NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday March 24, 2015

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

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

Also Present: Tom Kispert (McMAHON); Rob Franck (MCO); Mayor Don Merkes, Attorney Pam Captain, Mark Radtke (Menasha).

Public Forum. No one in attendance for public forum.

February 24, 2015 Regular Meeting and February 24, 2015 Closed Session minutes: Motion by Commissioner Zielinski, second by Commissioner Sambs to approve the minutes from the February 24, 2015 Regular Meeting and February 24, 2015 Closed Session. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

February 24, 2015 letter to Mayor Don Merkes, City of Menasha from Randall Much, NMSC.
RE: Request to attend the March 24, 2015 NMSC meeting to discuss U.S. Paper Mills contract.

February 24, 2015 letter to Marshelle Slayton, U.S. Paper Mills from Randall Much, NMSC.
RE: Authorization to proceed with metering station modifications.

Manager Much reported on a follow-up yesterday (Monday March 23); there will be some structural changes and the installation is expected to be in June.

March 4, 2015 email to Roger Voigt, NMSC from Tom Kispert, McMahon.
RE: NMSC refund for A/C unit.

March 6, 2015 letter to Dale Youngquist, NMSC from Robert Liska, DNR.
RE: DNR approval of NMSC Pretreatment Program changes.

March 2015 letter to Dan Osero, President Town Neenah S.D. 2 from Dale Youngquist, NMSC.
RE: SD 2 Lift Station #3 flow meter replacement.

Discussion With Menasha regarding U.S. Paper Mills contract

Manager Much explained the purpose for the original U.S. Paper Mills and Gilbert Paper contracts. President Youngquist asked for any concerns from the City with the Commission considering not renewing the current agreement it has with U.S. Paper Mills. Attorney Captain questioned why the NMSC feels is no longer needs to contract with U.S. Paper Mills as a contracted industrial user when it issued the first contract and is now under a second contract

with them. Manager Much explained the Commission needed to have the second contract due to the first contract did not require U.S. Paper Mills to participate in any future construction costs – without the second contract they would not be required to pay the costs from the last upgrade or the current upgrade. Attorney Thiel added U.S. Paper Mills would be treated as an industrial user after the current agreement ends; Manager Much indicated this would also reduce one of the City's billing concerns of subtraction in calculating the Menasha bill. Mayor Merkes questioned if the Commission is looking at changing the Ordinance Contract by eliminating the Contracted Industrial User; Commissioner Gunz responded no and further explained the history in the 1970's leading up to why industries were required to become contracted. Mayor Merkes indicated they were looking at the Ordinance Contract and it would need to be amended. A future meeting will be set up to further discuss this matter. Attorney Captain will send dates to Accountant Voigt that will work as meeting dates.

New Business

Operations, Engineering, Planning

HSI Blower Status Update. Attorney Thiel reported the Memo of Understanding is not complete; he will have it at the next meeting.

Phosphorus Removal – Manager Much distributed quotes and information received from HACH on the phosphorus analyzer unit. The quote for the two units is $90,000 plus shipping. It is also recommended to have the field service in the 2nd year of service at a cost of $12,000. Manager Much further explained why flow is an issue in treating for phosphorus and why this unit is preferred. Manager Much further explained how alum works to remove phosphorus; he also explained the properties of a new product Sorbix and how it works to remove phosphorus and the benefits over the use of alum. With the use of Sorbix it is expected we could meet our phosphorus limits with no construction costs. President Youngquist suggested we should wait until the next meeting for approval; Commissioner Gunz questioned if we are searching for a solution to a problem we don't have. Manager Much responded the phosphorus limits are coming and we need to start to address how to meet the limits; we will need to comply with the limits in 6-8 years. We will need to provide the DNR our solution on how we will meet the limits in the next 2-3 years. Commissioners further discussed; Manager Much is to obtain data from other users and chemical cost savings from using the HACH phosphorus analyzer unit and bring the information to the next meeting.

To accommodate those in attendance, motion by Commissioner Gunz, second by Commissioner Zielinski to proceed to Agenda item 7-J, NMSC Pretreatment Ordinance 2015-1.

Manager Much discussed the changes made to the Pretreatment Ordinance; it includes updates to meet Federal regulations. All Contract Users will also need to pass this same wording to update their Pretreatment Ordinances. After discussion, motion by Commissioner Gunz, second by Commissioner Zielinski to approve NMSC Pretreatment Ordinance 2015-1. Motion carried unanimously.

The meeting returned to the Agenda as published; Attorney Thiel excused from the meeting.

McMahon Construction Progress Update. Tom Kispert reviewed and discussed the status of the NMSC list of 10 items to be completed for the construction project which was distributed at the February meeting. Manager Much requested to add programming of the SCADA system to this list of items still needing attention.

Town of Neenah S.D 2 lift station #3 flow meter update. Manager Much reported Chad Olsen and Rob Franck are working on updating the flow metering; the final specifications are being developed to order the flow meter. The Town will build and bill the Commission.

Tom Kispert reported on the electronic communication of flow data from remote sites; 2 antennas will be installed at the plant and one at the 9th Street metering station, the last two radios are programmed and are ready to install.

Tom Kispert reported on the status of the iReportPlus Reporting Software to replace the current OPS32 software; reports are being put together and should be available in 2-3 weeks for staff to review.

Focus on Energy grant application. Tom Kispert reported a grant application request for $500,000 was put together and sent to Focus on Energy for saving energy on renewable resources (electric generation from plant biogas). At this point there is no cost or financial obligation to the Commission. The proposed project would be constructed by private industry; the grant would be used to cover costs incurred by the private industry for equipment and construction; there would be a long term agreement to maintain the equipment; the Commission would purchase the electricity generated. President Youngquist signed the application after being guaranteed there is no financial obligation to the Commission; President Youngquist reported he also talked with Manager Much who expressed some concerns and reservations on items with the proposed project. Tom indicated there will be updates at a future time on this proposed project.

Motion by Commissioner Gunz second by Commissioner Zielinski to approve for payment McMahon invoices #42053 and #42054 in the amounts of $2,600.00 and $5,200.00. Motion carried unanimously.

Manager Much discussed the Operating Report for the month of February 2015. The plant is operating well; the mercury levels are down; the solids are down; we are proceeding with the modifications to the sampling setups based on designs from Kaempfer & Associates. After discussion, motion by Commissioner Zielinski second by Commissioner Sambs to approve the operating report for the month of February 2015. Motion carried unanimously.

Budget, Finance, Personnel

Accountant Voigt discussed the financial statements and the cash & investment report for the month of February 2015. The auditor is almost complete; it is expected to be presented at the next meeting. The financial statements do not reflect all the final year-end adjustments. MCO generated $4,000 in income to the Commission. After discussion, motion by Commissioner Zielinski, second by Commissioner Hamblin to accept the Accountant's Report for the month of February 2015. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Coburn to approve for payment MCO invoices #19111 and #19149 in the amounts of $123,501.42 and $832.40 with payment to be made after April 1, 2015. Motion carried unanimously.

Motion by Commissioner Gunz, second by Commissioner Coburn to approve Operating and Payroll Vouchers #134868 through #134920 in the amount of $293,357.81 and Construction Voucher #251 in the amount of $130.00 for the month of February 2015. Motion carried unanimously.

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

President

Secretary