

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held January 25, 2012.

PRESENT: Commissioners Alesch, Hasselblad, Blumreich, and Meinz (via telephone)

ALSO PRESENT: T. Sigmund, P. McCarthy, P. Kaster, P. Wescott, M. Diaz, J. Czynski, L. Evenson, M. Pierner, W. Angoli, N. Qualls, B. Bartel, J. Kennedy, B. Vander Loop, J. Christ, R. Krause, J. Klingbeil, M. Erschnig, J. Van Sistine, J. Nicks–Legal Counsel; S. Thoresen–City of De Pere; M. Heckenlaible–City of Green Bay

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

1) Approval of minutes of Commission meeting held December 19, 2011.

Motion #12-001

It was moved by Hasselblad, seconded by Blumreich, and unanimously agreed to approve the December 19, 2011 minutes as distributed.

2) November and preliminary December financials.

M. Diaz reported total operating revenues for November were \$147,000 favorable to budget due to user fees from higher precipitation compared to historical average. Overall year to date revenues were \$440,000 favorable to budget due to increased precipitation and other revenues. Total operating expenses for November were \$284,000 favorable to budget. Year to date expenses were \$2,400,000 favorable to budget due to salaries and benefits, contracted services, solid waste disposal, power, and chemicals. Net income for the month of November was \$6,000 as a result of operating income.

M. Diaz reported total operating revenues for December were \$223,000 favorable to budget due to other revenues received from the PCB settlement in the amount of \$292,000 and overall increase in precipitation for 2011.

Commissioner Hasselblad asked with strange weather patterns becoming the norm, how does staff ascertain an average plant flow projection? B. Vander Loop replied the average plant flow projection is weighted against annual precipitation. He stated the 30-year precipitation average is about 29.9 inches and historical average is about 28.7 inches. Commissioner Hasselblad asked about weather risks and storm events. B. Vander Loop replied GBMSD's sewer service area received 37.85 inches of precipitation last year and staff knows a strong correlation exists between annual precipitation and plant flows. Future plant flows are projected from the most recent 60 months of billing data. A plant average flow would receive a weighting of 10 when the annual precipitation is within one inch of the 30-year average.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

B. Vander Loop stated the weighting would decrease to nine, eight, and so on for every one inch increase or decrease from the 30-year average. The 30-year average is about one inch higher than the historical average and this increase in precipitation is coming from storm events in the months of June, July, and August.

Commissioner Alesch stated the money received from the PCB settlement is money previously spent and is not a profit. He asked what staff projects the budget to be for 2011. M. Diaz stated that she will know better after the audit, which is after April 9. She stated the auditors usually recommend journal entries, such as market adjustments to the investments, depreciation, and non-operating revenues. Commissioner Alesch asked what happens to the net income. M. Diaz stated it is put into the rate stabilization account.

Commissioner Hasselblad asked about natural gas prices. P. Wescott replied in 2011 GBMSD locked in its rates with Integrys through 2015.

T. Sigmund reported that in 2011 GBMSD did not budget for a rebate from WPS for the standby generators, but has budgeted for that credit in 2012.

3) Adopt retirement resolution for Doris Buyarski.

T. Sigmund stated Ms. Buyarski transferred to the Green Bay Facility (GBF) from the De Pere Facility (DPF) in 2007 and has been a great employee and GBMSD was fortunate to have her as an employee.

Motion #12-002

It was moved by Blumreich, seconded by Hasselblad, and unanimously agreed to adopt retirement resolution for Doris Buyarski (see Commission Resolution #12-001).

4) Request Commission approval to increase the current half time Communications and Education Specialist position to full time.

L. Evenson requested Commission approval to increase the Communications and Education Specialist position to full time. She stated communications has increased significantly. A list of projects, estimated time line, and outreach activities was included in the Commission packet. She stated Ms. Krause has brought a lot of enthusiasm, skills, and built up partnerships with the Environmental Protection Agency WaterSense Program, UW-Green Bay on the Environmental Education Center's program evaluation, and secured a three-year Einstein Science Project sponsorship.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

L. Evenson stated Ms. Krause has also assisted with script writing and video production of the R2E2 Project video, design and implementation of GBMSD's new website and social media plan. She stated the cost to increase the position to full time is \$29,723 and for the same cost, GBMSD would get about 237 hours of communication assistance from a public relations consultant.

Commissioner Alesch asked if this position was advertised, would GBMSD get a better candidate. L. Evenson replied that Ms. Krause would rank at the top of the candidates. She stated GBMSD uses a consultant for high level strategic planning.

Commissioner Mainz stated last month the Commission discussed if this position was increased to full time, that the position should be advertised. He asked what changed that GBMSD would not advertise for this position. L. Evenson replied when the half time Communications and Education position was advertised last spring, GBMSD received 40 applicants interested in both full time and part time employment.

