

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday January 24, 2017

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

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

Excused: Commissioner Kathy Bauer.

Also Present: Chad Olsen (McMAHON); Rob Franck, Randall Much (MCO).

Minutes

December 20, 2016 Regular Meeting minutes: Commissioner Zielinski questioned last month's discussion on the Property/Liability Insurance and status of Press Color Inc.; Accountant Voigt indicated the insurance will be discussed later in the meeting, Manager Much reported Press Color Inc. needs to contact 2 other entities. Motion made and seconded by Commissioners Zielinski/Coburn to approve the minutes from the December 20, 2016 Regular Meeting. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

January 6, 2017 email from Amy Vaclavik, McMahan to Roger Voigt, NMSC.
RE: DNR response as to why NMSC did not receive full disbursement from CWF for disbursement request.

Old Business

590 Enterprise Drive, Neenah. Manager Much reported he has no update to report regarding this investment group.

New Business

Operations, Engineering, Planning

Phosphorus Removal. Manager Much reported we are still using the Hyper Ion 1997; one delivery we received was in a gel state and we needed to add water to the product to liquefy it. We will be switching to another similar product which includes some polymer in the product. Manager Much reported meeting with Jim Kirk to further explore trade options from the mouth of the Fox River at Lake Winnebago to De Pere.

Manager Much discussed the Operating Report for the month of December 2016. The plant is operating well, there are no issues. Rob Franck discussed his report on new equipment issues; Flare/Flame Arrestor – with the cold weather we had issues with the unit freezing up and he reported on the actions taken to get it operational. Old Blowers – discussed issues with the old blowers and how repairs were made to keep the ones needed operational. New Blowers – start-up on the new blowers is scheduled for January 31 – February 1; it is anticipated we will need to

control the new blowers manually until the equipment programming is complete. Rob also discussed the items in the Equipment & Grounds Report - transformer oil is tested annually; Rob discussed why the annual testing is being moved from the fall to the spring. Boilers – correct diffusers are now installed; he will inquire on the costs for adding electronic controls to the burner control system. After discussion, motion made and seconded by Commissioners Bates/Zielinski to approve the Operating Report for the month of December 2016. Motion carried unanimously.

Centrifuge VFD Replacement. President Youngquist discussed he was contacted on the VFD issue with the Centrifuge unit and the need to approve the work on replacing the VFD with a motor starter; he reported he gave his approval for this work and he is now bringing this to the Commission for formal authorization. Rob further reported the VFD's on the inclined augers (part of the centrifuge unit) were failing and we cannot determine why they are failing. It was determined it would be best to add a reversing motor starter to replace the VFD; Rob further discussed the issues experienced and the reasoning for initially installing VFD's on the unit. The costs approved by President Youngquist was: Alfa Laval - \$5,898 plus ½ of the airfare (estimated not to exceed \$1,000) for the technician, and \$6,500 for McMahan engineering costs. After discussion, motion made and seconded by Commissioners Coburn/Bates to formally approve the purchase and installation of the Full Voltage Reversing Motor Starter to the Centrifuge inclined auger as discussed. Motion carried unanimously.

Blower Replacement-Change Order #1. President Youngquist reported on his contact with Chad Olsen regarding the change order and the request of the Commission for McMahan to cover the change order cost. Chad offered to provide a credit of 50% toward the cost of the change order; he admitted the item should have been on the drawings and it was missed. The Commission further discussed the credit amount. After discussion, motion made and seconded by Commissioners Bates/Coburn to accept and approve the 50% credit offered by McMahan Associates toward the cost of Blower Replacement Change order #1 from August Winter & Sons. Motion carried unanimously.

Polymer Feed System Update. Chad Olsen reported he received budget pricing that ranged from \$100,000-\$200,000 and even \$300,000 for systems. He will have more information at the next Commission meeting.

McMahan Invoices. Commissioners reviewed the McMahan invoices. After discussion, motion made and seconded by Commissioners Zielinski/Bates to approve for payment McMahan Invoices #904703 and #904774 in the amounts of \$554.03 and \$660.00. Motion carried unanimously.

Budget, Finance, Personnel

Accountant Voigt reported to the Commission that in an email received from our insurance agent, Chris Reichelt at McClone Agency, Cincinnati Insurance will provide a credit to its quoted amount to make up the difference in the price quoted by Travelers Insurance.

Accountant Voigt discussed the financial statements and the Cash & Investment report for the month of December 2016. The Commission will show a loss in operations at the end of the year of \$35,000-\$40,000. MCO generated \$2,200 in income to the Commission in December. The matured CD from December was re-invested as two CD's; one for a term of 17-months at 1.17%

and the other for a term of 47-months at 2.17%. Commissioner Zielinski questioned a discrepancy in the reported investments and the cash amount listed on the report; Accountant Voigt will recheck the numbers to see where the error was made. After discussion, motion made and seconded by Commissioners Zielinski/Hamblin to accept the Accountant's Report for the month of December 2016. Motion carried unanimously.

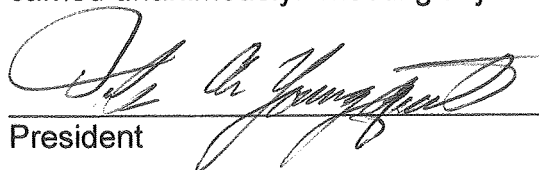
Motion made and seconded by Commissioners Coburn/Bates to approve for payment MCO invoices #21129 and #21159 in the amounts of \$126,704.22 and \$429.60 with payment to be made after February 1, 2017. Motion carried unanimously.

Motion made and seconded by Commissioners Coburn/Bates to approve Operating and Payroll Vouchers #136041 through #136094 in the amount of \$249,022.40 and Construction Fund Voucher #257 in the amount of \$5,931.36 for the month of December 2016. Motion carried unanimously.

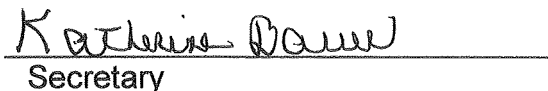
Other Business

Election of Officers. Motion made and seconded by Commissioners Bates/Zielinski to maintain the officers of President, Vice-President, and Secretary by acclamation. Motion carried unanimously. President Youngquist appointed Commissioner Bauer as Treasurer pending her acceptance. The officers for the next 12 months are: President – Dale Youngquist, Vice-President – Raymond Zielinski, Secretary/Treasurer – Kathy Bauer (pending acceptance).

Motion made and seconded by Commissioners Zielinski/Coburn to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:07 a.m.



President



Secretary