

Manager Much reported on the status of the Industrial User Contracts. U.S. Paper Mills Corporation has met with Commission representatives on Wednesday November 29, 2000. They have agreed in concept with the proposed contract but they have a couple of minor language issues to discuss. A meeting still needs to be set to meet with representatives from Gilman, Perry

NEENAH-MENASHA SEWERAGE COMMISSION
Regular Meeting
Tuesday January 23, 2001

Meeting called to order by Commission President W. Zelinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Helein, D. Siebers, G. Cowling, W. Zelinski, J. Johnson; Manager Much, Accountant Voigt.

Also Present: Jeff Kellner (McMahon Assoc.); Bill Glatz, (Gizmo Farms).

Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to approve the minutes of the Regular Meeting of December 19, 2000.

The following correspondence was discussed:

- A. December 28, 2000 letter from Ms. Catherine Girdley, Waverly Sanitary District to Mr. Randall Much, NMSC.
RE: Submittal of information for new connection point.
- B. January 3, 2001 letter from Mr. Randall Much, NMSC to Mr. Arden Tews, Town of Menasha Utility District.
RE: Commissioner to be appointed for February 27, 2001 meeting.
- C. January 11, 2001 letter from Ms. Catherine Girdley, Waverly Sanitary District to the NMSC.
RE: William C. Helein reappointed as Commissioner to the NMSC.

Budget, Finance, Personnel

Accountant Voigt presented the financial statements for the months of November and December 2000 to the Commission. Moved by Commissioner G. Cowling, seconded by Commissioner W. Helein to accept the financial statements for the months of November and December. Motion carried unanimously.

Accountant Voigt presented MCO invoice #6621 in the amount of \$58,121.07 for the month of February 2001. Moved by Commissioner R. Zielinski, seconded by Commissioner W. Helein to approve MCO invoice #6621 in the amount of \$58,121.07 for the month of February 2001 and to pay the invoice on February 1. Motion carried unanimously.

Accountant Voigt presented to the Commission a one (1) year audit extension from Schenck & Associates, S.C. to perform the NMSC audit for calendar year 2000. The audit services performed by Schenck & Associates, S.C. for calendar year 1999 was the final year for the three-year contract. The proposed 2000 audit is for a fee of \$3,600, which is a \$100 increase over the previous year. Motion by Commissioner J. Johnson, seconded by Commissioner G. Cowling to approve the one (1) year extension for audit services with Schenck & Associates, S.C. Motion carried unanimously.

Accountant Voigt presented the Accountants Report and Investment Report for the month of December 2000. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to accept the Accountants Report and Investment Report as presented for the month of December 2000. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

The following contract payment requests were presented to the Commission:

| | | | |
|-------------------------|------------|-----------------------|-------------|
| Contract H - General | Request #8 | Miron Construction | \$18,588.00 |
| Contract I - Mechanical | Request #7 | Piping Services, Inc. | \$ 9,385.00 |
| Contract J - Electrical | Request #6 | Town & Country | \$ 1,116.25 |

Moved by Commissioner R. Zielinski, seconded by Commissioner W. Helein to approve for payment Certificate For Payment No. Eight (8) from Miron Construction for Contract H - General in the amount of \$18,588.00, Certificate for Payment No. Seven (7) from Piping Services, Inc for Contract I - Mechanical in the amount of \$9,385.00, and Certificate For Payment No. Six (6) from Town & Country Electric for Contract J - Electrical in the amount of \$1,116.25. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|-------------|--------------------------------------|
| #44626 | \$ 4,490.09 | Odor Control Construction Management |
| #44627 | \$14,123.73 | Plant Construction Management |
| #44628 | \$ 252.00 | O & M Manual Update |
| #44639 | \$ 788.50 | Electrical Generator Design |

Motion by Commissioner J. Jurgenson, seconded by Commissioner J. Johnson to approve and issue payment to McMahon Associates, Inc. for invoices #44626, #44627, #44628 and #44639. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Operations, Engineering, Planning

Manager Much presented and discussed the operating report for the month of December 2000. WPPI had previously looked at having micro turbines installed at the Neenah-Menasha WWTP. They are now proposing to buy electricity generated from our generators. They will be submitting a proposal to the Commission. One air sample has been taken from the odor control biofilter. This sample has indicated 100% removal of the ammonia and 45% removal of VOC's. Moved by Commissioner G. Cowling, seconded by Commissioner W. Helein to accept the operating report for the month of December 2000 and to place the report on file. Motion carried unanimously.

Mr. Jeff Kellner (McMahon Associates) updated the Commission on the construction activities. Aeration Basin: The three aeration basins are in service. Blowers #2, #3, and #4 are operational. Blower #1 will be shipped to Universal Blower PAC for inspection and repair. Wiring for the controls to be completed by the end of January. Odor Control: Joints in air duct will be sealed in the spring. The control and alarm systems should be in place by the end of January. Final Clarifier: All work complete except for grouting the floor. RAS pump startup scheduled for January 23, 2001. All remaining wiring should be completed by end of January. Blower Building: Painting and punch list items will be completed in spring. Blower startup is complete. HVAC startup scheduled for January 23. Soundproofing material has been installed. Miscellaneous items: Rough grading, asphalt, punch list items and fencing will be completed in spring. Final installation for light poles scheduled for February.

Mr. Jeff Kellner discussed with the Commission the status of Blower #1. H.R. Enterprises indicated that the Blower would need to be shipped to an authorized repair facility to inspect the unit to determine if there is any additional damage to the unit besides being out of timing. The cost to repair the unit will be at least \$1,000 and could be as high as \$30,650 for a new unit. After the inspection, it is hoped the cause of the problem can be identified and the responsible party can be notified to pay for the repairs.

Mr. Jeff Kellner discussed with the Commission bids received to install Variable Frequency Drives (VFD's) for the odor control system. The low bid received for the drives was from Werner Electric in the amount of \$9,811.97. Start-up services were quoted to not exceed \$2,624. Moved by Commissioner R. Zielinski, seconded by Commissioner D. Siebers to accept the bid from Werner Electric for the VFD's in the amount of \$9,811.97 and for start-up services not to exceed \$2,624. Motion carried unanimously.

Old Business

Manager Much reported on the status of the Industrial User Contracts. A meeting still needs to be set to meet with representatives from Gilbert Paper Company and we are still waiting to hear back from U.S. Paper Mills representatives regarding their concerns to the proposed contract.

Manager Much reported to the Commission that the only response received so far has been from the Grand-Chute Menasha West Sewerage Commission and they would be interested in participating in the technical work group to study sludge-drying alternatives.

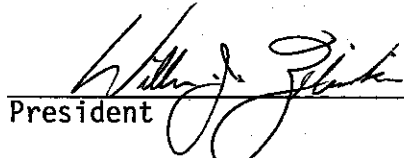
Manager Much reported that we are still waiting for Galloway Company to bring in a couple trial loads of their product to be tested in our digester.

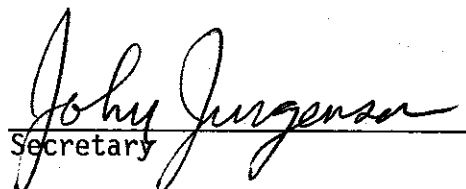
The grievance with AFSCME Local 1541 is proceeding in the next step with meeting with a mediator. A meeting is scheduled for February 6 to discuss the labor agreement.

Manager Much reported that the details are being worked out for the sludge hauling agreement.

Moved by Commissioner R. Zielinski, seconded by Commissioner G. Cowling to approve Operating Fund Vouchers #123252 thru #123300 in the amount of \$141,071.51 and Payroll Vouchers #19823 thru #19837 in the amount of \$7,568.18. Motion carried unanimously.

Moved by Commissioner J. Johnson, seconded by Commissioner R. Zielinski to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 8:40 a.m.


President


Secretary

NEENAH-MENASHA SEWERAGE COMMISSION
 Regular Meeting
 Tuesday February 27, 2001

Meeting called to order by Commission President W. Zielinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Helein, D. Siebers, G. Cowling, W. Zielinski, R. Handevitd; Manager Much, Accountant Voigt.

Also Present: Jeff Kellner, John Stoeger (McMahon Assoc.); Jim Peichl (MCO); Jim Potratz, Bob Potratz (Gizmo Farms); Mike King (Post Crescent).

Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the minutes of the Regular Meeting of January 23, 2001.

The following correspondence was discussed:

- A. January 23, 2001 letter from Mr. Patrick DeGrave, Town of Menasha Administrator to Mr. Randall Much, NMSC.
 RE: Appointment of Mr. Russ Handevitd to the NMSC Commission.

Budget, Finance, Personnel

Accountant Voigt presented the income statement for the month of January 2001 to the Commission. Until the 2000 audit is completed, only an income statement for the current month can be generated. Work on the 2000 audit has been suspended until pending the outcome of contract re-negotiations with the contracted industries and the results of these negotiations. The auditors have completed all the work they can until issues can be resolved with these negotiations. Moved by Commissioner R. Zielinski, seconded by Commissioner D. Siebers to accept the income statement for the month of January 2001. Motion carried unanimously.

Accountant Voigt presented MCO invoice #6686 in the amount of \$58,121.07 for the month of March 2001. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve MCO invoice #6686 in the amount of \$58,121.07 for the month of March 2001 and to pay the invoice on March 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report for the month of January 2001. Moved by Commissioner D. Siebers, seconded by Commissioner G. Cowling to accept the Accountants Report as presented for the month of January 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

The following contract payment requests were presented to the Commission:

| | | | |
|---------------------------------|------------|--------------------|--------------|
| Contract A- Clarifier Equipment | Request #1 | Envirex/US Filter | \$122,200.00 |
| Contract G- VFD's | Request #4 | Werner Electric | \$ 14,489.62 |
| Quote - Catch Basins | Request #1 | Knaus Construction | \$ 4,950.00 |
| Quote - Yard Hydrant | Request #1 | Knaus Construction | \$ 1,700.00 |

Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to approve for payment Certificate For Payment No. One (1) from Envirex/US Filter for Contract A - Clarifier Equipment in the amount of \$122,200.00, Certificate for Payment No. Four (4) from Werner Electric for Contract G - VFD's in the amount of \$14,489.62, Certificate For Payment No. One (1) from Knaus Construction for a Quotation received to install catch basins in the amount of \$4,950.00, and Certificate For Payment No. One (1) from Knaus Construction for a Quotation received to install a yard hydrant in the amount of \$1,700.00. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|-------------|--------------------------------------|
| #44914 | \$ 643.44 | Odor Control Construction Management |
| #44915 | \$15,283.62 | Plant Construction Management |
| #44916 | \$ 971.00 | O & M Manual Update |
| #44913 | \$ 1,041.50 | Plant User Charge System Update |
| #44922 | \$ 3,193.42 | Electrical Generator Design |

Motion by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to approve and issue payment to McMahon Associates, Inc. for invoices #44914, #44915, #44916, #44913 and #44922. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Operations, Engineering, Planning

Manager Much presented and discussed the operating report for the month of January 2001. The solids loading to the plant has been decreasing, the methane gas production is down. The methane gas engines are not running well on the methane that is being produced. The manufacturer of the gas engines will be coming in to check over the engine. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to accept the operating report for the month of January 2001 and to place the report on file. Motion carried unanimously.

