

Kaukauna, WI
May 27, 2026

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, Kelli Antoine, Greg Lenz, Lee Meyerhofer, Paul Van Berkel, and Tony Penterman. Also present were Michael Avanzi, Dave Pahl, Zach Moureau, Tara Schmitz, Aaron Wallin, Amy Brick, Greg Buchholz, Chris Klarich, and Sam Brittnacher from KU, Richard Heinemann from Boardman Clark, Brian Roebke, Amber Drewieske and Riley Hutter from Clifton Larson Allen (CLA).

It was moved by John Moore, seconded by Tony Penterman to excuse the absence of Commissioner Sue Hennes.

All members voted aye.

Motion Carried

General Manager Michael Avanzi welcomed new commissioner Kelli Antoine. Human Resources Director Tara Schmitz introduced Greg Buchholz, the new Stores & Utilities Technician.

Human Resources Director Tara Schmitz informed the Commission KU was awarded the 2025 MEUW Gold Safety Achievement Award.

It was moved by John Moore, seconded by Greg Lenz to approve the minutes of the April 15, 2026 Commission meeting.

All members voted aye.

Motion Carried

Finance and Administration Director Aaron Wallin introduced Amber Drewieske, CPA, Principal and Riley Hutter, CPA, Manager, from Clifton Larson Allen (CLA), who presented the audited financial statements and outlined the 2025 audit process. Ms. Drewieske and Mr. Hutter indicated that the audit had no irregularities, and the audit report accurately represents Kaukauna Utilities' financial position for the year ended December 31, 2025.

It was moved by Tony Penterman, seconded by Kelli Antoine that the Commission accepts the 2025 Financial Statements as presented and edited by CLA and KU staff.

All members voted aye.

Motion Carried

Finance and Administration Director Aaron Wallin informed the Commission that on April 16, 2026, WPPI informed KU that MISO rejected their requested transfer of the Elm Street unit to Kaukauna's new market participant because we did not meet the credit requirements by the April 1, 2026 deadline. He explained that we received preliminary credit approval on April 1, 2026 at 3:57 p.m. and that the collateral amount needed to be submitted no later than 10 days prior to the effective date of us becoming a market participant. Staff submitted the collateral request within two business days and never received communication from MISO that we had not met the credit requirement. On April 8, 2026 we received additional requests from the MISO credit review team that staff responded to the same day. We received final credit approval on April 8, 2026. Staff contacted MISO on April 16, 2026 to understand why the unit would not be transferred as agreed to on June 1, 2026. MISO stated KU needed "final" credit approval by April 1, 2026 and did not receive approval until April 8, 2026. Staff communicated to

MISO we were informed we only needed “credit approval” with no mention of a preliminary and final approval. Due to the misunderstanding, MISO will not be transferring the Elm Street unit to KU on June 1, 2026 as expected. However, KU will be added as a market participant on June 1, 2026. MISO has agreed to move Elm Street to the new KU market participant on July 1, 2026. Because the Elm Street unit is not assigned to the KU market participant, neither KU nor Tenaska can act as agents for the unit as we don’t have access assigned within MISO. Therefore, KU needs WPPI to continue to be the agent for the unit for one month, from June 1 – June 30. WPPI agreed to continue representing the unit as it is now for a fee of \$25,000.

It was moved by Paul Van Berkel, seconded by Greg Lenz that the Commission authorize the General Manager to execute the Elm Street Letter Agreement with WPPI as attached to represent the Elm Street generating unit in MISO until July 1, 2026.

Roll Call Vote:	Lee Meyerhofer	aye
	Greg Lenz	aye
	Kelli Antoine	aye
	Paul Van Berkel	aye
	John Moore	aye
	Tony Penterman	aye

