

Kaukauna, WI
October 21, 2020

The regular meeting of Kaukauna Utilities Commission was called to order at 4:00 p.m. by President Lee Meyerhofer via ZOOM Meetings. Commission Members present were John Moore, Pennie Thiele, Sue Hennes, Greg Lenz, Lee Meyerhofer, Tony Penterman, and Paul Van Berkel. Also present via teleconference were Jeff Feldt, Denise Vanderloop, Mike Pedersen, Don Krause, Eric Miller, Clara Pickett, Dave Pahl, Lonnie Pichler, and Amy Brick from KU, Steve Engebos from WPPI Energy, Attorney Kevin Davidson, Diana Driessen, Brian Roebke, Justin Fischer, Senior Vice President from Baird, and Caitlin Humrickhouse, Project Manager from Baker Tilly.

There was no public comment.

It was moved by John Moore, seconded by Sue Hennes to approve the minutes of the September 16, 2020 Commission meeting as amended.

All members voted aye.

Motion Carried

Caitlin Humrickhouse, Project Manager of Baker Tilly presented the results of the Operational and Organizational Assessment.

It was moved by Pennie Thiele, seconded by John Moore to accept and place on file the Baker Tilly Operational and Organizational Assessment Report dated September 23, 2020.

All members voted aye.

Motion Carried

Manager of Finance & Administration Clara Pickett discussed the 2020 Water Bond Issuance and the 2020 Electric Bond Refinancing stating that during the 2020 and 2021 budget process, it was determined KU needs to issue bonds to finance a portion of the 2020-2022 water main replacements in the capital budget. Staff researched financing options including applying for Safe Drinking Water Fund loans through the DNR; however, due to restraints within the program and historically low interest rates at this time, staff determined a bond issuance is in the best interest of the Utility. Clara also informed the Commission KU has the opportunity to refinance the 2012 Taxable Clean Renewable Energy Bonds (CREB) stating due to the unexpected pandemic, interest rates have gone down to a point that it makes sense to refinance the bonds. Clara introduced Justin Fischer, Senior Vice President from Baird who presented the proposed financial plan.

It was moved by Paul Van Berkel, seconded by Greg Lenz, to authorize Kaukauna Utilities to proceed with the issuance of the 2020 Water Revenue Bonds in the amount of \$3,160,000, subject to the parameter maximum interest rate of 3.00% and the issuance of the 2020 Electric Refinancing Bonds in the amount of \$18,150,000 subject to the parameters maximum interest rate of 1.50% and the minimum present value savings of 2.00%.

Roll Call Vote:

Sue Hennes	aye
Tony Penterman	aye
John Moore	aye
Greg Lenz	aye
Lee Meyerhofer	aye
Pennie Thiele	aye
Paul Van Berkel	aye

Motion Carried

Director of Operations, Mike Pedersen, discussed the pump replacement project located at Well #9 stating staff has been monitoring the pump at Well #9 and noticed a vibration has developed over the past couple of months causing concern. Mike informed the Commission the vibration has been getting worse and has caused the static airline used to check the pumping levels to fail. The pump was replaced in 2015 at a cost of \$31,500 and in accordance with KU's Well Pump Maintenance Program that includes replacement of each pump every eight years and this pump is scheduled to be replaced in 2023; however, due to the vibrations and other issues that have developed, staff determined it is necessary to replace the pump to avoid a major failure. Three bids were received and evaluated:

Contractor

Amount

CTW \$29,293
Municipal Well & Pump \$32,795
Water Well Solutions \$35,053

It was moved by Sue Hennes, seconded by Pennie Thiele, to authorize the General Manager to award the Well #9 Pump Replacement project to CTW for a price not to exceed \$29,293.

Roll Call Vote:

Sue Hennes aye
Lee Meyerhofer aye
Greg Lenz aye
Tony Penterman aye
John Moore aye
Pennie Thiele aye
Paul Van Berkel aye

Motion Carried

Manager of Finance & Administration, Clara Pickett, presented the 2021 Proposed Budget.

General Manager, Jeff Feldt, provided the 3rd Quarter Work Plan, Key Corporate Objectives, and Key Performance Indicators to the Commission.

The Commission reviewed the monthly reports and the Electric and Water Financial Statements.

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 Tony Penterman to approve the August and September accounts receivable write-offs.

Roll Call Vote:

John Moore aye
Sue Hennes aye
Tony Penterman aye
Lee Meyerhofer aye
Greg Lenz aye
Pennie Thiele aye
Paul Van Berkel aye

Motion Carried

It was moved by Tony Penterman, seconded by Pennie Thiele that checks numbered 658 through 683, and checks numbered 72509 through 72843 in the amount of \$10,657,654.15 be approved for payment.

Roll Call Vote:

Tony Penterman aye
John Moore aye
Paul Van Berkel aye
Sue Hennes aye
Lee Meyerhofer aye
Pennie Thiele aye
Greg Lenz aye

Motion Carried

It was moved by Tony Penterman, seconded by John Moore to adjourn.

All members voted aye.

Motion Carried

The meeting ended at 6:07 p.m.

John P. Moore
Secretary

Minutes taken by Amy Brick