

Kaukauna, WI  
June 22, 2017

The regular meeting of Kaukauna Utilities Commission was called to order at 8:00 a.m. by President Lee Meyerhofer. Commission Members present were Gene Rosin, Tom Driessen, Sue Hennes, John Moore, Bill Vanderloop, Tom McGinnis, and Lee Meyerhofer. Also present were Jeff Feldt, Mike Pedersen, Don Krause, Eric Miller, Clara Pickett, Steve Engebos, Lonnie Pichler, Dave Pahl, Mandy Marks, and Amy Brick KU, Dianna Driessen, Tom Karman, Dean Steingraber and Jim McDaniel.

It was moved by John Moore, seconded by Gene Rosin to approve the minutes of the May 25, 2017 regular Commission meeting as written.

All members voted aye.

Motion Carried

There was no public comment.

General Manager Jeff Feldt informed the Commission that retired employee Gary Grissman recently passed away.

Manager of Finance & Administration Clara Pickett introduced Tom Karman, shareholder with Schenck SC, who presented the audited financial statements and outlined the 2016 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, 2016.

It was moved by Tom McGinnis, seconded by John Moore that the Commission accepts the 2016 Financial Statements as presented by Schenck SC.

All members voted aye.

Motion Carried

Manager of Generation & Operations Mike Pedersen discussed the replacement of the FERC required portable emergency generator. Mike informed the Commission the existing emergency generator is no longer operable due to a major failure. Mike stated staff researched five options for the replacement with the Kohler 55kw diesel generator at \$30,200 being the best option to ensure ample size for the future.

It was moved by Gene Rosin, seconded by Tom McGinnis that the Commission approve the purchase of the Kohler 55 kw diesel generator for \$30,200.

Roll Call Vote:

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

Motion Carried

General Manager Jeff Feldt introduced Dean Steingraber, Outagamie County Highway Commissioner. Dean informed the Commission the County is interested in acquiring two parcels of land owned by KU that is located on CTH ZZ due to the reconstruction project.

It was moved by John Moore, seconded by Bill Vanderloop 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 at 8:17 a.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Gene Rosin to return to open session at 8:21 a.m.

It was moved by John Moore, seconded by Gene Rosin to authorize the General Manager to enter into negotiations with Outagamie County to finalize a price to acquire two parcels of property located on CTH ZZ.

All members voted aye.

Motion Carried

The Commission reviewed the monthly reports.

Staff reports:

General Manager Jeff Feldt reported for Water Superintendent Kevin Obiala in his absence. Jeff stated the filter tank at Well #8 is deteriorated and not repairable. Jeff informed the Commission Kevin is waiting for drawings from the original manufacturer and once those are received, we will go out for bids. Jeff stated staff is converting water meters and completing maintenance in the plants as needed. John Moore questioned if staff was doing leak detection this summer like in previous years. Jeff stated staff will be doing leak detection every other year and/or on an "as needed" basis.

General Manager Jeff Feldt reported for Manager of Human Resources Denise Vanderloop in her absence. Jeff stated staff met with AndCo Consulting to review the deferred compensation plan. John Moore questioned if the Managers could switch to the new deferred compensation provider prior to the other employees to make sure there are no issues when staff switches to the new plan. Jeff also informed the Commission discussions are continuing regarding the high deductible insurance plan and health savings plan. Jeff stated the vacant System Operator position was filled internally by Paul Senso leaving the Relief System Operator position vacant. That position was filled by employee Joel Jezeski who will start on July 10. Jeff mentioned employees/spouses are able to schedule their health assessments online through StayWell. Jeff stated all of KU's scholarships have been presented to two students at Kaukauna High School and one student at Wrightstown High School.

Energy Services Representative Steve Engebos reviewed the May energy services report.

