

Kaukauna, WI
March 21, 2018

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, Tom Driessen, Sue Hennes, John Moore, Tom McGinnis, Lee Meyerhofer, and Greg Lenz. Also present were Jeff Feldt, Denise Vanderloop, Mike Pedersen, Don Krause, Eric Miller, Kevin Obiala, Clara Pickett, Dave Pahl, and Amy Brick from KU, Diana Driessen, Karen Brooks, Keith Wendlandt, and Attorney Kevin Davidson.

It was moved by Tom McGinnis, seconded by John Moore to approve the minutes of the February 20, 2018 Commission meetings as written.

All members voted aye.

Motion Carried

Keith Wendlandt, 562 Royal St. Pat's Drive, Wrightstown spoke during public comment. He stated "Thank you for letting me come here. I've had the opportunity to review the minutes for the last year and I see that it's a rare occurrence that you have someone from the public actually come and speak, and I appreciate the opportunity to come and do that. I've just got two questions, and, it started with, well, let me back up. Typically I'm sure you've only seen people complain, people here when they're complaining about the tax rates or that their lights have gone out and they haven't come back on in the appropriate amount of time. I want to say that I've been very appreciative of the response that I've seen in Wrightstown the seven years that I've lived there. I think we've only had power outages three times that I can recall and they were very short durations and addressed relatively soon and rapidly and a couple of them were in very inclement weather and I'm sure it was not easy to do that, repairs to take care of that, and I appreciate that. With regard to the rate structure, I know that this is not the appropriate time for a public comment on the rate application, the rate increase application, I understand that. I was dealing with a death in the family and I wasn't able to attend the public comment section on January 18 when that was held here and I won't go into that but I do have a question somewhat related in that I understand is there was a significant reduction in the corporate tax rate from the Federal government from 35% to 21% recently which brings about a significant windfall of dollars for utilities, and I see that in a number of other states, down in Arizona in particular, there is a significant passing of that savings from the utilities for that tax reduction that is being passed along to the customers and I'm wondering if any of that monies that might be utilized by Kaukauna Utilities is going to help offset the potential rate increase that has been requested from the Public Service Commission. The other thing I noticed doing a little bit of homework before I came here, is that in addition to the fact that I'm only the second one in the last twelve months to come and speak publicly, and I don't want any recognition for that, but in your minutes, just trying to get an understanding of the flavor of the meetings you have here, in the minutes you, on a monthly basis, you approve the accounts payable and it averages between 5 and 5 ½ million dollars a month and I understand that is for expenses and projects and all the accounts that you have to do but I do see as well, immediately following that is write offs and there is, and I'm sure there is some privacy issues there, and I'm not looking to violate, but is there any way that that can be published the total amount to see if there is any trends or if it's a significant amount of monies that are being written off on a monthly basis, there's no details, and I don't want to see the details, but I think it would be nice to see maybe as a percentage or if there's huge fluctuations in the amount of write offs that are being granted on a monthly basis. Those are my two questions."

Commission President Lee Meyerhofer presented Mayor Gene Rosin with a retirement gift recognizing 12 years of service on the Utility Commission.

Manager of Human Resources Denis Vanderloop discussed the resolution adopting the ICMA Retirement Corporation Profit Sharing and Trust 401(a) Plan. Denise informed the Commission on January 17, 2018 the Commission approved the Utility to replace Nationwide Retirement with ICMA-RC as the plans record keeper.

It was moved by John Moore, seconded by Tom Driessen to approve the resolution to adopt the ICMA Retirement Corporation Profit Sharing and Trust 401(a) Plan Document.

All members voted aye.

Motion Carried

Manager of Human Resources Denise Vanderloop discussed the resolution adopting the ICMA Retirement Corporation Deferred Compensation Plan and Trust Document. Denise informed the Commission on January 17, 2018 the Commission approved the Utility to replace Nationwide Retirement with ICMA-RC as the plans record keeper.

