

GREEN BAY METROPOLITAN SEWERAGE DISTRICT
PROCEEDINGS OF THE COMMISSION

Regular meeting of the Commission held January 25, 2010.

PRESENT: Commissioners Alesch, Hasselblad, Mainz, Zabel, and Scheberle

ALSO PRESENT: T. Sigmund, P. McCarthy, P. Kaster, D. Busch, W. Angoli, M. Pierner, J. Christ, J. Czynski, J. Kennedy, W. Oldenburg, L. Evenson, B. Vander Loop, M. Erschnig, D. Lefebvre, D. Cawley, M. Kersten, J. Van Sistine, J. Nicks—Legal Counsel; D. Schwarz—SVA Consulting, LLC; J. Paavola & C. Pearson—The Einstein Project; K. Pabich & S. Thoresen—City of De Pere; M. Holden—Bayshore Sanitary District

P. Kaster introduced Dawn Schwarz from SVA Consulting, LLC, who will provide interim accounting services.

1) Approve Second Amendment to Special Order Regarding Eco Fibre, Inc.

Commissioner Alesch stated that he and Tom Sigmund met with Ron Van Den Heuvel, President of Eco Fibre two weeks ago. Commissioner Alesch conveyed the Commissioners' disappointment that the bioxide condition was not adhered to as required by the Amendment to the Special Order. Mr. Van Den Heuvel assured them that the bioxide was on site, but simply an oversight. Commissioner Alesch stated the Commission would consider favorably a Second Amendment to the Special Order if the City of De Pere supports the reopening of Eco Fibre and that GBMSD can be assured that the chemical addition will be added properly. He stated that if the bioxide is not added, GBMSD will immediately terminate services to Eco Fibre.

T. Sigmund stated that a letter from Eco Fibre laying out its plan, a flow schematic, and a letter from Ken Pabich, City of De Pere supporting Eco Fibre's request was included in the Commission packet. He reported a Second Amendment to the Special Order was also included for Commission review and approval.

Ken Pabich, Director of Planning and Economic Development requested on behalf of the City of De Pere that the Commission approve the Second Amendment to Special Order. Mr. Pabich stated a firm is interested in acquiring the facility, which would be a positive impact for the City and region with new jobs, and would also provide a strong corporate customer to GBMSD.

Commissioner Alesch asked if GBMSD staff will be on-site while Eco Fibre is operating. P. McCarthy replied that GBMSD will provide support and continuous monitoring of the bioxide feed and the hydrogen sulfide levels in the Ninth Street Interceptor.

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Commissioner Alesch asked if the Second Amendment would be terminated if Eco Fibre fails to comply with the stipulations. J. Nicks replied that in the Second Amendment the Commission gives authority to the Executive Director to terminate services immediately in the event of noncompliance, instead of waiting until the next Commission meeting to take action. He stated another provision in the Amendment is that Eco Fibre must notify GBMSD 48 hours prior to start up. The Amendment grants Eco Fibre a four-month extension and any additional time would have to be approved by the Commission.

Commissioner Alesch asked staff to discuss the stipulations in the Second Amendment to the Special Order with Mr. Van Den Heuvel.

Commissioner Hasselblad stated that violation of any criteria would be a gross disregard of the Commission, its position, and GBMSD.

Motion #10-001

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to approve the Second Amendment to Special Order Regarding Eco Fibre, Inc.

2) Adopt amended 2010 budget.

Commissioner Alesch stated at the December meeting the Commission was required by State Statutes to approve or reject the budget that was presented at the budget hearing and published in the newspaper. The Commission approved the budget with the understanding that changes to the budget would be proposed at this meeting.

T. Sigmund stated the major change to the budget was in revenue, due to Georgia-Pacific ceasing discharge of its process wastewater for treatment by GBMSD. Staff estimated a reduction of \$147,000 in power, chemicals, fuel, and solid waste by not treating this wastewater. Staff also proposed additional reductions in expenses for 2010 to help reduce the budget shortfall. Staff is proposing a revised combined municipal rate of \$1.71215 per 1,000 gallons of wastewater treated, which is an increase of \$0.02582 over the approved 2010 budget. He stated that Georgia-Pacific is also interested in terminating the Tripartite Agreement.

