

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday May 25, 2010

Meeting was called to order by Commission President William Zelinski at 8:00 a.m.

Present: Commissioners Gordon Falck, Tim Hamblin, William Helein, Raymond Zielinski, Dale Youngquist, Kathy Bauer, William Zelinski; Manager Randall Much, Accountant Roger Voigt.

Also Present: Rob Franck, Paul Much (MCO); Mike Sams (Waverly); Tom Kispert, Chad Olsen (McMahon), Jeff Waldvogel & son (Waldvogel Trucking).

Motion made by Commissioner Raymond Zielinski, seconded by Commissioner Kathy Bauer to approve the minutes of the Regular Meeting of April 27, 2010. Motion carried unanimously.

Correspondence

There was no correspondence to be discussed.

Budget, Finance, Personnel

Accountant Voigt presented the financial statements for the month of April 2010. Commissioner Dale Youngquist questioned the dollar amount reported for Unamortized Refinancing Loss. Accountant Voigt he will check into the account balance. Accountant Voigt reported the semi-annual bond interest payment will be made on June 1st. The payment is about \$75,000. Commissioner Dale Youngquist pointed out and questioned the NMSC generally running a low or negative operating cash balance and suggested the NMSC should look at creating an operations fund reserve to be funded over a three to five year period. The subject will be discussed further during the budget preparation process. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to accept the financial statements for the month of April and place it on file. Motion carried unanimously.

Accountant Voigt presented MCO Invoices #14493, #14530, and #14527 in the amounts of \$119,149.99, \$499.73 and \$750.12. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Gordon Falck to approve for payment MCO Invoices #14493, #14530, and #14527 and to pay the invoices after June 1, 2010. Motion carried unanimously.

Accountant Voigt presented the Accountants Report for the month of April. A CD matured on Friday at Prospera Credit Union. These funds are for the Bond Reserve. The money from this CD will be transferred to First National Bank – Fox Valley and invested in the CDARS account. The money will be deposited for a three year period at 2.02%. MCO generated \$2,968 in income to the Commission in April. After discussion; motion by Commissioner Dale Youngquist, seconded by Commissioner William Helein to accept the Accountants Report for the month of April 2010. Motion carried unanimously.

Accountant Voigt presented for payment McMAHON invoices #40674 and #40504 in the amounts of \$622.00 and \$4,728.93. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to approve for payment invoices #40674 and #40504. Motion carried unanimously.

Operations, Engineering, Planning

Manager Much presented and discussed the operating report for the month of April 2010. The plant is operating well. The engine generator continues to run. Rob Franck reported the engine is running at 95% capacity during the day and is running at 60% capacity in the evenings to insure sufficient methane gas levels to keep the sludge digester boilers operating. With warmer evenings approaching, the methane gas levels will be watched closer to see if we can run at a higher capacity in the evenings. Additional discussion ensued on the electric charges and the offset from burning the methane gas as well as the power cost adjustment amount on the electric bill. After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Tim Hamblin to accept the operating report for the month of April 2010. Motion carried unanimously.

Facility Plan Process - Tom Kispert from McMahon discussed with the Commission graphs created showing three years of values on plant influent loadings. Flow data indicate the current plant sizing seems to look okay for future planning. BOD data shows the current plant capacity also looks to be okay. Suspended Solids data has maximum loadings that are of concern, but the plant is handling the capacity – the primary clarifiers are removing most of the solids. Tom Kispert also discussed the review of the screw pumps and costs to refurbish, rebuild or replace the units. The projected cost to refurbish the screw pumps is \$694,229 – the cost to rebuild the motors is significantly cheaper than buying new. The projected cost to do a complete rebuild, except for the gear box, is \$1,084,000. Tom pointed out to the Commissioners that only one screw was checked for wear. Some wear was noted but it is still within recommended tolerances. The assumption is that the results would be similar with the remaining screws. To replace the current screws with new units are projected to cost \$1,525,000. The cost to replace the current screws with another pump station system is projected to be \$1,905,000. The dollar numbers were provided by Crane Engineering Sales. Late Monday new quote options were received by Tom. These quotes had minor adjustments in them that could reduce the projected project cost to refurbish the screw pumps by \$1,900 to \$3,900. The costs are based on refurbishing one screw pump at a time. Commissioners Dale Youngquist and Kathy Bauer indicated they would like to see the different plant processes that are being discussed to help provide them with more meaning of what is being discussed and how this ties together. Setting up a time for a plant tour to see these items is suggested. The best days for holding a tour in the evenings would be on either a Monday or Thursday. The Commissioners will be notified when a date for a tour is set. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Kathy Bauer to approve in proceeding with the screw pump refurbishing at a cost not to exceed \$695,000. Motion carried unanimously.

Old Business

Interceptor ownership. Manager Much reported that he has no new information to report at this time.

Biosolids Management. Chad Olsen distributed and discussed a report on the Biosolids Handling & Storage Options Update. Chad discussed the background information and the options looked at to date. The requirements for a storage building were discussed; farmers are now looking at granting access for land application during the fall season. This will result in a building being sized to handle one year of storage compared to the DNR required 180-day storage. The building needs to be sized at 65,000 square feet. Current building cost estimates are at \$55 - \$60 per square foot. The location for the building sites were also discussed including estimated costs for hauling and building costs. All cost figures are based on the Commission sludge dewatering to improve from the current 15%-16% solids to 25% solids. Chad will be requesting to put a plan together to obtain pricing from construction firms for building costs.

Town of Neenah S.D. #2 claim. Accountant Voigt reported the Commission has until June 10 to issue a response. This is being handled by the NMSC Attorney John Thiel.

New Business

President William Zelinski received a request to move the date of the June Commission meeting. The Commission discussed moving the meeting date to either June 15th or June 29th. After discussion, it was decided June 29th would be the better date. Motion made by Commissioner Raymond Zielinski, seconded by Commissioner Kathy Bauer to move the date of the Regular Meeting to June 29th, 2010 at 8:00 am. Motion carried unanimously.

Other Business to Legally Come Before the Commission

There is no information to be discussed in closed session.

Vouchers

After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to approve operating and payroll fund vouchers #131611 through #131661 in the amount of \$282,255.04 for the month of April. Motion carried unanimously.

Motion made by Commissioner Raymond Zielinski, seconded by Commissioner William Helein to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:45 a.m.

President

Secretary

THE NEXT REGULAR MEETING DATE HAS BEEN CHANGED

THE NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY JUNE 29TH, 2010.