

Kaukauna WI
January 25, 2010

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, Don Krause, Denise Vanderloop, Kevin Obiala, Ron Roberts, Eric Miller, Mark Biddle and Jason Wegand from KU. Roy Van Gheem from the Village of Little Chute, Terry Peterson from AECOM, Jim Brown from WPPI Energy, Brian Roebke from the Times Villager, Bobbie Beckman from the HOV Chamber of Commerce, Brad Beckman, Karen Brooks and Dianna Driessen were also present. Tim Roehrig, Paul Grode, Brock Barrington and Justin Balster from Kaukauna High School, Dave Roloff, Dave Kobs, Robert Bantels, Bill Baumgartner, John Stark, Bill Button, Amanda Spreeman, and Peter Kurtt from Roloff Mfg were also present.

It was moved by Gene Rosin, seconded by Tom McGinnis to excuse the absence of Commissioner Cindy Fallona.

All members voted aye

Motion Carried

It was moved by Tom McGinnis, seconded by Gene Rosin to approve the minutes of the December 16, 2009 regular Commission meeting as written.

All members voted aye

Motion Carried

Public Comment: Dave Roloff from Roloff Manufacturing addressed the Commission. Roloff advised the Commissioners he received a disconnect notice for being late with his December payment. The Roloff family has been in business in Kaukauna since the 1940's and has felt the effects of poor economy with decreased orders and income. High utility bills are creating a burden for the company. Roloff has installed energy conservation measures, but still has higher bills each year. Roloff requested his bill be adjusted, written off or at best have the demand side of the bill removed.

General Manager Jeff Feldt commented that even though hydro power affords low rates for both residential and commercial Kaukauna Utilities customers, KU is still required to purchase more than 80% of the energy used by those same customers. As purchased power rates increase, so do customer rates.

Commission President Lee Meyerhofer went on to say the Utility Commission has an obligation to treat all customers fairly and follow the guidelines established by the Wisconsin Public Service Commission (PSC). Roloff Manufacturing cannot be treated differently than any other Utility customer. The Utility is required to follow the rate structure, which includes the demand charge, established by the PSC.

It was moved by Lee Meyerhofer, seconded by Bill Vanderloop to direct the General Manager and Manager of Finance to work out a payment plan with Roloff Manufacturing that makes sense from a business standpoint without jeopardizing the rate schedule set forth by the PSC.

Roll Call Vote

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

Motion Carried

Tim Roehrig, Instructor of the KHS Civic Engagement Class updated the Commission on the improvement plans for Rapide Croche Park. Three students Paul Grode, Brock Barrington and Justin Balster talked about their goals for the semester to clear out the garbage, build a bridge to span the ravine and remove an old fence. The bridge is complete and most of the garbage has been removed. The majority of the walking trail is cleared. Next semester students will build stairs from the parking lot down to the river, build an observation deck, finish clearing walking trails and cover all the trails with mulch. The students have learned time management, how to work and communicate as a team and project planning including material costs. Tim Roehrig thanked the commission for giving the students an opportunity to be actively involved in a community project. This class has grown from a handful of students to more than 70 students registered for next semester.

Terry Petersen from AECOM addressed the Commission with regard to the Village of Little Chute project to build a recreation trail and bridge across the navigation canal on Utility property. The Village needs approval by the Utility Commission as land owner for the project in order to apply for a Chapter 30 water regulatory permit from the Wisconsin Department of Natural Resources (WDNR). Roy Van Gheem, Village of Little Chute Director of Public Works explained this project would potentially connect with the Appleton Fox River Scenic byways plan which runs along the Fox River from Menasha to Green Bay.

It was moved by Tom McGinnis, seconded by Gene Rosin to authorize the Village of Little Chute to route a portion of the proposed Island Park to Heesakker Park Pedestrian Trail over the property owned by Kaukauna Utilities adjacent to the Combined Locks Dam contingent on Kaukauna Utilities being free of any additional liability exposure due to placement of the trail along this property.

All members voted aye

Motion Carried

Eric Miller, Manager of Electric Distribution reviewed the bids submitted for the structures required for the river crossing project to connect the Combined Locks Substation with loads in the Village of Little Chute. These structures will take one 34.5 kV circuit and one 12.5 kV circuit across the Fox River (about a 1500' span). The bids include quotes on weathered or core ten steel poles and galvanized steel poles.