Commissioner Mainz stated that he asked at the December meeting what the cost savings would be if all employees were required to take a one-week furlough. T. Sigmund replied approximately \$150,000 reduction in salaries. He stated if an employee takes five consecutive days off without pay, the employee is eligible for unemployment compensation for more than three days off per the State of Wisconsin. GBMSD would be required to reimburse the State approximately \$50,000, resulting in a net savings to GBMSD of \$100,000. Staff opted to forgo that option to eliminate disruption to the operation and morale of the staff.

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Commissioner Zabel asked if staff contacted GBMSD customers regarding the revised budget. T. Sigmund replied a letter and the proposed revised budget were sent to GBMSD customers. Staff met with Matt Heckenlaible from the City of Green Bay to clarify questions that he had. Mr. Heckenlaible indicated that he would go back to the City to look for an amendment to its budget. The Bayshore Sanitary District asked for more information on the proposed budget and GBMSD's new billing process.

Commissioner Scheberle asked why contracted services increased to \$355,000. P. Kaster replied that legal services were over budget in 2009 and due to legal action anticipated in 2010, the amount was increased.

T. Sigmund stated the 2010 budget includes funds to implement our strategic plan investments.

Motion #10-002

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to adopt the amended 2010 budget.

3) Approval of minutes of Commission meeting held December 14, 2009.

Motion #10-003

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to approve the December 14, 2009 minutes as distributed.

4) Preliminary December financials.

P. Kaster reported the preliminary December financials indicate a \$972,000 positive variance in operating income. He stated the auditors will be on site February 1.

5) 2009 year-end budget transfers.

P. Kaster reported the year-end budget transfers are made to adjust budgeted line items that exceeded their original budget amounts.

Motion #10-004

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to approve the 2009 year-end budget transfers.

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6) Election of officers.

Commissioner Meinz stated that he would move the existing slate of officers (Daniel Alesch–President; Kathryn Hasselblad–Secretary; and Thomas Meinz, Christopher Zabel, and Denise Scheberle–Vice Presidents).

Commissioner Scheberle conveyed her appreciation for the work that President Alesch and Secretary Hasselblad have done over the past year. Commissioners Meinz and Zabel concurred.

Motion #10-005

It was moved by Meinz, seconded by Scheberle, and unanimously agreed to approve the existing slate of officers.

Commissioner Zabel departed at 9:06 a.m.

7) Einstein Science Project Update – Julie Paavola and Connie Greenawald.

Julie Paavola, Executive Director of The Einstein Project thanked the Commission for GBMSD's three-year sponsorship of the Macro to Micro Organism Unit in the amount of \$14,579. Ms. Paavola stated The Einstein Project was able to purchase an additional unit and supplements with GBMSD's sponsorship. She stated The Einstein Project provides Wisconsin public and private schools with affordable, inquiry-based science courses that cultivate critical thinking skills, effective problem solving, and the ability to work collaboratively. The Einstein Project focuses on kindergarten through grade 5 students. She stated previously The Einstein Project reached 180 students and now reaches 1,500 students.

Carol Pearson, Professional Development and Purchasing Director at The Einstein Project provided the Commission with a copy of the teacher's guide. Ms. Pearson stated the units provide the children with hands-on exercises to learn more about animals, insects, organisms, plants, and Greek and Latin names. The children learn proper microscope skills and measurements of organisms. She explained how children use photo cards to put organisms in habitats where they think they belong and then learn where they really belong. She commented that GBMSD school talks and tours are well received.

Commissioner Hasselblad applauded the efforts of The Einstein Project.

Commissioner Scheberle stated that she is glad GBMSD is part of The Einstein Project and has heard nothing but praise.

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- 8) **Request Commission approval of an amendment to an agreement with SVA Consulting, LLC for interim accounting services in the amount of \$33,670 and a 10% contingency for a total amount of \$37,037.**

P. Kaster stated SVA Consulting will be assisting in daily accounting activities, Microsoft Dynamics SL, FRX financial reporting, and Forecaster.

Commissioner Meinz asked if staff requested proposals from other firms. P. Kaster replied that staff looked at several accounting firms and selected SVA because of its knowledge of Microsoft Dynamics, which staff plans to implement.

