

Kaukauna, WI
December 22, 2022

The regular meeting of Kaukauna Utilities Commission was called to order at 4:00 p.m. by President Lee Meyerhofer. Commission Members present were Sue Hennes, Greg Lenz, Lee Meyerhofer, Tony Penterman, and Paul Van Berkel. Also present were Michael Avanzi, Clara Pickett, Dave Pahl, Andy Vanden Heuvel, Rachel Audette, Don Krause, Eric Miller, Zach Moureau, and Amy Brick from KU. Also present were City Attorney Kevin Davidson, Steve Engebos, WPPI Energy, and Steve Avanzi.

It was moved by Sue Hennes, seconded by Greg Lenz to excuse Commissioner John Moore and Pennie Thiele's absence.

All members voted aye.

Motion Carried

There was no public comment.

It was moved by Greg Lenz, seconded by Sue Hennes to approve the minutes of the November 15, 2022 Commission meeting.

All members voted aye.

Motion Carried

Commissioner John Moore arrived at 4:03 p.m.

Environmental & Compliance Manager Zach Moureau discussed modification of the City of Kaukauna ordinance Chapter 13.06(3) "Cross Connection Control and Backflow Prevention – Inspections" to align with the State of Wisconsin regulatory code. The current language in the ordinance requires cross connection inspections at all non-residential facilities be conducted on a two-year interval; however, s. NR 810.15(1)(c) allows commercial properties that are similar or less risk than a residential property to be inspected on a ten-year interval. By revising the language in the ordinance, it will lead to easier identification of the higher risk facilities.

It was moved by Sue Hennes, seconded by Greg Lenz to authorize submittal of the Chapter 13.06(3) Cross Connection Control and Backflow Prevention update to the City of Kaukauna Legislative Committee and, ultimately, to the Common Council for adoption.

All members voted aye.

Motion Carried

Finance & Administration Director Clara Pickett informed the Commission staff has been preparing a water rate study to determine whether existing water rates will adequately cover its current operating costs, maintenance costs, and capital additions. The rate application is also a requirement of the lead service removal program (Docket 2800-LS-100). Due to an increase in operating costs including maintenance costs, depreciation, and taxes, she is projecting a declining rate of return. The impact of the rate study results is an estimated overall increase of \$1,355,344 (33%). The water bill for an average residential customer will increase from \$37.05 to \$49.28 if the proposed rates are implemented as presented; however, some rates will increase more than others based upon the cost of service study which will be completed by the Public Service Commission of Wisconsin (PSC).

It was moved by Paul Van Berkel, seconded by Greg Lenz that the Commission authorize finalization and submittal of the 2023 Water Rate Study to the Public Service Commission.

All members voted aye.

Motion Carried

General Manager Michael Avanzi stated with the new organizational structure approved by the Commission at the November Commission meeting, he is proposing just his direct reports attend the Commission meetings and other staff will attend on an as needed basis starting January 2023. Commission supported the change.

Human Resources Director Rachel Audette provided a summarization of the Employee Engagement Survey informing the Commission the overall response rate was 89%. Two key areas that will be focused on in 2023 are Knowing what is Expected and Recognition. Supervisors and Managers will be developing plans to improve in those key areas during the 1st quarter of 2023.

Engineering & Operations Director Dave Pahl reviewed the Beneficial Electrification and Environmental Responsibility Plan.

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

General Manager Michael Avanzi introduced his father, Steve Avanzi.

General Manager Michael Avanzi reviewed highlights from the monthly department updates informing the Commission we currently have four open positions, Relief System Operator, Financial Analyst, Operational Technology Specialist, and Manager of Operational & Information Technology. There were twenty High 5 nominations during Quarter 4. The winners selected were John Teale, Amy Brick, and Jean Jack. KU received the APPA Excellence in Public Power Communications Award of Merit for the 2021 Year in Review. We received payment from CNA insurance on the claim for the gear box failure at the Combined Locks Plant and Clara will be working with the Public Service Commission to determine the proper distribution of the funds. A Concept Paper has been submitted for a federal grant that KU will be applying for through the Grid Resilience and Innovation Partnership program. All non-critical systems will be shut down over the Christmas Holiday to reduce the possibility of a cyber-attack. At year end, 100% of KU employees will be doing online timekeeping. General Manager Michael Avanzi was elected to the WPPI Executive Committee for a three-year term ending September 2025. At the December 6th Common Council meeting, the KU Commission compensation changes were approved as presented at the November Commission meeting and will go into effect January 2023. The MEUW Electric Operations Conference & Expo is January 11-13, 2023, in Wisconsin Dells and the APPA Legislative Rally is February 27 – March 1, 2023, in Washington DC.

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. 196.137, including Kaukauna Utilities Write Off Journal details, Check Register details and Customer Usage and Billing.

It was moved by Tony Penterman, seconded by Sue Hennes to approve the November accounts receivable write-offs.

Roll Call Vote:

Tony Penterman	aye
John Moore	aye
Paul Van Berkel	aye
Sue Hennes	aye

Lee Meyerhofer aye
Greg Lenz aye

Motion Carried

It was moved by Sue Hennes, seconded by Greg Lenz that checks numbered 1135 through 1156, and checks numbered 77259 through 77424 in the amount of \$6,073,264.01 be approved for payment.

Roll Call Vote:

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

Motion Carried

It was moved by Paul Van Berkel, seconded by Greg Lenz to adjourn to Closed Session pursuant to Wis. State Statute 19.85(1)(g) Confer with legal counsel for 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 at 5:10 p.m.

All members voted aye. Motion Carried

It was moved by Greg Lenz, seconded by Sue Hennes to return to open session at 5:22 p.m.

All members voted aye. Motion Carried

It was moved by Paul Van Berkel, seconded by Sue Hennes to adjourn to Closed Session pursuant to Wis. State Statute 19.85(1)(c) Consider employment, promotion, compensation, or performance evaluations at 5:23 p.m.

All members voted aye. Motion Carried

It was moved by Sue Hennes, seconded by Greg Lenz to return to open session at 5:25 p.m.

All members voted aye. Motion Carried

It was moved by Paul Van Berkel, seconded by Greg Lenz to approve the amended 2023 Non-Exempt Employee Wage Scale.

All members voted aye. Motion Carried

It was moved by Lee Meyerhofer, seconded by Greg Lenz to adjourn.

All members voted aye. Motion Carried

The meeting ended at 5:27 p.m.

John P. Moore
Secretary

Minutes taken by Amy Brick