NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday August 26, 2014

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

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

Excused: Commissioner Jim Gunz.

Also Present: Chad Olsen, Tom Kispert (McMAHON); Rob Franck, Paul Much (MCO); Kurt Van Grinsven (August Winter & Sons); Jon Myers, Brian Nieckula (Atlas Copco).

Public Forum. No one in attendance for public forum.

July 22, 2014 Meeting minutes: Motion by Commissioner Hamblin, second by Commissioner Zielinski to approve the minutes from the July 22, 2014 Regular Meeting. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

August 8, 2014 letter from Maureen Hubeler, DNR to Dale Youngquist, NMSC.
RE: Disbursement Request #26 will have expended 94.11% of Clean Water Fund Assistance.

July 29, 2014 letter from Robert Hannes, DNR to Dale Youngquist, NMSC.
RE: Approval of change orders.

Old Business

There is no Old Business to be discussed.

New Business

Operations, Engineering, Planning

HSI Blower Status Update. Jon Myers introduced Brian Nieckula, the Regional Municipal Sales Manager. Jon informed the Commission the new piping is installed. The Commission was also updated on some nagging issues: CPUSA is working on the control programming; the drive on unit 6; heat exchanger #2 fan became loose; unit #4 bearing change. It is his hope to have all issues completed by the September meeting. President Youngquist commented on the progress being made. Rob Franck informed the Commission we have been taking pictures of the alarm screens and sending them to technicians so they can also see what we are seeing; Manager Much reported the faults have been frequent. Tom Kispert explained the issue with the loan closing and having issues with equipment – we cannot close out this portion of the project until the issues are resolved. Jon Myers indicated they would be willing to provide a letter of credit to help close out the loan.

To accommodate those in attendance, President Youngquist proceeded to Agenda item 6-F, August Winter & Sons and Paint Coating Warranty.

Kurt Van Grinsven discussed 6 outstanding punch list items and the final completion date for these items. Tom Kispert added his doubt in meeting the listed completion dates due to Square D; Square D has missed all promised dates. Tom recommends extending the completion date of September 12 to September 19 for item #2: O&M to be revised by Faith and Square D for resubmittal to McMahon for approval. After discussion, motion by Commissioner Coburn second by Commissioner Hamblin to accept the final completion date schedule from August Winter & Sons with the revised completion date for item #2 per McMahon recommendation. Motion carried unanimously. Commissioners discussed the Paint Coating Warranty being offered; Manager Much and Tom Kispert are okay with the proposed warranty. After discussion, motion by Commissioner Zielinski second by Commissioner Sambs to approve the Paint Coating Warranty (Revised 8/7/14) from August Winter & Sons, Inc. Motion carried unanimously.

The meeting returned to the Agenda as published.

Phosphorus Removal – Chad Olsen reported there is no further update at this time.

McMahon Agreement to evaluate scenarios and costs associated with water quality trading and statewide phosphorus variance. Chad Olsen discussed the proposed agreement; trading is currently the only viable option verses construction. Grand Chute Menasha West has approved the agreement, Clearwater Paper is in the process of approving; the other dischargers are discussing approving the agreement. After discussion, motion by Commissioner Zielinski second by Commissioner Coburn to approve the agreement with McMahon Associates. Motion carried unanimously. President Youngquist reported he suggested to Grand Chute Menasha West to hold a joint meeting with the other dischargers who approved the agreement for discussions on this issue.

Manager Much reported there is a phosphorus analyzer available to monitor effluent phosphorus and will automatically adjust chemical feed pumps; he estimated the payback to be a year or less with the savings in chemical usage – this unit would help control the amount of alum being used. The unit costs approximately $14,000; Manager Much recommends using McMahon to program the SCADA system while we have their staff here on site programming other equipment. Chad Olsen was instructed to bring in a proposal for McMahon to program this unit into the SCADA system.

Construction Progress Update. Tom Kispert reviewed his memo to the Commission. The Commission has seen the punch list of items to be completed; it is down to one page. The previous target date for completion was August 26; there will be a change order presented at the next meeting updating the final completion date extension to September 19.