Manager Much discussed with the Commission the proposal received from WPPI to purchase the renewable energy from the NMSC. The proposal is WPPI would purchase the electricity generated from the NMSC engine-generator sets when they are fueled by digester methane gas. The contract would be for a five (5) year term and would automatically extend for one (1) year periods. The NMSC would receive a 30% premium for the electricity generated. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to approve proceeding with the contract with WPPI for their purchase of the renewable energy. Motion carried unanimously.

Mr. Jeff Kellner (McMahon Associates) updated the Commission on the construction activities. Aeration Basin: The three aeration basins are in service. Blowers #2, #3, and #4 are operational. Blower #1 has been shipped to Universal Blower PAC for inspection and repair. No word has been received as to the extent of the damage to the blower or what the cause of damage was from. Odor Control: Both blowers are now operating, spray nozzles in bio filters have been operating without problems. Final Clarifier: All work complete except for grouting the floor. RAS pump startup is complete. Blower Building: Painting and punch list items will be completed in spring. Blower startup is complete. Miscellaneous items: Rough grading, asphalt, punch list items and fencing will be completed in spring.

Manager Much discussed the request received from the Town of Neenah Sanitary District #1-1 to accept the wastewater flows from Cumings Plat. Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to approve the request from the Town of Neenah S.D. #1-1 to accept their wastewater flows. Motion carried unanimously.

Manager Much presented the 2000 Compliance Maintenance Annual Report (CMAR) and the NMSC Compliance Maintenance Resolution 2001-1 to the commission. After discussion, moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve the COMPLIANCE MAINTENANCE RESOLUTION, NMSC Resolution 2001-1. Motion carried unanimously.

Old Business

Manager Much reported on the status of the Industrial User Contracts. A meeting is scheduled for Friday March 2, 2001 with representatives from Gilbert Paper Company and we are still waiting to hear back from U.S. Paper Mills representatives regarding their concerns to the proposed contract.

Manager Much reported to the Commission that Appleton has also responded for participating in the technical work group to study sludge-drying alternatives.

Manager Much reported that we are still waiting for Galloway Company to bring in a couple trial loads of their product to be tested in our digester. Manager Much indicated he would contact Galloway Company to see if they are still interested. We will also look at other industries in the area to see if there are any other industries that may have waste with the potential to increase the methane gas production in our digesters.

The union contract negotiations and grievance with AFSCME Local 1541 is currently on hold until the NMSC labor attorney recovers from injuries he sustained.

Manager Much reported that he would be meeting with Attorney Goggin on Friday March 2, 2001 to review the contract received from Gizmo Farms for the sludge hauling and storage agreement.

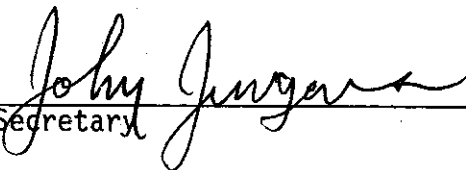
New Business

Election of Commission officers: Commission President W. Zelinski asked the Commissioners for any nominations from the floor for any of the positions for officers of the NMSC. Moved by Commissioner R. Handevitdt, seconded by G. Cowling to cast a unanimous ballot to retain the current slate of officers for the coming year. Motion carried unanimously.

Moved by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to approve Operating Fund Vouchers #123301 thru #123345 in the amount of \$150,146.98 and Payroll Vouchers #19838 thru #19850 in the amount of \$7,472.85. Motion carried unanimously.

Moved by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 9:00 a.m.


President


Secretary

NEENAH-MENASHA SEWERAGE COMMISSION
 Regular Meeting
 Tuesday March 27, 2001

Meeting called to order by Commission President W. Zelinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Helein, D. Siebers, G. Cowling, W. Zelinski; Accountant Voigt.

Excused: Commissioner R. Handevitd, Manager Much.

Also Present: Jeff Kellner, John Stoeger (McMahon Assoc.); Jim Peichl (MCO).

Moved by Commissioner R. Zielinski, seconded by Commissioner W. Helein to approve the minutes of the Regular Meeting of February 27, 2001.

There was no correspondence to be discussed.

Budget, Finance, Personnel

Accountant Voigt presented the income statement for the month of February 2001 to the Commission. Until the 2000 audit is completed, only an income statement for the current month can be generated. Work on the 2000 audit has been suspended until pending the outcome of contract re-negotiations with the contracted industries and the results of these negotiations. The auditors have completed all the work they can until issues can be resolved with these negotiations. Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to accept the income statement for the month of February 2001. Motion carried unanimously.

Accountant Voigt presented MCO invoice #6725 in the amount of \$58,121.07 for the month of April 2001. Moved by Commissioner D. Siebers, seconded by Commissioner W. Helein to approve MCO invoice #6725 in the amount of \$58,121.07 for the month of April 2001 and to pay the invoice on April 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report for the month of February 2001. Moved by Commissioner R. Zielinski, seconded by Commissioner D. Siebers to accept the Accountants Report as presented for the month of February 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

The following contract payment requests were presented to the Commission:

| | | | |
|--------------------------|--------------------|---------------|-------------|
| Contract L- Odor Control | Request #8 (final) | Lee's Welding | \$22,395.00 |
|--------------------------|--------------------|---------------|-------------|

Moved by Commissioner G. Cowling, seconded by Commissioner W. Helein to approve for payment Certificate For Payment No. Eight (8) from Lee's Welding for Contract L - Odor Control in the amount of \$22,395.00. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|-------------|-------------------------------|
| #45364 | \$12,158.20 | Plant Construction Management |
| #45365 | \$ 667.00 | O & M Manual Update |
| #45378 | \$ 307.00 | Electrical Generator Design |

Motion by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to approve and issue payment to McMahon Associates, Inc. for invoices #45364, #45365 and #45378. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Operations, Engineering, Planning

Mr. Jeff Kellner (McMahon Associates) updated the Commission on the construction activities. Aeration Basin: The three aeration basins are in service. Odor Control: Both blowers are now operating, spray nozzles in bio filters have been operating without problems. Final Clarifier: All work complete except for grouting the floor. The grouting is tentatively scheduled for the week of April 23, 2001. The algae sweep installation will follow the grouting. Blower Building: Painting and punch list items will be completed in spring. Blower startup is complete. Waiting for written report from Universal Blower PAC for the results from their inspection of Blower #1 that was sent in. Miscellaneous items: Rough grading, asphalt, punch list items and fencing will be completed in spring. The landscape plan will be submitted to the City of Menasha for approval with bidding to occur in April.

Mr. Jeff Kellner discussed with the Commission two (2) change orders. The first item is for Town & Country Electric to install a new control panel in the Blower Building for an addition to the contract of \$1,882.00. The second change order is for Town & Country Electric to reconnect conduit that was damaged during excavation work near the existing Blower Building. This conduit was not marked as being present in the ground. The change order is for an addition to the contract of \$256.00. Moved by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to approve both change orders with Town & Country Electric. Motion carried unanimously.

Accountant Voigt presented the operating report for the month of February 2001 to the Commission. Commission President W. Zielinski noted the increase in suspended solids from the City of Menasha in February. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to accept the operating report for the month of February 2001 and to place the report on file. Motion carried unanimously.

Old Business

Accountant Voigt reported to the Commission on the status of the Industrial User Contracts. Gilbert Paper Company and U.S. Paper Mills Corp met on Friday March 23, 2001 to discuss the proposed contract. No word was received from either industry as to the results of this meeting. NMSC personnel are attempting to arrange a meeting between these industries and the NMSC to discuss any issues they have.

Accountant Voigt reported to the Commission that Manager Much met with representatives from the City of Appleton, Heart-of-the Valley, and Grand-Chute Menasha West last week to as part of the Biosolids Technical Work Group.

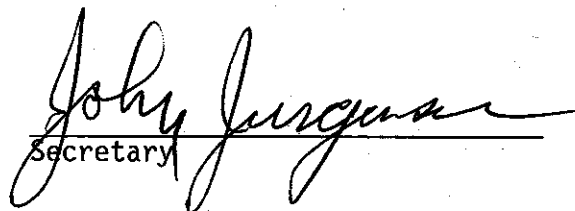
Manager Much and Attorney Gunz met with NMSC union Local 1541 representatives to discuss the union contract negotiations and grievance last week. Two additional meetings have been scheduled, one in April and one in May.

The proposed contract with Gizmo Farms for sludge hauling and storage was presented and discussed. After discussion, moved by Commissioner D. Siebers, seconded by Commissioner J. Jurgenson to table the proposed sludge hauling and storage contract until the April 24, 2001 meeting and to further discuss issues not addressed in the proposed contract at that time. Motion carried unanimously.

Moved by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to approve Operating Fund Vouchers #123346 thru #123413 in the amount of \$209,989.69 and Payroll Vouchers #19851 thru #19858 in the amount of \$6,892.45. Motion carried unanimously.

Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 8:40 a.m.


President


Secretary

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting
Tuesday April 24, 2001

Meeting called to order by Commission President W. Zielinski at 8:00 a.m.

Present: *Commissioners R. Zielinski, J. Jurgenson, W. Helein, R. Handevitd, D. Siebers, G. Cowling, W. Zielinski; Manager Much, Accountant Voigt.*

Also Present: *Jeff Kellner, John Stoeger (McMahon Assoc.); Jim Peichl (MCO); Jim Potratz (Gizmo Farms); Mike King (Post Crescent).*

Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the minutes of the Regular Meeting of March 27, 2001.

There was no correspondence to be discussed.

Budget, Finance, Personnel

Accountant Voigt presented the income statement for the month of March 2001 to the Commission. Until the 2000 audit is completed, only an income statement for the current month can be generated. Work on the 2000 audit has been suspended until pending the outcome of contract re-negotiations with the contracted industries and the results of these negotiations. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to accept the income statement for the month of March 2001. Motion carried unanimously.

Accountant Voigt presented MCO invoice #6786 in the amount of \$58,121.07 for the month of May 2001. Moved by Commissioner D. Siebers, seconded by Commissioner J. Jurgenson to approve MCO invoice #6786 in the amount of \$58,121.07 for the month of May 2001 and to pay the invoice after May 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report and Investment Report for the month of March 2001. The interest rate earned at the State Investment Pool has dropped 1 percent from this time one year ago. Moved by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to accept the Accountants Report and Investment Report as presented for the month of March 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

Accountant Voigt presented the calculation of unit operation, maintenance, replacement and depreciation costs for the 3rd quarter 2001. Based on the calculation and projected loadings, it is recommended to change the rates for flow, BOD and suspended solids in the 3rd quarter to: Flow - \$143.22 per million gallons, BOD - \$0.1717 per pound, Suspended Solids - \$0.0874 per pound. These rates would result in a decrease in the rates for flow and suspended solids and an increase in the rates for BOD. Moved by Commissioner R. Zielinski, seconded by Commissioner W. Helein to approve the rates for the 3rd quarter 2001 as recommended. Motion carried unanimously.

The following contract payment request was presented to the Commission:

Quotation – Odor Control 40HP VFD Request #1 (final) Werner Electric \$10,133.81.

