

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held March 23, 2011.

PRESENT: Commissioners Alesch, Meinz, Blumreich, and Carpenter

EXCUSED: Commissioner Hasselblad

ALSO PRESENT: T. Sigmund, D. Busch, M. Diaz, W. Angoli, J. Kennedy, J. Klingbeil, B. Bartel, L. Evenson, D. Cawley, M. Erschnig, J. Van Sistine, J. Nicks–Legal Counsel

Commission President Alesch called the meeting to order at 8:35 a.m.

1) Welcome new Commissioner, Tim Carpenter:

Commissioner Alesch introduced and welcomed Tim Carpenter to the Commission. He stated Mr. Carpenter is also a member of the Brown County Board.

a) Administer Oath of Office

T. Sigmund administered the Oath of Office.

b) Elect Commissioner Carpenter as Vice-President

Motion #11-011

It was moved by Meinz, seconded by Blumreich, and unanimously agreed to elect Commissioner Carpenter as Vice-President.

The Commission congratulated Mr. Carpenter on his new role of Commissioner.

2) Approval of minutes of Commission meeting held February 23, 2011.

Motion #11-012

It was moved by Blumreich, seconded by Meinz, with Alesch recusing himself, and agreed to approve the February 23, 2011 minutes as distributed.

3) January financials.

M. Diaz reported the overall operating revenues were near budget. The operating expenses were favorable to budget by \$149,000 due to contracted services, natural gas and fuel oil, and solid waste disposal. She reported the net loss for the month of January was due to non-operating expenses.

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4) Adopt retirement resolutions:

a) Dan Busch

Commissioner Alesch read the resolutions into record.

T. Sigmund stated that Mr. Busch has been a key member of this organization for a long time. Mr. Busch started with the plant transition and has been a member of the Executive Staff. Mr. Busch is dependable and does what needs to be done. He stated like many of the retirees, Mr. Busch puts his heart and soul into his work and will truly be missed.

D. Busch reiterated what many retirees have stated, that GBMSD is a great place to work. He stated the employees make GBMSD a great organization. He stated that he wouldn't be who he is without the support and guidance he received from the Commission and colleagues throughout his 36 years of service. He commented that you are only as good as the people you have around you and they have defined who he is. He stated that he couldn't have asked for a better group to work with and he hopes that he has used the good mentors to the best of his ability.

b) John Kellner

T. Sigmund stated Mr. Kellner transitioned to GBMSD from the De Pere Facility. Mr. Kellner is one of the mechanics and is the last one to leave from the De Pere staff. He stated Mr. Kellner has done a good job and is an expert in fabricating.

M. Erschnig stated Mr. Kellner is a shy man and has been a source of information and encouragement to the Maintenance staff. Mr. Kellner is retiring to Minocqua. He stated the contribution by the De Pere staff has been phenomenal.

Motion #11-013

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to adopt retirement resolutions for Dan Busch and John Kellner (Resolutions #11-002 and #11-003 are on file at the GBMSD offices).

5) Introduce new Safety and Security Coordinator, Jeremy Klingbeil.

D. Busch introduced the new Safety and Security Coordinator, Jeremy Klingbeil. He stated Mr. Klingbeil has a good background in safety, is a self-starter, and is a good addition to GBMSD.

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J. Klingbeil stated that he has a Bachelor's Degree in Occupational and Environmental Safety and Health from the University of Wisconsin – Whitewater. He previously worked as the Occupational and Safety Manager for JBS Packerland, Environmental and Safety Coordinator for Kewaunee Fabrications, and Occupational Safety and Health Coordinator for Pierce Manufacturing. He stated that he will work towards making GBMSD a world class safety organization and is thankful for this opportunity.

The Commission welcomed him.

6) Request Commission approval to establish part-time employees' health and dental insurance premiums.

