NEENAH-MENASHA SEWERAGE COMMISSION

Special Meeting

Tuesday September 18, 2012

Special Meeting was called to order by Commission President Youngquist at 8:00 a.m.

Present: Commissioners Gordon Falck, Jim Gunz, Raymond Zielinski, Tim Hamblin, Dale Youngquist; Manager Randall Much, Attorney John Thiel, Accountant Roger Voigt.

Excused: Commissioner Mike Sambs, Kathy Bauer.

Also Present: Amy Vaclavik, Tom Kispert (McMAHON), Rob Franck, Paul Much (MCO).

Correspondence

The following correspondence was discussed:

A. August 30, 2012 letter from Randall Much, NMSC to Menasha Mayor Don Merkes. RE: NMSC Wastewater Treatment Plant Modification Project.

B. September 6, 2012 letter from Randall Much, NMSC to Neenah Mayor George Scherck. RE: NMSC Wastewater Treatment Plant Modification Project.

C. September 13, 2012 letter from Randall Much, NMSC to Menasha Mayor Don Merkes. RE: Actions needed by City of Menasha.

Accountant Voigt reported on the results of the Menasha Common Council Meeting of September 12. The Menasha Common Council approved a motion to remove the requirement of obtaining a guarantee from Sonoco as a condition for participating in obtaining a Clean Water Fund loan for the NMSC Wastewater Treatment Plant Modification Project. The motion passed on a vote of 4 aye, 3 nay.

Budget, Finance, Personnel

Amy Vaclavik explained the purpose of the NMSC user charge system and why it would be beneficial to update the user charge with the Treatment Plant Modification Project. President Youngquist questioned if this is necessary and if we need to do this now. Amy indicated yes she believes it is important especially with the changes that are occurring. Amy reported an estimated cost of $29,300 for updating the user charge system; an amendment to the engineering contract will be presented to the Commission at the meeting on September 25. The costs for updating the user charge system will be eligible for Clean Water Fund financing. Commissioner Gunz discussed; he indicated we may be required to update the user charge system. It would also be good for us to do this in case we are challenged on the rates we are charging.

Accountant Voigt reported on the status of the communities taking action for proceeding with obtaining the Clean Water Fund loan. The Town of Menasha has passed a resolution amending their original motion requiring Sonoco to provide a guarantee; the meeting with the Neenah

Finance Committee was positive and we anticipate the Neenah Council will also pass a similar resolution at their meeting on September 19. Commissioner Gunz questioned if we have looked at other financial institutions in obtaining short term interim financing; could we possibly obtain a better loan rate from someone else. President Youngquist will provide Accountant Voigt with some contacts he has with other institutions. Accountant Voigt will make contacts to see if other institutions would be interested and at what level of financial commitment they could provide.

Operations, Engineering Planning

Tom Kispert reviewed his letter of recommendation to the Commission regarding the bids received for the Wastewater Treatment Plant Modification Project. Commissioner Gunz questioned Tom on how many bidders he was anticipating for the project. Tom thought there would have been three bidders, possibly a fourth; only two bids were received. August Winter & Sons, Inc provided the low base bid in the amount of $11,644,900. J.F. Ahern Company provided the second lowest base bid in the amount of $12,165,000. Tom further discussed the four Alternate Bids requested and the recommendation to accept or not accept any of the Alternate Bids. Alternate Bid #3 for painting two secondary Digester Covers was recommended to be accepted; August Winter & Sons, Inc provided the lowest bid in the amount of $534,952. The second lowest bid was received from J.F. Ahern Company in the amount of $787,000. Alternate Bids #1, #2, and #4 were all recommended to not accept. Tom further discussed an alternative to Alternate Bid #2 in which the Commission could issue a deduct Change Order to provide four oil-filled Primary Clarifier Drives. After discussion, motion by Commissioner Gunz, seconded by Commissioner Falck to award Contract N0008-9109101-2 to the low bidder, responsive, responsible bidder, August Winter & Sons, Inc., in the amount of $12,179,852.00, which includes accepting the Base Bid and Alternate Bid #3; contingent upon approval of the Plans and Specifications by the Wisconsin Department of Natural Resources (DNR), and securing financing for the project. Motion carried unanimously.

Manager Much reported to the Commissioners a request from an owner of property in the City of Menasha in which he would like to receive clarification of the easement on his property regarding the interceptor sewer located on such property. The property owner would also be interested in obtaining some form of variance in the easement to provide for a larger footprint for a potential home site. Commissioners further discussed how much area would be needed for an easement to allow for any work that may be needed in the future on the interceptor. After discussion, motion by Commissioner Gunz, seconded by Commissioner Hamblin to approve amending the easement on this property to be a permanent 30 foot easement to encompass the area 10 feet west of the centerline of the interceptor and 20 feet east of the centerline of the interceptor with a hold harmless clause to the Commission and to have the property owner draft and provide a copy of the easement to the Commission Attorney for his approval. Motion carried unanimously.

Motion made by Commissioner Falck seconded by Commissioner Gunz to convene into closed session pursuant to Wis. Stats. § 19.85(1)(e) to discuss strategy concerning the Contracted Industrial User as it affects the financing of the Sewer Plant Project. Also, pursuant to Wis. Stats. § 19.85(1)(e) to discuss identified real estate options for placement of a building to be used by the Commission and hauling and spreading proposals for which bargaining reasons and developing acquisition strategy require a closed session to protect the public investment and

spending of public funds. By roll call vote taken, motion carried unanimously, by Commissioners Gunz, Falck, Hamblin, Zielinski, Youngquist.

Meeting convened into closed session at 9:16 am.

After discussions, motion made by Commissioner Gunz, seconded by Commissioner Falck to adjourn the closed session and return in open session. By roll call vote taken, motion carried unanimously by Commissioners Gunz, Hamblin, Falck, Zielinski, Youngquist. The Commission returned to open session at 9:42 am.

Motion made by Commissioner Zielinski, seconded by Commissioner Hamblin to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:42 a.m.

President

Secretary