

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

Regular meeting of the Commission held December 5, 2018.

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

**ALSO PRESENT:** T. Sigmund, N. Qualls, P. Wescott, B. Hafs, B. Vander Loop, T. Brown, J. Czynski, S. Yang, M. Diaz, B. Angoli, L. Sarau, B. Brown, B. Oldenburg, B. Bartel, P. Smits, J. Van Sistine, J. Nicks & J. Smies–Legal Counsel; L. Gerold–Brown and Caldwell

Commission President Hasselblad called the meeting to order at 8:31 a.m.

**1) Safety moment.**

T. Sigmund stated a ground fault circuit interrupter should be used with outdoor lighting.

**2) Budget hearing.**

T. Sigmund reviewed the proposed 2019 budget, as follows:

- 2019 Proposed Expenses
- 2019 Operations and Maintenance Expenses
- 2019 Revenue
- Municipal Rate Example Comparison

Commissioner Mainz asked about the alternative fixed charge methodology. T. Sigmund stated that NEW Water, the brand of the Green Bay Metropolitan Sewerage District, met with the City of De Pere and two industrial customers last April to discuss the alternative fixed charge methodology. He told the group that if they wanted NEW Water to consider a phased approach to the fixed charge, to let NEW Water know and NEW Water would consider it. NEW Water did not receive any requests to consider a phased approach to the alternative fixed charge methodology. One of De Pere's industrial customers sent a letter to NEW Water indicating the industry preferred the current fixed charge methodology. Considerable discussion ensued regarding the impact of the alternative fixed charge methodology to certain industrial customers and a phased approach to the fixed charge methodology.

T. Sigmund reviewed the 2019 budget summary and next steps. He stated no written comments were received. He attended a Village of Allouez Board meeting to talk about NEW Water's proposed budget, and the Village Board seemed more interested in Adaptive Management.

Commissioner Mainz asked what the Village of Allouez comments were on Adaptive Management. T. Sigmund replied the Village of Allouez is in favor of Adaptive Management, and asked why NEW Water chose Ashwaubenon Creek on the west side of the river versus the east side. NEW Water customers would like NEW Water to be in more places in the watershed.

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B. Hafs stated the size of the watershed played an important factor in the selection process, and it made good sense to choose a watershed next to Silver Creek to continue the success in Adaptive Management.

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 8:54 a.m.

#### 3) **Budget adoption.**

T. Sigmund stated that staff is proposing an appropriate budget that represents the needs of NEW Water. The operations and maintenance expenses have decreased as a result of the Resource Recovery and Electrical Energy (R2E2) activities. He stated the 2019 proposed budget is reasonably balanced and requested the Commission adopt it.

Commissioner Blumreich acknowledged the sensitivity of the fixed charge issue.

Commissioner Mainz stated that since the Commission was not aware and had no discussion on a phased approach to the fixed charge methodology, he will vote no on the budget adoption.

Commissioner Tumpach stated that he will also vote no on the budget adoption because he would like to understand and discuss further the possibility of a phased approach to the fixed charge methodology.

T. Sigmund stated the City of De Pere is a customer of NEW Water, and the City of De Pere and its two industrial customers did not request a phased approach to the fixed charge methodology.

#### **Motion #18-093**

It was moved by Blumreich, seconded by Hoffmann, with Mainz and Tumpach voting nay, and agreed to adopt the 2019 budget as published.

#### 4) **Introduce the new IT Support Specialist, Simon Yang.**

J. Czipinski introduced Simon Yang, the new IT Support Specialist.

S. Yang stated that he has been working at NEW Water for about a month and things are going well. He stated that one of the things that stands out at NEW Water is the great people that work here. Staff has been very helpful and friendly. He has 11 years of information technology (IT) experience, previously working at West Corp., Wisconsin Public Service, Bellin Hospital, and NWTC. IT is growing and changing, which make his day to day duties challenging. He is excited to be here.

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The Commission welcomed him.

- 5) **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, 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, and 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) **Discussion of negotiation strategy concerning a potential industrial customer**
  - b) **Negotiation of struvite recovery offtake agreement**
  - c) **Litigation involving industrial and interplant forcemains**
  - d) **Employment performance review for Executive Team**

**Motion #18-094**

It was moved by Blumreich, 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, 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, and 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.

