

Kaukauna, WI
June 27, 2023

The regular meeting of Kaukauna Utilities Commission was called to order at 4:00 p.m. by President Lee Meyerhofer. Commission Members present were John Moore, Pennie Thiele, Greg Lenz, Lee Meyerhofer, Tony Penterman, Paul Van Berkel, and Sue Hennes. Also present were Michael Avanzi, Dave Pahl, Zach Moureau, Tara Schmitz, Eric Miller, Don Krause, Hazael Becerra, and Amy Brick from KU. Also present was Steve Engebos, WPPI Energy.

There was no public comment.

It was moved by Tony Penterman, seconded by Greg Lenz to approve the minutes of the May 17, 2023 Commission meeting.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Pennie Thiele to approve the minutes of the May 31, 2023 Special Commission meeting.

All members voted aye.

Motion Carried

Manager of Engineering & Project Management Eric Miller discussed the release of easement request from Kaukauna Utilities customer Carl Rambo who lives at 1417 Hoover Avenue in Little Chute. KU has an easement along the western lot line of the lot and Mr. Rambo is requesting KU vacate the easement to allow him to procure the parcel to the west from his neighbors and expand his garage/house. KU's electric distribution facilities in that area are currently underground and run along the eastern side of his parcel, not the western side where the easement is located. AT&T is also named in the easement and has already surrendered their right to it. Mr. Rambo is agreeable to granting KU an easement along the eastern lot line in exchange for the release of our easement rights on the western side of his property.

After Commission discussion, Paul Van Berkel made the motion to table approval of the release of easement request until the next Commission meeting.

All members voted aye.

Motion Carried

Manager of Engineering & Project Management Eric Miller discussed the Joint Use Pole Attachment Agreement with WE Energies stating WE Energies is looking to install facilities in an estimated twenty-nine (29) municipal electric utilities in Wisconsin that will permit their natural gas meters to communicate through radio frequency means. A Task Force was created with representatives from MEUW, Boardman Clark Law Firm, and Forster Electrical Engineering (KU was included in this) with WE Energies affording a significant portion of the cost for the creation of a formal agreement template. Shortly after the Task Force completed their work, WE Energies approached KU to attach to 117 of our structures with AMI telemetry facilities for their natural gas meters. Two addendums requested from WE Energies:

1. They requested that they not be required to place a unique identifier label at the base of each of our poles. They prefer to use KU’s existing unique pole number already attached to each pole.
2. All the “gatekeeper” collection units will require electric service to provide power for their equipment. WE Energies stated they do not think they will be able to acquire enough electric meter sockets in the time frame that they would require to install the units given the current supply chain issues. They asked if one unit could be installed with a socket and meter, and that the remaining units be installed without metering presently but billed monthly based off that unit until such time that all of them can be equipped with meter sockets and meters. All units will be required to be metered by the end of 2026.

After Commission discussion, it was moved by Lee Meyerhofer, seconded by Tony Penterman to table approval of the Joint Use Pole Attachment Agreement until the next Commission meeting.

All members voted aye.

Motion Carried

Engineering & Operations Director Dave Pahl discussed the Kaukauna City Plant #1 Runner Rebuild informing the Commission the blades on KCP #1 have been eroding at a concerning rate. Hydro Partners assisted KU with the creation of a scope, specification, and request for proposal (RFP) to have the unit rebuilt. Three bids were received with Northern Machine being the lowest evaluated bid. Hydro Partners assisted staff with the evaluation of the bids, considering the safety performance, related work experience, site plan, project schedule, manpower, and cost.

<u>Contractor</u>	<u>Bid Amount</u>
Northern Machine	\$805,800
Litostroj	\$1,598,070
Norcan	\$1,364,510

KU budgeted \$750,000 in 2023 under project code G23-01 for the work to be done. Staff would modify the five-year budget to accommodate the work accordingly.

It was moved by Paul Van Berkel, seconded by John Moore to authorize the General Manager to award the bid to rebuild the runner on Kaukauna City Plant’s Unit #1 (project code G23-01) to Northern Machine in the amount of \$805,800.

Roll Call Vote:

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

Motion Carried

Manager of Operational and Information Technology Hazael Becerra and Cyber/Network Engineer Don Krause discussed cyber threat detection and response informing the Commission that staff re-evaluated KU’s current plan given the increase in cyber compromises. Staff met with industry experts in Operational Technology (OT), Information Technology (IT), Cyber Detection, and Response

Solutions. Staff researched three products: Darktrace, Nozomi, and ExtraHop with Darktrace and Nozomi both being dedicated to cybersecurity for OT and critical infrastructure. After a great deal of research into capabilities and partnership opportunities with an organization dedicating resources to critical infrastructure, staff believes Darktrace is the best option for cyber detection and automated mitigation capabilities.

It was moved by Paul Van Berkel, seconded by Greg Lenz to authorize the General Manager to enter into a four (4) year agreement with Darktrace to monitor and mitigate cyber traffic on KU's networks in the amount of \$106,209.

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

Motion Carried

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

General Manager Michael Avanzi reviewed highlights from the monthly department updates informing the Commission Lee Meyerhofer, Tony Penterman, and himself attended the APPA National Conference in Seattle and learned a lot about industry issues. Michael and Lee also participated in the Day of Giving volunteering at Mary's Place, a warehouse that supplies homeless shelters for women and children in the Seattle area. The Tesla Model Y has been delivered and will be wrapped with the decals soon. The Ford Lightning is on order and should arrive by year end. Due to the low water conditions and units being shut down, the maintenance department has been able to complete maintenance projects at the hydro plants. The Grant team recently completed and submitted a WisDOT grant for a possible DC fast charging station. The Department of Energy issued application materials for the Section 247 Grant Program. There are five capital improvement projects that have been identified as eligible for grant funds and three grant applications will be prepared for the program. KU is working with Mead & Hunt to complete the applications and if awarded, the grant funds would cover 30% of the project costs for an estimated total of \$460,000 for all projects. The appeal in Circuit Court regarding the electric rate case was dismissed on June 5, 2023. Reminder to RSVP to Amy by July 24th for the summer event at the Timber Rattlers. The July Commission meeting will need to be rescheduled. Amy will reach out to the commission with a new date.

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 Paul Van Berkel, seconded by John Moore to approve the May accounts receivable write-offs.

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 Sue Hennes, seconded by Greg Lenz that checks numbered 1273, 1274, 1275, 1277 through 1296, and checks numbered 78248 through 78442 in the amount of \$5,404,928.39 be approved for payment.

Roll Call Vote:

John Moore	aye
Pennie Thiele	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 Tony Penterman to adjourn.

All members voted aye.

Motion Carried

The meeting ended at 5:25 p.m.

John P. Moore
Secretary

Minutes taken by Amy Brick