

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

Regular meeting of the Commission held March 28, 2018.

**PRESENT:** Commissioners Blumreich, Mainz, Tumpach, and Hoffmann (via telephone)

**EXCUSED:** Commissioner Hasselblad

**ALSO PRESENT:** T. Sigmund, P. Wescott, N. Qualls, B. Hafs, B. Vander Loop, T. Brown, M. Diaz, B. Angoli, L. Sarau, S. Georgel, S. Thieszen, B. Komorowski, J. Smudde, T Garrison, J. Czypinski, P. Smits, E. Hepp, J. Van Sistine; J. Nicks & J. Smies–Legal Counsel; Z. Green–Arcadis US; J. Mastracchio–Raftelis

Commission Secretary Blumreich called the meeting to order at 8:30 a.m.

**1) Safety moment.**

T. Sigmund stated that March is eye safety month and more than 2,000 eye injuries occur on the job site every day. He provided some safety tips on eye protection.

**2) Convene in closed session under State Statute 19.85 (1) (e) for the purpose of deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session:**

**a) Discussion of negotiation strategy concerning a potential industrial customer**

**3) Reconvene in open session.**

**4) Approval of minutes of Commission meeting held February 28, 2018.**

**Motion #18-019**

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the February 28, 2018 minutes as distributed.

**5) January and February financials.**

M. Diaz reported total operating revenues for the month of January were favorable to budget by \$251,000. Leading the favorable results were other revenues from hauled waste from the three cheese facilities and more precipitation received from user fees. Total operating expenses for the month of January were favorable to budget by 16%. Leading the favorable results were contracted services, supplementary expenses from memberships and dues, chemicals, and maintenance – plant due to timing of billing versus invoicing. Net income for the month of January was \$330,000.

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M. Diaz reported total operating revenues for the month of February were favorable to budget by 4%. Overall for the first two months of 2018 total operating revenues were favorable to budget by 6%. Leading the favorable results were other revenues from hauled waste from the three cheese facilities and user fees from more precipitation received. Total operating expenses for the month of February were favorable to budget by 15%. Overall for the first two months of 2018 total operating expenses were favorable by 15%. Leading the favorable results were maintenance – plant, contracted services, maintenance – interceptor, and office related expenses. Net income for the month of February was \$51,000.

#### 6) **Adopt retirement resolution for Tom Nitka.**

Commissioner Blumreich read the retirement resolution.

P. Wescott stated Tom Nitka had over 40 years of service at NEW Water, the brand of the Green Bay Metropolitan Sewerage District. He was very knowledgeable with plant operations at the Green Bay and De Pere facilities, and looked for better ways of doing things. He was a trouble shooter, led by example, maintained a positive attitude, and was a very good employee. He will be missed.

#### **Motion #18-020**

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to adopt retirement resolution for Tom Nitka (Resolution #18-003 is on file at the NEW Water offices)

#### 7) **Request Commission approval of the revisions to the Human Resources and Benefits Manual.**

T. Brown reported the Human Resources and Benefits Manual is reviewed periodically, and was last updated in January 2015. The manual provides guidelines on the consistent administration of the policies and benefits offered by NEW Water. Once the updates were made to the manual by Human Resources staff, the manual was reviewed by the Executive Director and legal review by Godfrey & Kahn. She stated the proposed changes are clarifications and legal review changes. She reviewed the proposed changes to the Human Resources and Benefits Manual. She requested approval of the revisions to the Human Resources and Benefits Manual.

Commissioner Mainz asked if the Human Resources and Benefits Manual is available to all employees. T. Brown replied new employees receive a paper copy of the manual and review it with Human Resources. Once approved, the manual will be emailed to all employees and will be available on SharePoint.

