

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held April 27, 2011.

PRESENT: Commissioners Alesch, Mainz, and Blumreich

EXCUSED: Commissioners Hasselblad and Carpenter

ALSO PRESENT: T. Sigmund, P. McCarthy, P. Kaster, P. Wescott, M. Diaz, M. Pierner, W. Angoli, W. Oldenburg, J. Kennedy, J. Czypinski, B. Bartel, L. Evenson, J. Christ, B. Vander Loop, D. Cawley, M. Erschnig, J. Van Sistine, J. Nicks–Legal Counsel; M. Heckenlaible–City of Green Bay

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

1) Approval of minutes of Commission meetings held March 23 and April 1, 2011.

Motion #11-023

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to approve the March 23 and April 1, 2011 minutes as distributed.

2) March financials.

M. Diaz reported the overall operating revenues for March were unfavorable to budget by \$68,000. The operating expenses for March were favorable to budget by \$259,000 due to contracted services, salaries - benefits, and contingency. She reported the total operating expenses for the first quarter were \$651,000 favorable to budget as a result of contracted services, solid waste disposal, and salaries - benefits. Net income for March was \$494,000 as a result of operating expenses.

Commissioner Blumreich asked if the 5.8% of employees' wages paid to the Wisconsin Retirement System under the Budget Repair Bill is non-taxable. T. Sigmund replied the state has not resolved that issue yet. Joe Nicks stated Godfrey & Kahn will provide a tempered resolution for its clients the first Commission meeting after the bill becomes effective. He stated some municipalities have approved a resolution in advance.

3) Introduce new Director of Operations, Patrick Wescott.

T. Sigmund introduced Patrick Wescott, who has replaced Dan Busch as GBMSD's Director of Operations.

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P. Wescott stated that he was born and raised in Howard. He received his Bachelor's Degree in Environmental Science in 1995. His first job was as an Environmental Specialist at Kaempfer & Associates in Oconto Falls where he worked on sanitary sewer evaluation studies, facility as-builts, and operation & maintenance manuals. He worked at Georgia-Pacific as a Wastewater Treatment Plant Operator and then held supervisory roles for the next eight years. He then held Supervisor and Planner position at Little Rapids Corporation in Green Bay. He stated Lean was an integral part of business at the Little Rapids Corporation.

The Commission welcomed him.

4) Adopt service appreciation resolutions:

- a) **Commissioner Zabel**
- b) **Commissioner Scheberle**

Commissioner Alesch stated the Commission is asked to adopt two service resolutions for two former Commissioners. He stated Mr. Zabel began his term on the Commission in December 2004 and Ms. Scheberle in February 2008.

The Commission expressed its deep appreciation for the service given by both of these individuals.

Motion #11-024

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to adopt service appreciation resolutions for Commissioners Zabel and Scheberle (Resolutions #11-004 and #11-005 are on file at the GBMSD offices).

5) Request Commission approval to enter into a Ground Lease Agreement between the Green Bay Metropolitan Sewerage District and City of Green Bay.

P. Kaster stated this lease is similar to the lease with the Green Bay Yacht Club. He reported the lease has an initial 20-year term and after 15 years, the lease can be renewed or terminated. He stated the key provision is that GBMSD may terminate the lease with a three year notice. The fixed annual rental rate is \$1.00.

Commissioner Mainz asked if legal counsel is satisfied with the liability aspect of the lease. J. Nicks replied yes.

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Commissioner Mainz asked who is responsible for the guard rail. J. Nicks replied the City of Green Bay is responsible.

Motion #11-025

It was moved by Mainz, seconded by Blumreich, and unanimously agreed to enter into a Ground Lease Agreement between the Green Bay Metropolitan Sewerage District and City of Green Bay.

6) Sewer Use Ordinance update.

W. Oldenburg reported staff will modify the GBMSD Sewer Use Ordinance (SUO) this year. He provided the Commission with a time line for the review process.

Commissioner Mainz asked what a SSO is. W. Oldenburg replied a SSO is the abbreviation for sanitary sewer overflow. He stated customers must report a SSO or basement backup to the Department of Natural Resources and provide a copy to GBMSD.

Commissioner Alesch asked if the SUO schedule is altered today does the process start over. W. Oldenburg replied no. Commissioner Alesch asked at what point does the process start over. J. Nicks replied any changes to the SUO is rule making and requires the process to begin again.

Commissioner Alesch asked if fees are in the SUO. W. Oldenburg replied five parameters are defined in the SUO, but the cost is not.

T. Sigmund reported Jake Boomhouwer from CDM is currently updating GBMSD's rate methodology. He stated changes to the local limits within the pretreatment program follow a separate updating procedure, which includes mass sharing.

7) Sewer plan approval:

a) City of De Pere – Projects 11-01, 11-01a, and 11-14; GBMSD Request 2011-08

M. Pierner reported the City of De Pere is requesting approximately 3,000 ft. of sewer for the Highway 41 project, redevelopment around St. Norbert College, and a subdivision. GBMSD staff and Brown County Planning have reviewed the plan and recommend approval subject to favorable review by the Department of Natural Resources.

