

Kaukauna WI
July 17, 2013

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

It was moved by Tom McGinnis, seconded by John Moore to approve the minutes of the June 19, 2013 regular Commission meeting as written.

All members voted aye.

Motion Carried.

There was no public comment.

Prior to the Commission considering Item #4, Sponsorship Opportunity for new Kaukauna Public Library, Commissioner Lee Meyerhofer discussed the potential of a conflict of interest with three Utility Commissioners and one Utility employee serving on the library fundraising committee. He stated that he had discussed this issue with City Attorney Kevin Davidson and determined there was no conflict of interest due to the fact that there would be no personal financial gain.

General Manager Jeff Feldt discussed the sponsorship opportunity available to Kaukauna Utilities. KU supports many community and non-profit organizations through financial contributions that help the community especially those involving children. Due to the importance of this facility in ensuring the success of our community, KU would like to make a five year commitment to the new Kaukauna Public Library in the amount of \$50,000.

It was moved by Tom McGinnis, seconded by John Moore to authorize the General Manager to sponsor the Kaukauna Library in the amount of \$50,000.

Roll Call Vote

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

Commissioner Cindy Fallona spoke as the President of the library board and thanked the Commissioners and staff at KU for the vote to support the Kaukauna Public Library. She stated that the library has served four generations of Kaukauna citizens and the financial donation will ensure success of our community and future generations.

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

Roll Call Vote:

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

Motion Carried

It was moved by John Moore, seconded by Bill Vanderloop that check number 24 and checks numbered 53937 through 54210 in the amount of \$5,861,476.14 be approved for payment.

Roll Call Vote:

| | |
|-----------------|-----|
| Bill Vanderloop | aye |
| Tom McGinnis | aye |
| Tom Driessen | aye |
| Lee Meyerhofer | aye |
| John Moore | aye |

Cindy Fallona
Gene Rosin

aye
aye

Motion Carried

The Commission reviewed the monthly reports.

Staff reports:

Manager of Electric Distribution Eric Miller reported to the Commission that the GIS department is finalizing construction standards and the final drafts will be ready to print soon. Eric stated that the Metering Department is currently looking at incentives to offer customers to convert their 60 amp service to an AMR. The line crew has been pulling poles on Hwy 96 now that cable and phone services are removed from the poles. Eric also informed the Commission that he has been busy working on the RP3. Progress is being made at Ann Street Substation, walls are going up and the foundation is being poured.

Manager of Generation & Operations Mike Pedersen informed the Commission that crews are continuing to work on the trashrack installation at Rapide Croche Hydro. Crews are completing flume inspections due to the units being dewatered. Mike also stated that a representative from FERC was at the Utility on July 8 to complete annual inspections. Inspections went well as there were no major issues. He advised the Commission that crews did some work for the Corp of Engineers at Rapide Croche Hydro installing a phone line. Crews have also been battling weeds in June and July.

Water Superintendent Kevin Obiala reported that there was a water main break today that crews have repaired. Kevin stated that crews dug and repaired a broken valve. He stated that through leak detection, crews found a leaking water service that was repaired. Kevin also informed the Commission that staff has been working with Kruczek Construction while they do work on 15th, 16th, 17th and Oakridge Streets, turning water on and off and assisting them with any other issue that might come up. Crews have been working valves, testing large meters, keeping up with cross connection surveys and other maintenance issues.

IT Specialist Tou Lee reported for Manager of Information Technology Don Krause in his absence. Tou stated that the IT Department has been working on updating the password policy. Tou also stated they are working with the Fire Department regarding their radios as well as replacing PC's for the Police and Fire Departments at the City.

Manager of Finance & Administration Mike Kawula reported that the Accounting Department has submitted bond information. Mike also informed the Commission that the 2014 budget process will begin at the end of the month. He also stated that due to the high temperatures this week, KU has reconnected the customers that were disconnected for non-payment. He stated that if they don't submit payment, the customer will then be disconnected for non-payment when the heat advisory is lifted.

Manager of Human Resources Denise Vanderloop informed the Commission that they interviewed seven candidates for the MEUW Regional Safety Coordinator position. She stated that an offer was extended last week and if accepted, the candidate would start in August. Denise also informed the Commission that she has been working on gathering information for the RP3 and she is also working on her budget for 2014.

Manager of Generation & Operations Mike Pedersen stated that the Badger Project is progressing very well. He stated that three walls are up and some of the outside brick is on. Mike stated that the contractors have adjusted their work schedule due to the heat this week. He stated that the #2 turbine is in place. Also, a representative from Spain will be here for two weeks for final alignment of the unit. The speed increaser arrived at the Baltimore port on July 15th and is scheduled to ship next week along with the generators and will be stored at Voith's facility in Appleton.

General Manager Jeff Feldt gave the Commission an update on the 2013 Work Plan 2nd Quarter Update. He stated that we have accomplished eight goals this year. Some of the goals completed included: Customer Service training, the upgrade to the Northstar Billing System and the Thilmany outage. Jeff also informed the Commission that the KU water system achieved the Bronze Star Award in the Wisconsin Water Star Program. Jeff stated that a representative from WPPI was at the Utility conducting a NERC Compliance audit to ensure KU is in compliance with NERC reliability standards. Jeff informed the Commission that the Fox Energy Center has not switched to WPS as of July 1. KU has received correspondence from WPS stating they will give us advanced notice of how they intend to proceed. Jeff discussed the new Express Energy Efficiency Program that is being offered through Focus

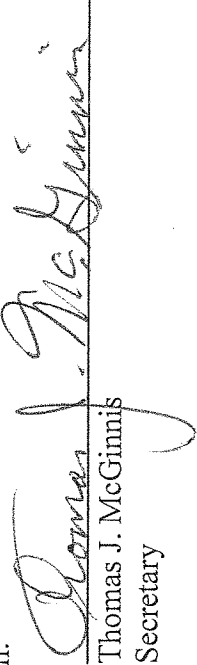
on Energy. If customers are interested in this, they need to call Focus on Energy and sign up as the Utility will not contact the customer. Jeff stated that KU has two teams participating in the Lineman Rodeo and one team participating in the Water Technician Skills Competition in Oconomowoc August 9.

Commissioner John Moore commended Eric Miller and Jeff Forbes for all their work they do with Park Community Charter School.

It was moved by John Moore, seconded by Tom Driessen to adjourn.

All members voted aye. Motion Carried

The meeting ended at 4:36 p.m.


Thomas J. McGinnis
Secretary

Minutes taken by Amy Brick