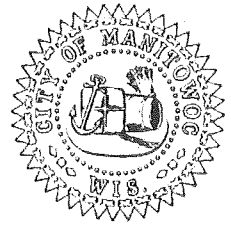


# CITY OF MANITOWOC

WISCONSIN, USA

[www.manitowoc.org](http://www.manitowoc.org)

## MINUTES



### COMMUNITY DEVELOPMENT AUTHORITY

#### PLAN COMMISSION OFFICES

Regular Meeting

Wednesday

October 15, 2014

#### I. CALL TO ORDER

The meeting was called to order by Chairman John Stangel at 4:00 P.M.

#### II. ROLL CALL

<u>Members Present</u>	<u>Members Excused</u>	<u>Others Present</u>	<u>Staff Present</u>
John Stangel	Jill Hennessey	Tony Vogel	Paul Braun
Gene Maloney			Lisa Mueller
Emil Roth			Pauline Haelfrisch
Chris Able			
Dennis Tienor			

\*Paul Braun informed the Board members that Collin Braunel has had to resign from the CDA. He asked the Board members for references.

#### III. APPROVAL OF MINUTES OF THE REGULAR SEPTEMBER 10, 2014 MEETING

Chairman Stangel asked if there were any corrections or additions to the minutes of the regular September 10, 2014 meeting. Hearing none, the following action was taken.

Motion by: Mr. Maloney	Seconded by: Mr. Tienor
Moved that: the CDA approve the minutes of the September 10, 2014 regular meeting	Upon vote: the motion was carried unanimously

#### IV. MANITOWOC HOUSING AUTHORITY BUSINESS

- A. Financial Report and Approval of Monthly Expenditures  
Pauline Haelfrisch reviewed the financial statements for October, 2014 with the Board members. She also distributed a list of expenses and reviewed these with the Board.

Pauline discussed with the Board members the business and property insurance that is coming due the beginning of December. The invoice came in \$1,600 higher. Pauline told the members she was getting another quote.

After some discussion, the following action was taken.



Motion by: Mr. Maloney  
Moved that: the CDA approve and authorize  
payment of the October, 2014 expenses

Seconded by: Mr. Tienor  
Upon vote: the motion was carried  
unanimously

**B. New Project Update**

Pauline discussed the bike shed project with the Board members. The bid opening for the bike shed is scheduled for Thursday, Oct. 16<sup>th</sup> at 1:30 p.m. The concrete suppliers are way behind on projects. Pauline is not sure if the slab will be poured this year.

The architect came and patched the holes in the rubber roof of the balcony. Gene Maloney explained what type of work needed to be done to the balcony. Next Spring, the architect will analyze the balcony as to how it is constructed.

**C. GPNA Update**

Pauline informed the Board members that the architect from Schultzwerks came with the engineer on Sept. 23<sup>rd</sup> to do an inspection of our building. The meeting did not go as she had thought. They did look at the vacant apartments, walked around the outside of the building, and went in the common areas. Pauline gave them all the information she had in regards to the updates done to the building along with the original blueprints. Pauline stated she would wait and see what they come up with.

**V. DOWNTOWN REDEVELOPMENT ACTIVITIES**

**A. Financial Report and Approval of Monthly Expenditures**

Paul Braun reported as of 11/15/14, there is a total of \$731,715.27 in loan funds available in the revolving loan fund. There has been no other activity. Paul did want the Board members to know that they are working with the Finance Dept. as their numbers are different.

Discussion was held, no action was taken.

**B. Design Review:**

**1. 701 York Street – Harborside Restaurant**

Paul Braun informed the Board members that this design review involves removing and replacing the old siding from the east and north side of the building. The awning will also be removed and updated. The work has already been started and Paul asks the Board members to approve and award a certificate of appropriateness.

The following action was taken.