T. Sigmund stated Commissioner Blumreich asked at the last meeting what the City of Green Bay, Brown County, and Northeast Wisconsin Technical College (NWTC) offer for part-time benefits. He reported the City of Green Bay and Brown County employees scheduled to work 20 hours per week pay 50% of the premium for health and dental insurance. He stated NWTC has a slightly different policy. He stated the City of Green Bay, Brown County, and NWTC have self-funded insurance plans and GBMSD is part of the State of Wisconsin plan. He stated as the health program stands today, GBMSD must pay 50% of the premium per the State of Wisconsin. He requested Commission approval for GBMSD to pay 50% of the premium of the lowest cost plan.

Commissioner Blumreich asked why staff is requesting part-time benefits for health and dental. T. Sigmund stated GBMSD is in the process of hiring a part-time employee.

Commissioner Mainz asked how this coincides with what is going on in Madison. T. Sigmund replied the floor is still at 50%. He stated GBMSD will adjust to the State policy next year.

Motion #11-014

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to establish part-time employees' health and dental insurance premiums based on the number of hours an employee is scheduled to work per week.

7) Pretreatment update and significant noncompliance review.

J. Kennedy summarized GBMSD's pretreatment program and the reporting requirements GBMSD must abide by per the State of Wisconsin and the Environmental Protection Agency (EPA).

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J. Kennedy reported GBMSD must publish any cases of significant noncompliance annually per EPA guidelines. He stated staff works diligently with the industries to determine the problem and get them back in compliance.

J. Nicks stated under the general municipal statutes, appeals of a Notice of Violation or a Notice of Noncompliance is directed to the Executive Director to make an independent decision. At that point, the industry can appeal the decision to the Commission and a hearing would be scheduled. He stated the State Statutes allow the Commission to utilize a hearing examiner. Under this system, the Commission designates an official hearing examiner who conducts the hearing and reports back to the Commission. Following the hearing, the Commission makes the ultimate decision.

Commissioner Mainz asked if the industries are aware that their names are going to be published in the newspaper. J. Kennedy replied yes.

8) Request Commission approval of Amendment No. 2 Refine Solids Management Plan to CH2M Hill for the Solids Processing and Disposal Facilities Plan.

T. Sigmund stated two years ago GBMSD solicited proposals and selected CH2M Hill to develop a Solids Management Plan. He stated internal and external stakeholder advisory committees were formed to develop criteria to be met by the Solids Management Plan. Staff and the consultant worked through the process and presented a recommendation to the Commission. The Commission approved the Solids Management Plan and staff submitted the plan to the Department of Natural Resources (DNR). Staff held meetings with GBMSD customers and industries to present the Solids Management Plan. The plan will have a significant impact on the rates. Customers requested more information on the other three alternatives before they can support the selected plan. Staff developed a Refine Solids Management Plan scope of services for evaluation of the recommended alternative and to provide additional information to municipalities and industries.

W. Angoli stated as a result of the public information meetings, the scope of services will refine the following areas:

- Flow and load projections
- Provide information for rate methodology study
- MACT standard impacts
- Nutrient extraction/struvite control
- Public and customer communications

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T. Sigmund stated the Solids Management Plan may need to be revised. Staff is requesting Commission approval of Amendment No. 2 Refine Solids Management Plan in the amount of \$128,985 and a contingency of \$20,000 under the authority of the Executive Director.

Motion #11-015

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to approve Amendment No. 2 Refine Solids Management Plan to CH2M Hill for the Solids Processing and Disposal Facilities Plan in the amount of \$128,985 and a contingency of \$20,000 for a total project amount of \$779,585.

- 9) **Request Commission approval to close out Contract No. 2007-007 Pump Station Monitoring & Control Improvements and issue final payment to Faith Technologies, Inc.**

W. Angoli reported the Pump Station Monitoring & Control Improvements Project has been completed and ready for close out and final payment. He stated the original contract amount was \$595,000 with an authorized contingency of \$60,000. He stated the contract change orders totaled \$24,573.80.

Commissioner Mainz asked if the contingency amount is based on a case by case basis. T. Sigmund replied yes.

