

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held June 26, 2019.

PRESENT: Commissioners Hasselblad, Mainz, Hoffmann, and Tumpach

EXCUSED: Commissioner Blumreich

ALSO PRESENT: T. Sigmund, P. Wescott, N. Qualls, B. Vander Loop, J. Smudde, T. Brown, B. Clausen, B. Brown, B. Angoli, P. Mentink, E. Houghton, B. Oldenburg, A. Clark, B. Bartel, P. Smits, J. Czynski, T. Garrison, J. Maas, C. Mueller, J. Van Sistine, J. Smies & J. Nicks–Legal Counsel; D. Maccoux and J. Swanson–CliftonLarsonAllen LLP

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

1) Safety moment.

T. Sigmund provided safety tips with fireworks. He stated a video from the Fire Department was shared with staff over the last two days. There are about 11,000 injuries and 7 deaths each year, and 69% of the injuries are burns due to fireworks. Let the professionals handle fireworks.

Commissioner Hasselblad stated that since the auditors are not here yet, we will proceed with other agenda items until the auditors arrive.

5) Approval of minutes of Commission meeting held May 23, 2019.

Motion #19-045

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to approve the May 23, 2019 minutes as distributed.

6) May financials

B. Clausen reported total operating revenues for the month of May were favorable to budget by \$280,000 or 9% and year to date were favorable to budget by \$901,000 or 5% due to additional municipal TSS loadings and additional flow volume due to more precipitation received. Total operating expenses for the month of May were unfavorable to budget by (\$62,000) or (3%) from more expenditures in maintenance – interceptors, chemicals, and solid waste disposal. Year to date total operating expenses were unfavorable to budget by (\$1,200,000) or (14%) from more expenditures than budgeted from maintenance – interceptor and contractor expenses related to the Bayview Interceptor, Interplant and Industrial Forcemain repairs, and more power utilization due to higher influent flows at both facilities. Operating income for the month of May was \$1,500,000 and operating income year to date was \$8,000,000. Net loss for the month of May was (\$313,000) and net income year to date was \$518,000.

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7) Request Commission approval to award the Financial Software Replacement to Tyler Munis in the amount of \$287,798.

B. Clausen reported that in 2018 a replacement of financial software was budgeted for \$250,000. NEW Water's, the brand of the Green Bay Metropolitan Sewerage District, current software is Microsoft Dynamics SL, which reached its mainstream support in 2012 and is currently supported internally. Three software options were looked into, and Tyler Munis fit staff's needs the best, and was the lowest cost. She requested Commission approval to replace NEW Water's current software package with Tyler Munis financial package in the amount of \$287,798.

Commissioner Hasselblad asked if there are others in this area that use Tyler Munis. B. Clausen replied the City of Green Bay uses it and has been very happy with it. The City of Madison uses it and made some custom changes, and the changes were rolled out to all users of the product.

Commissioner Mainz asked where Tyler Technologies is located. J. Czipinski replied New England, Massachusetts, but there is a regional office in Chicago.

Motion #19-046

It was moved by Hoffmann, seconded by Mainz, and unanimously agreed to award the Financial Software Replacement to Tyler Munis in the amount of \$261,635 and a 10% contingency of \$26,163 under the authority of the Executive Director for a total authorized amount of \$287,798.

2) 2018 financial audit.

B. Vander Loop introduced David Maccoux and Josh Swanson from CliftonLarsonAllen LLP.

D. Maccoux from CliftonLarsonAllen provided the Commission with a revised communication letter because the original letter was missing the opinion section at the bottom of the first page. He reported that Schenck SC and CliftonLarsonAllen LLP merged in January 2019.

J. Swanson from CliftonLarsonAllen reviewed the following:

- Independent Auditors' Report
- Management's Discussion & Analysis
- Statement of Net Position
- Net Position Composition
- Statement of Revenues, Expenses, Changes in Net Position
- Operating Income & Change in Net Position
- Statement of Cash Flows

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- Financial Statement Footnote Disclosures
- Single Audit
- Management Communications

D. Maccoux stated that NEW Water staff were very helpful in providing the auditors with the information needed in a timely manner.

Commissioner Hasselblad asked if the auditors had any recommended changes. D. Maccoux replied as different things happen, the focus of the audit changes. He stated NEW Water's key risk this year was the process of the plant.

