

Kaukauna, WI  
April 15, 2015

The regular meeting of Kaukauna Utilities Commission was called to order at 4:00 p.m. by Secretary Tom McGinnis. Commission Members present were Bill Vanderloop, Tom McGinnis, John Moore, Gene Rosin, Cindy Fallona, Tom Driessen and Lee Meyerhofer via phone conference. Also present were Jeff Feldt, Mike Kawula, Denise Vanderloop, Eric Miller, Kevin Obiala, Mike Pedersen, Don Krause, Dave Pahl, Randy Vercauteren, Frank Vander Wyst, and Amy Brick from KU, Brian Roebke, Karen Brooks, Dort Vander Wyst and Diana Driessen.

It was moved by John Moore, seconded by Cindy Fallona to approve the minutes of the March 18, 2015 regular Commission meeting as written.

All members voted aye. Motion Carried.

There was no public comment.

Commissioner Gene Rosin presented Frank Vander Wyst and Kevin Obiala with a plaque commemorating twenty five years of service.

Manager of Finance & Administration Mike Kawula discussed 2015 Electric Revenue Bonds. Mike informed the Commission that staff has been working with Hutchinson, Shockey, Erley & Co. to identify opportunities to refinance outstanding electric bonds. Mike stated that based on the current market conditions the new refunding bonds would have an estimated interest rate of 3.01%. The outstanding 2010 Electric Build America Bonds have a rate of 4.25%. Refinancing will result in a gross savings of \$1,317,578. Mike also informed the Commission that the 2003 Electric Revenue Bonds may also be refinanced with a savings of \$75,406.

It was moved by John Moore, seconded by Gene Rosin to authorize Kaukauna Utilities to proceed with issuance of the 2015 Electric Revenue Bonds (\$9,715,000). Proceeds from the sale of the bonds are to be used to advance refund 100% of the outstanding 2010 Electric Build America Bonds and 100% of the outstanding 2003 Electric Revenue Bonds.

Roll Call Vote:

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

Water Superintendent Kevin Obiala discussed the replacement of the Chevrolet 2500 Series 4 X 4. Kevin informed the Commission that \$32,000 is included in the 2015 water capital budget to replace Truck 50. Quotes were received from Broadway – Ford, Broadway – Chevrolet, Gustman – Chevrolet and Bergstrom – Dodge with Broadway Automotive being the lowest evaluated bid.

It was moved by John Moore, seconded by Cindy Fallona to authorize the General Manager to award the purchase of a 2015 Chevrolet 2500 series 4X4 to Broadway Automotive for the firm price of \$28,839.

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 Engineering & Electric Distribution Eric Miller discussed the tree trimming agreement with Makovsky Brush Service (MBS). He stated the Utility has been working with MBS since 2010 and they have been doing a satisfactory job for the Utility. They are very responsive to the needs of the Utility during severe weather events and have been professional in their dealings with our staff as well their interaction with the customers that we serve. Eric informed the Commission that MBS would like to enter into a three year agreement with KU. Their proposed contract reflects a 2% annual increase for their services for each of those three years.

It was moved by Cindy Fallona, seconded by Gene Rosin to authorize the General Manager to execute the contract with Makovsky Brush Service, LLC for tree trimming services for the years of 2015, 2016 and 2017, pending review and approval by the City Attorney.

Roll Call Vote:

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

Manager of Engineering & Electric Distribution Eric Miller discussed Outagamie County's request for temporary construction easement along the west side of County Hwy U going north from Golf Course Drive in the Village of Wrightstown. Eric stated that the County is planning to reconstruct Hwy U between Hwy 96 and Hwy 41. Eric informed the Commission that the Utility installed an underground three-phase feeder along that side of Hwy U when the Royal St. Patrick's development occurred in 2002. An easement was put in place off of the road right-of-way allowing for this cable installation. The County is asking for permission to access this easement area to facilitate their work on the road rebuild project.

It was moved by John Moore, seconded by Gene Rosin to authorize the General Manager to execute the Temporary Construction Easement from the Outagamie County Highway Department.

All Members Vote Aye. Motion Carried

The Commission reviewed the monthly reports.

