

Kaukauna WI
July 13, 2011

The regular meeting of Kaukauna Utilities Commission was called to order at 8:00 a.m. by President Lee Meyerhofer. Commission members present were Gene Rosin, Bill Vanderloop, Tom Driessen, Lee Meyerhofer, Tom McGinnis, John Moore, and Cindy Fallona. Also present were Paul Van Berkel, City Attorney, Jeff Feldt, Mike Pedersen, Eric Miller, Don Krause, Kevin Obiala and Mike Kawula from KU. Jeff Forbes from WPPI Energy, Brian Roebke from the Times Villager, and Diana Driessen were also present.

It was moved by Tom McGinnis, seconded by Bill Vanderloop to approve the minutes of the June 15, 2011 regular Commission meeting as written.

All members voted aye

Motion Carried

There was no public comment.

Water Superintendent Kevin Obiala told commissioners the emergency standby engine drive at #9 well failed. This engine is about 40 years old and parts are no longer available. This engine provides standby power for well pumps in the event of a major power outage. Therefore, it is critical the engine be replaced in a timely manner.

It was moved by Gene Rosin, seconded by Tom McGinnis to approve the low evaluated bid submitted by Cummins NPower LLC, in the amount of \$88,748 for the replacement of the standby engine drive at #9 well.

Roll call Vote:

Cindy Fallona	aye
John Moore	aye
Bill Vanderloop	aye
Gene Rosin	aye
Lee Meyerhofer	aye
Tom McGinnis	aye
Tom Driessen	aye

Motion Carried

Kevin Obiala advised the commissioners bids were requested for the replacement of the PVC roof on the 325,000 gallon underground water reservoir located at the Elm Street Pump Station. This project is included in the 2011 capital budget. The new roof has a 15-year warranty but will last 25+ years.

It was moved by Tom McGinnis, seconded by John Moore to approve the low evaluated bid submitted by Wendlandt Co. in the amount of \$27,335 for replacement of the roof of the 325,000 gallon underground water reservoir.

Roll call Vote:	Gene Rosin	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye
	Tom Driessen	aye
	Cindy Fallona	aye
	John Moore	aye
	Bill Vanderloop	aye

Motion Carried

Jeff Feldt discussed the interest Little Chute High School has had with regard to a Renewgy VP-20 wind turbine at their high school. The Village of Little Chute has passed the necessary ordinance and the school board has approved the project. This project qualifies for a Focus on Energy incentive in the amount of \$9,239 which results in a total installed cost of \$76,961. This will be the last wind turbine demonstration project funded by Kaukauna Utilities. The energy output will be connected directly into Little Chute High School's 480 volt distribution system and will offset approximately 11,000 kWh annually.

It was moved by Gene Rosin, seconded by Cindy Fallona to approve funding for a Wind Turbine Demonstration project at Little Chute High School in an amount not to exceed \$76,961 including Focus on Energy incentives, with funding for the project to come from existing Kaukauna Utilities Commitment to Community and Energy Conservation budgets.

Roll call Vote:	Bill Vanderloop	aye
	Tom Driessen	aye
	Gene Rosin	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye
	Cindy Fallona	aye
	John Moore	aye

Motion Carried

Jeff Feldt advised the commissioners the Badger Hydro project sub committee met to discuss negotiations with Voith Hydro. Voith will secure all engineering, sourcing and manufacturing windows, give KU firm pricing of the turbine generating units and control systems, and conduct detailed engineering activities to meet the December 31, 2013 in service date. This due diligence will provide staff and the Commission with the necessary information to make a final decision in December as to the ultimate scope of the project. Part of the process is obtaining bid documents for the construction of the hydro plant and refurbishment of the power canal. The bids will be one package with an option to just do the power canal or do the entire project and are due September 8, 2011.

It was moved by John Moore, seconded by Tom Driessen to authorize staff to issue Notice to Proceed 1 to Voith Hydro in the amount of \$698,650 to conduct detailed engineering activities, secure pricing and sourcing and manufacturing windows for procurement of two 3.37 meter S-Turbine generating units, unit automation and controls and unit commissioning services.

Roll call Vote	Lee Meyerhofer	aye
	Bill Vanderloop	aye
	Cindy Fallona	aye
	Tom Driessen	aye
	Gene Rosin	aye
	Tom McGinnis	aye
	John Moore	aye

Motion Carried

It was moved by John Moore, seconded by Bill Vanderloop to approve the accounts receivable write offs.

Roll call Vote:	Gene Rosin	aye
	Lee Meyerhofer	aye
	Tom McGinnis	aye
	Cindy Fallona	aye
	John Moore	aye
	Bill Vanderloop	aye
	Tom Driessen	aye

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis, that checks numbered 47405 through 47772 in the amount of \$4,707,533.88 be approved for payment.

Roll Call Vote:	Bill Vanderloop	aye
	John Moore	aye
	Gene Rosin	aye
	Cindy Fallona	aye
	Tom McGinnis	aye
	Tom Driessen	aye
	Lee Meyerhofer	aye

All members voted aye	Motion Carried
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The commission reviewed the monthly reports.

Staff reports:

Manager of Electric Distribution Eric Miller commented he is preparing for road work at CE & Hwy 55 where it will be necessary to reroute our facilities including ATC transmission lines. Distribution has accelerated the plan to rebuild about one mile of the line on ZZ out to Rapide Croche. The entire stretch will be replaced within the next two years. GIS is moving along ahead of schedule. There are a few large power customers who still need a fuse link installed at their meter to prevent exposure to KU personnel from high fault current. The Delanglade Sub is gone and the space has been returned to green space.

Manager of Generation and Ops Mike Pedersen advised the Commission we still have good flow on the river which limits the amount of maintenance and repair work the crew can do. The gas turbine on Elm Street took a lightning hit recently and will be costly to repair. This is a good source of revenue from WPPI and KU still has 3 years remaining on the current contract.

Water Superintendent Kevin Obiala's crews continue with distribution valve operation and leak detection. They're working with the contractor on the Hwy 96 project and residential lead service replacements are going well. The lightning strike on Elm Street took out two soft starts on the well pumps but the pumps were not damaged.

Manager of Information and Technology Don Krause updated the commission on the projection system for the commission chambers. The parts are here and it will be set up with integrated audio and connection capability. Don is also working on internal internet access for employee laptops and WI-FI for public access.

Manager of Finance and Administration Mike Kawula advised the Commission the 2012 budget process has started early due to Badger Hydro Project financial impacts. Mike continues to work with Paymentus changes in software. Mike met with Paul Thompson from Hutchinson Shockey and talked with WPPI financial department personnel for information about bond advisors.

Jeff Feldt told the Commission the new WRS deductions for non represented employees will begin with the September 1st paycheck and be deducted pre tax. Represented employees are under contract and won't begin the new deductions until January 1, 2012.

Jeff Feldt asked the Commission if they had any questions about the 2nd quarter work plan update. KCP unit #1 will be back in service by the end of October and will have been out of service for 15 months. The energy conservation loan program will be phased out. KU commercial and industrial customers have access to programs from WPPI Energy and the PACE program with the City of Kaukauna.

Jeff Feldt invited the Commissioners to the MEUW Lineman Rodeo in Oconomowoc on August 19th and the WPPI Energy Annual meeting in September.

It was moved by Tom Driessen, seconded by Bill Vanderloop to adjourn.

All members voted aye

Motion Carried

The meeting ended at 9:05 a.m.

Thomas J. McGinnis
Secretary