

**GREEN BAY METROPOLITAN SEWERAGE DISTRICT**  
**PROCEEDINGS OF THE COMMISSION**

Regular meeting of the Commission held June 27, 2012.

**PRESENT:** Commissioners Alesch, Hasselblad, Mainz, and Tumpach

**EXCUSED:** Commissioner Blumreich

**ALSO PRESENT:** T. Sigmund, P. McCarthy, P. Kaster, P. Wescott, M. Pierner, W. Angoli, N. Qualls, M. Urbancic, J. Kennedy, B. Bartel, J. Christ, J. Czynski, P Rocheleau, R. Krause, J. Van Sistine, J. Nicks–Legal Counsel; D. Rutowski–Durable Controls; D. Boyce–City of Green Bay District 7 Alderman

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

**1) Approval of minutes of Commission meeting held May 23, 2012.**

**Motion #12-034**

It was moved by Hasselblad, seconded by Mainz, and unanimously agreed to approve the May 23, 2012 minutes as distributed.

**2) May financials.**

P. Kaster reported operating revenues for May were \$20,000 favorable to budget due to direct revenues from sampling and the Tripartite Agreement 13<sup>th</sup> bill for Procter & Gamble. Year to date operating revenues were \$928,000 or 7.3% unfavorable to budget. He reported operating expenses were favorable to budget by \$272,000 for May. Year to date operating expenses were \$1.4 million favorable to budget. Net income for the month of May was \$1.3 million as a result of lower than planned operating expenses.

Commissioner Hasselblad stated that during a strategic planning session or a separate meeting the Commission and staff should discuss the five parameters and the effects on operating revenues.

Commissioner Mainz asked if staff knows why the reduction in flow. T. Sigmund replied one of GBMSD's wet industries is curtailing production a day a week, while others are reclaiming materials and reducing flow. He stated GBMSD asks its wet industries yearly for projections and they all continue to project relatively strong operations.

Commissioner Alesch suggested staff look at what would happen if GBMSD lost its top two BOD providers. T. Sigmund stated staff will provide that information to the Commission.

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- 3) Approve Resolution for acceptance of the Compliance Maintenance Annual Report for 2011 for the Green Bay Facility.**
- 4) Approve Resolution for acceptance of the Compliance Maintenance Annual Report for 2011 for the De Pere Facility.**

M. Urbancic reported there were no issues and both facilities received a perfect score of four.

**Motion #12-035**

It was moved by Hasselblad, seconded by Tumpach, and unanimously agreed to approve Resolutions for acceptance of the Compliance Maintenance Annual Report for 2011 for the Green Bay and De Pere Facilities. (Resolutions #12-006 and #12-007 are on file at the GBMSD offices.)

- 5) Request Commission approval of an Operations Trainer position and modify the organizational chart.**

P. Wescott reported that staff is requesting a change to the organizational chart by adding an Operations Trainer position. He stated training is very important and the Treatment section has done an excellent job with training new employees. He stated from 2009 to 2012 GBMSD hired former staff to provide training to the new hires. He stated 11 new operators have gone through the training program at the Green Bay Facility (GBF). He stated training at the De Pere Facility (DPF) is done by the Treatment Leaders. He stated the retired trainers have experienced some training challenges on areas of the plant that have been upgraded since their retirement. He stated GBMSD needs to expand the training program at the GBF, include DPF training, and add refresher training. He stated there are strong, internal candidates for the position and the new Operations Trainer will be involved with the R2E2 Project from the start of the project.

Commissioner Mainz asked about the budget. P. Wescott replied the position would be a Grade 10 and is in the 2012 budget to start in July, but will actually start in October.

Commissioner Mainz asked what the requirement is for rehiring former employees. J. Christ replied prior to Act 10, as long as the employees are kept under 600 hours they are rehired as "casual" employees.

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**Motion #12-036**

It was moved by Meinz, seconded by Hasselblad, and unanimously agreed to approve the Operations Trainer position and modify the organizational chart. (See Commission File #12-004)

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

M. Pierner reported this agreement will allow GBMSD to get reimbursed from the Wisconsin Department of Transportation for 90% of the net cost for relocation of additional sewers. He stated the project will be bid in late July or early August and construction is scheduled to begin in August. He requested Commission approval of the agreement and authorization for the Commission President and Secretary to sign the agreement. Once signed, the agreement will be forwarded to the Governor for his signature.

- 7) **Request Commission approval to amend the design services agreement with Robert E. Lee & Associates, Inc. for the Bayview and West Tower Drive Interceptors Relocation Project 10-621.**

M. Pierner stated upon further analysis, it was determined an alternate route should be explored due to the extremely poor soil conditions discovered along the original route and the impact on the cost of construction. He stated the sewers will be relocated along Lone Grove Avenue and Memorial Drive and continue north across Velp Avenue. He stated the soil borings went down from 30 ft. to 80 ft. plus to bedrock and it was discovered the soils were much worse than originally anticipated. He stated additional effort was required for soil analysis, topographic survey, structural engineering, and plan and specification changes to complete the design for the new alternate route.

**Motion #12-037**

It was moved by Hasselblad, seconded by Meinz, and unanimously agreed to approve an Agreement for Payment with the Wisconsin Department of Transportation for interceptor relocation work required to allow for expansion of U.S. Highway 41 and approve Amendment No. 1 to the design services agreement with Robert E. Lee & Associates, Inc. for the Bayview and West Tower Drive Interceptors Relocation Project 10-621 in the amount of \$80,800.

