

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held August 24, 2016.

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

ALSO PRESENT: T. Sigmund, P. Wescott, P. Kaster, N. Qualls, B. Hafs, B. Angoli, S. Stainton, L. Sarau, B. Brown, J. Klingbeil, B. Bartel, T. Garrison, J. Smudde, J. Czypinski, M. Urbancic, B. Butterfield, B. Vander Loop, J. Van Sistine, J. Nicks–Legal Counsel; A. Wilhelms, P. Hoeft, M. Steppe, and D. Daul–Nicolet National Bank; M. Holden–Bayshore Sanitary District; C. Berndt–Village of Allouez; A. Herrman–Town of Scott; J. Seidl–Village of Luxemburg; K. Christensen–Expera; M. Heckenlaible–City of Green Bay

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

1) Safety moment.

T. Sigmund reviewed the dangers and symptoms of carbon monoxide (CO) poisoning, and ways to prevent CO poisoning.

2) Nicolet National Bank investment and banking updates.

P. Kaster introduced Mike Steppe, Pete Hoeft, Doug Daul, and Anthony Wilhelms from Nicolet National Bank, who will give an update on NEW Water's, the brand of the Green Bay Metropolitan Sewerage District, investment banking.

P. Hoeft stated that he is the Relationship Manager at Nicolet National Bank and assists NEW Water with transactions and statements. He stated Anthony Wilhelms and Mike Steppe provide assistance with investment management.

M. Steppe from Nicolet National Bank reviewed the financial markets.

A. Wilhelms from Nicolet National Bank gave an overview of NEW Water's Trust and Investment Management Portfolio, as follows:

- Portfolio Composition
- Performance
- Policy Limits
- Prepaid Debt Account
 - Portfolio Composition
 - Performance

Commissioner Tumpach stated that he would appreciate seeing NEW Water's allocation compared to the benchmark allocation. A. Wilhelms stated that he will provide that information in the next update.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

08/24/16

Cont'd

PROCEEDINGS OF THE COMMISSION

Commissioner Mainz asked Nicolet National Bank to think about NEW Water's policy and if it is where it should be or if it should be adjusted.

T. Sigmund stated that staff will provide the Commission with a comparison of NEW Water's policy to the state policy.

3) 2017 Budget workshop.

T. Sigmund stated since the August meeting, staff has done a lot of work on the budget. He believes this is a very strong budget that will be presented today. He gave a PowerPoint presentation on the proposed 2017 budget, as follows:

- Agenda
- Protecting Our Most Valuable Resource, Water
- Collaborative Regional Leadership, Sustainability, and Education
- Opportunities and Challenges: NEW Water
- 2016 NEW Water Goals
- 2016 Budget Update (through July)
- 2017 Priorities
- NEW Water 2017 Budget Drivers
- R2E2 Rate Stabilization Reserve
- Proposed 2017 Budget
- Flows and Loads
- 2017 Proposed Expenses
- 2017 O&M Expenses
- 2017 O&M Expense Distribution
- NEW Water O&M Expenses
- 2017 Salaries & Benefits
- Example: Impacts of Proposed 2017 Market Adjustment
- Watershed Specialist
- Laboratory Analyst II
- 2017 Contracted Services
- WPDES Permit Compliance Strategy
- 2017 Major Capital Projects
- 2017 Annual Capital
- Proposed Long-Term Capital Projects
- Capital Expenditures for 2018-2021
- 2017 Revenues
- Impact of 2016 Cost of Service Allocation Update on Unit Charge Rates (Municipal)

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

08/24/16
Cont'd

PROCEEDINGS OF THE COMMISSION

- 2017 Municipal Rate
- 2017 Revenue Sources
- 2017 Revenue Breakdown by Customer
- NEW Water Sewer Service Charge Comparison
- 2017 Budget Summary
- Next Steps

T. Sigmund stated NEW Water's 2017 goals will be presented at the September meeting. He stated Carlson Dettmann will also be invited to attend the meeting.

T. Sigmund stated if the Commission has any questions or comments on the budget or would like to have something presented at the next budget workshop, please let him know.

