

Kaukauna, WI
January 21, 2014

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, Gene Rosin, Tom McGinnis, Lee Meyerhofer and John Moore. Also present were Jeff Feldt, Mike Kawula, Denise Vanderloop, Don Krause, Kevin Obiala, Eric Miller, Mandy Marks and Amy Brick from KU, Attorney Kevin Davidson, Diana Driessen and Giovanni Pianeeza.

It was moved by Tom McGinnis, seconded by Gene Rosin to excuse Commissioner Cindy Fallona's absence.

All members voted aye. Motion Carried.

It was moved by John Moore, seconded by Tom Driessen to approve the minutes of the December 18, 2013 regular Commission meeting as written.

All members voted aye. Motion Carried.

There was no public comment.

General Manager Jeff Feldt discussed the final 2013 work plan and the status of each objective. He stated that 35 of the 56 goals were met last year with most of those not being met being carried over into 2014.

General Manager Jeff Feldt reviewed the draft 2014 work plan. He stated that the work plan consists of 54 goals associated with achieving the six key objectives that were identified in the 2013-2015 Strategic Business Plan as well as planned capital investments. The 2014 work plan will be presented to the Commission for final approval at the February Commission meeting.

The Commission did not 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 and Check Register.

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

Roll Call Vote:	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 31 and checks numbered 55585 through 55770 in the amount of \$4,564,562.34 be approved for payment.

Roll Call Vote:	Bill Vanderloop	aye
	Tom McGinnis	aye
	Tom Driessen	aye
	Lee Meyerhofer	aye
	John Moore	aye
	Gene Rosin	aye

Motion Carried

The Commission reviewed the monthly reports.

Staff reports:

Manager of Electric Distribution Eric Miller reported that the transformer at Ann Street Substation has been energized. He stated that crews have been working on the installation of SCADA

equipment inside the substation. Eric also stated that the permanent gates will be installed in early spring. Eric informed the Commission that the line crew will start working on the rebuild of Hwy GG. GIS has been working on the work order system.

General Manager Jeff Feldt reported for the Manager of Generation & Operations Mike Pedersen in his absence. He stated that during the cold snap, Elm Street Gas Turbine ran for eighteen hours and also the Island Street Peaking Plant ran commercially on fuel oil for the first time since initial operation in 2004. Jeff also informed the Commission that crews have been supporting Voith and Boldt with the Badger Hydro Project. Crews have also been dealing with icing issues at the hydros.

Water Superintendent Kevin Obiala stated crews have been clearing snow from fire hydrants and helping hydro crews break ice at hydro plants. He stated that crews have also been completing water meter change outs. Kevin informed the Commission that crews have been completing routine maintenance, painting and cleaning at the plants and keeping current with commercial and residential cross connection surveys. Kevin stated that he gave a water presentation for the second graders at Park Community Charter School.

Manager of Information Technology Don Krause stated that he is working with a new company in Kaukauna, Livermore Technologies, a fiber installation project management firm. Livermore is working with the Appleton area fiber network and has informed Kaukauna Utilities of the potential opportunity to connect to it and evaluate the ability to consolidate duplicated service. Don also informed the Commission that he is working with Outagamie County concerning the need for fiber at the new communication tower proposed near the pool.

Manager of Finance & Administration Mike Kawula reported that staff is preparing for the 2013 audit. He stated that staff has completed year end payroll reporting and the customer service department is going through Harris report writer training.

Manager of Human Resources Denise Vanderloop stated that there have been some issues for employees who switched to Anthem at the beginning of the year. The Anthem representative will be in contact with Denise and give her a date regarding when ID cards will be mailed to the employees. Denise also stated that she sent a request to the Managers regarding their summer hire requests.

General Manager Jeff Feldt reported on the Badger Hydro Project. He stated that representatives from Voith returned January 6 to complete start-up and testing activities with the full commissioning team returning on January 20 to complete final commissioning.

General Manager Jeff Feldt introduced Giovanni Pianezza, the technical advisor from Voith Hydro for an update on Unit #2 and investigation into the whirling noise. Giovanni stated that the trailing edge of one of the runner blades is slightly thicker (0.01") than the other blades, which is causing the whirling noise. Voith has determined that this poses no danger or potential damage to the turbine. Giovanni informed the Commission that a representative from Voith can return to KU when the unit is dewatered and grind the blade to the appropriate measurement at that time.

Water Superintendent Kevin Obiala discussed the WDNR Notice of Non-Compliance. Kevin stated that the Utility collected five water samples in November and sent them to Badger Lab for testing. Kevin stated that one of the samples tested positive for bacteria. Due to the positive sample, KU needed to collect one sample from the positive location again and one upstream and one downstream from where the positive sample was taken. KU also had to collect raw water samples out of the five wells. Kevin stated that KU sent the samples to Badger Lab and all the eight samples tested negative. Unfortunately, Badger Lab used the incorrect testing process. Kevin informed the Commission that KU received the non-compliance violation although it was due to Badger Lab procedures. Kevin stated he talked with Badger Lab and they stated that the first positive sample was due to a bad batch of testing vials that were showing false positives.

General Manager Jeff Feldt reminded the Commission about the APPA Legislative Rally in Washington, D.C. March 9-12, 2014. He also informed the Commission that the Badger Hydro Project Dedication will be held May 13, 2014.

It was moved by John Moore, seconded by Tom Driessen to adjourn to Closed Session pursuant to Wis. State Statute 19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy with respect to litigation in which it is or is likely to become involved: Fox Energy Center Auxiliary Power, at 4:58 p.m.

Roll Call Vote

Tom Driessen

aye

Bill Vanderloop aye
 Gene Rosin aye
 Tom McGinnis aye
 Lee Meyerhofer aye
 John Moore aye

It was moved by Bill Vanderloop, seconded by Tom McGinnis to return to open session at 5:25 p.m.

All members voted aye Motion Carried

It was moved by Gene Rosin, seconded by Tom Driessen to adjourn to closed session pursuant to Wis. State Statute 19.85 (1)(c) to consider to consider employment, promotion, compensation, or performance evaluation: Badger Hydro Project Incentive Plan at 5:25 p.m.

Roll Call Vote:
 John Moore aye
 Tom Driessen aye
 Bill Vanderloop aye
 Gene Rosin aye
 Tom McGinnis aye
 Lee Meyerhofer aye
 Motion Carried

It was moved by Mayor Rosin, seconded by Tom McGinnis to return to open session at 5:35 p.m.

All members voted aye Motion Carried


It was moved by Tom McGinnis, seconded by John Moore to pay out the 2013 Badger Hydro Incentive Plan as approved at the November 20, 2013 Commission Meeting with the following modification: One half of the approved incentive to be paid out at 100% and one half to be paid out at 95%.

All members voted aye Motion Carried

It was moved by Tom McGinnis, seconded by Mayor Rosin to adjourn at 5:40 p.m.

All members voted aye Motion Carried

The meeting ended at 5:54 p.m.


 Thomas J. McGinnis
 Secretary