NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday October 25, 2011

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

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

Also Present: Tom Kispert, Chad Olsen (McMAHON); Paul Much (MCO); Town of Greenville residents; Mike King (Post Crescent).

Commissioners discussed the minutes from the Regular Meeting and Closed Session of September 27, 2011; the minutes from the Special Meeting on October 5, 2011; and the minutes from the Special Meeting and Closed Session on October 10, 2011. After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Kathy Bauer to approve the minutes of the Regular Meeting and Closed Session of September 27, 2011; Special Meeting on October 5, 2011; and Special Meeting and Closed Session on October 10, 2011. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

A. October 11, 2011 letter from NMSC Accountant Voigt to Mr. Dave Tebo, Town of Greenville.
   RE: Response to open records request.

B. October 17, 2011 letter from NMSC President William Zelinski to Town of Greenville Chairman Randy Leiker.
   RE: Response to request for information.

Budget, Finance, Personnel

Accountant Voigt presented the financial statements for the month of September 2011. Commissioner Dale Youngquist questioned the deferred debits and if they were for Fox River legal fees; Accountant Voigt responded yes it is. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Mike Sambs to accept the financial statements for the month of September and place it on file. Motion carried unanimously.

Commissioners discussed Attorney John Thiel's legal bills for services for the Fox River PCB issues and if the Commission should present these bills to the cities of Menasha and Neenah for reimbursement similar to the handling of the legal bills received from Davis & Kuelthau. Commissioner Raymond Zielinski questioned why only the two cities should pay these bills (Attorney Thiel's) and if anyone else had heard from the City Attorneys. Commissioner Kathy Bauer reported she talked with the Menasha Mayor and he has concerns in making this change.

Commissioner Tim Hamblin reported he talked with both the Neenah Mayor and City Attorney and they expressed their concern on making this change and that the NMSC needs to have "skin in the game". The Commission discussed this further. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski that the Commission will not pursue billing only the cities of Menasha and Neenah for Attorney John Thiel's legal bills on Fox River litigation matters. Motion carried unanimously.

The Commission discussed the request for fee adjustment from Godfrey & Kahn S.C. for preparing the $4,500,000 Revenue Bond Anticipation Note for the NMSC. Attorney John Thiel reported he talked with Attorney Tom Griggs. The original quote was based on information provided and the actual work was different in that it included additional work with the industrial user situation with the cities. Commissioner Dale Youngquist questioned if anyone received any advanced notice of the additional work being put in. No one was able to recall talking about or receiving any such notice. Commissioner Raymond Zielinski indicated he feels it is okay to increase the fee somewhat but not the full amount requested. Attorney John Thiel indicated someone should call Attorney Tom Griggs to discuss this further. Manager Much responded he will have staff contact Attorney Tom Griggs. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to defer approval and payment to Godfrey & Kahn S.C. until the requested fee adjustment can be resolved. Motion carried unanimously.

Accountant Voigt presented MCO Invoices #15891, #15933 and #15929 in the amounts of $117,132.40, $450.70 and $41.99. After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Dale Youngquist to approve for payment MCO Invoices #15891, #15933 and #15929 and to pay the invoices after November 1, 2011. Motion carried unanimously.

Accountant Voigt presented the Accountants Report and Cash Flow Projection for the month of September. The loan proceeds have repaid the borrowing from the Replacement and Depreciation Funds and you will see increased values in the ICS CDARS accounts. MCO generated $4,800 in income to the Commission in September. Accountant Voigt also reported on contacting WPS for a final utility reading on October 31 for the storage building and he also reported he is obtaining quotes for replacing the current copy machine. It is ten years old and parts for repair are getting more difficult to obtain. After discussion, motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to accept the Accountants Report for September. Motion carried unanimously.

Accountant Voigt presented for payment McMAHON invoices #46841 - $1,760.00; #46895 - $14,400.00; #46840 - $1,150.00; #46837 - $11,400.00; #46838 - $8,200.00; #46839 - $3,300.00; #46538 - $348.50; #46409 – $2,541.80; #46920 - $1,611.00; #46408 - $19,264.00 and #46921 - $23,021.60. Commissioner Dale Youngquist questioned why there are a couple old invoices in this group. Accountant Voigt responded the older invoices were not received in time to be included for the September meeting. After discussion, motion made by Commissioner Dale Youngquist seconded by Commissioner Tim Hamblin to approve for payment invoices #46841, #46895, #46840, #46837, #46838, #46839, #46538, #46409, #46920, #46408, and #46921. Motion carried unanimously.

