

GREEN BAY METROPOLITAN SEWERAGE DISTRICT

PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held January 22, 2020.

PRESENT: Commissioners Hasselblad, Mainz, and Tumpach

EXCUSED: Commissioners Blumreich and Hoffmann

ALSO PRESENT: T. Sigmund, P. Wescott, N. Qualls, B. Vander Loop, J. Smudde, T. Brown, B. Clausen, B. Brown, B. Angoli, P. Mentink, L. Sarau, S. Thieszen, B. Oldenburg, J. Van Sistine, B. Bartel, J. Czipinski, T. Garrison, J. Maas, R. Krause, M. Wells, B. Komorowski, C. Sarns, A. Frank, J. Valenta, J. Smies–Legal Counsel; M. Bednarski – CDM Smith

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

1) **Safety moment.**

T. Sigmund provided safety information on carbon monoxide poisoning. He stated at least two people die each day in the month of January from carbon monoxide poisoning. Tips to avoiding poisoning include: have your heating system inspected and serviced annually; install battery operated CO2 detectors on every level of your home; do not use charcoal burning devices inside the home or garage; and do not leave a running vehicle inside of a garage, even with the garage door open.

2) **Welcome new employees:**

a) **Alison Frank, Lab Analyst 1**

B. Oldenburg introduced Alison Frank, the new Lab Analyst I. She began her full time employment with NEW Water, the brand of the Green Bay Metropolitan Sewerage District, on December 16, 2019.

A. Frank stated that she recently graduated from the University of Wisconsin–Green Bay (UWGB) with a Bachelor’s Degree in chemistry. She previously worked for NEW Water as a Laboratory Intern.

b) **Chris Sarns, Treatment Operator-in-Training**

B. Bartel introduced Chris Sarns, a new Treatment Operator-in-Training. He began his employment with NEW Water on December 30, 2019.

C. Sarns stated that he is currently finishing his last semester at Northeast Wisconsin Technical College (NWTC), where he will graduate with an Associate’s Degree in Environmental Engineering.

c) **Billie Komorowski, Treatment Operator-in-Training**

B. Bartel introduced Billie Komorowski, a new Treatment Operator-in-Training. She began her full time position with NEW Water on December 30, 2019.

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B. Komorowski stated that she is currently finishing her final semester at UWGB, where she will graduate with a Bachelor's Degree in Environmental Engineering Technology. She previously worked for NEW Water as a Treatment and Pretreatment Intern.

The Commission welcomed them.

- 3) **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 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) **Discussion of negotiation strategy concerning a potential industrial customer**
 - b) **Litigation involving Bayview Interceptor**
 - c) **Potential litigation resulting from the failure of the granulated activated carbon system of the fluidized bed incinerator**

Motion #20-001

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to 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 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 #20-002

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

- 5) **Approval of minutes of Commission meeting held December 4, 2019.**

Motion #20-003

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the December 4, 2019 minutes as distributed.

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6) Election of Officers.

T. Sigmund stated that he received one nomination for each office: Kathryn Hasselblad for President and Jim Blumreich for Secretary.

Motion #20-004

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to keep the slate of officers the same for 2020.

7) November financials.

B. Clausen reported total operating revenues for the month of November were favorable to budget by \$400,000 or 13%, and year to date were favorable to budget by \$2,900,000 or 8% due to additional municipal TSS loadings and additional flow volume due to more precipitation received. Total operating expenses for the month of November were favorable to budget by \$135,000 or 8% from less expenditures in maintenance – interceptors. Year to date total operating expenses were unfavorable to budget by (\$1,000,000) or (5%) from more expenditures than budgeted from maintenance – interceptor and contractor expenses related to the Bayview Interceptor, Interplant and Industrial Forcemain repairs, more power utilization due to higher influent flows at both facilities, and more natural gas/fuel due to use of more heating/thermal oil than expected. Net income for the month of November was \$800,000.

8) Request Commission approval to adopt the Records Management Policy.