T. Sigmund stated the memo describes the process that was used to seek candidates last year. The memo also explains the thoughts and values of how a full time staff member versus a consultant would meet the needs of GBMSD.

Commissioner Hasselblad stated with the kinds of activities going on, communications and education looks long-term. She stated the rates will continue to be something that will be in flux, inflow and infiltration (I/I) is nation-wide, R2E2 Project, and ongoing watershed and phosphorus issues. She stated her concern is that Ms. Krause comes in with little science background. She asked if it is staff's intention to provide additional training in the sciences and water quality areas. L. Evenson replied yes. She stated Ms. Krause is a quick study and will receive the additional training she requires.

Commissioner Alesch asked if GBMSD would receive a new pool of individuals if the position was advertised. L. Evenson responded no.

T. Sigmund stated the amount of communication keeps expanding and will become more of a challenge. He stated staff is meeting with Brown County to discuss a long-term watershed management partnership.

Commissioner Blumreich stated that he is swayed by GBMSD's long-term needs and the cost between a full time employee and the use of a consultant.

Commissioner Mainz asked if there is any overtime with the Communications and Education positions.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

L. Evenson replied that her position is salary and the Communications and Education Specialist position is hourly, but no overtime is expected. Commissioner Mainz stated that he is concerned about not interviewing a new class for this position.

Commissioner Alesch suggested that staff review GBMSD's policy as to when a position is advertised.

Commissioner Blumreich stated that he took under consideration that there were 40 applicants when this position was advertised last spring.

Motion #12-003

It was moved by Hasselblad, seconded by Blumreich, and unanimously agreed to increase the current half time Communications and Education Specialist position to full time (See Commission File 12-001).

5) GBMSD Strategic Integrated Technology Plan.

J. Czipinski reported the four major areas that the Information Technology (IT) Department will focus on for the next three years are: wireless data and communications, electronic document management system, virtualization, and mobile communications. He reported the KnowledgeLake document management system interfaces with GBMSD's financial software and will be the link between the financial software and the SharePoint electronic document warehouse. IT is implementing the accounts payable process first, and then the records management system.

Commissioner Alesch asked about server virtualization. J. Czipinski replied the system will deploy multiple virtual servers on a single physical server. He stated virtualization provides a level of redundancy to GBMSD's server infrastructure, which helps to minimize downtime and increase its ability to recover servers at both facilities to a degree never before possible.

Commissioner Mainz asked if the wireless data and communications will provide a network to operate the plant remotely. J. Czipinski replied no.

Commissioner Mainz stated that he appreciates the GBMSD Strategic Integrated Technology Plan, but would like to see staff identify what it wants to do and the cost associated with it for the next four, five, and six years. J. Czipinski stated staff will provide that information to the Commission.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

Commissioner Alesch stated that he would like to know more about file security and the protection GBMSD has from the outside world.

Commissioner Blumreich cautioned staff on desktop virtualization and the challenges that can accompany it.

6) Request Commission approval of an Agreement for Payment with the Wisconsin Department of Transportation for interceptor relocation work required to allow for reconstruction of U.S. Highway 41.

M. Pierner requested Commission approval of an agreement with the Wisconsin Department of Transportation (WDOT) for cost reimbursement for relocation of sewers along Velp Avenue. He reported relocation of 5,000 ft. of 36 and 54-inch sewers will cost approximately \$9,870,000. He stated the proposed agreement in the amount of \$1,241,575 is for the design and right-of-way acquisition portion of the work. He reported in July the WDOT will issue a second agreement for the construction phase.

Commissioner Alesch asked for clarification of what is included in the \$1,200,000. T. Sigmund replied the \$1,200,000 includes the engineering design cost of \$261,000 and easement acquisition cost of \$900,000.

M. Pierner stated the easement acquisition cost includes seven parcels of land valued at \$8 per square foot for permanent easements and \$4 per square foot for temporary easements.

Commissioner Blumreich asked if the second phase agreement will bring the project total to \$9,800,000. M. Pierner replied that the project will be bid before the second agreement is prepared and actual bid cost would be utilized, which may adjust the projected cost. The WDOT will reimburse GBMSD for 90% of its actual costs.

Motion #12-004

It was moved by Meinz, seconded by Hasselblad, and unanimously agreed to approve an Agreement for Payment with the Wisconsin Department of Transportation for interceptor relocation work required to allow for reconstruction of U.S. Highway 41 in the amount of \$1,241,575.