Motion by: Mr. Able

Moved that: the CDA approve the design review and  
award a certificate of appropriateness

Seconded by: Mr. Maloney

Upon vote: the motion was carried  
unanimously

**C. ABBA LLC – Loan REV2011-1 – Update**

The Board members invited Tony Vogel to the table to update them regarding the most recent happenings involving 8<sup>th</sup> and York. Tony was able to provide some income and expense information to the members given to him by Abby. However, the information did not fulfill what was requested of the Board members. There was some discussion in regards to the reports the Board members received.

Because of the limited information given to the Board members, Dennis Tienor stated that the Board has no other choice than to defer to the City Attorney and a bank representative to begin the collection process.

Paul Braun asked about the interest payment on the loan. He was advised to follow the letter of documentation with everything that is in place, nothing is waived. Late fees and interest will begin again.

D. Artist Loft – Discussion of HOME Fund Disbursement

Paul reviewed this development with the Board members. Paul received an e-mail from Todd Hutchison asking for him to update the City's support letter for this project to remove the HOME funds portion of the \$250,000 in order to bring the actual amount down to \$204,448.

Paul explained the reasoning for this is the State of WI Division on Housing states that HOME funds cannot be layered. Todd Hutchison is applying for \$500,000 monies from the State, so the City's portion of approximately \$46,000 must be taken out of the \$250,000 Todd has already received for this project.

Since Paul received the e-mail, Todd Hutchison had already found the old support letter, revised it, and had the Mayor resign it. The revised letter removes the reference to the City.

E. State of Wisconsin Housing CDBG RLF Site Visit – 10/14 thru 10/16/14

Paul reported that ever since Janet Zunker retired there has been no action with the housing program. The program has been on hiatus.

The Planning Dept. has to do annual reports of income and expenses for the State in regards to this program. Paul was notified through a letter from WI Division of Housing that there would be an audit of the CDBG Revolving Loan Fund. Paul stated that it just so happened there is a representative here at this time doing the audit. Over the years, there have been six disbursements of money received that total \$3,087,650 into this program. The remaining balance of this program was recently committed to the Artist Loft project by the Board members which totals \$177,000. Paul felt the auditor was not aware of this commitment; however, the prior Planning Director David Less did get an e-mail confirmation in regards to this matter.

John Stangel explained that those loans are not a monthly payment back. They are paid off when the property is sold. Paul explained that there is a State statute that says if there is not a payment on the loan within thirty years, the lien on the property will no longer exist. The Board members agreed they needed to take another look at this statute and determine how to proceed with any loans during that thirty year time period.


Paul would inform the Board members the results of the audit at the next meeting.

\*Paul announced that there is a new director of Community Development by the name of Nick Sparacio. Paul is now the new City Planner.

**VII. ADJOURNMENT**

The meeting was adjourned at 4:55 P.M.

Respectfully submitted:



Paul Braun,  
Interim Executive Director

PB/pmh

**GREAT LAKES UTILITIES BOARD OF DIRECTORS  
MEETING MINUTES**

June 24, 2014  
Bangor, WI

**CITIES REPRESENTED:**

Bangor	Steve Baker
Clintonville	absent
Cornell	Dave DeJongh
Escanaba, MI	absent
Kiel	Dennis Dederling (via telephone)
Manitowoc	Nilaksh Kothari
Marshfield	Bob Trussoni
Medford	John Fales
Shawano	Brian Knapp
Trempealeau	Travis Cooke (via telephone until his arrival at 11:45 a.m.)
Wisconsin Rapids	Jem Brown

Legal Counsel:	Attorney Richard Heinemann, Boardman & Clark
Absent:	Lisa Kuss, Mike Furmanski
Additional Attendees:	Shelley Miller; Gary Althoff

Jem Brown, Chair of the Board, called the meeting to order at 11:00 a.m. and called the roll. A quorum was present with nine communities represented. Those present are indicated.

**MINUTES:** The Regular Session Minutes from the May 20, 2014 meeting were presented for approval.

**MOTION:** Motion was made by Brian Knapp and seconded by John Fales to approve the Regular Session Minutes from May 20, 2014. Motion carried unanimously.