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Motion #11-026

It was moved by Blumreich, seconded by Mainz, and unanimously agreed to approve the City of De Pere – Projects 11-01, 11-01a, and 11-14 sewer plan subject to final approval by the Department of Natural Resources.

8) Update of projects:

a) Consolidation Projects – Treatment plants construction phase

W. Angoli reported the outstanding issue relates to the lien filed by the mechanical subcontractor against The Selmer Company and GBMSD.

J. Nicks stated the lien is on the money to be paid out, which has no impact on GBMSD. GBMSD must hold the money until the contractor and sub-contractor can come to an agreement. If the parties cannot agree, the court will decide where the money goes.

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

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

M. Pierner reported the project contingency was increased due to poor soil conditions. He stated PTS Contractors Inc. with assistance from Lunda Construction plan to have all the pipes in the ground in June, which is ahead of schedule.

d) Raw Wastewater Pump Station Bar Screen Replacement

e) North Basin Complex Gate Replacement

f) Electrical Generation Facility

W. Angoli stated Wisconsin Public Service can start GBMSD's generators remotely, which was done yesterday for peak shaving.

Commissioner Mainz asked if testing of the generators is identified in the contract. W. Angoli replied the generators are started up once a month and run for 30 minutes per GBMSD's operation and maintenance manual.

Commissioner Mainz asked if GBMSD keeps a maintenance record of this. W. Angoli replied yes.

g) Sludge Loading and Chemical Addition System

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h) Solids Management Plan

W. Angoli reported GBMSD must determine if its incinerators will be required to meet the qualifications of a new source performance standard under the Clean Air Act. If so, the incinerators would be required to meet the more stringent maximum available control technology (MACT) standards developed by the Environmental Protection Agency. Black & Veatch originally designed the incinerators and has been asked to assist GBMSD staff to determine if the incinerators are required to meet the new source performance standards. The determination for implementing the new air standards is by calculating if the cumulative cost for all changes over the life of the incinerator exceeds 50% of the original cost of the incineration system in today's dollars. The cost should not include maintenance of the incinerator, air pollution equipment, stack, and dewatering system. He stated currently the incinerators would not meet the MACT standards for nitrogen oxides.

Commissioner Alesch requested that staff identify separate costs for construction and process for the Solids Management Plan for the economic benefits of the byproducts. W. Angoli responded that staff is working on it.

T. Sigmund stated the values of electric and natural gas will be shown.

Commissioner Alesch stated that he would like to know how much pellet capacity there is versus combustion capacity.

i) Environmental Programs update

J. Kennedy provided a detailed 2010 Environmental Programs summary for the benefit of the new Commissioners.

9) Operation report:

a) Effluent quality for March

P. Wescott reported both facilities were in full compliance with all effluent limits for March. He reported on a minor solids bulking problem in early March, which was addressed and corrected.

b) Air quality for March

P. Wescott reported the Green Bay Facility was in full compliance with air quality limits for March.

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10) Executive Director's report:

a) May Commission meeting

The May Commission meeting will be held on May 25 beginning at 8:30 a.m.

b) Agreement with CDM to update the Cost Allocation Methodology

The agreement with CDM to update the Cost Allocation Methodology was approved by the Executive Director.

c) Insurance contract renewal

GBMSD renewed its insurance contract at \$13,364 less than 2010.

d) Insurance claim reimbursement

The claim for damages caused by the electrical fault was submitted to GBMSD's insurance broker and was reimbursed less the \$100,000 deductible. The \$100,000 deductible was submitted under a separate boiler and machinery coverage and GBMSD was reimbursed \$50,000.

e) Issue final payment to Elite Pipeline Services

A purchase order was approved at the end of last year for dewatering and closed circuit televising of the siphon pipe. Additional work was required, which increased that amount. GBMSD and the contractor negotiated on a price, which was less than the contractor's original request.

f) Update on communication with customers on Solids Management Plan

A meeting with GBMSD customers was held last week to provide an update on the MACT standards, review flows and loads, and tour the incineration system. Staff has a good process going forward.

g) 2012 GBMSD budget

Municipal and industrial customers have asked that GBMSD provide information on its budget as soon as possible. Staff has begun the budget process. Staff plans to discuss with the Commission a range of rates for the 2012 budget at the July 27 meeting. Staff will provide this information to GBMSD customers soon after so they can incorporate the rate into their budget planning. Staff plans to continue with the budget workshops.

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- 11) **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) **Status report on Rockland appeal of De Pere annexation**
 - b) **DNR Letter of Noncompliance**
 - c) **Georgia-Pacific**

Motion #11-027

It was moved by Mainz, 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.

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

Motion #11-028

It was moved by Mainz, 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 9:44 a.m.

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Secretary