

Kaukauna WI
August 19, 2009

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 and Tom McGinnis. Also present were Paul Van Berkel, City Attorney, Jeff Feldt, Mike Pedersen, Mike Kawula, Kevin Obiala, Ron Roberts, Eric Miller, Denise Vanderloop and Don Krause from KU. Brian Roebke from the Times Villager was also present.

It was moved by Bill Vanderloop, seconded by Gene Rosin to excuse the absence of Commissioner Brian Paschen.

There was no public comment.

GIS Supervisor, Erin Willems gave an overview of what the new GIS software is capable of to the Commission. The new software, called Mapbook, will be used by field crews to better leverage the information available to them in order to decrease response times, both in the field and in the office. The software provides many tools to quickly search and find outage locations. It is now possible to run a trace on a line experiencing an outage and locate a potentially faulty protective device within seconds. Running a trace will also provide an accurate count of customers out of power (by phase) and list any critical medical customers at the same time.

Manager of Distribution, Eric Miller informed the Commission bids have been received for the new power transformer for the Ann Street Substation project budgeted to be rebuilt in 2011 and 2012. Transformer prices were very favorable when bidding for the Tobacnoir Substation transformer earlier this year. Since the Ann Street Sub is a similar project, it made sense to bid that transformer now while prices are very reasonable.

It was moved by John Moore, seconded by Tom Driessen to authorize the General Manager to award the bid for the new Ann Street Substation transformer, after recalculating loss ratio figures, to Virginia Transformer Corporation in the amount of \$426,800.

Roll Call Vote:	Gene Rosin	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye
	John Moore	aye
	Bill Vanderloop	aye
	Tom Driessen	aye

Motion Carried

Manager of Information & Technology, Don Krause advised the Commission the IT Department has been evaluating the telephone needs of the Utility for several years. Analysis of the existing system has shown we need to focus efforts toward customer service specifically during an outage. KU is in the process of converting our controls system to WonderWare and has upgraded our mapping system to a Geographical Information System (GIS). Those two systems provide a future opportunity for an Outage Management System (OMS). The telephone

system will be an integral piece of this technology puzzle. The proposal from Technology Solutions Group, authorized dealer of Avaya Inc., has the best solution to integrate with the other systems.

It was moved by Tom McGinnis, seconded by Gene Rosin to authorize the General Manager to accept the proposal with Technology Solutions Group – authorized dealer for Avaya Inc. – and move forward with the implementation of a new telephone system within the allotted budget of \$35,000.

Roll Call Vote:	Tom McGinnis	aye
	Bill Vanderloop	aye
	Gene Rosin	aye
	John Moore	aye
	Tom Driessen	aye
	Lee Meyerhofer	aye

Motion Carried

Purchasing and Facilities Supervisor, Ron Roberts advised the Commission the City Attorney helped to revise the Purchasing Policy presented to the Commission last month. Discussion included fine tuning language content and adding a review schedule of three years for all KU policies.

It was moved by Gene Rosin, seconded by John Moore to approve the Purchasing Policy as amended.

All members voted aye	Motion Carried
-----------------------	----------------

Manager of Finance and Administration, Mike Kawula, reviewed wholesale power costs as it pertains to retail customer billing. Low hydro production this time of year, lower off-peak consumption, and declining load factors contribute to higher average costs. Aligning retail billing periods with the wholesale billing period can somewhat mitigate price volatility for customers.

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

Roll Call Vote:	Gene Rosin	aye
	Bill Vanderloop	aye
	John Moore	aye
	Tom Driessen	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye

Motion Carried

It was moved by John Moore, seconded by Gene Rosin, that checks numbered 41222 to 41655 in the amount of \$5,409,442.58 be approved for payment.

Roll Call Vote:	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.

Manager of Electric Distribution, Eric Miller advised the Commission he is working with ATC on the Combined Locks Substation distribution lines. Soil testing at the Ann Street Substation will take place soon. The design layout for the Tobacnoir Substation is complete; next comes the technical specs. The Fox River crossing project will take place this fall when loads are a bit smaller since we'll be operating on a 2nd contingency without backup. The roundabout at J and Hwy 41 is also in the works.

Manager of Generation and Operations, Mike Pedersen's Department continues to work on the Kaukauna City Plant trash rack replacement with new underground power feed. FERC is currently on site at the Combined Locks Sub. The controls upgrade at Combined Locks Sub is finished.

Water Superintendent, Kevin Obiala told how the Water Department is operating and checking valves; repairing those that are broken and continuing leak detection. KU Water personnel will include clear water inspections for the City while completing residential cross connection surveys. The water main relay project on Main Avenue is complete and concrete restoration is underway. A new roof was installed on main reservoir.

Manager of Information and Technology, Don Krause explained the IT Dept is migrating to virtual servers to capitalize on hardware investments and gain more efficiency with real time maintenance without affecting other systems. Verizon bought Alltel. KU has Alltel service for our large power meters which involves 39 cellular phones and will be working with Verizon going forward.

Manager of Finance and Administration, Mike Kawula advised the Commission a memo has gone to Staff which addresses the 2010 budget process timeframe. Credit card fees have risen to about \$35,000 per year. The Public Service Commission (PSC) does not allow KU to pass those fees on to the customer. Mike will explore other options and make a recommendation at a future Commission meeting.

Manager of Human Resources, Denise Vanderloop HR will attend a meeting in September in Madison as KU and the City move toward open enrollment Oct 5 – 25th. New insurance rates will be released on September 1st by the Insurance Commission. Denise is also working on FMLA standards. Denise met with United Heartland, workers comp carrier, to

combine KU and the City under one account manager; a meeting is scheduled with union reps to move toward random drug testing for all KU employees. Bids were received for the Employee Assistance Program. Denise will evaluate and combine programs where possible.

General Manager, Jeff Feldt advised the Commission that LEEDs certification has been submitted and KU is solidly in the gold class. The September Commission meeting will take place at the new John Street Hydro Plant. Commissioners are invited to attend the MEUW Lineman Rodeo in Sturgeon Bay on September 12th and the WPPI Energy Annual Meeting in Green Lake also in September.

It was moved by Gene Rosin, seconded by Bill Vanderloop to adjourn to Closed Session pursuant to Wis. State Statute 19.85(1)(e) - Acquisition of Property at 5:38 p.m.

Roll Call Vote:	Tom McGinnis	aye
	Tom Driessen	aye
	Lee Meyerhofer	aye
	Bill Vanderloop	aye
	Gene Rosin	aye
	John Moore	aye

Motion Carried

It was moved by Lee Meyerhofer, seconded by John Moore to return to Open Session at 6:05 p.m.

All members voted aye	Motion Carried
-----------------------	----------------

It was moved by Tom McGinnis, seconded by Tom Driessen to adjourn.

All members voted aye	Motion Carried
-----------------------	----------------

The meeting ended at 6:05 p.m.

Thomas J. McGinnis
Secretary