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#### Motion #18-021

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the revisions to the Human Resources and Benefits Manual. (See Commission File #18-001)

#### 8) **Request Commission approval to award NEW Water's portion of Project 18-02 Charles Street Reconstruction and Utility Relay to De Groot, Inc. in the amount of \$588,653.19.**

L. Sarau reported the Charles Street Interceptor is located on the east side of De Pere and it is tributary to the De Pere Facility. The interceptor currently provides service to the Town of Ledgeview and the City of De Pere, with the potential in the future to serve a small portion of the Town of Rockland. The interceptor needs to be upsized for future growth. NEW Water is going to coordinate its interceptor project with the City of De Pere storm sewer, water main, and road construction project. Bidding the single project versus separate projects will help with better coordination and has probable lower bid prices, shared costs with the City of De Pere, and the City of De Pere will be paying for the road construction. Four bids were received on March 1, 2018. The total low bid received was from De Groot, Inc., which was also the lowest cost for the NEW Water interceptor. NEW Water previously agreed with the City of De Pere that the low bid would be taken. The bids have been reviewed and staff is requesting Commission approval to award NEW Water's portion of Project 18-02 Charles Street Reconstruction and Utility Relay to De Groot, Inc. in the amount of \$588,653.19, which includes a 10% contingency.

Commissioner Mainz asked if it is clear who is doing what and who is paying for what. L. Sarau replied yes, there is a separate section in the schedule of bids that includes actual bid items exclusive to NEW Water or the City of De Pere.

Commissioner Mainz asked about the point system scoring method to evaluate bids. J. Nicks from Godfrey & Kahn replied a point system is used when selecting consultants for engineering services and are not required to follow the bidding procedures. For any construction work, bidding is required and NEW Water must take the lowest responsible bid per the statute. On projects like this, NEW Water prequalifies contractors and bidders.

#### Motion #18-022

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to award NEW Water's portion of Project 18-02 Charles Street Reconstruction and Utility Relay to De Groot, Inc. in the amount of \$535,139.19, with a 10% contingency of \$53,514 under the authority of the Executive Director for a total amount of \$588,653.19.

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- 9) **Request Commission approval to enter into an agreement with Donohue & Associates, Inc. to provide construction related services for the Charles Street Interceptor Improvements Project #17-022-CS in the amount of \$53,470.**

L. Sarau stated the design engineering services for the Charles Street Interceptor was awarded to Donohue & Associates in June 2017. NEW Water recently requested an agreement from Donohue & Associates to provide construction related engineering services for the Charles Street Interceptor Project. NEW Water will be responsible to inspect its portion of the project. Services include assisting NEW Water with administration of the project. The scope and level of effort was found to be reasonable for the work to be completed. Staff is requesting Commission approval to enter into an agreement with Donohue & Associates to provide construction related services for the Charles Street Interceptor Improvements Project in the amount of \$53,470, which includes a 10% contingency.

Commissioner Mainz asked if NEW Water staff have looked at this contract. J. Nicks replied the terms and conditions in this contract were negotiated.

Commissioner Mainz asked if there is a standard insurance amount that NEW Water requires. J. Nicks replied no, it depends on what type of project and the risk associated with the project.

**Motion #18-023**

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to enter into an agreement with Donohue & Associates, Inc. to provide construction related services for the Charles Street Interceptor Improvements Project 17-022-CS in the amount of \$48,610 and a 10% contingency of \$4,860 under the authority of the Executive Director for a total amount of \$53,470.

- 10) **Sewer plan approvals:**

- a) **Village of Howard Project #18003; GBMSD Request #2018-06**

B. Angoli reported the Village of Howard has submitted three sewer plan approvals. The first request is for Kozy Korners and includes 1,139 ft. of 8-inch PVC sanitary sewer along Coral Reef Road, 802 ft. of 8-inch PVC sanitary sewer along Rustic Heights, and 744 ft. of 8-inch PVC sanitary sewer along easement between Coral Reef and Copper Oak Circle. Flow would be tributary to the Bayview Interceptor.

- b) **Village of Howard Project #18004; GBMSD Request #2018-07**

The Village of Howard is requesting 731 ft. of 8-inch PVC sanitary sewer along Woodland Ridge for the Woodland Ridge Reserves. Flow would be tributary to the Bayview Interceptor.

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#### c) **Village of Howard Project #18005; GBMSD Request #2018-08**

The Village of Howard is requesting 1,252 ft. of 8-inch PVC sanitary sewer along Clementine Road and 2,391 ft. of 8-inch PVC sanitary sewer along Velson Road for the Woodale Estates. Flow would be tributary to the Bayview Interceptor.

B. Angoli stated approval of these sewer plans would be contingent upon favorable approval recommendations from Brown County Planning and final approval by the Wisconsin Department of Natural Resources (WDNR).

