

MANITOWOC WASTEWATER TREATMENT FACILITY BOARD MEETING MINUTES

Gregg Wolf, Chairperson, called the regular meeting of the Manitowoc Wastewater Treatment Facility Board to order on Tuesday, January 11, 2011 at 4:01 P.M.

Board members present: Gregg Wolf, Chairperson
 Dale Zahn, Co-chairperson
 Jim Brey
 Dave Luckow
 Val Mellon
 Gary Underwood (arrived 4:06 P.M.)
 Brian Helminger, Secretary

Board member(s) not present: Scott Mertens

Also present: Mike Jaeger
 Mayor Justin Nickels
 Alderman Scott McMeans
 Paul Tittl

The minutes of the November 9, 2010 Board Meeting required no additions or corrections. Motion by Dave Luckow to accept the November 9, 2010 Board Meeting minutes as presented and place on file; second by Val Mellon. Motion carried unanimously.

FINANCIAL REPORT OCTOBER 2010

The October 2010 financials were reviewed. All activities shown on the reports were normal for this time of year. Hauled waste revenue for the month was \$12,735. Helminger pointed out line 456140 as the revenue for hauled waste had outpaced projections by over \$70,000 for the year. Total WWTF revenues were still well off projections for 2010. Motion by Dave Luckow to accept the October 2010 financials as presented and place on file; second by Val Mellon. Motion carried unanimously.

FINANCIAL REPORT NOVEMBER 2010

The November 2010 financials were reviewed. Line 534220 Process Chemicals was discussed since consumption for 2010 was well below projections due to low loadings on the plant. All activities shown on the reports were in line with the other 2010 revenue and expenses to date. Motion by Dave Luckow to accept the November 2010 financials as presented and place on file; second by Jim Brey. Motion carried unanimously.

BOARD UPDATE ON WWTF RESERVE BALANCES

Helminger distributed a spreadsheet obtained from third party auditor Tom Karmen of Schenk that detailed the WWTF reserve balances from 2000 to year end 2009. At year end 2009, the balance was shown to be just over 12 million dollars. The cash reserves when previously discussed included \$6.1 million in "Invested in capital assets" which is a measure of equity in the facility itself and not a cash account. Helminger informed the Board the interest made on the reserves had stopped being applied to the WWTF accounts starting in 2003 yet had appeared as revenue on the annual budget status until 2008. After 2008 the City purchased the Springbrook software package and the reports changed. Discussion ensued about the interest and that it should be directed to the WWTF and not the general fund. Mayor Nickels cautioned the group that returning the interest would create an even

larger hole in the City budget.

Helmingier also noted that a total of just over \$6.9 million had been transferred to the general fund from 2002 till 2006. This was for a loan for construction of the WWTF in the 1970's and was common knowledge to the Superintendent and WWTF Board members. Helmingier indicated the unrestricted fund balance was at \$4.7 million and was the source of revenue to pay back the Clean Water Fund loans, and if depleted, funds would need to be raised thru the Sewer User Charge resulting in a sewer rate increase. Motion by Dave Luckow for Helmingier to contract with Schenck to prepare a report that: verified accuracy of the report that was presented and to determine the actual 1/11/11 current reserve balances, to investigate if City ordinance and policy was followed in 2009 transfer of funds, and for auditor to make recommendations to reverse trend in declining reserve balances; second by Gary Underwood. Motion carried unanimously.

Motion by Jim Brey to direct Helmingier to call Tom Karman directly for the report on the status of the reserves; second by Dave Luckow. Motion carried unanimously.

Mayor Nickels, Scott McMeans and Paul Tittl left meeting at 5:17 P.M.

PLANT REPORT

Mike Jaeger reviewed the plant report which documented current plant operating parameters, as well as, the completed projects for the months of November and December. Winter projects, building cleaning, painting, and inside jobs are scheduled for the remainder of the winter. No action taken.

SCREEN PROJECT UPDATE

Helmingier informed Board members that both screens and compactors were operational. A list of issues was forwarded to the contractor and Donohue had provided a punch list of items. A one week performance evaluation with both systems running also still needs to be completed. Board members were invited to stay after the meeting to inspect the equipment and see it in operation. The covers and channels were still exposed and the operation and moving parts easy to see and inspect.

The next WWTF Board meeting is scheduled for, Tuesday, February 8, 2011 at 4:00 P.M.

Motion to adjourn made by Dave Luckow; second by Val Mellon. Meeting adjourned at 5:45 P.M.

Respectfully submitted,

Brian Helmingier
Secretary, WWTFB

BH/jma
Copy: City Clerk's Office