

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday June 29, 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, Attorney John Thiel.

Also Present: Rob Franck, Paul Much (MCO); Mike Sambs (Waverly); Tom Kispert, Chad Olsen (McMahon), Jeff Waldvogel (Waldvogel Trucking), Mike King (Post Crescent).

Motion made by Commissioner Raymond Zielinski, seconded by Commissioner Dale Youngquist to approve the minutes of the Regular Meeting of May 25, 2010. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

1. June 2, 2010 letter from Mr. Dan Olsen, DNR to William Zelinski, NMSC President.
RE: Clean Water Fund Program Project Priority Score – 98.479 (#12 on funding list).

Budget, Finance, Personnel

Accountant Voigt presented the financial statements for the month of May 2010. After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Dale Youngquist to accept the financial statements for the month of May and place it on file. Motion carried unanimously.

Accountant Voigt requested Commissioner input prior to beginning the budget process for the 2011 NMSC budget. Commissioners discussed the replacement fund, depreciation fund, debt financing, and creating an operating fund surplus account. It was a general feeling that the replacement and depreciation funds should be increased around 5% and an operating fund surplus account should be established and funded over a 5 year period.

Accountant Voigt presented proposed rates for Flow, B.O.D., and Suspended Solids for the 3rd quarter 2010. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to approve the 3rd quarter 2010 rates for Flow, B.O.D. and Suspended Solids as proposed. Motion carried unanimously. The 3rd quarter rates are: Flow - \$225.11/million gallons, BOD - \$0.2802/pound, S.S. - \$0.1400/pound.

Accountant Voigt presented MCO Invoices #14574, #14610, and #14606 in the amounts of \$119,150.00, \$353.84 and \$111.12. After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Dale Youngquist to approve for payment MCO Invoices

#14574, #14610, and #14606 and to pay the invoices after July 1, 2010. Motion carried unanimously.

Accountant Voigt presented the Accountants Report for the month of May. MCO generated \$6,257 in income to the Commission in May. After discussion; motion by Commissioner Dale Youngquist, seconded by Commissioner Kathy Bauer to accept the Accountants Report for the month of May 2010. Motion carried unanimously.

Accountant Voigt presented for payment McMAHON invoices #41154, #40903 and #40904 in the amounts of \$2,210.07, \$14,330.76 and \$71.15. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Kathy Bauer to approve for payment invoices #41154, #40903 and #40904. Motion carried unanimously.

Operations, Engineering, Planning

Manager Much presented and discussed the operating report for the month of May 2010. The plant is operating well. The engine generator is down due to an issue with a transformer. Routine oil analysis that was performed indicated increased acetylene levels in the oil which indicates a possible issue with the unit. The transformer will be further inspected to try to identify the possible cause; a replacement transformer is expected to cost between \$18,000 to \$22,000. Accountant Voigt reported further information on how the power cost adjustment is calculated. After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Dale Youngquist to accept the operating report for the month of May 2010. Motion carried unanimously.

Manager Much discussed the 2009 Compliance Maintenance Annual Report (CMAR). The wastewater treatment facility received a grade "A" on all categories in this report. As part of this report, the Commission will need to approve the included Compliance Maintenance Resolution, NMSC Resolution 2010-1. No additional action is required of the Commission regarding any items in the CMAR. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to approve Compliance Maintenance Resolution, NMSC Resolution 2010-1. Motion carried unanimously.

Facility Plan Process – Pilot Testing – Testing was performed on the centrifuge sludge and belt press sludge with the Cinetik Linear Electro-Dewatering equipment. There will be an open house later this morning to demonstrate the unit. The Commissioners are invited to the demonstration.

Screw Pumps – Hydrogen sulfide has opened up cracks in the screw bay concrete. There are a couple of methods to repair these cracks. The cracks can be repaired with an epoxy injection. This method is used for structural repairs; it is a long term fix and is the most expensive at \$98,500. The cracks in the cement are not structural issues. A second method to repair the cracks is to route the cracks and apply an epoxy in the joint. This type of repair is used for non-structural cracks. Pricing was received from Norcon Corporation and Crane Engineering. Norcon Corporation's price to repair the cracks in this manner is \$27,674. The price from Crane Engineering would be to only fill the cracks and apply a sealer for \$14,000. Additional costs will also be incurred to paint the troughs in the screw bays and the sidewalls using a 2 part coating system. The price received for painting the troughs and sidewalls totaled \$88,000. After discussion, motion by Commissioner Dale Youngquist, seconded by Commissioner Kathy Bauer

to approve and proceed with the quote from Norcon Corporation to route the cracks and apply epoxy to the joints at a cost not to exceed \$30,000 and to approve the blasting and two part coating of the screw pump troughs and sidewalls at a cost not to exceed \$90,000. Motion carried unanimously.

Manager Much and Attorney John Thiel discussed a homeowner request at 808 Milwaukee Street, Menasha, for a variance to build a garage or car port that would encroach on NMSC property. Discussion ensued; it is recommended that the Commission should not approve this request since it is a request to build on Commission owned property. After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Tim Hamblin to deny the request of the property owner at 808 Milwaukee Street, Menasha, for a variance to build on Commission owned property. 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 presented and discussed his written report with the Commission. Items discussed included Gizmo Farms and leasing building and Gizmo Farms interest in extending current contract; property in the Town of Black Creek for a building site and spreading sites; revised costs estimates for building a storage building. Other items discussed included the site at the landfill and meeting with the farmer in the Town of Greenville and the Greenville Town Board.

Motion made by Commissioner Raymond Zielinski, seconded by Commissioner Dale Youngquist to convene into closed session pursuant to Wis. Stats. § 19.85(1)(g) to confer and review written and/or oral legal advice by legal counsel to the Commission as to litigation strategy and status of matters concerning the lawsuit(s) commonly referred to as the Fox River litigation and a separate and distinct matter involving a Notice of Claim received by the Commission from the Town of Neenah (Sanitary District No. 2 which requests reimbursement of funds. Motion carried unanimously by Commissioners William Helein, Raymond Zielinski, Kathy Bauer, Gordon Falck, Tim Hamblin, Dale Youngquist. Meeting convened into closed session at 9:38 am.

After discussions, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to adjourn the closed session and return in regular open session. Motion carried unanimously by Commissioners William Helein, Raymond Zielinski, Tim Hamblin, Gordon Falck, Dale Youngquist, Kathy Bauer. The Commission returned to Regular open session at 9:50 am.

Vouchers

After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Dale Youngquist to approve operating and payroll fund vouchers #131662 through #131721 in the amount of \$774,182.79 for the month of May. Motion carried unanimously.

Motion made by Commissioner Raymond Zielinski, seconded by Commissioner Tim Hamblin to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:52 a.m.

President

Secretary

THE NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY JULY 27TH, 2010.

DRAFT