**LAKESWIND PROJECT COMMITTEE REPORT AND RECOMMENDATIONS:** The DIR issue needs to be resolved along with proposed changes to the operational procedures.

**POWER SUPPLY PLANNING DISCUSSION/ANALYSIS:** The 2014 Annual Power Supply Plan which was presented at the 2014 meeting determined that allowing the Alliant contract to expire at the end of 2017 was the lowest cost option for the existing power supply pool in four of the five future LMP scenarios. Alliant has been notified unofficially that the contract will be terminated and have indicated that they would like to discuss the contract. Discussion ensued.

**MOTION:** Motion was made by Dennis Dederling and seconded by Brian Knapp to authorize providing a termination notice to Alliant prior to December 31, 2014, per section 8.4 of the Master Agreement and to authorize executing a non-disclosure (confidentiality agreement) with Alliant to discuss revised terms and conditions to the Master Agreement. Motion carried unanimously.

**CREATION OF LONG-TERM POWER SUPPLY POOL FOR FOUR MEMBERS:** R. Heinemann updated the Committee on a preliminary discussion at the last meeting about creating

a GLU West power pool within the overall framework of the Great Lakes Utilities draft 2015-2024 power supply plan. A power supply pool is an integrated electric load system formed by contract for the purpose of power supply planning and other related electric system functions and market participant functions in the MISO energy markets. As discussed at the May meeting, there are a number of potential benefits to forming a power supply pool. These benefits include increased flexibility in acquiring power supply resources, as well as allowing for larger block energy purchases to meet load requirements. In addition, forming a power supply pool simplifies planning (one load versus multiple loads); provides for greater load and resource diversity; and provides for potential reductions in capacity purchasing. Potential costs of integration include administrative requirements and increased technical or operational requirements. In the case of GLU West, however, these costs are likely to be *de minimis* given that GLU already incurs costs to serve existing power supply pool members. Procedurally, formation of a power pool requires formal assignment by the members of their existing power supply contracts to GLU and entry into either an interim or long term requirements contract with GLU, followed by Board resolution.

A lengthy discussion ensued. The consensus of Cornell, Bangor, Trempealeau, and Medford was to initiate the process of a power supply pool that will function independently of the existing power supply pool but will create synergies as necessary between the two groups. This will require assignment of existing power supply contracts by Medford. The other three members have already assigned their contracts to GLU and entered into interim power supply contracts with GLU. N. Kothari and Jem Brown will follow up with each member to answer questions and make presentations to city or village boards as requested.

**UPDATE ON MISO SSR COST ALLOCATION METHODOLOGY INTERVENTION FILING AT FERC:** A memo prepared by Attorneys Michael Postar and Joshua Adrian on the flurry of activity in the above-referenced intervention by GLU at FERC was presented. The memo summarized the comments filed by various entities. Although GLU could submit an answer to the pleadings, the attorneys recommend no action. FERC has the option of making a unilateral ruling on this issue or grant a hearing. The timeline on FERC's decision is solely at their discretion.

**FINANCIAL REPORTS AND INVOICES FOR APRIL AND MAY 2014:** For claims lists dated April 2014, invoices from Boardman & Clark LLP; Customized Energy Solutions Ltd; Duncan Weinberg Genzer; Marshfield Utilities; Manitowoc Public Utilities; MRETS; Schenck Business Solutions; Wisconsin Rapids Water Works & Lighting; Badger Power Marketing Authority; North Central Power Co.; Northwestern Wisconsin Electric Co.; Wisconsin Public Service; American Electric Power; ATC; MISO; Cargill Power Markets, LLC; Lakeswind Power Partners LLC; WE Energies; NextEra Energy Power Marketing LLC; Wisconsin Power & Light totaling \$8,072,716.83; and for claims lists dated May 2014, invoices from Boardman & Clark LLP; Customized Energy Solutions Ltd.; Duncan Weinberg Genzer; Marshfield Utilities; Manitowoc Public Utilities; North Central Power Co.; Northwestern Wisconsin Electric Co; Spiegel & McDiarmid LLP; American Electric Power; ATC; MISO; Cargill Power Markets LLC; Lakeswind Power Partners LLC; Wisconsin Public Service; WE Energies; NextEra Energy Power Marketing LLC; and Wisconsin Power & Light totaling \$7,940,166.56.