Staff reports:

Manager of Generation & Operations Mike Pedersen informed the Commission that crews completed the annual maintenance of all the trash racks at the hydro plants. Mike stated crews have been troubleshooting an issue on Engine A on the Island Street Peaking Plant Pratt Whitney FT8 Unit. Mike stated there was a small oil leak on the gear box on Unit #1 at John Street Hydro and an oil and pressure flow issue on Unit #1 at Badger Hydro that crews repaired while the unit was shut down due to low water.

Manager of Engineering & Electric Distribution Eric Miller reported to the Commission that crews have been continuing work on 10<sup>th</sup> Street and also installing conductor on Hwy Z. Eric stated staff has completed GIS training and he informed the Commission that he is working with City Hall in preparation for the new City Hall building.

Water Superintendent Kevin Obiala stated since the last Commission meeting there have been two water main breaks. Kevin stated crews have been working with Bowers Construction on the water main construction project on Hwy 55. Kevin also informed the Commission that crews have been deploying data loggers to listen for water leaks. Crews have also been testing large meters, operating distribution valves, completing water meter change outs and keeping current with cross connection surveys.

Manager of Information Technology Don Krause informed the Commission he is reviewing eight vendor proposals regarding the need for new printers throughout the Utility. Don stated he has been working with City Hall regarding the new building project and working with the Distribution Department on implementing the GIS system.

Manager of Finance & Administration Mike Kawula informed the Commission the Customer Service and Accounting staff have been working with the auditors. Mike stated the audited financial statements are complete and Tom Karman from Schenck, SC will present them at the May Commission meeting. Mike stated staff is preparing for an upgrade to the accounting system in July. Mike informed the Commission that the moratorium ended today; however no customers have been disconnected.

Manager of Human Resources Denise Vanderloop informed the Commission Neil Jack was promoted to Lead Line Technician. Denise stated she is currently recruiting for the Journey Line Technician position. Denise also informed the Commission that ETF will be holding their insurance board meeting, at that time she will receive information regarding health insurance changes for 2016.

Denise stated she met with the Employee Ad Hoc Committee and continues to review policies and programs. Denise stated the Task Force has selected the scholarship recipients.

Manager of Generation & Operations Mike Pedersen updated the Commission regarding Hydro Park. Mike stated the benches will be installed April 27, lighting will be installed in two weeks, and landscaping will begin in three weeks. Mike informed the Commission that weather permitting, Hydro Park should be completed in late May.

General Manager Jeff Feldt updated the Commission regarding the WPS Fox Energy Center Dispute. Jeff stated we should hear a decision by June. Jeff also discussed the PSC net coincident billing. He also updated the Commission on the 2015 Work Plan for the 1<sup>st</sup> Quarter.

General Manager Jeff Feldt reminded the Commission that it is an odd numbered year which means an Election of Commission Officers will take place at the May Commission meeting. Jeff also requested that due to other commitments, he would like to reschedule the May, June and July Commission meetings. Amy will send an email to coordinate the date changes. Jeff reminded the Commission about the MEUW Legislative Day April 29 in Madison, the APPA National Conference June 7-10 in Minneapolis and about the MEUW Annual Conference June 18-19 in Wisconsin Rapids. Commissioners should contact Amy if they would like to attend any of these conferences.

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, Check Register details and Customer Usage and Billing.

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

Roll Call Vote:

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

Motion Carried

It was moved by Bill Vanderloop, seconded by John Moore, that check number 48 and checks numbered 59510 through 59674 in the amount of \$1,101,311.86 be approved for payment.

Roll Call Vote:

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

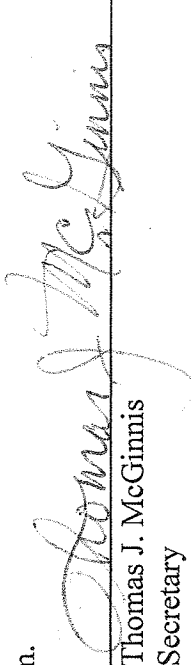
Motion Carried

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

All members voted aye.

Motion Carried

The meeting ended at 4:55 p.m.

  
Thomas J. McGinnis  
Secretary