NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday May 28, 2013

Meeting was called to order by Commission President Youngquist at 8:02 a.m.

Present: Commissioners Mike Sambs, Kathy Bauer, Tim Hamblin, Jim Gunz, Gordon Falck, Raymond Zielinski, Dale Youngquist; Manager Randall Much, Accountant Roger Voigt.

Also Present: Chad Olsen, Tom Kispert (McMAHON); Paul Much, Rob Franck (MCO); Teri Stecker, Andrew Schumacher (Johnson Insurance).

April 23, 2013 meeting minutes: Motion by Commissioner Zielinski, second by Commissioner Bauer to approve the minutes from the April 23, 2013 Regular Meeting. Motion carried unanimously.

Correspondence

There was no correspondence to be discussed.

Old Business

Inflow/Infiltration. Manager Much reported on meeting with Mark Radtke (Menasha) to discuss private laterals. Mark reported they will be putting a program together for Council approval. President Youngquist reported the Town of Menasha is starting a test program in a portion of the Town to replace laterals. Commissioner Hamblin reported Neenah is doing a test program on South Commercial Street. Manager Much reported the Town of Neenah is constantly televising and doing about 20% of the system each year. Issues are dealt with as they are found. Commissioner Sambs reported Waverly did work on Fire lanes 1 through 5 and will be working on Fire lanes 6 through 12 next.

Commissioner Gunz expressed concerns on the process of the purchase of the front end loader. The Commission further discussed the process and concerns raised.

New Business

Insurance Update

Teri Stecker (Johnson Insurance) discussed the current Builders Risk insurance coverage and the process of how this coverage integrates with the property coverage. Teri announced she will be retiring and introduced Andrew Schumacher as our new agent with Johnson Insurance to handle our account. Andrew introduced himself and his experience in the industry. Andrew discussed environmental insurance coverage and what is available in the market. Commissioner Gunz requested specific examples of how coverage's are applied with POTW's and if there are written coverage's with other POTW's in Wisconsin.

Operations, Engineering, Planning

Chad Olsen updated the Commission on the Fox-Wolf Watershed Alliance (FWWA). The FWWA had a meeting with the agriculture team.

Chad further reported on a company who will be providing pilot testing in the state; he has talked with the manufacturer and they will have a proposal at the next Commission meeting. Chad recommends looking closer at proceeding with the pilot study.

Tom Kispert presented a power point slide show and discussed the construction activities that have occurred since the April 23, 2013 meeting.

Construction Progress Update. Tom Kispert reviewed and discussed his memorandum handout on the plant construction progress, the Certificates for Payment and contract change orders. Tom reported HSI had told him they will provide a delivery date by Friday on the blower. Commissioner Gunz questioned the status on the Focus-On-Energy grants; Tom reported we need the blowers and aeration system running by June 30. The start-up of the blowers are scheduled for this week. President Youngquist questioned if we have the ability to have off-site control of the equipment operations via remote computer access. Tom reported we will be able to look at what is operating online but we will not be able to make changes remotely.

After discussion, motion by Commissioner Zielinski, second by Commissioner Sambs to approve for payment Certificate for Payment #7 from August Winter & Sons Inc. in the amount of $830,300.00. Motion carried unanimously.

Tom Kispert discussed proposed change orders for the contract with August Winter & Sons. Motion by Commission Gunz, second by Commissioner Zielinski to approve change order #12 for the contract with August Winters & Sons in the amount of $23,164.00. Motion carried unanimously. Motion by Commission Zielinski, second by Commissioner Bauer to approve change order #13 for the contract with August Winters & Sons in the amount of $16,096.00. Motion carried unanimously. Motion by Commission Zielinski, second by Commissioner Gunz to approve change order #14 for the contract with August Winters & Sons in the amount of $3,600.00. Motion carried unanimously.