Motion Carried

General Manager Michael Avanzi reminded the Commission on July 17, 2024, they approved award of engineering services for the Water Treatment System Improvements Project to CBS Squared (CBS2) in an amount not to exceed \$2,424,400. Engineering services included multiple phases throughout the project including project management, funding assistance, permitting, design, bidding, construction administration, commissioning, decommissioning, and alternate studies. Since the contract for engineering services was awarded, several changes have occurred to the scope of services provided by CBS2. One of the major changes in the project was incorporating replacement of the Well #9 filter vessels. On May 21, 2025, the commission approved a \$121,700 increase to the engineering services agreement to incorporate replacement of Well #9 filter. The engineering services included preliminary and final design services along with construction administration services for a total engineering service not to exceed cost of \$2,546,100. Although the commission approved the increase in engineering services, no official contract amendment was signed by both parties. During the preliminary and final design process, several components required additional effort to achieve successful project outcomes and accomplish a satisfactory set of plans and specifications. This included multiple revisions to the public restroom facilities, complicated property acquisition requirements, additional geotechnical investigation due to poor soils, incorporation of geothermal heating and cooling systems, and several other project modifications. In addition to design modifications, KU requested funding assistance from CBS2 to apply for federal grants and appropriations to reduce the overall capital cost to KU rate payers. Several components were also removed from the engineering services scope of work because they were performed or planned for performance by KU personnel. A contract amendment was negotiated over the last several months to accommodate the scope of services changes, incorporate appropriate milestones related to engineering services, and several other mutually agreed upon modifications. The contract amendment includes a \$382,675 increase to the original not to exceed amount of \$2,424,400 for a total engineering service not to exceed amount of \$2,807,075.

It was moved by Paul Van Berkel, seconded by Greg Lenz to authorize the General Manager to sign the contract amendment with CBS2 and increase the WTSI Project engineering services not to exceed amount to \$2,807,075.

Roll Call Vote:

Tony Penterman	aye
John Moore	aye
Paul Van Berkel	aye
Lee Meyerhofer	aye
Kelli Antoine	aye
Greg Lenz	aye

Motion Carried

Engineering & Operations Director Dave Pahl reminded the commission at the last meeting he informed them that the budget for the resiliency project was being reviewed and updated based on the volatile cost environment for the equipment. He stated cost estimates are forecasted to increase KU's share by up to \$1.8M. He provided a presentation on the project.

It was moved by John Moore, seconded by Tony Penterman to authorize the General Manager to move forward with Phase 1 and Phase 2 of the resiliency project. This would increase KU's cost share by \$1,800,000 for a total project budget of about \$7.8 million. KU will pursue additional funding to help offset this overage.

Roll Call Vote:

John Moore	aye
Kelli Antoine	aye
Greg Lenz	aye
Lee Meyerhofer	aye
Paul Van Berkel	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 there will be a groundbreaking ceremony to kick off the construction phase of the Water Treatment System Improvement Project on July 7th at 10:00 am. The WPPI Ad Hoc Committee met today to begin discussions on the WPPI contract extension. Planning has begun for the business customer brat fry scheduled Thursday, October 8th. In response to the results of the Q1 Employee Survey, staff are implementing several communication improvements, including post-Commission highlights for supervisors to share with their teams, along with continued quarterly surveys to measure progress and guide future improvements. Effective July 1st, ETF will be all digital. Staff received a call for mutual aid in Two Rivers. KU sent four linemen to assist with storm cleanup. The new middle school project started on May 11th. Poles have been set for the temporary service for construction. The water main is also being installed with KU staff on site doing the inspection. A new roof was installed on the Warehouse, and the solar panels are in the process of being reinstalled. Epoxy floor coating has been completed at Badger Hydro, Rapide Croche, and Kimberly Hydro. Asphalt repair and resealing have been completed at the warehouse pole yard and parking lot as well as all the employee parking lots. The equipment has been ordered for the HVAC project at the main office building with work expected to be completed in the 3rd quarter. Employees Dan Goffard, Dennis Besaw, and Joe Knowles, were inducted into the Quarter Century Club. Employees Dennis Grimm and Ryan Micke both graduated from their Mechanical Apprenticeship Program and employee Tony Beno received a scholarship for his apprenticeship at the Midwest Hydro Users Group meeting at the end of April.

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 Greg Lenz, seconded by John Moore to approve the April accounts receivable write-offs.

Roll Call Vote:	Tony Penterman	aye
	John Moore	aye
	Paul Van Berkel	aye
	Lee Meyerhofer	aye
	Kelli Antoine	aye
	Greg Lenz	aye

Motion Carried

It was moved by John Moore, seconded by Greg Lenz that checks numbered 2019 through 2036, 11620 through 11779, 81751, 82513, and checks numbered 82517 through 82588 in the amount of \$5,956,047.98 be approved for payment.

Roll Call Vote:	John Moore	aye
	Kelli Antoine	aye
	Greg Lenz	aye
	Lee Meyerhofer	aye
	Paul Van Berkel	aye
	Tony Penterman	aye

Motion Carried

It was moved by Tony Penterman, seconded by Greg Lenz to adjourn.

All members voted aye.	Motion Carried
------------------------	----------------

The meeting ended at 5:48p.m.

John P. Moore
Secretary

Minutes prepared by Amy Brick