

Kaukauna, WI
July 18, 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 Tony Penterman, Tom Driessen, Sue Hennes, Tom McGinnis, and Lee Meyerhofer. Also present were Jeff Feldt, Mike Pedersen, Don Krause, Eric Miller, Clara Pickett, Lonnie Pichler, Dave Pahl, Randy Vercauteren, and Amy Brick from KU, Diana Driessen, Karen Brooks, and Steve Engebos, Energy Services Representative from WPPI Energy.

It was moved by Tom McGinnis, seconded by Tom Driessen to excuse Commissioner's Greg Lenz and John Moore's absence.

All members voted aye.

Motion Carried

It was moved by Tony Penterman, seconded by Tom McGinnis to approve the minutes of the June 13, 2018 Commission meetings as written.

All members voted aye.

Motion Carried

There was no public comment.

Due to the absence of Water Superintendent, Kevin Obiala, General Manager Jeff Feldt discussed the Emergency Water Main Relay Replacement on CTH 00 East of Hwy 55. Jeff informed the Commission the reason for the emergency replacement is due to the deterioration of the main and acidic soil conditions. Recently, there were two water main breaks in front of Dawes Crane which left them without water for most of the day, and this past winter there were two other breaks in this section of water main. Jeff stated this is the last section of ductile iron pipe on Hwy 00 East of Hwy 55 that needs replacement. Brad Werner of McMahan checked with local contractors to submit bids for the project; however, only two contractors submitted bids as the other contractors were too busy to begin the project immediately. The following two bids were received:

<u>Contractor</u>	<u>Project Total</u>
Carl Bowers & Sons	\$274,254
Roger Bowers Construction	\$281,075

Jeff informed the Commission the bids were evaluated by McMahan and they noted that the unit price for the installation of 12" and 6" water main is higher than normal but is reasonable given the complexity of the project due to the extent of buried utilities in the area. McMahan recommended the project be awarded to low bidder, Carl Bowers & Sons in the amount of \$274,254 and they began work on Thursday, July 5.

It was moved by Tony Penterman, seconded by Tom McGinnis to authorize the General Manager to ratify award of the low bid of Carl Bowers & Sons in the amount of \$274,254 for emergency replacement of 1500' of ductile iron water main on East CTH 00.

Roll Call Vote

Tom Driessen	aye
Lee Meyerhofer	aye
Tony Penterman	aye
Sue Hennes	aye
Tom McGinnis	aye

Manager of Finance & Administration Clara Pickett discussed the draft standby, maintenance, and displacement power rider. Clara informed the Commission the standby tariff is being proposed as a component of finalizing the interim rate order. Clara stated if the standby tariff is approved, it would insulate other customers from the wide swings in the DCA and PCAC resulting from an outage of APV's Cogen Unit. Clara informed the Commission that KU and WPPI have discussed the draft standby tariff with APV, Expera, and CUB to gain input and support for implementation, and a meeting with the PSC to discuss the standby tariff was held July 16.

It was moved by Tom McGinnis, seconded by Tom Driessen to authorize the General Manager to submit the draft standby, maintenance, and displacement power rider to the Public Service Commission of Wisconsin for approval.

All Members voted aye.

Motion Carried

Manager of Finance & Administration Clara Pickett gave a presentation on Social Media Strategy & Policies.

The Commission reviewed the monthly reports.

Staff reports:

Energy Services Representative Steve Engebos reviewed the June energy services report and also discussed the electric rate comparison.

Manager of Information Technology Don Krause informed the Commission staff has been working with the Operations Department to convert calls over to a call center during outages, stating this will provide customers with a quicker response. Don also stated staff is in the process of completing a network assessment and evaluating our equipment.

Manager of Generation & Operations Mike Pedersen informed the Commission the rack raker at the Little Chute Plant has been shipped back to the manufacturer for repairs. Mike stated the National Guard and staff from WPPI Energy were at KU on July 2 completing a site security analysis. Mike also stated the Combined Locks Plant Unit #1 Rebuild Project commenced July 9, and that SHPO has signed off on the Historical Management Plan for the Kimberly Hydro Plant relicensing. Mike also stated staff is completing flume inspections at all seven hydro plants.

