

Kaukauna, WI  
November 15, 2017

The regular meeting of Kaukauna Utilities Commission was called to order at 4:00 p.m. by Secretary Tom McGinnis. Commission Members present were Tom McGinnis, Greg Lenz, John Moore, Sue Hennes, Tom Driessen, and Gene Rosin. Also present were Jeff Feldt, Denise Vanderloop, Mike Pedersen, Don Krause, Eric Miller, Kevin Obiala, Clara Pickett, Lonnie Pichler, Dave Pahl, Eric Murphy, Jean Jack, Conner Wilz, Amanda Marks, Dennis Besaw, Dayna Holmes, and Amy Brick from KU, Steve Engebos from WPPI Energy, and Diana Driessen.

It was moved by John Moore, seconded by Tom Driessen to excuse Commissioner Lee Meyerhofer's absence.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Gene Rosin to approve the minutes of the October 18, 2017 Commission meetings as written.

All members voted aye.

Motion Carried

There was no public comment.

Manager of Finance and Administration Clara Pickett discussed the 2018 Operating and Five Year Capital Budgets. Clara informed the Commission there were minor revisions since the proposed budget was presented at the October Commission meeting.

It was moved by Gene Rosin, seconded by John Moore to approve the 2018 Electric and Water Operating and Five Year Capital Budgets.

Roll Call Vote:

Tom Driessen	aye
Greg Lenz	aye
Gene Rosin	aye
John Moore	aye
Sue Hennes	aye
Tom McGinnis	aye

Motion Carried

Manager of Human Resources Denise Vanderloop discussed the employee handbook policy revisions. Denise informed the Commission there were minor changes to five (5) of the current policies:

Call-In Pay – added one word for further clarification  
 Funeral Leave – added the verbiage of (40 hrs) after five (5) days off; (24 hrs) after three (3) days off; and (8 hrs) after one (1) day off.  
 Safety Shoe – clarified the language to reflect that KU will reimburse fifty percent (50%) toward the cost of safety shoes on a calendar year basis (January 1 – December 31).  
 Sales of Surplus Assets to Employees – New policy added  
 Step-Up-Pay – added “additional responsibilities and direct reports” to the language.

It was moved by John Moore, seconded by Tom Driessen to approve the Employee Handbook Policy addition and revisions as presented.

All members voted aye.

Motion Carried

Manager of Human Resources Denise Vanderloop discussed the Residency Incentive Program. Denise reminded the Commission the program was approved in November, 2013 for employees who resided within the City of Kaukauna. Also included was the requirement that the program be reviewed in 2017 to determine the effectiveness. Denise stated when the program was implemented, thirteen employees qualified for the incentive and currently there are seventeen employees in the program. Denise also stated that when the program was created, the Commission placed a great value incentivizing employees to live within the city so the community could benefit from both tangible and intangible benefits such as response time.

It was moved by John Moore, seconded by Gene Rosin to authorize the General Manager to establish a Residency Incentive Program with the guidelines outlined in the memo through a 401(a)

Supplemental Retirement Plan Program effective January 1, 2014 as a benefit beyond 2017 at the current 6%.

All members voted aye.

Motion Carried

Manager of Human Resources Denise Vanderloop discussed the Succession Plan and Organization Chart updates. Denise informed the Commission there have been some position and staff changes resulting in the updates.

It was moved by Gene Rosin, seconded by Greg Lenz to approve the Succession Plan revisions and updated Organization Chart as presented.

All members voted aye.

Motion Carried

The New Load Growth/Revenue Task Force Committee gave a presentation regarding their findings and recommendations to the Commission.

The Commission reviewed the monthly reports.

Staff reports:

Manager of Information Technology Don Krause informed the Commission staff has been working at the Fire Station preparing for their move into their new building.

Manager of Engineering & Electric Distribution Eric Miller stated the line crew is continuing to work on the Delanglade Street Project. Eric stated work is continuing on the OO Substation, Thilmany Road, and Elm Street. Eric also stated solar is being installed at the Fire Department. Eric also informed the Commission that the City of Kaukauna Police and Fire will be at the Utility for a presentation on the High Voltage Safety Trailer.

Manager of Generation & Operations Mike Pedersen stated crews have been removing debris from the trashracks at all of the plants. Mike informed the Commission that Lunda Constructions began working on the fishing pier as well as the rehab work at 1000 Islands. Mike also stated crews are working on the gate seals at the Combined Locks Hydro Plant and have finished the installation of the trashracks at the Kimberly Hydro Plant. Mike also stated crews have been working on the solar installation at the new Fire Station.

Manager of Human Resources Denise Vanderloop informed the Commission the health insurance forms have been turned in and an estimated 90% of employees have changed from Anthem to another insurance carrier; therefore, she is completing those changes. Denise also stated the enrollment packets for the flex spending have been distributed to the employees.