It was moved by Gene Rosin, seconded by John Moore to approve the resolution to adopt the ICMA Retirement Corporation Deferred Compensation Plan and Trust Document.

All members voted aye.

Motion Carried

The Commission reviewed the monthly reports.

Staff reports:

Manager of Engineering & Electric Distribution Eric Miller informed the Commission crews have completed the Delanglade Street Corridor project and have started working on the Hwy ZZ project. Eric also informed the Commission the OO Substation Rebuild Project is progressing.

Manager of Information Technology Don Krause informed the Commission the web developers have been working on the new KU website. Don stated staff has added another security appliance to secure firewalls between all of the systems. Don also informed the Commission he is continuing to send phishing e-mails to employees.

Manager of Generation & Operations Mike Pedersen informed the Commission that R.A. Smith National completed the tailrace survey below the City Dam. Mike also stated the air emissions report for Elm Street was submitted to the WDNR. Mike also informed the Commission the last scoping document has been filed for the relicensing of the Kaukauna City Plant.

Manager of Finance & Administration Clara Pickett stated the auditors from Schenck completed the annual audit and found no issues. Clara stated she is working on completing the annual PSC report that is due at the end of the month. Clara also informed the Commission the financial accounting software was recently upgraded to the latest version and staff is implementing a purchase order and workflow system.

Manager of Human Resources Denise Vanderloop informed the Commission she is currently recruiting for seasonal positions and has started the interview process. Denise stated harassment training is scheduled in April. Denise also informed the Commission letters will be sent to employees the week of April 2 notifying them of the change in deferred compensation providers and when meetings will be held to meet with a representative from ICMA-RA. Denise also stated staff is currently reviewing scholarship applications.

Water Superintendent Kevin Obiala informed the Commission staff is continuing to work on the AMI project and painting at Well #8. Kevin stated there were a couple of water main breaks since the last Commission meeting and staff has been completing maintenance at the other filter plants.

General Manager Jeff Feldt provided a performance update regarding the Kimberly Hydro Plant from 2010-2017, updated the Commission on the Electric Rate Case, and discussed the WPPI Energy Wholesale Power Purchase Tax Savings. Jeff informed the Commission McMahon Associates has provided multiple designs for the Industrial Water Tower Logo, the Committee will narrow the options down and bring to the Commission for approval. He also provided an update regarding Appleton Property Ventures (APV), the repair of the Badger Hydro Gear Box, and informed the Commission that 22% of KU's customers are signed up for pre-authorized payment (PAP). Jeff also provided the 10 yr Electric Reliability Indices and 2017 eReliability Tracker Annual Report. He informed the Commission the Quarter Century Club Dinner is April 11 at Van Abel's, the WPPI Regional Power Dinner is April 19 at Van Abel's, the MEUW Annual Conference is May 17-18 in LaCrosse and the APPA National Conference is June 17-20 in New Orleans. If they are interested in attending any of the events, they are to contact Amy.

The Commission chose not to adjourn to closed session pursuant to Wis. State Statute 19.85(f) for review of data Kaukauna Utilities is prohibited from making public under Wis. Stat. 196.37, including Kaukauna Utilities Write Off Journal details, Check Register details and Customer Usage and Billing.

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

Roll Call Vote:

John Moore	aye
Gene Rosin	aye
Greg Lenz	aye
Tom McGinnis	aye
Tom Driessen	aye

Sue Hennes aye
Lee Meyerhofer aye

Motion Carried

It was moved by Tom McGinnis, seconded by John Moore that checks numbered 219 through 227, and checks numbered 67070 through 67254 in the amount of \$4,753,701.86 be approved for payment.

Roll Call Vote:

Tom McGinnis aye
Gene Rosin aye
Lee Meyerhofer aye
Tom Dritessen aye
John Moore aye
Sue Hennes aye
Greg Lenz aye

Motion Carried

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

All members voted aye.

Motion Carried

The meeting ended at 5:06 p.m.


Thomas J. McGinnis
Secretary

Minutes taken by Amy Brick