Commissioner Hasselblad asked what comes next after financial risk management. D. Maccoux replied internal controls and compliance work is the next most important.

- 3) **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; 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) Consultation with auditors regarding employee evaluation**
 - b) Discuss negotiation strategy concerning a potential industrial customer**
 - c) Litigation involving Bayview interceptor**

Motion #19-047

It was moved by Mainz, seconded by Hoffmann, 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; 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.

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4) Reconvene in open session.

Motion #19-048

It was moved by Mainz, seconded by Hoffmann, 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.

20) May 2019 Operations report.

P. Wescott reported for the month of May, both facilities were in full compliance with effluent limits and the Green Bay Facility was in full compliance with air quality limits. The R2E2 facility generated 1,500 megawatt hours of electricity and 210,000 CCF of biogas. Approximately 95% was used on site with 5% being sent through the waste gas flare. NEW Water has been running a trial on high strength waste for about 2.5 months now. In May, the Green Bay Facility received about 1,400,000 gallons of high strength waste. NEW Water is currently experiencing a 25% increase in biogas production. Staff will re-evaluate the high strength waste feed after tracking is complete for June and July. He stated some modifications were made to the R2E2 energy graphs to include the electrical resource recovery from the past year. Nutrient harvesting quantities have been incorporated.

Commissioner Mainz asked why NEW Water would not want to take in more high strength waste. P. Wescott replied that staff does not want to overload the digesters, and wants to make sure the plant has the digesters performing as designed. If the digesters are overloaded, the methane content could drop, which would affect biogas quality and they could become upset which would create foam. NEW Water will be evaluating taking in more high strength waste in the future.

8) Approve Resolution for acceptance of the Compliance Maintenance Annual Report for 2018 for the Green Bay Facility.

9) Approve Resolution for acceptance of the Compliance Maintenance Annual Report for 2018 for the De Pere Facility.

B. Oldenburg reported the Compliance Maintenance Annual Report (CMAR) is a self-evaluated report card of NEW Water's treatment facilities. The Green Bay and De Pere Facilities received a perfect score of 4.00 for 2018.

T. Sigmund added that the CMAR ties in with the Clean Water Fund loan program.

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Motion #19-049

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve resolutions for acceptance of the Compliance Maintenance Annual Report for 2018 for the Green Bay and De Pere Facilities. (Resolutions #19-006 and #19-007 are on file at the NEW Water offices)

- 10) **Request Commission approval of Amendment No. 8 to the Agreement for the Design and Implementation of an Adaptive Management Pilot Project for the Silver Creek Watershed in the amount of \$233,754.**

E. Houghton stated that in May 2014 NEW Water hired CH2M HILL to support the design and implementation of an Adaptive Management Pilot Project for the Silver Creek Watershed. In December 2014 the Commission approved Amendment No. 2 to extend the contract with CH2M HILL. Subsequent amendments were approved each year, and in December 2017 Amendment No. 7 was approved to extend the contract into 2018 and subsequent approval to extend unused funds into 2019. Amendment No. 8 includes work anticipated to be completed in 2019 and 2020, and includes tasks that build upon relationships and commitments with Brown and Outagamie Counties, USDA-NCRS, and the Oneida Tribe. There is one new task proposed in this amendment to create the Pilot Project Final Report. Annual reports were completed for each year of the pilot, and this Final Report will provide a summary of the approximately five-year project. In addition, full scale NEW Watershed Program line items will be moved to a new agreement to be established with CH2M HILL in 2019.

E. Houghton requested Commission approval of Amendment No. 8 for the Design and Implementation of an Adaptive Management Pilot Project for the Silver Creek Watershed in the amount of \$212,504 and a 10% contingency under the authority of the Executive Director for a total authorization of \$233,754.

Commissioner Hasselblad asked what happens with this contract if the Wisconsin Department of Natural Resources (WDNR) does not approve NEW Water's Adaptive Management Plan. E. Houghton replied the contract would then be terminated. NEW Water has received an acknowledged receipt from the WDNR for its June 20, 2019 Adaptive Management Plan submittal.

Commissioner Hasselblad stated when the Adaptive Management Plan is finalized, please update the Commission with what the pinch points were with the WDNR.

Commissioner Hoffmann asked if the Silver Creek Project is coming to an end. E. Houghton replied that the pilot is coming to an end and our efforts will be reduced, but NEW Water will maintain a foothold in Silver Creek to track and verify what the money is being spent on.

