

Kaukauna, WI
August 15, 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 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, Lonnie Pichler, Dave Pahl, Randy Vercauteren, and Amy Brick from KU, Diana Driessen, Karen Brooks, and Senior Vice President, Justin Fischer from Baird.

It was moved by John Moore, seconded by Tom McGinnis to excuse Mayor Tony Penterman's absence.

All members voted aye. Motion Carried

It was moved by Tom McGinnis, seconded by John Moore to approve the minutes of the July 18, 2018 Commission meetings as written.

All members voted aye. Motion Carried

There was no public comment.

Manager of Finance and Administration Clara Pickett discussed the 2018 Electric Revenue Bond Refinancing. Clara stated that in order to take advantage of the current bond market, staff has been working with Baird to identify opportunities to refinance outstanding electric bonds. Clara introduced Justin Fischer, Baird Senior Vice President. Mr. Fischer informed the Commission that based on current market conditions the new refunding bonds would have an estimated interest rate of 3.05%. Mr. Fischer stated the outstanding 2006 Electric Revenue Bonds have a rate of 4.50%-4.75% and the 2008 Electric Revenue Bonds have a rate of 4.25%-5.25%. This refinancing would result in a gross savings of \$1,032,102.

It was moved by John Moore, seconded by Greg Lenz to authorize the General Manager to proceed with issuance of the 2018 Electric Revenue Bonds in the amount of \$10,365,000.

Roll Call Vote:

Tom Driessen	aye
Lee Meyerhofer	aye
Greg Lenz	aye
John Moore	aye
Sue Hennes	aye
Tom McGinnis	aye

Manager of Finance & Administration Clara Pickett gave a presentation on Review of Deposit, Collection and Tax Lien Procedures for Electric Utility Accounts.

The Commission reviewed the monthly reports.

Staff reports:

Manager of Generation & Operations Mike Pedersen informed the Commission he made site visits to AIM in Milwaukee to inspect the Combined Locks Hydro generator and to Voith in York, PA to inspect the turbine in conjunction with the Combined Locks Unit #2 Rebuild project. Mike stated a representative from FERC was onsite completing the Owners Dam Safety Program external audit that is required every five years. FERC also completed their annual inspections with nothing major being found. Mike stated a consultant completed inspection of the John Street Hydro as required by the WDNR every three years. Mike also informed the Commission the Urge Test was completed at Elm Street Gas Turbine and staff completed the flume inspection at Little Chute Hydro.

Manager of Engineering & Electric Distribution Eric Miller informed the Commission crews are continuing with the installation of street lights on Delanglade Street and completed work at Little Chute High School, Kwik Trip, and street light installations in the Village of Little Chute. In addition, crews are completing regular maintenance at Ann Street substation.

Manager of Finance & Administration Clara Pickett informed the Commission staff received the report from WPPI summarizing the findings of their Northstar Utilization review, and staff has been

scheduling and implementing any updates and/or improvements that can be done in the customer service and billing departments. Clara stated staff is preparing for the 2019 budget process.

Manager of Human Resources Denise Vanderloop informed the Commission she has been monitoring health insurance information for 2019 and is in the process of completing a health census to provide to Associated Benefits and Risk Consulting to compare health insurance rates from ETF with outside providers. Denise also informed the Commission that third year Line Apprentice, Casey Williams, started August 6 and Journey Line Technician Joe Minor will start August 27. Managers and supervisors completed the first session of performance review training with the second session being held August 30.

Manager of Information & Technology Don Krause informed the Commission staff is in the process of replacing a critical piece of network equipment that is at the end of life and connect every facility. The equipment will be implemented site by site with minimal interruption in service.

Due to the absence of Energy Services Representative Steve Engebos, there was no report.

Water Superintendent Kevin Obiala stated staff changed out water meters for the AMI project, repaired a few water service and main breaks, continued with leak detection, and continued working with various contractors throughout the City on relay projects. Kevin also stated there was an unauthorized use of a fire hydrant and a police report has been filed.

Manager of Finance & Administration Clara Pickett reviewed the 2019 O & M and Capital Budget process and timeline.

Manager of Generation & Operations Mike Pedersen updated the Commission on Badger Hydro stating the speed increaser has been reinstalled and staff from Voith are onsite completing testing.

Manager of Generation & Operations Mike Pedersen updated the Commission regarding the relicensing of Kaukauna City Plant stating FERC has issued the Environmental Assessment (EA), and that outside agencies have sixty days to provide comments to FERC.

General Manager Jeff Feldt updated the Commission on the proposed standby tariff with Appleton Property Ventures, and also informed the Commission that the APV generator tripped off-line for four hours (on peak) on August 6.

Water Superintendent Kevin Obiala informed the Commission the Industrial Water Tower Painting project is completed and is back online. Kevin also stated there was some overspray onto vehicles in the vicinity of the water tower and the Contractor's insurance company has been informed.

Manager of Generation & Operations informed the Commission that he is in the process of getting updated pricing for the front office security remodel project.

General Manager Jeff Feldt discussed The STREAMLINE Cell Deployment Act and informed the Commission the WPPI Annual Meeting is 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 John Moore, seconded by Tom Driessen to approve the accounts receivable write-offs.

Roll Call Vote:

Greg Lenz	aye
Tom McGinnis	aye
Lee Meyerhofer	aye
John Moore	aye
Sue Hennes	aye
Tom Driessen	aye

Motion Carried

It was moved by Tom McGinnis, seconded by John Moore that checks numbered 269 through 278, and checks numbered 67976 through 68136 in the amount of \$4,178,942.20 be approved for payment.

Roll Call Vote:

John Moore aye
 Greg Lenz aye
 Tom McGinnis aye
 Tom Driessen aye
 Sue Hennes aye
 Lee Meyerhofer aye

Motion Carried

Commission President Lee Meyerhofer congratulated General Manager Jeff Feldt on being inducted into Michigan Technological University's Electrical and Computer Engineering Academy.

It was moved by Tom Driessen, seconded by John Moore 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 5:50 p.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to return to open session at 6:09 p.m.

All members voted aye.

Motion Carried

It was moved by Sue Hennes, seconded by John Moore that the Commission deny the claim in full and authorize Kaukauna Utilities to send a formal Notice of Disallowance to Expera Specialty Solutions.

Roll Call Vote:

Tom McGinnis aye
 Lee Meyerhofer aye
 Tom Driessen aye
 John Moore aye
 Sue Hennes aye
 Greg Lenz aye


Motion Carried

It was moved by Tom McGinnis, seconded by John Moore to adjourn.

All members voted aye.

Motion Carried

The meeting ended at 6:12 p.m.


 Thomas J. McGinnis
 Secretary

Minutes taken by Amy Brick