Manager of Finance & Administration Clara Pickett stated she is working on the electric rate study and will present to the Commission at the July meeting. Clara also stated she is meeting with the bond advisors after the Commission meeting to discuss various water projects including AMI, main relay projects, painting the Industrial Park Water tower and #8 Well filter tank replacement. She stated the cashier position has been posted; however, after some discussion, the name of the position was changed to Payment Specialist to get more in line with the type of candidates we are searching for requiring a two year degree.

Manager of Generation & Operations Mike Pedersen informed the Commission FERC waived the required water quality study for Badger Hydro. Mike stated bids were received for the relicensing of the Combined Locks Plant and Sargent & Lundy will be reviewing those bids. Mike informed the Commission we received the amendment to the FERC license for Badger Hydro changing the boat landing from the Rapide Croche site to pier upgrades at 1000 Islands and a new fishing pier at Kaukauna Lock 5. Mike also stated crews have been removing weeds and debris from the trashracks due to the high flows. Mike informed the Commission the MISO required VARS testing, the water quality test, and the urge test have all been completed at the Island Street Peaking Plant.

Manager of Information Technology Don Krause stated the e-mail phishing baseline test was conducted, e-mails were sent to 165 employees with 20 employees clicking on the link within the e-mail and 40 employees contacted IT. Don informed the Commission he will be implementing an online self-training platform where employees can view training documents relating to various subjects. Don also stated IT implemented a new spam filter this week.

Manager of Engineering & Electric Distribution Eric Miller stated crews finished the work on the Nestle Cold Storage project and have been working on the Hwy ZZ project. Eric informed the Commission that engineering has been completing switching procedures and continuing to meet with the AMI and Revenue task force committees. Eric stated Dave Pahl and the sub crew did a great job demonstrating the high voltage safety trailer at the Electric City event. Eric also stated staff is continuing to work on the Delanglade Street and OO Substation projects.

General Manager Jeff Feldt informed the Commission KU received a dividend check from the League of Wisconsin Municipalities in the amount of \$16,470 for 2016. Regarding the Small Cell Wireless Collocate Bill, MEUW negotiated on behalf of Municipal Electric Utilities to maintain the PSC process regarding pole attachments. Jeff will be doing a video production on July 18 as part of the banner program. The storm on June 14 turned into an EF-1 tornado causing 750-800 customers to be

without power with roughly 45-50 of those customers to be without power overnight. Crews from Waupun, Manitowoc, and Sturgeon Bay assisted KU with storm restoration as part of our MEUW Mutual Aid Agreement. KU will be providing additional signage for Hydro Park consisting of one for the impeller, along the canal, by the island, as well as a sign describing Badger Hydro.

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:

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

Motion Carried

It was moved by John Moore, seconded by Gene Rosin that check number 135, 136, 137, 138, 139, 140, 141, 142, and checks numbered 64349 through 65355 in the amount of \$6,087,480.20 be approved for payment.

Roll Call Vote:

Tom McGinnis	aye
Gene Rosin	aye
Bill Vanderloop	aye
John Moore	aye
Sue Hennes	aye
Lee Meyerhofer	aye
Tom Driessen	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)(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 at 9:02 a.m.

All members voted aye.

Motion Carried

It was moved by Gene Rosin, seconded by Tom McGinnis to return to open session at 9:11 a.m.

All members voted aye.

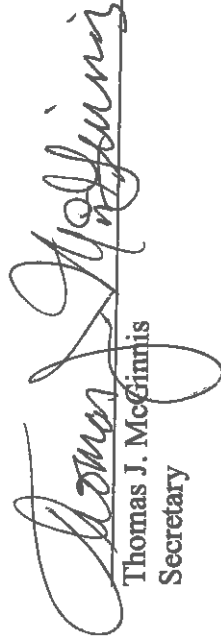
Motion Carried

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

All members voted aye.

Motion Carried

The meeting ended at 9:12 a.m.

  
Thomas J. McGinnis  
Secretary

Minutes taken by Amy Brick