

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held July 28, 2021.

PRESENT: Commissioners Hasselblad, Mainz, Tumpach, and Hoffmann

EXCUSED: Commissioner Blumreich

ALSO PRESENT: T. Sigmund, P. Wescott, N. Qualls, B. Vander Loop, J. Smudde, T. Brown, B. Bartel, B. Weller-Titus, B. Angoli, B. Brown, L. Sarau, P. Mentink, T. Garrison, E. Houghton, P. Smits, B. Oldenburg, J. Czypinski, S. Yang, J. Van Sistine, J. Valenta, S. Thieszen, J. Smies–Legal Counsel; J. Delvoye–Procter & Gamble Paper Products

Commission President Hasselblad called the meeting to order at 8:30 a.m.

1) Safety moment.

T. Sigmund provided safety tips on grilling.

2) Convene in closed session under State Statute 19.85 (1) (g) for the purpose of conferring with legal counsel for the Commission who is rendering oral or written advice concerning strategy to be adopted by the Commission with respect to litigation in which it is or is likely to become involved:

- a) **Litigation involving Bayview Interceptor**
- b) **Potential litigation resulting from the failure of the granulated activated carbon system of the fluidized bed incinerator**
- c) **Potential litigation resulting from wastewater spillage during construction of the Dutchman Creek Interceptor stream crossings**

Motion #21-048

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to convene in closed session under State Statute 19.85 (1) (g) for the purpose of conferring with legal counsel for the Commission who is rendering oral or written advice concerning strategy to be adopted by the Commission with respect to litigation in which it is or is likely to become involved.

3) Reconvene in open session.

Motion #21-049

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to reconvene in open session.

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4) **Approval of minutes of Commission meeting held June 23, 2021.**

Motion #21-050

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the June 23, 2021 minutes as distributed.

5) **June financials.**

B. Weller-Titus reported the operating revenues for June were favorable to budget by \$48K or 1% from additional BOD loadings due to Sustana Fiber's pretreatment system being down. These revenues were offset by less volume due to lower precipitation. Year to date, total operating revenues were unfavorable to budget by (\$252K) or (1%) from less volume due to lower precipitation and Green Bay Packaging's (GBP) less loadings due to the timing of startup. These revenues were offset by additional BOD loadings due to Sustana Fiber's pretreatment system being down and additional septage revenue from a cheese manufacturer.

B. Weller-Titus reported the operating expenses for June were favorable to budget by \$216K or 10% due to less expenditures than budgeted in contracted services, interceptor maintenance, and power. These expenses were offset by more expenditures in plant maintenance and chemicals. Year to date, total operating expenses were favorable to budget by \$1.5M or 12% due to less expenditures in contracted services, plant maintenance, power, and benefits. Net income for June was \$196K. Net income year to date was \$3M.

6) **Request Commission approval for CDM Smith to develop a request for proposal and provide inspection phase services for the West Tower Drive and Fox River Crossing Siphons in the amount of \$151,390.**

L. Sarau stated that inspection of this infrastructure is an important part of ensuring reliable service to NEW Water's, the brand of the Green Bay Metropolitan Sewerage District, customers. The inspection process itself is complicated, with risk factors related to both safety and environmental aspects. Because of the complicated nature of these inspections, risk aspects and staff's lack of experience with the recommended technology, it is necessary to acquire engineering assistance with developing a Request for Proposal (RFP) from qualified contractors and assistance with the inspection services. The inspection phase services will include assistance during submittal review, on-site engineering services during the inspection, and a review and summary of the results of the inspection data. The scope also includes additional work to help provide better, permanent access to the inlet structure for the West Tower Drive Siphon, which is currently inaccessible to vehicles. Due to experience, familiarity with NEW Water infrastructure, and industry relationships, staff feels that the CDM Smith team is uniquely qualified to assist with this inspection project.

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L. Sarau requested Commission approval for CDM Smith to develop a RFP and provide inspection phase services for the West Tower Drive and Fox River Crossing Siphons in the amount of \$151,390.

Commissioner Mainz suggested that NEW Water looks into gaining vehicle access to the siphons. L. Sarau replied that this proposal does include an allowance for gaining permanent access to the West Tower Drive inlet.

Motion #21-051

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to approve CDM Smith to develop a RFP and provide inspection phase services for the West Tower Drive and Fox River Crossing Siphons in the amount of \$137,630 and a 10% contingency of \$13,760 under the authority of the Executive Director for a total amount of \$151,390.

7) Request Commission approval to award the Green Bay Facility Thickener Effluent Piping Replacement Project to J.F. Ahern Company in the amount of \$1,145,100.

P. Mentink stated that NEW Water retained Donohue and Associates, Inc. to prepare the correct documentation necessary to receive competitive bids for the replacement of the existing thickener effluent piping. NEW Water received bids from J.F. Ahern Company and August Winters & Sons, Inc. Staff and the design engineer have reviewed the bids and determined that J.F. Ahern Company is the lowest cost, responsive, and responsible bidder.

Commissioner Mainz asked if legal counsel looks at insurance requirements for projects like this. J. Smies replied that counsel does look at provisions on insurance when reviewing agreements.

