

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held May 27, 2015.

PRESENT: Commissioners Hasselblad, Blumreich, Mainz, Tumpach, and Hoffmann

ALSO PRESENT: T. Sigmund, P. Kaster, P. Wescott, N. Qualls, B. Angoli, M. Erschnig, B. Zepnick, M. Diaz, M. Urbancic, B. Vander Loop, B. Bartel, J. Czypinski, T. Garrison, T. Brown, J. Van Sistine, J. Nicks–Legal Counsel; K. Heimerman–Schenck SC; J. Lenell–CliftonLarsonAllen LLP

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

1) Safety moment.

T. Sigmund distributed information from OSHA on protecting workers from heat stress.

Commissioner Hasselblad stated that she will review the DART rate information that she has received from staff.

2) 2014 audit.

M. Diaz introduced Jacob Lenell from CliftonLarsonAllen LLP, who will present the results from the 2014 financial audit.

J. Lenell stated that he has previously been in the second review role, but due to Renee Messing's retirement, he is in the primary partner role for the 2014 audit. He reviewed the following:

- Significant Audit Areas
- Auditors' Report
- Statement of Net Position
- Capital Assets and Related Debt
- Financial Results
- Cash Flow
- Significant Disclosures
- Governance Communication Letter

J. Lenell stated that NEW Water's, the brand of the Green Bay Metropolitan Sewerage District, records were maintained in good order. He stated NEW Water staff was flexible, provided priority service, and the transition to him as the primary partner is a testament of the quality work your staff is doing. He appreciated the opportunity to work with NEW Water.

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Commissioner Hasselblad stated the Commission and staff will start addressing risk assessment as part of the Strategic Plan update. She asked how many utilities have created a Enterprise Wide Risk Assessment and heat map. J. Lenell replied it is on the clients' minds, but he is not sure if anyone has developed a solid plan. He stated disaster and strategic plans have been elevating in the last five years. He stated organizations are trying to bring those issues into the immediate time frame to address, which requires capital planning. Commissioner Hasselblad stated that during strategic planning the group will look at ownership of those risks and mitigation.

- 3) **Convene in closed session under State Statute 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, and 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) **Consultation with auditors regarding employee evaluation**
 - b) **Claims related to West Tower Drive Interceptor failure**
 - c) **Negotiations regarding revisions to WPDES Permit**

Motion #15-026

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to convene in closed session under State Statute 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, and 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.

- 4) **Reconvene in open session.**

Motion #15-027

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

- 5) **Approval of minutes of Commission meeting held April 22, 2015.**

Motion #15-028

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the April 22, 2015 minutes as distributed.

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7) Introduce Bob Zepnick, new Maintenance Mechanic Apprentice.

M. Erschnig introduced Bob Zepnick, who started 1½ weeks ago as the Maintenance Mechanic Apprentice.

B. Zepnick stated several years ago he worked as a summer helper at NEW Water for four years. He worked at Rol-Tec for eight years, and most recently worked at Georgia-Pacific.

The Commission welcomed him.

6) April financials.

P. Kaster introduced Kelly Heimerman from Schenck SC, who will be handling the interim accounting duties. He reported total operating revenues for the month of April were unfavorable to budget by 4%. He stated year to date total operating revenues were favorable to budget by 1% or \$165,000. He reported total operating expenses for the month of April were favorable to budget by \$74,000. Year to date total operating expenses were favorable to budget by 12% or \$752,000. He stated net income for the month of April was \$1,529,000.

The Commission welcomed Ms. Heimerman.

8) Request Commission approval of Amendment No. 4 to the Agreement for the Design and Implementation of an Adaptive Management Pilot Project for the Silver Creek Watershed.

T. Sigmund reported Amendment No. 4 includes work planned in 2016 due to project needs and grants received for the pilot project. He stated this would allow more time for results prior to going back to the Wisconsin Department of Natural Resources (WDNR) in 2018 regarding future direction of phosphorus reduction options as required in the WPDES permit. He requested Commission approval of Amendment No. 4 in the amount of \$174,100 to be added to the base agreement, approved amendments, and contingency for a total amount of \$516,695. He stated Adaptive Management positively impacts the WPDES permit.

Motion #15-029

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to approve Amendment No. 4 to the Agreement for the Design and Implementation of an Adaptive Management Pilot Project for the Silver Creek Watershed in the amount of \$714,100 in addition to the base agreement and approved Amendments Nos. 2 and 3 for a total amount of \$485,550, and the original contingency amount of \$31,145 under the authority of the Executive Director for a total authorized amount of \$516,695.

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9) Request Commission approval to enter into an agreement with CH2M HILL to provide construction related services for the R2E2 Project – Contract 34 Digestion and Solids Facility.

B. Angoli reported NEW Water and CH2M HILL have been working to finalize insurance issues. The R2E2 Project is a large, complex project that requires the existing plant be kept operational while the new facility is constructed. He stated there are three phases to the services during construction for this project. He stated the first phase includes submitting shop drawings, constructing foundation, and minimal on-site staffing. The second phase includes engagement by the contractor in all construction activities and the addition of two resident engineers and two resident inspectors, who will be responsible for one of three work areas: digestion and biogas, solids facility, and existing plant/miscellaneous. The third phase includes final equipment checkout and startup of the facilities and reduction in staff by one resident engineer and one resident inspector. He stated a specialty inspector will be brought in to check electrical and instrumentation and control systems for this project. He stated items that are not included in this contract are: operations and maintenance training, operations and maintenance manuals, start up support, lockout/tagout procedures, and completing the applications programming. He stated future Contract 35 will include demolition of the existing building and site work.

