

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held June 22, 2016.

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

ALSO PRESENT: T. Sigmund, P. Wescott, P. Kaster, N. Qualls, B. Hafs, M. Diaz, B. Angoli, E. Wilcox, M. Urbancic, B. Bartel, T. Garrison, B. Vander Loop, A. Weissbach, J. Van Sistine, J. Nicks—Legal Counsel; J. Lenell—CliftonLarsonAllen LLP

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

1) Safety moment.

T. Sigmund stated Captain Sandberg will provide Active Shooter Response Training to NEW Water, the brand of the Green Bay Metropolitan Sewerage District, employees on June 29, 2016. The Commission is welcome to attend.

2) 2015 audit.

M. Diaz introduced Jake Lenell from CliftonLarsonAllen LLP, who will present the audit.

J. Lenell reviewed the following:

- Financial Statement Sections
- Significant Audit Areas
- Auditors' Opinion
- Financial Highlights
- Cash Flow
- Significant Disclosures
- Governance Communication Letter
- Management Letter

Commissioner Hasselblad asked if NEW Water's process is a time intensive process to maintain capital assets. J. Lenell replied yes, especially with two processes.

Commissioner Blumreich asked if NEW Water's financial system, including general ledger and asset data base, is adequate to function efficiently. J. Lenell replied that he has worked with the Accounting Department in the audit process to streamline processes and provide efficiencies going forward.

Commissioner Mainz asked who determines the length of depreciation. J. Lenell replied the Management Team. M. Diaz stated the Management Team follows the Government Accounting Standards Board financial guidelines.

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J. Lenell stated the financials are in very good order. He stated the Management Team was very responsive and worked collaboratively moving through the capital assets process.

Commissioner Hasselblad asked did the scope of this audit differ from the last two years. J. Lenell replied the scope varied due to the capital asset piece and adding the Wisconsin Retirement System's changes to the audit report.

- 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) **Consideration of anonymous employee letter**
 - c) **Assignment and Assumption of Pipeline Easement**

Motion #16-030

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 #16-031

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

Commissioner Hoffmann departed at 10:44 a.m.

- 5) **Request Commission approval of the Assignment and Assumption of Pipeline Easement documents from West Shore Pipe Line Company to U.S. Venture, Inc. and to authorize the Executive Director to sign the agreement.**

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Motion #16-032

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the Assignment and Assumption of Pipeline Easement documents from West Shore Pipe Line Company to U.S. Venture, Inc. and to authorize the Executive Director to sign the agreement.

- 6) Approval of minutes of Commission meeting held May 25, 2016.**

Motion #16-033

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to approve the May 25, 2016 minutes as distributed.

- 8) Request Commission approval of a Memorandum of Agreement with the University of Wisconsin–Green Bay to implement a Managed Grazing – Paired Field Monitoring Project and to authorize the Executive Director to sign the agreement.**

Motion #16-034

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to approve a Memorandum of Agreement with the University of Wisconsin–Green Bay to implement a Managed Grazing – Paired Field Monitoring Project and to authorize the Executive Director to sign the agreement.

- 9) Approve Resolution for acceptance of the Compliance Maintenance Annual Report for 2015 for the Green Bay Facility.**
- 10) Approve Resolution for acceptance of the Compliance Maintenance Annual Report for 2015 for the De Pere Facility.**

M. Urbancic reported there are 10 sections of the report, and NEW Water received an A on each section for both facilities.

Motion #16-035

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to approve the Resolutions for acceptance of the Compliance Maintenance Annual Report for 2015 for the Green Bay and De Pere Facilities. (Resolutions #16-001 and #16-002 are on file at the NEW Water offices.)

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Commissioner Hasselblad stated that she wanted to briefly talk about an issue that was discussed in closed session relating to an anonymous letter that was sent to the Executive Team and the Commissioners. She explained that this was the first time the Commissioners had an opportunity to discuss the anonymous letter as a group. She noted that anonymous correspondence is difficult to respond to and discouraged its use. She encouraged employees who have issues to come forward and discuss them in an intelligent and rational manner. Commissioner Hasselblad then briefly commented about several of the issues mentioned in the anonymous letter, which included explanations of how the Commission has handled issues in the past. With respect to possible changes in the health insurance program, Commissioner Hasselblad suggested it may be useful to hire a consultant to assist NEW Water in evaluating options.

