

NEENAH-MENASHA SEWERAGE COMMISSION

Regular Meeting

Tuesday January 25, 2022

Meeting was called to order by Commission President Youngquist at 8:07 a.m.

Present: Commissioners Forrest Bates, Steve Coburn, Corey Gordon, Greg Weyenberg, Raymond Zielinski, Dale Youngquist; Manager Paul Much; Accountant Roger Voigt.
(Notation: representation for Village of Harrison is currently vacant)

Also Present: Rob Franck, Randall Much (MCO); Chad Olsen (McMahon), Kyle Collett (U.S.Paper/Sonoco).

Public Forum

Kyle Collett addressed the Commission. Kyle questioned the 2022 invoicing and the Capital Budget line item related to the UV/Phosphorus Interest that is being charged to users as this project item has now been postponed for a couple years. Commissioners briefly discussed; this item is up for additional discussion later in the meeting (Agenda item 6.E).

Minutes

December 21, 2021 Meeting minutes: Motion made and seconded by Commissioners Zielinski/Bates to approve the minutes from the December 21, 2021 Regular Meeting and the minutes from the December 21, 2021 Closed Session. Motion carried unanimously.

Correspondence

The following correspondence was discussed:

January 12, 2022 email with attachment from Jeffrey Sturgill, Village of Fox Crossing, to Roger Voigt, NMSC.

RE: Reappointment of Dale Youngquist to 3-year term to the NMSC, Resolution #22-1 10-8.

Old Business

Town of Neenah S.D. #2 Connection Point. Commissioner Coburn discussed the S.D. having discussions with the City of Neenah regarding this matter. At this time this request for the Connection Point is no longer an item for discussion; if this changes a request will be made to have this placed back on the meeting agenda.

New Business

Operations, Engineering, Planning

McMahon Project Updates:

Facility Re-Rating Study – Chad Olsen indicated there is no new information to report.

Phosphorus Removal/UV Disinfection Project. No new information to report.

Plant Boiler Digester Replacement. Chad Olsen indicated there is no new information to report; there is no pay request at this time to act upon.

WPDES Permit Application Assistance. Chad Olsen reported this is almost complete.

Phosphorus Rate Study. No new information to report.

NMSC Air Permitting. Chad Olsen briefly reminded the Commissioners of the history; at the onset of the project we initially sampled the boiler exhaust for H₂S when using methane gas, based on the result we were told we needed to raise the stack 2 feet. When the boiler installation project neared completion we were informed the requirements changed and now we need to either: 1) treat the methane gas to reduce H₂S with filters and chemicals, or 2) run only 1 methane gas boiler at a time, or 3) raise the stack an additional 17 feet. A budget estimate on the cost to raise the stack is \$40,000-\$50,000 with a lead time of 16 weeks. Commissioners discussed; Commissioner Gordon feels the DNR representative should be invited to the next Commission meeting to further explain the change in our requirements for the methane boilers. Chad Olsen will invite the DNR representative to the next meeting. Commissioners also discussed if there is a city code that would apply to the height of our stack. Chad further discussed the Commission is currently able to flare the methane gas produced; these stacks are at a lower height than what is required for our boilers.

Sodium Hypochlorite evaluation. Chad Olsen discussed the Technical Memorandum provided to the Commissioners which evaluates the costs to maintain the current low strength (0.8%) on-site sodium hypochlorite generation system versus converting our operations to trucked in higher strength (15%) sodium hypochlorite. The current estimated 5-year cost is close to being the same; Chad also reported the costs of purchasing the higher strength hypochlorite is increasing and future costs of the product are unknown. Motion made and seconded by Commissioners Bates/Weyenberg to proceed with rehabilitating the current sodium hypochlorite generation system at an opinion of probable cost for \$240,625. Motion carried unanimously.

McMahon Invoices. There are no invoices to be acted upon.