Motion #10-006

It was moved by Hasselblad, seconded by Meinz, and unanimously agreed to approve an amendment to the agreement with SVA Consulting, LLC for interim accounting services in the amount of \$33,670 and a 10% contingency for a total amount of \$37,037.

- 9) **Request Commission approval of the Amendment to Contract with Elert & Associates, Inc. to provide telecommunication consulting services in the amount of \$12,650.**

J. Czypinski stated in July of 2009 GBMSD hired Elert & Associates to perform a review and needs assessment of GBMSD's current telephone system. He stated during the process other issues were identified that require a more detailed assessment. These issues included the public address system, cable infrastructure, and remote lift/meter station communication, which were outside the scope of services. The total fees for the additional services are \$12,650.

Commissioner Meinz stated that he would like to see a comprehensive plan.

Commissioner Alesch suggested that staff take a step back and determine if the telecommunication system should be replaced or upgraded. The Commission will postpone action on this item until the next meeting.

- 10) **Request Commission approval for Robert E. Lee & Associates, Inc. to provide design services for the West Side Interceptor modifications required to accommodate capacity expansion planned for USH 29 & USH 41 in the amount of \$234,157 and a 5% contingency for a total amount of \$245,865.**

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M. Pierner stated that GBMSD should be reimbursed 90% of the cost to relocate municipal facilities for freeway construction by the Wisconsin Department of Transportation (WDOT) per the Wisconsin State Statutes. Staff anticipates the financial assistance agreement will be submitted to GBMSD on April 1 for approval and returned to WDOT to obtain the Governor's approval in June. Staff is requesting Commission approval to move ahead with the design phase.

Motion #10-007

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to approve Robert E. Lee & Associates, Inc. to provide design services for phase 1 of the West Side Interceptor modifications required to accommodate capacity expansion planned for USH 29 & USH 41 in the amount of \$234,157 and a 5% contingency for a total amount of \$245,865.

- 11) **Request Commission approval for SEH to provide engineering services to update the Spill Prevention Control and Countermeasures Plan for the fuel oil storage system in the amount of \$9,990 and a 5% contingency for a total project amount of \$10,440.**

The GBMSD Spill Prevention Control and Countermeasure (SPCC) Plan for the fuel oil storage system is due for an update. Work currently underway on the emergency generators may impact the plan elements. The generator project consultant, SEH has demonstrated expertise in developing SPCC plans. Staff requested a proposal from SEH to update the SPCC plan in tandem with the generator project work. Staff reviewed the SEH scope of work and cost ceiling and determined both to be reasonable, and recommended awarding the contract at a total not to exceed the amount of \$10,440.

Motion #10-008

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to approve SEH to provide engineering services to update the Spill Prevention Control and Countermeasures Plan for the fuel oil storage system in the amount of \$9,990 and a 5% contingency for a total project amount of \$10,440.

- 12) **Request Commission approval to submit grant applications for the Engineered Wetland – Nutrient Wetland Demonstration Pilot and Planning Phase for Comprehensive Monitoring for Lower Green Bay AOC to the Great Lakes Restoration Initiative.**

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J. Kennedy requested Commission approval to submit two grant applications to the Environmental Protection Agency (EPA) for the federal government's Great Lakes Restoration Initiative (GLRI).

Commissioner Mainz asked how much this will cost GBMSD. J. Kennedy replied that if the proposals are approved, they would be funded through the GLRI.

Motion #10-009

It was moved by Scheberle, seconded by Hasselblad, and unanimously agreed to approve submission of grant applications for the Engineered Wetland – Nutrient Wetland Demonstration Pilot and Planning Phase for Comprehensive Monitoring for Lower Green Bay AOC to the Great Lakes Restoration Initiative.

13) Approve Human Resources and Benefits Manual revisions.

J. Christ stated that currently the Human Resources Manual and Benefit Manual are two separate documents. She stated for ease of administration, staff consolidated the two manuals into one Human Resources and Benefits Manual. The changes were highlighted in the Commission memo.

Motion #10-010

It was moved by Mainz, seconded by Scheberle, and unanimously agreed to approve the Human Resources and Benefits Manual.