Operations, Engineering, Planning

Manager Much presented and discussed the operating report for the month of September 2011. The plant is operating well; the methane engine is down again. Oil got into the turbo; we are checking into the cause and are waiting for a call back from technicians. President William Zelinski questioned if we are looking at replacing the unit. Manager Much responded it is not in the plans; we are going to wait to see what amount of bio-gas is generated with the plant upgrade. After discussion, motion made by Commissioner Raymond Zielinski, seconded by Commissioner Dale Youngquist to accept the operating report for the month of September 2011. Motion carried unanimously.

Tom Kispert updated the Commission on the facilities upgrade project. Thursday October 27 is the bid opening on the equipment bidding. After the bid opening a meeting will be scheduled with plant staff to review the equipment in the bids. A grant offer was received from Focus On Energy in the amount of $148,072. The biggest stipulation is for the Commission to accept this grant offer by December and to have the aeration equipment installed and operational by December 2012. Commissioner Raymond Zielinski questioned who did the work for obtaining the grant. McMahon prepared and submitted the paperwork. A couple Commissioners expressed interest in coming to the bid opening; Attorney John Thiel requested the Commissioners to let Accountant Voigt know if you will come to the bid opening in case we need to notice this as a meeting. Tom Kispert also reported they are continuing to look for other grant funding sources.

Tom Kispert discussed the Controls & SCADA. The panel drawings and shop drawing are being worked on.

Tom Kispert discussed the GIS based work order system. Some adjustments to the program are being made based on staff review of the work order portion of the system; the computer server has been ordered. The software will need to be installed and tested on the server.

Tom Kispert discussed needing a special meeting to award the equipment contracts. Originally November 10 was discussed as the date for the meeting. After discussions, it was felt that Friday November 11 would be a better date for Commissioners to attend a special meeting. Motion made by Commissioner Dale Youngquist, seconded by Commissioner Raymond Zielinski to hold a Special Meeting on Friday November 11, 2011 at 8:00 am for the purpose of awarding equipment procurement contracts. Motion carried unanimously.

Old Business

Sewer Ownership. Commissioner Raymond Zielinski reported he is not sure if Menasha is interested in pursuing the ownership of the interceptors. Commissioner Gordon Falck requested an explanation for the reasons of having the Communities own the interceptors; Manager Much discussed the reasons. Commissioner Dale Youngquist suggests this item should be removed from the agenda and put back on when there is discussion on this subject.

Biosolids. Manager Much reported hauling to the landfill will begin November 1; all the permits have been received. Chad Olsen reported on findings to get to Class A Biosolids for the

Commission. A report which discusses a method for the Commission to make a change in using the digesters to meet the state requirements for Class A Biosolids has been sent to Gerry Novotny who will discuss with Fred Hagemann (state biosolids coordinator). The process would go from using the current two digesters to process the biosolids to putting one more digester into service. Chad Olsen also reported he will be looking at patented processes available to achieve Class A biosolids. Chad Olsen also distributed information received from the Town of Greenville engineering consultant; Omni Associates, requesting additional information regarding the biosolids storage building.

Conceal/Carry. Attorney John Thiel updated and discussed this issue with the Commission. Attorney John Thiel suggests he should draft a policy and he further discussed issues and concerns he is hearing on this subject. Attorney John Thiel questioned the Commissioners if they had seen the comments from Festival Foods on this issue. Commissioner Dale Youngquist reported the Town of Menasha is not doing anything at this time. Attorney John Thiel recommends not taking any action at this time and to monitor this to see what additional information comes out.

New Business

Motion made by Commissioner Raymond Zielinski, seconded by Commissioner Kathy Bauer to approve NMSC Resolution 2011-3, a Resolution of Appreciation to William Zelinski for the years of service as Commissioner to the NMSC. Motion carried unanimously.

