

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held October 26, 2011.

PRESENT: Commissioners Alesch, Hasselblad, and Mainz

EXCUSED: Commissioner Blumreich

ALSO PRESENT: T. Sigmund, P. McCarthy, P. Kaster, P. Wescott, M. Diaz, M. Pierner, W. Angoli, J. Kennedy, J. Christ, B. Bartel, N. Qualls, J. Czypinski, W. Oldenburg, B. Vander Loop, D. Cawley, L. Evenson, J. Van Sistine, J. Nicks–Legal Counsel; M. Heckenlaible–City of Green Bay; B. Knoll & B. Hannon–Fox River Fiber

Commission President Alesch called the meeting to order at 8:29 a.m.

- 1) **Approval of minutes of Commission meetings held September 28, October 5 and 17, 2011.**

Motion #11-066

It was moved by Hasselblad, seconded by Mainz, and unanimously agreed to approve the September 28, October 5 and 17, 2011 minutes as distributed.

- 2) **September financials.**

M. Diaz reported total operating revenues for the month of September were \$49,000 unfavorable to budget due to BOD and suspended solids. Year to date operating revenues were 1.2% favorable to budget due to user fees and other revenues. She reported total operating expenses for September were favorable to budget by \$418,000 due to salaries and benefits, contingency, and chemicals. Year to date operating expenses were favorable to budget by \$1,900,000. She stated the driving force behind the favorable results for the last nine months were salaries and benefits, contracted services, solid waste disposal, and chemicals.

Commissioner Alesch questioned the lower expense for power. P. Wescott replied the favorable variance for power is due to a credit GBMSD receives from Wisconsin Public Service (WPS) for direct load control in the amount of \$13,914 per month, which was not included in the 2011 budget because the contract with WPS was executed in January 2011. He stated there is also a favorable variance in natural gas and fuel oil due to \$9,000 per month was budgeted for the purchase of diesel fuel for the generators, but GBMSD has not had the need to run the generators as much so no diesel fuel has been purchased to date.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

10/26/11

Cont'd

PROCEEDINGS OF THE COMMISSION

3) Request Commission approval to increase the Telecommunications Project authorized funding and award the Fiber Optic Infrastructure Upgrade Project to Faith Technologies, Inc.

J. Czipinski stated in 2009 GBMSD awarded the Telecommunications Upgrade Project to Elert & Associates (E&A) in the amount of \$362,000. The scope of services included review of GBMSD's infrastructure, installation of a new telephone system at both facilities, and upgrade of GBMSD's computer network cabling system in the Administration and Maintenance buildings at the Green Bay Facility (GBF). He reported much of the fiber optic network resources were used towards the treatment process supervisory control and data acquisition (SCADA) system and it was determined that some areas of the plant have no fiber or are very limited. He requested Commission approval to increase the original authorized amount by \$24,100 for a total of \$386,100 for the Telecommunications Project, and award the Fiber Optic Infrastructure Upgrade Project to Faith Technologies, Inc. He stated Faith Technologies' proposal was the best value, lowest cost, and its staff has done competent work for GBMSD in the past.

Commissioner Mainz asked what E&A is doing for GBMSD and does GBMSD know what E&A's cost will be. J. Czipinski replied E&A provided technology assessment and planning services and GBMSD has an estimated cost of services.

Commissioner Alesch stated the analysis provided in the memo was very good and asked if the internet provider is reliable. J. Czipinski stated that he is currently evaluating internet providers.

Commissioner Alesch stated GBMSD is vulnerable on electronic communication among its facilities. J. Czipinski replied one provider with redundancy between the Green Bay and De Pere facilities is best. He stated the infrastructure work at the GBF will be completed in stages.

The Commission asked staff to provide an overall Information Technologies development plan.

Motion #11-067

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to increase the Telecommunications Project authorized funding by \$24,100 and award the Fiber Optic Infrastructure Upgrade Project to Faith Technologies, Inc. in the amount of \$140,495 and a 10% contingency under the authority of the Executive Director for a total amount of \$154,545.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

10/26/11

Cont'd

PROCEEDINGS OF THE COMMISSION

4) Request Commission approval to restructure the current longevity pay program.

J. Christ reported that in 2011 Carlson Dettmann Consulting (CDC) was asked to measure the competitiveness of GBMSD's current compensation program. Last month the Commission approved no market adjustment for 2012 to realign GBMSD's pay structure to market. She stated based on the analysis of the data, CDC and GBMSD staff determined the longevity pay program should be restructured. She stated that employees hired after October 2006 are no longer eligible for longevity pay. Staff recommends discontinuing increases to longevity associated with wage increases as of December 31, 2011.

Commissioner Alesch asked when employees are eligible for longevity. J. Christ replied after completion of seven years of service. She stated two employees will be eligible for longevity in 2012 and two in 2013.

Commissioner Mainz asked how many employees receive longevity. J. Christ replied currently 49 employees, plus the four that will be eligible.

