

Kaukauna, WI
March 15, 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, Lee Meyerhofer, Tony Penterman, and Paul Van Berkel. Also present were Michael Avanzi, Clara Pickett, Dave Pahl, Zach Moureau, Brandon Sanderfoot, Hazael Becerra, Eric Miller, Amme Storma, and Jake Waldschmidt from KU. Also present were City Attorney Kevin Davidson and Brian Roebke.

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

All members voted aye.

Motion Carried

General Manager Michael Avanzi introduced tenured Kaukauna Utilities employees Brandon Sanderfoot and Eric Miller and also introduced new employees Jake Waldschmidt, Operational Technology Specialist, Hazael Becerra, Manager of Operational and Information Technology, and also Amme Storma, Financial Analyst. The Commission welcomed the new employees.

General Manager Michael Avanzi informed the Commission KU has been awarded the APPA Reliable Public Power Provider (RP3) "Diamond" Certification for 2023-2026.

Commissioner Paul Van Berkel stated the Commission was established 110 years ago this month.

It was moved by John Moore, seconded by Pennie Thiele to approve the minutes of the February 22, 2023 Commission meeting.

All members voted aye.

Motion Carried

Finance & Administration Director Clara Pickett discussed the American Transmission Company (ATC) Investment Activities stating KU contributed an additional \$130,001 to ATC in 2022. If KU elected not to contribute additional funds, KU's percentage interest in ATC would have been reduced. KU's percentage interest is currently 0.1724%. As ATC will require up to \$105,000,000 in additional capital in 2023, KU will be required to contribute up to \$181,020 in 2023 to maintain KU's current ownership interest of 0.1724%.

It was moved by Tony Penterman, seconded by John Moore to authorize the General Manager to contribute sufficient funds to ATC to maintain Kaukauna Utilities' percentage interest in ATC (0.1724%).

All members voted aye.

Motion Carried

Engineering & Operations Director Dave Pahl discussed the 2023 Water Main Directional Boring Project informing the Commission there are two projects in the 2023 budget, the Loderbauer Road extension and canal crossings. The Loderbauer Road extension entails extending the 12" water main from White Wolf Lane to White Dove Lane. The extension is necessary to loop the water system feeding the Wildlife Heights Subdivision. \$240,000 in ARPA funds are allocated for this project. The

Canal Crossing project consists of boring under the navigational canal to replace the two existing crossings, one that was installed in 1923 (cast iron) that will be replaced with 12” PVC line, and the other in 1965 (cast iron) that will be replaced with 12” PVC line. To receive the most competitive bids, it was decided to combine both projects. Three bids were received and evaluated with De Groot, Inc. being the lowest evaluated bid.

<u>Contractor</u>	<u>Bid Amount</u>
De Groot, Inc.	\$1,307,663.34
Carl Bowers & Sons Construction	\$1,333,040.00
Advance Construction	\$1,342,463.00

It was moved by John Moore, seconded by Paul Van Berkel to authorize the General Manager to award the 2023 Water Main Directional Boring Projects to De Groot, Inc. in the amount of \$1,307,663.34.

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

Motion Carried

Engineering & Operations Director Dave Pahl discussed replacement of V91 and V20 with electric vehicles stating part of the Beneficial Electrification and Environmental Responsibility Plan, as well as the Strategic Intent, is to move from combustion engines towards electric vehicles. To start the process, two vehicles were placed in the 2023 budget; replacement of V91 with a pick-up truck and V20 with a sedan. Currently, options in the ½ ton pick-up truck market are limited. Ford and Rivian are two vehicles currently in production with Chevrolet and Ram scheduling production of their trucks in Q4 of 2023 and 2024.

Make	Model	Drive Type	Range (miles)	MSRP	Comments
Ford	Lightning	AWD	230	\$58,599	w/tailgate step and bedliner
Rivian	R1T	AWD	230	\$76,500	white paint up charge included
Chevrolet	Silverado	AWD	unknown	>\$70,000	not available until Q4 2023
Ram	REV	AWD	unknown	unknown	not available until Q4 2024

The criteria used when researching the sedan was it must fit four people comfortably with luggage as this vehicle will be used to commute between KU and WPPI Energy as well as from KU to other locations in the state where training is held. Given the distances, a range of 300 miles was used and the vehicle had to be eligible for the \$7,500 tax incentive. Using this criteria, six vehicles were found; therefore, we decreased the range to 240 which resulted in twenty-one vehicles found.

In 2023, eligibility requirements for the tax incentive have changed. Below are potential options for the sedan.

Make	Model	Drive Type	Range (miles)	MSRP
Volkswagen	ID.4 Pro S	AWD	255	\$49,090
Volkswagen	ID.4 ProS	AWD	255	\$55,386

Tesla	Model Y	AWD	330	\$56,630
Ford	Mach E California 1	AWD	312	\$59,975

It was moved by Lee Meyerhofer, seconded by Pennie Thiele to authorize the General Manager to purchase the Ford Lightning electric pick-up in the approximate amount of \$58,599 to replace V91 (per project code V23-01).

It was moved by Lee Meyerhofer, seconded by Pennie Thiele to authorize the General Manager to purchase the Tesla Model Y compact SUV in the approximate amount of \$56,630 to replace V20 (per project code V23-02).

Disposition of V91 and V20 will be per our standard guidelines for retiring vehicles with an effort made to maximize the resell value.

Roll Call Vote:

Tony Penterman	aye
John Moore	aye
Paul Van Berkel	aye
Lee Meyerhofer	aye
Pennie Thiele	aye

Motion Carried

The Commission reviewed the Electric and Water Financial Statements and the monthly reports. There was a short discussion regarding the March safety minutes with a few questions and comments from the Commission.

General Manager Michael Avanzi reviewed highlights from the monthly department updates informing the Commission the date of the Commission workshop is September 26th. If the Commissioners have anything to add to the agenda, please let him know. Terreva Renewables is a new customer and is expected to run at full capacity adding approximately 2.5 MW of monthly demand. He is currently interviewing candidates for the HR Director position, the Mechanical Technician position will remain open until filled, we will not be posting for the seasonal position as we have one returning seasonal employee from last year, and staff is waiting to hear from CESA6 regarding the youth apprentices. Leadership training through Fox Valley Technical College is starting soon. There are two cohorts with a total of 20 employees that will be going through the training. The petition for judicial review on the electric rate case was rescheduled to April 5th at 10:30 a.m. at the request of the court. Staff are in the process of pursuing the Grid Resiliency and Innovation Partnership grant. The application is due May 19, 2023. The auditors are onsite and should be finished by tomorrow. The Electronics Recycling Event is April 22nd. KU received twenty scholarship applications from surrounding high schools. FERC issued final approval for installation of 3” trash racks at the Badger Plant and we can maintain 5” trash racks at the Rapide Croche Plant.

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 Paul Van Berkel that checks numbered 1199 through 1223, and checks numbered 77819 through 77973 in the amount of \$5,206,946.21 be approved for payment.

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

Motion Carried

It was moved by John Moore, seconded by Pennie Thiele to approve the January accounts receivable write-offs.

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

Motion Carried

It was moved by John Moore, seconded by Paul Van Berkel to adjourn.

All members voted aye.	Motion Carried
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The meeting ended at 4:52 p.m.

John P. Moore
Secretary

Minutes taken by Amy Brick