

The regular meeting of Kaukauna Utilities Commission was called to order at 4:00 p.m. by President, Lee Meyerhofer. Commission members present were Gene Rosin, Bill Vanderloop, Tom Driessen, Lee Meyerhofer, John Moore, Tom McGinnis and Brian Paschen. Also present were Paul Van Berkel, City Attorney, Jeff Feldt, Mike Kawula, Kevin Obiala, Ron Roberts, Don Krause, and Eric Miller from KU. Karen Brooks was also present.

It was moved by Bill Vanderloop, seconded by Gene Rosin to approve the minutes of the August 14, 2007 regular Commission meeting as written.

All members voted aye

Motion Carried

During Public Comment, Karen Brooks of 1025 Dodge Street asked if the Utility would respond to the letter to the Editor in the September 19, 2007 issue of the Times Villager about selling Kaukauna Utilities. The Commission agreed to have General Manager Jeff Feldt respond, if deemed necessary.

Jeff Feldt advised the Commission that bids were received for the Facility Expansion Phase II Duct Bank Installation. Four bids were received for the work which will include installation of the electric and communication duct bank, construction of the communication system room in existing space adjacent to the Operations Center, foundations for additional office space above the garage and removal of the old hoist system. All items above will facilitate continuous operations during Phase II construction. The lowest qualified bid was from Oudenhoven Construction.

It was moved by Tom McGinnis, seconded by Brian Paschen to approve the low qualified bid of Oudenhoven Construction in the amount of \$143,920 for construction services associated with the Facility Expansion Phase II Duct Bank Installation Project.

Roll call Vote:

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

Motion Carried

Jeff Feldt discussed the 2008 Budget process timeline in preparation for October meeting discussion concerning the 2008 Operational and Capital Preliminary budgets. The new budget will take into account the increased purchased power costs, hydro production predictions, FERC hydro transmission charges and increased health insurance premiums. Mike Kawula will prepare a debt service schedule along with the 2008 preliminary budget.

It was moved by John Moore, seconded by Tom McGinnis to approve the accounts receivable write offs.

All members voted aye

Motion Carried

It was moved by Gene Rosin, seconded by Tom McGinnis that checks numbered 35264 to 35513 in the amount of \$74,109.93 be approved.

Roll Call Vote:

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

Motion Carried

The commission reviewed the monthly reports.

Jeff Feldt updated the Commission with regard to the John Street property sale and development with Tanesay. KU has complied with everything so far and is waiting for approval from FEMA for the removal of the property from the flood plain. The KU line crew will relocate a fair amount of wiring for the College Avenue Bridge. KU will work with WE Energies to provide energy to the Fox River locks. The FERC license for the new hydro facility requires KU to supply power to the dam. The City of Appleton and State of WI still have to purchase the brick building KU owns since the bridge cannot be built over it.

Jeff Feldt discussed the upcoming hydro project for Old and New Badger. It will cost \$25 million. Consideration will be given to sharing some of the risk with WPPI. If that is the case, some of the output would then go to WPPI.

Jeff Feldt advised the Commission the Badger Upgrade License Application was submitted to FERC four months ahead of schedule. In 2007 FERC related hydro activities include a Potential Failure Mode Analysis at the City Plant and a four day safety inspection as opposed to a 2 hour inspection in 2006. A five-year functional exercise will be completed in October.

Jeff Feldt advised the property purchase on Tobacnoir for a new substation is entering the final stages. A one month extension on the offer has been signed to allow for soil testing.

Jeff Feldt commended Kevin Obiala, Water Superintendent and his staff, after the DNR gave an excellent rating for the annual water system inspection. Operation, maintenance and compliance issues were all in good order.

Kevin Obiala, Water Superintendent, informed the Commission new safety procedures have been instituted as a result of an incident of residential electric service being grounded to the water main. KU Water employees will check pipes with an amp meter prior to cutting a service or removing a meter. If the amp meter registers higher than 1 amp the line crew will be check the residence; if higher than 5 amps a letter is sent to the home owner with a copy to the City Electrical Inspector. So far, home owners have responded favorably. This is a good cooperative effort with the City Inspector, Fire Department, Utility and residential customers.

Jeff Feldt discussed the possibility of a Methane Digester to add to KU's renewable energy resources. Large customer Tidyview Farms is considering a 2.5 megawatt manure digester. WPPI would purchase the power generated.

Jeff Feldt informed the Commission Plymouth Utilities is dropping out of the Northeast Regional Safety Group. As a result the NE Regional Safety Director will spend one additional day per month in Menasha and two additional days per month in Kaukauna.

Jeff Feldt invited the Commissioners to attend the WPPI fall orientation on October 2nd in Sun Prairie.

Jeff Feldt also invited the Commissioners to a Customer Appreciation day at the new warehouse on October 18th.

Jeff Feldt commended the line crew members who participated in the MEUW Lineman's Rodeo in September for placing first in pole top rescue and second overall.

The October Commission meeting will take place at the Rapide Croche Hydro Plant. Commissioners will meet at KU and proceed to RCP.

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

The meeting ended at 5:15 p.m.

Thomas J. McGinnis
Secretary