NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday November 26, 2013

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

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

Excused: Commissioner Kathy Bauer.

Also Present: Tom Kispert (McMAHON); Rob Franck, Paul Much (MCO); Steve Coburn (Town Neenah); Chris Reichelt (McClone Agency).

November 13, 2013 Meeting minutes: Motion by Commissioner Zielinski, second by Commissioner Falck to approve the minutes from the November 13, 2013 Regular Meeting. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

November 7, 2013 letter from Robert Hannes, DNR to President Dale Youngquist, NMSC. RE: DNR approval of change orders.

November 18, 2013 letter from Robert Hannes, DNR to President Dale Youngquist, NMSC. RE: DNR approval of change orders.

To accommodate those in attendance, motion by Commissioner Gunz second by Commissioner Zielinski to proceed to Agenda item J – McClone Agency update on insurance renewal. Motion carried unanimously.

Chris Reichelt, McClone Agency distributed his presentation on renewal rates received for 2014 property and liability insurance coverage's; the information in the presentation was received Monday afternoon (November 25). Chris Reichelt discussed the differences in the quoted coverage's from Travelers and Cincinnati. Cincinnati is offering the lowest pricing; this company has been in existence for many years but they are new to quoting business in the Midwest. The Commission questioned rates for higher deductibles; Chris will inquire to obtain pricing for higher deductibles and report back to the Commission at the December 17 meeting.

The Commission returned to the Agenda as published.

Old Business

Property Encroachments. Commissioners discussed and deferred the matter to a later date.

MCO Contract. President Youngquist reported on the progress of the negotiations; we are 95% complete with 1 – 2 points to iron out the details. The plan is to have a final draft distributed to

the Commissioners by December 6 and to take action on the contract at the December 17th meeting. Commissioner Gunz expressed his concern with further discussing of the contract in closed session; it would be bad public policy to handle it in this manner.

Town Holland Request of NMSC to accept waste. Attorney Thiel reviewed the agreement and has approved the limited term memorandum. After discussion motion by Commissioner Gunz second by Commissioner Zielinski to approve the Memorandum of Understanding Agreement between the NMSC and the Town of Holland Sanitary District 1. Motion carried unanimously.

Evaluation of NMSC metering stations. Manager Much reported he reviewed a draft report and responded to items in the draft report.

New Business

Operations, Engineering, Planning

Phosphorus Removal – Tom Kispert reported he is expecting a report the first week of December from the Pilot testing that was performed.

Construction Progress Update. Tom Kispert reminded the Commission that substantial completion is November 27th. A punch list is being made; there are painting, coating, and electrical items that will not be completed by the substantial completion date.

After further discussion on the ongoing work, motion by Commissioner Gunz, second by Commissioner Falck to approve Certificate for Payment #13 with August Winter & Sons, Inc. in the amount of $1,701,798.37 for plant modifications. Motion carried unanimously. Motion by Commissioner Gunz, second by Commissioner Sambs to approve change orders #29 for a time extension and #30 for a contract decrease of $(2,806.47) with August Winter & Sons, Inc. for plant modifications. Motion carried unanimously. Tom further reported on proposals that are currently pending for change orders. Tom further reported on and discussed the HSI issues to be resolved which include more manufacturing flaws that have been found since the last Commission meeting. Further discussion ensued on the new manufacturing flaws discovered. President Youngquist questioned if we could use monies not paid to HSI to make repairs and programming corrections; Commission further discussed alternatives to HSI. Commissioner Gunz explained why the Commissioners cannot make a decision on this matter; we need a recommendation from our experts with McMahon and MCO to tell us how to proceed and move forward with the issue. Tom reported they will get together to discuss and prepare a plan.

Motion by Commissioner Gunz, second by Commissioner Falck to approve for payment McMahon invoices #46063, #46064, #46065, #46066, #46067, #46068, #46069, and #46070 in the amounts of $149.76, $72,300.00, $5,200.00, $1,400.00, $440.00, $29,755.25, $6,600.00, and $92,000.00. Motion carried unanimously.

Manager Much reported the current industrial contract with Sonoco ends on December 31, 2015. Manager Much and Commissioner Gunz further reported on the history why a contract was required for the larger industries. With the wording in the Ordinance-Contract the requirement for contracting with the industries can be argued it was only for the plant project from the mid 1980's. Commissioner Gunz indicated he did not think we need to maintain a contract with Sonoco;

Commissioner Gunz further indicated discussions should be held with Menasha regarding the possibility of the Commission not having an industrial contract with Sonoco. After discussion it was the consensus of the Commission to have Manager Much contact the City of Menasha representatives to inform them of the intent of the Commission to not renew the Sonoco agreement when it expires and to request their input.

Sanitary Sewer Extension. Motion by Commissioner Gunz, second by Commissioner Zielinski to approve the sewer extension request from Martenson & Eisele, Inc. for Kambura Acres Subdivision located in the Waverly Sanitary District, Village of Harrison. Motion carried unanimously.

Operating Report. Manager Much reported the mercury loading from the City of Neenah has dropped. The electrical usage in the plant is down – looks like it is due to a drop in the loadings to the plant. Sludge loading of the vehicles and hauling has been going good with Gizmo, LLC. After discussion, motion by Commissioner Zielinski second by Commissioner Gunz to approve the Operating Report for October.

Budget, Finance, Personnel

Accountant Voigt discussed the Financial Statements for the month of October 2013. After discussion, motion by Commissioner Zielinski, second by Commissioner Gunz to accept the financial statements for the month of October, 2013. Motion carried unanimously.

Accountant Voigt discussed the Snow Plowing and Removal Agreement with Levenhagen Oil Corporation; there are no changes from the previous year. Motion by Commissioner Zielinski, second by Commissioner Sambs to approve the 2014 Snow Plowing and Removal Agreement with Levenhagen Oil Corportion. Motion carried unanimously.

Accountant Voigt discussed the Accountant's Report for October 2013. The interest rates on the checking and money market accounts have not changed. MCO generated $5,100 in income for the Commission in October. Accountant Voigt reported the Cash Flow report was updated to current known information. Motion by Commissioner Gunz, second by Commissioner Sambs to accept the Accountant's Report and Cash Flow Report for the month of October 2013. Motion carried unanimously.

President Youngquist reported there is no need to convene into Closed Session.

Motion made by Commissioner Gunz, seconded by Commissioner Zielinski to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 10:12 a.m.

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President Secretary