

Kaukauna WI
October 17, 2007

The regular meeting of Kaukauna Utilities Commission was called to order at 4:30 p.m. by President, Lee Meyerhofer. Commission members present were Tom Driessen, Gene Rosin, Bill Vanderloop, Brian Paschen, John Moore, Tom McGinnis and Lee Meyerhofer. Also present were Paul Van Berkel, City Attorney, Jeff Feldt, Mike Pedersen, Mike Kawula, Don Krause, Kevin Obiala, Ron Roberts and Mark Biddle from KU. Jim Brown from WPPI was also present.

It was moved by Tom McGinnis, seconded by John Moore to approve the minutes of the September 19, 2007 regular Commission meeting as written.

All members voted aye

Motion Carried

There was no public comment.

Manager of Finance, Mike Kawula reviewed the proposed 2008 Electric Operating Budget with the Commission. The 9.4% increase is due largely to purchased power cost increases and hydro maintenance expenses. Other factors include increased energy conservation funds, a 12.5% increase in health insurance as well as other benefit cost increases. The 2008 budget includes a five-year history with projected expenses for 2008 through 2012. The final piece includes a Debt Service Schedule.

General Manager Jeff Feldt explained the Capital Budget which includes a vehicle replacement schedule. In 2008 KU will replace the 1997 Chevy Lumina with a Hybrid Vehicle using grants from WPPI to assist with that purchase. Three million is planned for substation generation production upgrades. The old gas turbine will eventually require maintenance. It is still a valuable asset. Other capital projects include replacing the Delanglade Substation; rebuilding the John Street Hydro Plant and Substation; relocating the power under the new bridge to provide service to the Corps of Engineers' dam; the underground rebuild on Crooks Avenue between 5th and 17th Streets; upgrading the phone system and the administration building remodel. The majority of the improvements are for infrastructure.

Mike Kawula explained the Water budget includes revenues of 54% from residential water customers. The pumping costs for 2008 will increase. There are also Administration cost increases for health insurance and other benefits. Water has enough available funds to fund capital projects such as the reconstruction of Well #5.

A final 2008 Budget will be presented for approval at the November Commission Meeting.

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

All members voted aye

Motion Carried

It was moved by Brian Paschen, seconded by Tom McGinnis, that checks numbered 35514 through 35747 in the amount of \$5,446,533.48 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

Jim Brown, WPPI Energy Services Representative, gave the commission a third quarter energy conservation report. Residential customers have taken advantage of the Energy Star rebates, Central Air Tune-ups Tree Power rebates and new customer conservation packets for a total energy savings of 419,350 kilowatt hours. Commercial customers have received rebates for lighting projects and other energy conservation projects totaling 2,874,040 kilowatt hours saved.

Jeff Feldt called the commission's attention to the September Safety Report and AMR report.

Jeff Feldt advised the commission KU has received a formal offer from the WI DOT for the brick building at John Street in the amount of \$170,000.

The meeting adjourned at 6:05 p.m.

Thomas J. McGinnis
Secretary