4) **Approval of minutes of Commission meeting held July 27, 2016.**

Motion #16-047

It was moved by Blumreich, seconded by Hoffmann, and unanimously agreed to approve the July 27, 2016 minutes as distributed.

5) **July financials.**

P. Kaster reported total operating revenues for the month of July were favorable to budget by \$77,000 or 3%. Total operating expenses for the month of July were favorable to budget by \$119,000. Year to date total operating revenues were favorable to budget by \$1,000,000, of which 48% was from septage from the three cheese facilities. Net income for the month of July was \$457,000 from operating income.

6) **Request Commission approval to close out the Green Bay Facility Disinfection System Upgrades Project 14-040-CO and issue final payment of \$19,010.32 to J.F. Ahern Co.**

L. Sarau reported the Commission awarded the contract for the Green Bay Facility (GBF) Disinfection System Upgrades Project to J.F. Ahern Co. in July 2015. The work completed under the project included in-kind replacement of the existing chlorination and dechlorination feed equipment and piping. She reported the work has been completed and the project is ready for close out. She requested Commission approval to close out the project and issue final payment of \$19,010.32 to J.F. Ahern Co.

Commissioner Hasselblad asked if the experience with the contractor was good. L. Sarau replied yes.

Commissioner Hasselblad asked if there were any outstanding issues. L. Sarau replied no.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

08/24/16
Cont'd

PROCEEDINGS OF THE COMMISSION

Motion #16-048

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to close out the Green Bay Facility Disinfection System Upgrades Project 14-040-CO and issue final payment of \$19,010.32 to J.F. Ahern Co.

- 7) **Request Commission approval to execute the Davis-Bacon Wage Rate Compliance Certification for the Green Bay Facility Disinfection System Upgrades Project 4198-52.**

L. Sarau reported the GBF Disinfection System Upgrades Project was funded through the Clean Water Fund Loan (CWFL), Wisconsin Department of Natural Resources (WDNR) Project No. 4198-52. A requirement of the CWFL is certification that NEW Water has complied with prevailing wage rate requirements of the Davis-Bacon Act. She stated the highest elected or appointed official and the clerk or secretary of the Commission are required to certify compliance. A binder containing the compliance documents has been maintained by NEW Water staff, and staff believes that all Davis-Bacon requirements have been satisfied and the required certification can be signed in good faith to acknowledge NEW Water compliance. She requested Commission approval to execute the Davis-Bacon Wage Rate Compliance Certification.

Motion #16-049

It was moved by Blumreich, seconded by Hoffmann, and unanimously agreed to execute the Davis-Bacon Wage Rate Compliance Certification for the Green Bay Facility Disinfection System Upgrades Project 4198-52.

- 8) **Request approval of Contract 34 Digestion and Solids Facility Change Order No. 6 in the revised amount of \$114,170.04.**

B. Angoli reported that last month the Commission approved Change Order No. 6. He stated one item in Change Order No. 6 was missed in the total amount. He requested Commission approval of Change Order No. 6 in the corrected amount of \$114,170.04.

Motion #16-050

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to approve Contract 34 Digestion and Solids Facility Change Order No. 6 in the revised amount of \$114,170.04.

- 9) **Request approval of Contract 34 Digestion and Solids Facility for Arc Flash Mitigation modification in the amount of \$380,218.04.**

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

08/24/16
Cont'd

PROCEEDINGS OF THE COMMISSION

B. Angoli reported an electrical arc flash study needs to be done, and several options were looked at for reducing the arc flash exposure level to better protect staff. Staff reviewed the options and recommends Option No. 3, which will further protect the electrical equipment and lower the arc flash category to zero. Staff was able to reduce the amount to \$378,337.33.

Motion #16-051

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to approve Contract 34 Digestion and Solids Facility Change Order No. 8 for the Arc Flash Mitigation modification in the amount of \$378,337.33.

10) Request Commission approval of a Resolution to Authorize to Mitigate Emerald Ash Borer at the Green Bay Metropolitan Sewerage District.

