

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

Special meeting of the Commission held June 3, 2015.

**PRESENT:** Commissioners Hasselblad, Blumreich, Mainz, Tumpach (via conference call), and Hoffmann (via conference call)

**ALSO PRESENT:** T. Sigmund, N. Qualls, B. Angoli, J. Van Sistine, J. Nicks–legal counsel; C. Berndt–Village of Allouez

Commission President Hasselblad called the meeting to order at 10:00 a.m.

**1) Request Commission approval to enter into an agreement with CH2M HILL to provide construction related services for the R2E2 Project – Contract 34 Digestion and Solids Facility.**

B. Angoli reported staff has been working with legal counsel to ensure the engineer has \$10,000,000 of professional liability insurance coverage and it includes coverage for its subcontractors.

J. Nicks stated the design agreement included a provision to add the sub-consultant under the engineer's professional liability. Staff proposed the same terms for this contract and received push back from CH2M HILL. NEW Water has received confirmation from CH2M HILL's insurance broker, Marsh, and Zurich Insurance Company that CH2M HILL's professional liability does cover the sub-consultants.

Commissioner Blumreich asked if the coverage is per occurrence and aggregate. J. Nicks replied yes, the amount of insurance available would be for individual claims and aggregate up to \$10,000,000 for this project.

Commissioner Mainz asked if the insurance documents have been reviewed. J. Nicks replied that he has reviewed the clarification letter from Zurich. He stated that he has not seen the insurance certificate.

Commissioner Mainz asked if approval of the agreement would be subject to receiving the insurance coverage acceptable by NEW Water, the brand of the Green Bay Metropolitan Sewerage District. J. Nicks replied once the agreement is signed, it would be a breach of the agreement if the insurance coverage is not accurate.

Commissioner Mainz asked if the insurance coverage is the only issue. J. Nicks replied yes.

Commissioner Mainz asked how NEW Water settled on \$10,000,000 of insurance liability. J. Nicks replied it was a negotiated amount. He stated one claim to a large, national company would not put it out of business.

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Commissioner Hasselblad asked what NEW Water's risk exposure is. T. Sigmund stated the underground work is a risk. He stated NEW Water expects the contractor to employ competent people and provide quality control and insurance.

Commissioner Mainz asked what CH2M HILL does. B. Angoli replied CH2M HILL is NEW Water's representative in administrating the contract and verifies that the contractor's work conforms to the contract documents.

Commissioner Mainz asked if this agreement was given to CH2M HILL because it did the design work. T. Sigmund replied CH2M HILL did a good job on the design, and negotiated a scope of fee. N. Qualls stated it is in the best interest of NEW Water to have the same engineer on both projects.

Commissioner Mainz asked if staff ever considered a turnkey. J. Nicks replied a turnkey is not in accordance with the Wisconsin Bidding Laws.

Commissioner Mainz asked what happens to the 2015 rate fees for 2016. N. Qualls replied the engineer's "not to exceed" amount will not change, but individual rates may change.

Commissioner Mainz asked if there is a benefit to NEW Water purchasing the software site that contains all the documentation for this project. B. Angoli replied CH2M HILL will provide NEW Water with electronic copies of all documents once the contract is complete.

Commissioner Mainz asked if the key people will stay on the project for continuity. B. Angoli replied he is not sure, but people are committing to this project to the end. T. Sigmund stated the lead staff should stay with the project.

Commissioner Mainz asked if NEW Water has ever shut down a project for safety reasons. B. Angoli replied no, the contractor must follow its safety procedures and is responsible for site safety.

Commissioner Hasselblad asked if the contractor understands NEW Water's safety standards. T. Sigmund replied NEW Water does not approve the contractor's safety requirements and does not improve or enforce the contractor's safety plan. B. Angoli added safety is discussed at the weekly and monthly contractor's meetings.

Commissioner Mainz asked if there is a safety person. B. Angoli replied the contractor's safety person comes on site periodically to review and correct issues.

Commissioner Mainz asked about additional services not covered under this agreement. B. Angoli replied additional services will be brought to the Commission for approval.

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Commissioner Hasselblad asked if safety issues could be reported anonymously for fear of retaliation. T. Sigmund replied safety issues should be reported directly to OSHA.

Commissioner Blumreich asked under the professional liability coverage, is the policy written as a claims occurred or claims-made policy. J. Nicks replied it is a claims-made policy.

**Motion #15-031**

It was moved by Meinz, seconded by Blumreich, and unanimously agreed to enter into an agreement with CH2M HILL to provide construction related services for the R2E2 Project – Contract 34 Digestion and Solids Facility in the amount of \$10,487,956 and a 5% contingency of \$524,400 under the authority of the Executive Director for a total amount of \$11,012,356.

There being no further business to come before the Commission, the meeting adjourned at 10:42 a.m.

**GREEN BAY METROPOLITAN SEWERAGE DISTRICT**

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**Secretary**