14) Sewer plan approvals:

- a) City of Green Bay 1-10; GBMSD Request 2010-01**
- b) Town of Ledgeview B-2009; GBMSD Request 2010-02**
- c) City of Green Bay 2010 Capital Sewer Projects; GBMSD Request 2010-03**

Motion #10-011

It was moved by Mainz, seconded by Hasselblad, and unanimously agreed to approve the Town of Ledgeview B-2009 and City of Green Bay 1-10 and 2010 Capital Sewer Projects subject to favorable review by Brown County Planning and final approval by the Wisconsin Department of Natural Resources.

15) Ordinance update.

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W. Oldenburg reviewed the following:

- Proposed Timeline
- Ordinance Modifications
- Reimbursement of Unreasonable Endangerment Surcharge (UES)
- Past Reimbursement of UES
- Local Limits Evaluation
- Maximum Allowable Industrial Load Issues

W. Oldenburg reported proposed changes to the Sewer Use Ordinance (“Ordinance”) were published three times in the Green Bay Press-Gazette and a 30-day comment period was held. He stated that staff has decided to put local limits back into the Ordinance so staff will modify the Ordinance, republish the proposed changes, and begin a new 30-day comment period.

T. Sigmund stated the proposed changes to local limits affect industries mix/flow, which are necessary to protect facilities and areas that GBMSD discharges to.

J. Nicks stated GBMSD must follow the same rule making procedures as warranted by the State Statutes so local limits will be put back into the Ordinance.

Commissioner Mainz asked about trading. T. Sigmund responded that staff is not aware of any current trading examples from other wastewater utilities. He stated the Ordinance attempts to treat all industries the same.

J. Nicks stated the Ordinance does not support trading and he doesn't believe that an Ordinance exists that allows trading.

Commissioner Alesch stated that GBMSD addresses health, environment, and economy when serving its customers. He stated that if there is a better way to implement the proposed local limits changes in the Ordinance, he would like GBMSD to consider it.

Commissioner Mainz complimented staff on the meetings held to inform our customers.

- 16) Update of projects:**
- a) Consolidation Projects – General**

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- b) Consolidation Projects – Treatment plants construction phase**
- c) Consolidation Projects – Conveyance facilities construction**

M. Pierner reported transporting flow utilizing the newly constructed force main sewer from Fox River Fiber to the De Pere Facility started successfully January 18.

P. McCarthy stated that there is no evidence of sulfide generation in the mill waste force main after one week of operation.

- d) RAS/WAS System Improvements Project**
- e) Solids Management Plan**
- f) Mercury management update**
- g) Air permit update**

J. Nicks stated the air permit was issued and congratulated John Kennedy on his efforts.

- 17) Operation report:**
 - a) Effluent quality for December**
 - b) Air quality for December**

D. Busch reported both facilities were in compliance with effluent and air quality limits for December.

- 18) Legal Counsel report:**
 - a) None**

- 19) Executive Director's report:**
 - a) February Commission meeting**

The next Commission meeting is scheduled for February 15 at 8:30 a.m.

- b) 2009 year in review**

A list of accomplishments for 2009 and GBMSD 2010 goals were distributed. The goals have similarities with GBMSD's strategic planning initiatives, which reflect the triple bottom line – people, finance, and environment.

- c) Disclosure of Related Party Transactions**

Commissioners are required to sign the Disclosure of Related Party Transactions per State Statutes.

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d) 2010 Commission schedule

The 2010 Commission meeting schedule was included in the Commission packet.

e) Phosphorus update

A two-page summary from Paul Kent on proposed phosphorus water quality criteria was distributed to the Commission. GBMSD will have a representative make a statement in support of revisions to State Code NR 151.

20) 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, and under 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) Fox River PCB sediment issues**
- b) Fox River PCB insurance coverage issues**
- c) Status report on Rockland appeal of De Pere annexation**
- d) Personnel**

Motion #10-012

It was moved by Mainz, seconded by Hasselblad, 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, and under 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.

21) Reconvene in open session.

Motion #10-013

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

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Motion #10-014

It was moved by Hasselblad, seconded by Mainz, and unanimously agreed to authorize a 2.75% step increase for the Director of Operations, a 2.92% step increase for the Director of Business Services, a lump sum performance-based pay of \$2,000 to the Director of Technical Services, a \$1,055 adjustment to base salary and a lump sum performance-based pay of \$5,000 to the Executive Director.

There being no further business to come before the Commission, the meeting adjourned at 11:54 a.m.

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Secretary