Moved by Commissioner D. Siebers, seconded by Commissioner G. Cowling to approve for payment Certificate For Payment No. One (1) from Werner Electric for the installation and startup of the 40 HP VFD for the Odor Control in the amount of \$10,133.81. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|------------|-------------------------------|
| #45694 | \$9,744.79 | Plant Construction Management |
| #45695 | \$1,898.73 | O & M Manual Update |
| #45711 | \$ 219.81 | Electrical Generator Design |

Motion by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve and issue payment to McMahon Associates, Inc. for invoices #45694, #45695 and #45711. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Operations, Engineering, Planning

Mr. Jeff Kellner (McMahon Associates) updated the Commission on the construction activities. Aeration Basin: The three aeration basins are in service. Odor Control: The system has been in operation since the fall of 2000. Testing on the biofilter air discharge indicates 100% reduction in ammonia and hydrogen sulfides, along with 90% reduction in volatile organic compounds. Final Clarifier: All work complete except for grouting the floor. The grouting is tentatively scheduled for the week of April 23, 2001. As soon as pumping can remove the water from the tank, the grouting will take place. The algae sweep installation will follow the grouting. Blower Building: Painting and punch list items are scheduled to be completed the week of April 23. Written report from Universal Blower PAC for the results from their inspection of Blower #1 that was sent in has been received. The results for the material sent in for testing have also been received. The tests indicate the material is carbon steel. A meeting will be scheduled with all associated parties to decide who is

responsible. Miscellaneous items: Rough grading, asphalt, punch list items and fencing will be completed in May. The landscape plan has been approved by the City of Menasha and bidding will occur in May.

Mr. Jeff Kellner discussed with the Commission a proposed change order with Lee's Welding. The change order is for work performed to install the two (2) Parshall Flumes in the headworks influent channels. The work performed was done on a time and material basis. The change order is for an addition to the Odor Control contract for an amount of \$13,534.71. Moved by Commissioner D. Siebers, seconded by Commissioner J. Jurgenson to approve the change order with Lee's Welding for the installation of the two (2) Parshall Flumes in the headworks influent channels. Motion carried unanimously.

Manager Much presented and discussed the operating report for the month of March 2001 to the Commission. With the high natural gas prices we are looking to find sources of high strength wastes to generate additional methane gas in the digesters. Moved by Commissioner D. Siebers, seconded by Commissioner W. Helein to accept the operating report for the month of March 2001 and to place the report on file. Motion carried unanimously.

Manager Much presented the sewer service extension request for Pine Tree Estates in the Town of Harrison Waverly Sanitary District. Moved by Commissioner D. Siebers, seconded by Commissioner W. Helein to approve the sewer extension request for Pine Tree Estates in the Town of Harrison Waverly Sanitary District. Motion carried unanimously.

Old Business

Manager Much reported to the Commission on the status of the Industrial User Contracts. NMSC personnel are attempting to arrange a meeting between these industries and the NMSC to discuss any issues they have.

Manager Much reported to the Commission that he met with representatives from the City of Appleton, Heart-of-the Valley, and Grand-Chute Menasha West. They will be putting together a Request for Proposal (RFP) for doing further marketing to see if a dried product is marketable and saleable in this area and for what price.

The scheduled labor negotiation meeting this past month was cancelled due to a conflict for one of the parties. One additional meeting is scheduled in May.

The Commission discussed the proposed contract with Gizmo Farms for sludge hauling and storage. The main concern of the Commission is having a limit on the annual CPI escalator clause and possibly allowing for a fuel surcharge if the CPI exceeds a certain percentage increase. In discussing this with Jim Potratz, both the Commission and Jim Potratz felt it would be reasonable to set a limit of 5% on the annual escalator and if the CPI would exceed this amount, then the Commission and Gizmo Farms would renegotiate the terms of the contract. Jim Potratz will have Gizmo Farms attorney change the wording in the contract and have the new contract sent to the Commission.

Moved by Commissioner D. Siebers, seconded by Commissioner J. Jurgenson to approve Operating Fund Vouchers #123414 thru #123490 in the amount of \$222,112.40 and Payroll Vouchers #19859 thru #19878 in the amount of \$11,233.11. Motion carried unanimously.

Moved by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 9:00 a.m.

President

Walter J. Zielinski

Secretary

John Jurgenson

| |
|---|
| NEENAH-MENASHA SEWERAGE COMMISSION |
|---|

Regular Meeting
Tuesday May 22, 2001

Meeting called to order by Commission President W. Zielinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Helein, R. Handevitdt, D. Siebers, G. Cowling, W. Zielinski; Manager Much, Accountant Voigt.

Also Present: Jeff Kellner (McMahon Assoc.); Jim Peichl (MCO); Bob Potratz, Jim Potratz (Gizmo Farms).

Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to approve the minutes of the Regular Meeting of April 24, 2001.

The following correspondence was discussed.

- A. May 8, 2001 letter from Mr. Tom Vik, McMahon Associates, Inc to Mr. Herman Ruta, H.R. Enterprises.
RE: NMSC purchase order to repair Sutorbuilt blower, negotiate liability for repair costs.
- B. May 4, 2001 Memorandum from Ms. Joan Smogoleski, City of Menasha Clerk to Mr. Randy Much, NMSC.
RE: Potential closure of rail crossings in the City of Menasha.
- C. May 11, 2001 letter from Mr. Randy Much, NMSC to Ms. Joan Smogoleski, City of Menasha Clerk.
RE: NMSC concerns to potential closure of rail crossing on Madison Street.

Budget, Finance, Personnel

Accountant Voigt presented the income statement for the month of April 2001 to the Commission. The Commission reviewed the income statement and questioned the year-to-date total of one account. Accountant Voigt will verify accuracy of item and report back to the Commission at the next meeting.

Accountant Voigt presented MCO invoice #6859 in the amount of \$58,121.07 for the month of June 2001. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve MCO invoice #6859 in the amount of \$58,121.07 for the month of June 2001 and to pay the invoice after June 1. Motion carried unanimously.

Accountant Voigt presented the Accountants for the month of April 2001. The interest rate earned at the State Investment Pool has dropped below the 5% rate. Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to accept the Accountants Report as presented for the month of April 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

The following contract payment requests were presented to the Commission:

| | | | | |
|------------|-------------------------|--------------|------------|--------------|
| Contract H | Miron Construction | General | Request #9 | \$ 210.56. |
| Contract J | Town & Country Electric | Electrical | Request #7 | \$ 5,791.18. |
| Contract L | Lee's Welding | Odor Control | Request #9 | \$13,534.71. |
| Quote | Ford W. Hall Co. | Algae Sweeps | Request #1 | \$ 7,560.00. |

Moved by Commissioner G. Cowling, seconded by Commissioner W. Helein to approve for payment Certificate For Payment No. Nine (9) from Miron Construction – Contract H General in the amount of \$210.56; Certificate for Payment No. Seven (7) from Town & Country Electric – Contract J Electrical in the amount of \$5,791.18; Certificate for Payment No. Nine (9) from Lee's Welding – Contract L Odor Control in the amount of \$13,534.71; and Certificate for Payment No. One (1) from Ford W. Hall Co. – Algae Sweeps in the amount of \$7,560.00. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|-------------|-------------------------------|
| #45952 | \$12,807.68 | Plant Construction Management |
| #45953 | \$ 422.50 | O & M Manual Update |

Motion by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve and issue payment to McMahon Associates, Inc. for invoices #45952 and #45953. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Operations, Engineering, Planning

Mr. Jeff Kellner (McMahon Associates) updated the Commission on the construction activities. **Aeration Basin:** The three aeration basins are in service. **Odor Control:** The system has been in operation since the fall of 2000. Testing on the biofilter air discharge indicates 100% reduction in ammonia and hydrogen sulfides, along with 90% reduction in volatile organic compounds. **Final Clarifier:** The clarifier was grouted on May 11, 2001. A problem with the clarifier slab has been observed and is being investigated. **Blower Building:** The results for the metal material sent in for testing has been received. The tests indicate the material is carbon steel. A meeting was held with all associated parties to decide who is responsible. No final decision has yet been made. The NMSC issued a purchase order to get the blower repaired. **Miscellaneous items:** Rough grading, asphalt, punch list items and fencing will be completed during May and June. The landscape plan is in the process of being bid with a bid opening set for May 31.

Mr. Jeff Kellner discussed with the Commission three proposed change orders with Miron Construction. The first change order is for omitting the paint coating on the concrete floor of the clarifier. This change order is for a reduction to the General contract for an amount of \$8,620.00. The second change order is for painting four additional bollards. This change order is for an addition to the General contract for an amount of \$60.00. The third change order is for splitting the cost for the vacuum truck rental charges to clean the final clarifier prior to grouting. This change order is for an addition to the General contract for an amount of \$218.75. Moved by Commissioner R. Handevidt, seconded by Commissioner J. Jurgenson to approve the three change orders with Miron Construction. Motion carried unanimously.

Mr. Jeff Kellner presented and discussed a letter from Mr. Tom Vik, McMahon Associates, Inc. to the NMSC concerning the new final clarifier that was constructed. Around the time that the tank was grouted, the floor slab has risen approximately six inches causing a bow in the floor. This may have occurred from hydrostatic pressure. The walls and the weirs in the clarifier have not been affected. McMahon Associates, Inc. is investigating the cause as well as the cure. The clarifier was filled with water to the height of the weirs and this has appeared to have lowered the floor by three to four inches. The integrity of the floor and the piping beneath the floor will be investigated. There will be no cost to the Commission for any repairs and there will not be any compromise to the structural integrity of the system. The Commission will be kept informed as more is learned.

Manager Much presented and discussed the operating report for the month of April 2001 to the Commission. The flows to the plant are up. Gilbert Paper is experiencing a slowdown in operations and their loadings have dropped. The plant did violate its effluent suspended solids weekly limit for one week in April. The cause for the solids washout from the final clarifiers during a six to eight hour period is unknown. This has happened once before several years ago. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to accept the operating report for the month of April 2001 and to place the report on file. Motion carried unanimously.

Old Business

Manager Much reported to the Commission on the status of the Industrial User Contracts. NMSC personnel are meeting with Gilbert Paper on Friday May 25th. After this meeting we will try to arrange a meeting with both Gilbert Paper and U.S. Paper Mills to further discuss the contract.

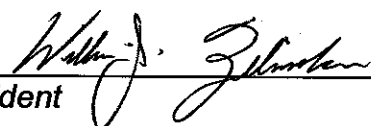
Manager Much reported to the Commission that the next meeting with representatives from the City of Appleton, Heart-of-the Valley, and Grand-Chute Menasha West will be held in mid-June.

The next scheduled labor negotiation meeting will be held on June 5th.

The Commission discussed the proposed contract with Gizmo Farms for sludge hauling and storage with the added language to limit the increase to a maximum of 5%. Attorney Goggin also reviewed the contract and he has issues with some of the language added. The consensus of the Commission is for additional language to be added to cap the amount of annual increase to no more than the CPI-U if the CPI-U is more than the 5% limit.

Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve Operating Fund Vouchers #123491 thru #123553 in the amount of \$237,695.04 and Payroll Vouchers #19879 thru #19886 in the amount of \$7,147.89. Motion carried unanimously.

Moved by Commissioner R. Handevdt, seconded by Commissioner R. Zielinski to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 9:10 a.m.



 President



 Secretary

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting
Tuesday June 26, 2001

Meeting called to order by Commission Vice President D. Siebers at 8:12 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Helein, R. Handevdt, D. Siebers; Manager Much, Accountant Voigt.

