



AGENDA - REVISED
REGULAR BOARD MEETING
August 27, 2018
5:00 p.m.

1. **Agenda Review**
2. **Old Business**
3. **Approval of Consent Agenda Items**
 - a. Regular Board minutes dated June 25, 2018
 - b. Board Member vouchers for the months of June and July
 - c. Payment Vouchers dated June 20, 2018 – July 17, 2018 and July 18, 2018 to August 21, 2018
 - d. Sanitary Sewer Extension –Haines Road Development / Patriot Drive Townhomes (City of Hermantown)
 - e. 2018/2019 Payment of Membership Dues to Minnesota Environmental Science and Economic Review Board (MESERB)
4. **New Business Items for Discussion and Approval**
 - Planning/Solid Waste
 - a. Approval of Proposed Solid Waste Ordinance Changes
 - b. Approval of Transfer Station Unacceptable Materials Fines
 - c. Approval of Materials Recovery Center (MRC) Land Use Agreement with the Duluth Airport Authority (DAA)
 - Finance
 - d. Approval of 2018 Structure Adjustment for Supervisory/Confidential Employee Pay Plan and Updated Grade Assignments
 - Other
 - e. Approval of Cloquet Pump Station Rehabilitation Project – Recommendation to Award Bid #1383
 - f. Approval of Oxygen Supply Improvements Project – Change Order for Additional Pile Foundation
5. **Committee Reports**
 - a. Committee of the Whole
 - b. Finance
 - c. Operations
 - d. Personnel
 - e. Legislative
 - f. Planning/Solid Waste
 - g. Board Governance
 - h. Board Member Comments
6. **Executive Director Reporting**
 - a. Communications
 - b. Monthly Financials
 - c. NPDES
7. **Legal Counsel**
8. **Executive Session (staff excused)**



MINUTES
REGULAR BOARD MEETING
August 27, 2018
5:00 p.m.

Board Members Present: Dave Manderfeld, Loren Lilly, Julene Boe, Archie Chelseth, Paul Thomsen, Marcia Podratz, Laura Ness, Ruth Janke, and Jim Aird

Staff Present: Karen Anderson, Melissa Williams, Jack Ezell, Cathy Remington, Marianne Bohren, Carrie Clement, Joe Mayasich, Sam Lobby, Brandon Stall, and Amanda MacDonald

Legal Present: David Oberstar – Fryberger, Buchanan, Smith & Frederick

1. Approval of Consent Agenda Items

- a. Regular Board minutes dated June 25, 2018
- b. Board Member vouchers for the months of June and July
- c. Payment Vouchers dated June 20, 2018 – July 17, 2018 and July 18, 2018 to August 21, 2018
- d. Sanitary Sewer Extension –Haines Road Development / Patriot Drive Townhomes (City of Hermantown)
- e. 2018/2019 Payment of Membership Dues to Minnesota Environmental Science and Economic Review Board (MESERB)

MOTION: Member Manderfeld to approve the Consent Agenda Items

SECOND: Member Boe

DISCUSSION: None

RESULT: The motion passed unanimously

2. New Business Items for Discussion and Approval

a. Approval of Solid Waste Ordinance Changes

Jack Ezell reviewed the proposed changes to the Solid Waste Ordinance. The WLSSD Solid Waste Ordinance establishes standards for the regulation of solid waste management with the intention of promoting the health, welfare, and safety of the public and protecting the environment. Solid waste management, recycling, solid waste management charges and fees, facility licensing, enforcement, and collector licensing are all included in the Solid Waste Ordinance.

The proposed changes are needed in order to match the changes in State statutes and definitions as well as minor changes. The proposed changes would become effective upon approval by the Board of Directors.

Given the above, the Planning/Solid Waste Committee recommends the WLSSD Board approve the proposed Solid Waste Ordinance changes.

MOTION: Member Manderfeld to approve the proposed Solid Waste Ordinance Changes

SECOND: Member Boe

DISCUSSION: None

RESULT: The motion passed unanimously

b. Approval of Transfer Station Unacceptable Materials Fines

Heidi Ringhofer discussed the fines. WLSSD continues to see increases in the number of loads at the transfer station containing unacceptable amounts of banned and recyclable materials. Staff is recommending that the fine of \$200.00 per load be assessed for those loads with unacceptable amounts of banned and recycled materials. This fine is in addition to any existing per item fines.

The Planning/Solid Waste Committee recommends that the WLSSD Board approve a fine of \$200.00 per load containing unacceptable amounts of banned and recyclable materials. This change would be effective January 1, 2019.

MOTION: Member Ness to approve a fine of \$200.00 per load containing unacceptable amounts of banned and recyclable materials

SECOND: Member Podratz

DISCUSSION: Member Aird expressed concern regarding how the fines would be passed along to the customer and how the hauler would be able to identify where the unacceptable originated from

RESULT: The motion passed with 8 ayes and 1 nay

c. Approval of Materials Recovery Center (MRC) Land Use Agreement with the Duluth Airport Authority (DAA)

Marianne Bohren reviewed the land use agreement. WLSSD entered into a land use agreement with the DAA in 2004 for the use of the property in which the MRC operation is located. This agreement allowed WLSSD to use this property for a 15 year period at a rental cost of \$1,000 per year; the agreement expires April 1, 2019. Per the land use agreement, WLSSD as the lessee, has the ability to

negotiate for an additional term by giving the DAA written notice within one year of the end date of the original agreement; WLSSD gave formal notice to the DAA in March of this year.