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Motion #19-050

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to approve Amendment No. 8 to the Agreement for the Design and Implementation of an Adaptive Management Pilot Project for the Silver Creek Watershed in the amount of \$212,504 and a contingency of \$21,250 under the authority of the Executive Director for a total authorization of \$233,754.

- 11) **Request Commission approval to close out the construction contract for Meter Stations 6, 8, and 9 Rehabilitation Project #17-031-CO and issue final payment of \$60,937.83 to Zeise Construction Co., Inc.**

B. Brown stated work on Meter Stations 6, 8, and 9 has been completed. Two of the three flume channels, walls, and ceilings have been protected with new coatings. The HVAC system has been replaced with new equipment and multiple issues have been addressed. One of the primary goals in this project was moisture control, which currently has the flume chamber results looking good. Three percent of the 10% contingency was used, but these numbers are misleading because the scope has changed throughout the project. B. Brown stated that he is pleased with the scheduled completion of the work.

Motion #19-051

It was moved by Hoffmann, seconded by Tumpach, and unanimously agreed to close out the construction contract for Meter Stations 6, 8, and 9 Rehabilitation Project #17-031-CO and issue final payment of \$60,937.83 to Zeise Construction Co., Inc.

- 12) **Request Commission approval to enter into an agreement with Black & Veatch for the Green Bay Facility and De Pere Facility – Facility Plan to Black & Veatch in the amount of \$826,592.**

B. Angoli reported the main goal of the Facility Plan is to provide a cost-effective plan for future plant replacement projects. The focus of the plan will be based on plant flows and loads, hydraulic and process models, current and future water and air regulatory requirements, infrastructure gap analysis, and a 50-year conceptual plan. Requests for Proposals were sent to six consulting firms and three proposals were received from Black & Veatch/Donohue, Jacobs, and Strand/Brown and Caldwell. After review, Black & Veatch/Donohue was selected. Revisions to the proposal were made in the hydraulic model and 50-year future project areas, which increased the cost to \$718,776. He requested Commission approval of the agreement.

Commissioner Hasselblad asked about the scope of work and 50-year plan. T. Sigmund replied facility plans like these are common for a long-range view to consider where future facilities may be placed.

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Motion #19-052

It was moved by Hoffmann, seconded by Tumpach, and unanimously agreed to enter into an agreement with Black & Veatch for the Green Bay Facility and De Pere Facility – Facility Plan in the amount of \$718,776 and a contingency of \$107,816 under the authority of the Executive Director for a total authorized amount of \$826,592.

- 13) **Request Commission approval to award Contract 35 Solids Building 300 Demolition to C.D. Smith Construction, Inc. in the amount of \$4,395,300.**

B. Angoli stated NEW Water solicited bids and two bids were received from C.D. Smith Construction Inc. and Miron Construction Co., Inc. C.D. Smith submitted the lowest bid. The engineer's estimate was \$2,820,000, which is significantly lower than the bids received. Upon further review, the engineer's estimate did not include site prep work and finishing because the engineer did not realize that these costs were not included in a contractor's estimate used to help estimate the project costs. Bids were also higher than the engineer's estimate because of how busy contractors are, and a higher contingency due to the tight market. He requested Commission approval of the contract.

Commissioner Mainz asked if NEW Water should postpone this project since contractors are busy and the pricing reflects that. N. Qualls replied the demolition and road work need to be done. He stated the building will eventually become a problem if NEW Water delays this project. There is no guarantee if the project was postponed that the bids would come in lower. This project will be funded from reserves that NEW Water has already collected from its customers.

Commissioner Mainz asked if the project is already funded 100%. N. Qualls replied no, since the cost is higher than anticipated the loan for Contract 34 will be higher.

Motion #19-053

It was moved by Hoffmann, seconded by Tumpach, and unanimously agreed to award Contract 35 Solids Building 300 Demolition to C.D. Smith Construction, Inc. in the amount of \$4,186,000 and a contingency of \$209,300 under the authority of the Executive Director for a total authorized amount of \$4,395,300.

- 14) **Request Commission approval of Amendment No. 1 for Jacobs Engineering Group, Inc. to provide construction related services for Contract 35 Solids Building 300 Demolition in the amount of \$775,781.**

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B. Angoli stated that while providing services during construction and overseeing the contractor, there will be a lot of time spent reviewing the work. There will be an intense period of work at the beginning and end of the project, so the hours need to be spaced out accordingly. NEW Water negotiated with Jacobs, and staff agrees with the hours, work, and cost of the project.

