

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday April 22, 2014

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

Present: Commissioners Mike Sams, Steve Coburn, Raymond Zielinski, Tim Hamblin, Jim Gunz, Dale Youngquist; Manager Randall Much, Accountant Roger Voigt.

Excused: Commissioner Kathy Bauer.

Also Present: Tom Kispert (McMAHON); Rob Franck (MCO); Jon Myers (V-P Atlas Copco); Tom Mulcahy (Mulcahy, Shaw); Marge Bates (City of Neenah).

Public Forum. No one in attendance for public forum.

March 25, 2014 Meeting minutes: Motion by Commissioner Gunz, second by Commissioner Zielinski to approve the minutes from the March 25, 2014 Regular Meeting and March 25, 2014 Closed Session. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

March 31, 2014 letter from Robert Hannes, DNR to NMSC President Dale Youngquist.
RE: DNR approval of change orders.

Old Business

Proposed changes to Rules of Procedures for Meetings of the NMSC. President Youngquist reviewed the proposed changes to the NMSC meeting Rules of Procedure and requested the Commissioners to review for any other changes. It was noted to have references to the Oshkosh Northwestern removed. This item is to be on the agenda for discussion and action at the May 27, 2014 meeting.

New Business

Operations, Engineering, Planning

High Speed Blower update. Jon Myers (V-P, Atlas Copco) introduced himself and indicated he is the vice-president for sales & service in 15 states; he is based out of Chicago. Jon reported he would like to say they have solved everything, but, they are moving forward in trying to solve everything. There are currently 8 open issues; of these 8, one is resolved and two more may also be resolved. Jon reviewed and discussed the issues. The remaining issues are: 1) May 7 UPS failure, a technician from CPUSA was here to reprogram the software, this appears to have fixed the issue; 2) The blow-off valve size was recalculated and the valve is sized properly for 2 units. Tom Kispert questioned if the programming is correct if 4 units are running and then we have a high pressure situation. This was further discussed and explained, the software should adjust for this; 3) Fine tuning of the control system, Rob Franck reported the Dissolved Oxygen (D.O.) is now about 4 – 4 ½, it was at 5 – 5 ½. The D.O. should be at 3. CPUSA is working on

the programming to adjust this; 4) Disconnect shaft – the parts were received on site on May 7; 5) Blower 1 failure – the coolant pump was not operating properly, this may be part of the issue along with incorrect bearing clearance; 6) Unit #5 bearing and stator failure – we can test the bearing by doing a torque test. We anticipate it will take 3-5 days to repair plus the shipping time to and from the repair facility. Manager Much and Tom Kispert reported they have not received the failure report, Jon will email the reports to them; 7) Warranty – this will remain open until all issues are resolved. Jon reported he will attempt to attend the next meeting on May 27. Atlas Copco is completely engaging the HSI brand; in the future all HSI blowers will become Atlas Copco.

Phosphorus Removal – Manager Much reported this will be discussed further under the Operations Report.

Construction Progress Update. Tom Kispert discussed his memo on the construction progress. The punch list is down to 5 pages. August Winter & Sons are targeting May 30 as the final completion date. Tom reported he is doubtful if it will be met due to the current status of the painters.

After further discussion on the ongoing work, motion by Commissioner Gunz, second by Commissioner Zielinski to approve change order #40 for a net contract decrease of \$(18,331.26) with August Winter & Sons, Inc. for plant modifications. Motion carried unanimously.

Tom Kispert further reported on proposals that are currently pending for change orders; a potential need for an updated polymer system. Tom reported he is expecting one pay request for equipment at the May 27 meeting.

Motion by Commissioner Gunz, second by Commissioner Coburn to approve for payment McMahon invoices #47714, #47715, #47716, and #47717 related to the Construction Project in the amounts of \$4,100.00, \$125.00, \$6,600.00, and \$600.00. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Coburn to approve for payment McMahon invoices #47718, #47719, #47720, #47721, #47722, #47723, #47724, and #47725 related to additional services for the construction project in the amounts of \$3,466.03, \$2,850.00, \$3,900.00, \$550.00, \$5,602.73, \$1,625.00, \$337.50, and \$700.00. Motion carried unanimously.