Over the past several months, WLSSD and DAA staff have worked with legal counsel to draft a new 20 year agreement. The boundaries of the agreement remain unchanged. The annual lease becomes \$10,000 per year with an annual adjustment equal to the Consumer Price Index (CPI) or 2%, whichever is greater.

It is recommended that the WLSSD Board approve the land use agreement with DAA extending the lease for the MRC to December 31, 2038.

MOTION: Member Manderfeld to approve the land use agreement with DAA extending the lease for the MRC to December 31, 2038

SECOND: Member Podratz

DISCUSSION: None

RESULT: The motion passed unanimously

d. **Approval of 2018 Structure Adjustment for Supervisory/Confidential Employee Pay Plan and Update Grade Assignments**

Melissa Williams discussed the 2018 structure adjustment and update grade assignments for supervisory and confidential employees.. She reviewed the results of our last pay equity compliance report, the recommended salary pay structure changes to meet parity with the annual contractual increase, satisfy pay equity requirements and ensure alignment with market salary survey information.

It is the recommendation of the Finance Committee that the WLSSD Board approve the recommended changes to the salary pay structure.

MOTION: Member Chelseth to approve the recommended changes to the salary pay structure

SECOND: Member Manderfeld

DISCUSSION: None

RESULT: The motion passed unanimously

e. **Approval of Cloquet Pump Station Rehabilitation Project – Recommendation to Award Bid #1383**

Carrie Clement discussed bid #1383. The Cloquet Pump Station is located on Sappi property and pumps wastewater from the City of Cloquet and the Sappi Paper Mill. This station was constructed in the late 1970s and there is noticeable degradation that has occurred in the building structure; some issues worsened due to inadequate ventilation in the wet well.

In May 2018, Lake Superior Consulting (LSC) was hired to develop specifications and drawings to rehabilitate the station and to provide construction inspection services. The ventilation system design was analyzed and will be updated to improve air quality of the interior of the station.

Bids for the project were opened on August 23, 2018; two bids were received. WLSSD and LSC recommend award to Kaski, Inc.

WLSSD staff recommends that the WLSSD Board award bid #1383 and authorize staff to enter into a contract with Kaski, Inc. for the Cloquet Pump Station Rehabilitation Project.

MOTION: Member Chelseth to award bid #1383 and authorize staff to enter into a contract with Kaski, Inc. for the Cloquet Pump Station Rehabilitation Project

SECOND: Member Boe

DISCUSSION: None

RESULT: The motion passed unanimously

f. **Approval of Oxygen Supply Improvements Project – Change Order for Additional Pile Foundation**

Nathan Hartman discussed the change order request. In April 2018, WLSSD Board awarded the Oxygen Supply and CHP Switchgear Improvements project to the Jamar Company. Construction on this project began in July 2018 and substantial completion is expected in July 2020.

The foundation work for the new building is currently underway. The contractor is driving pipe pilings to a specified depth to achieve the required structural capacity. During the design phase, the Engineer (Donohue) conducted soil testing to estimate how deep the piles would need to be to reach capacity. A number of the piles have reached the required depth; however, in the middle of the building site a deep chasm of clay has been discovered and will require additional footage of piling for the building foundation to achieve structural stability.

The installation of piles is a unit cost item for this project. The base bid that the contractor is awarded includes a line item for pile foundation based on the Engineers estimate. The contractor gives a unit price per foot and they are paid for the amount of feet of pile that is driven. To date about 50% of the piles have been driven to the required capacity. Due to the discovery of the clay, the amount of pile driven will be higher than the Engineer estimate in the bid form.

WLSSD staff is requesting that the WLSSD Board approve a change order to allow the contractor to proceed as needed and minimize the impact on the construction schedule.

Staff recommends that the WLSSD Board approve a Change Order for additional Pile Foundation in an amount not to exceed \$135,000 paid for with construction contingency.

MOTION: Member Manderfeld to approve a Change Order for additional Pile Foundation in an amount not to exceed \$135,000 paid for with construction contingency

SECOND: Member Lilly

DISCUSSION: None

RESULT: The motion passed unanimously

3. Committee Reports

- a. Committee of the Whole – the next meeting is scheduled for Monday, September 24th at 4:00 p.m.
- b. Finance – the minutes from the August meeting were reviewed; the next meetings are scheduled for September 5th and September 20th at 11:30 a.m.
- c. Operations – the next meeting is scheduled for Tuesday, September 18th at 11:30 a.m.
- d. Personnel – there was no meeting in August and no meeting is scheduled for September
- e. Legislative – there was no meeting in August and no meeting is scheduled for September
- f. Planning/Solid Waste – the minutes from the August meeting were reviewed; the next meeting is scheduled for Tuesday, September 18th at 11:30 a.m.
- g. Governance – there was no meeting in August and no meeting is scheduled for September
- h. Board member comments – none

4. Executive Director Reporting

- a. Communications

Marianne Bohren reviewed the communications at the Committee of the Whole Meeting prior to the Regular Board Meeting.

b. **Monthly Financials**

Cathy Remington reviewed the monthly financials at the Committee of the Whole Meeting prior to the Regular Board Meeting.

c. **NPDES**

Joe Mayasich reviewed the NPDES report at the Committee of the Whole Meeting prior to the Regular Board Meeting.

5. **Legal Council** – No report

6. **Executive Session** – none

The meeting adjourned at 5:32 p.m.

Recording Secretary

Board Chair

Board Secretary