

Kaukauna WI
January 18, 2006

Commission President, Lee Meyerhofer, called the regular meeting of Kaukauna Utilities Commission to order at 4:00 p.m. Commission members present were John Lambie, Bill Vanderloop, Tom Driessen, Lee Meyerhofer, Joe Verhagen, Tom McGinnis and Brian Paschen. Also present were Paul Van Berkel, City Attorney, Jeff Feldt, Mike Kawula, Don Krause, Kevin Obiala and Mike Bergner from KU.

It was moved by Bill Vanderloop, seconded by Tom Driessen to approve the minutes of the December 21, 2005, Regular Commission meeting as written.

All members voted aye

Motion Carried

There was no public comment.

It was moved by John Lambie, seconded by Bill Vanderloop to suspend the rules of motion and go on to Agenda item # 4 Accounts Receivable Write-offs.

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

Roll Call Vote:

John Lambie	aye
Bill Vanderloop	aye
Joe Verhagen	aye
Tom Driessen	aye
Lee Meyerhofer	aye
Tom McGinnis	aye
Brian Paschen	aye

Mike Kawula advised the Commission that KU staff has researched and reviewed a variety of replacement accounting software packages for the Solomon Accounting System. Solomon is not a "full" fund accounting system and this causes difficulty when separating electric utility financial information from the water utility financial information. Solomon also does not provide adequate fixed asset or continuing property record systems. As a result these items must be maintained outside the current accounting system with no cost-effective way to interface the data to Solomon. With the implementation of GIS, KU requires an accounting system which can be easily accessed and interfaced with the work order process and other GIS applications. Based on the review, the Caselle software was determined to meet or exceed KU's financial reporting needs. The 2006 Budget process included \$200,000 for purchase of a new accounting system.

It was moved by Joe Verhagen, seconded by Tom Driessen to accept the agreement with Civic Systems, LLC and purchase the Caselle Accounting Software for \$123,700, which includes licensing, conversion, training, interface and on-site assistance.

Roll Call Vote:	Bill Vanderloop	aye
	Tom Driessen	aye
	Lee Meyerhofer	aye
	John Lambie	aye
	Brian Paschen	aye
	Joe Verhagen	aye
	Tom McGinnis	aye

Motion Carried

It was moved by Brian Paschen, seconded by Tom McGinnis that checks numbered 029808, 029941 to 030049 in the amount of \$521,262.26; and 029940, 030050 to 030145 in the amount of \$3,821,192.70 be approved.

Roll Call Vote:	Brian Paschen	aye
	Bill Vanderloop	aye
	John Lambie	aye
	Joe Verhagen	aye
	Tom McGinnis	aye
	Tom Driessen	aye
	Lee Meyerhofer	aye

Motion Carried

The commission reviewed the monthly reports.

General Manager Jeff Feldt informed the commission that Calpine Corporation filed bankruptcy on December 20, 2005. At that time they were current on their bills as their bills were due December 21, 2005. They have six accounts with one account being 95% of the total. This pre-petition amount, \$230,525, is now protected under the bankruptcy. Calpine has been billed \$55,100 post-petition that is due on January 23, 2006. KU negotiated a \$300,000 deposit to be wired to KU no later than 5:00 p.m. January 27, 2006.

Water Superintendent, Kevin Obiala, presented reports showing second quarter results of radium samples. The radium levels have been reduced dramatically from 5.0 to less than 1.0.

Kevin Obiala also informed the commissioners that on March 6, 2006 an emergency response training session involving a major water disaster simulation has been scheduled.

Manager Feldt talked about the Island Street Peaking Plant repairs. The Maintenance Department will have one of the engines back in service by the week of January 23rd. The goal is

to have both engines back on line by the 1st of February. WPPI is preparing a final report which will include remedies so this problem doesn't happen again.

Manager Feldt also advised the commission that the Little Chute controls upgrade started a month ago and will be a \$1.1 million project. At the Combined Locks plant phase two of the controls project will be complete by the end of January. These projects will be coordinated with the upgrades on the new SCADA system.

The AMR changeover is 53% complete in Electric and 33% complete in Water. The goal for the end of 2006 is to have 75% Electric and 66% Water completed.

KU's RP-3 application was approved. This is a designation based on reliability safety and other operational factors. KU will have the designation as a reliable public power provider.

It was moved by Tom Driessen, seconded by Mayor Lambie to adjourn to closed session pursuant to WI. State Statute 19.85(1)(g) Vanden Heuvel vs. City of Kaukauna at 4:45 p.m.

It was moved by Tom Driessen, seconded by Tom McGinnis to return to Open Session at 5:37 p.m.

It was moved by John Lambie, seconded by Joe Verhagen to recommend that City Attorney Paul Van Berkel send a letter to Mr. Vanden Heuvel's attorney indicating KU will patch the road at the expense of Kaukauna Utilities while moving toward a solution of the case.

It was moved by Tom McGinnis, seconded by Joe Verhagen to adjourn to closed session pursuant to WI. State Statute 19.85(1)(e) Goldin Recycling Property at 5:40 p.m.

It was moved by Tom Driessen, seconded by John Lambie to return to Open Session at 5:47 p.m.

The meeting was adjourned at 5:50 p.m.

John J. Lambie
Secretary