T. Sigmund requested that supplementary conditions be added into insurance contracts.

Motion #21-052

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to award the Green Bay Facility Thickener Effluent Piping Replacement Project to J.F. Ahern Company in the amount of \$1,041,000 and a 10% contingency of \$104,100 under the authority of the Executive Director for a total project amount of \$1,145,100.

8) Request Commission approval to purchase Kobelco air compressors and supporting equipment and to authorize a purchase order to Zorn Compressor & Equipment in the amount of \$396,064.

B. Brown stated that this request is for a pre-purchase of equipment for the Green Bay Compressor Replacement Project, which is currently in the design phase. Maintenance staff had concerns about NEW Water's existing equipment back in April. Since then, one of the primary control air compressors

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did fail and a rental unit was brought in to provide reliable service. The NEW Water project team has worked with Strand Associates to evaluate options for replacement equipment. The team decided on Kobelco air compressors since they have lower energy usage and longer service life.

Motion #21-053

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to purchase Kobelco control air compressors and supporting equipment and to authorize a purchase order to Zorn Compressor & Equipment in the amount of \$360,064 and a 10% contingency of \$36,000 under the authority of the Executive Director for a total project amount of \$396,064.

9) Request Commission approval of financial reserves transfers.

B. Vander Loop gave an update on the financial reserves, as follows:

- NEW Water Reserve Balances
- General Reserve
- Interceptor Cost Recovery (ICR) Reserve
- Debt Service Reserve
- Equipment Replacement Fund (ERF) Reserve
- Plant Capital Replacement (PCR)
- R2E2 Rate Stabilization
- Future Reserve Considerations

Motion #21-054

It was moved by Hoffmann, seconded by Tumpach, and unanimously agreed to transfer \$259,305 from the General Reserve to the Interceptor Cost Recovery Reserve and \$2,450,000 from the Plant Capital Replacement Reserve to Debt Service Reserve.

10) Resource Recovery and Electrical Energy Project review.

N. Qualls gave a project recap on the Resource Recovery and Electrical Energy (R2E2) project, which included:

- Project Schedule
- Project Costs
- Primary Project Drivers
- Secondary Project Driver: Air Emissions Improvements
- Secondary Project Driver: Resource Recovery
- Secondary Project Driver: Electrical Energy Generation

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- Secondary Project Driver: LEED Building Certification
- Lessons Learned
- Future Considerations

Commissioner Mainz asked if NEW Water needs additional equipment to keep things running efficiently. N. Qualls replied that there would be a benefit to having redundancy in select areas. Relying on the landfill for outages is proving to be more challenging than anticipated. There is a proposal for an evaluation to be done in 2022 on improving this process.

11) Facility Plan update and strategic financial planning.

N. Qualls gave a facility plan update, as follows:

- Facility Plan
- Facility Plan: The Process
- What Drives the Investment
- Green Bay Facility: Investment Needs by Driver
- De Pere Facility: Investment Needs by Driver
- Capital Improvement Plan: Capital Needs Across the Utility
- Facility Plan Process Example: GBF Headworks
- Assessment of GBF Headworks Screening and Grit Removal
- Driver for GBF Headworks Screening and Removal Improvements
- GBF Headworks Infrastructure Packages
- Capital Improvement Plan: Project Categorization
- Identified Near-Term Projects
- Identified Intermediate-Term Asset Renewal Projects
- Identified Emerging Needs Projects
- Prioritization of Identified Projects
- Managing Needed Improvements with Financial Responsibility
- Facility Plan: Next Steps
- Planning for the Future

B. Weller-Titus reviewed the strategic financial plan fiscal responsibility.

12) Update of projects:

a) Project updates summary

N. Qualls reviewed the ongoing and future construction projects, along with the projects that are in the planning phase.

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b) Effluent Reuse Pump Station and Force Main

B. Angoli stated that Green Bay Packaging has changed out the strainers. Operations have been steady. Performance testing will be done in the near future.

13) June 2021 Operations report.

P. Wescott reported that both Green Bay and De Pere Facilities were in full compliance with all effluent limits for the month of June. The De Pere Facility tied performance records for Total Suspended Solids and Ammonia for average daily concentration, average pounds discharged per day, and total pounds discharged per month. The Green Bay Facility tied performance records for Ammonia for average daily concentration, average pounds discharged per day, and total pounds discharged per month. The Green Bay Facility was in compliance with air quality limits for the month of June. For resource recovery for the month of June, the solids processing facility generated 2,047 MWH of electricity. Total bio-gas volume recovered was 233,747 CCF; this is 99.7% of the total volume produced. NEW Water received 2,419,081 gallons of high strength waste in June.

14) Draft 2022 NEW Water budget review.

T. Sigmund presented the 2022 draft budget review.

15) Executive Director's report:

a) August Commission meeting

The August Commission meeting will be held Wednesday, August 25, 2021, beginning at 8:30 a.m.

b) COVID-19 paid leave statistics

T. Sigmund stated the last COVID-19 paid-leave statistics ended in the month of June.

c) COVID-19 update

NEW Water will continue to monitor and follow CDC guidelines.

d) NEW Water receives Fund for Lake Michigan grant

NEW Water received the Fund for Lake Michigan grant to develop green infrastructure at both facilities.

e) Service area and population update

An update on NEW Water's service area and population was given

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There being no further business to come before the Commission, the meeting adjourned at 10:38 a.m.

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Secretary