J. Van Sistine stated that in 2005, the Commission approved NEW Water's Records Management Policy, which included a retention schedule as Appendix A. In 2016, she and Rita Krause researched several Electronic Records Management Systems (ERMS), developed a Business Case Analysis, and implemented Laserfiche as NEW Water's first ERMS. Next, a new Retention Schedule was developed using a bucket list format. Administrative Services worked with staff to define all records that NEW Water generates, revised record descriptions, and modified retention periods. Currently, most of NEW Water's records have a permanent retention period, which the Wisconsin Public Records Board no longer supports, unless legally necessary.

J. Van Sistine stated requests were submitted to adopt seven General Records Schedules and 40 Records Retention / Disposition Authorization forms to assist with the administration of NEW Water's records. The Wisconsin Public Records Board and Wisconsin Historical Society approved the requests subject to a 10-year sunset. A new Records Management Policy was developed and reviewed by legal counsel. She requested Commission approval to adopt the Records Management Policy.

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Motion #20-005

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to adopt the Records Management Policy. (See Commission File #20-001)

- 9) **Request Commission approval for the Executive Director to conclude negotiations concerning the language of the draft Agreement Regarding Expenditures for Reclaimed Water System with Green Bay Packaging Inc. and the Memorandum of Understanding with Brown County and execute the documents once finalized.**

N. Qualls stated that NEW Water has been designing the Reclaimed Water System. Based on discussion with Green Bay Packaging (GBP), GBP has agreed to be responsible for any additional costs beyond what Brown County has pledged. A tripartite agreement between NEW Water, Green Bay Packaging, and the City of Green Bay, defines the terms related to costs for the Reclaimed Water System, has not yet been completed. NEW Water staff feel it is important to enter into an agreement with GBP, and enhance Brown County's commitment through a Memorandum of Understanding (MOU). A draft of each has been completed and sent over to GBP and Brown County.

N. Qualls requested Commission approval for the Executive Director to conclude negotiations concerning the language of the draft Agreement Regarding Expenditures for Reclaimed Water System with Green Bay Packaging Inc. and the Memorandum of Understanding with Brown County and execute the documents once finalized.

Commissioner Hasselblad requested if any changes are made to either the agreement or MOU, they be brought back to the Commission for approval.

Motion #20-006

It was moved by Tumpach, seconded by Mainz, and unanimously agreed to approve the Executive Director to conclude negotiations concerning the language of the draft Agreement Regarding Expenditures for Reclaimed Water System with Green Bay Packaging Inc. and the Memorandum of Understanding with Brown County and execute the documents once finalized.

- 10) **Request Commission approval for the Executive Director to execute the Agreement Between Green Bay Packaging Inc. and NEW Water Regarding the Transfer of Phosphorus Waste Load Allocations Under the Fox River Total Maximum Daily Load.**

N. Qualls reported due to the construction of GBP's new paper mill, GBP will be ceasing its withdraw of water and discharge of water to the Fox River. When a discharge is ceased, there is an opportunity for a waste load allocation of phosphorus or TSS to be transferred.

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After working with the Wisconsin Department of Natural Resources (WDNR), GBP, and legal counsel, 629 pounds per year of phosphorus will be transferred over to NEW Water's allocation. For this increased allocation, NEW Water will then credit GBP \$85 per pound of phosphorus and increase that amount 3% per year, for 20 years. This transfer will be permanent.

Commissioner Hasselblad asked what NEW Water's current phosphorus allocation is. T. Sigmund replied it is about 18,000 – 19,000 pounds per year.

Motion #20-007

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the Executive Director to execute the Agreement Between Green Bay Packaging Inc. and NEW Water Regarding the Transfer of Phosphorus Waste Load Allocations under the Fox River Total Maximum Daily Load.

