NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday January 22, 2013

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

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

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

After discussion, motion by Commissioner Gunz, second by Commissioner Bauer to approve the minutes from the December 18, 2012 Regular Meeting and Closed Session. Motion carried unanimously.

Correspondence

The following correspondence was:

A. December 26, 2012 letter from President Dale Youngquist, NMSC to Mr. Meja Maka, DNR. RE: Withdrawal of CWF Assistance Application for Biosolids Storage Building.

The following correspondence was distributed in the meeting and discussed:

B. December 17, 2012 Resolution #121217-1 from the Town of Menasha. RE: Appointment of Dale Youngquist to a 3-year term on the NMSC.

Old Business

Prepayment of project costs. Accountant Voigt reported the signed agreement for the prepayment of capital costs with the Town of Neenah S.D. #2 was received. The NMSC will be sending a letter to SD #2 informing them on the final dollar amount owed for the prepayment.

New Business

Operations, Engineering, Planning

Tom Kispert updated the Commission on the Phosphorus removal construction costs study. Chad Olsen is putting together cost proposals on two processes and is expecting to have the final report completed in February.

Tom Kispert presented a slide show of construction activities that have occurred since the December 18, 2012 meeting.

Construction Progress Update. Tom Kispert discussed his memorandum handout on the plant construction progress. Tom further reported on the construction activities and minor issues discovered since the last meeting. Commissioner Gunz commented on his observations that he

sees the potential for more change orders compared to a project that is a new build. Tom discussed the truck scale, its current design, and changes needed if the scale will be used for billing purposes. The current design will have an eighteen inch pit under the scale; if the scale is used for billing purposes, State code will require the pit to be up to six feet deep. After discussion and to meet State code with the current design, the State will be informed the scale will be used to verify vehicle weights do not exceed load limits.

Tom Kispert discussed August Winter & Sons Certificate for Payment #3. Change order #5 is still pending review by McMahon. Commissioner Sambs questioned the type of stainless steel used in the project; Tom reported both 304 and 316 is being used, depending on situation. PVC piping is also being used in other locations. Change order #5 will be at the February meeting for approval. Tom discussed Certificate for Payments for equipment contracts L and F. The contract summary log was reviewed; based on the pay requests the project is 19% complete. President Youngquist questioned the change order handed out for Equipment Contract Q; it is not on the agenda or in the written report distributed to the Commission. Tom reported the Commission will act on this change order at the February meeting. After discussion, motion by Commissioner Falck, second by Commissioner Zielinski to approve for payment Certificate for Payment #3 from August Winter & Sons Inc. in the amount of $782,420.00; Certificate for Payment #3 from Xylem in the amount of $8,077.00; and Certificate for Payment #2 from JWC Environmental in the amount of $361,612.50. Motion carried unanimously. Commissioner Gunz questioned the reviewing of Tom's memo and what is listed on the meeting agenda; we are approving large dollar amounts and they are not listed on the agenda. Tom discussed the issue with the Commission. The agenda will have a category inserted for "Action Items" and the pay requests and change orders will be listed in the Action Items.

Amy Vaclavik updated the Commission on the Clean Water Fund activity. February 13, 2013 is the planned date for the CWF loan closing; we are on track to meet this date. The final interest rate will be 2.646%; the parallel cost ratio went up slightly, the increase in the ratio reduced the interest rate on the loan. The Commission will need to act on the Agency Agreement; this is on the meeting agenda for later in the meeting.

Motion by Commissioner Gunz, second by Commissioner Zielinski to approve for payment McMahon invoices: #42450 - $3,200.00; #42451 - $110.00; #42452 – $2,742.00; #42453 - $14,942.71; #42454 - $31,200.00; and #42455 – $3,650.00. Motion carried unanimously.

Manager Much discussed the Operating Report for December. There are currently no issues at the facility; staff are working around the contractors. After discussion, motion by Commissioner Zielinski, second by Commissioner Falck to accept the Operating Report for December. Motion carried unanimously.

Budget, Finance, Personnel

Accountant Voigt reported Resolution 2013-1 is for the Agency Agreement to allow the Commission to receive the Clean Water Fund payments and for the Commission to make principal and interest payment on the loan in behalf of the communities. Motion by Commissioner Gunz, second by Commissioner Zielinski to approve NMSC Resolution 2013-1, a Resolution Authorizing Execution of Agency Agreement Between the Neenah-Menasha

Sewerage Commission and the City of Neenah, City of Menasha, Town of Menasha and Waverly Sanitary District of the Town of Harrison. Motion carried unanimously.

Accountant Voigt discussed the Financial Statements for the month of December 2012. The financial statements reflect normal operations activity. The final December reports will take into account any adjusting entries such as recording the refunds due to users for 2012. After discussion, motion by Commissioner Zielinski, second by Commissioner Bauer to accept the financial statements for the month of December, 2012. Motion carried unanimously.

Accountant Voigt reported the checks issued in December were issued between two financial institutions; this is related to the moving of our banking activity from Prospera Credit Union to First National Bank-Fox Valley. President Youngquist requested the approval of the checks should be approved in the check range based on which institution the checks were drawn. Motion by Commission President Youngquist, second by Commissioner Gunz to approve Operating and Payroll Vouchers #133369 thru #133383 issued through Prospera Credit Union in the amount of $470,722.29; Operating and Payroll Vouchers #133501 through #133547 issued through First National Bank-Fox Valley in the amount of $279,333.76; Construction Fund Vouchers #149 through #152 issued through the First National Bank-Fox Valley Money Market account in the amount of $508,323.59; and Construction Fund Vouchers #175 thru #179 issued through the First National Bank-Fox Valley Construction Checking account in the amount of $617,150.32 for the month of December 2012. Motion carried unanimously.

Accountant Voigt discussed the Accountant's Report for December 2012. The interest rates on the checking and money market accounts have not changed. The cash flow report has been updated with the most recent information. MCO generated $4,977 in income for the Commission in December. Motion by Commissioner Zielinski, second by Commissioner Hamblin to accept the Accountant's Report for the month of December 2012. Motion carried unanimously.

Motion by Commissioner Falck, second by Commissioner Zielinski to approve for payment MCO invoices #17071 - $120,999.70 and #17101 - $266.35 and to pay the invoices after Febuary 1, 2013. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Sambs to maintain the officers of President, Vice-President, and Secretary by acclamation. Motion carried unanimously. President Youngquist appointed Commissioner Bauer as Treasurer. Motion by Commissioner Gunz, second by Commissioner Falck to accept the appointment of Commissioner Bauer as Treasurer. Motion carried unanimously. The officers for the next 12 months are: President – Dale Youngquist, Vice-President – Raymond Zielinski, Secretary/Treasurer – Kathy Bauer.

Motion made by Commissioner Gunz, seconded by Commissioner Falck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:20 a.m.

President

Secretary

THE NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY FEBRUARY 26th 2013.