

Kaukauna WI  
September 18, 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 Bill Vanderloop, Tom Driessen, Cindy Fallona, Gene Rosin, Tom McGinnis, Lee Meyerhofer and John Moore. Also present were City Attorney Kevin Davidson, Jeff Feldt, Mike Kawula, Denise Vanderloop, Don Krause, Mike Bergner and Amy Brick from KU, Diana Driessen, Nikki Riggleman from The Dieringer Research Group and Brian Roebke from the Times Villager.

It was moved by Bill Vanderloop, seconded by Gene Rosin to approve the minutes of the August 21, 2013 regular Commission meeting as written.

All members voted aye. Motion Carried.

There was no public comment.

General Manager Jeff Feldt introduced Nikki Riggleman from The Dieringer Research Group (DRG). Nikki gave a presentation to the Commission regarding the process in which customer satisfaction surveys get deployed to customers. The first process is an on-going web survey that the customer will be invited to complete after they have had interaction with an employee. Secondly, there will be an annual phone interview survey that will be conducted with roughly 300 customers. Findings from the surveys will be provided to employees, the Commission and also customers.

It was moved by Cindy Fallona, seconded by Gene Rosin to authorize the General Manager to approve the ongoing web and annual phone customer satisfaction survey program proposal submitted by the Dieringer Research Group (DRG) in an amount no to exceed \$42,375 for 2014 implementation.

Roll Call Vote:

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

General Manager Jeff Feldt informed the Commission that KU has been approached by the owner of the property located at W1696 County Trunk KK to switch electric service to KU from WE Energies due to a recent annexation as well as connect to KU's water system. In order to complete the transfer, KU will be required to purchase WE Energies' electric distribution facilities at a cost of \$4,263.

It was moved by Tom McGinnis, seconded by John Moore to authorize the General Manager to execute the Sale Agreement and Confidentiality Agreement with WE Energies for the transfer of property located at W1696 County Trunk KK to Kaukauna Utilities for the amount of \$4,263.

Roll Call Vote:

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

General Manager Jeff Feldt informed the Commission that recently Act 25 passed in the State Assembly. This Act prohibits the release of customer information by a municipal utility unless the customer consents to the release of the information or if another exception applies. It was decided the Commission would like to continue receiving this information; however, it will be during closed session.

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

Motion Carried

It was moved by John Moore, seconded by Gene Rosin that check number 26 and checks numbered 54527 through 54896 in the amount of \$12,602,555.43 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 Meyerthofer aye

Motion Carried

The Commission reviewed the monthly reports.

Staff reports:

General Manager Jeff Feldt gave the update for the Manager of Electric Distribution. He stated that the Ann Street Substation control building is up and there has been a lot of work going on inside of the building. The transformer and breakers will be installed in October. The line crew has been working on new feeders at Ann Street Substation as well as the Hwy ZZ project. The GIS department has been working on the work order project.

Manager of Generation & Operations Mike Pedersen stated that crews have finished installing the trashracks on unit #2 at Kaukauna City Plant. Crews have also been working on the Badger Hydro Project that included installing seals at the headgate structure and installing new floor drains. He stated that crews cleaned off graffiti at Little Chute Plant. They also recently completed the annual flume inspection at John Street and found a bad bearing on unit #3. It has been rebuilt and the plant is up and running. Mike informed the Commission that crews were raking racks at Combined Locks Plant and snapped a cable on the rackraker. The cable has been replaced and is working properly. Mike also stated that a bearing went out on the tainter gate at Combined Locks and has subsequently been repaired. Crews will be removing the generator at Combined Locks to have it rewound.

General Manager Jeff Feldt reported for Water Superintendent Kevin Obiala. Jeff informed the Commission that #9 Filter Plant is back online. The piping and media have been installed, samples have been taken and crews completed flushing.

Manager of Information Technology Don Krause stated that the Utility recently had an intrusion detection device installed on our SCADA network. He also informed the Commission that he attended a webinar through APPA on Cyber Security and that October is Cyber Security National Awareness Month.

Manager of Finance & Administration Mike Kawula reported that the Utility has hired a replacement for the Cashier position who is scheduled to start in October. Mike also stated that he is working on the 2014 budget. Also, staff is working on final disconnects prior to the start of the moratorium and this year's tax roll.

Manager of Human Resources Denise Vanderloop informed the Commission that the rough draft of the Utility handbook has been completed. General Manager Jeff Feldt will review the handbook and send to the Attorney for review. Denise also stated that she received the health insurance rates last week. Open enrollment for employees will be in October. Denise also stated that employees will be attending performance review training October 2nd or October 9th. Employees have also completed their healthy lifestyle testing.

Manager of Generation & Operations Mike Pedersen updated the Commission on the Badger Project. He stated that all major equipment is inside the plant. The couplings are set and the speed increaser has been adjusted on Unit #1. Employees at Boldt and Voith are looking for ways to pick up some time on the schedule. Mike stated that the canal is complete except for one ramp that they are currently using. The cofferdam is 50% removed. He also stated that the trashraker is scheduled for

testing Sept 27. Mike informed the Commission that notice has been submitted to the FERC with regard to the 30 day notice to water up the canal.

General Manager Jeff Feldt discussed the residential incentive report for 2010-2013. The report shows that the air conditioner tune up program is very popular. Commissioner John Moore stated that overall, it's a very good program; the numbers on the report are all up compared to previous years. There was a comment from Commissioner Cindy Fallona regarding the Express Energy Efficiency Program. She stated that a representative from Focus on Energy went to her house and they were very helpful and informative. Jeff stated that the Utility is waiting for a response from Wisconsin Public Service with regard to the Fox Energy Center.

Manager of Finance Mike Kawula reported to the Commission that the Utility has recovered 95% of the PCAC. A letter was sent to the PSC in this regard, and we are waiting for a response. By the end of October, we will have the PCAC recovered and therefore can remove it from the bills.

It was moved by Tom McGinnis, seconded by John Moore to adjourn to closed session pursuant to Wis. State Statute 19.85(1)(c) to consider employment, promotion, and compensation for public employees at 5:12 p.m.

#### Roll Call Vote

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

It was moved by Bill Vanderloop, seconded by Tom McGinnis to return to open session at 5:32 p.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Tom Driessen that the Commission authorize a one-time adjustment to the Health Reimbursement Account of an additional \$550 for employees that have family health coverage and \$275 for employees that have single health coverage, effective January 1, 2014.

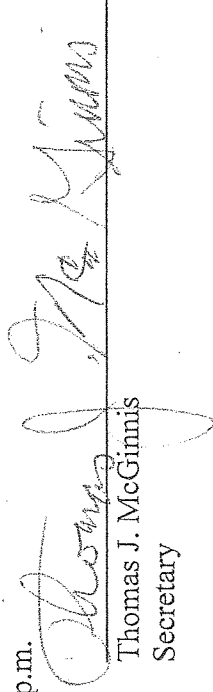
All members voted aye.

Motion Carried

Further discussion was held on recently enacted Legislation, Act 25, concerning customer privacy. Attorney Kevin Davidson discussed alternatives to comply with the Legislation while providing appropriate information to the Commission. Attorney Davidson will provide staff the required language to be used on future agendas for information that is subject to Act 25.

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

The meeting ended at 5:40 p.m.

  
Thomas J. McGinnis  
Secretary