It was moved by Bill Vanderloop, seconded by Gene Rosin to authorize the General Manager to award the bid for the 34.5 kV River Crossing Structures to Thomas and Betts for weathered steel poles in the amount of \$294,357.

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

Motion Carried

Mike Pedersen, Manager of Generation and Operations advised the Commission his department received bids for a small bucket truck to be used by the electricians in their daily work. The new truck is in the 2010 budget and will replace a 2000 Chevy C2500 pickup truck. KU will bring 4 vehicles to auction this year.

It was moved by John Moore, seconded by Gene Rosin to authorize the General Manager to issue a purchase order to Utility Sales and Service for a Versalift model Tel-29EIH telescoping aerial device and Brand FX model BFXB-60D contoured fiberglass service body mounted on a 2010 GMC 3500 4 x 4 chassis cab in the amount of \$59,984.

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

Motion Carried

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

All members voted aye	Motion Carried
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It was moved by John Moore, seconded by Gene Rosin, that checks numbered 42588 through 42882 in the amount of \$4,923,811.95 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.

Staff reports:

Eric Miller advised the Commissioners in winter engineering ramps up and construction goes down. Two new roundabouts along the Hwy 41 corridor will be in Kaukauna Utilities service area. Miller will continue to work with the WI DOT on that project. The line crew is working on Buchanan in Little Chute sorting out and getting secondary services back to normal.

Mike Pedersen reported he is working with consultants to file documents in the Badger Hydro project. On the positive side, FERC has sided with KU on minimum river flow levels. However the DNR is still a stumbling block in the process. There is a meeting set for February 1st with the DNR. They can deny the 401 Water Quality Certification Permit required for the project. The Kimberly Hydro purchase from NewPage is moving along well. NewPage submitted the FERC license transfer with assistance from KU's Washington D.C. based FERC Attorneys. The Asset Purchase Agreement will likely be on the February agenda.

Water Superintendent, Kevin Obiala gave a department update. It's been a mild winter with three water main breaks. The Water crew is doing maintenance inside well buildings, testing large meters and continuing cross connection surveys. Obiala is working on the water conservation plan for 2010. The toilet rebate program is going well and consideration is being given to including a high efficiency washing machine rebate to conserve more water.

Manager of Information & Technology, Don Krause advised the Commission the IT Department has finished the email migration from GroupWise to Microsoft Outlook. One project carried over from 2009 is the conversion to Wonderware for Appleton Coated. A new function of our GIS is to inventory, track and monitor all street lights and security lights on our system.

Manager of Finance and Administration, Mike Kawula advised the Commission Accounting has finalized the agreement with Paymentus with regard to credit card user fees. We will send letters by direct mail to customers the end of March encouraging them to sign up for Pre-Authorized-Payment. Accounting is also working on closing all financial reports for 2009.

Manager of Human Resources, Denise Vanderloop has completed the Safety Eye Wear Policy and distributed it to all KU employees. A wholesaler will come to KU twice each year to meet with employees requiring prescriptive safety glasses. Those who use it will save. The KU portion of the bill will be capped at \$150.

Jeff Feldt presented the 2009 Final Work Plan. Commissioner John Moore commented the project costs at the beginning and end would be helpful when figures are available. Overall, goals were achieved; capital funds were saved when projects came in under budget. KU received a Platinum rating in the APPA RP3 process. We will strive for a Diamond rating when we apply again in two years. The IRS has authorized KU as eligible to receive up to \$25.4 million in Clean Renewable Energy Bonds (CREB) for the Badger Hydro Project if necessary. Jeff provided the commission with a 10-year span of annual reliability indices indicating why KU does planned maintenance, rebuilds facilities and is aggressive on tree trimming on our lines. KU will continue to strive for the goal of five nines (99.999%) reliability. The Certificate of Authority from the Public Service Commission has been issued for the Kimberly Hydro Plant. The Commission commended the staff for the expedient and organized manner in which this NewPage / Kimberly Hydro purchase has progressed.

Jeff Feldt introduced Jason Wegand, Union Chairman for local IBEW 2150. Jean Ebben in the Billing Department will retire this spring and KU is advertising for a new Billing Clerk.

The meeting ended at 6:00 p.m.

Thomas J. McGinnis
Secretary