Commissioner Hoffmann asked if there was a reason NEW Water did not put this out for bid. B. Angoli replied that it did not go out for bid because Jacobs already did the design work. Jacobs knows the project the best and has already completed the specifications and drawings.

Motion #19-054

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve Amendment No. 1 for Jacobs Engineering Group, Inc. to provide construction related services for Contract 35 Solids Building 300 Demolition in the amount of \$705,256 and a 10% contingency of \$70,525 under the authority of the Executive Director for a total project amount of \$775,781.

- 15) **Request Commission approval of Amendment No. 5 for CH2M HILL Engineering, Inc. to provide additional construction related services for Contract 34 Digestion and Solids Facility in the amount of \$386,630, for a total authorized amount to \$14,249,703.39.**

B. Angoli stated that Amendment No. 4 included Commission approval for time extension items back in January. CH2M HILL assisted NEW Water to identify and rectify issues with phosphorus and metals analysis with the nutrient recovery system and modifications to instrumentation and controls requested by the operators. The extension of the project beyond the milestone dates and final completion resulted in additional time for inspection and administrative work.

Commissioner Mainz asked what Robert E. Lee's role was. B. Angoli replied that Robert E. Lee was the onsite inspection crew.

Motion #19-055

It was moved by Mainz, seconded by Hoffmann, and unanimously agreed to approve Amendment No. 5 for CH2M HILL Engineers, Inc. to provide additional construction related services for Contract 34 Digestion and Solids Facility in the amount of \$386,630 for a total authorized amount of \$14,249,703.39 which includes a contingency of \$524,400.

- 16) **Request Commission approval of the R2E2 Project Change Order No. 50 Building 300 Divider Wall and Utility Work for costs expensed to date in the amount of \$732,040.94.**

B. Angoli stated that this is a bookkeeping item. The final cost will be brought to the Commission at a future meeting.

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Commissioner Mainz asked how much has been approved. N. Qualls replied \$925,000.

Commissioner Mainz asked why the Commission does not approve change orders at the end of the project. N. Qualls replied staff prefers to get approval of change orders when they are received.

Motion #19-056

It was moved by Mainz, seconded by Tumpach, and unanimously agreed to approve the R2E2 Project Change Order No. 50 Solids Building 300 Divider Wall and Utility Work for costs expensed to date in the amount of \$732,040.94.

17) Sewer plan approvals:

- a) **Village of Bellevue Project #M-2500; GBMSD Request #2019-18**
- b) **Town of Ledgeview/Ledgeview Sanitary District No. 2 Contract C-2019; GBMSD Request 2019-20**
- c) **Town of Lawrence Project #L0017-9-18-00860; GBMSD Request #2019-21**

Commissioner Mainz asked if there is anything special about these sewer plans. B. Angoli replied no.

Motion #19-057

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

18) Laboratory & Research Department update.

B. Oldenburg reported that last year the lab was working on providing effluent chlorination/dechlorination samples to Green Bay Packaging to determine if NEW Water's effluent could be used in its paper making process. Samples were taken about 10 or 12 times at different effluent levels for testing. This year the lab is continuing its research into recovering precious metals from its wastewater samples. In 2018 there was about \$2,500,000 of gold that went through the plant. Because the concentration level was so low, there is no technology to harvest the gold as a possible revenue source. The lab has purchased another BOD Auto Analyzer.

A. Clark stated the BOD Auto Analyzer is a big part of NEW Water. The old analyzer was purchased in 2013 and the software was outdated. It also had four analyzers instead of one, which was expensive to maintain. The lab did research before purchasing the MANTECH, which received good reviews. The lab now has two machines that are automated versus manual, which is a big time saver.

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B. Oldenburg stated as of this morning, the Ion Chronograph has been running for 1,185 hours and has processed 400 samples. Last year the lab processed about 16,000 samples, and generated over 120,000 results. For this year the lab is anticipating over 117,000 samples and 132,000 results.

Commissioner Hasselblad asked when a Commission agenda allows, if staff can schedule a tour of the lab for the Commissioners, especially because this is a critical part of what NEW Water does.