7) Update on the De Pere Facility Chlorination-Dechlorination System Rehabilitation Project.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

N. Qualls stated due to the age and condition of the existing chemical feed equipment and the noncompliance event last May at the DPF, staff believes that some rehabilitation of the system is necessary to provide reliable operation until a new disinfection system is available. GBMSD staff is working with CDM-Smith on long-term planning for both the Green Bay and De Pere Facilities disinfection systems. Staff does not recommend completely rebuilding at this point. GBMSD staff has developed a limited high priority project with a limited scope to address minimum required rehabilitation with an estimated project cost under \$100,000, which would be under the authority of the Executive Director.

8) Review and comment on request for proposals on Resource Recovery and Electrical Energy (R2E2) Project.

P. McCarthy asked for Commission feedback on the consultant selection process for the R2E2 Project. He reported the selection process will utilize an attribute scoring matrix and a two envelope system. He stated the first envelope will contain the qualifications proposal and the second envelope will contain the cost proposal. He stated the cost proposals will only be opened for those designers that meet the minimum qualifications requirements to protect staff's objectivity in evaluating the qualifications proposal.

Commissioner Alesch stated this project should have some risk sharing and the contingency amount should not be increased significantly.

P. McCarthy stated terms and conditions will be developed and included in the review packet.

J. Nicks stated Tom Henshue, a lawyer from Godfrey & Kahn's Madison office, has expertise with large scale construction projects and will assist in the initial phase of developing the terms and conditions.

Commissioner Hasselblad asked about environmental risks, such as the MACT Standards. She stated the EPA or DNR could delay the project. P. McCarthy replied the risks should be shared.

Commissioner Hasselblad stated the attributes and weighting are essential, and asked if the weighting point system is the same that GBMSD has used in the past. P. McCarthy replied no, it is tailored to the project. He stated compensation has been as high as 30% or as low as 10 - 15% depending on the project.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

T. Sigmund stated the experience of the team and the approach is the bulk of the weighting.

P. McCarthy stated that GBMSD is putting together a communication plan to address all stakeholders.

Commissioner Blumreich asked about the draft Request for Proposals (RFP) process. P. McCarthy replied the draft RFP for the previous recommended alternative was distributed to top designers for their review. He stated their comments will improve the RFP, provide clarity to the scope of services, and result in better proposals. He stated this process will be repeated with the current recommended plan. Commissioner Blumreich agreed.

Commissioner Hasselblad appreciated the good detail provided.

9) Sewer plan approval:

a) City of De Pere – Project 12-01b; GBMSD Request 2012-01

M. Pierner reported the City of De Pere is requesting 1,123 ft. of 18-inch sewer to replace 8-inch and 10-inch sewer that have deteriorated and are undersized for the service area. The City of De Pere is planning to install an 18-inch sewer to handle current I/I until it can investigate I/I sources and eliminate them. Staff recommends approval.

Motion #12-005

It was moved by Hasselblad, seconded by Blumreich, and unanimously agreed to approve the City of De Pere – Project 12-01b sewer plan subject to favorable approval recommendation by Brown County Planning and final approval by the WDNR.

10) Update of projects:

a) Consolidation Projects – Treatment plants construction phase

W. Angoli reported GBMSD received the lien release from AWARD.

b) North Basin Complex Gate Replacement

N. Qualls stated the EPA delivered a noncompliance finding on GBMSD's non-domestic material, which is a good finding. He stated this allows GBMSD to use the product and still be eligible for the ARRA grant.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

c) Resource Recovery and Electrical Energy (R2E2)

B. Bartel reported two public informational meetings were held last week. He stated two people attended the meeting at the Brown County library and two people attended the meeting at GBMSD.

Commissioner Alesch stated the extensive communication on the R2E2 Project has helped.

d) Final Wet Well Overflow Report

J. Kennedy reported GBMSD experienced an overflow of partially treated sewage from a wet well due to a relay failure in the level control system. The overflow covered a fairly small area and was mostly absorbed into the ground. He stated a very small amount, estimated at 150 gallons, got into the storm sewer causing it to be an environmental release. He stated a complete report was submitted to the DNR. The DNR has responded that no further action is necessary.

11) Consideration of Commissioner compensation.

T. Sigmund reviewed the list of sewerage districts per diems. He stated Madison and Rib Mountain Metropolitan Sewerage Districts have taken action to stay at \$50. Western Racine County Sewerage District will be changing its per diem. He stated Milwaukee MSD is in a different category than GBMSD and the sanitary districts are not under the same statute.

Commissioner Mainz asked if the per diem has to be on a daily basis or if it could be on a per meeting basis. J. Nicks replied the statutes allow per diem compensation on how the state statutes were written.

Commissioner Alesch suggested leaving the per diem at \$50.

Commissioner Hasselblad agreed.