7) **May financials.**

M. Diaz reported total operating revenues for the month of May were favorable to budget by 1%. Year to date total operating revenues were favorable to budget by 6% due to user fees from more precipitation received than budgeted and other revenue from septage from the three cheese facilities. She stated septage from the three cheese facilities has been trending down over the past three months. Total operating expenses for the month of May were favorable to budget by 4%. Leading the favorable results were chemicals, maintenance interceptor, and employee development. Year to date total operating expenses were favorable to budget by 11%. Leading the favorable results were contracted services, maintenance plant, and chemicals. Net income for the month of May was \$355,000.

11) **Sewer plan approvals:**

a) **Village of Hobart Project No. 2320-16-04; GBMSD Request 2016-16**

B. Angoli reported the Village of Hobart is requesting 126 ft. of 8-inch sewer for an extension on Stella Court.

b) **City of De Pere Project No. 16-07; GBMSD Request 2016-17**

B. Angoli reported the City of De Pere is requesting to remove and relay an 8-inch sewer between Wisconsin and Michigan Streets. He stated both sewer requests are within NEW Water boundaries.

Motion #16-036

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to approve the Village of Hobart Project No. 2320-16-04 and City of De Pere Project No. 16-07 sewer plans subject to favorable review by Brown County Planning and final approval by the Wisconsin Department of Natural Resources (WDNR).

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12) 2016 Whole Effluent Toxicity testing process and results.

E. Wilcox reported the Whole Effluent Toxicity Testing was completed at the Green Bay and De Pere facilities in May. She stated the results from the acute and chronic tests were well within range. She will review on-line Environmental Protection Agency programs to make sure NEW Water is compliant with changing requirements. NEW Water will sample again in January – March 2017.

13) Update of projects:

a) Contract 34 Digestion and Solids Facility

B. Angoli reported a lot of concrete has been poured for Digesters No. 1 and 2 skirts walls and solids building ground floor base slab, and tunnel V walls and ceiling. Structural steel erection and decking has begun on the solids building. He stated the biogas building base slab concrete has been completed. The contractor has been working 10-hour days, six days a week to stay on schedule. Next month staff will request approval of an amendment with CH2M for construction related services. Some of the items within the scope of work are: staff training, operations and maintenance manuals, air compliance support, and instrumentation and control support.

14) 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. The De Pere Facility tied performance records for Total Suspended Solids and Carbonaceous Biochemical Oxygen Demand for average daily concentration, average pounds discharged per day, and total monthly pounds discharged. The Green Bay Facility set new performance records for Total Kjeldahl Nitrogen for average daily concentration, average pounds discharged per day, and total monthly pounds discharged.

b) Air quality for May

P. Wescott reported the Green Bay Facility was in compliance with all air quality limits for the month of May. He stated there were two "Deviation Notification" submittals to the WDNR in May. He stated a voltage sag on Wisconsin Public Service line 135 caused the induced draft fans to shut down triggering the emergency bypass dampers to open. He stated it has almost been a full year since the last bypass damper opening.

Commissioner Mainz asked if staff tracks how often NEW Water has electrical service interruptions compared with other wastewater treatment plants. P. Wescott replied that staff tracks the frequency and cause for the power of its electrical service interruptions, but does not compare it against other wastewater treatment plants.

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- 15) **Executive Director's report:**
a) **July Commission meeting**

The July Commission meeting will be held Wednesday, July 27, 2016, beginning at 8:30 a.m.

- b) **John Kennedy will receive the Lake Michigan Champion of Conservation award**

John Kennedy will receive the Lake Michigan Champion of Conservation award on August 12, 2016 at the Wisconsin Maritime Museum in Manitowoc. NEW Water will be celebrating the 30th anniversary of its Aquatic Monitoring Program on August 11, 2016 at the Jack Day center. The Commission asked that staff coordinate attendance at the Maritime Museum event.

- c) **Cost Allocation Methodology report**

CDM Smith has updated NEW Water's Cost Allocation Methodology, a requirement of the Tripartite Agreement with Procter and Gamble and the City of Green Bay. The last update to the report was done in 2011. The methodology hasn't changed since 1972, but there were some changes to the allocation procedure. The report will be shared with the other participants in the Tripartite Agreement.

T. Sigmund stated due to the Water Environment Federation's Annual Technical Exhibition and Conference in September, he asked to change the September 28 Commission meeting to September 29 or 30. J. Van Sistine will follow up with the Commission on rescheduling the September meeting.

There being no further business to come before the Commission, the meeting adjourned at 11:12 a.m.

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Secretary