T. Sigmund stated the longevity percentage would be changed to a fixed amount.

Commissioner Alesch stated that he doesn't like taking things away from employees when times are difficult. He stated GBMSD employees have great skills, are highly dedicated, and the Commission supports a performance based pay system.

Motion #11-068

It was moved by Hasselblad, seconded by Mainz, and unanimously agreed to restructure the current longevity pay program. (See Commission File #11-004)

5) Request Commission approval for Muermann Engineering to provide consulting services for the Intelligent Process & Instrumentation Diagram Implementation Project 11-051.

N. Qualls stated the process and instrumentation diagrams (P&IDs) are engineering drawings that show interconnection of process equipment and the instrumentation used to control the process.

Commissioner Alesch asked what staff does with the P&IDs. N. Qualls replied the P&IDs are kept on file and referenced when necessary. He stated intelligent P&IDs have been developed to provide even more information through linking components of the drawing with a supporting database of information. He stated O&M manuals will be linked to the database and can be easily retrieved.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

10/26/11

Cont'd

PROCEEDINGS OF THE COMMISSION

Commissioner Mainz asked if this is a standard computer program system. N. Qualls replied software selection is a part of this project. Commissioner Mainz asked if this is an off the shelf program. N. Qualls replied yes, plus components will be added to it to meet the needs of GBMSD.

Commissioner Hasselblad asked if anyone is rewriting this software for GBMSD's needs. N. Qualls answered no; staff will maintain the software database.

Commissioner Alesch asked if this is a diagnostic tool. N. Qualls replied no, rather a troubleshooting tool.

Commissioner Mainz asked why staff did not select the lowest bid. N. Qualls replied Muermann Engineering has demonstrated that it has taken this process much further. He stated Muermann Engineering has streamlined the process, gone through more of the software, and knows more of the roadblocks.

Commissioner Mainz asked if Muermann Engineering will be using its A team on this project. M. Qualls replied yes. He stated the vice president has the most number of hours dedicated to this project.

Commissioner Mainz asked if it is worth an additional \$5,000 and staff will not come back to the Commissioner for more money. N. Qualls replied Meurmann Engineering has a great level of experience and expertise.

Commissioner Mainz asked about the two firms that elected not to submit a proposal. N. Qualls replied the two firms felt they were not as knowledgeable in this area.

Motion #11-069

It was moved by Hasselblad, seconded by Mainz, and unanimously agreed to approve Muermann Engineering to provide consulting services for the Intelligent Process & Instrumentation Diagram Implementation Project 11-051 in the amount of \$61,630 and a 10% contingency and an additional \$5,000 reserved for P&ID software procurement under the authority of the Executive Director for a total amount of \$72,830.

- 6) **Request Commission approval for Robert E. Lee & Associates, Inc. to provide design engineering services for the West Tower Drive Interceptor Relocation Project 10-621.**

M. Pierner reported work continues on relocation of GBMSD's facilities due to the Wisconsin Department of Transportation (WDOT) planned upgrades on Highway 41. He stated the WDOT is required to pay 90% of GBMSD's cost under federal guidelines.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

10/26/11

Cont'd

PROCEEDINGS OF THE COMMISSION

Motion #11-070

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to approve Robert E. Lee & Associates to provide design engineering services for the West Tower Drive Interceptor Relocation Project 10-621 in the amount of \$246,156 and a 5% contingency under the authority of the Executive Director for a total project amount of \$258,464.

7) Request Commission approval of Alternative 3B as the Solids Management Plan.

B. Bartel stated at the September customer working group meeting, GBMSD indicated that it would be moving forward with Alternative 3B – Digestion with Thermal Processing and Power Generation. A follow up meeting was held on October 21 to answer any questions. He stated the meeting was very beneficial, and he believes the customer working group supports the decision to move forward with Alternative 3B as the Solids Management Plan.

Commissioner Mainz stated that staff has put a lot of effort into this process and has involved GBMSD's customers. He congratulated staff on their efforts.

Commissioner Hasselblad stated this has been a long process and staff has designed, refined attributes, and talked to individual groups and municipalities.

Commissioner Alesch stated staff has looked at how GBMSD is handling wastewater, disposing of wastewater, and this proposal is robust. He stated staff would like approval of Alternative 3B to continue with detailed planning, including sources of funds, implications of rate base strategies, and different ways to impose the rate.

T. Sigmund stated GBMSD will generate power and GBMSD will use the power generated and it won't be pushed back to the grid. GBMSD is moving towards the goal of net zero energy use.

Motion #11-071

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to approve the detailed planning of Alternative 3B – Digestion with Thermal Processing and Power Generation as the Solids Management Plan.

8) Request Commission approval to execute the Davis-Bacon compliance certification for project 4198-29.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

10/26/11

Cont'd

PROCEEDINGS OF THE COMMISSION

M. Pierner stated staff has maintained the documents for weekly payroll records, face to face interviews regarding compliance with labor standards, and payroll and project certifications for requirements of Davis-Bacon. Staff believes the Commission can sign the required WDNR certificate to verify compliance so the project can be closed out.