Commissioner Blumreich asked if the Commission needs to act on this item. J. Nicks recommended the Commission act on this item. J. Nicks explained that if the Commission would establish a new per diem, the new rate would apply to all Commissioners. He stated if the Commission decided in a few months to amend the rate, the new rate would apply to only newly appointed or reappointed Commissioners, which would have some Commissioners paid at different amounts. He recommended the Commission make a decision that will be in place for a while.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

Motion #12-006

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed pursuant to section 200.09(7) WI Statutes to establish a \$50 per diem for compensation of Commissioners.

12) **Operation report:**

a) **Effluent quality for December**

P. Wescott reported both facilities were in full compliance with all effluent quality limits for December. He stated the DPF tied a record low for Total Suspended Solids (TSS) with a daily average concentration of 1.0 mg/L. The DPF also set new all time effluent discharge lows for TSS daily average discharge of 45 lbs/day and total TSS monthly discharge of 1,390 lbs.

b) **Air quality for December**

P. Wescott reported on one deviation notice that was reported to the DNR. He reported an emergency bypass damper opened for 13 minutes due to a flow signal loss from incinerator #2 scrubber causing the ID fan to trip out, which resulted in the bypass damper opening. He stated the situation has been corrected. Staff has reviewed the emergency bypass damper openings data over the last 10 years and has evaluated the operation of critical incinerator equipment. He stated corrective action and preventive maintenance plans have been reviewed and revised to address reoccurring issues. He stated preventative maintenance plans are also in place to monitor and inspect critical equipment to prevent future failures.

13) **Executive Director's report:**

a) **February Commission meeting**

The next Commission meeting is scheduled on February 22, 2012 beginning at 8:30 a.m. A new Commissioner should be appointed by the Brown County Board in February.

b) **Solids Management Facility Plan public hearing**

A public hearing on the Solids Management Facility Plan will be held on Tuesday, January 31. The meeting will be noticed as a Commission meeting.

Commissioner Hasselblad stated that she does not want to raise expectations with the Commission present at the public hearing.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

Commissioner Alesch stated that he feels it is symbolic for the Commission to be present since it is the policy maker and the Commission would be there to listen and get insight on what needs to be communicated.

c) 2012 billing rate for legal services

Godfrey & Kahn's billing rates for its Green Bay office attorneys will increase to \$300 per hour for 2012, which is Godfrey & Kahn's municipal/school rate.

J. Nicks stated Godfrey & Kahn has been representing GBMSD a long time. He stated his hourly rate last year was \$325 per hour, but billed GBMSD only \$280 per hour. He reviewed Godfrey & Kahn's billing history. He stated the Commission shouldn't look at the billed rate but the total amount billed at year end. He stated the yearly amount for legal services have decreased over the last couple of years.

Commissioner Alesch stated that he appreciates the reduced rate Godfrey & Kahn bills GBMSD.

d) GBMSD 2011 accomplishments

T. Sigmund reviewed some of GBMSD's 2011 accomplishments, as follows:

- GBMSD had 100% permit compliance at the GBF and one permit noncompliance event at the DPF.
- GBMSD, with the assistance of a customer working group, completed the R2E2 Solids Management Plan and submitted the plan to the DNR.
- GBMSD increased its customer and constituency communication and interaction.
- GBMSD completed the Risk Based Asset Management Study and began implementing recommendations.
- Improved employee awareness of internal safety and security.
- Completed the third leadership training class.
- Completed incinerator air emission testing.
- Trained staff on Lean principles and completed four Lean projects.

Commissioner Alesch stated that GBMSD collects and treats 14 billion gallons of wastewater each year at a highly competitive cost.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

01/25/12

Cont'd

PROCEEDINGS OF THE COMMISSION

e) GBMSD 2012 goals

GBMSD's top four goals are: improve water quality in the lower Fox River watershed, manage assets to cost-effectively deliver desired levels of service, include sustainability considerations in all GBMSD decisions, and improve the frequency and quality of customer and employee communication. Each division and department has also developed 2012 goals.

Commissioner Blumreich asked how staff will measure these goals. T. Sigmund replied that staff will provide the Commission with this information.

- 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, and under 19.85 (1) (c) for the purpose of considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility:**
- a) Georgia-Pacific billing issues**
 - b) Review Executive Staff compensation for 2012**
 - c) Discussion of performance criteria for Executive Director and Executive Staff**

Motion #12-007

It was moved by Hasselblad, seconded by Blumreich, 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, and under 19.85 (1) (c) for the purpose of considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility.

- 15) Reconvene in open session.**

Motion #12-008

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

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

**01/25/12
Cont'd**

PROCEEDINGS OF THE COMMISSION

There being no further business to come before the Commission, the meeting adjourned at 11:10 a.m.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

Secretary