Manager Much discussed NMSC Resolution 2009-1 regarding Fats, Oils, and Grease (FOG) and the policy for regulating and permitting their discharge. He has met with Neenah staff; they indicated a concern we may exceed the state code. Manager Much questioned if Attorney Thiel should contact Neenah's plumbing inspector to discuss the concerns. Commissioner Gunz indicated he will meet with Chris Haese at the City of Neenah and have him respond to Manager Much with the specific concerns in our ordinance.

Manager Much discussed a request from Georgia Pacific to discharge landfill leachate from 2 landfills they have in the area, but not in our service area. Commissioner Gunz questioned what they have been doing previously with the leachate and if they are now having trouble getting rid of the material; he would like more background information. Manager Much reported we are able to do some toxicity testing; we have a policy to not accept the contaminated waste from outside

our service area; this will not generate a lot of revenue for the Commission, we would basically be doing this as a favor to the company. After further discussion of the request, motion by Commissioner Gunz, second by Commissioner Sambs to decline the request of Georgia Pacific for accepting the landfill leachate. Motion carried unanimously.

Manager Much discussed the Operating Report for the month of March 2014. The current NMSC discharge permit has been expired for some time; an email was received from the limits estimator providing some information on what limits would be in the new permit. There will be a number of changes with some being better than what we may have been expecting. Manager Much further discussed the effluent limits for suspended solids and phosphorus. If nonpoint sources of phosphorus are not reduced, we will have 2 permit cycles to meet a reduced limit. During our testing, there was a hit on alpha bhc; this is a chemical used in pesticides whose use has not been allowed since 2001. We are expecting to see a draft permit in a couple of months with a final permit by the end of the year. We will then need to begin looking closer at trading options or construction of phosphorus removal facilities. Manager Much reported on a second issue regarding slug loads coming from Menasha. It was noticed the City, after jetting and cleaning sewers, were dumping the waste back into the NMSC interceptor in front of the NMSC plant. Manager Much expressed his concern of re-introducing the material back into the sewers and the potential of depositing larger items that were sucked up and causing damage to our equipment in the plant. The rainfall received created some overflows at the plant; it was all contained on-site. We needed to inform the DNR and newspaper of this incident; with this rain, we had issues with the fine screen gears; some employees worked 36 hours straight; some of the plant communication went out; heat exchangers are plugging 1-2 times per week with rags, this may be from overflowing the fine screens or the rags may have been in the tank. Motion by Commissioner Gunz, second by Commissioner Zielinski to accept the Operating Report for the month of March 2014. Motion carried unanimously.

Budget, Finance, Personnel

Accountant Voigt discussed the financial statements for the month of March 2014. The auditors are including the most current information in the audit regarding the Fox River PCB issue. The audit will be on the May meeting agenda. Commissioners questioned various items in the Income Statement and Balance Sheet. Commissioner Gunz inquired about one agenda item to deal with both the financial statements and the accountant's report. The agenda will be adjusted to accommodate this request. After discussion, motion by Commissioner Zielinski, second by Commissioner Gunz to accept the financial statements for the month of March 2014. Motion carried unanimously.

Accountant Voigt discussed the Accountant's Report and cash flow projection for the month of March 2014. The rates on the investments have not changed. MCO generated \$3,700 in additional income to the Commission. After discussion, motion by Commissioner Gunz second by Commissioner Sambs to accept the Accountant's Report for the month of March 2014. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Zielinski to approve for payment MCO invoices #18153 and #18190 in the amounts of \$121,833.18 and \$672.4 with payment to be made after May 1, 2014. Motion carried unanimously.

April 22, 2014
Regular Meeting
Page 4

Motion by Commissioner Gunz, second by Commissioner Hamblin to approve Operating and Payroll Vouchers #134292 through #134352 in the amount of \$266,946.68 and Construction Vouchers #228 through #232 in the amount of \$384,596.05 for the month of March 2014. Motion carried unanimously.

Motion made by Commissioner Coburn, seconded by Commissioner Sambs to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:40 a.m.

President

Secretary