

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held December 4, 2019.

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

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, E. Houghton, B. Oldenburg, B. Bartel, P. Smits, J. Czipinski, T. Garrison, J. Maas, J. Valenta, J. Smies–Legal Counsel; A. Kelly–Kelly Leadership Group LLC; M. Steppe and P. Hoeft–Nicolet National Bank; K. Oleszko–U.S. Paper Mills, Sonoco

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

1) Safety moment.

T. Sigmund provided safety tips on how to prevent slips, trips, and falls this winter.

2) Budget hearing.

T. Sigmund reviewed the proposed 2020 budget, as follows:

- 2020 Proposed Expenses
- 2020 Operations and Maintenance Expenses
- 2020 Revenue
- Municipal Rate Example Comparison

Commissioner Hasselblad questioned the natural gas and fuel budget being doubled from the 2019 budgeted amount. P. Wescott confirmed that NEW Water, the brand of the Green Bay Metropolitan Sewerage District, had budgeted amounts that were too low for the 2018 and 2019 budgets. The natural gas and fuel usage was reviewed, and a significant increase in the 2020 budget number was made.

Commissioner Mainz asked if the design engineer has explanations about the usage being higher than anticipated. P. Wescott replied the design manufacturer made a recommendation that NEW Water plug some of the tuyeres.

Commissioner Mainz asked if the design was not fully met. P. Wescott replied that this amount of usage was not originally planned for. T. Sigmund added that when the design was made and piloted, the sludge showed a higher fuel value than what is currently being shown.

Commissioner Mainz asked if the BTU's match. T. Sigmund replied that fuel oil periodically needs to be added.

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Commissioner Mainz questioned the accuracy of the grant amounts. T. Sigmund replied that only a small portion budgeted is from actual grants, and the remaining amount is from NEW Water's reserve funds. Commissioner Mainz requested an update on the reserve accounts, and year-end numbers be presented at the January 2020 Commission meeting.

Commissioner Hasselblad asked if NEW Water's municipal customers were informed of the 2020 rates. T. Sigmund confirmed the customers were informed on the annual budget.

Commissioner Hasselblad asked if the Commission had any questions regarding the proposed budget. Hearing none, she asked if there was anyone that would like to speak in regards to the proposed budget. Hearing none, the public hearing closed at 8:43 a.m.

3) **Budget adoption.**

T. Sigmund stated that staff is proposing an appropriate budget that represents the needs of NEW Water. He stated the 2020 proposed budget is reasonably balanced and requested the Commission adopt it.

Motion #19-101

It was moved by Blumreich, seconded by Mainz, and agreed to adopt the 2020 budget as published.

4) **Culture Update.**

T. Brown introduced Alonzo Kelly from the Kelly Leadership Group LLC. A. Kelly reviewed the purpose and scope of his work at NEW Water.

Commissioner Mainz asked if there has been improvement made over his three years at NEW Water. A. Kelly replied that there has been a statistical significant improvement with respect and communication throughout the organization.

Commissioner Tumpach asked how progress is tracked. A. Kelly replied that annual assessments and surveys are completed by staff.

Commissioner Hasselblad asked if diversity training will be incorporated in the future. A. Kelly replied that he is excited to bring knowledge of diversity to NEW Water in the future.

5) **Nicolet Bank Investment update.**

B. Vander Loop introduced Mike Steppe and Peter Hoefft from Nicolet National Bank. He stated that Mike Steppe will give a six-month review of New Water's investments.

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M. Steppe provided an economic and financial market update, as follows:

- Economic Update
- Equity Markets
- Fixed Income Markets

- 6) **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) **Discuss negotiation strategy concerning a potential industrial customer**
 - b) **Litigation involving Bayview Interceptor**
 - c) **Discuss strategy for air permit compliance and evaluation of potential claims**

Motion #19-102

It was moved by Blumreich, seconded by Hoffmann, 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.

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

Motion #19-103

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

Following closed session, agenda items were taken out of sequence based on staff's presence for reporting.

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- 8) **Approval of minutes of Commission meetings held October 16, 23, 30, and November 5, 2019.**

Motion #19-104

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to approve the October 16, 23, 30, and November 5, 2019 minutes as distributed.

