

Kaukauna, WI  
May 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, Gene Rosin, Tom McGinnis, Lee Meyerhofer and Tom Driessen. Also present were Jeff Feldt, Mike Kawula, Denise Vanderloop, Mike Pedersen, Don Krause, Eric Miller, Amy Brick and Randy Vercauteren from KU, Tom Karman from Schenck, SC, Attorney Kevin Davidson, Diana Driessen, Karen Brooks and Brian Roebke.

It was moved by Bill Vanderloop, seconded by Gene Rosin to excuse Commissioner's Cindy Fallona and John Moore's absence.

It was moved by Tom McGinnis, seconded by Tom Driessen to approve the minutes of the April 16, 2014 regular Commission meeting as written.

All members voted aye.

Motion Carried.

There was no public comment.

Manager of Finance & Administration Mike Kawula introduced Tom Karman, shareholder with Schenck SC, who presented the audited financial statements and outlined the 2013 audit process. Mr. Karman indicated that the audit had no irregularities and the audit report accurately represents Kaukauna Utilities' financial position for the year ended December 31, 2013.

It was moved by Gene Rosin, seconded by Bill Vanderloop that the Commission accepts the 2013 Financial Statements as presented by Schenck SC.

All members voted aye.

Motion Carried

Manager of Generation & Operations Mike Pedersen discussed the Hydro Park/FERC Recreational Projects. Mike stated that the recommendations for Hydro Park, Elm St. Park, Oak Street Park, Crooks Avenue kayak access and Rapide Croche Improvements are over budget. The improvements are required by FERC in our Badger-Rapide Croche License. Mike stated that other than Hydro Park, all other park work is within the project budget. In order for Hydro Park to meet budget, KU will contribute an additional \$100,000 and the City will contribute \$75,000 for the next two years. KU will also agree to GRAEF's recommendation for deductions totaling \$158,000 for Hydro Park.

It was moved by Gene Rosin, seconded by Tom Driessen to authorize the General Manager to issue a contract to Janke General Contractors for the work.

Roll Call Vote:

Lee Meyerhofer	aye
Tom Driessen	aye
Gene Rosin	aye
Bill Vanderloop	aye
Tom McGinnis	aye

Water Superintendent Kevin Obiala discussed the 2014 Water Main Relay Project. Kevin stated that the replacement project is along 12<sup>th</sup> and 14<sup>th</sup> Streets and Oakridge Avenue and this is due to deterioration of the water main. The project will be completed in conjunction with the City of Kaukauna's sewer replacement project. Seven bids were received with Roger Bowers Construction being the lowest evaluated bid at \$225,443. Of the total bid by Roger Bowers Construction, the amount allocated to the Water Main Relay portion of the project is \$225,443, taking into account an additional \$50,000 for engineering and inspection services, the total estimated cost to complete the water main relay project is \$275,443. This is a 2014 Capital Budget item with a total budgeted amount of \$360,000.

It was moved by Tom McGinnis, seconded by Gene Rosin to authorize the General Manager to approve the bid submitted by Roger Bowers Construction in the amount of \$225,443 for the 2014 Water Main Replacement Project along 12<sup>th</sup> and 14<sup>th</sup> Streets and Oakridge Avenue.

Roll Call Vote:

Tom McGinnis	aye
Tom Driessen	aye
Lee Meyerhofer	aye
Gene Rosin	aye
Bill Vanderloop	aye

Water Superintendent Kevin Obiala discussed the 2014 Water Main Break Concrete/Blacktop Repair Project. Kevin stated this past year; KU had a total of thirty four (34) water main and service breaks, of which twenty one (21) require concrete patches and thirteen (13) asphalt patches. Three bids were received with Fischer Ulman Construction Inc. being the lowest evaluated bid at \$55,123.

It was moved by Gene Rosin, seconded by Tom McGinnis to authorize the General Manager to award the bid submitted by Fischer Ulman Construction Inc. in the amount of \$55,123 for the 2014 Water Main Break Concrete/Blacktop Repairs.

Roll Call Vote:

Bill Vanderloop aye  
 Tom McGinnis aye  
 Tom Driessen aye  
 Lee Meyerhofer aye  
 Gene Rosin aye

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 and Check Register.

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

Roll Call Vote:

Gene Rosin aye  
 Tom Driessen aye  
 Bill Vanderloop aye  
 Tom McGinnis aye  
 Lee Meyerhofer aye

Motion Carried

It was moved by Tom McGinnis, seconded by Gene Rosin, that check number 35 and checks numbered 56384 through 56699 in the amount of \$9,907,882.82 be approved for payment.

Roll Call Vote:

Gene Rosin aye  
 Bill Vanderloop aye  
 Tom Driessen aye  
 Lee Meyerhofer aye  
 Tom McGinnis aye

Motion Carried

The Commission reviewed the monthly reports.