Excused: Commissioners W. Zielinski, G. Cowling.

Also Present: Jeff Kellner, Tom Vik (McMahon Assoc.).

Moved by Commissioner R. Zielinski, seconded by Commissioner W. Helein to approve the minutes of the Regular Meeting of May 22, 2001.

The following correspondence was discussed.

- B. May 15, 2001 letter from Mr. Daniel Roder, McMahon Associates to Mr. Randy Much, NMSC.
 RE: Town of Menasha Utility District Lift Station Replacement on Brighton Beach Road.
- B. May 22, 2001 letter from Mr. Randy Much, NMSC to Mr. Daniel Roder, McMahon Associates.
 RE: Response to Town of Menasha Utility District Lift Station Replacement on Brighton Beach Road.

Budget, Finance, Personnel

Accountant Voigt presented the income statements for the month of April and May 2001 to the Commission. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve the financial statements for the months of April and May and place them on file. Motion carried unanimously.

Accountant Voigt presented MCO invoice #6933 in the amount of \$58,121.07 for the month of July 2001. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve MCO invoice #6933 in the amount of \$58,121.07 for the month of July 2001 and to pay the invoice after July 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report for the month of May 2001. The interest rates earned at the State Investment Pool and on the Certificate of Deposits continue to drop. Moved by Commissioner W. Helein, seconded by Commissioner R. Zielinski to accept the Accountants Report as presented for the month of May 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

There were no construction contract payment requests to present to the Commission:

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|-------------|--------------------------------|
| #46371 | \$14,895.23 | Plant Construction Management. |
| #46372 | \$ 1,950.00 | O & M Manual Update. |
| #46382 | \$ 350.50 | Electric Generator Design. |

Motion by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve and issue payment to McMahon Associates, Inc. for invoices #46371, #46372 and #46382. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Operations, Engineering, Planning

Mr. Jeff Kellner (McMahon Associates) updated the Commission on the construction activities. Most activities remaining consist of punch list items to be completed. The blower repair issue is still unresolved. The vendors have not decided between themselves who will be responsible for the repairs. If they are unable to decide, the Commission will need to decide who is responsible for the repairs. McMahon Associates will assist the Commission in making this determination if it is needed. Mr. Kellner reviewed the situation with the new final clarifier. After the tank was grouted, the center of the floor raised approximately six inches. The tank was filled back up and it settled back down three inches. There appears to be no structural damage to the floor. The problem appears to be from localized groundwater. The 42" concrete pipe under the floor was televised and is cracked. Repairs will be made starting next week. Dewatering points will be installed around the clarifier. There will be no shortcuts taken in making these repairs and the tank will be put in a condition of just like new.

Mr. Tom Vik presented to the Commission the results of the bid opening on May 31 for the landscaping contract. Three bids were received and the lowest bid was from Schmalz Custom Landscaping for a total of \$125,000. The bid from Schmalz Custom Landscaping was conditional on starting after July 15, 2001 and completing their work by October 1, 2001. Mr. Vik recommended accepting the low bid from Schmalz Custom Landscaping. In an effort to reduce the total landscape project, it is recommended that the contractor, engineer and NMSC personnel meet to value engineer the project. McMahon Associates have already received from Schmalz Custom Landscaping suggestions to reduce the project by \$25,000. These suggestions do not reduce the number of trees and shrubs to be planted. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to award the bid for the Landscaping Contract to Schmalz Custom Landscaping. Motion carried on a unanimous roll call vote.

Manager Much presented and discussed the operating report for the month of May 2001 to the Commission. There are no unusual items to report. The heavy rain experienced from the recent storm did not create any problems for the plant. The treatment plant backup generator was used and was in use for approximately 10 hours. The estimated peak flow from the communities was 55 MGD. This is a good indication that the I/I programs in the communities have been effective. The operating report for the month of May 2001 will be placed file.

Manager Much indicated that the NMSC received a copy of the I/I update report from the Town of Menasha Utility District. They have continued to make repairs and improvements in their system. The Commission questioned if Neenah or Menasha has submitted any updates, Manager Much indicated that no recent updates have been received. The Commission felt it would be good to see what the other communities have been doing in reducing the I/I.

Old Business

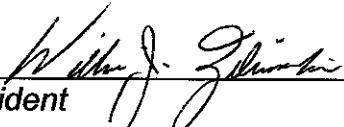
Manager Much reported to the Commission on the status of the Industrial User Contracts. NMSC personnel have met with Gilbert and U.S. Paper Mills personnel to discuss any issues. We are expecting a letter from U.S. Paper Mills detailing any concerns they have for the new contract. Once this letter is received we will look at setting up a special meeting to discuss the issues.

Labor negotiation and union grievance meetings were held and they could not come up with a settlement. It appears that the grievance will go to arbitration.

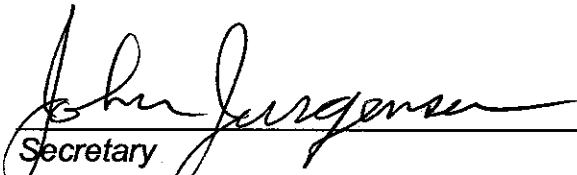
Manager Much presented the extension for the sludge removal, disposal, and storage agreement. Based on the discussions from last month, the proposed contract language was changed per the Commission request. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevitd to approve and execute the "Restatement and Extension of Sludge Removal and Disposal Contract and Sludge Storage Agreement" as presented. Motion carried unanimously by roll call vote.

Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevitd to approve Operating Fund Vouchers #123554 thru #123624 in the amount of \$222,496.89 and Payroll Vouchers #19887 thru #19894 in the amount of \$7,105.76. Motion carried unanimously.

Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 9:05 a.m.



President



Secretary

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting Tuesday July 24, 2001

Meeting called to order by Commission President W. Zielinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Zielinski, G. Cowling, R. Handevitd, D. Siebers; Manager Much, Accountant Voigt.

Excused: Commissioner W. Helein.

Also Present: John Stoeger, Tom Vik, Vic Lutz (McMahon Assoc.); Jim Potratz; Jim Peichl.

Moved by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to approve the minutes of the Regular Meeting of June 26, 2001.

The following correspondence was discussed.

- C. July 12, 2001 letter from Mr. Randall Much, NMSC to Ms. Jan DeKeyser, Town of Neenah S.D. 1-1.
RE: Wastewater flows from S.D. 1-1.

Budget, Finance, Personnel

Accountant Voigt presented the income statement for the month of June 2001 to the Commission. Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to approve the financial statement for the month of June and place it on file. Motion carried unanimously.

Accountant Voigt presented MCO invoice #7002 in the amount of \$58,121.07 for the month of August 2001. Moved by Commissioner D. Siebers, seconded by Commissioner G. Cowling to approve MCO invoice #7002 in the amount of \$58,121.07 for the month of August 2001 and to pay the invoice after August 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report and Investment Report for the month of June 2001. The interest rates earned at the State Investment Pool and on the Certificate of Deposits continue to drop. Moved by Commissioner R. Handevitd, seconded by Commissioner J. Jurgenson to accept the Accountants Report and Investment Report as presented for the month of June 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

The following contract payment requests were presented to the Commission:

| | | | | |
|------------|-----------------------|------------|------------|--------------|
| Contract I | Piping Services, Inc. | Mechanical | Request #8 | \$ 290.00. |
| Contract I | Piping Services, Inc | Mechanical | Request #9 | \$17,284.50. |

Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to approve for payment Certificate For Payment No. Eight (8) from Piping Services, Inc – Contract I Mechanical in the amount of \$290.00; and Certificate for Payment No. Nine (9) from Piping Services, Inc. – Contract I Mechanical in the amount of \$17,284.50. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|------------|--------------------------------|
| #46798 | \$4,979.83 | Plant Construction Management. |
| #46799 | \$ 325.00 | O & M Manual Update. |
| #46811 | \$ 172.00 | Electric Generator Design. |

Motion by Commissioner D. Siebers, seconded by Commissioner J. Jurgenson to approve and issue payment to McMahon Associates, Inc. for invoices #46798, #46799 and #46811. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Accountant Voigt presented and discussed a quote received from Fidelity Appraisal Company, Inc. to perform their standard insurance appraisal of the property and equipment of the NMSC for a fee of \$5,000. The fee for the appraisal was included in the budget for 2001. It is recommended that the appraisal should be completed with the completion of the plant expansion. It has also been several years since Fidelity Appraisal Company, Inc. has performed a complete review of the facility. Interim updates have been maintained over the years. Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to approve the standard insurance appraisal of the NMSC facility and equipment by Fidelity Appraisal Company, Inc. at a cost of \$5,000. Motion carried unanimously.

Operations, Engineering, Planning

Mr. John Stoeger (McMahon Associates) updated the Commission on the construction activities. The repaired blower is on site with installation planned for later this week. The blower repair issue is still unresolved. The vendors have not decided between themselves who will be responsible for the repairs. McMahon Associates will assist the Commission in making this determination with a written recommendation at the next Commission meeting. Landscaping: a meeting will be held today to discuss methods to reduce the cost of the total contract price.

Mr. Tom Vik (McMahon Associates) addressed the Commission concerning the repair to the final clarifier. The repairs are proceeding, there are no cracks in the floor. Three 8-foot sections of the 42" pipe under the clarifier floor have been replaced and the fourth section has been pressure sealed. When the pipe repairs are completed, the floor will be re-poured. A well will be placed in the repaired area and 6 pressure relief valves will also be placed in the repaired area. Mr. Vik also reported that Miron Construction has requested permission to submit these repairs as a claim under the Commission's Builders Risk Insurance Policy. Mr. Vic Lutz of McMahon Associates further discussed this with the Commission. He reviewed the Commission's insurance policy and it appears that coverage is available. The insurance company will review the incident and determine if it is a covered claim. Commissioner R. Handevitd expressed his concern that this should not be submitted to the insurance company. Mr. Lutz reiterated that by submitting it to the insurance company, they would review the claim and then make a determination if it is a covered loss under the policy and if it is they would also determine the areas of responsibility for the repairs. Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to approve letting Miron Construction file a claim against the NMSC Builders Risk insurance policy for the repairs to the final clarifier. Voting aye: Commissioners D. Siebers, G. Cowling, J. Jurgenson; voting nay: Commissioners R. Zielinski, R. Handevitd. Motion carried.

Manager Much presented and discussed the operating report for the month of June 2001. The wastewater treatment plant received a hazardous material spill from Intertape Polymer Group (Central Products). The industry followed the proper reporting procedures in notifying us and wastewater treatment plant staff was able to properly prepare for the chemical entering the facility in case it would be toxic. This incident was not toxic to the plant. Moved by Commissioner R. Handevitd, seconded by Commissioner J. Jurgenson to approve the operating report for the month of June 2001 and to place the report on file. Motion carried unanimously.

Manager Much reported to the Commission that a grievance was filed and denied. The grievance pertains to the use of sick leave. The union representative was unable to make today's meeting. They will be at the next Commission meeting to present their side of the matter.

Manager Much discussed with the Commission a request from the Fox-Wolf Basin to help support a Nutrient Trading Workshop proposed to be held on August 20-23. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevitd to not provide support for the planned Nutrient Trading Workshop sponsored by the Fox-Wolf Basin. Motion carried unanimously.

