NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday November 27, 2012

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

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

Also Present: Tom Kispert (McMAHON); Paul Much (MCO), Mike King (Post Crescent).

Excused: Commissioner Jim Gunz.

Commissioner Falck questioned the approval of the biosolids hauling agreement with no mention of the company name; the name of the company to provide the services has yet to be determined. After discussion, motion by Commissioner Zielinski, second by Commissioner Hamblin to approve the minutes from the November 13, 2012 Regular Meeting and Closed Session. Motion carried unanimously.

Correspondence

There was no correspondence to be discussed.

Old Business

Prepayment of project costs. Manager Much reported on the Town of Neenah SD 2 meeting attended and the letter presented to the commissioners providing the conditions for prepayment of the project costs. A response was received that accepted all conditions except the monthly fee and reimbursement of NMSC legal costs to review the document. Discussion ensued; Commissioner Zielinski would like to hear from Attorney Thiel on this issue when he arrives. It was the consensus of the commissioners to allow the Town of Neenah SD 2 to prepay the project costs based on the conditions excepted by SD 2.

New Business

Operations, Engineering, Planning

Tom Kispert presented a slide show of construction activities that have occurred since the November 13, 2012 meeting.

Amy Vaclavik (McMahon) entered the meeting (8:15 am).

Tom Kispert updated the Commission on the analysis of phosphorus removal construction costs. Little Lake Butte des Morts is classified as part of the Fox River; this provides a potential discharge limit of 0.18 mg/l. If the classification was a lake, the limit would be 0.04 mg/l. This is based on the use of TMDL to determine discharge limits. The limit would also be a six month rolling average. Through testing performed last year, MCO staff was able to achieve a limit of 0.4 mg/l.

Attorney Thiel entered the meeting (8:30 am).

Construction Progress Update. Tom Kispert discussed his memorandum handout on the plant construction progress. Tom reported the work is on schedule, the generator installation is slightly ahead of schedule. Tom further discussed change orders #2 (approved at the Nov. 13 meeting) and #3 – Add natural gas meters and flow pacing controls for sodium bisulfite pumps for an add to the contract in the amount of $18,615. Further discussion on providing documentation to the Commission as well as the timing of the flow of project items followed. Tom further discussed the unsuitable soil conditions; most of the piles driven were only achieving 13-ton capacities, 20-ton capacities are what we are trying to obtain. Tom discussed the options of using more piles or additional lengths on the piles being driven to achieve the required results. The use of additional piles was determined to be the better option. 28 additional piles will be installed for a cost of $38,372; bringing the total number of piles to be used at 89. After discussion, motion by Commissioner Zielinski, second by Commissioner Bauer to approve change order #3 to August Winter & Sons in the amount of $18,615. Motion carried unanimously. Motion by Commissioner Falck, second by Commissioner Zielinski to approve change order #4 to August Winter & Sons in the amount of $38,372. Motion carried unanimously.

Tom Kispert discussed the equipment pay requests. Motion by Commissioner Sambs, second by Commissioner Hamblin to approve for payment: certificate for payment #2 from Alfa Laval, Inc. (contract R) in the amount of $208,600.00; certificate for payment #3 from Cummins NPower, LLC. (contract P) in the amount of $229,648.37; and certificate for payment #1 from Borger, LLC (contract E) in the amount of $44,979.00. Motion carried unanimously.

Tom Kispert reviewed the contract summary log with the Commission. President Youngquist requested if the contingency amount could be included on the report with the amount of change orders incurred that would apply against the contingencies. Tom will work to have this included on the next report.

Amy Vaclavik updated the Commission on the Clean Water Fund activity. There is nothing new to report at this time on the Clean Water Fund.

Motion by Commissioner Zielinski, second by Commissioner Falck to approve for payment McMahon invoices: #41615 - $3,480.00; #41616 - $560.00; #41617 – $12,326.22; #41618 - $680.00; #41619 - $8,050.00; #41627 – $590.00; #41369 - $2,752.00; and #41758 - $1,575.50.

Old Business

The Commission further discussed with Attorney Thiel the old business topic of the Town of Neenah SD 2 prepayment. Attorney Thiel reviewed the motion received from SD 2 to accept the terms for prepayment. Manager Much is authorized to contact Jan DeKeyser to have the SD 2 contact their attorney to have him draft the agreement.

Operating Report. Manager Much reported on the plant operations. The plant is operating well. There have been a number individuals working with Tom Kispert to help with the grit removal to speed up the process. Manager Much reported on a meeting held with Jeff Steinacker; he has

land available next spring for biosolids application and reported on the potential use of a portion of the Grand Chute Menasha West (GCMW) plant onsite biosolids storage building until spring. Manager Much reported on his contact with Jim Kirk at the GCMW facility to discuss this option. No response has been received on this request. Motion by Commissioner Zielinski, second by Commissioner Bauer to approve the Operating Report for the month of October 2012. Motion carried unanimously.

Budget, Finance, Personnel

President Youngquist explained his request for the scheduling of 2013 meeting dates. Motion by Commissioner Zielinski, second by Commissioner Bauer to approve the 2013 calendar for meeting dates. Motion carried unanimously. The 2013 meeting dates are scheduled for the 4th Tuesday of the month from January through November, and the 3rd Tuesday for the month of December.

Accountant Voigt discussed the Financial Statements for the month of October 2012. No billing rate changes were made in 2012, we are running with a net income in our operations for the year. After discussion, motion by Commissioner Falck, second by Commissioner Zielinski to accept the financial statements for the month of October, 2012. Motion carried unanimously.

Accountant Voigt discussed the Accountant's Report for October 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. Motion by Commissioner Falck, second by Commissioner Zielinski to accept the Accountant's Report for the month of October 2012. Motion carried unanimously. Accountant Voigt discussed his memo regarding the update on upcoming activity on the Commission Bond issue and Bond Anticipation Note as well as the request to change financial institutions from Prospera Credit Union to First National Bank – Fox Valley. Motion by Commissioner Falck, second by Commissioner Sambs to approve changing financial institutions for the Neenah-Menasha Sewerage Commission to First National Bank – Fox Valley. Motion carried unanimously.

Motion by Commissioner Zielinski, second by Commissioner Sambs to approve for payment MCO invoices #16906 - $119,828.56; #16953 - $533.25; and #16945 - $290.35 and to pay the invoices after December 1, 2012. Motion carried unanimously.

Motion made by Commissioner Zielinski, second by Commissioner Falck 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. By roll call vote taken, motion carried unanimously, by Commissioners Zielinski, Falck, Bauer, Sambs, Hamblin, Youngquist.

Meeting convened into Closed Session at 9:32 am.

Motion made by Commissioner Falck, second by Commissioner Zielinski to adjourn the Closed Session. By roll call vote taken, motion carried unanimously, by Commissioners Zielinski, Falck, Bauer, Sambs, Hamblin Youngquist. Meeting convened into Open Session at 10:37 am.

Motion made by Commissioner Hamblin, seconded by Commissioner Falck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 10:37 a.m.

President

Secretary

THE NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY DECEMBER 18TH, 2012.