

Kaukauna WI
May 24, 2006

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, Joe Verhagen, Tom McGinnis and Brian Paschen. Also present were Paul Van Berkel, City Attorney, Jeff Feldt, Mike Pedersen, Don Krause, Mike Kawula, Kevin Obiala, Ron Roberts and Eric Miller from KU. Bev Matthews from WPPI, Diane Baumgart from the Times Villager, Karen Brooks, Peter Francis and Henry Dreschler were also present.

It was moved by Bill Vanderloop, seconded by Gene Rosin to approve the minutes of the April 19, 2006, Regular Commission meeting as written.

All members voted aye

Motion Carried

There was public comment from Peter Francis. Mr. Francis expressed concern that the water and sewer portion of a tenant's utility bill is transferred to the landlord's property taxes when the tenant moves and does not pay the outstanding balance even though the electric charges remain the responsibility of the tenant. Manager of Finance, Mike Kawula explained that WI State Statutes allow outstanding water and sewer charges to be placed on the landlord's bill. Attorney Van Berkel explained that according to state landlord/tenant law, any bill that can become a lien on the property may be deducted from the tenant's security deposit.

It was moved by Lee Meyerhofer, seconded by Tom Driessen to direct the Manager of Finance to give a summary, the statute and history of past practices as well as a recommendation of future procedures.

All members voted aye

Motion Carried

Bev Matthews, Assistant Vice President – Forecasting and Rates from WPPI presented the Electric Rate Study to the Commission. Ms. Matthews explained the rate of return has decreased over the past years. Ms. Matthews also explained that rates for each customer class should recover the cost to serve that class. The estimated overall rate increase is 1.07% although some classes will see a higher increase and others a lower increase.

It was moved by Lee Meyerhofer, seconded by Gene Rosin to direct Bev Matthews to submit a rate case on behalf of Kaukauna Utilities that results in a zero percent decrease to the largest customer class.

All members voted aye

Motion Carried

Manager Jeff Feldt advised the commission the Warehouse remediation bid in the amount of \$198,183.50 from EPS was the only bid received. Two other prospective bidders

declined to bid. STS had estimated the remediation project at \$207,000 to \$237,000. Manager Feldt informed the commission that the Department of Commerce has approved the KU grant application for \$100,000. KU will receive the entire amount applied for. The total remediation costs have increased from \$250,000 to \$320,000 due to changes to the soils management plan by the DNR. KU also will apply for a \$200,000 grant from the State of WI DNR to cover costs of remediation.

It was moved by Tom McGinnis, seconded by Joe Verhagen to proceed with the proposed Warehouse/Maintenance Facility Soil Remediation and award the bid to EPS Frederickson for a total amount of \$198,183.50.

Roll call Vote:	Gene Rosin	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye
	Brian Paschen	aye
	Joe Verhagen	aye
	Bill Vanderloop	aye
	Tom Driessen	aye

Motion Carried

Jeff Feldt reviewed the bids for the Crooks Avenue Water Main Replacement. Out of nine companies who presented bids for the project, Degroot, Inc. had the lowest qualifying bid. The city council approved the bid at their meeting earlier this week for the sanitary and storm sewer portion of the project.

It was moved by Bill Vanderloop, seconded by Brian Paschen to approve the bid submitted by DeGroot Inc for the Crooks avenue Water Main Replacement project in the amount of \$1,013,752.41.

Roll call Vote:	Lee Meyerhofer	aye
	Tom McGinnis	aye
	Tom Driessen	aye
	Brian Paschen	aye
	Gene Rosin	aye
	Joe Verhagen	aye
	Bill Vanderloop	aye

Motion Carried

The commission reviewed the bids for the Kaukauna City Plant – Unit #2 Rewind Project. There were three bids received. The lowest qualified bid was submitted by L & S Electric in the amount of \$233,425.

It was moved by Gene Rosin, seconded by Tom Driessen to award the contract for the Kaukauna City Plant Unit #2 Rewind Project to L & S Electric for the firm price of \$233,425.

