NEENAH-MENASHA SEWERAGE COMMISSION

Special Meeting

Wednesday February 12, 2014

Meeting was called to order by Commission President Youngquist at 11:02 a.m.

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

Excused: Commissioners Jim Gunz, Kathy Bauer.

Also Present: Tom Kispert (McMAHON); Rob Franck, Paul Much (MCO); Kurt Van Grinsven, Mark Eimmerman (August Winter & Sons); Eric Spies (Spies Painting).

No appearances for the Public Forum.

January 28, 2014 Meeting minutes: Motion by Commissioner Zielinski, second by Commissioner Sambs to approve the minutes from the January 28, 2014 Regular Meeting. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

January 26, 2014 letter from Robert Hannes, DNR to NMSC President Dale Youngquist.
RE: DNR approval of change orders.

New Business

Operations, Engineering, Planning

Tom Kispert distributed new information to add to the information previously provided the Commissioners. The new information includes a punch list of items to be completed. The punch list is in date order as to when the work is to be completed. Tom reminded the Commission they have three options: 1-terminate for cause; 2-stop the work and have contractor eliminate the cause; and 3-issue change order for time extensions for work to be completed. President Youngquist questioned if the punch list items listed to be completed by February 11 have been completed; he was assured they are. Mark Eimmerman, vice president with August Winter & Sons addressed the Commission. He acknowledged this issue is his fault; he did not understand the severity of the issue with the work not being completed; he is giving his word to the Commission they will not miss any of the dates listed on the punch list; he also promised he will keep them committed to meeting the dates in the punch list. President Youngquist questioned the painting on the digester and the air temperatures; Tom further explained the side skirt is being painted and the area is tented and heated to insure the metal is at and kept at the proper temperature for painting and proper curing. Tom also reported the dates listed are drop dead dates for when the listed work is to be completed and attempts will be made to get the work done sooner. Commissioner Hamblin questioned the specs for spring temperature requirements; Tom reported the specs are based on the specific materials being used. Commissioner Zielinski questioned if there are any comments or rebuttals from the painting contractor; Eric Spies replied

his is not making excuses, they have fallen short, and they will do everything in their power to do the work as promised. Commissioner Zielinski further questioned why the delays; no answer was provided. Mark Eimmerman reported August Winter & Sons will take whatever it takes to get completed and completed correctly. President Youngquist reported that based on the information received from Tom Kispert, he feels the NMSC has the right to increase the retainage percentage. The general terms and conditions of the contract has 2.5% of the total contract amount for the retainage; it does allow it to be increased up to 10% of the contract amount completed. President Youngquist does not have a planned amount as to what the increase in the retainage should be. After discussion, motion by Commissioner Zielinski, second by Commissioner Coburn to approve change order #37 for a time extension with August Winter & Sons, Inc. for plant modifications. Motion carried unanimously.

Construction Progress Update. Tom Kispert discussed his memo on the construction progress. Following the discussion, motion by Commission President Youngquist second by Commissioner Zielinski to defer taking action on Certificate for Payment #15 from August Winter & Sons until the February 25, 2014 meeting. Motion carried unanimously.

After further discussion on the ongoing work, motion by Commissioner Coburn, second by Commissioner Sambs to approve change order #36 for a contract decrease of $(24,438.35) with August Winter & Sons, Inc. for plant modifications. Motion carried unanimously. Tom Kispert further reported on proposals that are currently pending for change orders.

Tom Kispert reported on the status of equipment contracts. After discussion, motion by Commissioner Zielinski, second by Commissioner Hamblin to approve Payment Request #2 for Contract O from Crane Engineering Sales in the amount of $19,810.00 for diaphragm pumps. Motion carried unanimously. Commissioner Hamblin questioned the warranty on the pumps; Tom reported we have an extended warranty from Crane Engineering for the pumps. The warranty is two years from the date of acceptance.

Tom Kispert updated the Commission on the work from HSI on the high speed blowers. The original list of 20 items needing attention is now 21; the individual with HSI discovered another item needing attention. Rob Franck reported the programming for each individual blower has been updated in five of the six blowers; currently there are two blowers running in hand mode; blower number 1 is seized and they will be sending a technician to repair the unit. Tom reported that currently of the 21 items listed only a few of the items have been completed. Purchase orders have been issued by HSI to August Winter & Sons to have Faith Technologies replace the wiring and for August Winter & Sons to replace the damaged tank and change the glycol in the system. The last correspondence from HSI was on Thursday (February 6). Rob reported he is not receiving the "this week, next week" update requested from HSI; and also added he would like to receive more detail on what the repairs will be on the second blower. Manager Much questioned if there is a design issue with the blowers since we have had two mechanical failures. Manager Much noted in the items listed the completion date on several items is February 28. HSI needs to be reminded the items are to be completed by the meeting on the 25th. Manager Much questioned how long we can hold the money to pay HSI once the repairs are made; Tom indicated we are still missing required information and no payment would be processed until this information has been received. Commissioner Coburn questioned if the insulation was for sounding and if we really need it; Tom responded this is part of the specs to meet decibel limits.

Commissioner Sambs discussed the sewer extension request received for the Old Highway Sewer Extension located in the Village of Harrison Waverly Sanitary District. Waverly did not approve the sewer extension; there are corrections to be made and they are requesting a waiver which has not been received. Motion by President Youngquist, second by Commissioner Zielinski to defer action on the sewer extension request until it has been approved by the Waverly Sanitary District. Motion carried unanimously.

Budget, Finance, Personnel

Motion by Commissioner Zielinski, second by Commissioner Sambs to approve for payment Operating and Payroll vouchers #134190 through #134244 in the amount of $454,722.34 and Construction Vouchers #224 through #227 in the amount of $731,742.49 for the month of January 2014. Motion carried unanimously.

Other Matters

President Youngquist discussed the issue of increasing the pay Commissioners receive for meeting attendance and the discussions that were held on this subject at the previous meeting. It was his impression it was the consensus of the Commissioners the pay should be increased to $100 per meeting effective in March 2014. After discussion, motion by Commissioner Sambs, second by Commissioner Hamblin that effective March 1, 2014 the commissioner pay for meeting attendance should be increased to $100.00 per meeting. Motion carried unanimously.

President Youngquist discussed the NMSC Meeting Rules of Procedure and suggested having one or two Commissioners take a shot at redrafting. After discussion, President Youngquist will attempt to redraft the Rules of Procedure and bring back to the Commission for the March 25 meeting.

Manager Much reported a meeting is scheduled for Monday (February 17) with Menasha to discuss the contract with Sonoco.

Motion made by Commissioner Zielinski, seconded by Commissioner Sambs to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 12:27 p.m.

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President Secretary