

Kaukauna WI  
June 16, 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, Tom McGinnis and Cindy Fallona. Also present were Jeff Feldt, Mike Pedersen, Mike Kawula, Don Krause, Denise Vanderloop, Kevin Obiala, and Eric Miller from KU; Jim Brown, Tim Ament and Tammy Freeman from WPPI Energy; Jeff Ehlers from Renewegy LLC; Brian Roebke from the Times Villager, Diana Driessen and Karen Brooks.

It was moved by Bill Vanderloop, seconded by Gene Rosin to approve the minutes of the May 19, 2010 regular Commission meeting as written.

All members voted aye

Motion Carried

There was no public comment.

Manager of Finance and Administration, Mike Kawula introduced Tammy Freeman, Manager of Billing & Rate Services for WPPI Energy to the Commission. Tammy outlined the steps in the electric rate application process and gave reasons Kaukauna Utilities needs an electric rate increase – to recover increases in operation and maintenance expenses, recover costs of local improvements, evaluate how revenues recover the cost of providing service by rate class and roll current PCAC charges into base rates. The Public Service Commission (PSC) will review the application and determine the overall rate increase.

It was moved by Lee Meyerhofer, seconded by Cindy Fallona to authorize finalization and submittal of the 2010 Electric Rate Study to the Public Service Commission requesting an overall rate increase of 2.04% with no one rate class to receive a rate decrease.

Roll call Vote:

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

Motion Carried

Mike Kawula advised the Commission the 2010 Water Rate Study will allow KU to continue to adequately cover current operating costs, maintenance costs and capital additions. Due to decreases in residential and industrial sales and an increase in estimated operating costs, KU projects a declining rate of return which necessitated the full rate study in 2010.

It was moved by Tom McGinnis, seconded by Gene Rosin to authorize finalization and submittal of the 2010 Water Rate Study to the Public Service Commission requesting an overall rate increase of 12%.

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

Motion Carried

General Manager Jeff Feldt and Energy Services Rep Jim Brown have been working with Kaukauna High School and the School Board to move forward with a small-scale wind turbine demonstration project on KHS property. KU would fund the project through Commitment to Community and Energy Conservation funds. The school board approved the project at their June 14<sup>th</sup> meeting.

It was moved by John Moore, seconded by Tom Driessen to approve a small-scale wind turbine demonstration project in conjunction with Kaukauna High School, as proposed by Renewegy, LLC, at an out-of-pocket cost not-to-exceed \$100,000 and authorize staff to negotiate and execute project agreements with Renewegy, LLC and the Kaukauna Area School District.

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

Motion Carried

As part of the over-all KU conservation effort, Water Superintendent Kevin Obiala discussed a proposed Water Conservation Standards Ordinance with commissioners. Restrictions would be in effect during the middle of the day when the greatest stress on the water distribution system is present. The ordinance would encourage early morning and night watering.

It was moved by Tom McGinnis, seconded by Cindy Fallona to approve the Water Conservation Ordinance which would then go to the City Common Council for approval.

All members voted aye

Motion Carried

It was moved by Tom McGinnis, seconded by Bill Vanderloop 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
	Cindy Fallona	aye

Motion Carried

It was moved by John Moore, seconded by Tom Driessen, that checks numbered 43995 through 44256 in the amount of \$5,089,214.70 be approved for payment.

Roll Call Vote:	Cindy Fallona	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.

Manager of Electric Distribution Eric Miller informed the Commission the house move near the Agricultural Park went without a hitch last Sunday. Construction started this week on the Tobacnoir Substation. Meter techs are reprogramming large customers' meters in response to arc flash studies and the national safety code. The poles for the river crossing will arrive this Friday. The 5<sup>th</sup> Annual MEUW Lineman Rodeo is this Friday in Little Chute.

Manager of Generation and Ops, Mike Pedersen advised the Commission FERC was here for annual inspections this month and didn't find any problems. At the Ops meeting today IT made great strides in the controls upgrade with the operators. For the past few weeks, hydro crews have been fighting weeds in the river. Normal rack raking occurs once or twice a month this time of year, but this year it is necessary every day including weekends or the weeds cause problems and shut down units. Line crew and water crew personnel are helping out.

Water Superintendent, Kevin Obiala told commissioners the water crew is continuing to test system valves, residential cross connection surveys, helping the hydro crew and working with Roger Bowers Construction on Draper Street.

Manager of Information and Technology, Don Krause updated the Commission on IT work. With Dan Goffard helping on the controls upgrade, the meeting with the

operators was successful with input from all – from the device to the operator. Don was able to analyze the phone system during an outage. Calls need to be routed to the operations center not the main line for more efficient customer service. The IT Advisory Group will have the task to analyze the proposals for the new CIS system.

Mike Kawula told the commission Lin Collins retired after 40 years service here at KU. The Accounts Payable Clerk position was filled internally creating an opening for a Billing Clerk. A temp employee is helping out until that transition can become permanent. The Build American Bonds sale was retracted due to increased activity and high rates. The bond issuance will be postponed until the July 20th City Council meeting.

Manager of Human Resources, Denise Vanderloop has updated and distributed the Safety Shoe policy. All non-represented employees have received their job descriptions to be updated in preparation for the compensation program and interviews are in the final stages for the new Billing Clerk.

Jeff Feldt updated the Commission on the Badge Hydro relicensing. The DNR is ready to issue the 401 water certification. KU and the DNR have reached agreement on all issues except the 300 cfs minimum flow requirement. An appeal to the law judge may be in order to prevent additional costs of approximately \$295,000 per year due to the DNR required flow at 300 cfs. Mike Preissner has graduated from the Industrial Electrician Apprentice Program. Eric Miller and Erin Willems have graduated from the MEUW Management Certification Program. KU received a 2009 MEUW Safety Award. The WI Office of Energy Independence will hold their quarterly meeting at the 1000 Islands Environmental Center in August. The topic will be Energy Sustainability and Economic Development. Jeff invited the Commission to the Lineman Rodeo on Friday in Little Chute.

It was moved by Tom McGinnis, seconded by Bill Vanderloop to adjourn.

The meeting ended at 5:31 p.m.

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Thomas J. McGinnis  
Secretary