Roll call Vote:	Brian Paschen	aye
	Bill Vanderloop	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye
	Joe Verhagen	aye
	Tom Driessen	aye
	Gene Rosin	aye

Motion Carried

General Manager Feldt advised the commission the 2006 capital budget included a replacement for truck #30, a 1989 Chevrolet K2500 4x4 pickup with plow. A new 2006 Chevrolet Silverado 3500HD will replace two vehicles, a 1989 Chevrolet 4 x 4 and the 1991 Dodge dump truck. Chevrolet has the only model that will meet the specifications due to job site clearances requiring a smaller dump truck.

It was moved by Gene Rosin, seconded by Tom Driessen to approve the purchase of a 2006 Chevrolet Silverado 3500 HD from Gustman Chevrolet at a cost of \$26,290 and a Rugby dump box and Knapheide tool box from Casper's Truck Equipment at a cost of \$11,589 for a total vehicle cost of \$37,879.

Roll call Vote:	Joe Verhagen	aye
	Tom Driessen	aye
	Gene Rosin	aye
	Brian Paschen	aye
	Bill Vanderloop	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye

Motion Carried

Commissioner Joe Verhagen asked the commission to consider widening the boundaries for Utility Commissioner Eligibility to residency in the KU service territory or ownership of a business located in the KU service territory. Discussion followed about the pros and cons of commissioners residing within the Kaukauna city limits.

It was moved by Lee Meyerhofer, seconded by Tom Driessen to not take any action at this time.

All members voted aye	Motion Carried
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It was moved by Bill Vanderloop, seconded by Brian Paschen to approve the accounts receivable write offs.

Roll call Vote:	Brian Paschen	aye
	Bill Vanderloop	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye
	Joe Verhagen	aye
	Tom Driessen	aye
	Gene Rosin	aye

Motion Carried

It was moved by Brian Paschen, seconded by Tom McGinnis, that checks numbered 030616 Void, 030775 to 030880 in the amount of \$3,443,642.36; and 029460 Void, 030881 to 030975 in the amount of \$705,527.49 be approved.

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

Motion Carried

The commission reviewed the monthly reports.

Manager Feldt updated the commissioners on the AMR project. The electric project is 60% complete. Water in Kaukauna is 45% complete and in Little Chute 47%.

The water rate hearing is scheduled for June 21st at 9:00 a.m. by telephonic conference.

Mike Pedersen discussed the Computerized Maintenance Management System recently implemented at KU. This new system is a positive tool to manage all aspects of maintenance. EPAC was at KU to do the CMMS training. This program will be a great aid for troubleshooting problems and tracking previous incidents.

Jeff Feldt talked about WPPI new member activity with Negaunee MI and Independence IA joining. There are an additional 15-20 utilities considering membership.

Jeff Feldt also invited the commissioners to attend the APPA National Conference in Chicago, June 10-14, 2006 and the MEUW Conference in Green Bay June 29-30, 2006.

It was moved by Tom Driessen, seconded by Tom McGinnis to adjourn to closed session pursuant to WI State Statute 19.85(1)(g) John Street Facility at 5:15 p.m.

All members voted aye

Motion Carried

It was moved by Tom McGinnis, seconded by Bill Vanderloop to return to Open Session at 5:47 p.m.

All members voted aye

Motion Carried

It was moved by Tom McGinnis, seconded by Brian Paschen to terminate the October 2004 commitment with Brownfield Solutions as developer of choice for the John Street property.

All members voted aye

Motion Carried

It was moved by Lee Meyerhofer, seconded by Joe Verhagen to authorize the General Manager to enter into a letter of intent with Shaw Environmental provided KU can arrange satisfactory cost sharing with other stake holders.

All members voted aye

Motion Carried

Commissioner Meyerhofer expressed interest in WPPI's intent to get involved in wind turbines as renewable energy. Manager Feldt talked about the renewable energy at the Outagamie County landfill. WPPI will be entering into an agreement to buy the energy produced by the landfill gas.

The meeting adjourned at 6:00 p.m.

Thomas J. McGinnis
Secretary