Motion #11-016

It was moved by Blumreich, seconded by Carpenter, and unanimously agreed to close out Contract No. 2007-007 Pump Station Monitoring & Control Improvements and issue final payment to Faith Technologies, Inc. in the amount of \$30,978.69.

- 10) **Request Commission approval to close out Contract No. 2009-014 Monitoring & Control Improvements WAS Thickening and issue final payment to Pieper Electric, Inc.**

W. Angoli reported the Monitoring & Control Improvements WAS Thickening Project has been completed. He stated the original contract amount was \$765,000 and a \$38,200 contingency. He stated the total contracted amount was \$763,799.16 due to credits received, so no contingency was used.

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Motion #11-017

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to close out Contract No. 2009-014 Monitoring & Control Improvements WAS Thickening and issue final payment to Pieper Electric, Inc. in the amount of \$66,499.16.

- 11) **Request Commission approval to close out Contract “A” – Intermediate Chemical Building of the Wastewater Conveyance from Southern Service Area, Project 2008-07, and issue final payment to The Selmer Company.**

Commissioner Alesch stated this facility was installed to control hydrogen sulfide in the wastewater in solids being conveyed to the Green Bay Facility from the De Pere Facility.

T. Sigmund stated the chemical building was added to reduce odors in Leicht Park where GBMSD’s siphon structure is located.

Motion #11-018

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to close out Contract “A” – Intermediate Chemical Building of the Wastewater Conveyance from Southern Service Area, Project 2008-07, and issue final payment to The Selmer Company in the amount of \$26,807.62.

- 12) **Sewer plan approvals:**
a) **City of De Pere 11-02; GBMSD Request 2011-04**

The City of De Pere is requesting 786 ft. of 8-inch sewer to serve a residential subdivision.

- b) **City of Green Bay 2-11; GBMSD Request 2011-05**

The City of Green Bay is requesting to replace 2,000 ft. of 8 and 10-inch sewer along Velp Avenue.

- c) **City of Green Bay 2011 Projects, GBMSD Request 2011-06**

The City of Green Bay is requesting administrative approval and delegation of technical review to GBMSD staff.

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d) Village of Bellevue F-3505-11-01; GBMSD Request 2011-07

The Village of Bellevue is requesting 2,115 ft. of 8-inch sewer for the Bower Creek Reserve subdivision.

Motion #11-019

It was moved by Carpenter, seconded by Blumreich, and unanimously agreed to approve the City of De Pere 11-02, City of Green Bay 2-11, City of Green Bay 2011 Projects, and Village of Bellevue F-3505-11-01 sewer plans subject to favorable review by Brown County Planning and final approval by the Wisconsin Department of Natural Resources.

13) Update of projects:

a) Consolidation Projects – Treatment plants construction phase

W. Angoli reported The Selmer Company will be contacting the painting subcontractor who walked off the project to obtain final lien waiver. The contractor is continuing work on punch list items and change orders.

b) Ninth Street and Ashwaubenon Creek Interceptor Rehabilitation – Phase 2

W. Angoli stated this project is ready to close out with final restoration to be completed in spring by the subcontractor.

c) Beaver Dam Creek Interceptor Relocation – Phase 1 work for Highway 41 expansion

W. Angoli stated the soil conditions along Dousman Street are worse than anticipated. The engineer and contractor are evaluating alternatives for pipe placement. He stated the Department of Transportation will reimburse GBMSD 90% of its project cost.

d) Raw Wastewater Pump Station Bar Screen Replacement

W. Angoli stated all work has been completed except for adding a valve to the service water spray line for grease removal in the wet wells.

e) North Basin Complex Gate Replacement

W. Angoli reported this project was needed because existing plant control gates were at different stages of corrosion. He stated the gates need to be replaced so areas can be isolated as needed for plant, operation, and maintenance work.

