

Kaukauna, WI
July 17, 2024

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, Sue Hennes, Greg Lenz, Lee Meyerhofer, Tony Penterman, and Paul Van Berkel. Also present were Michael Avanzi, Clara Pickett, Dave Pahl, Zach Moureau, Tara Schmitz, Hazael Becerra, Sam Brittnacher, and Andy Vanden Heuvel from KU, Richard Heinemann from Boardman Clark, Brian Roebke, Frank Barth, WPPI Energy Services Manager, and Brad Werner, McMahon Associates

It was moved by Paul Van Berkel, seconded by John Moore to approve the minutes of the June 19, 2024 Commission meeting.

All members voted aye.

Motion Carried

General Manager Michael Avanzi discussed the water engineering request for proposal (RFP) process informing the Commission the RFP was placed on the online bidding portal (QuestCDN) and advertised in the local newspaper. Eight engineering firms downloaded the RFP documents with five of those firms attending the open house on June 24, 2024 to discuss the project. Bids were received and evaluated from McMahon Associates, Inc. and CBS Squared, Inc. The alternate bid items were not included in the original project cost estimate and would require approval from the commission to include in the proposed work of the engineering consultant. Base bid and alternate bid results are as follows.

Section Title	Item Description	McMahon Associates, Inc.	CBS Squared, Inc.
Base Bid – Engineering Services			
	Project Management	\$55,000	\$220,400
	Funding Assistance	\$15,000	\$39,900
	Preliminary Design	\$320,000	\$232,750
	Final Design	\$584,000	\$882,400
	Permitting	\$10,000	\$25,300
	Bid Phase	\$26,000	\$17,750
	Construction Administration	\$330,000	\$780,900
	Commissioning and Start Up	\$95,000	\$115,400
	Decommission/Demolition of Abandoned Facilities	\$91,000	\$35,200
Base Bid Total:		\$1,526,000	\$2,350,000
Alternate Bid items			
	Rooftop Solar – Feasibility Study	\$5,000	\$10,500
	Micro-hydro Generation – Feasibility Study	\$4,000	\$18,300
	Geothermal Heating & Cooling – Feasibility Study	\$5,000	\$11,600

	Small Water Bottling Plant – Feasibility Study	\$4,000	\$10,500
	Assist with strategy for removal/bypass of water softeners	\$5,000	\$9,800
	Evaluate Wholesale Water Options	\$5,000	\$13,700
Alternate Bid Total:		\$28,000	\$74,400

CBS Squared partnered with Applied Technologies in the RFP to leverage both teams' experiences with reverse osmosis (RO) systems. As staff analyzed the information provided in the RFPs, it was found that the major difference between the bids was based on the actual number of hours quoted for each task. The average hourly rate for CBS Squared calculated out to be lower than that of McMahon Associates, approximately \$142/hr. and \$168/hr., respectively.

An interview was scheduled with each bidder on Monday July 8, 2024. Staff used this time to get a better idea of the understanding and comfort level each bidder had with the project. Each bidder was also asked if they had any objections to obtaining a performance bond if this were to be made a requirement of the contract. Following the interviews, a pros and cons list was created for each bidder followed by a scoring matrix.

Reference checks were completed for both bidders. Prescott, Stanley, Waupun, and Winneconne water utilities were contacted as they are the four utilities with reverse osmosis treatment processes in the state. Note that Prescott's RO system is not yet in service. McMahon Associates oversaw the RO project in Winneconne, while CBS Squared and Applied Technologies oversaw the RO projects in Prescott, Stanley, and Waupun. Staff received responses from all utilities except Stanley. All respondents were asked the same set of questions with no areas of concern for either bidder.

Overall, the RFP selection team felt that either engineering team could technically complete the job with their experience with RO systems and the regulatory processes in the state. The team felt that KU would receive the best product, remain within budget, and on schedule moving forward with the team that scored best in the scoring matrix as this leads KU to the best value solution. CBS Squared in partnership with Applied Technology combined provide the greatest engineering expertise with a well thought out approach from the pilot study through project completion.

