NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday February 23, 2016

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

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

Also Present: Tom Kispert (McMAHON); Rob Franck, Randall Much (MCO).

Public Forum. No one in attendance for public forum.

January 26, 2016 Regular Meeting minutes: Motion made and seconded by Commissioners Zielinski/Coburn to approve the minutes from the January 26, 2016 Regular Meeting. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

February 5, 2016 letter from Mark Radtke, Menasha Director of Public Works to the NMSC.
RE: Monitoring Station Sampling Improvements.

February 8, 2016 email and response between Mark Brown, Associated Appraisal Consultants and Roger Voigt, NMSC.
RE: Tax Exempt status on property purchased – 91 Madison Street.

Old Business

Ordinance-Contract Change. Randall Much reported on the meeting that was held with Attorney Thiel to discuss changes to the Ordinance-Contract; a draft version of the changes is being worked on. When the draft version is complete he will be review it with Commissioner Hamblin.

New Business

Operations, Engineering, Planning

HSI Blower Status Update. Randall Much reported on the meeting with NMSC and Atlas Copco representatives to view the blower building, discuss the new blower costs, and costs associated with replacing the current blowers with the new blowers. Tom Kispert discussed the proposal from McMahon Associates and the scope of services related to design work for the new units and the size difference between the two style of units, the different controls needed, interior cooling in blowers, the start-up services, the onsite services and the construction services. The new blower units are expected to be delivered late spring or early summer with installation to be around September. This would be treated as a repair or replacement of defective equipment.

President Youngquist requested to continue with this discussion regarding the McMahon Associates contract Amendment #1 to the Owner-Engineer Agreement proposal for services; this

is item D on the agenda. Commissioners further discussed Amendment #1 to the Engineering Agreement. After discussion motion made and seconded by Commissioners Zielinski/Sambs to approve Amendment #1 to the Owner-Engineer Agreement for Professional Services dated August 28, 2012. Commissioner Bauer questioned the need for the air conditioning of the building. Tom responded at this time we are not able to determine the proper size of air conditioning for the building, or if it is needed with the new blowers. Once we know the amount of heat generated by the blowers then a determination will be made if air conditioning should be installed and what size of a unit. Both Rob Franck and Tom indicated the cost to add air conditioning would not be substantially impacted if we did it with the replacement of the units or if we waited until we would know if we really needed air conditioning and what size. If the air conditioning would be installed with the project we run the risk of installing a unit that would be either undersized or oversized. After discussion motion carried unanimously.

Phosphorus Analyzer – Manager Much reported the testing of Alum is complete and staff is in the process of getting ready to switch to the next chemical, Ferric Chloride. Alum was not able to meet the needs for phosphorus removal; ferric is a more expensive chemical option versus the Alum that was being used.

Tom Kispert reported on the status of the iReportPlus reporting software. The clock sync between the program and the SCADA system has been fixed, they are still working on the manual lab data entry to speed up the entry process, data point tags need to be verified. President Youngquist questioned how long can we expect this to take, a couple of months? A year? Tom is hopeful it will be sooner.

McMahon Invoice. Motion made and seconded by Commissioners Zielinski/Bauer to approve for payment McMahon invoice #901306 in the amount of $1,400. Motion carried unanimously.

Manager Much discussed the Operating Report for the month of January 2016. The plant is running well, meaning we are meeting limits. During the recent cold spell there was an issue with a compactor/washer freezing. Chad Olsen supplied Manager Much with the additional hauling costs due to the centrifuges not performing as specified; the current estimated additional cost for solids hauling is $16,795 per year. This is the additional costs related to the centrifuges performing currently at 22% solids and not the 25% solids in the bid specifications. Tom reported he has not been able to obtain data for the performance testing from the manufacturer. Following additional discussion by the Commissioners, Manager Much was authorized to contact Attorney Thiel to discuss the situation and input on how to proceed. Tom Kispert reported on the controls and SCADA; they are close to the final review. Rob Franck reviewed and discussed his written report related to equipment issues. Rob also reviewed and discussed his written report on equipment and grounds projects. Rob further discussed the February 13 fine screen washer and compactor failure and also the February 4 ground fault failure in the Service Building. After discussion motion made and seconded by Commissioners Zielinski/Coburn to approve the Operating Report for the month of January 2016. Motion carried unanimously.

Budget, Finance, Personnel

Accountant Voigt discussed the financial statements and the cash & investment report for the month of January 2016. The year end 2015 operations will finish with a deficit; five users will be owing money for the year end and one user will receive a refund. President Youngquist

questioned the budget amounts entered for Depreciation Expenses, as well as for the Replacement Income and Depreciation Income; the income budget amounts appear to be switched between the two items. Accountant Voigt agreed and will verify, and will also check on the Depreciation Expense budget amounts. Commissioner Bates questioned the Other (Income) Expense category and the listing of how the income and expense items appear on the report; Accountant Voigt will review the setup in the software package. Accountant Voigt reported the audit field work was completed in early February and is hoping the final year end reports will be available for the March meeting. MCO generated $2,000 in income to the Commission in January. After discussion, motion made and seconded by Commissioners Coburn/Zielinski to accept the Accountant's Report for the month of January 2016. Motion carried unanimously.

Accountant Voigt reported on the monthly invoice for services; there are health insurance credits for an employee who retired and the new employee hired did not sign up for health insurance. Accountant Voigt also indicated there will be another credit and cost reduction coming as one employee has switched from family coverage to single coverage; later this year there will be an increase in the insurance cost as two individuals will go from single coverage to family coverage due to marriages. Motion made and seconded by Commissioners Zielinski/Sambs to approve for payment MCO invoices #20115 and #20154 in the amounts of $122,612.47 and $416.05 with payment to be made after March 1, 2016. Motion carried unanimously.

Motion made and seconded by Commissioners Youngquist/Coburn to approve Operating and Payroll Vouchers #135468 through #135524 in the amount of $273,264.55 for the month of January 2016. Motion carried unanimously.

Motion made and seconded by Commissioners Zielinski/Coburn to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:05 a.m.

Dale A. Youngquist — Katherine Bauer

President — Secretary