STATE OF MICHIGAN

Raw Sludge Clarifiers and Raw Sludge Pumping Systems Improvements at the Lake Huron Water Treatment Plant April 11, 2018

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The Above Proceedings were taken before me, Glenn G. Miller, Notary Public within and for the County of Oakland, State of Michigan, at 735 Randolph, Fifth Floor, Detroit, Michigan, on Wednesday, April 11, 2018.

PRESENT:

Freeman Hendrix, Chairman GLWA

Brian Baker, Vice Chairman GLWA

Craig Hupy, Director GLWA

Gary Brown, Director GLWA

Abe Munfakh, Board Secretary GLWA

Robert Daddow, Director GLWA

Sue F. McCormick, GLWA CEO

William Wolfson, Chief Administrative and Compliance Officer,

Randal Brown, General Counsel

Jonathan Wheatley, Public Finance Manager

Todd King, Field Services

David Nitz, Brown and Caldwell

Page 2 Detroit, Michigan 1 2 Wednesday, April 11, 2018 3 At about 1:20 p.m. 4 MR. HENDRIX: The next item on the agenda 5 is the public hearing for the Water Revolving Fund, Lake 6 Huron Water Treatment Plant Sludge System Improvement 7 Project. Same team, Mr. Wheatley? 8 MR. WOLFSON: Mr. Wheatley and Mr. King 9 will do the presentation on this one. 10 MR. HENDRIX: Mr. King. 11 MR. KING: Good afternoon. Todd King, 12 Field Services. 13 I am presenting to you the Raw Sludge Clarifiers and Raw Sludge Pumping System Improvements at 14 the Lake Huron Water Plant. This is an outgrowth of the 15 16 design contract CS-171. The Lake Huron Plant is unique among 17 the system in that it has facilities on site for the 18 handling of residual sludges that are generated in the 19 20 settling basins and then they are pumped off into these 21 clarifiers and then pumped up into the lagoons for 22 ultimate disposal in a landfill. 23 With that introduction I'll hand it 24 over to Dave Nitz, who is the project manager from Brown 2.5 and Caldwell.

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MR. NITZ: Again, I'm Dave Nitz with Brown and Caldwell.

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As Todd mentioned, this project is for the improvements of a residual handling system, that's a side stream to the overall water treatment system at the Lake Huron Water Treatment Plant. The need for the project, the primary needs are just the structural condition and possible mechanical condition of the system that actually have been in need of repair for some time. They're past their useful life and in very poor condition.

So as part of the overall project, we evaluated a number of different alternatives for improving the system. I won't go into detail of all those, but essentially we've selected an alternative that is to replace the existing clarifier system and replace the pumping system rather than rehabilitate the existing system, and that that basis was determined by an evaluation of life cycle cost and different alternatives.

The overall cost of the project, the construction cost is on the ordered of six million dollars. It's a significantly smaller project than the one we previously discussed. The overall estimated project cost is approximately 7.2 million dollars, and

Page 4 1 the user cost impact is .33 dollars per year, 2 approximately. 3 As far as the environmental evaluation for the overall project, it is contained within the Lake 4 Huron facility, so there's very little chance of 5 6 environmental impact or other impacts to the community. 7 As far as the overall schedule, the 8 overall project is a 42 month schedule with 9 approximately a 22 month construction schedule anticipated. 10 11 As with the previous project, a 12 detailed project plan was posted to the GLWA website and it's been posted for over 30 days. 13 MR. HENDRIX: Questions on this item? 14 15 MR. MUNFAKH: I didn't see the 16 alternatives evaluated. MR. NITZ: Five alternatives were 17 evaluated and there was no action of evaluation of 18 alternative water sources. There is an alternative of 19 20 rehabilitating the existing system. The fourth 21 alternative is a partial rehabilitation and the fifth 22 alternative was completely new. 2.3 MR. WOLFSON: You're on Page 24. 24 MR. HENDRIX: Any questions on this side? 25 Hearing none, thank you very much. We

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move to the public comment portion of the agenda. If there are members of the public who would like to make a comment regarding the Drinking Water Revolving Fund on this item, Lake Huron Water Treatment Plant Sludge System Improvement Project, now would be the time to do so. Public comment on this item only. I don't see anyone coming. No one.

MS. DARRAH: This is on the sludge?

MR. HENDRIX: You would like to make a comment on the Water Revolving Fund for the Lake Huron Water Treatment Plant Sludge System. Correct?

MS. DARRAH: You got two things, you got a public hearing on Waterworks Park and another one on the sludge.

MR. WOLFSON: This is a public hearing on the sludge.

MS. DARRAH: I want to know -- a friend of mine the other day, yesterday, oh, they make money selling the sludge. I want to know are you making any money selling the sludge, number one? Could you put anaerobic digesters in there that would change this whole plan that you're proposing because then, you know, I mean, people make money off of it and you can reduce the water cost because you're not hauling the sludge away, unless you're making money. But in Boston where

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we got our Nefco from, Quincy, they got the anaerobic digestion on Deer Island and they made a big pipeline actually, they used to take it over on the barge, they took the sludge out -- dewatered by being in the anaerobic digestion and sent it over to Quincy and make fertilizers out of it with their dryers now.

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I don't even know. I've asked you many times those dryers that we spent 150 million dollars building and they're costing about 23 million dollars a year because it was a 683 million dollar, 20 year contract, to design, build and operate those dryers and I don't know -- I still don't know if they're working because naturally with public comments we never get an answer back. It's just we're talking to a wall, like the city council. Same thing.

So I want to know have you even considered -- if we're going to save money on the operation, maybe we should go at it and sell bonds for what it takes to build anaerobic digestion then you might be able to -- I mean, in Minneapolis they told me, before they bought them for here, that they never worked until they got -- they had dryers just like we got, Nefco dryers, but they never got them working right until they got the anaerobic digestion at the third phase. My niece lives there and they're telling them to

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put the meat scraps, everything into their garbage so they can put it in the anaerobic digesting, which you can make electricity and run the plant cheaper by having your own electricity or selling methane to somebody else and selling the fertilizer, too, which I don't think you can make very good fertilizer out of the sludge you've got.

I don't even know if you're selling it and making money on it. It's not showing up anywhere. But, anyway, those are my comments. I don't see that as an alternative here and maybe you should look long range and look at Cleveland and other places where they reduced the water costs instead of increasing it and you still have an increase in the water quality.

I was in Ann Arbor and their water tastes great because they use ultraviolet -- don't they use ultraviolet to treat their water? They don't put chlorine in their water. Give us some good water, too.

MR. HENDRIX: Thank you.

MR. WOLFSON: And for the record, that was Ms. Cindy Darrah.

 $$\operatorname{MR}.$$ HENDRIX: Thank you for those comments. We appreciate that very much.

Anyone else for public comment?

Seeing no one end else coming to the

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1	microphone, we'll close the public comment section of
2	the agenda.
3	(The Public Hearing was closed
4	at 1:30 p.m.)
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Page 9 CERTIFICATE I, Glenn Miller, do hereby certify that I have recorded stenographically the proceedings had and testimony taken in the above-entitled matter at the time and place hereinbefore set forth, and I do further certify that the foregoing transcript, consisting of eight (8) typewritten pages, is a true and correct transcript of my said stenograph notes. -- Glenn-Miller-Glenn Miller Certified Shorthand Reporter (Date)