It was moved by Paul Van Berkel, seconded by John Moore to authorize the General Manager to award the base bid and all alternate bid items to CBS Squared, Inc. in an amount not to exceed \$2,424,400 plus the amount of the performance bond as determined appropriate and to work with legal counsel on executing a contract.

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

General Manager Michael Avanzi provided a quarterly update on the Strategic Intent, 2024 Work Plan, and Key Performance Indicators.

IT Specialist Sam Brittnacher provided a presentation to the Commission on potential changes to the audio/visual equipment setup in the Commission Chambers.

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 as part of the Cybersecurity Prize KU received from the Department of Energy, him and Dave Pahl will be attending the briefing on July 19th in Washington D.C. The Quarter Century Club dinners will be opened to any employees that are celebrating major service anniversaries in that year (i.e. 5 years, 10 years, 15 years, 20 years). KU will be hosting a meeting of the Wisconsin Association of Energy Engineers (WAE) on Wednesday, July 24th and presenting on KU energy efficiency and sustainability goals and accomplishments and provide tours of Badger Hydro and Island Street power plants. The summer help in the Maintenance Department decided to resign on July 2nd for personal reasons. Invitations for the Employee Summer event on Aug. 8th were sent out on July 19th. The KU quarterly all employee meeting is tomorrow, July 18th, and all commissioners indicated plans to attend. The previously discussed customer concern with KU facilities outside the easement has been resolved. During the Combined Locks Substation (CLS) outage on June 22nd, some discrepancies were found that led to significant delays in switching out the ATC line and affected temporary repairs. The cause of the outage was a broken casting on a switch that let loose and arced across the contacts. The water department repaired a large water main break on the southside of Kaukauna on County Highway CE. Due to all the outages and the weather, the line crew has fallen behind on their normal work and have stopped working their summer hours. Staff are putting together a new policy that'll go in the handbook this year on artificial intelligence. The 2025 budget process has started. Regarding Public Power Week, in coordination with Badger Hydro's ten-year anniversary, we are going to do a Badger birthday bash on October 1st. Information on the seasonal sewer adjustment has been sent to customers and will also be posted to social and be placed in the KU Connect. Zach Moureau provided a tour to the Buchanan Fire Department on July 15th at the Rapide Croche Hydro Plant. The remaining tours are scheduled on July 29th with the Little Chute Fire Department at the Little Chute Hydro Plant and on August 19th with the Kimberly Fire Department at the Kimberly Hydro Plant. No advanced requests were received for the first two scheduled whitewater boating releases (6/15 and 6/22); therefore, the events were not conducted. The Department of Energy (DOE) has accepted the Section 247 Grant Program revised community benefits plans (CBPs) for the Little Chute Bulkhead Wall Repair (G25-04) and Kaukauna City Plant Forebay Wall Repair (G26-06) Projects. These projects are now classified as eligible for the grant program. DOE plans to announce grant recipients in late summer. The Combined Locks Hydro Plant license is set to expire on July 29th. The current license remains in effect until the new license is issued. Compliance with the private well program is at 100%. The hazardous waste collection event is scheduled for August 15th from 8am until 11am. Information regarding the event is being provided to residential customers via customer newsletter, bill message, and social media posts. The event will be conducted on an appointment basis for KU residential customers. Customers will be able to sign up on our website.

General Manager Michael Avanzi reminded the Commission the September and December Commission meetings have been rescheduled to September 24th and December 17th.

Next week, President Lee Meyerhofer will officially become chair of APPA's Policy Makers Council and sit on the APPA Board as an ex-officio member for a year.

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 June 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 John Moore that checks numbered 1569 through 1590, and checks numbered 80365 through 80518 in the amount of \$6,355,763.82 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 John Moore, seconded by Tony Penterman to adjourn.

All members voted aye.

Motion Carried

The meeting ended at 5:55 p.m.

John P. Moore
Secretary

Minutes taken by Amy Brick