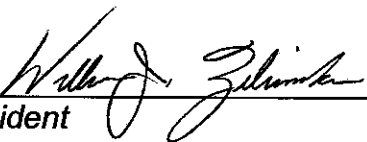
Old Business

Manager Much reported to the Commission on the status of the Industrial User Contracts. We were unaware of the pending sale of U.S. Paper Mills until we heard it on the news. Any further discussions with U.S. Paper Mills will now need to wait pending government approval of the sale and for the new parent company executives to review the situation. The Commission discussed the additional delays this will create in completing the 2000 audit of the financial records. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevitd to proceed with completing the 2000 audit of the financial records of the NMSC and recording the deferral of the industrial user capital payments for the 2000 audit. Voting aye: Commissioners D. Siebers, G. Cowling, J. Jurgenson, R. Handevitd; voting nay: Commissioner R. Zielinski. Motion carried.

Manager Much reported that there was no additional old business to report on.

Moved by Commissioner G. Cowling, seconded by Commissioner J. Jurgenson to approve Operating Fund Vouchers #123625 thru #123694 in the amount of \$320,697.55 and Payroll Vouchers #19895 thru #19908 in the amount of \$8,420.57. Motion carried unanimously.

Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 8:55 a.m.



President



Secretary

| |
|---|
| NEENAH-MENASHA SEWERAGE COMMISSION |
|---|

Regular Meeting
Tuesday August 28, 2001

Meeting called to order by Commission President W. Zielinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Zielinski, G. Cowling, R. Handevitd, D. Siebers; Manager Much, Accountant Voigt.

Excused: Commissioner W. Helein.

Also Present: John Stoeger, Tom Vik. (McMahon Assoc.); Jim Peichl; David Maccoux (Schenck & Assoc.); Richard Panke, Ron Bunkert, Rick Badger (AFSCME Local 1541), Mike King (Post Crescent).

Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the minutes of the Regular Meeting of July 24, 2001.

The following correspondence was discussed.

D. July 31, 2001 letter from Mr. Randall Much, NMSC to Mr. Steven Aaroe, Qualex Inc.
RE: Process waste discharge from photo labs in compliance.

B. August 1, 2001 letter from Mr. Randall Much, NMSC to Mr. Thomas Wood, Harris & Associates, Inc.
RE: Valley Road Apartments private lateral.

Budget, Finance, Personnel

Accountant Voigt presented the income statement for the month of July 2001 to the Commission. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to approve the income statement for the month of July and place it on file. Motion carried unanimously.

President W. Zielinski moved to Agenda item 6-D – Grievance to accommodate the appearance of representatives from AFSCME Local 1541.

Rick Badger, AFSCME Local 1541 representative discussed with the Commission the situation concerning the grievance filed by an employee concerning the use of sick leave immediately after using his funeral leave. Manager Much has initially denied the grievance and now the union is presenting it to the Commission for their consideration. Rick Badger contends that the employee was in such emotional distress that he was unable to perform his duties and that this would qualify as a sick leave absence and he feels the courts would rule this would be considered an illness. The Commission questioned if their labor attorney was informed of this matter. Manager Much indicated that the labor attorney was contacted and based on his opinion the grievance was denied by him. After further discussion by the Commission, moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevitd to deny the grievance based on the recommendation from the Commission labor attorney. Motion carried unanimously.

The Commission returned to the agenda as published.

Accountant Voigt presented MCO invoice #7053 in the amount of \$58,121.07 for the month of September 2001. Moved by Commissioner G. Cowling, seconded by Commissioner R. Zielinski to approve MCO invoice #7053 in the amount of \$58,121.07 for the month of September 2001 and to pay the invoice after September 1. Motion carried unanimously.

Mr. David Maccoux, Schenck & Associates, discussed with the Commission the 2000 year-end audit and financial statements of the NMSC as prepared by their firm. In their opinion, the financial statements of the NMSC fairly represent, in material respects, the financial position of the NMSC. After discussion of the annual financial report, Mr. Maccoux discussed the Report On Compliance and Internal Control. As in past years, there is one reportable condition to report: nearly all accounting and cash functions are handled by one individual. This does not allow for proper separation of duties. Schenck & Associates agree that the cost to correct this condition would outweigh the benefits received but they recommend that the Commission should take whatever steps are necessary to achieve any internal control possible for this situation. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the audit, the annual financial report, and the Report on Compliance and Internal Control as prepared by Schenck & Associates. Motion carried unanimously.

Accountant Voigt presented and discussed with the Commission a letter received from Mr. Raymond Osness, Griffin Kubik Steffens & Thompson, Inc. concerning the Commission's request at the July 24, 2001 meeting regarding the possible refinancing of the NMSC debt. It is the recommendation of Mr. Osness that the savings the Commission could realize by refinancing is not sufficient to justify refinancing the NMSC debt. Mr. Osness recommends having the Commission wait until December 1, 2003 when the Bonds are callable or if the savings realized reach at least \$60,000.

Accountant Voigt presented the Accountants Report for the month of July 2001. The interest rates earned at the State Investment Pool and on the Certificate of Deposits continue to drop. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to accept the Accountants Report as presented for the month of July 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

The following contract payment requests were presented to the Commission:

| | | | | |
|------------|----------------------|------------|-------------|--------------|
| Contract H | Miron Construction | General | Request #10 | \$43,430.43. |
| Contract J | Town & Country Elec. | Electrical | Request #8 | \$ 7,678.82. |

Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to approve for payment Certificate For Payment No. Ten (10) from Miron Construction – Contract H General in the amount of \$43,430.43; and Certificate for Payment No. Eight (8) from Town & Country Electric – Contract J Electrical in the amount of \$7,678.82. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|------------|--------------------------------|
| #47276 | \$4,491.13 | Plant Construction Management. |
| #47277 | \$6,276.36 | O & M Manual Update. |

Motion by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to approve and issue payment to McMahon Associates, Inc. for invoices #47276 and #47277. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Accountant Voigt presented to the Commission a copy of the Draft 2002 NMSC Budget and a memorandum to the Commission with timetables offering the Commission three alternatives to holding the Public Hearing on either September 18, September 25, or October 2, 2001. Moved by Commissioner R. Zielinski, seconded by Commissioner D. Siebers to hold a special meeting on Tuesday September 6, 2001 to review and discuss

the draft 2002 NMSC Budget, to set the Public Hearing for the 2002 NMSC Budget for 8:00 am Tuesday September 25, 2001 prior to the Regular Meeting of the Commission, and to act of the proposed 2002 NMSC Budget at the Regular Meeting of the Commission following the Public Hearing. Motion carried unanimously.

Operations, Engineering, Planning

Mr. John Stoeger (McMahon Associates) updated the Commission on the construction activities. The final clarifier is repaired and operating, painting of the bridge needs to be completed. The repairs to the final clarifier consisted of removing approximately 23' by 20' of the bottom, replaced three sections of piping, poured a concrete joint between center pier and last pipe section, grout seal joint between new piping and existing piping. The RAS line was tested and does not leak. An 8" sump was installed at the bottom of the excavation for future dewatering, six pressure relief valves were installed in the repaired section of flooring for additional dewatering capabilities. Landscaping – Soil is being added to the south end of the property.

Mr. Tom Vik (McMahon Associates) addressed the Commission concerning the repair to the blower. The total cost to repair the blower is \$11,247.55. Piping Services and HR Enterprises were not able to negotiate between themselves who would be responsible for the cost of the blower repair. McMahon Associates, Inc. recommends the cost of the repair should be split 50/50 between these two parties. There has been no conclusive evidence that either party is completely responsible but circumstances indicate that both of these companies could have had responsibility in causing the damage. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to accept the recommendation of McMahon Associates, Inc. and to have the cost of the blower repairs split 50/50 between Piping Services, Inc. and HR Enterprises. Motion carried unanimously.

Manager Much presented and discussed the operating report for the month of July 2001. The wastewater treatment plant has had higher natural gas and electricity charges. Manager Much suggested developing a 5-year plan for equipment replacement to improve the efficiency of the operating equipment at the facility. Manager Much suggests obtaining a proposal from McMahon Associates to identify which equipment and processes should be considered. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to approve the operating report for the month of July 2001 and to place the report on file. Motion carried unanimously.

Manager Much presented to the Commission a memorandum received from Dr. Gregory Kleinheinz regarding the monitoring of the biofilter. Based on the samples collected on July 16, 2001 the biofilter appears to be operating effectively. The ammonia, hydrogen sulfide and VOC's are being removed 100%.

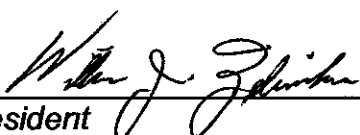
Manager Much discussed with the Commission a request from a Menasha Alderman to keep neighbors updated as to activities at the plant. Manager Much indicated we would be willing to offer tours of the facility or to host a neighborhood watch meeting at our facility. No response has been received for either of these offers. What precipitated this request is the alderman has received numerous complaints from neighbors concerning the weeds growing in the construction area, branches laying in the construction area from trees that had been cut down, and from odors coming from the plant.

Old Business

Manager Much reported he has no updates to any of the old business items.

Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve Operating Fund Vouchers #123695 thru #123750 in the amount of \$150,328.23 and Payroll Vouchers #19909 thru #19916 in the amount of \$7,069.29. Motion carried unanimously.

Moved by Commissioner R. Handevit, seconded by Commissioner R. Zielinski to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 9:40 a.m.



President



Secretary

NEENAH-MENASHA SEWERAGE COMMISSION

Special Meeting
Tuesday September 6, 2001

Meeting called to order by Commission President W. Zelinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Zelinski, G. Cowling, R. Handevit, D. Siebers; Manager Much, Accountant Voigt.

Excused: Commissioner W. Helein.

Budget, Finance, Personnel

Accountant Voigt presented the draft 2002 NMSC Budget to the Commission. Major changes to the budget were initially discussed with the Commission. Discussion followed on items to be purchased from the Depreciation Fund. It was the consensus of the Commission that a new copy machine should be purchased from the depreciation fund and not leased as originally proposed in the operating budget. Each budget line item was then reviewed in detail and explained as to the purpose and costs associated with each item. Discussion followed concerning the remuneration of Commissioners for attendance at Commission meetings. Moved by Commissioner R. Zielinski, seconded by Commissioner R. Handevit to increase the Commissioner per diem for meeting attendance from \$40 per meeting to \$50 per meeting. Motion carried unanimously.

Accountant Voigt reminded the Commissioners that the increase in the per diem will not take effect until after each of their current term expires. This will result in the per diem increase to be phased in over a three-year period.

The review of the budget line items continued, account number 591.4 – Copier Supplies will be reduced \$3,500 for the removal of the lease payments for copier rental. Accountant Voigt reminded the Commission that the Replacement Fund is currently under funded due to replacements coming sooner than anticipated on some equipment and interest income earnings are less than the projected 6.75% that was projected when the Replacement Fund was established. The estimation used for the income to be received from the users is calculated based on the actual loadings of flow, BOD, and Suspended Solids received from the users during the period from August 2000 to July 2001.