Commissioner Mainz asked if these are new subdivisions. B. Angoli replied they are mostly expansions of existing subdivisions.

#### **Motion #18-024**

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the Village of Howard sewer plans subject to favorable review by Brown County Planning and final approval by the WDNR.

#### **11) Fixed Charge Methodology update.**

M. Diaz stated in 2012 NEW Water authorized Red Oak Consulting (Arcadis) to conduct a rate methodology for cost of service allocation study. NEW Water staff and several of its customers were engaged in the study in an advisory role. Two major elements of the study were to provide equitable customer cost sharing and stabilize a portion of NEW Water's budgeted revenues. In 2013 the Commission approved a new cost of service rate methodology consisting of a fixed charge to begin with the 2014 budget with a 15% fixed charge of the total budget. In 2017 the fixed charge increased from 15% to 45% for total capital. In 2018 the fixed charge increased from 45% to 65% for total capital. In January 2018 NEW Water authorized Arcadis US to review alternatives to the fixed charge methodology to identify alternatives that are more consistent and align with how the capital portion of the cost of service unit rate methodology is calculated. Two workshops were held to date. This is informational only today, and staff plans to go to the April Commission meeting with a recommendation. One of NEW Water's customers asked that staff revisit the true-up for the 2020 budget.

Commissioner Mainz stated that he would like to see what the impact has been over the last few years.

M. Diaz introduced John Mastracchio from Raftelis and Zachary Green from Arcadis US.

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J. Mastracchio reviewed the following:

- History of the Fixed Charge
- Fixed Charge Alternative – Purpose
- Illustration of Current Methodology
- Alternatives
- Illustration of Alternative Methodology
- Considerations
- 2018 Total Bill Comparison – Current Vs. Alternative Methodology
- Conclusions

T. Sigmund stated that NEW Water staff have met with the City of De Pere to review the alternative fixed charge methodology, and will attend the City of De Pere Public Works Committee meeting. NEW Water staff will also meet with two De Pere industries.

#### **12) 2017 enforcement summary and pretreatment update.**

S. Georgel reviewed the four significant industrial users that were in significant noncompliance for 2017. The four industries will be published in the Green Bay Press-Gazette on Friday. All four industries have been notified about the publication and are working diligently to get back into compliance.

Commissioner Mainz asked how NEW Water contacts these industries. S. Georgel replied that she contacts the industries via telephone or email before a letter of notification is sent out. Field Services technicians are another point of contact.

Commissioner Mainz asked how NEW Water can help these industries. S. Thiesen replied NEW Water is proactive in helping the industries and has asked the industries to sample more than once to monitor if they are in compliance.

#### **13) 2017 Industrial Achievement Awards.**

S. Georgel stated this is the seventh year for the Industrial Achievement Awards. In 2017, there were 44 significant industrial users in the pretreatment program, and 22 of them received awards. Five qualified for the platinum award, eight qualified for the gold award, and nine qualified for the silver award. These industries will receive a paper certificate that can be displayed at their facility, the industries will be published in the Green Bay Press-Gazette this Thursday, the industries will get recognized on NEW Water's website and external newsletter, and will also get a social media banner. The award recipients have notified NEW Water on how much they appreciate this program. She recognized Erin Schroth and Billie Komorowski for all the work they do with this program.

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The Commission thanked staff.

#### 14) Update of projects:

##### a) Contract 34 Digestion and Solids Facility

B. Angoli reviewed the contract, contingency, work change directives, and change orders amounts to date. The project is approximately five months behind schedule for the milestones due to issues with the thermal oil pumps and heat exchanger on the fluid bed system and biogas generators checkout and startup is behind schedule. Staff has been reviewing the schedule for opportunities to recover the loss time for mechanical issues with the fluid bed incineration system. Approximately 750,000 gallons of seed sludge from Appleton was added to digester no. 2 mixing with NEW Water sludge to speed up the digestion process for producing biogas. The HVAC fire alarm system in the Solids Building has been inspected and set into operation. The incinerator refractory was inspected after system bake out for any cracks in the refractory larger than 1/16-inch were repaired. The cover on digester no. 1 will be lifted into place in early June with startup of digester no. 1 in late June. Two of the major work change directives are the Angie Street site for the sludge lagoon work and the nutrient recovery system modifications time and material sheets are being reviewed by staff. The Angie Street work change directive should be ready for the April Commission meeting. Two potential claims relate to the late delivery and changes to the MCCs for the Solids Building are under review at this time.