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#### 8) Update of projects:

##### a) Resource Recovery and Electrical Energy (R2E2)

W. Angoli reported the R2E2 Project has begun.

Commissioner Mainz asked about Zero Delta. W. Angoli replied Zero Delta is a system CH2M HILL uses to make changes to the project and keep it within budget. He stated the proposed changes will be submitted to a five-member committee to review and ultimately approve or reject. If a proposed item is accepted, it will require a compromise or forgoing of something of lower priority within the project budget.

Commissioner Alesch asked when the Commission will be informed of any changes. W. Angoli replied that staff will be reporting on any significant changes in the process or cost to the R2E2 Project at the monthly Commission meetings. Commissioner Alesch stated the design is critically important and he encouraged staff to keep the Commission informed.

Commissioner Mainz asked staff to keep a list of the Zero Delta changes. W. Angoli stated an ongoing log of Zero Delta requests will be kept.

##### b) Environmental Programs update

J. Kennedy stated that GBMSD monitors future issues that could impact GBMSD, such as regulations to reduce phosphorus and maintaining air compliance with GBMSD's existing incinerators until the R2E2 process is operational. He stated GBMSD needs to implement compliance plans that are cost-effective and meet regulations.

Commissioner Hasselblad stated that significant new regulations for the power industry are scheduled for implementation on January 1, 2013, which is indicative of the overall regulatory climate for environmental facilities.

##### c) Air permit status update

J. Kennedy reported that GBMSD requested to modify its Title V permit to take out the 950° secondary chamber temperature limit. He stated GBMSD's revised permit will include the 950° temperature limit, but it will apply to the carbon monoxide section of the permit and requires GBMSD to report the temperature as a 24-hour rolling average. He stated the reason the DNR is keeping the temperature limit is to document that no increase in any emissions related to the permit change will be expected. He reported the issuance of the revised limit satisfies the Letter of Noncompliance and a closeout letter has been received from the DNR.

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J. Kennedy reported the stack test on Incinerator #1 came out quite well and one more test will be done on Incinerator #2 on July 5 due to the contamination problem during the stack test in March. He reported information was submitted regarding GBMSD's incinerators to the U. S. Environmental Protection Agency (EPA) as requested.

J. Nicks stated environmental and air issues have been extremely difficult and Mr. Kennedy and staff have done a very good job in navigating GBMSD to a very good spot. The Commission agreed.

#### **d) HVAC System Improvements**

N. Qualls reported the HVAC System Improvements Project is currently in the design phase. He stated the possibility of green roof enhancements is included in the scope of work by Somerville, Inc. and is currently under review. The team reviewed the possibility of utilizing the plant effluent as a heating/cooling source, but will not pursue further due to the high capital costs and no payback. He reported the team also reviewed the functionality and costs for two alternatives for a low-level mercury lab space. He stated the team has selected the lowest cost option, which is to build a new space within the existing room.

Commissioner Mainz asked at what cost is GBMSD willing to spend on a green roof. N. Qualls replied that staff may have to come back to the Commission if the cost exceeds the project amount. Commissioner Mainz asked if staff is willing to let go the current roof guarantee for the installation of a green roof. N. Qualls replied no.

#### **9) Operation report:**

##### **a) Effluent quality for May**

P. Wescott reported both facilities were in full compliance with all effluent limits for the month of May.

##### **b) Air quality for May**

P. Wescott reported the GBF was in compliance with air quality limits for the month of May.

P. Wescott stated a deviation notice for May 2 was reported at the April meeting. He stated condensation accumulation in a furnace pressure sensing line caused a false positive reading, which opened the emergency bypass damper for 30 seconds.

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P. Wescott reported an internal inspection of the secondary chamber was completed in early June and staff found a large accumulation of ash, which filled up nearly 50% of the duct. The ash was cleaned out of the duct. He reported staff will be performing an internal inspection of Incinerator #1 during the next planned outage. He stated that he feels strongly this issue has been resolved. He stated this reoccurring incident totaled 90 seconds and notifications were sent to the DNR.

P. Wescott reported the UV system at the DPF is currently running good. He stated that there remains concern over the amount of money being spent on replacement bulbs and ballasts for the unit.

#### 10) **Executive Director's report:**

##### a) **July Commission meeting**

The July Commission meeting will be held on July 25 beginning at 8:30 a.m. He stated the financial audit, approved agreements by the Executive Director, and strategic initiatives update will be presented at the July meeting.

##### b) **GBMSD's 2011 Compensation and Benefits Statement**

An example of an employee's 2011 Compensation and Benefits Statement was provided to the Commission.

##### c) **NACWA 2011 Service Charge Index**

An update on NACWA's service charge index will be provided at the July or August meeting. Results from the NACWA index survey show an increase in the average service charge for the next five years. The survey also showed that for the past ten years an increase in the average cost of wastewater services for a single family residence has exceeded the Consumer Price Index. A typical GBMSD residential customer in 2011 paid about \$265 for sewer service compared to the median for Region 5 of \$300 and the national median of \$354.

GBMSD received an inquiry from one of its industries on GBMSD's billing methodology approach. GBMSD hired a consultant to review its rate methodology and determined GBMSD's methodology is consistent with all customers. GBMSD has notified the industry.

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J. Nicks stated the industry is a customer of the City of De Pere and not GBMSD. He stated this may or may not be a billing dispute. He stated if this is a dispute, the industry must protest to the Executive Director first, which it has done. The industry then has the right to appeal to the Commission and have an evidentiary hearing. The industry can also file a complaint with the Public Service Commission. The Executive Director has provided the Commission with a neutral report to avoid any prejudice or bias.

- 11) 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) Rock Solid Group Legal Complaint**

**Motion #12-038**

It was moved by Mainz, 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.

- 12) Reconvene in open session.**

**Motion #12-039**

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

There being no further business to come before the Commission, the meeting adjourned at 9:56 a.m.

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**Secretary**