Commissioner Mainz asked how much does this cost GBMSD. M. Pierner replied the cost of administering adds approximately 1% – 2% to the project.

Commissioner Alesch stated Mr. Pierner has been incredibly thorough and applauds his efforts.

Motion #11-072

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to execute the Davis-Bacon compliance certification for project 4198-29.

9) Sewer plan approval:

a) Town of Lawrence Project L0017; GBMSD Request 2011-16

Motion #11-073

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to approve the Town of Lawrence Project L0017 sewer plan subject to favorable approval recommendation from Brown County Planning and final approval by the Wisconsin Department of Natural Resources.

10) Pretreatment update.

W. Oldenburg reported two Notices of Violations and a Notice of Noncompliance was issued for the first six months of 2011. He stated significant noncompliance requires publication in the newspaper.

Commissioner Hasselblad asked if staff is working with these industries. W. Oldenburg replied yes.

W. Oldenburg stated the industry in noncompliance was issued an Industrial Wastewater Discharge Permit in July 2011 and the industry is now in compliance. The two industries in violation have made adjustments to their pretreatment systems and both industries are aware of the publication requirement.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

10/26/11

Cont'd

PROCEEDINGS OF THE COMMISSION

11) Update of projects:

- a) **Consolidation Projects – Treatment plants construction phase**
- b) **Beaver Dam Creek Interceptor Relocation – Phase 1 work related to Highway 41 expansion**
- c) **North Basin Complex Gate Replacement**
- d) **Electrical Generation Facility**

W. Angoli stated changes orders are being finalized for the Davis-Bacon administrative work and the project is scheduled to be closed out in November.

- e) **Sludge Loading and Chemical Addition System**
- f) **Air issues update**

J. Kennedy reported the incinerator dioxin testing project has been completed. A full report was submitted to the DNR on October 21. He summarized the results, highlighting the complex chemistry of dioxin toxicity equivalents, which are comprised of 29 individual dioxin, furan, and PCB congeners. He further noted the conservative approach used in presenting the results, which used full detection limit values for each of the 29 congeners.

J. Kennedy stated the report also contained GBMSD's recommendation regarding use of the test results for future compliance reporting for dioxin toxicity equivalents. The method proposed would be more accurate and should reduce the potential for short-term violations related to the surrogate approach of reporting 8-hour average secondary chamber temperatures. A response from the DNR is expected within a few weeks.

J. Nicks from Godfrey & Kahn stated this testing project represents a major compliance issue for GBMSD and was encouraged by the results.

Commissioner Alesch thanked staff for their excellent work on this project.

12) Operation report:

- a) **Effluent quality for September**

P. Wescott reported both facilities were in full compliance with all effluent quality limits for the month of September. He reported the De Pere Facility tied a record low in Total Suspended Solids, and both facilities had an excellent month in meeting permit limits for Carbonaceous Biochemical Oxygen Demand.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

10/26/11

Cont'd

PROCEEDINGS OF THE COMMISSION

b) Air quality for September

P. Wescott reported the Green Bay Facility was in full compliance with air quality limits for the month of September.

P. Wescott reported on two deviation notices related to incinerator #2 ID fan that were reported to the DNR. He also stated that hearth #2 for incinerator #2 is in the 2012 capital improvement plan to be replaced. He stated this is planned in part to help ensure system reliability for the next several years.

13) Executive Director's report:

a) November Commission meeting

The next meeting will be November 30 beginning at 8:30 a.m. The first item on the agenda will be the budget hearing. The budget will be published 15 days prior to the hearing. Staff held an informational meeting with GBMSD customers. Staff also attended the Village of Ashwaubenon meeting to discuss GBMSD's budget and Solids Management Plan. A meeting with the City of Green Bay has been scheduled.

b) Resignation of Commissioner Tim Carpenter

Commissioner Tim Carpenter submitted his resignation on October 12 due to commitments with his small businesses. Discussions with the County Executive have begun.

J. Nicks stated the Budget Repair Bill allows Commissioners to set per diems. He stated now would be timely if the Commission would like to set a new compensation amount before a new Commissioner is appointed or current Commissioners are reappointed.

14) 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) Consideration of proposed settlement with insurers for costs of PCB litigation

b) Discussion of acquisition of sewers for proposed extension of Swan Road Interceptor

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

**10/26/11
Cont'd**

PROCEEDINGS OF THE COMMISSION

Motion #11-074

It was moved by Meinz, seconded by Hasselblad, 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.

- 15) Reconvene in open session.**

Motion #11-075

It was moved by Hasselblad, seconded by Meinz, and unanimously agreed to reconvene in open session.

- 16) Request Commission approval of settlement agreement with insurers for costs of PCB litigation.**

Motion #11-076

It was moved by Hasselblad, seconded by Meinz, and unanimously agreed to table this item until the next meeting.

There being no further business to come before the Commission, the meeting adjourned at 10:22 a.m.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

Secretary