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

**Motion #18-095**

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

- 7) **Approval of minutes of Commission meeting held October 24, 2018.**

**Motion #18-096**

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to approve the October 24, 2018 minutes as distributed.

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#### 8) Election of Officers.

T. Sigmund stated that he received three nominations: Kathryn Hasselblad for President, Jim Blumreich for Secretary, and Kathryn Hasselblad for President and Jim Blumreich for Secretary.

#### Motion #18-097

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to keep the slate of officers the same for 2019.

#### 9) October financials.

M. Diaz reported total operating revenues for the month of October were favorable to budget by 19% due to more precipitation received. Year to date total operating revenues were favorable to budget by 8%. Leading the favorable results were user fees from more precipitation received and other revenues from hauled waste from the three cheese facilities. Year to date hauled waste revenues represent 38% of the total favorable operating revenues.

M. Diaz reported total operating expenses for the month of October were unfavorable to budget due to more expenditures in maintenance – interceptors, natural gas & fuel oil, power, maintenance – plant, and other related expenses. Year to date total operating expenses were favorable to budget by 3% due to less expenditures in contracted services, maintenance – plant, and salaries & benefits. Net income for the month of October was \$436,000.

The Commission thanked Maridey Diaz for her years of service. She will be missed.

#### 10) **Request Commission approval of the Resolution concerning billing methodology assignment of fixed units pursuant to Section 9.20 of the Green Bay Metropolitan Sewerage District Sewer Use Ordinance.**

B. Oldenburg stated annually the NEW Water Billing Committee recommends adjustments to the fixed units to unmetered and unsampled sewer service areas. The Sewer Use Ordinance requires Commission approval of a resolution for any revisions to the fixed units.

Commissioner Mainz asked if NEW Water customers know about this. B. Oldenburg replied this is part of the budget process.

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**Motion #18-098**

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to approve the Resolution concerning billing methodology assignment of fixed units pursuant to Section 9.20 of the Green Bay Metropolitan Sewerage District Sewer Use Ordinance. (Resolution #18-009 is on file at the NEW Water offices)

**11) Request Commission approval to award the construction contract for the 2018 Motor Control Center Replacement Project #18-015-CO to Northern Electric, Inc. in the amount of \$2,320,000.**

B. Brown reported NEW Water has been systematically replacing motor control center equipment throughout the Green Bay Facility. During the design phase, staff realized the south complex equipment was also in need of replacement and incorporated it into this work realizing the efficiencies in construction and design. NEW Water received bids from three of the four prequalified contractors. Northern Electric was the low bidder and has done similar work for NEW Water in the past. He requested Commission approval to award the construction contract to Northern Electric for the 2018 Motor Control Replacement Project in the amount of \$2,109,000 and a 10% contingency for a total amount of \$2,320,000.

Commissioner Blumreich questioned the large discrepancy in bid amounts between Van Ert Electric and Northern Electric.

Commissioner Hasselblad asked if NEW Water staff follows up with the contractors when bids are so high. B. Brown replied no, only when there are outliers.

**Motion #18-099**

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to award the construction contract for the 2018 Motor Control Center Replacement Project #18-015-CO to Northern Electric, Inc. in the amount of \$2,109,000 and a 10% contingency of \$211,000 under the authority of the Executive Director for a total amount of \$2,320,000.

**12) Request Commission approval of Amendment No. 5 for the Dutchman Creek and Scott-Bayshore Interceptor Rehabilitation Project #13-024-DS with Donohue & Associates for additional engineering services in the amount of \$42,141.**

B. Brown stated the Dutchman Creek and Scott-Bayshore design agreement was approved a few years ago to address two interceptors that have environment implications. The design was more involved than what was originally anticipated and the contingency was used for four amendments to the project. Complex permitting procedures and other regulatory requirements have added a significant burden to the initially proposed design expenses and requires Amendment No. 5.

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B. Brown requested Commission approval of Amendment No. 5 for additional engineering services in the amount of \$32,141 and an additional contingency of \$10,000 to be administered under the authority of the Executive Director for a total amount of \$42,141.