B. Hafs requested Commission approval of a Resolution to apply for a cost-share grant to mitigate Emerald Ash Borer.

Motion #16-052

It was moved by Hoffmann, seconded by Tumpach, and unanimously agreed to approve a Resolution to Authorize to Mitigate Emerald Ash Borer at the Green Bay Metropolitan Sewerage District. (Resolution #16-003 is on file at the NEW Water offices.)

11) NEW Water 2016 semi-annual safety statistics update.

J. Klingbeil reported the labor statistics have not been updated since 2014. He stated the total recordable incident rate industry average for public sewerage treatment facilities is 5.5, and 5.3 for private sewerage treatment facilities. NEW Water's 2016 recordable incident rate, lost time incident rate, and DART (days away, restricted, or transferred) are zero. He stated NEW Water has had six first aid injuries, but no recordable injuries for 2016. He stated Brown County provided "Run, Hide, Fight" training to NEW Water staff. Employees also participated in ALICE (Alert, Lockdown, Inform, Counter, and Evacuate) training. Two employees participated in the advanced ALICE Certification Training in conjunction with the De Pere School District and law enforcement. The Management Team has been updating NEW Water's Emergency Response Manual, and a drill will be conducted later in the year. In February 2016 the Commission asked if there has been any involvement with emergency rescue personnel with the R2E2 Project. He reported NEW Water has had two construction site walk-throughs with the Green Bay Fire Department, and additional walk-throughs will be done on a quarterly basis or as the construction site changes.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

08/24/16
Cont'd

PROCEEDINGS OF THE COMMISSION

J. Klingbeil reported a Safety Perception Survey has been completed by employees, and the results will be presented to the Commission. The 2016 Safety Improvement Plan has provided the opportunity for six potential projects to be brought forward. The Safety Committee reviews and determines which projects should be funded that will reduce risk or injury to the organization. Three projects have been completed, two are currently being worked on, and one has been budgeted for completion in 2017. He stated in 2016 there is more awareness on near-miss reporting. NEW Water's Vision statement is "Protect, Prevent, Promote."

Commissioner Hasselblad congratulated staff, and also thanked staff for their sensitivity not only to one's own safety, but the safety of others.

12) Update on implementation progress for NEW Water 2016 Strategic Plan.

T. Sigmund stated an update on NEW Water's Strategic Plan was provided in the Commission packet. He stated the Executive Team members have the responsibility for the implementation items.

The Commission appreciated the update.

13) Sewer plan approvals:

a) City of Green Bay/Davel Engineering & Environmental Project #4153 The Preserve 3; GBMSD Request 2016-1

B. Angoli stated the City of Green Bay has not reviewed this plan, so no action will be taken. NEW Water will adjust its process to make sure the sewer plans have gone through the municipality.

b) Town of Ledgeview Heritage Heights Subdivision Contract 2016; GBMSD Request 2016-19

B. Angoli reported the Town of Ledgeview – Ledgeview Sanitary District No. 2 is requesting 1,383 ft. of 10-inch PVC sanitary sewer along Cottonwood Lane between Sportsman Road and Swan Road, 1,758 ft. of 8-inch PVC sanitary sewer pipe along proposed Stillmeadow Circle east of Cottonwood Lane, 524 ft. of 8-inch PVC sanitary sewer along the proposed Stillmeadow Court, 2,018 ft. of 5-inch PVC sanitary sewer along proposed Trellis Drive between proposed Stillmeadow Circle and future Monroe Road extension, and 917 ft. of 8-inch PVC sanitary sewer located between proposed Stillmeadow Circle and proposed Trellis Drive.

