

Kaukauna WI
November 16, 2011

The regular meeting of Kaukauna Utilities Commission was called to order at 7:00 p.m. by President Lee Meyerhofer. Commission members present were Gene Rosin, Bill Vanderloop, Tom Driessen, Lee Meyerhofer, Tom McGinnis, and John Moore. Also present were Paul Van Berkel, City Attorney, Jeff Feldt, Denise Vanderloop, Mike Pedersen, Eric Miller, Don Krause, Kevin Obiala, and Mike Kawula from KU. Pat Connors from WPPI Energy, Brian Roebke from the Times Villager, Karen Brooks and Dianna Driessen were also present.

It was moved by Bill Vanderloop, seconded by Gene Rosin 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 October 19, 2011 regular Commission meeting as written.

All members voted aye Motion Carried

There was no public comment.

Commissioner Cindy Fallona arrived at 7:05 p.m.

Commission President Lee Meyerhofer welcomed Pat Connors, Senior Vice President – Power Supply from WPPI Energy. Pat Connors told the Commission WPPI visits each member utility every other year to present an opportunity for governing board members to ask questions and get an update on what is happening at WPPI. Connors and others visited new hydro plants under construction in Manitoba, Canada. WPPI Energy may purchase the output from one of the new hydro plants in the future. WPPI continues to look to the future with a diverse portfolio of power resources. The recent purchase of output from the Point Beach nuclear plant has improved greenhouse gas emission levels. If federal legislation comes into play, WPPI will be in good shape as compared to the national average. Rate increases are projected to stay 2% or lower over the next 3 years. Energy conservation still remains the best way to offset the need for new generation. Wind resources are available, but the Midwest needs more transmission to accommodate all the wind farms. WPPI continues to be active in regulation and legislation at both the state and federal levels.

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

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

Motion Carried

It was moved by Tom McGinnis, seconded by Cindy Fallona that checks numbered 48549 through 48930 in the amount of \$7,165,915.02 be approved for payment.

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

Motion Carried

The Commission reviewed the monthly reports.

Staff reports:

Manager of Electric Distribution Eric Miller told the Commission the APPA panel accepted the KU RP3 application. The line crew is rebuilding Hwy ZZ and working on Holland and Rosehill Road rebuilds. Eric is working with an engineering group on the potential expansion to the south of the City. The crews are also getting ready for the OO rebuild and the new Ann Street Substation. Consideration will be given to the property around the substation since it is a high traffic area by the schools.

Manager of Generation and Ops Mike Pedersen advised the Commission that RCP generators were dry ice cleaned at the end of October and the trash racks have been repaired. On November 2nd and 3rd City of Kaukauna personnel and KU staff participated in EOC training and completed a tabletop exercise required by FERC. The turbine for the City Plant has arrived. That unit will be back in service mid December. At Rapide Croche Park, the viewing platform is installed however the park closes the end of this week.

Water Superintendent Kevin Obiala indicated all hydrants have been checked and winterized. KU water employees will job shadow Hydro Designs to learn commercial cross connection surveys. KU personnel will take that over in 2012. The crew has also been helping the hydro maintenance department rake racks.

Manager of Information and Technology Don Krause attended desktop virtualization training. The KU web page has been modified to include the Badger Hydro Project. At the Kimberly Hydro, a building was razed which took out our communication lines. IT had to reroute to the new fiber installation and communication was restored.

Manager of Finance and Administration Mike Kawula advised commissioners the auditors will be here in December to begin field work. Mike continues to work on the electric rate study. Accounting staff is working with Paymentus with regard to online bank payments.

Manager of Human Resources Denise Vanderloop explained that open enrollment for health insurance ended October 28th. Flex spending forms are due November 23rd and Leadership training for managers will begin in January 2012 with six 3-hour sessions planned.

General Manager Jeff Feldt discussed the progress with the Badger Hydro Project. The efforts over the past 10 years are coming together very well. The Open House is scheduled for December 7th and invitations will be mailed this week to all KU customers. The CA has been filed with the PSC. Mike Kawula is working with Sergeant & Lundy on the final financial analysis. Once that is completed and we get firm pricing from the contractors, we will have a firm project cost. Staff will have a recommendation prepared for the December commission meeting. The Hydro Park master plan meetings are progressing. City and Utility staff met with downtown business owners to obtain their feedback. The KU Succession Plan included with the RP3 application has been finalized. This gives KU the framework for planned retirements as well as possible unexpected losses of key staff.

It was moved by John Moore, seconded by Gene Rosin to adjourn to closed session pursuant to Wis. State Statute 19.85(1)(c) to consider employment, promotion, compensation or performance evaluation at 8:12 p.m.

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

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to return open session at 8:47 p.m.

All members voted aye	Motion Carried
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It was moved by John Moore, seconded by Tom McGinnis to approve 2012 compensation increases for non-represented employees as presented.

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

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to approve a 2012 wage adjustment for represented employees; as determined on September 28, 2011 by the Secretary of Revenue Richard G. Chandler in a letter advising the Wisconsin Employment Relations Commission as to the CPI-U increase applicable to labor agreements beginning January 1, 2012; not to exceed 2% as stated in the labor contract.

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

Motion Carried

It was moved by John Moore, seconded by Tom Driessen to approve a 2.5% base increase and 2.5% merit increase for the General Manager for 2012.

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

Motion Carried

It was moved by John Moore, seconded by Tom Driessen to adjourn.

All members voted aye	Motion Carried
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The meeting ended at 8:50 p.m.

Thomas J. McGinnis
Secretary