- 11) **Request Commission approval to authorize the Executive Director to enter into a contractual agreement with Donohue & Associates, Inc. to provide engineering services to complete the project design and to provide professional engineering services for providing construction related services associated with the construction of the De Pere Facility Tertiary Filtration, Service Water, and Miscellaneous Piping Improvements Project in the amount of \$1,267,641.**

P. Mentink reviewed the updates needed at the De Pere Facility, as it relates to the tertiary filtration system. In 2019, NEW Water retained Strand and Associates, Inc. to complete an engineering study, evaluate the condition of the tertiary filtration system, and recommend alternatives and rehabilitation. The study has been completed, submitted, and approved by the WDNR. A Request for Proposal for design and construction phase engineering services was developed based on the study, and was sent out to six engineering firms, with two firms responding. Donohue and Associates, Inc. was selected to provide the engineering services for the project.

Motion #20-008

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to authorize the Executive Director to enter into a contractual agreement with Donohue & Associates, Inc. to provide engineering services to complete the project design and to provide professional engineering services for providing construction related services associated with the construction of the De Pere Facility Tertiary Filtration, Service Water, and Miscellaneous Piping Improvements Project in the amount of \$1,152,401 and a 10% contingency of \$115,240 for a total amount of \$1,267,641 to be administered under the authority of the Executive Director.

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- 12) **Request Commission approval of the Resolution Declaring Official Intent to Reimburse Expenditures from Proceeds of Borrowing for the De Pere Facility Tertiary Filtration, Service Water, and Miscellaneous Piping Improvements Project in the amount of \$13,500,000.**

Motion #20-009

It was moved by Meinz, seconded by Tumpach, and unanimously agreed to approve the Resolution Declaring Official Intent to Reimburse Expenditures from Proceeds of Borrowing for the De Pere Facility Tertiary Filtration, Service Water, and Miscellaneous Piping Improvements Project in the amount of \$13,500,000. (Resolution #20-001 is on file at the NEW Water Offices)

- 13) **Request Commission approval to award the construction contract for the Dutchman Creek Interceptor Rehabilitation and Replacement Project #13-024-CO2 to Advance Construction, Inc. in the amount of \$2,621,480.**

B. Brown stated that last month three bids for the Dutchman Creek Interceptor Project were received. Advance Construction submitted a responsive bid and has successfully performed similar work on past projects.

Motion #20-010

It was moved by Meinz, seconded by Tumpach, and unanimously agreed to award the construction contract for the Dutchman Creek Interceptor Rehabilitation and Replacement Project #13-024-CO2 to Advance Construction, Inc. in the amount of \$2,383,164 with a 10% contingency of \$238,316 under the authority of the Executive Director for a total amount of \$2,621,480.

- 14) **Request Commission approval to enter into an agreement with Donohue & Associates, Inc. to provide construction related engineering services for the Dutchman Creek Interceptor Rehabilitation and Replacement Project #13-024-CS2 in the amount of \$252,270.**

At the request of NEW Water Staff, the Donohue scope emphasizes contractor supervision in the field to appropriately manage anticipated environmental challenges.

Motion #20-011

It was moved by Tumpach, seconded by Meinz, and unanimously agreed to enter into an agreement with Donohue & Associates, Inc. to provide construction related engineering services for the Dutchman Creek Interceptor Rehabilitation and Replacement Project #13-024-CS2 in the amount of \$229,336 with a 10% contingency of \$22,934 under the authority of the Executive Director for a total amount of \$252,270.

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- 15) **Request Commission approval to enter into the Charles Street Update Agreement 2020 with the City of De Pere, Town of Ledgeview, and Ledgeview Sanitary District No. 2 and to authorize the Executive Director to sign the agreement contingent upon approval by the Town of Ledgeview.**

L. Sarau reported that the Charles Street Interceptor (CSI) was recently upgraded to accommodate the existing and future growth in the De Pere, Ledgeview, and Rockland areas. NEW Water and Donohue and Associates staff have met with the municipal customers to discuss future flows into the system for the design work. Staff have also been working with the current customers who are discharging into Charles Street to formalize the future flow allocations based on the design. The Charles Street Interceptor Upgrade Agreement 2020 describes customer payment requirements for capacity in the CSI upgrades. The agreement was drafted by NEW Water's legal counsel and reviewed and approved by the City of De Pere and Ledgeview Sanitary District No. 2. The Approval by the Town of Ledgeview is anticipated by the end of the January.

