

Kaukauna WI
August 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, Lee Meyerhofer, Tom McGinnis and Cindy Fallona. Also present were City Attorney Paul Van Berkel; Jeff Feldt, Mike Pedersen, Don Krause, Denise Vanderloop, and Kevin Obiala from KU. Brian Roebke from the Times Villager and Karen Brooks were also present.

It was moved by Tom McGinnis, seconded by Gene Rosin to excuse the absent commissioners Tom Driessen, John Moore and Bill Vanderloop.

All members voted aye Motion Carried

It was moved by Gene Rosin, seconded by Cindy Fallona to approve the minutes of the July 28, 2010 regular Commission meeting as written.

All members voted aye Motion Carried

There was no public comment.

General Manager Jeff Feldt advised the Commission WPPI Energy has made a recommendation that beginning in 2011 all Wisconsin members participate fully in Focus on Energy. Currently KU administers a local Commitment to Community (CTC) program for energy conservation. In 2009 WPPI elected to participate in Focus' energy conservation programs, paying \$850,000 and receiving more than \$3.2 million in financial incentives for member customers. In 2011 the Public Service commission (PSC) will require each WPPI member utility either fully participate in Focus on Energy and eliminate their CTC program, or locally administer their own CTC program and not participate in Focus. This will not be an additional cost to the utility as funds currently collected under the CTC energy conservation program will be contributed to Focus as permitted under 2005 Wisconsin Act 141.

It was moved by Gene Rosin, seconded by Tom McGinnis to authorize Kaukauna Utilities to opt into full participation in Focus on Energy beginning in 2011 by contributing CTC collected funds as permitted under 2005 Wisconsin Act 141.

Roll call Vote:	Gene Rosin	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye
	Cindy Fallona	aye

Motion Carried

Jeff Feldt discussed the 2002 Easement between KU and WPPI Energy for ingress, egress and placement of utilities at the Central Substation in conjunction with the Island Street Peaking Station. Additional improvements have been made to the site since 2002 and WPPI has requested an amendment to the easement to accurately reflect the current status of the easement area.

It was moved by Tom McGinnis, seconded by Cindy Fallona to approve an Amendment of Grant of Utility and Access Easements between Kaukauna Utilities, an enterprise fund of the City of Kaukauna and WPPI Energy on property at 700 Island Street (Central Substation) subject to approval by the City Attorney and recommend approval of the same to the city of Kaukauna Plan Commission and City Council.

All members voted aye

Motion Carried

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

Roll Call Vote:

Tom McGinnis	aye
Gene Rosin	aye
Lee Meyerhofer	aye
Cindy Fallona	aye

Motion Carried

It was moved by Gene Rosin, seconded by Cindy Fallona, that checks numbered 44537 through 44860 in the amount of \$5,282,492.24 be approved for payment.

Roll Call Vote:

Cindy Fallona	aye
Gene Rosin	aye
Tom McGinnis	aye
Lee Meyerhofer	aye

Motion Carried

The commission reviewed the monthly reports.

Jeff Feldt updated the Commission on the Electric Distribution Department. Michel's Power will begin the River Crossing project, placing footings, after Labor Day. The Tobacnoir Substation is progressing now after rain delays. There were two recent outages, one on the south side and one at Thilmany.

Manager of Generation and Ops, Mike Pedersen advised the Commission the weeds are getting better. Heavy rains have delayed dive inspections required by FERC, but will proceed as five sites need to be inspected this year. FERC issued the Environmental Assessment for the Badger Project. FERC is requiring a minimum flow of 200 cfs year round with 1500 cfs in the spring for 4-6 weeks for fisheries. The 1500 cfs in the spring should not be an issue as there are

usually high flows during that time. The DNR again asked KU to contact the Corps of Engineers about access to the river through their property. The Corps has repeatedly said they will not provide access and will not operate gates to provide minimum flows. The generator repair at City Plant will require replacement of all the blades. A target date of March 1, 2011 is set for the unit to be back in service.

Water Superintendent, Kevin Obiala told commissioners the water crew is working with Bowers Construction on the Draper Street water main relay, hauling trash and debris from rack raking at the hydro plants, operating valves and repairing water main breaks. The DNR notified KU on August 13 that two of five samples taken on August 11 tested positive for coliform bacteria. Upon notification, KU immediately began flushing the distribution system and monitoring chlorine disinfectant residual levels. An additional 17 samples taken on August 13 tested negative for coliform bacteria, confirming that the water system did not contain harmful bacteria. Although no further action was required by the DNR, KU does have to send notice to each water customer.

Manager of Information and Technology, Don Krause gave the Commission an update on IT work. Interviews for the IT Intern are scheduled and Don visited ATC in Pewaukee to observe control center technologies. The Wonderware project is still moving forward and will include the new Tobacnoir Sub. Don is working on getting fiber for the river crossing and Tobacnoir Substation to keep everything connected.

Jeff Feldt told the commission in Finance and Accounting, Dayna Holmes has been hired as the new Billing Clerk and Amanda Marks will move to the Accounts Payable Clerk position in the front office. Mike Kawula is working with the PSC on the electric and water rate studies; and just started the 2011 budget process.

Manager of Human Resources, Denise Vanderloop gave the Commissioners the No Smoking Policy and removed the Tool Use Policy. HR has sent a memo to employees with Benny card changes for 2011 with over-the-counter items not qualifying for FSA funds. The maximum amounts deposited into an FSA will also be affected.

Jeff Feldt discussed the Quarterly bill comparison figures which are still very competitive especially with WPS planning a 6.9% increase. Jeff invited the Commission to the WPPI Energy Annual meeting next month in Green Bay.

It was moved by Tom McGinnis, seconded by Gene Rosin to adjourn to closed session pursuant to Wis. State Statute 19.85(1)(g) – with Legal Counsel about litigation re: Van Den Heuvel v. City of Kaukauna at 4:49 p.m.

Roll Call Vote:	Lee Meyerhofer	aye
	Cindy Fallona	aye
	Gene Rosin	aye
	Tom McGinnis	aye

Motion Carried

It was moved by Tom McGinnis, seconded by Gene Rosin to return to Open Session at 4:58 p.m.

All members voted aye

Motion Carried

It was moved by Gene Rosin, seconded by Cindy Fallona to adjourn.

All members voted aye

Motion Carried

The meeting ended at 5:00 p.m.

Thomas J. McGinnis
Secretary