Commissioner Mainz asked if CH2M HILL will provide experienced staff. B. Angoli replied yes.

Commissioner Hasselblad asked how to prevent scope creep. B. Angoli replied things encountered within the plant could require change orders. T. Sigmund stated the next largest risk is if the contract does not stay on schedule, which would result in more of the engineer's field services.

Commissioner Hasselblad asked if there are any penalties for the contractor not staying on schedule. B. Angoli replied yes.

Commissioner Hasselblad asked about insurance coverage. J. Nicks replied that this is a very large project and it requires \$10,000,000 in professional liability protection. He stated there have been ongoing discussions with the engineer regarding adding the sub-consultants under the engineer's insurance policy.

Commissioner Mainz asked if the Executive Director's authority level will remain at \$100,000 for this project. T. Sigmund replied yes, amounts over \$100,000 will be approved by the Commission. He stated Milwaukee and Madison Metropolitan Sewerage Districts have the same authority level and have been able to manage the projects.

N. Qualls provided the Commission with a copy of the current agreement.

This item will be considered at a future meeting when the insurance issue has been addressed.

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10) Sewer plan approval:

a) Village of Bellevue Contract A-15; GBMSD Request 2015-04

B. Angoli reported the Village of Bellevue is requesting 62 ft. of 8-inch PVC pipe located on CTH V and 87 ft. of 8-inch PVC pipe located on Development Drive.

b) Town of Ledgeview/Ledgeview Sanitary District No. 2 Contract C-2014-GV; GBMSD Request 2015-05

B. Angoli reported the Town of Ledgeview/Ledgeview Sanitary District No. 2 is requesting 375 ft. of 8-inch PVC sewer on CTH GV.

c) Town of Lawrence Project No. L0017-950336; GBMSD Request 2015-06

B. Angoli reported the Town of Lawrence is requesting 480 ft. of 8-inch PVC sewer on Potter Drive, 1,379 ft. of 8-inch PVC sewer on Grignott Way, and 230 ft. of 8-inch PVC sewer on Wizard Way.

Motion #15-030

It was moved by Blumreich, seconded by Hoffmann, and unanimously agreed to approve the Village of Bellevue Contract A-15, Town of Ledgeview/Ledgeview Sanitary District No. 2 Contract C-2014-GV, and Town of Lawrence Project No. L0017-950336 sewer plans subject to favorable review by Brown County Planning and final approval by the WDNR.

11) Update of projects:

a) Resource Recovery and Electrical Energy (R2E2)

B. Angoli reported a pre-bid meeting was held on April 29. He stated the contractors asked some questions regarding the bid opening date and bid breakdown requirement. A site tour was provided after the meeting. The first and second addendums were provided to the contractors. Due to the contractors' concerns, the bid opening date was changed from June 1 to June 3. NEW Water was notified that two general contractors will not be submitting bids due to other contracts. The other four general contractors were present for the meeting.

Commissioner Mainz asked where the general contractors are located. B. Angoli replied Miron Construction is out of Menasha, The Boldt Company is out of Appleton, C.D. Smith Construction is out of Fond du Lac, and Alberici is out of St. Louis, MO.

Commissioner Mainz asked if the four general contractors are qualified. B. Angoli replied yes.

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Commissioner Hasselblad asked if any of the four contractors are in queue for other contracts. B. Angoli replied he did not know.

Commissioner Mainz asked if staff is expecting bids from all four contractors. B. Angoli replied yes.

b) Green Bay Incinerator Operation Corrective Actions update

P. Wescott reviewed the following:

- Agenda
- Purpose
- Reporting Requirements
- Emergency Bypass Damper Design/Purpose
- Deviation History
- Preventive and Corrective Actions
- Preventive Maintenance Efforts
- Performance Improvements
- April 22, 2015 WDNR Full Compliance Evaluation

12) Operation report:

a) Effluent quality for April

P. Wescott reported both facilities were in full compliance with effluent limits for April.

b) Air quality for April

P. Wescott reported there were two "Deviation Notification" submittals to the WDNR in April. He stated a Wisconsin Public Service transformer tripped due to a bird getting into a substation, resulting in a loss of plant power. The loss of power resulted in the incinerator induced draft fans shutting down causing both emergency bypass dampers to open.

13) Executive Director's report:

a) June Commission meeting

The June Commission meeting will be held Wednesday, June 24, beginning at 8:30 a.m. A special Commission meeting will be scheduled to consider Agenda Item #9.

b) Great Lakes Advisory Board

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T. Sigmund stated Bill Hafs has served on the Great Lakes Advisory Board almost three years, and he has been asked to serve another three-year term. T. Sigmund stated Bill Hafs' presence on the Board has helped shape Adaptive Management, and is a great benefit to NEW Water.

c) NEW Water's safety charter

The Executive Team signed and implemented the safety charter in 2015.

d) Economic impact analysis of Act 378

T. Sigmund provided testimony at a public hearing on May 12, and will be submitting written comments due June 11.

e) Dale Preston Memorial Bench

A memorial bench in honor of long-time City Planner Dale Preston has been installed north of the Jack Day Center. This was a collaborative effort by a lot of entities.

f) Planting of trees on the north end of the Green Bay Facility

Black Hill Spruce trees were planted on the north end of the Green Bay Facility along Bay Beach Road to create a visual screen and help reduce odor.

A strategic planning meeting will be held at St. Norbert College on June 11. A strategic planning meeting with the Management Team will be held on June 10. A survey was sent to NEW Water customers, significant industrial users, and stakeholders. The Management Team also received a survey. T. Sigmund distributed a copy of the 2009 Strategic Plan.

There being no further business to come before the Commission, the meeting adjourned at 10:58 a.m.

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Secretary