Motion #16-053

It was moved by Hoffmann, seconded by Blumreich, and unanimously agreed to approve the Village of Ledgeview Heritage Heights Subdivision Contract 2016 sewer plan subject to favorable review by Brown County Planning and final approval by the WDNR.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

08/24/16

Cont'd

PROCEEDINGS OF THE COMMISSION

14) Update of projects:

a) Contract 34 Digestion and Solids Facility

B. Angoli reported construction is up to the third level and the contractor is working on the decking. The contractor started construction of the reactor, and continues placement of forms for the cone section on digesters 1 and 2. He stated near the end of September the contractor will be pouring the concrete for the cone section and it will take approximately 32 – 36 hours to pour one cone section. He stated there are no major issues, and staff continues to keep an eye on the schedule.

b) De Pere Facility Gravity Filter Building HVAC System Upgrade

B. Brown stated construction work for this project began on July 5, 2016. He stated the installation of new HVAC equipment is almost complete. Process modifications have been postponed until the end of disinfection season, so there will be minimal construction activity until two isolation gates are installed the first week of October. He stated there will be no progress report in September.

15) Operation report:

a) Effluent quality for July

P. Wescott reported both facilities were in full compliance with all effluent limits for the month of July. He stated there are a number of permit parameters that have been running right at the level of detection at both the Green Bay and De Pere Facilities.

b) Air quality for July

P. Wescott reported the GBF was in compliance with all air quality limits for the month of July. There were no "Deviation Notification" submittals to the WDNR.

16) Executive Director's report:

Commissioner Mainz asked what NEW Water's insurance risk is for non-employees walking unescorted on NEW Water property. P. Kaster replied NEW Water has adequate liability coverage.

J. Nicks stated from a liability standpoint, it is not an exposure or significant exposure for out of pocket loss for NEW Water. He stated as a municipality, there is a cap and up to that cap NEW Water is protected by liability insurance. He stated there may be other considerations, such as safety.

T. Sigmund discussed the general procedures that are followed for visitors to check in upon arrival at NEW Water.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

08/24/16
Cont'd

PROCEEDINGS OF THE COMMISSION

Commissioner Hasselblad stated that she is concerned that NEW Water provides access to its facilities based on how individuals are known and trusted. She is also concerned that visitors may misrepresent themselves to get through the gates. T. Sigmund stated that staff will assess NEW Water practices and report back to the Commission with any changes.

The Commission asked staff to reschedule the October 26, 2016 Commission meeting to the week of October 17 – 21, 2016.

Commissioner Blumreich departed at 10:25 a.m.

a) September Commission meeting

The September Commission meeting will be held Thursday, September 29, 2016, beginning at 8:30 a.m. A special Commission meeting to review the employee survey results will be held on Thursday, September 1, 2016 beginning at 8:30 a.m. The results of the employee survey will be shared with the Management Team, and all employees through employee briefings.

b) NACWA Index on Rates

NACWA's 2015 Cost of Clean Water Index was included in the Commission packet.

c) Treatment facility overflow update

NEW Water reported the treatment facility overflow that occurred at the GBF on August 11, 2016 to the WDNR. Staff is investigating why the joint came apart and what it will cost to repair it.

d) Aquatic Monitoring Program Celebration

Commissioner Blumreich and some media attended the Aquatic Monitoring Program celebration at the Jack Day Center. Dr. Val Klump and John Kennedy gave very nice speeches. John Kennedy was also honored the next day at an event in Manitowoc.

e) Scott–Bayshore Interceptor sewer public meeting

There will be a public meeting on August 30, 2016 for residents of Scott–Bayshore. NEW Water staff will present the options at that meeting, which will be held at the University of Wisconsin–Green Bay.

f) Utility of the Future Today Award

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

**08/24/16
Cont'd**

PROCEEDINGS OF THE COMMISSION

NEW Water applied for the Utility of the Future Today recognition. Sixty-one clean water entities across the United States will be recognized at the Water Environment Federation meeting, and NEW Water is one of four utilities in Wisconsin.

g) 365 days accident free

NEW Water went 365 days of no recordable incidents as of Monday last week. Staff enjoyed pizza as a recognition of this significant achievement.

Commissioner Mainz asked staff to provide an interpretation of how NEW Water compares to the health insurance data the Commission received at the last meeting.

Commissioner Hasselblad asked for an executive summary and how the health insurance data would be applied to NEW Water if applicable. Staff will provide a summary to the Commission.

There being no further business to come before the Commission, the meeting adjourned at 10:35 a.m.

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

Secretary