Motion #20-012

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to enter into the Charles Street Update Agreement 2020 with the City of De Pere, Town of Ledgeview, and Ledgeview Sanitary District No. 2 and to authorize the Executive Director to sign the agreement contingent upon approval by the Town of Ledgeview.

- 16) **Request Commission approval to reject the Xylem bid as nonresponsive and award L. W. Allen the Effluent Reuse Pump Station – Pump Procurement Green Bay Facility in the amount of \$405,883 subject to approval of agreements that clarify Green Bay Packaging's and Brown County's responsibility for the associated costs.**

B. Angoli stated that in December 2019 NEW Water received bids from Xylem Water Solutions USA and L. W. Allen for the Effluent Reuse Pump Station – Pump Procurement project. The Xylem Water Solutions USA bid had multiple exceptions to the contract documents and the L. W. Allen bid did not take exceptions to the contract documents. Staff, engineer, and legal counsel reviewed each bid and recommend the Xylem Water Solutions USA bid be rejected based on the exceptions taken to the contract documents. He requested Commission approval to award the Effluent Reuse Pump Station – Pump Procurement Green Bay Facility to L. W. Allen subject to approval of agreements that clarify Green Bay Packaging's and Brown County's responsibility for the associated costs.

Commissioner Hasselblad asked which of the exceptions to the contract from Xylem would have made the most negative impact. B. Angoli replied the areas for concern were: Torsional and Lateral Vibration Analysis, Anchorage and bracing calculations, Dynamically Balance Rotating Parts, and the three hour test period.

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Commissioner Mainz commented that the accepted bid from L. W. Allen was a third of the cost over the engineer's estimate. B. Angoli replied the bid was over the engineer's estimate due to the risk involved.

Motion #20-013

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to reject the Xylem bid as nonresponsive and award L. W. Allen the Effluent Reuse Pump Station – Pump Procurement Green Bay Facility in the amount of \$386,583 and a 5% contingency of \$19,300 under the authority of the Executive Director for a total authorized amount of \$405,883 subject to approval of agreements that clarify Green Bay Packaging's and Brown County's responsibility for the associated costs.

17) Sewer plan approvals:

a) City of De Pere 2020 Capital Projects; GBMSD Request #2020-01

B. Angoli stated NEW Water staff reviewed the history of this approach to determine if the annual capital projects approval was allowed for all customers. This annual capital projects request was an agenda item at the July 27, 1987 meeting with a motion to allow each member community to submit annual plans. He requested approval of the City of De Pere capital projects.

b) City of Green Bay 2020 Capital Projects; GBMSD Request #2020-02

B. Angoli requested approval of the City of Green Bay capital projects.

Motion #20-014

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the City of De Pere and the City of Green Bay 2020 Capital Projects subject to technical review by NEW Water staff and approval by Brown County Planning and WDNR.

18) Financial reserves update.

B. Vander Loop gave an update on NEW Water's financial reserves, as follows:

- NEW Water Reserve Balances
- General Reserve
- Interceptor Cost Recovery Reserve
- Debt Service Reserve
- Plant & Equipment Replacement Fund Reserve
- Future Reserve Considerations

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B. Vander Loop stated that he will be presenting a high level report on NEW Water's financial planning at the February Commission meeting.

19) **NEW Water's Non-Asset Business Risks Project Presentation**

M. Wells introduced Matt Bednarski from CDM Smith, Inc.

M. Bednarski from CDM Smith gave a presentation on NEW Water's business risk assessment:

- Business Risk Assessment
- Risk Scoring
- Top 20 Risk
- Web-based Tracking Tool – KPI Summary Dashboard
- Risk Tab
- Mitigations Tab
- KPI Tab

Commissioner Hasselblad asked if a real life risk situation could be walked through with the Commission. T. Sigmund replied that a real scenario can be brought forward and the details walked through.

