



MINUTES OF THE WATER COMMISSION

**MONDAY, AUGUST 27, 2018, 8:30 AM
GREEN BAY WATER UTILITY**

A. ROLL CALL.

Present: Doug Martin, James Blumreich, John Heugel, Kathryn Hasselblad-Pascale, Leon Engler, Nanette Nelson,

Excused: Lisa Bauer-Lotto, Alderwoman Kathy Lefebvre

Also Present: General Manager Quirk, Engineering Services Manager Powell, Business Section Manager Rogers, Water Quality Manager Hardwick, Distribution Manager Maes, Payroll and HR Administrator Seim, Communications Director Hay, Hydrant Flusher/Valve Turner Schuh, Attorney William Vande Castle, Assistant City Attorney Joanne Bungert, John Duffy of Associated Trust Company, and Recording Secretary Smith.

B. APPROVAL OF THE AGENDA.

I. Approval of the Agenda.

Moved by Commissioner Nanette Nelson, seconded by Commissioner Kathryn Hasselblad-Pascale to approve the agenda. Passed unanimously.

C. APPROVAL OF MINUTES.

I. Approval of the Commission Meeting Minutes of July 9, 2018.

Moved by Commissioner Nanette Nelson, seconded by Commissioner Doug Martin to approve the Commission Meeting minutes of July 9, 2018. Passed unanimously.

D. REGULAR BUSINESS.

I. Introduce new employees.

New employees Webster Schuh, Hydrant Flusher/Valve Turner, and Andrea Hay, Communications Director, introduced themselves to the Commission.

2. Consideration of Payment of the Claim for 737 S. Baird Street.

The City of Green Bay Claims Committee made a determination to pay a \$2,075.00 claim that they ascertained should be paid by the Green Bay Water Utility for the replacement of a private water service. Due to Public Service Commission (PSC) regulations, if the Water Utility were to pay this claim the amount would have to be taken out of reserves and Commission approval needed. The Utility firmly believes that they were correct with their leak detection assessment. Assistant Attorney Joanne Bungert explained the Claims Committee's reasoning behind paying the amount, citing what they believed would be a possible opening for liability. She pointed out that they settled the claim for less than the full amount sought, and that they did not pay for the actual private service repair. The City already mailed out the check for the claim. The Commission discussed the implications of paying -or not paying- the City back for the claim, including staff labor, intergovernmental relations with the City, and setting a precedent for future claims.

A motion was made by Commissioner John Heugel to reimburse the City of Green Bay for the 737 S. Baird Street claim. Motion failed.

The Commission further discussed the implications of paying or not, and asked for Atty. Vande Castle's advice. The Commission expressed to Assistant City Attorney Bungert that they would like a Utility staff member present at the Claims Committee meetings for future water utility-related claims. Engineering Services Manager Powell said that he was asked to attend recent Claims Committee meetings to discuss different claims. It was also noted that the Utility has paid liability claims as determined by the Claims Committee in the past.

A motion was made by Commissioner John Heugel, seconded by Commissioner Nan Nelson, to table issue and request Utility legal counsel, in consultation with Green Bay City Attorney, to draft a motion for a non-precedent-setting final resolution of invoice received from City of Green Bay. Passed unanimously.

3. Approve Non-Discretionary Investment Management Agreement on Bond Reserve Fund.

The Utility is currently using Farr, Miller & Washington, LLC as their investment managers of their bond reserve fund held at Associated Trust Company. Business Manager Rogers has been working with Associated Trust Company and Kellogg Asset Management, LLC. to provide investment management services for our bond reserve fund. Switching to them would save the Utility about \$9,000 per year. John Duffy of Associated Trust Company explained that the main difference between the two agreements is Farr, Miller & Washington is a discretionary agreement in which they make all decisions regarding the management of the Utility bond reserve fund. Kellogg Asset Management would be a non-discretionary agreement in which they would be required to obtain the Utility's authorization regarding the management of the Utility bond reserve fund. To expedite decisions regarding the management of the bond reserve fund, the Utility requested that the Commission give authority to the Business Manager and/or the General Manager to make decisions where authorization is necessary in the management of the fund. Business Manager Rogers had also reviewed the agreement with Brad Viegut from Robert W. Baird, the Utility bonding agent. He indicated that the bond documents are silent on the management of the fund, therefore the Utility would not need any additional coverage to insure protection of the bonds. He also indicated that most of his clients have non-discretionary agreements with their investment managers.

Moved by Commissioner John Heugel, seconded by Commissioner Doug Martin to approve the Non-Discretionary Investment Management Agreement on the Bond Reserve Trust Fund. Passed unanimously.

4. Approve Resolution authorizing Utility General Manager or Utility Business Manager to make decisions regarding the management of the Utility's Bond Reserve Fund.

Moved by Commissioner Kathryn Hasselblad-Pascale, seconded by Commissioner Nanette Nelson to approve the Resolution authorizing the Utility General Manager or Utility Business Manager to make decisions regarding the management of the Utility's Bond Reserve Fund. Passed unanimously.