Operations, Engineering, Planning

Manager Much presented to the Commission the proposal received from McMahon Associates, Inc. regarding the Master Plan for Energy Usage at the NMSC which was requested by the Commission at the Regular Meeting on August 28, 2001. This master plan will evaluate the energy usage at the wastewater treatment facilities to maximize the digester gas available for co-generation and decrease the overall energy usage at the facilities. This service will be done for a lump sum fee of \$7,500. Moved by Commissioner D.

NEENAH-MENASHA SEWERAGE COMMISSION

Public Hearing & Regular Meeting Tuesday September 25, 2001

Meeting called to order by Commission President W. Zelinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Zelinski, W. Helein, G. Cowling, R. Handevitd, D. Siebers; Manager Much, Accountant Voigt.

Also Present: John Stoeger (McMahon Assoc.); Jim Schmidt (Sonoco – U.S. Mills Inc); Walter Chrapla (Neenah resident); Mike King (Post Crescent).

President W. Zelinski opened the Public Hearing to receive comments on the proposed 2002 NMSC Budget.

Mr. Walter Chrapla addressed the Commission. He informed the Commissioners of an observation he made while reviewing the income the NMSC received from the City of Neenah. The City of Neenah income to the NMSC had increased from 36.2% of the plant income in 2000 to 37.4% in 2001 and is estimated to be 40% in 2002. Mr. Chrapla was interested if we knew if it was from the recent business developments such as Kohl's etc. Mr. Chrapla also questioned the cost to be incurred in implementing the recent GASB 34 for NMSC reporting and recording of assets. Mr. Chrapla was informed that our auditors did mention this at the last Commission meeting when discussing the 2000 audit. The auditors did not think there would be any significant changes or costs to the Commission in meeting these new requirements since the NMSC is currently meeting most of these requirements already. Mr. Chrapla also questioned if the Commission knew of the status of any NMSC contingent liability related to the PCB issue in the Fox River. Mr. Chrapla was informed that it is still too early in the process to know if the NMSC has any liability or to what extent the costs would be if they do have any liability in this matter. Mr. Chrapla questioned if the stormwater utility would have any impact on the NMSC operations or loadings. Mr. Chrapla was informed that this should have no bearing on the NMSC operations or loadings. The only impact that should be seen is if any further repairs are performed to any sewers that are leaking in groundwater. Mr. Chrapla referred to the 2000 audit of the Commission and questioned what has the Commission done to rectify the reportable condition that exists in which one individual handles all the accounting functions of the Commission. The Commission reiterated the response that is in the audit in that because of the size of the Commission it is not cost effective to hire additional staff to properly segregate the duties. Accountant Voigt also indicated that the Commission has also several years ago started initializing all of the invoices to be paid when they sign the checks. This is to help insure that they are physically looking at the invoices when they sign them. The Commission also has the long-standing practice of requiring two Commissioner signatures on the checks.

Hearing no other questions or comments on the proposed 2002 NMSC Budget, moved by Commissioner R. Zielinski, seconded by Commissioner D. Siebers to adjourn the Public Hearing and reconvene in regular open session. Motion carried unanimously.

Moved by Commissioner G. Cowling, seconded by Commissioner R. Zielinski to approve the minutes of the Regular Meeting of August 28, 2001 and the minutes of the Special Meeting on September 6, 2001. Motion carried unanimously.

There was no correspondence to be discussed.

Budget, Finance, Personnel

Accountant Voigt presented the financial statements for the month of August 2001 to the Commission. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevitd to approve the financial statements for the month of August and place them on file. Motion carried unanimously.

Accountant Voigt presented MCO invoice #7125 in the amount of \$58,121.07 for the month of October 2001. Moved by Commissioner D. Siebers, seconded by Commissioner G. Cowling to approve MCO invoice #7125 in the amount of \$58,121.07 for the month of October 2001 and to pay the invoice after October 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report for the month of August 2001. The interest rates earned at the State Investment Pool and on the Certificate of Deposits continue to drop. Moved by Commissioner R. Handevitd, seconded by Commissioner J. Jurgenson to accept the Accountants Report as presented for the month of August 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

The following contract payment requests were presented to the Commission:

| | | | | |
|------------|----------------------------|--------------|-------------|--------------|
| Contract M | Schmalz Custom Landscaping | Landscaping | Request #1 | \$ 6,514.31. |
| Quote | Ford W. Hall Inc. | Algae Sweeps | Request #2 | \$ 7,560.00. |
| Contract C | H.R. Enterprises | Blowers | Request #3 | \$15,286.22. |
| Contract I | Piping Services, Inc. | Mechanical | Request #10 | \$15,276.23. |

Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve for payment Certificate For Payment No. One (1) from Schmalz Custom Landscaping - Contract M Landscaping in the amount of \$6,514.31; and Certificate for Payment No. Two (2) from Ford W. Hall Inc. - quotation Algae Sweeps in the amount of \$7,560.00; Certificate for payment No. Three (3) from H. R. Enterprises - Contract C Blowers in the amount of \$15,286.22; and Certificate for Payment No. Ten (10) from Piping Services, Inc - Contract I Mechanical in the amount of \$15,276.23. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|------------|--------------------------------|
| #47503 | \$8,360.51 | Plant Construction Management. |
| #47504 | \$1,964.77 | O & M Manual Update. |

Motion by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve and issue payment to McMahon Associates, Inc. for invoices #47503 and #47504. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Accountant Voigt presented to the Commission a copy of the Proposed 2002 NMSC Budget. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to approve the Proposed 2002 NMSC Budget as presented. Motion carried unanimously on a roll call vote.

Operations, Engineering, Planning

Mr. John Stoeger (McMahon Associates) updated the Commission on the construction activities. The repaired blower is running and is also under warranty. There have been no indications if either party will contest the repair cost split to the blower. Landscaping is almost complete, some minor changes were made per the request of staff and one of the neighbors. The final clarifier repair claim may be sent in to the insurance company.

Manager Much suggested to the Commission that an open house should be held to see the new odor control system, aeration upgrade, and landscaping. It was suggested to invite the neighbors immediately around the plant, Neenah & Menasha Mayors and Council members as well as the other officials from the other contract users. The open house will be held in early October on a Saturday from 9:00 am to noon.

Manager Much reported that negotiations with WPPI are progressing for the purchase of the green power. This will involve the purchase of a generator for installation on one of the engines. Manager Much recommends that the Commission should proceed with this purchase and have the unit wired in. Moved by Commissioner R. Handevit, seconded by Commissioner J. Jurgenson to authorize the purchase of a generator to be installed on the gas engine. Motion carried unanimously.

Manager Much presented and discussed the operating report for the month of August 2001. Solids loadings from Menasha have increased in their normal late summer pattern. The plant effluent solids are down indicating the plant efficiency has increased with the larger capacity in the plant. Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to approve the operating report for the month of August 2001 and to place the report on file. Motion carried unanimously.

Manager Much presented to the Commission a request for a sanitary sewer extension for Woodland Rd. in the Town of Harrison Waverly Sanitary District. Commissioner W. Helein indicated that this has been approved by Waverly Sanitary District. Moved by Commissioner W. Helein, seconded by Commissioner R. Handevit to approve the sanitary sewer extension request for Woodland Rd in the Town of Harrison Waverly Sanitary District. Motion carried unanimously.

Old Business

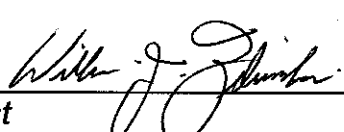
Jim Schmidt reported that Sonoco - U.S. Mills Inc. (formerly U.S. Paper Mills Corp.) is working on having all of their permits changed with the Department of Natural Resources before they proceed with the talks on the new industrial user contract.

Manager Much reported that the City of Appleton is purchasing land near Bear Creek for land application which may indicate that they may not be looking at sludge drying in the immediately future.

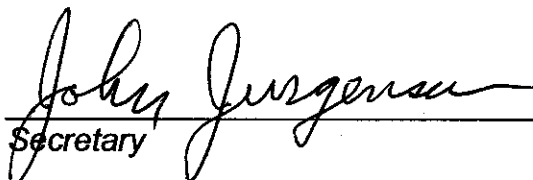
Manager Much reported that when the energy survey is completed by McMahon Associates this will allow us to then re-evaluate the need and facilities to accept high strength wastes from Galloway Company.

Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to approve Operating Fund Vouchers #123751 thru #123803 in the amount of \$178,120.223 and Payroll Vouchers #19917 thru #19928 in the amount of \$10,431.59 for the month of August. Motion carried unanimously.

Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 8:50 a.m.



President



Secretary

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting Tuesday October 23, 2001

Meeting called to order by Commission President W. Zielinski at 8:00 a.m.

Present: Commissioners R. Zielinski, J. Jurgenson, W. Zielinski, W. Helein, G. Cowling; Manager Much, Accountant Voigt.

Excused: Commissioners D. Siebers, R. Handevitdt.

Also Present: Jeff Kellner (McMahon Assoc.); Jim Peichl (MCO).

Moved by Commissioner R. Zielinski, seconded by Commissioner W. Helein to approve the minutes of the Public Hearing & Regular Meeting of September 25, 2001. Motion carried unanimously.

The following correspondence was discussed.

- A. September 27, 2001 letter from Wausau Insurance Companies, to the Neenah-Menasha Sewerage Commission.
RE: Potential claims in the Town of Menasha relating to sewage/storm water backup in basements on June 11, 2001.
- B. October 4, 2001 Notice of Circumstances of Claim from Attorney April Rockstead Barker for 1536 Lakeshore Drive, to the Neenah-Menasha Sewerage Commission; Mr. William Zielinski, NMSC President; and Town of Menasha.
RE: Claim for damages to home/belongings due to Commission negligence for failure of Town Sewer Lift Station on June 11, 2001.
- C. October 8, 2001 letter from Mr. Vic Gasperetti, CNA Insurance Companies, to Attorney April Rockstead Barker.
RE: Denial of liability for claim at 1536 Lakeshore Drive.
- D. October 10, 2001 letter from Mr. Randall Much, NMSC to Mr. Jim Savinski, Department of Natural Resources.
RE: Base year for future annual CMAR reports to be changed to 2001.

Budget, Finance, Personnel

Accountant Voigt presented the financial statements for the month of September 2001 to the Commission. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the financial statements for the month of September and place them on file. Motion carried unanimously.

Accountant Voigt presented MCO invoice #7195 in the amount of \$58,146.07 for the month of November 2001. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve MCO invoice #7195 in the amount of \$58,146.07 for the month of November 2001 and to pay the invoice after November 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report and Investment Report for the month of September 2001. The interest rates earned at the State Investment Pool and on the Certificate of Deposits continue to drop. Moved by Commissioner R. Zielinski, seconded by Commissioner G. Cowling to accept the Accountants Report and Investment Report as presented for the month of September 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

Accountant Voigt presented to the Commission a copy of the Snow Plowing & Removal Contract with Leo Weber. The contract will experience an increase in the hourly rates for the snow plowing equipment. There have not been any increases in the hourly rates for several years. Moved by Commissioner W. Helein, seconded by Commissioner J. Jurgenson to approve the Snow Plowing and Removal Contract with Leo Weber. Motion carried unanimously.