- 10) **Request Commission approval for the NEW Water organizational chart realignment to move Environmental Compliance Specialist into the Operations Division, effective the first pay period of 2020.**

J. Smudde stated that NEW Water is requesting a change to the organizational chart within the Environmental Programs Division by moving the Environmental Compliance Specialist from the Environmental Programs Division to the Operations Division. This position would report directly to the Director of Operations.

Commissioner Mainz asked who approves the WPDES permits. P. Wescott replied that the Environmental Compliance Specialist is the facility contact for permits, and the permits are signed by the Treatment Manager and Executive Director.

Motion #19-105

It was moved by Hoffmann, seconded by Blumreich, and unanimously agreed to approve the NEW Water organizational chart realignment to move Environmental Compliance Specialist into the Operations Division, effective the first pay period of 2020. (See Commission File #19-008)

- 9) **October financials.**

B. Clausen reported total operating revenues for the month of October were favorable to budget by \$425,000 or 13% and year to date were favorable to budget by \$2,500,000 or 8% due to additional municipal TSS loadings and additional flow volume due to more precipitation received. Total operating expenses for the month of October were favorable to budget by \$140,000 or 8% from less expenditures in maintenance – interceptors and salaries/benefits. Year to date total operating expenses were unfavorable to budget by (\$1,200,000) or (7%) 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 October was \$509,000.

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- 11) Request Commission approval to close out the 2018 Interplant Forcemain Fitting Repair Contract Project #16-010-CO2 and issue final payment of \$56,555.78 to De Groot, Inc.**

L. Sarau stated that all work has been completed for the 2018 Interplant Forcemain Fitting Repair Contract Project, and the forcemains are back in service.

Motion #19-106

It was moved by Blumreich, seconded by Meinz, and unanimously agreed to close out the 2018 Interplant Forcemain Fitting Repair Contract Project #16-010-CO2 and issue final payment of \$56,555.78 to De Groot, Inc.

- 12) Request Commission approval to close out the 2018 Industrial Forcemain Fitting Repair Contract Project #16-011-CO1 and issue final payment of \$42,561.63 to Advance Construction, Inc.**

L. Sarau stated that all work has been completed for the 2018 Industrial Forcemain Fitting Repair Contract Project, which is a project between Fox River Fiber and the De Pere Facility. The industrial forcemain is back in service.

Motion #19-107

It was moved by Blumreich, seconded by Hoffmann, and unanimously agreed to close out the 2018 Industrial Forcemain Fitting Repair Contract Project #16-011-CO1 and issue final payment of \$42,561.63 to Advance Construction, Inc.

- 13) Request Commission approval to close out the construction contract for the Green Bay Facility Administration Building Office Renovation Project #18-021-C01 and issue final payment of \$23,752.57 to Miron Construction Co., Inc.**

B. Brown stated that all work has been completed for the Green Bay Facility Administration Building Office Renovation Project.

Motion #19-108

It was moved by Meinz, seconded by Blumreich, and unanimously agreed to close out the construction contract for the Green Bay Facility Administration Building Office Renovation Project #18-021-C01 and issue final payment of \$23,752.57 to Miron Construction Co., Inc.

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- 14) Request Commission approval of Amendment No. 4 for the Bayview Interceptor Project with Brown and Caldwell for additional engineering services in the amount of \$100,508.**

P. Mentink gave an overview of the Bayview Interceptor construction project. Because of the unforeseen costs associated with the project, additional funding is required to continue moving forward.

Motion #19-109

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to approve Amendment No. 4 for the Bayview Interceptor Project with Brown and Caldwell for additional engineering services in the amount of \$100,508.

- 15) Request Commission approval of Contract 34 Digestion and Solids Facility Change Order No. 53 in the amount of \$443,743.94.**

B. Angoli stated that the contractor and engineer have finalized all existing work change directives to date for payment. If Change Order No. 53 is approved, this would bring the total of Contract 34 to \$135,340,704.46.

Motion #19-110

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve Contract 34 Digestion and Solids Facility Change Order No. 53 in the amount of \$443,743.94.