T. Sigmund questioned how the scoring of the risks took place. M. Bednarski replied the scoring was decided by the individual departments, then was brought to the project team to make the final decision.

Commissioner Mainz asked, based on Mr. Bednarski's current cliental, where does NEW Water rank related to risks. M. Bednarski responded NEW Water is in the middle. Similar companies are facing the same risks.

20) **Update of projects:**

a) **Project updates summary**

N. Qualls reviewed the ongoing and future construction projects, along with projects that are in the planning phase.

b) **Contract 34 Digestion and Solids Facility**

B. Angoli stated outstanding issues are preventing the close out of this project. Outstanding issues include: sludge reversing screw conveyor solids handling capacity, thermal waste heat exchanger repair costs, and odorous air control system.

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c) **Contract 35 Solids Building 300 Demolition**

B. Angoli reported that Contract 35 demolition is moving along. Both stacks have been taken down and removed. No major issues overall. Two change orders will be brought to the February Commission meeting for approval.

d) **De Pere Facility Electrical Distribution and Emergency Generator**

P. Mentink reported the De Pere Facility Electrical Distribution and Emergency Generator Project is heading into the final stretch. The generators will be started up at the end of this month or early February. Substantial completion is scheduled for March 2020.

Commissioner Mainz asked what kind of generators are used at the De Pere Facility. P. Mentink replied natural gas generators from Cummins.

21) **November and December 2019 Operations report.**

P. Wescott reported for the month of November, both facilities were in full compliance with effluent limits. The De Pere Facility tied performance records for Total Suspended Solids and Ammonia for average daily concentration, average pounds discharged per day, and for total pounds discharged per month. The Green Bay Facility tied a performance record for Ammonia for average daily concentration.

For the month of December, both facilities were in full compliance with all effluent limits. The De Pere Facility tied a performance record for Ammonia for average pounds discharged per day. The De Pere facility set new records for Total Kjeldahl Nitrogen (TKN) for average pounds discharged per day and for total pounds discharged per month. The Green Bay Facility tied performance records for Ammonia for average daily concentration, average pounds discharged per day, and for total pounds discharged per month.

NEW Water has submitted air permit deviation reports related to the Granular Activated Carbon (GAC) air pollution control device failure in November.

For the month of November, the R2E2 facility generated 1,452 megawatt hours of electricity and 168,239 CCF of biogas. Approximately 95% of biogas was used on site with the remaining percentage being sent through the waste gas flare. NEW Water received 1,647,279 gallons of high strength waste in November.

For the month of December, the R2E2 facility generated 1,359 megawatt hours of electricity and 183,096 CCF of biogas. Approximately 99% of biogas was used on site with the remaining percentage being sent through the waste gas flare. NEW Water received 1,565,934 gallons of high strength waste in December.

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P. Wescott stated that NEW Water has had an agreement with Wisconsin Public Service (WPS), part of the WEC Energy Group, for direct load control for several years. Under the agreement, NEW Water received a credit of \$13,914.00 per month from WPS for direct load control. WEC Energy Group has abolished the direct load control program effective January 2020.

22) Executive Director's report:
a) February Commission meeting

The February Commission meeting will be held on Wednesday, February 26, 2020, beginning at 8:30 a.m.

b) 2019 – 2021 Strategic Plan

NEW Water is currently implementing the 2019 Strategic Plan. Core Consulting assisted NEW Water in developing the strategic pillars, goals, and objectives. As the objectives are completed, more will be added. A document for staff to track quarterly updates is available on SharePoint.

c) Ashley Clark accepted the Lab Analyst II position

Ashley Clark moved from the Lab Analyst I position to the Lab Analyst II position in the Laboratory and Research Department.

d) Jon Strandberg accepted the Field Services Technician position

Jon Strandberg moved from a Wastewater Treatment Plant Operator to a Field Services Technician.

There being no further business to come before the Commission, the meeting adjourned at 10:18 a.m.

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Secretary