Tom Kispert discussed the pay requests for Equipment Contract G (Energenecs); Contract M (Alfa Laval); and Contract O (Crane Engineering). Motion by Commissioner Gunz, second by Commissioner Zielinski to approve Certificate for Payment #3 from Energenecs for Contract G-Vortex Grit Removal System in the amount of $29,316.00; Certificate for Payment #1 from Alfa Laval for Contract M-Dewatering Centrifuges in the amount of $487,500.00; and Certificate for Payment #1 from Crane Engineering for Contract O-Metering Pumps in the amount of $59,430.00. Motion carried unanimously.

Tom Kispert reviewed the contract summary log. Commissioner Falck requested if it would be possible to include a summary of the change orders as an addendum to the report. Tom will have this added to the report.

Motion by Commissioner Gunz, second by Commissioner Falck to approve for payment McMahon invoices: #43620 - $46,600.00; #43621 - $625.00; #43622 – $2,925.00; #43623 - $560.00; #43624 - $20,552.74; #43625 - $4,225.00; #43626 - $86,125.00; #43717 - $3,096.00, and #43718 – $3,520.00. Motion carried unanimously.

Manager Much discussed the Operating Report for April. A meeting was held with Mark Radtke (Menasha) and Taryn Nall (Kaempfer & Associates – Menasha engineering firm) to discuss the inflow/infiltration issue, the metering and sampling of the Menasha influent, and also the metering and testing of Waverly samples; Waverly will now be tested on a daily basis. Manager Much further discussed the metering and sampling of the plant influent; Manager Much indicated part of the problem with the sampling could be how the sample is collected. There is no inexpensive solution known at this time. Adjustments have been made in collecting samples; samples are collected more often, but the sample size is smaller. The container size that holds the sample is limiting the amount of sample that is collected on a daily basis. Mark Radtke and Taryn Nall were requested to come back to the Commission with any ideas on changes that could be made. Manager Much reported on effluent chlorine detection violations. Pumps have been changed and a new chlorine residual testing meter was purchased prior to the violations. In-house monitoring of these two items are being performed to determine the cause of the violation. Staff has been using the approved HACH test method and no chlorine residual is being detected with this method. The DNR is allowing us to use this testing method until we can determine the issue. Paul Much reported on the mercury effluent violations. Chemical suppliers were requested to supply the Commission with a mercury certificate on the chemicals we are obtaining from them. We are further looking at potential contamination of samples that are collected in the sewer system. It has been noted that the influent mercury coming from Neenah has increased. Efforts will continue on locating the cause of the mercury. After discussion, motion by Commissioner Gunz, second by Commissioner Zielinski to accept the Operating Report for April. Motion carried unanimously.

Budget, Finance, Personnel

Accountant Voigt discussed the Financial Statements for the month of April 2013. Accountant Voigt also reported no letter was received from our auditor regarding eliminating various Contribution Equity accounts in the Commission chart of accounts to follow current GAAP guidelines. After discussion, motion by Commissioner Gunz, second by Commissioner Zielinski to accept the financial statements for the month of April, 2013. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Falck to approve Operating and Payroll Vouchers #133709 thru #133762 in the amount of $414,786.97 and Construction Fund Vouchers #189 thru #192 in the amount of $710,979.42 for the month of April 2013. Motion carried unanimously.

Accountant Voigt discussed the Accountant's Report for April 2013. The interest rates on the checking and money market accounts have not changed. MCO generated $6,300 in income for the Commission in April. Accountant Voigt reported the Cash Flow report was updated to current known information. There is no update to report regarding insurance agents, MCO contract, or auditor review. Motion by Commissioner Zielinski, second by Commissioner Hamblin to accept

the Accountant's Report and Cash Flow Report for the month of April 2013. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Zielinski to approve for payment MCO invoices #17350 - $120,999.71; #17386 - $799.10; and #17382 - $94.07 and to pay the invoices after June 1, 2013. Motion carried unanimously.

Motion made by Commissioner Zielinski, seconded by Commissioner Falck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at approximately 10:00 a.m.

President

Secretary

THE NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY JUNE 25th 2013.