19) Update of projects:

a) Contract 34 Digestion and Solids Facility

B. Angoli stated Contract 34 is coming to an end. Startup, testing, and training has been completed on the nutrient recovery system. A water softener needs to be added. The engineer is reviewing contractor as-built drawings and finalizing work change directives, which will hopefully be closed out by the end of August.

b) Green Bay Facility Administration Building Office Renovation

B. Brown stated renovation started after Memorial Day on the north end of the 2nd floor Administration Building. Employees were relocated before Memorial Day and are expected to be back in their offices by mid-July. After this phase is complete, phase two will begin which includes the Lab and IT Departments. After this is complete, phase three will start, which includes Engineering and the reception area.

c) De Pere Facility Electrical Distribution and Emergency Generator

P. Mentink stated construction with the De Pere project is in full swing. By the end of the week most of the building foundation should be complete. Within the next couple of weeks, the contractor will be starting the above grade steel part of the project. Along with that, the mechanical contractor is almost complete with the process piping relocation, followed by piping relocation for the road to be graded. The electrical contractor is making steady progress on the installation of the electrical duct banks.

d) Bayview Interceptor Replacement

P. Mentink stated that Bayview tunneling has advanced about 150 ft. west to east as of yesterday. Tunneling is challenging as soft soil conditions have been encountered. During this time the equipment had a malfunction with the laser, but has since been replaced. Soil conditions are still a concern and caution is being used. Between the soil conditions and the laser, the microtunneling boring machine has deviated from the vertical grade and is about 0.37 ft. higher than it should be with the casing and work has been ceased. Adjustments could be made between the casing and pipe.

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N. Qualls stated the contractor is checking into what the recovery plan is to get the grade back since the pipe cannot be built uphill.

Commissioner Mainz asked if this is a time and materials project. N. Qualls replied no.

N. Qualls stated the contractor has made NEW Water staff aware of a \$265,000 cost to go from east to west. The engineers do not see a change that would warrant an increase in the contractor's cost, but it is a possibility that there is a changed condition. There is not enough evidence at this time to make a decision. P. Mentink added the contractor is not making an additional claim yet.

21) Executive Director's report:

a) July Commission meeting

The July Commission meeting will be held July 24, 2019 at 8:30 a.m. This meeting will be the first time staff looks at the 2020 budget with the Commission.

b) Ryne Koehler was promoted to Wastewater Treatment Plant (WWTP) Operator

c) Kim Schwake was promoted to WWTP Operator

Ryne Koehler and Kim Schwake have completed their training and have been promoted.

d) Kayli Van Effen was promoted to WWTP Operator-in-Training

Kayli Van Effen applied for the position and was selected to be the next Operator-in-Training.

e) Bobby Zepnick is now recognized as a journeyman Maintenance Mechanic

Bobby Zepnick completed his hours of instruction and experience to advance from apprentice to journeyman.

f) 2019 USDA Forest Service Great Lakes Restoration Initiative grant

As of today, NEW Water will be submitting a grant application as part of the Great Lakes Restoration Initiative. This grant will involve NEW Water partnering with numerous other municipalities to purchase and install trees. This will be a two-year grant beginning 2020.

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g) Brown County's Hazardous Material Recovery Facility update

A memo from Julie Maas on the Hazardous Material Recovery Facility was included in the Commission packet. There is a lot of great work being done between the two organizations dealing with hazardous materials, including mercury. Mark Walter from Brown County Port & Resource Recovery will be giving a presentation at the July meeting.

h) NASA SeaPRISM

NEW Water has a great partnership with the National Aeronautics and Space Administration (NASA) dealing with cyanobacteria monitoring. There are only three SeaPRISMs in the country, and NEW Water has one. NEW Water is currently working with the University of Wisconsin-Milwaukee and University of Wisconsin-Green Bay for analysis on cyanobacteria blooms.

i) Adaptive Management Plan update

NEW Water has resubmitted its Adaptive Management Plan. Although there might be a few edits to be made, NEW Water should be in line with what the WDNR requires. There will be a summary provided when this is completed.

T. Sigmund stated the U.S. Environmental Protection Agency Assistant Administrator David Ross and Chief of Staff Kurt Thiede met with the Green Bay Water Utility. After the press conference, they visited NEW Water to hear about Adaptive Management within the R2E2 Project.

There being no further business to come before the Commission, the meeting adjourned at 10:38 a.m.

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Secretary