#### **Motion #18-100**

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to approve Amendment No. 5 for the Dutchman Creek and Scott-Bayshore Interceptor Rehabilitation Project #13-024-DS with Donohue & Associates for additional engineering services in the amount of \$32,141 and an additional contingency of \$10,000 under the authority of the Executive Director for a total amount of \$42,141.

#### **13) Sewer plan approval:**

##### **a) Town of Lawrence Project #S1208 9-18-00102; GBMSD Request #2018-30**

N. Qualls reported the Town of Lawrence is requesting expansion of a subdivision near the Hemlock Creek Elementary School. Flow would be tributary to the Ashwaubenon Creek Interceptor. He requested Commission approval of the Town of Lawrence sewer plan.

#### **Motion #18-101**

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to approve the Town of Lawrence sewer plan subject to favorable review by Brown County Planning and final approval by the Wisconsin Department of Natural Resources.

#### **14) Update of projects:**

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

N. Qualls reported the R2E2 Contract 34 quarterly update provides more detail than the monthly updates. He stated all processes are up and running except for the nutrient recovery process, which will be in startup over the next couple of weeks. Both digesters are producing about 400 – 500 cfm of biogas. One of the Cogen engines is running consistently producing about 1.5 – 1.6 megawatts of electrical energy. There have been challenges around conveying the dried cake. There are wipes that are getting through NEW Water's processes and accumulating in areas, which are presenting some challenges for staff. NEW Water continues to push for burning the dried biosolids without additional fuel. The R2E2 Project has gone on significantly longer than planned. The scope has changed throughout the project and the available services during construction budget has been used up. NEW Water is looking at the consultant's outstanding costs and will likely come back to the Commission in January with a recommendation for approval of an amendment to the consultant's agreement. The project is anticipated to continue into next year as NEW Water prepares for demolition work. NEW Water is awaiting permit compliance test results on the air side.

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Commissioner Hoffmann asked if NEW Water is running R2E2 100%. N. Qualls replied yes, except for the nutrient recovery process to generate the struvite.

T. Sigmund stated the impact of the wipes, which are a stringy material that can plug things up and accumulate in areas, are becoming more acute with the new system.

Commissioner Tumpach asked if NEW Water is calculating how much savings it is generating with R2E2. N. Qualls replied staff will be developing a document to capture pre and post R2E2 performance. P. Wescott stated that staff has been tracking heat recovery, cost to treat per ton, and cost to treat per mgd, and will integrate this information into the operation report beginning in January 2019.

#### **b) 2018 Industrial Forcemain Fitting Repair**

L. Sarau stated the bolts are made by one manufacturer and have taken significantly longer than anticipated to arrive. Some bolts were received on November 30, 2018, but not all that was ordered. Construction restarted on Monday, December 3, 2018. She stated a couple issues that were noted in previous reports have been resolved.

Commissioner Hasselblad asked if the intention is to work through winter. L. Sarau replied the contractor intends to work during the winter and has estimated possible work days during that time.

Commissioner Mainz suggested that staff have the bolts reviewed by a metallurgical firm.

#### **c) Meter Stations 6, 8, and 9 Rehabilitation**

B. Brown reported Zeise Construction began in early November replacing stoops at meter stations and bypass pumping at Meter Stations 8 and 9 to prepare for channel coating. The bypass pumping has been completed. One issue in the design process with the bypass pumping at Meter Station 6 was fairly complicated and would cost more than anticipated. The contractor re-evaluated the work and made some modifications, which resulted in 10 ft. of the channel on both ends will not be coated.

#### **15) Operation report:**

##### **a) Effluent quality for October**

P. Wescott reported both facilities were in full compliance with effluent limits for the month of October. The Green Bay Facility (GBF) tied performance records for Ammonia for average daily concentration, average pounds discharged per day, and for total pounds discharged per month.

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#### **b) Air quality for October**

P. Wescott reported in the past 91 days, the multiple hearth furnace was only run two full days in September. On Monday, December 10, 2018, NEW Water plans to decommission the multiple hearth furnaces. In regards to the multiple hearth operations, there have not been any compliance related issues associated with bypass damper openings on incinerator no. 1 for two years, and one year on incinerator no. 2. Staff plans to transition to a resource recovery report under this section beginning January 2019.