5. Approve updated Utility Organization Chart.

The organizational chart has been updated according to the requests of the Commission from the previous meeting. That change was to note that the Project Specialist is currently acting as the Safety Coordinator. Additional updates were added to the chart in light of new information since the last Commission meeting. Payroll and HR Administrator Seim gave notice that she is retiring January 4, 2019. The new Accountant position will be in place by Fall 2018 and will be given the payroll duties of Seim's position. The HR portion of Seim's position will eventually become a separate HR position under the stakeholder group. Moved by Commissioner Leon Engler, seconded by Commissioner Doug Martin to approve the updated Utility Organization Chart. Passed unanimously.

6. Approve Reclassification of Office Supervisor.

It has been determined that the Office Supervisor was performing duties beyond the current job description duties. This revised job description was evaluated by Carlson Dettmann (the firm that performed the Utility Salary Study), who recommend that the classification of Office Supervisor, Grade J, be reclassified to Grade L. This puts all the jobs at the level of "Supervisor" in the same pay grade. Funds are available in the 2018 budget. Moved by Commissioner Leon Engler, seconded by Commissioner Kathryn Hasselblad-Pascale to approve the reclassification of Office Supervisor. Passed unanimously.

7. Approve new Accountant position.

General Manager Quirk requested the approval of the creation of a new position of Accountant for the Green Bay Water Utility per the recommendation of our Workforce Study by CH2M that is aligned with our 2016 Strategic Plan. The position was evaluated by Carlson Dettmann, who recommend that the position of Accountant be classified to Grade J. Funds are available in the 2018 budget. Moved by Commissioner Doug Martin, seconded by Commissioner Kathryn Hasselblad-Pascale to approve the new Accountant position. Passed unanimously.

8. Approve Agreement for Collaboration Study.

General Manager Quirk recommended that GBWU enter into an agreement with the Central Brown County Water Authority for a Utility Cooperation and Collaboration Study (CBCWA). With consultant Raftelis, CBCWA and GBWU developed the scope of services. CBCWA and GBWU split the cost of the study 63% and 37%, respectively. Collaboration where utilities work together for optimization of services provided to customers is encouraged at the national level. The money for the work will be allocated in the respective year budgets. Funds are available in the 2018 budget for the 2018 work of this project. Supply tie-in for emergency services are not part of this agreement.

The Commission requested that an additional item be added to the agreement that would read, "GBWU agreement to implement action plan is withheld and retained by its Commission."

Moved by Commissioner John Heugel, seconded by Commissioner Kathryn Hasselblad-Pascale to approve the Agreement for Collaboration Study as amended, adding an item to the Agreement that reads "GBWU agreement to implement action plan is withheld by its Commission." Passed unanimously.

E. INFORMATIONAL.

I. Financial Report, including Rate Increase.

Business Manager Rogers presented the June and July financial reports. A public hearing will be held for the rate increase on August 31 at 10:00 AM. The PSC has not received any comment on the rate increase thus far. Once the rate increase is approved by the PSC, there will be 2-3 weeks before all official documents are filed. Business Manager Rogers anticipates the rate increase start date will be October 1. The front office will update the billing software and have bills printed with the new rates. The Utility gave our wholesale customers and top 12 customers notice about the rate increase. The increase will add \$1.44/month to the average residential customer family of four.

2. General Manager's Report.

Payroll and HR Administrator Peggy Seim gave notice that she will be retiring January 4, 2019. Executive Assistant Mandie Smith gave notice that she is leaving as of August 31. Locator Derrick Koss gave notice that he is leaving as of August 28. A long-term employee retired early due to individual circumstances.

A budget ad hoc committee will need to be formed in October to approve the 2019 budget. Of the lead sample results that have come in for this sampling period, 46 of 47 are passing. There are 220 private-side lead services, 190 of which have been replaced.

The PSC directed the Kenosha Water Utility to replace both lead and galvanized services, as opposed to just lead services. This would have implications on utilities state-wide. General Manager Quirk and Senator Cowles wrote letters urging the PSC to only require Kenosha to replace lead at this time. The effort was successful and the PSC will not insist on including removal of galvanized iron pipes.

The Distribution crew is pumping and hosing every home that has had a lead replacement done to ensure that the in-house water is fresh. The unidirectional flushing program has only a few weeks left until completion.

General Manager Quirk will present safety information and water loss information at the next Water Commission meeting.

The Wisconsin Section American Water Works Association Annual Conference will be held September 12-14. General Manager Quirk will be giving a presentation on the Utility's workforce study.

The Utility will be meeting with the Town of Scott to discuss a line to a second interconnect.

3. Next Meeting Date is October 15, 2018.

F. ADJOURNMENT.

Moved by Commissioner Leon Engler, seconded by Commissioner Nanette Nelson to adjourn. Passed unanimously. Meeting adjourned at 10:08 AM.