- 16) Sewer plan approvals:**

- a) **Town of Lawrence Project #S1208-9-19-00457; GBMSD Request #2019-26**
- b) **Town of Ledgeview/Ledgeview Sanitary District No. 2 – Contract E-2019; GBMSD Request #2019-27**
- c) **Town of Scott/Scott Municipal Utility – Contract A-2019; GBMSD Request #2019-28**

Motion #19-111

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the Town of Lawrence, Town of Ledgeview/Ledgeview Sanitary District No. 2, and Town of Scott/Scott Municipal Utility sewer plans subject to favorable approval recommendations from Brown County Planning and final approval by the WDNR.

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17) Update of projects:

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

B. Angoli stated that remaining issues with the contractor and manufacturer are still being worked through. These issues include: sludge reversing screw conveyor solids handling capacity, thermal oil waste heat exchanger repair costs, bio-filter tank cracks and bulging, and sand in the incinerator windbox. These items are still being looked at and negotiated. Additional costs are being tracked.

Commissioner Mainz asked if the costs fall under operations or construction work. B. Angoli replied that because it is a design issue, it falls under construction.

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

B. Angoli stated demolition is moving forward as planned. Because of the loss of the GAC system, part of the system was left operational for sludge hauling. Since the contractor originally planned to take this machine out of service, there is potential for a claim for 'delay of contract' from the contractor. Negotiations will be looked at when a cost is given. Contractor is now back to work as originally planned.

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

P. Mentink stated great progress has been made over the past month at the De Pere Facility. The contractor has submitted his documentation for the 97-day time extension request.

d) **Bayview Interceptor Replacement**

P. Mentink stated that the contractor has completed his evaluation of the soil issues and has prepared a preliminary plan. The plan has been reviewed by NEW Water and corrections made. The plan will be presented to the Department of Transportation for review. Once approved, the plan will be reviewed again and approved by NEW Water. The contractor plans to resume work in spring 2020.

T. Sigmund asked if the wait is due to weather. P. Mentink replied the wait is due to the time of the approval process.

18) **October 2019 Operations report.**

P. Wescott reported for the month of October, both facilities were in full compliance with effluent limits and the Green Bay Facility was in full compliance with air quality limits. The Green Bay Facility tied an Ammonia performance record for average daily concentration, average pounds discharged per day, and for total pounds discharged per month.

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The R2E2 facility generated 1,312 megawatt hours of electricity and 176,548 CCF of biogas. Approximately 88% of biogas was used on site with the remaining percentage being sent through the waste gas flare. NEW Water received 1,844,167 gallons of high strength waste in October.

T. Sigmund asked what caused the drop in biogas usage compared to the previous two months. P. Wescott replied that because the biogas engines are being serviced under warranty, operation and usage has been shuffled between the engines resulting in lower usage.

19) Executive Director's report:

a) January Commission meeting

The next Commission meeting will be held on Wednesday, January 22, 2020 beginning at 8:30 a.m.

b) NEW Water's holiday celebrations

NEW Water's external holiday party will be held on Friday, December 13, 2019, beginning at 5:30 p.m. at the Woods. The internal luncheon will be held Wednesday, December 18, 2019 at 11:30 a.m. in the Maintenance garage.

c) Draft 2020 Commission meeting schedule

d) Disclosure of Related Party Transactions

e) NACWA's 2020 Winter Conference

NACWA's 2020 Winter Conference will be held February 4 – 7, 2020 in Atlanta, GA.

Commissioner Hasselblad requested an update on NACWA events at the February 2020 Commission meeting.

f) Storm water detention pond update

g) Community outreach highlights

NEW Water teamed up with the Children's Museum for World Toilet Day. NEW Water also donated a copy of "Why Water's Worth It" children's book to the Brown County Public Library. . This book is part of the Water Environment Federation's "Water's Worth It" campaign. Together with the University of Wisconsin-Green Bay, NEW Water helped more than 100 Girl Scouts from around Wisconsin earn their "Wonders of Water" badges, and also teamed up with the Greater Green Bay Chamber of Commerce on the Find Your Inspiration Event.

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h) #FlushFighters outreach

NEW Water has launched a #FlushFighters campaign, asking people to "Take the Pledge" and only flush "the 3Ps".

- 20) 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:**
- a) Employment performance review for the Executive Director**

Motion #19-112

It was moved by Mainz, seconded by Blumreich, 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.

- 21) Reconvene in open session.**

Motion #19-113

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

- 22) Tour of the Laboratory.**

There being no further business to come before the Commission, the meeting adjourned at 11:07 a.m.

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Secretary