Tom Kispert discussed Certificate for Payment #18 with August Winter & Sons, Inc. in the amount of $397,653.55. After discussion, motion by Commissioner Zielinski second by Commissioner Coburn to approve for payment Certificate for Payment #18 with August Winter & Sons, Inc. in the amount of $397,653.55. Motion carried unanimously.

Tom Kispert discussed change orders #44 and #45 for plant modifications. After further discussion, motion by Commissioner Zielinski, second by Commissioner Sambs to approve change order #44 for a contract increase of $1,720.00 with August Winter & Sons, Inc. for plant modifications. Motion carried unanimously. Motion by Commissioner Zielinski second by Commissioner Hamblin to approve change order #45 for a contract decrease of $18,095.82 with August Winter & Sons, Inc. for plant modifications. Motion carried unanimously.

Tom Kispert reported on future items: polymer system upgrade, and time extension change order. The O&M manual should be ready this week; next week Wednesday at the latest. SCADA functionality testing is being worked on; the goal is to be finished by the end of September. The GIS system should be all wrapped up by the 2nd week of October. Options for transmitting data to the plant from the 9th Street metering station are being looked at; initially the hope was to use a tower in the Town of Menasha. This will not be a feasible option. Tom reviewed the Summary Logs. President Youngquist questioned the equipment items to be completed. Tom reported on the status of the Heat Exchangers and the Centrifuge. The heat exchangers have two units to be placed into service and the centrifuge needs to have performance testing done on our final sludge product; we needed to wait for the painter to complete their tasks before the digesters could be put back into service. Once the digesters are back in service and performing, these items can be completed.

Motion by Commissioner Zielinski, second by Commissioner Hamblin to approve for payment McMahon invoices #49285, #49286, #49287, and #49288 related to the Construction Project in the amounts of $260.00, $3,699.07, $1,200.00, and $2,200.00. Motion carried unanimously.

Motion by Commissioner Zielinski, second by Commissioner Hamblin to approve for payment McMahon invoices #49289, #49290, #49291, #49292 and #49293 related to additional services for the construction project in the amounts of $14,360.55, $2,681.86, $312.50, $274.56 and $466.35. Motion carried unanimously.

Manager Much discussed the Operating Report for the month of July 2014. The plant is operating fairly smooth; there has been an issue with the digester, we needed sodium bicarbonate to stabilize, it is now working normally. After discussion, motion by Commissioner Coburn, second by Commissioner Hamblin to accept the Operating Report for the month of July 2014. Motion carried unanimously.

Budget, Finance, Personnel

President Youngquist requested to move and discuss Agenda item 6-J Draft 2015 Budget as the last item.

Accountant Voigt discussed the financial statements and the cash & investment report for the month of July 2014. MCO generated $4,000 in revenues to the Commission during the month of July. After discussion, motion by Commissioner Zielinski, second by Commissioner Sambs to accept the Accountant's Report for the month of July 2014. Motion carried unanimously.

Motion by Commissioner Zielinski, second by Commissioner Coburn to approve for payment MCO invoices #18481 and #18521 in the amounts of $121,833.17 and $531.65 with payment to be made after September 1, 2014. Motion carried unanimously.

Motion by Commissioner Sambs, second by Commissioner Coburn to approve Operating and Payroll Vouchers #134518 through #134574 in the amount of $289,780.58 and Construction Voucher #239 in the amount of $35,057.45 for the month of July 2014. Motion carried unanimously.

Draft 2015 Budget. Motion by Commissioner Zielinski second by Commissioner Coburn to Schedule a Public Hearing at 8:00 am on Tuesday September 23, 2014 prior to the Regular Meeting to receive comment on the Proposed 2015 NMSC Budget. Motion carried unanimously. Commissioners questioned and discussed proposed budget items and requested changes to be made. Specific proposed budget items to be reduced are: Attorney Fees (account 514.1), Commission Meetings (account 520.4), Soil Testing Charges (account 548.0), and Sludge Loader Fuel & Equipment Charges (account 549.0).

Commissioner Coburn reported that Rolling Meadows subdivision in the Town of Neenah may be looking for inclusion into the Sanitary District #2 sewer system. The Commission will be updated if any developments occur.

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

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President Secretary