there was a consensus that the Water Authority will cover its full costs under the bid from Mid City Corporation.

Motion made by Lawrence, seconded by Bellevue to support the Village of Denmark selecting the low bid from Mid City Corporation and to approve the intergovernmental agreement related to the construction of the joint use building.

MOTION APPROVED – ALL AYES with DENMARK ABSTAINING

Project Update and Status Reports:

10. Engineer's report

Gary Rosenbeck reported on his efforts since the last Board meeting. He asked whether the Board's action on the agreement with Manitowoc County included the discussion about adding a French drain. Sparacio responded that it was not discussed or included in the action, but it was included in the written report. Depending on the cost, it may or may not have to be brought back to the Board. Rosenbeck continued and explained that he recommends the drain be added to the pipeline trench, and he has provided a drawing that will allow Manitowoc County to do the work on the Water Authority's behalf. He then reported on progress with the cell-to-cell survey and the Denmark connection station agreement.

11. Manager's report

Sparacio reported that there are no issues or problems to report and referenced his written report for additional details. Chris Sampson asked whether there is any update on the Section 14 grant from the Army Corps. Sparacio responded that he was expecting an updated project budget, but none has been provided to date. Discussion continued on how to best proceed with continued armoring of the shoreline.

Old Business

11. None.

New Business

12. None.

Next Meeting:

The next meeting is currently scheduled for December 14, 2022. Note that the Board meeting will again be preceded by the Communication Planning project meeting on that date as well.

Anticipated items for the December 14 Board meeting include:

- Capital project carry-forward requests
- Election of 2023 officers
- 2023 meeting schedule

Adjourn:

Motion made and seconded to adjourn at 3:50 p.m.

MOTION UNANIMOUSLY APPROVED

Respectfully submitted,
Nicolas Sparacio