The following contract payment requests were presented to the Commission:

| | | | |
|------------|----------------------------|------------------------|--------------|
| Contract M | Schmalz Custom Landscaping | Landscaping Request #2 | \$49,585.72. |
| Contract M | Schmalz Custom Landscaping | Landscaping Request #3 | \$61,978.83. |

Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve for payment Certificate For Payment No. Two (2) from Schmalz Custom Landscaping - Contract M Landscaping in the amount of \$49,585.72; and Certificate for Payment No. Three (3) from Schmalz Custom Landscaping - Contract M Landscaping in the amount of \$61,978.83. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|------------|--------------------------------|
| #47879 | \$3,902.33 | Plant Construction Management. |
| #47883 | \$1,589.68 | Electric Generator Design. |

Motion by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to approve and issue payment to McMahon Associates, Inc. for invoices #47879 and #47883. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Operations, Engineering, Planning

Mr. Jeff Kellner (McMahon Associates) updated the Commission on the construction activities. The as-built drawings are being completed. The landscaping is almost completed with only two minor punch list items to be completed. McMahon Associates is waiting to hear from the insurance company regarding the clarifier repairs.

Manager Much presented and discussed the operating report for the month of September 2001. The open house was held on Saturday October 13. Approximately 12 - 15 people attended. Of those attending, only two households were of the neighbors immediately around the facility. Solids loadings from Menasha are still high and the characteristics are they are an inert material. Gilbert Paper Company will be closing the end of November and they should be completely shut down and closed up in early December. At 6:00 pm this evening there will be a presentation at Neenah City Hall for the Fox River PCB clean-up plans. This presentation will consist of the government agency plan with a follow-up response by the paper mills. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the operating report for the month of September 2001 and to place the report on file. Motion carried unanimously.

Manager Much discussed the quotes received for adding a generator to a digester gas engine. Three requests were sent out and two quotes were received. Of these quotes, Cummins Great Lakes Inc. was the low quote of \$29,025.00. Both companies quoting the generator are qualified firms. McMahon Associates recommends awarding the contract to the quote received from Cummins Great Lakes Inc. in the amount of

\$29,025.00. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to purchase the generator from Cummins Great Lakes, Inc. as quoted. Motion carried unanimously.

Manager Much presented to the Commission a request for a sanitary sewer extension for Woodland Terrace Estates in the Town of Harrison Waverly Sanitary District. Commissioner W. Helein indicated that this has not been approved by Waverly Sanitary District and they have been having problems obtaining requested information from the engineering firm. Commissioner W. Helein suggests to either deny the request or to contingently approve it upon approval from Waverly Sanitary District. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to contingently approve the sanitary sewer extension request for Woodland Terrace Estates in the Town of Harrison Waverly Sanitary District upon approval being obtained from the Waverly Sanitary District. Motion carried unanimously.

Old Business

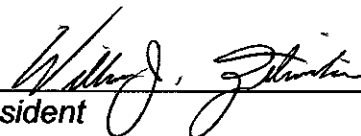
Manager Much reported that a progress report on the energy survey should be completed by McMahon Associates for the next Commission meeting. This report will guide the NMSC in the decision for proceeding with deciding if the Commission should be proceed with obtaining high strength wastes.

Manager Much is waiting for the AFSCME Local 1541 representative to obtain an arbitrator to proceed with the union contract negotiations.


President W. Zelinski reported that the City of Menasha has approved the closure of the Madison Street railroad crossing. This closure will have an impact on our sludge hauler unless another street is opened to truck traffic to allow trucks to enter the premises from our south gate.

Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve Operating Fund Vouchers #123804 thru #123881 in the amount of \$260,148.73 and Payroll Vouchers #19929 thru #19942 in the amount of \$7,859.39 for the month of September. Motion carried unanimously.

Moved by Commissioner R. Zielinski, seconded by Commissioner G. Cowling to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 8:50 a.m.



President



Secretary

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting
Tuesday November 27, 2001

Meeting called to order by Commission President W. Zelinski at 8:00 a.m.

Present: Commissioners R. Zielinski, D. Siebers, J. Jurgenson, W. Zelinski, W. Helein, G. Cowling; Manager Much, Accountant Voigt.

Excused: Commissioner R. Handevitd.

Also Present: Tom Vik (McMahon Assoc.).

Moved by Commissioner G. Cowling, seconded by Commissioner J. Jurgenson to approve the minutes of the Regular Meeting of October 23, 2001. Motion carried unanimously.

There was no correspondence to be discussed.

Budget, Finance, Personnel

Accountant Voigt presented the financial statements for the month of October 2001 to the Commission. Moved by Commissioner D. Siebers, seconded by Commissioner W. Helein to approve the financial statements for the month of October and place them on file. Motion carried unanimously.

Accountant Voigt presented MCO invoice #7265 in the amount of \$58,121.07 for the month of December 2001. Moved by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to approve MCO invoice #7265 in the amount of \$58,121.07 for the month of December 2001 and to pay the invoice after December 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report for the month of October 2001. The interest rates earned at the State Investment Pool and on the Certificate of Deposits continue to drop. Moved by Commissioner D. Siebers, seconded by Commissioner J. Jurgenson to accept the Accountants Report as presented for the month of October 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

No construction contract payment requests were presented to the Commission:

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|------------|--------------------------------|
| #48378 | \$1,522.67 | Plant Construction Management. |
| #48394 | \$1,057.00 | Electric Generator Design. |
| #48334 | \$6,750.00 | Energy Master Plan. |

Motion by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve and issue payment to McMahon Associates, Inc. for invoices #48378, #48394 and #48334. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade. The only construction contract that we are still waiting for a final pay request from is Contract H – General from Miron Construction.

Operations, Engineering, Planning

Mr. Tom Vik (McMahon Associates) updated the Commission on the construction activities. The construction project is complete and Miron Construction still needs to submit its final pay request.

Mr. Tom Vik (McMahon Associates) presented to the Commission and discussed the "Master Plan for Energy Usage" as prepared by McMahon Associates, Inc. The areas of energy use evaluated included electricity, natural gas, and methane gas usage. The Commission has experienced increased electrical bills, of this increase, 93% of the increase is attributed to the recent plant expansion. In addition, 73% of the electricity used is for everyday base use. Due to the cost and a long payback period, it is recommended that the Commission should replace motors as they breakdown or wear out and need replacing with high efficiency motors. The Commission should also replace their current old blowers with positive displacement blowers with variable frequency drives. Again, because of the longer payback period, this should be done as they breakdown or wear out. The Commission has two engines that run on either natural gas or methane and are used to run a blower. One of the engines is currently being retrofitted to drive a generator to produce electricity. If there is enough methane gas production, it is recommended that the Commission should also retrofit the second engine with a generator with a payback of less than one year. Production of additional methane gas was also evaluated. One method to increase gas production is by improving the digester mixing. Based on the costs it is recommended that this should be completed when it is time to replace the existing digester gas mixing system. A second item looked at is to optimize the use of the digesters. Items considered are: providing separate high efficiency boilers just for building heat. This would allow the digesters to be operated exclusively on the methane produced. This is a recommended investment. Also looked at was the installation of 2-inches of sprayed-on insulation to the roof and walls of the digester. This is also a recommended investment. The Commission should also consider adding a sludge-to-sludge heat exchanger to preheat the sludge going into the thermophilic digester and to cool the sludge going into the mesophilic digester. It is recommended investment. By installing an 8,000-gallon receiving station for the purpose of receiving high strength wastes to increase methane gas production this would further reduce the need for natural gas. This could result in a payback of under 6-months. This is a recommended investment. In summary, it is recommended that the Commission should proceed with the following capital expenditures:

| | |
|---|-----------|
| New generators | \$ 80,000 |
| Insulate thermophilic digesters | \$ 25,000 |
| Install 2 new boilers for building heat | \$ 80,000 |

| | |
|--|-----------|
| Install sludge-to-sludge heat exchangers/pumps | \$175,000 |
| Install high-strength receiving station | \$ 25,000 |
| TOTAL | \$385,000 |

The Commission would save approximately \$100,000 per year in natural gas, \$58,000 per year in electricity with one engine or \$116,000 per year with two engines, and the digesters are operated at 75,000 gpd with high strength waste. This would result in a payback period of 1.8 years. In addition, there may be up to \$40,000 available in grants from Wisconsin Focus on Energy. If the Commission is to proceed with these options in phases, the last item to be considered installing would be the sludge-to-sludge heat exchanger. After discussion, moved by Commissioner D. Siebers, seconded by Commissioner J. Jurgenson to immediately proceed with the purchase and installation of the high strength waste receiving station. Motion carried unanimously.

Mr. Vik discussed Wisconsin Focus on Energy with the Commission. There is the possibility that up to \$40,000 is available for grants for improving energy efficiency. There is no cost to join. Moved by Commissioner D. Siebers, seconded by Commissioner J. Jurgenson for Manager Much to further investigate into joining Wisconsin Focus on Energy and to report back to the Commission at the next meeting. Motion carried unanimously.

Manager Much presented and discussed the operating report for the month of October 2001. Gilbert Paper will be shutting down the end of November. This will result in a reduction of approximately \$120,000 per year of income. The NMSC operating costs will not be decreasing by this amount and will result in an increase to the other users. Badger Labs is monitoring in Menasha for the high loadings. The high loadings tend to show up on Fridays, Saturdays, and Sundays. Mayor Laux is to be notified when high suspended solids loadings are recorded in Menasha. Omni Associates contacted us to see if we would have an interest in accepting the Neenah water plant sludge. We have not yet received from them any written request. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve the operating report for the month of October 2001 and to place the report on file. Motion carried unanimously.

Manager Much presented to the Commission a request for a proposed sanitary sewer to Ribble through the Wieckert easement in the City of Menasha, Waverly Sanitary District. Commissioner W. Helein indicated that this has been approved by Waverly Sanitary District. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the proposed sanitary sewer to Ribble through the Wieckert easement in the City of Menasha, Waverly Sanitary District. Motion carried unanimously.

Old Business

Manager Much reported that we will be pushing to get Sonoco/U.S. Mills in to discuss the industrial user contract.

Manager Much indicated that the sludge drying/growth study biosolids work group is on hold.

Manager Much reported that AFSCME Local 1541 is considering looking at going to a mediator before going to an arbitrator in proceeding with the union contract negotiations.


Manager Much reported that an agreement with WPPI for their purchase of our "green power" might not happen. The costs associated with this project and the length of the payback period is not favorable.

Other Business


The fourth Tuesday in December will be Christmas Day. President Zielinski suggests moving the next meeting to the third Tuesday or December 18, 2001. Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to move the next Regular Meeting of the Commission to Tuesday December 18, 2001. Motion carried unanimously.

Moved by Commissioner R. Zielinski, seconded by Commissioner J. Jurgenson to approve Operating Fund Vouchers #123882 thru #123930 in the amount of \$158,193.27 and Payroll Vouchers #19943 thru #19950 in the amount of \$6,809.30 for the month of October. Motion carried unanimously.

Moved by Commissioner W. Helein, seconded by Commissioner J. Jurgenson to adjourn the meeting. All present voting aye; nays, none. Meeting adjourned at 9:35 a.m.



President



Secretary

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting Tuesday December 18, 2001

Meeting called to order by Commission President W. Zelinski at 8:00 a.m.

Present: Commissioners R. Zielinski, D. Siebers, J. Jurgenson, W. Zelinski, W. Helein, G. Cowling, R. Handevitd; Manager Much, Accountant Voigt.

