

Kaukauna WI  
April 20, 2011

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, Tom McGinnis, John Moore, and Cindy Fallona. Also present were Paul Van Berkel, City Attorney, Jeff Feldt, Mike Kawula, Denise Vanderloop, Eric Miller, Mike Pedersen, Randy Vercauteren and Jason Wegand from KU. Tom Carmen from Schenck SC, Brian Roebke from the Times Villager, and Diana Driessen were also present.

It was moved by Lee Meyerhofer, seconded by Gene Rosin to suspend the rules of order and take agenda item #5 first.

All members voted aye                      Motion Carried

Human Resources Manager Denise Vanderloop advised the Commission the Generation and Operations Department requests one more summer help this year to catch up on maintenance not completed last summer due to weed control and the anticipation of more weeds in the river again this summer. Four summer help were approved at the February commission meeting.

It was moved by John Moore to authorize approval to hire an additional summer help position for 2011.

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

Motion Carried

It was moved by Bill Vanderloop, seconded by Tom Driessen to approve the minutes of the March 16, 2011 regular Commission meeting as written.

All members voted aye                      Motion Carried

There was no public comment.

Manager of Generation and Operations Mike Pedersen discussed the bids received for the Kimberly Hydro facility trash rack raking system. Two bids were received. The Ashland Hydro bid was low, but 8% higher than the 2011 Capital budget of \$250,000. The additional cost is necessary to adapt the new rack raker to the existing deck. Lunda was listed by both bidders as the installation contractor.

It was moved by Tom McGinnis, seconded by Cindy Fallona to approve the bid for the Kimberly Hydro trash rack raking system to Ashland Hydro Trash Raker in the amount of \$271,844, exceeding the 2011 budget for this project by \$21,844 (8%).

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

Motion Carried

Manager of Finance Mike Kawula introduced Tom Carmen from Schenck SC to present the 2010 audited financial statements to the commission. Schenck was able to give a clean opinion on the financial statements as all information required to be included was included. There were a few significant changes this year with the acquisition of the Kimberly Hydro plant and considerable substation work. Total net assets are \$56 million compared with \$54 million the prior year. Purchased power costs increased \$4 million during the same time frame. Tom Carmen continued with a comment concerning adjusting journal entries. Mike Kawula has developed a new procedure to limit access to adjusting journal entries as well as implemented a review process prior to posting. Carmen concluded with saying they found nothing wrong and only suggested this one improvement.

It was moved by John Moore, seconded by Tom McGinnis to accept the 2010 Financial Statements as presented by Schenck SC and Kaukauna Utilities' staff.

All members voted aye	Motion Carried
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It was moved by John Moore, seconded by Gene Rosin to approve the accounts receivable write offs.

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

It was moved by Tom McGinnis, seconded by John Moore, that checks numbered 46594 through 46896 in the amount of \$9,551,779.86 be approved for payment.

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

Motion Carried

The commission reviewed the monthly reports.

Staff reports:

Manager of Electric Distribution Eric Miller commented the crews did a great job during the storm restoration work, especially dealing with the curious public. Almost half of the utility employees were involved in the outage management and storm recovery. Safety was of prime importance and both city and utility crews worked without incident which is very commendable. Once power was restored here, six linemen went to Menasha to help out. The GIS field inventory is going well with plans to integrate work orders into the system. The hybrid bucket truck arrived today. KHS art students are working on a design for the truck denoting green energy.

Manager of Generation and Operations Mike Pedersen advised the commission there is too much water right now and the crew will pull boards at John Street. They have spotted some weeds already. The new Wonderware screens have been implemented and each facility will be tested beginning with Kaukauna North and finishing in the fall with Combined Locks.

Water Superintendent Kevin Obiala told the commissioners he will update the emergency action plan as a result of the tabletop exercise. Cross connections, checking valves, and leak detection continue. Kevin is also working with GIS updates for the water system.

Manager of Finance and Administration Mike Kawula commented now that 2010 is over, he can complete all year end reports and surveys and send the information to bond rating agencies. Customer service sent about 1,100 disconnect notices. They have set up about 450 payment plans this first week. Due to the cold weather, no disconnects will happen this week.

Jeff Feldt presented the 2011 1<sup>st</sup> quarter work plan and invited the commissioners to call if they have questions. Diane Hermsen graduated from the APPA Customer Service Management program. At the National lineman rodeo in Nashville, our crew finished with a perfect score but only lost on time. KU will work with Park Community Charter School through the NEED science based program. No funds will be spent, only time and expertise of the managers will be needed. Jeff commented he has worked a lot of storms over the years and was very impressed that even with the magnitude of the recent tornado, how well the restoration went. The cooperation between the city crews and utility crews was outstanding and Jeff was very proud of all KU employees. Jeff called attention to the Kimberly Hydro operational statistics which have exceeded predictions and accelerated our return on investment. The

Commission will elect new officers at the May meeting. The MEUW Annual Conference will be in Appleton in June and the APPA National Conference will be held in Washington DC also in June.

It was moved by Bill Vanderloop, seconded by Gene Rosin to adjourn to closed session pursuant to Wis. State Statute 19.85(1)(e) to discuss Voith Hydro Badger Project negotiations at 5:14 p.m.

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

Motion Carried

It was moved by Tom McGinnis, seconded by Gene Rosin to return to Open Session at 6:00 p.m.

All members voted aye	Motion Carried
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It was moved by John Moore, seconded by Tom Driessen to authorize Staff to proceed with negotiations with Voith Hydro using Scenario 1 as outlined in their proposal for the Badger Hydro Project.

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

Motion Carried

It was moved by Gene Rosin, seconded by Tom McGinnis to adjourn.

All members voted aye	Motion Carried
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The meeting ended at 6:02 p.m.

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Thomas J. McGinnis  
Secretary