Staff reports:

Manager of Electric Distribution Eric Miller informed the Commission that the Ann Street Substation circuit work has been finished and the substation is in full service. He stated that landscape restoration work will start next week. Eric stated that the linecrew has been working on Hwy GG installing poles and they have also been working on Electric City Blvd. in preparation for PolyFlex. Eric informed the Commission that due to the long winter, it has pushed the schedule back; therefore he is looking at overtime for the linecrew as he had hoped to have the conductor strung on Hwy GG. Eric also stated that the Meter Technicians have been working on non-payment disconnects for the season. They are also completing 7s meter conversions. Eric stated that the implementation of the work order conversion will be in a couple months.

Manager of Generation and Operations Mike Pedersen reported that the spring outage at the Island Street Peaking Plant was completed and everything went well and the unit is back online. Mike also stated that there have been some issues with the rack raker at the point on the canal; however the manufacturer is standing behind it and completing the repairs. Mike also informed the Commission that all facilities were rekeyed due to recent turnover at the Utility. Mike stated that while he was at the National Hydro Association Conference he was presented with the NHA Outstanding Stewards of America's Waterways Award. This award is for the work that the Utility does with Park Community Charter School and Thousand Islands. Mike reported to the Commission that there is an issue with Unit #2 at the Badger Plant; however Voith has a field representative at the Utility and he is researching the issue.

General Manger Jeff Feldt informed the Commission that the prior night, there were four kayakers in the tailrace at the Badger Plant. The Operator on duty informed them they were trespassing and a police report was filed.

Water Superintendent Kevin Obiala informed the Commission that crews finished flushing hydrants; however during that process, a few broke that the crews will need to repair. Kevin stated crews have been completing meter change outs, keeping current on cross connection surveys and completing lawn restoration where there were water main breaks without concrete. Kevin also informed the Commission that when the hydrants are fixed, crews will start listening for leaks.

Manager of Information Technology Don Krause informed the Commission that he has been working with WPPI trying to establish a faster connection to our main office building. Don stated that he recently completed an upgrade to our Historian software. This upgrade will give us more capability with the data that is being tracked. Don also stated that he has been reviewing ways to optimize our network.

Manager of Finance & Administration Mike Kawula stated that the accounting department has been researching electronic filing systems. He also stated that the billing department has been working with those customers who are delinquent on their utility bills. Mike stated that two summer employees have started and they have been catching up on grass cutting.

Manager of Human Resources Denise Vanderloop informed the Commission that a representative from Minnesota Life was at the Utility and discussed the life insurance benefit with employees. Denise also stated that she has received quotes from dental providers and will start reviewing that information. Denise also informed the Commission that Erin Willems has resigned. Denise stated that she completed internal and external interviews for the Distribution Superintendent position. Denise also stated that Tyler Leick was awarded the Lead Line Technician position and that Apprentice Line Technicians, Kevin Kurtz and Logan Lynch have started.

General Manager Jeff Feldt discussed the WPS Fox Energy Center Station Power Dispute. Jeff stated that both KU and Wisconsin Public Service have filed briefs with the Public Service Commission with reply briefs due June 9. The Public Service Commission should make their decision by August. Jeff reminded the Commission about the MEUW Annual Conference being held in Manitowoc on June 4-6 as well as the WPPI Regional Power Dinner June 26 in Green Bay.

It was moved by Tom McGinnis, seconded by Gene Rosin 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: Claim# WM000449980041, at 4:38 p.m.

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

It was moved by Bill Vanderloop, seconded by Gene Rosin to return to open session at 4:44 p.m.

All members voted aye. Motion Carried.

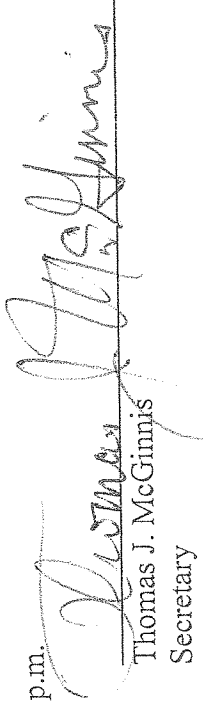
It was moved by Tom McGinnis, seconded by Gene Rosin to deny the claim in full and authorize Kaukauna Utilities to send a formal Notice of Disallowance to Mr. VanderBloomen.

It was moved by Tom McGinnis, seconded by John Moore to approve a total settlement of \$2,200, contingent upon both claimants approving and signing the Settlement Agreement and Release.

It was moved by Gene Rosin, seconded by Tom McGinnis to adjourn.

All members voted aye. Motion Carried

The meeting ended at 4:46 p.m.

  
Thomas J. McGinnis  
Secretary