##### b) Preliminary Compliance Alternatives Plan

N. Qualls stated that CH2M was hired to assist NEW Water in submitting a preliminary compliance alternatives plan. NEW Water is required to submit a report on evaluating alternatives to meet the new more strict phosphorus and TSS limits associated with NEW Water's permit based on the total maximum daily load allocation for the Lower Fox River. NEW Water has a final draft of the preliminary compliance alternatives plan, which does not make any final conclusions at this point. NEW Water looked at treatment versus alternative compliance options. The alternative compliance options included multi-discharge variance, water quality trading, and adaptive management. NEW Water evaluated a number of technologies for treatment alternatives. NEW Water is not eligible for the multi-discharge variance program. Water quality trading is significantly more expensive than the other options and is relatively complicated, which makes it less favorable. Full scale adaptive management is a cost-effective approach, and NEW Water has narrowed an action area to Ashwaubenon/Dutchman Creek watershed. The final draft will be submitted to the WDNR this week. No Commission action is required at this time.

Commissioner Blumreich asked when NEW Water will receive approval from the WDNR. N. Qualls replied the WDNR may provide a confirmation receipt, but will not approve a preliminary compliance alternative plan.

#### 15) Adaptive Management Program update.

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J. Smudde stated based on the preliminary compliance alternative plan, staff developed a strategy to send out a request for qualifications for a firm to assist NEW Water with adaptive management. The firm would assist in completing an adaptive management request form due by the end of this year, develop an adaptive management plan, and assist with work in Ashwaubenon/Dutchman Creek. NEW Water sent out the request for qualifications to six firms and posted it on its website with a deadline date of March 23, 2018. NEW Water received one statement of qualifications from CH2M. NEW Water received confirmations from the other firms. Three firms indicated that they did not have qualified staff or expertise in adaptive management, one firm indicated a workload issue, and one firm indicated that it did have enough chance for success to warrant the expense. NEW Water staff reviewed the statement of qualifications received and feel CH2M has met all the qualifications and are fully capable of performing this work. The proposed project team includes local agronomist landowners and growers in the area, which is a huge asset and is a very strong candidate. Staff plans to do direct negotiations with CH2M to develop a scope of services and a contract that will be brought to the Commission for approval.

Commissioner Blumreich stated there were 23 landowners in Dutchman Creek. How many landowners are in Ashwaubenon/Dutchman Creek? J. Smudde replied that he does not have an accurate count of landowners. The amount of growers is not a tremendous increase, and many of them operate large tracks of land.

#### **16) Public Affairs & Education Department update.**

T. Garrison gave an update on the Public Affairs & Education Department, as follows:

- Championing Water
- Vision Statement
- Proactively Telling Our Story
- Targeted Outreach Efforts
- The Power of Partnerships
- Convening for Water
- Building a Network of Watershed Champions
- Serving as a Trusted Source of Water Information
- Internal Communications
- Connecting Our Staff to the Community
- Amplifying Our Voices
- Education & Community Outreach
- Digital Media
- Gearing up for R2E2 Start-up
- Capturing NEW Water's Colorful History



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Commissioner Hoffmann disconnected at 10:20 a.m.

**17) Operation report:**

**a) Effluent quality for February**

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

**b) Air quality for February**

P. Wescott reported the Green Bay Facility was in compliance with air quality limits for the month of February. There were no events during the month that would have resulted in "Deviation Notification" submittals to the WDNR.

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

**a) April Commission meeting**

The April Commission meeting will be held Wednesday, April 25, 2018, beginning at 8:30 a.m.

**b) World Water Day summary**

NEW Water partnered with the Green Bay Water Utility for a 5<sup>th</sup> annual World Water day event. It was a great event and well attended.

**c) Kim Schwake promoted to Operator-in-Training**

Kim Schwake was promoted from limited term operator to Operator-in-Training on February 25, 2018.

**d) Ryne Koehler promoted to Operator-in-Training**

Ryne Koehler was promoted from limited term operator to Operator-in-Training on March 11, 2018.

There being no further business to come before the Commission, the meeting adjourned at 10:32 a.m.

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**Secretary**