

Kaukauna, WI
October 21, 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 Bill Vanderloop, Tom McGinnis, Lee Meyerhofer, Gene Rosin, and Tom Driessen. Also present were Mike Kawula, Kevin Obiala, Jeff Feldt, Eric Miller, Mike Pedersen, Don Krause, Denise Vanderloop, Dave Pahl, and Amy Brick from KU, Attorney Kevin Davidson, Brian Roebke, Karen Brooks, Diana Driessen and Sue Hennes.

It was moved by Bill Vanderloop, seconded by Tom Driessen to approve Commissioner John Moore's absence.

It was moved by Tom McGinnis, seconded by Gene Rosin to approve the minutes of the September 15, 2015 regular Commission meeting as written.

All members voted aye. Motion Carried.

There was no public comment.

Commissioner John Moore arrived at 4:06 p.m.

Manager of Finance and Administration Mike Kawula presented the 2016 Proposed Operating Budget and General Manager Jeff Feldt presented the 2016 Five Year Capital Budget to the Commission. The final 2016 budget will be presented for adoption next month at the November Commission Meeting.

General Manager Jeff Feldt discussed the Conveyance of Rights in Land to the City of Kaukauna. Jeff informed the Commission that in conjunction with the reconstruction of the Island Street Bridge at Oak Street, the City of Kaukauna requires a Conveyance of Rights in Land over property in which Kaukauna Utilities has a permanent easement for electric facilities. Jeff stated that staff has reviewed the area in questions and has no issue with granting the City of Kaukauna the right to occupy the easement area as proposed. Jeff stated KU will retain all easement rights over the property including existing and future overhead and underground electric facilities and associated equipment.

It was moved by John Moore, seconded by Gene Rosin to authorize the General Manager to execute a Conveyance of Rights In Land with the City of Kaukauna in conjunction with reconstruction of the Island Street Bridge at Oak Street.

All members voted aye. Motion Carried.

General Manager Jeff Feldt discussed the Main Office Building IT and Office Reconfiguration Project. Jeff informed the Commission that when the main office building was remodeled in 2008, an area on the north side of the upper level was left open to accommodate growth in future staffing. Since that time, the IT Department expanded to provide services to the City of Kaukauna. With that expansion of services, greater reliance on technology for day-to-day operational activities, and changing improvements in technological capabilities, the IT Department has grown from one to three full-time employees with additional assistance from other internal KU staff and outside contractors as needed. Jeff stated that to accommodate this growth, the open area on the north end of the upper level will be reconfigured to expand the IT work area, add a secure storage area for human resource records, three offices along the north wall and a new privacy break room. Jeff also informed the Commission that the existing conference room/library will also be relocated along the north wall. Jeff stated that staff has worked with Lerdahl Business Interior to design a variety of alternatives to assist with the design. Lerdahl did the original installation of the DIRTT Wall system throughout the facility when it was remodeled in 2008 and a few years ago a smaller reconfiguration on the lower level. Jeff informed the Commission that this project is not included in the 2015 Capital Budget; however there are funds available from operating cash to fund the project in 2015.

It was moved by Tom McGinnis, seconded by John Moore to authorize the General Manager to approve the final proposal submitted by Lerdahl Business Interior dated October 15, 2015 in the amount of \$154,740 plus a 10% contingency in the amount of \$15,500 for the Main Office Building IT and Office Reconfiguration Project.

Roll Call Vote:

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

John Moore aye
Gene Rosin aye

Water Superintendent Kevin Obiala discussed the Hwy OO 12" Water Main Replacement Project. Kevin informed the Commission that in September there was a water main break in front of Orv's Pizza on Hwy OO when Orv's Pizza had to shut down for the day because of the water being turned off. Kevin stated that when excavating to repair the break, staff noticed how deteriorated the 12" water main in that area was. Kevin informed the Commission that a section of this 12" main from Hwy 55 to just past Bassett Mechanical was replaced in 2014 due to significant deterioration and because of this, Kevin recommends that an additional 1,600 ft of 12" water main from Bassett Mechanical east be replaced immediately. Kevin informed that Commission that this project is not included in KU's 2015 capital budget; however funds are available in the Water Capital Budget from two projects that were scheduled this year that have been delayed.

It was moved by John Moore, seconded by Tom Driessen to authorize the General Manager to approve the bid submitted by Kruczek Construction for \$121,121.21 for the Hwy OO 12" Water Main Relay Project.

