

The regular meeting of Kaukauna Utilities Commission was called to order at 4:00 p.m. by President Lee Meyerhofer. Commission Members present were Lee Meyerhofer, Gene Rosin, Tom McGinnis, Bill Vanderloop, Tom Driessen, Cindy Fallona and John Moore. Also present were City Attorney Kevin Davidson, Jeff Feldt, Mike Pedersen, Kevin Obiala, Mike Kawula, Eric Miller, Don Krause, Tou Lee, Randy Vercauteren, and Amy Brick from KU, Brian Roebke from the Times Villager, Dave Pahl and Diana Driessen.

It was moved John Moore, seconded by Tom McGinnis to approve the minutes of the January 16, 2013 regular Commission meeting as written.

All members voted aye. Motion Carried.

There was no public comment

It was moved by Tom McGinnis, seconded by Tom Driessen to deny the property damage claim from Ms. Lloyd.

Roll Call Vote:

Lee Meyerhofer	aye
Tom Driessen	aye
Cindy Fallona	aye
Gene Rosin	aye
Bill Vanderloop	aye
Tom McGinnis	aye
John Moore	aye

Manager of Generation & Operations Mike Pedersen stated that Kaukauna Utilities invited four firms to submit proposals for the Kaukauna City Plant re-licensing project. AECOM, TRC and HDR Engineering declined to bid as they felt they could not be competitive with Mead & Hunt. Mead & Hunt has performed exceptionally well with KU in the Badger relicensing work and we have no concerns with their performance.

It was moved by Tom McGinnis, seconded by John Moore to authorize the General Manager to approve the contract for the relicensing of the Kaukauna City Plant be awarded to Mead & Hunt for the fixed fee of \$256,590.00.

Roll Call Vote:

Cindy Fallona	aye
John Moore	aye
Tom McGinnis	aye
Tom Driessen	aye
Lee Meyerhofer	aye
Gene Rosin	aye
Bill Vanderloop	aye

Manager of Human Resources Denise Vanderloop discussed the need for four summer help positions to perform routine maintenance and other tasks similar to previous years. Three positions will be assigned to the Generation & Operations Department and one will be assigned to the Facilities Department.

It was moved by Gene Kosit, seconded by John Moore to authorize the General Manager the approval to hire four summer help positions for 2013.

All members voted aye. Motion Carried

General Manager Jeff Feldt reviewed the 2013 work plan. The work plan identifies 56 departmental goals to achieve in 2013 with focus on six key business objectives of the strategic business plan. He also discussed the 2013-2015 strategic business plan. After the Commission reviewed the document, it was decided to add a key objective that states "invest" or "reinvest" in infrastructure in the key objectives.

It was moved by Tom McGinnis, seconded by Cindy Fallona to table the 2013 – 2015 Strategic Business Plan and 2013 Work Plan until the March Commission Meeting.

All members voted aye.

Motion Carried

Manager of Finance and Administration Mike Kawula discussed the ATC investment activity for the year 2012. KU's 2012 earnings from this investment is \$244,936. ATC has stated that it will require up to \$25,000,000 in additional capital in 2013. Based on this figure, KU will be required to contribute up to \$43,100 in 2013 to maintain KU's current ownership interest of 0.1724%. During 2013, KU is anticipating approximately \$240,000 in earnings from the ATC investment. Approximately \$160,000 will be received in cash and \$80,000 will be reinvested in ATC.

It was moved by John Moore, seconded by Gene Rosin to authorize the General Manager to contribute sufficient funds to ATC to maintain Kaukauna Utilities percentage interest in ATC.

All members vote aye.

Motion Carried

Manager of Finance and Administration Mike Kawula gave an update to the Commission regarding the Kimberly Hydro Operating and Financial Performance. He stated it has been approximately three years since KU began operating the former New Page Kimberly Mill. Even though production was down in 2012, the three year production totals is higher than original projections.