Operating Report. Manager Much reported the plant is operating well and there are no issues to report. Equipment & Grounds Report –Rob Franck further reported on the following items in his written report: digester valves were ordered, estimated 5-weeks to receive; working on lining up a roofing contractor for the service building roof; plant painting in the headworks grit area is finishing up; a keypad on the HACH filtrax system failed, a new keypad had been ordered; annual maintenance items are now being scheduled. After discussion, motion by Commissioners Bates/Zielinski to accept the operations report. Motion carried unanimously.

Budget, Finance, Personnel

Financial Statements. Accountant Voigt reported on the December financial statements and the income in monthly operations, the net income for operations is higher than what was expected with the adjustment made in the rates; interest rates on investments have not changed for the month; MCO generated about \$2,300 in additional revenue for the Commission. After

discussion, motion made and seconded by Commissioners Weyenberg/Bates to approve the Accountant's Report for December 2021. Motion carried unanimously. Accountant Voigt additionally reported the auditors will be here in mid-February to work on the annual financial audit.

Reclassification 2022 Capital Projects Budget Line Item – 2022 Loan on Construction Project. President Youngquist discussed the line item in the Capital Project Budget related to the estimated interest cost on projected 2022 borrowing for the UV/Phosphorus project. Commissioners discussed billing this line item; reclassifying the budgeted item; informing the communities of this future expense for them to begin planning on including this expense in their budgets. It was the consensus the Commission would not bill in advance for this future expense and let the users know they should begin to plan and save for this future capital expense.

MCO Contract Renewal: First Amendment to the 2014 Contract between the NMSC and MCO. President Youngquist reported on discussion with Attorney Thiel for extending the contract with MCO; the proposed amendment would change the initial 10-year contract term ending December 31, 2023 to a 8-year term ending December 31, 2021 and to amend the term of the contract to 12-years ending December 31, 2033 with the contract to be renewed for up to two additional 5-years terms. After discussion, motion made and seconded by Commissioners Coburn/Bates to approve the First Amendment to the 2014 Contract Between Neenah-Menasha Sewerage Commission and Midwest Contract Operations, Inc. For the Purpose of Amending the Duration of the Contract. Motion carried unanimously on a roll call vote.

Motion made and seconded by Commissioners Coburn/Zielinski to approve for payment MCO invoice #27848 in the amount of \$142,586.26 with payment to be made after February 1, 2022. Motion carried unanimously. Manager Much discussed reducing the invoice contract amount by the amount of the credit provided on the monthly invoice related to accounting services provided to other MCO clients. It was the consensus to allow the change in the monthly invoicing.

Motion made and seconded by Commissioners Coburn/Zielinski to approve Operating and Payroll Vouchers #139113 through #1391658 in the amount of \$321,419.21 for the month of December 2021. Motion carried unanimously.

Motion made and seconded by Commissioners Bates/Coburn to convene into closed session pursuant to Wis. Stats. § 19.85(1)(e) to discuss strategy concerning contract renewal with the Contracted Industrial User and for bargaining reasons which require a closed session to discuss such strategy to best serve the public interest. Motion carried unanimously on a roll call vote; meeting convened into Closed Session at 9:25 a.m.

Motion made and seconded by Commissioners Bates/Zielinski to adjourn the closed session and reconvene into Regular open session. Motion carried unanimously on a roll call vote; meeting returned to open session at 9:48 a.m.

Discussion on and potential action to be taken on matters discussed in Closed Session. No action to be taken at this time.

Update on Sonoco contract renewal. The Commission Attorney will finish working on a draft agreement.

Other Business to Come Before the Commission

Election of Officers. Motion was made and seconded by Commissioners Weyenberg/Gordon to nominate the current slate of officers for the upcoming year. Motion carried unanimously. The officers are: President – Dale Youngquist, Vice-President – Raymond Zielinski, Secretary – Steve Coburn.

Appointment of Treasurer. President Youngquist appointed Commissioner Coburn as the Commission Treasurer for the upcoming year. Commissioner Coburn accepted. Motion made and seconded by Commissioners Youngquist/Zielinski to approve the appointment of Commissioner Coburn as Treasurer. Motion carried unanimously.

Adjournment

Motion made and seconded by Commissioners Bates/Weyenberg to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 9:52 a.m.



President



Secretary