Also Present: Tom Vik (McMahon Assoc.), Raymond Osness (Griffin, Kubik, Stephens & Thompson), Christopher Reichelt (McClone Agency).

Moved by Commissioner R. Zielinski, seconded by Commissioner W. Helein to approve the minutes of the Regular Meeting of November 27, 2001. Motion carried unanimously.

Correspondence

The following correspondence was presented to the Commission at the meeting:

- A. December 17, 2001 letter from Mr. Thomas Vik, McMahon Associates, to Mr. Gus Glaser, Wisconsin Department of Natural Resources.
RE: Plans for high strength waste receiving station to be constructed at the NMSC.

Budget, Finance, Personnel

Accountant Voigt presented the financial statements for the month of November 2001 to the Commission. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the financial statements for the month of November and place them on file. Motion carried unanimously.

Mr. Christopher Reichelt (McClone Agency) presented to the Commission the renewal rates for the property and liability insurance coverages for the Commission and briefly explained the coverages and limits for each policy. The Public Officials Errors & Omissions coverage is the only policy that we have not yet received the renewal rates for. The Commission is looking at a 10% increase in the renewal rates of the other policies. Part of this is due to increasing the property values for the recently completed expansion. Commissioner R. Handevitd questioned if the policies were competitively bid. Mr. Reichelt indicated that they had contacted at least three and up to five different insurance carriers for quotes. Commissioner R. Handevitd indicated he felt this should be competitively bid thru other agents as well. After discussion, moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to approve the renewal of the insurance policies as presented except the Public Officials Errors & Omissions coverage that is to be reviewed when the quotation for the coverage is obtained. Motion carried unanimously. It was the consensus of the Commissioners that they should be contacted when the renewal quote is received to determine if a special meeting should be held depending on the renewal increase.

Mr. Raymond Osness (Griffin, Kubik, Stephens & Thompson) discussed with the Commissioners the advance refunding of the Commission bonds. Currently the short-term rates are lower than what the Commission has now, but the long-term rates are higher. Refunding of our bonds would result in a loss of \$135,000 in investments. The Commission has no immediate pressure to refinance and the first call date on the bonds is December 2003. Mr. Osness requested for permission to bring back a proposal to the Commission to refinance when the Commission would obtain savings of \$50,000 - \$60,000 in refinancing. After further discussion, moved by Commissioner R. Zielinski, seconded by Commissioner W. Helein to authorize Griffin, Kubik, Stephens & Thompson to provide the Commission a proposal for refinancing when the Commission would obtain a savings of at least \$50,000 in refinancing its current bonds. Motion carried unanimously.

Manager Much discussed with the Commission the MCO contract increase for 2002. The CPI-U index increased 2.6%. MCO has requested the full CPI-U increase for 2002. MCO will also be passing along the increase in its health insurance rates. The health insurance rates will be increasing 22% over 2001. Moved by Commissioner J. Jurgenson, seconded by Commissioner D. Siebers to approve the MCO contract increase for 2002. Motion carried unanimously.

Accountant Voigt presented MCO invoice #7369 in the amount of \$61,096.66 for the month of January 2002. Moved by Commissioner W. Helein, seconded by Commissioner D. Siebers to approve MCO invoice #7369 in the amount of \$61,096.66 for the month of January 2002 and to pay the invoice after January 1. Motion carried unanimously.

Accountant Voigt discussed with the Commission the rates for the 1st quarter of 2002. Under normal circumstances, the 1st quarter rates would be set based on the loadings projected in the 2002 budget. However, since the budget was adopted, Gilbert Paper Company has closed and their loadings need to be removed from the calculation of the rates. This will result in higher rates than what would normally be calculated for the 1st quarter. Even with the loss of Gilbert Paper, the Commission budget will not experience any major reduction in operating costs since the majority of the Commission budget costs are relatively fixed. After discussion, moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to approve the 1st quarter 2002 rates as calculated without Gilbert Paper Company loadings. Motion carried unanimously. The rates for the 1st quarter 2002 will be: Flow - \$124.15/MG, BOD - \$0.1784/pound, SS - \$0.0872/pound.

Accountant Voigt presented the Accountants Report for the month of November 2001. The interest rates earned at the State Investment Pool and on the Certificate of Deposits continue to drop. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevit to accept the Accountants Report as presented for the month of November 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

The following contract payment requests were presented to the Commission:

| | | | | |
|------------|--------------------|---------|-------------|--------------|
| Contract H | Miron Construction | General | Request #11 | \$38,887.62. |
|------------|--------------------|---------|-------------|--------------|

Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve for payment Certificate For Payment No. Eleven (11) from Miron Construction – Contract H General in the amount of \$38,887.62. Motion carried unanimously.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|-----------|--------------------------------|
| #42737 | \$ 378.00 | Plant Construction Management. |
| #42741 | \$ 521.92 | Electric Generator Design. |
| #42707 | \$ 750.00 | Energy Master Plan. |

Motion by Commissioner D. Siebers, seconded by Commissioner R. Zielinski to approve and issue payment to McMahon Associates, Inc. for invoices #42737, #42741 and #42707. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade. All of the construction contracts and payments are now completed. Tom Vik indicated that the Construction Management portion of the engineering should also be complete.

Operations, Engineering, Planning

Mr. Tom Vik (McMahon Associates) updated the Commission on the construction activities. The construction project is complete and all the construction contracts have been paid.

Mr. Tom Vik (McMahon Associates) presented the plans for the proposed high strength receiving station. The receiving station would be installed to the east of the digester building. The blacktop drive would need to be modified somewhat to accommodate the trucks to turn around. It is estimated to cost \$25,000 for the tank, pumps, and installation. The estimated life of the fiberglass tank is expected to be 20+ years. Odor from the tank is an unknown situation at this time. Pricing will be brought in for the January meeting.

Mr. Tom Vik (McMahon Associates) presented to the Commission the Engineers Report for the Energy Master Plan Priorities. It is recommended by the engineers to install the high strength receiving station and to insulate the Thermophilic Digester as soon as possible. The installation of the second generator should wait until the high strength waste tank has been installed and to see how the first generator that is being installed is working. The sludge-to-sludge heat exchanger installation should wait until the high strength waste feed exceeds 60,000 gpd, which is expected to be about 5 years or less. The new boilers for building heat should be installed after the heat exchangers are installed and the sludge feed exceeds 75,000 gpd, which is expected to be in 5 – 10 years. Mr. Vik further discussed the insulation for the Thermophilic Digester cover. Four (4) options were presented as to how the covers should be insulated. It was the consensus of the Commissioners to proceed with 2" of sheet insulation with a fully adhered PVC membrane cover at an estimated cost of \$17,500.

Manager Much reported to the Commission the information obtained for joining Wisconsin Focus on Energy. The Commission is not able to join this group due to our electric utility provider is not a member.

Commissioner R. Zielinski asked to be excused from the meeting due to another commitment.

Manager Much presented and discussed the operating report for the month of November 2001. Gilbert Paper shut down at the end of November. Loadings from Menasha dropped in November. Slug loadings from Menasha still show up and they generally are coming in on Friday - Saturday. Moved by Commissioner R. Handevitdt, seconded by Commissioner J. Jurgenson to approve the operating report for the month of November 2001 and to place the report on file. Motion carried unanimously.

Manager Much presented to the Commission a sewer extension request for Ribblesdale Subdivision in the City of Menasha, Waverly Sanitary District. Commissioner W. Helein indicated that this has not been approved by Waverly Sanitary District. Moved by Commissioner J. Jurgenson, seconded by Commissioner G. Cowling to contingently approve the sewer extension request for Ribblesdale Subdivision in the City of Menasha, Waverly Sanitary District upon approval being granted by Waverly Sanitary District. Motion carried unanimously.

Old Business

Manager Much reported that we will be pushing to get Sonoco/U.S. Mills in to discuss the industrial user

After discussion of this letter, moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevitd to allow the City of Neenah Water Utility to proceed with a feasibility study at the Neenah Water Utility expense to explore the option of the NMSC receiving lime sludge at the NMSC wastewater treatment plant. Motion carried unanimously.

The following correspondence was presented to the Commission at the meeting:

- C. January 15, 2002 letter from Mr. Don Domencich, WDNR, to Mr. Randy Much, NMSC.
RE: Laboratory evaluation for compliance with NR 149 Wisconsin Administrative Code.
- D. January 21, 2002 letter from Ms. Laurie Stenson, NMSC, to Mr. Don Domencich, WDNR.
RE: Response to laboratory evaluation.
- E. January 17, 2002 letter from Ms. Jean Moxon, Neenah City Clerk, to Mr. John Jurgenson, NMSC Commissioner.
RE: Re-appointment of Mr. Jurgenson for three-year term on NMSC.

Budget, Finance, Personnel

Accountant Voigt presented the preliminary financial statements for the month of December 2001 to the Commission. It appears that the NMSC will have an excess of O & M funds at the end of the year of approximately \$100,000. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Zielinski to accept the preliminary financial statements for the month of December and place them on file. Motion carried unanimously.

Accountant Voigt discussed with the Commission the quote received from our agent for the Errors and Omission coverage. The quote was 10% higher than the 2001 policy. When this information was obtained, most of the Commissioners were contacted and they felt the policy should be renewed with this increase. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve the Errors and Omissions Insurance coverage for 2002 at a cost of \$6,600. Motion carried unanimously. Commissioner R. Handevitd questioned if we knew what portion of our insurance policy constituted their fee for services and suggested that the Commission should consider bidding this out next year as a fee basis.

Accountant Voigt presented MCO invoice #7425 in the amount of \$61,096.66 for the month of February 2002. Moved by Commissioner J. Jurgenson, seconded by Commissioner W. Helein to approve MCO invoice #7425 in the amount of \$61,096.66 for the month of February 2002 and to pay the invoice after February 1. Motion carried unanimously.

Accountant Voigt presented the Accountants Report and Investment Report for the month of December 2001. The interest rates earned at the State Investment Pool and on the Certificate of Deposits continue to drop. Moved by Commissioner J. Jurgenson, seconded by Commissioner R. Handevitd to accept the Accountants Report and Investment Report as presented for the month of December 2001. Motion carried unanimously.

Accountant Voigt presented the payback check for income generated to the NMSC by MCO.

Accountant Voigt presented to the Commission the following invoices received from McMahon Associates, Inc.:

| | | |
|--------|------------|----------------------------------|
| #48950 | \$ 474.40 | Electric Generator Design. |
| #48934 | \$4,446.12 | High Strength Receiving Station. |
| #48938 | \$3,355.38 | Insulate Thermopilic Digester. |

Motion by Commissioner R. Handevitd, seconded by Commissioner J. Jurgenson to approve and issue payment to McMahon Associates, Inc. for invoices #48950, #48934 and #48938. Motion carried unanimously.

Accountant Voigt presented to the Commission the summary of engineering costs and construction costs associated with the plant upgrade.

Operations, Engineering, Planning

Mr. Tom Vik (McMahon Associates) reported to the Commission that the plans for the high strength receiving station have been submitted to the DNR and we are still waiting for approval from them.

Mr. Tom Vik (McMahon Associates) presented the quotes received for the proposed high strength receiving station. Five requests were sent out for tanks and two companies responded. The low bid was from Fiberglass Technologies for \$14,829. Two bids were received for the installation of the tank. The low bid