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

Roll Call Vote:

Bill Vanderloop	aye
Tom McGinnis	aye
Tom Driessen	aye
Lee Meyerhofer	aye
John Moore	aye
Cindy Fallona	aye
Gene Rosin	aye

It was moved by John Moore, seconded by Tom Driessen that check number 18 and checks numbered 52653 through 52838 in the amount of \$5,736,301.89 be approved for payment.

Roll Call Vote:

Gene Rosin	aye
Tom Driessen	aye
Cindy Fallona	aye
John Moore	aye
Bill Vanderloop	aye
Tom McGinnis	aye
Lee Meyerhofer	aye

The Commission reviewed the monthly reports.

Staff reports:

Manager of Electric Distribution Eric Miller reported that the linecrew is working on the Hwy 96 corridor in Little Chute. A contractor is continuing to work with the fiber optic on Hwy "OO". He also stated that two industrial customers are looking at expanding, one being in Kaukauna and one in Little Chute. Due to the winter storm on Tuesday, February 18, 2013, we had some power outages from icing on the lines. To prevent this in the future, crews will be installing a device on the line that changes the profile of the wire and prevents "galloping" of the wires.

Manager of Generation & Operations Mike Pedersen reported that crews have started maintenance work on the rackraker at the Little Chute Plant. Effective February 7, 2013, Kimberly Hydro Plant Unit #2 went back online after the repair of the broken gate link and trashracks. He stated that crews have installed emergency stops on the rackraker at the Combined Locks Plant. Crews have also been painting in the office building doing touchups to the interior walls.

Water Superintendent Kevin Obiala reported that there have been seven water main breaks during the month of February and sixteen since the beginning of the year. Crews have been testing large meters and keeping current with cross connection surveys.

IT Manager of Information Technology Don Krause introduced new employee Tou Lee. He stated that Tou has been helping at the City.

Manager of Finance & Administration Mike Kawula stated the auditors will be here March 18, 2013 to start the 2012 audit. He also stated that on January 22, 2013 there was a meeting regarding water rate changes. The new water rates went into effect February 1, 2013.

Manager of Human Resources Denise Vanderloop has been working on scheduling training programs for 2013. She has also completed the represented performance review form. Judy Riehl from Fox Valley Technical College will be returning to provide Customer Service Training, Team Building Training and Performance Review Training.

Manager of Generation & Operations Mike Pedersen reported that since the start of construction, Boldt has lost sixteen days due to weather. Overall, thirty three days have been allotted for the entire project. On February 6, 2013, construction crews started pouring concrete around the draft tubes. He stated that a representative from FERC was on site February 12, 2013 for their monthly inspection of the Badger Project. FERC has also presented us with requirements prior to filling the power canal. There have been some equipment delivery changes and he will update the Commission at the March meeting on the new schedule.

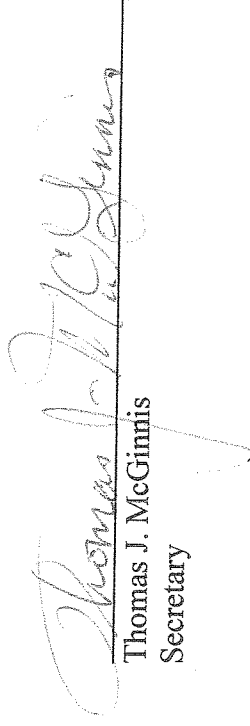
General Manager Jeff Feldt gave an update regarding the Innovative Rate Designs which are required by Order Point #7 in the KU rate order. Jeff stated that MEUW is searching for a new Executive Director. They will be doing interviews the last week in March in Madison and hope to have a new director by May, 2013. He also reported to the Commission that the Safety Director, Lisa Haen from MEUW has resigned effective February 15, 2013. Jeff reminded the Commission about the MEUW Legislative Rally in Madison April 23, 2013 and there is also an APPA National Conference in Nashville June 15-19, 2013. If the Commissioners are interested in attending, they should let Amy know or look on the APPA website for information.

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

All members voted aye.

Motion Carried

The meeting ended at 4:50 p.m.


Thomas J. McGinnis
Secretary