

Kaukauna, WI
December 16, 2015

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 McGinnis, Lee Meyerhofer, Gene Rosin, John Moore, Susan Hennes, Bill Vanderloop and Tom Driessen. Also present were Mike Kawula, Kevin Obiala, Jeff Feldt, Eric Miller, Mike Pedersen, Denise Vanderloop, Dave Pahl, Randy Vercauteren, Lonnie Pichler and Amy Brick from KU, Attorney Kevin Davidson, Brian Roebke, Karen Brooks, and Diana Driessen.

It was moved by Tom McGinnis, seconded by Gene Rosin to approve the minutes of the November 18, 2015 regular Commission meeting as written.

All members voted aye.

Motion Carried.

There was no public comment.

Manager of Finance and Administration Mike Kawula discussed the Capital Asset Policies. Mike informed the Commission that staff has been working on finalizing the Capital Asset policies that include (1) Additions of Capital Assets and (2) Disposal of Capital Assets. Mike stated the primary purpose of the policies is to maintain consistent accounting treatment that can be shared with KU's auditors as well as ensure that KU processes comply with applicable laws and regulations. Mike stated once the policies are approved, KU staff will adjust the fixed asset database to comply with the adopted policies.

It was moved by John Moore, seconded by Bill Vanderloop to adopt the Capital Asset Policies as presented.

All members voted aye.

Motion Carried

General Manager Jeff Feldt discussed the draft 2016-2018 Strategic Business Plan. Jeff informed the Commission that staff identified seven key objectives and general strategies. Jeff stated any changes or recommendations requested by the Commission will be included in the final plan submitted for Commission review and approval in early 2016.

The Commission reviewed the monthly reports.

Staff reports:

Manager of Generation & Operations Mike Pedersen informed the Commission that Howard Immel Construction completed the building and wall repairs at John Street Plant. Mike stated Wisconsin Industrial Coatings completed the concrete sealing on the Warehouse floors. Mike also informed the Commission the FERC required annual kayak meeting was held two weeks ago and also a meeting was held with the WDNR regarding the Rapide Croche boat landing. Mike stated that in accordance with the Federal Energy Regulatory Commission (FERC) license and WDNR Chapter 401 Water Quality Article for the Badger-Rapide Croche hydro facilities, KU is required to construct a boat launch on the Rapide Croche impoundment.

Manager of Engineering & Electric Distribution Eric Miller informed the Commission that crews have energized service to the Library and City Hall and installed underground utilities near Pizza Hut and the alley by the Farmers Market. Eric also stated that crews have been working on the Greiner Road Project. Eric informed the Commission that Engineering has been working with ATC and Outagamie County finalizing designs for the roundabout project on Hwy CE and HH.

Water Superintendent Kevin Obiala informed the Commission that crews have been repairing broken hydrants. Kevin stated crews have been testing large meters and have about a dozen remaining. Kevin also informed the Commission that crews have been operating distribution valves, completing water meter change outs and keeping current with cross connection surveys.

Manager of Finance & Administration Mike Kawula informed the Commission that Customer Service has been working with the Village of Little Chute getting customers transferred to the Little Chute billing system. Mike stated the IRS examination on the 2012 CREB Bonds is complete. Mike also informed the Commission that the Stores Department is working on year end procedures including inventory.

Manager of Human Resources Denise Vanderloop informed the Commission the revised employee handbooks for 2016 have been distributed to employees. Denise stated she is working with accounting gathering information for the Affordability Health Care Act. Denise also informed the Commission the completed health insurance and flex spending forms are due.

General Manager Jeff Feldt updated the Commission on the electric rate case. Jeff stated the public hearing is January 29, 2016 at the Utility and in Madison. Jeff updated the Commission regarding the Fox Energy Center appeal. Jeff stated the reply brief was submitted December 3, 2015 and now the Appeals Court will make their decision. Jeff supplied the Commission with a preliminary 2015 4th quarter work plan with a final update being distributed in January. Jeff discussed the City Hall Solar Project. Jeff stated WPPI will announce the awards January 29. Jeff informed the Commission the KU Holiday Party is January 15 at JJ Maloney's in Kaukauna, the MEUW Legislative Day is February 17 and also the APPA Legislative Rally is March 7-9 in Washington, D.C. Commission is to let Amy know if they are interested in attending either of these events.

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 Tom McGinnis, seconded by John Moore to approve the accounts receivable write-offs.

Roll Call Vote:

Susan Hennes	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 Tom Driessen that check number 57 and 58 and checks numbered 61289 through 61506 in the amount of \$6,206,670.18 be approved for payment.

Roll Call Vote:

Bill Vanderloop	aye
Tom McGinnis	aye
Tom Driessen	aye
Lee Meyerhofer	aye
John Moore	aye
Susan Hennes	aye
Gene Rosin	aye

Motion Carried

It was moved by Tom McGinnis, seconded by Gene Rosin 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: VandenHeuvel v.Town of Lawrence, et al., at 4:50 p.m.

All members voted aye.

Motion Carried

It was moved by Tom McGinnis, seconded by John Moore to return to open session at 5:23 p.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to approve the proposed Clarification of Easement Agreement and authorize the General Manager to execute same.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Gene Rosin to adjourn to Closed Session pursuant to Wis. State Statute 19.85(1)(c) to consider employment, promotion, compensation or performance evaluation: Employee Compensation, at 5:26 p.m.

All members voted aye. Motion Carried

It was moved by John Moore, seconded by Gene Rosin to return to open session at 6:32 p.m.

All members voted aye. Motion Carried

It was moved by John Moore, seconded by Tom Driessen to approve the Proposed 2016 Wage and Salary Range Schedules for exempt and non-exempt employees as presented including an overall increase in base wages of \$80,137 (1.9%) for 2016 and lump sum cash payments of \$18,445 (0.4%) in 2015.

Roll Call Vote:

Lee Meyerhofer	aye
Susan Hennes	aye
Gene Rosin	aye
John Moore	aye
Tom Driessen	aye
Bill Vanderloop	aye
Tom McGinnis	aye

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to approve an increase in base wages of 2% and a lump sum cash payment of \$5,000 in 2015 for the General Manager.

Roll Call Vote

Tom McGinnis	aye
Susan Hennes	aye
John Moore	aye
Lee Meyerhofer	aye
Bill Vanderloop	aye
Tom Driessen	aye
Gene Rosin	aye

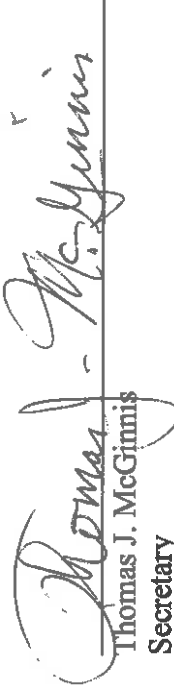
Motion Carried

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

All members voted aye.

Motion Carried

The meeting ended at 6:35 p.m.


Thomas J. McGinnis
Secretary

Minutes taken by Amy Brick