Roll Call Vote:

Gene Rosin aye
Tom Driessen aye
John Moore aye
Bill Vanderloop aye
Tom McGinnis aye
Lee Meyerthofer aye

The Commission reviewed the monthly reports.

Staff reports:

Manager of Human Resources Denise Vanderloop informed the Commission that the 2016 Flexible Spending information will be sent out soon and that it is currently open enrollment for health insurance. Denise also informed the Commission that the Information Technology Technician position is close to being filled and she is working on employee handbook updates.

Manager of Information Technology Don Krause informed the Commission that he has been working with representatives from Little Chute High School regarding installation of fiber from "OO" Substation to the Outagamie County Landfill. Don also informed the Commission he has been working on the security system at the City.

Water Superintendent Kevin Obiala informed the Commission that crews finished flushing hydrants last week. Kevin also informed the Commission that crews have been testing large meters, operating distribution valves, completing water meter change outs and keeping current with cross connection surveys.

Manager of Finance & Administration Mike Kawula Mike stated that the billing department is working with the customers that are delinquent on water/sewer and getting them paid before the tax roll deadline. Mike also stated that staff is working with the Public Service Commission (PSC) with regard to the coincident billing of distribution demand charge and transformer discount. Mike also stated staff is working out issues due to the accounting system upgrade and finishing up the 2016 budget.

Manager of Generation & Operations Mike Pedersen informed the Commission the annual five year inspection of Kaukauna North and Badger Substations was complete and everything was good. Mike stated that himself and two System Operators recently attended the American Power Dispatchers Association (APDA) Fall Conference. Mike also stated that crews finished dam repairs at Combined Locks Plant and started the concrete repair work at John Street Plant.

Manager of Engineering & Electric Distribution Eric Miller informed the Commission the line crew has been working on the City Hall project, finishing up work on Hwy GG and also working on the Victor Allen expansion. Eric also informed the Commission that the LED street lights are being installed by the new library. Eric stated the new safety demonstration trailer is up and running and was presented at the Hydro Park Celebration. Eric also stated that staff is finalizing the design for underground utilities by the Farmers Market.

General Manager Jeff Feldt updated the Commission on the 2015 Work Plan for the 3rd Quarter. Jeff informed the Commission that McMahon Associates provided the Utility with a report regarding the Main Filter Plant upgrade; however staff has not reviewed the reports yet. Jeff stated that staff and the

Commission need to review options regarding restroom facilities at Hydro Park. He stated that staff will bring pricing alternatives to the Commission for evaluation. Jeff informed the Commission that a draft of the 2016-2018 Strategic Business Plan will be presented at the November Commission meeting. Jeff stated that the electric rate case should be done by the end of the year. Jeff announced that Amy Brick recently completed the MEUW Management Training Program and that he was re-elected chair on the WPPI Energy Board and also elected Chair of the APPA DEED Board.

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 Gene Rosin to approve the accounts receivable write-offs.

Roll Call Vote:

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

Motion Carried

It was moved by Tom McGinnis, seconded by John Moore that check number 55 and checks numbered 60859 through 61062 in the amount of \$5,599,810.29 be approved for payment.

Roll Call Vote:

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

Motion Carried

It was moved by Tom McGinnis, seconded by John Moore 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: WPPI Energy Long-Term Power Supply and Elm Street Gas Turbine Contracts, at 5:08 p.m.

All members voted aye

Motion Carried

It was moved by John Moore, seconded by Bill Vanderloop to return to open session at 5:46 p.m.

All members voted aye

Motion Carried

It was moved by John Moore, seconded by Tom Driessen to approve the resolution recommending that the Kaukauna Common Council approve the Amendment No. 2 to the WPPI Energy Long Term Power Supply Contract for Participating Members.

All members vote aye.

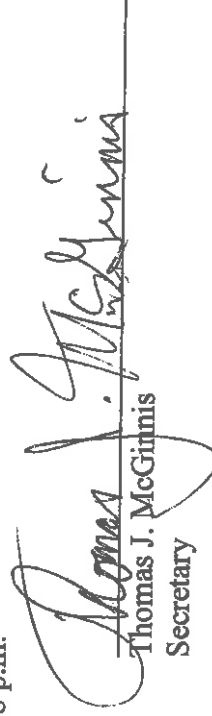
Motion Carried

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

All members voted aye.

Motion Carried

The meeting ended at 5:48 p.m.


Thomas J. McGinnis
Secretary