General Manager Jeff Feldt reported for Water Superintendent Kevin Obiala in his absence stating staff is continuing to work on the AMI project, continuing with leak detection, working with various Contractors throughout the City, and completing routine maintenance at the plants.

General Manager Jeff Feldt reported for Manager of Human Resources Denise Vanderloop in her absence. Jeff informed the Commission a new Journeyman has been hired and his start date will be July 30. Jeff stated interviews were held with the internal candidates for the Stores Clerk position and Dave Hartjes has accepted the position. Jeff also informed the Commission Denise has started evaluating health insurance for 2019 and is currently reviewing the employee handbook for any changes or updates.

Manager of Finance & Administration Clara Pickett informed the Commission that staff from WPPI Energy recently completed a three day Northstar utilization review. Clara stated when the report is received from WPPI, staff will review and implement recommendations to improve efficiencies.

Manager of Engineering & Electric Distribution Eric Miller stated crews are continuing their work on the Hwy ZZ Rebuild project, and have started installing street lights on the next section of Delanglade Street. Eric informed the Commission all of the streetlights on Main Avenue in Little Chute have been converted to LED. Also, the crews are continuing to work in Little Chute with the new Kwik Trip being built and the Little Chute High School expansion project.

General Manager Jeff Feldt provided the 2nd Quarter Work Plan and Key Performance Indicators to the Commission. He also provided the 2016 KU/APPA Financial and Operating Ratios to review.

Manager of Finance & Administration Clara Pickett discussed the potential refinancing of two of KU's electric bonds; a 2006 and 2008 electric bond. Clara stated in the past, KU's financial advisor would present potential opportunities for refinancing as they became available; however, that has not happened. Clara noted that our financial advisor has since retired and KU was not made aware of this. Clara informed the Commission Baird Financial Advisors contacted her regarding the potential bond refinancing and presented the savings costs to her and she was interested in proceeding. The Commission agreed and approved Clara to proceed.

General Manager Jeff Feldt updated the Commission on the Industrial Water Tower Painting project stating things are progressing very well and the project should be done by the end of the month. Jeff informed the Commission that the Bishop Hill Wind Energy Center is now online. The WPPI Energy Annual Meeting will be held September 12-14 in Middleton.

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 Sue Hennes, seconded by Tom McGinnis to approve the accounts receivable write-offs.

Roll Call Vote:

Tony Penterman	aye
Tom McGinnis	aye
Tom Driessen	aye
Sue Hennes	aye
Lee Meyerhofer	aye

Motion Carried

It was moved by Tom McGinnis, seconded by Tony Penterman that checks numbered 260 through 268, 64292, 64841 and checks numbered 67785 through 67975 in the amount of \$3,852,422.62 be approved for payment.

Roll Call Vote:

Tom McGinnis	aye
Tony Penterman	aye
Lee Meyethofer	aye
Tom Driessen	aye
Sue Hennes	aye

Motion Carried

It was moved by Tom McGinnis, seconded by Tony Penterman to adjourn to Closed Session pursuant to Wis. State Statute 19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy with respect to litigation in which it is or is likely to become involved. Expera Specialty Solutions Claim #WM000449980054 at 5:19 p.m.

All members voted aye.

Motion Carried

It was moved by Tom McGinnis, seconded by Tom Driessen to return to open session at 5:22 p.m.

All members voted aye.

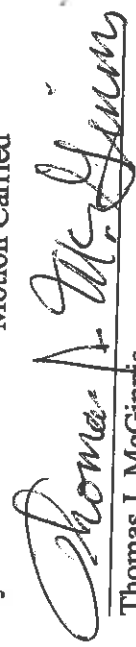
Motion Carried

It was moved by Tony Penterman, seconded by Tom Driessen to adjourn.

All members voted aye.

Motion Carried

The meeting ended at 5:23 p.m.


 Thomas J. McGinnis
 Secretary

Minutes taken by Amy Brick