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f) **Electrical Generation Facility**

W. Angoli reported Wisconsin Public Service (WPS) called for a reduction in power grid demand on two occasions, once in January and one in February. He stated the remaining issue is the Davis Bacon wage requirement for the Clean Water Fund. Once GBMSD receives certified payroll from the contractor and subcontractors, the project can be closed out.

g) **Sludge Loading and Chemical Addition System**

W. Angoli reported a letter has been sent to the contractor to either prove the wall panels meet the Buy American De Minimis Requirements for ARRA funding or replace them.

h) **Air issues update**

J. Kennedy reported that GBMSD has received a letter of noncompliance from the DNR. Communications with the DNR concerning interpretation of emissions reporting requirements for dioxin and carbon monoxide are ongoing. A meeting has been scheduled with the DNR for April 5 in an effort to resolve these issues.

14) **Operation report:**

a) **Effluent quality for February**

D. Busch reported both facilities were in compliance with all effluent limits for February. The De Pere Facility had new record lows for ammonia concentration and quantity and TKN quantity.

b) **Air quality for February**

D. Busch reported the Green Bay Facility (GBF) was in compliance with air quality limits for February. He reported the GBF experienced five days during the month when the evaporation capacity was greater than 8,800 lbs/hour so a different CO emission factor was used for those days. He stated this will not cause any compliance problems.

D. Busch reported GBMSD has a contract with WPS to participate in its Contracted Direct Load Control (CDLC) program. He stated the electrical generators were installed to provide reliability as an additional power supply. He stated through the CDLC program, WPS can start GBMSD's generators remotely, which will supply 3200 kW back into the grid. He stated GBMSD will get a notification from WPS when the generators are running.

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T. Sigmund stated GBMSD will receive a credit of approximately \$167,000 on a 12-month basis from WPS. He stated GBMSD will pay approximately \$55,000 in diesel fuel to provide this service.

Commissioner Blumreich asked what the percent of the total WPS electric bill is due to the demand charge. D. Busch replied about 30 – 40%.

15) Executive Director's report:

a) April Commission meeting

The next Commission meeting is scheduled for April 27 beginning at 8:30 a.m.

b) Impacts to GBMSD of Budget Repair Bill

Once the Budget Repair Bill is published, GBMSD employees will be required to contribute 5.8% of gross pay to the Wisconsin Retirement System. The amount will be deducted from employees' wages after taxes, but there may be an opportunity to deduct the amount on a pre-tax basis.

GBMSD will not be allowed to pay more than 88% of the premium of the lowest cost health insurance plan. Currently GBMSD pays 95% of the premium of the lowest cost plan. This change will take effect January 1, 2012 for municipalities.

Annual market adjustments may be limited to the percent increase in the Consumer Price Index.

c) Impacts to GBMSD of Governor's 2011 – 2013 biennium Executive Budget Bill

A provision is included to limit the ability of the DNR to impose phosphorus limits in permits for point sources. The Environmental Protection Agency (EPA) has already approved a process of the rules. EPA is talking to other states to push the limits down.

The budget proposes to increase the interest rate for eligible portions of the Clean Water Fund loans, which would impact the Solids Management Plan. At the current market rate of 4%, it would increase costs to GBMSD customers by \$780,000 per year. GBMSD is providing feedback to its customers and state elected officials.

A provision would require the DNR to recreate NR 151, which does not impact GBMSD directly. The new rules would not be more stringent than the requirements under the Federal Water Pollution Control Act.

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d) Update on communication with customers on Solids Management Plan

Staff has been meeting with GBMSD customers and stakeholders on the Solids Management Plan.

e) Reconsideration by EPA of MACT standards for incinerators

EPA has revised its MACT standards, which will be published by the end of March. The MACT standards have been modified from the proposed rule last summer. Staff is reviewing the rules and their impacts on GBMSD. NACWA is planning to petition EPA for reconsideration of the rule and is asking for GBMSD's support. The cost to join this group would be \$5,000 per incinerator, which GBMSD has two.

16) Convene in 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:

a) DNR Letter of Noncompliance

Motion #11-020

It was moved by Meinz, seconded by Blumreich, and unanimously agreed to convene in 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.

17) Reconvene in open session.

Motion #11-021

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

There being no further business to come before the Commission, the meeting adjourned at 11:03 a.m.

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Secretary