#### **16) Executive Director's report:**

##### **a) January Commission meeting**

The January Commission meeting will be held Wednesday, January 23, 2019, beginning at 8:30 a.m. There is a possibility that one or two special Commission meetings will be scheduled in January 2019.

##### **b) Jeff Smudde promoted to Director of Environmental Programs**

Jeff Smudde will be the new Director of Environmental Programs. Bill Hafs will be retiring on January 2, 2019.

##### **c) NEW Water's holiday celebration**

The external holiday celebration will be held next Friday, December 14, 2018 at The Woods. Please let Jean Van Sistine know if you plan to attend.

##### **d) Draft 2019 Commission meeting schedule**

A proposed schedule for the 2019 Commission meetings was included in the Commission packet. Meetings will be held on the fourth Wednesday of the month, except for May and September. There will be no meeting held in November, and the December meeting will be held early in the month.

##### **e) Disclosure of Related Party Transactions**

Please complete the Disclosure of Related Party Transactions form and return it to Jean Van Sistine.

##### **f) Strategic Plan update**

A Strategic Plan update was included in the Commission packet. NEW Water is negotiating with a new firm to update the Strategic Plan in early 2019.



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#### **g) Procedure for the Executive Director Travel Expenses and Time-Off Approval Process**

In January 2018 the Commission asked if the auditor was okay with how the Executive Director's time and travel approval process was done. The auditor was fine with the process and thought the Commission should be informed if not engaged in the process. A proposed process on travel expenses and time off for the Executive Director was included in the Commission packet.

#### **h) NEW Water's Workers Compensation Modification Factor**

NEW Water's workers compensation modification factor is slightly above 1.0.

#### **i) 2018 WET testing results**

The Green Bay and De Pere facilities passed the 2018 Whole Effluent Toxicity (WET) testing for 2018.

#### **j) 2019 health insurance opt-out incentive results**

NEW Water offers employees an opt-out incentive for health insurance. NEW Water employees must have some type of insurance coverage. NEW Water paid out almost \$38,000 in incentives to 18 employees, and net savings to NEW Water was just under \$200,000. This is a good program that benefits both employees and NEW Water.

#### **k) NACWA's 2019 Winter Conference**

The NACWA Winter Conference will be held February 5 – 8, 2019 in Albuquerque, NM. Please let Jean Van Sistine know if you plan to attend.

#### **l) NEW Water partners with Girls Scouts on "Wonders of Water" badge**

NEW Water teamed up with the University of Wisconsin-Green Bay for the Wonders of Water badge with the Girl Scouts.

#### **m) NEW Water recognized "World Toilet Day"**

World Toilet Day was November 19, 2018 and NEW Water received a request from one of its dischargers, an organization that makes materials that are flushable, to participate in a display at the Brown County Library.

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**n) Wisconsin Wastewater Operators' Association Conference**

NEW Water has been very active in the Wisconsin Wastewater Operators' Association (WWOA). Sharon Thieszen is moving off of the Wisconsin Wastewater Operators' Association Board and Jeff Smudde will become President in October 2019. A lot of NEW Water staff participated in WWOA events and Holly Blazer is the Vice-Chair of the Lake Michigan District of WWOA.

**o) Hauled waste rates**

A few months ago the Commission asked what NEW Water and others charge for hauled waste. Sharon Thieszen did some research and hauled waste rates were included in the Commission packet.

**p) East River Interceptor and Ninth Street Interceptor location maps**

The East River Interceptor and Ninth Street Interceptor location maps were included in the Commission packet, as requested by the Commission.

Commissioner Hasselblad stated the Commission thanked Joe Nicks in closed session for all of the extraordinary work that he has done for NEW Water. On behalf of the Commission, she welcomed Jon Smies from Godfrey & Kahn, who will be representing NEW Water in Joe Nicks' retirement. She acknowledged the wonderful job Bill Hafs has done with Adaptive Management in Silver Creek. She thanked him on behalf of NEW Water, its customers, and the community. The Commission also bid a fond farewell to Maridey Diaz and thanked her for everything she has done for NEW Water.

Commissioner Hasselblad thanked staff for their hard work, and wished peace, joy, and good health to all.

There being no further business to come before the Commission, the meeting adjourned at 11:50 a.m.

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Secretary