NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday July 22, 2014

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

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

Excused: Commissioner Kathy Bauer, Steve Coburn.

Also Present: Chad Olsen (McMAHON); Rob Franck, Paul Much (MCO); Kurt Van Grinsven (August Winter & Sons).

Public Forum. No one in attendance for public forum.

June 24, 2014 Meeting minutes: Motion by Commissioner Zielinski, second by Commissioner Gunz to approve the minutes from the June 24, 2014 Regular Meeting. Motion carried unanimously. President Youngquist questioned if there is any further update on the Sanitaire inspections of the aeration tanks. Rob Franck reported 4 of the 9 basins are done and inspected; there was 1 problem found and it was repaired.

Correspondence

The following correspondence was discussed:

July 10, 2014 email to Mark Radtke, City of Menasha from Roger Voigt, NMSC with response.
RE: Reminder of NMSC interceptor located near Menasha Hotel.

July 14, 2014 letter from Robert Hannes, DNR to Dale Youngquist, NMSC.
RE: Approval of change orders #41 and #42.

Old Business

There is no Old Business to be discussed.

New Business

Operations, Engineering, Planning

HSI Blower Status Update. There was no one in attendance from HSI or Atlas Copco to discuss the status of the blowers.

Phosphorus Removal – Manager Much reported to the Commission a proposal was received from McMahon to review trading and to look at trading opportunities with the dischargers on Little Lake Butte des Morts. The proposal was not received in time to be included on the agenda for today's meeting. It will be included on the August meeting agenda. Commissioner Gunz questioned if this agreement is predicated on all entities contracting with McMahon. Manager Much reported if only the NMSC signs up, then the work would be to determine our needs.

Construction Progress Update. Chad Olsen reviewed with the Commissioners the memo on the construction progress from Tom Kispert. Kurt Van Grinsven reported the painting is all finished; it was completed on Friday July 18. Kurt also reported August Winter & Sons received a purchase order from Atlas Copco to work in the new blower piping. Rob Franck reported on the status of the blowers. At the previous Commission meeting, Jon Myers indicated they would like to be all wrapped up by today's meeting; Rob feels we are no further than last month in the work that needs to be completed – we have been getting alarms on units #3 and #6. Chad reported on the request from August Winter & Sons to reduce the retainage percentage from 3.5% to the contract amount of 2.5%. Tom Kispert is okay with making this change. After discussion, motion by Commissioner Gunz second by Commissioner Sambs to reduce the retainage to 2.5% per contract terms with August Winter & Sons. Motion carried unanimously on a roll call vote.

Chad Olsen discussed change order #43 for plant modifications. After further discussion, motion by Commissioner Gunz, second by Commissioner Zielinski to approve change order #43 for a contract decrease of $25,035.82 with August Winter & Sons, Inc. for plant modifications. Motion carried unanimously.

Chad Olsen discussed Equipment Contract B – High Speed Blowers change order #2; this is a no change is Contract amount change order. After discussion, motion by Commissioner Gunz second by Commissioner Sambs to approve change order #2 for Contract B – High Speed Blowers. Motion carried unanimously. Commissioner Hamblin questioned if the Commission can make a claim for extra costs for the equipment and control system not running as designed; it was responded that yes they can, however it is hard to determine until the units are running optimally. Commissioner Gunz suggested using this as a negotiating point in receiving an extended warranty on the blowers.

Motion by Commissioner Gunz, second by Commissioner Sambs to approve for payment McMahon invoices #48823, #48824, #48825, #48826, and #48837 related to the Construction Project in the amounts of $550.00, $49.08, $5,100.00, $4,300.00, and $6,700.00. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Sambs to approve for payment McMahon invoices #48827, #48828, #48829, #48830, #48831, #48832, #48833, and #48834 related to additional services for the construction project in the amounts of $1,400.00, $9,335.55, $300.00, $8,801.84, $135.00, $4,860.93, $202.50, and $100.00. Motion carried unanimously.

Manager Much discussed the Operating Report for the month of June 2014. The plant is operating well; mercury numbers are down since a new sampling technique has been used. Manager Much reminded the Commissioners on the status of the contract with Sonoco; we are looking to end the status of them as a contracted user. Manager Much had contacted the City of Menasha to inform them of this; Mark Radtke and Mayor Merkes talked and informed us they will talk with the City Attorney; we have received no follow up since. After discussion, motion by Commissioner Zielinski, second by Commissioner Gunz to accept the Operating Report for the month of June 2014. Motion carried unanimously.

President Youngquist reported on the DNR response to the submittal of the Compliance Maintenance Annual Report (CMAR). The Commission and the MCO staff were recognized for

doing a great job of operating the plant and maintaining the facility during the construction activities with the treatment plant staying in full compliance with the WPDES permit.

Budget, Finance, Personnel

President Youngquist discussed with the Commission the memo from Accountant Voigt regarding preparing for the 2015 budget and any changes to be made to any of the budget categories (operating, capital, replacement, and depreciation).

Accountant Voigt discussed the financial statements and the cash & investment report for the month of June 2014. MCO generated $4,300 in revenues to the Commission during the month of June. After discussion, motion by Commissioner Zielinski, second by Commissioner Hamblin to accept the Accountant's Report for the month of June 2014. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Hamblin to approve for payment MCO invoices #18399 and #18439 in the amounts of $121,833.18 and $375.95 with payment to be made after August 1, 2014. Motion carried unanimously.

Motion by Commissioner Zielinski, second by Commissioner Hamblin to approve Operating and Payroll Vouchers #134459 through #134517 in the amount of $341,182.37 and Construction Vouchers #236 through #238 in the amount of $295,663.64 for the month of June 2014. Motion carried unanimously.

Motion made by Commissioner Gunz, seconded by Commissioner Zielinski to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:17 a.m.

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President Secretary