Water Superintendent Kevin Obiala stated staff is continuing with the AMI meter conversion project, testing large meters, working distribution valves, and staff recently finished listening for leaks on the fire hydrants and drained them for winter. Kevin also gave a demonstration to the Commission regarding the sediment that is in the Filter Plants.

Manager of Finance & Administration Clara Pickett informed the Commission the accounting staff is working on year end reporting and that the Billing Department recently sent delinquent letters to our delinquent customers. Clara also stated staff is working on the Electric Rate Study.

General Manager Jeff Feldt updated the Commission regarding the Industrial Assets/Appleton Property Ventures stating the sale has been completed and Industrial Assets now owns Appleton Coated. He stated for the month of October, they were running at roughly 25% of full load capacity and are also utilizing the CLEC generator to serve their load during the on peak hours. Jeff stated staff met with representatives regarding a long term power supply. Jeff said everything that went through the receivership has been billed out and paid, post-petition. He also said KU submitted a claim to the courts for \$2.2 million for possible recovery.

General Manager Jeff Feldt informed the Commission the hearing for the Electric Rate Case is Thursday, January 18, 2018 at 10:00 a.m. in Madison and also at KU via conference call. He provided the 2017 Key Performance Indicators and the 2017 3<sup>rd</sup> Quarter Work Plan to the Commission. If they have questions, they are to contact him. KU is participating in the Wisconsin Utility Security Council that consists of the major investor owned utility companies. Kevin Obiala and Eric Miller participated in the First Lego League Competition. The APPA Legislative Rally is February 26-28 in Washington D.C.

The Commission chose not to adjourn to closed session pursuant to Wis. State Statute 19.85(f) for review of data Kaukauna Utilities is prohibited from making public under Wis. Stat. 196.37, including Kaukauna Utilities Write Off Journal details, Check Register details and Customer Usage and Billing.

It was moved by John Moore, seconded by Tom Driessen to approve the accounts receivable write-offs.

Roll Call Vote:

Tom McGinnis	aye
Gene Rosin	aye
Tom Driessen	aye
John Moore	aye
Sue Hennes	aye
Greg Lenz	aye

Motion Carried

It was moved by John Moore, seconded by Gene Rosin that check number 178, 179, 180, 181, 182, 183, 184, 185, 65930, and checks numbered 66231 through 66405 in the amount of \$5,755,869.99 be approved for payment.

Roll Call Vote:

Sue Hennes	aye
Tom Driessen	aye
John Moore	aye
Greg Lenz	aye
Tom McGinnis	aye
Gene Rosin	aye

Motion Carried

It was moved by John Moore, seconded by Tom Driessen to adjourn to Closed Session pursuant to Wis. State Statute 19.85(1)(e) for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: Acquisition of Property – 215 Elm Street at 5:26 p.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Tom Driessen to return to open session at 5:33 p.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Tom Driessen that KU certify a public convenience in necessity to acquire the property located at 215 Elm Street, City of Kaukauna, pursuant to Wis. State Statute 32.07.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Gene Rosin to adjourn to closed session pursuant to Wis. State Statute 19.85 (1)(c) to consider employment, promotion, compensation, or performance evaluation: Employee Compensation and Benefits at 5:34 p.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Gene Rosin to return to open session at 6:05 p.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Tom Driessen to approve the wage adjustment for Field Non-Exempt, Regular Non-Exempt and Seasonal Employees, salary adjustment for Management Exempt Employees and payment of the Performance Based Retention Agreement for 2017 as presented.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to approve the General Manager Employment Agreement to include a 3.0% increase to base wage for 2018, a \$5,000 merit bonus, a \$5,000 performance retention bonus and carryover of an additional week of vacation for 2018.

All members voted aye. Motion Carried

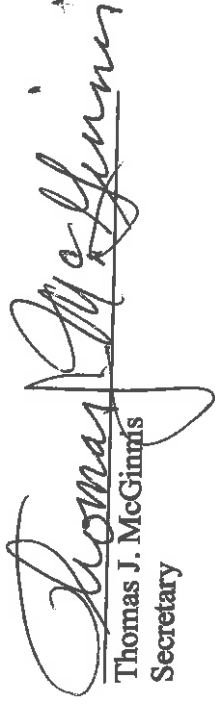
John Moore, on behalf of the commission, wanted to recognize and thank General Manager Jeff Feldt for completing his goals and objectives for 2017 along with the challenges KU faced in 2017.

General Manager Jeff Feldt informed the Commission that due to the City of Kaukauna's Fire Department open house on Wednesday, December 20, the Commission meeting will be 12:00 p.m.

It was moved by John Moore, seconded by Gene Rosin to adjourn.

All members voted aye. Motion Carried

The meeting ended at 6:10 p.m.

  
Thomas J. McGinnis  
Secretary

Minutes taken by Amy Brick