RESOLUTION OF APPRECIATION

NEENAH-MENASHA SEWERAGE COMMISSION RESOLUTION 2011-3

RECITALS

WHEREAS, William Zelinski started his term as a Commissioner on the Neenah-Menasha Sewerage Commission on July 10, 1979; and

WHEREAS, during his tenure as a Commissioner on the Neenah-Menasha Sewerage Commission served in various capacities that included Commission President and Commission Vice-President; and

WHEREAS, William Zelinski will be ending his appointment as a Commissioner on October 30th, 2011 after dedicating 32 years, 112 days of his time to the Neenah-Menasha Sewerage Commission; and

WHEREAS, William Zelinski dedicated this time to improving the Plant Operations and Treatment capabilities of the Neenah-Menasha Wastewater Treatment Facility thereby helping to improve the water quality of the Fox River; and

WHEREAS, William Zelinski was instrumental in changing the Neenah-Menasha Sewerage Commission from a joint Neenah-Menasha Wastewater Treatment Facility to a Regional Wastewater Treatment Facility serving the surrounding communities of Neenah and Menasha.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Neenah-Menasha Sewerage Commission to extend to William Zelinski our Sincere Appreciation and Thanks for his dedication and service to our Community.

PASSED AND ADOPTED by the Neenah-Menasha Sewerage Commission, in the City of Menasha, in the County of Winnebago, State of Wisconsin, on the 25th day of October, 2011 at a Regular Meeting of said body:

NEENAH-MENASHA SEWERAGE COMMISSION

By: Raymond C. Zielinski
Raymond Zielinski, Vice-President

Katherine Bauer
Katherine Bauer, Secretary/Treasurer

Commission President William Zelinski addressed the Commission. He reported he estimates he attended approximately 400 meetings during this time and he is aware of only about five meetings that he has missed. He additionally thanked everyone for the time he has worked together with them.

Discussion to hold election for Commission President. Commission President William Zelinski responded the elections for Commission officers are held in two months in January. He feels there is a very capable Vice-President that can take over during this transition until the regular elections. No further discussion ensued.

At Agenda item 9, Other Business to Legally Come Before the Commission, various Town of Greenville residents that were in attendance requested to address the Commission under this agenda item of "Other Business to Legally Come Before the Commission". The request was denied on the basis that the Commission policy of requesting to be placed on the agenda three (3) business days in advance of the meeting was not followed by the requestors. Then, some residents expressed verbal concerns and disagreement.

Motion made by Commissioner Dale Youngquist, seconded by Commissioner Gordon Falck to convene into closed session pursuant to Wis. Stats. § 19.85(1)(g) to confer and review 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 November, 2011 federal court ordered mediation session to be held in Milwaukee. Also, pursuant to 19.85(1)(e) to discuss the status of the Steinacker Farms, Inc. contracts which involves the investment and spending of public funds and competitive and bargaining reasons that have arisen due to the actions of the Town of Greenville and require a closed session. Also, pursuant to Wis. Stats. § 19.85(1)(g), to discuss litigation strategy with the Commission's attorney in the event the Town of

Greenville does not approve the site plan in a timely manner or if a suit is brought concerning a building in the Town of Greenville. By roll call vote taken, motion carried unanimously, by Commissioners Raymond Zielinski, Dale Youngquist, Kathy Bauer, Tim Hamblin, Mike Sambs, Gordon Falck.

Some of the Town of Greenville residents did not leave the room and started to make verbal statements to the Commission. Attorney John Thiel instructed all visitors to leave the commission meeting room to allow the current meeting to proceed under closed session. President Zelinski also informed the attendees that they must leave to allow the meeting to proceed into closed session. Following the two requests, the remaining residents exited the meeting room.

Meeting convened into closed session at 8:55 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 Raymond Zielinski, Dale Youngquist, Kathy Bauer, Tim Hamblin, Mike Sambs, Gordon Falck. The Commission returned to Regular open session at 10:19 am.

Vouchers

Motion made by Commissioner Raymond Zielinski, seconded by Commissioner Gordon Falck to approve operating and payroll fund vouchers #132585 through #132639 in the amount of $540,189.15 for the month of September 2011. Motion carried unanimously.

Motion made by Commissioner Raymond Zielinski, seconded by Commissioner Gordon Falck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 10:21 a.m.

Raymond C. Zielinski
Vice-President

Kathrine Bauer
Secretary

THE NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY November 22nd, 2011.