**MOTION:** Motion was made by Brian Knapp and seconded by Bob Trussoni to approve payments of invoices totaling \$8,072,716.83 for April and \$7,940,166.56 for May. Motion carried unanimously.

**QUARTERLY INVESTMENT PORTFOLIO REPORT-MARCH 31, 2014:** GLU's Quarterly Investment Portfolio Report from ICM, our investment advisor, for the period ending March 31, 2013 was presented for review.

**ADMINISTRATIVE MANAGER REPORT:** N. Kothari updated the Board that approval was required for the MPU/GLU Power Purchase Confirmation for July 1-August 31, 2014. The recommendation is to authorize the approval of the confirmation letter for RECs with Wisconsin Electric Power Company.

**MOTION:** Motion was made by Brian Knapp and seconded by Bob Trussoni to approve the confirmation letter regarding the sale of RECs to WE. Motion carried unanimously.


**MOTION:** Motion was made by Bob Trussoni and seconded by John Fales to approve the power purchase confirmation. Motion carried unanimously.

**ANNUAL MEETING – OCTOBER 15, 2014:** The Annual Meeting will be held in Manitowoc on October 15, 2014.

**JULY-DECEMBER SCHEDULE:** The tentative meeting schedule for July-December 2014 was distributed.

**NEXT MEETING:** The next meeting is scheduled for July 15, 2014. The location will be determined.

**ADJOURNMENT:** Motion by Nilaksh Kothari and seconded by Steve Baker to adjourn. Motion carried unanimously. Meeting adjourned at 12:20 p.m.

  
Dennis Dederer, Secretary

**GREAT LAKES UTILITIES BOARD OF DIRECTORS**  
**MEETING MINUTES**  
October 15, 2014  
Manitowoc, WI

**CITIES REPRESENTED:**

Bangor	Steve Baker
Clintonville	absent
Cornell	Judy Talbot (alternate)
Escanaba, MI	Mike Furmanski
Kiel	Dennis Dederling
Manitowoc	Nilaksh Kothari
Marshfield	Bob Trussoni
Medford	John Fales
Shawano	Brian Knapp
Trempealeau	Travis Cooke
Wisconsin Rapids	Jem Brown

Legal Counsel: Attorney Richard Heinemann, Boardman & Clark  
Absent: Cornell representative; Dave DeJongh  
Additional Attendees: Judy Talbot; Donald Duenkel; Ed Grys; Andy Onesti; Dave Luckow; Steve Bacalzo; Mike Zenker; Todd Palmer; David England; John Harper; Jeff Kuhn; Mark Seidl; Trip Bristow; Mike Schlindwein; Kurt Hendrickson; Dan Hornung; Cynthia Carter

Jem Brown, Chair of the Board, called the meeting to order at 3:40 p.m. and called the roll. A quorum was present with ten communities represented. Those present are indicated.

**MINUTES:** The Regular Session Minutes from the August 12 and October 7, 2014 meeting were presented for approval.

**MOTION:** Motion was made by Brian Knapp and seconded by Dennis Dederling to approve the Regular Session Minutes from August 12 and October 7, 2014. Motion carried unanimously.

**WE ENERGY ACQUISITION OF INTEGRYS:** Attorney R. Heinemann provided an update on proceedings regarding the WE Energy acquisition of Integrys. A brief discussion ensued.

**RESOLUTION 2014-1 AUTHORIZING ENTRY INTO LONG-TERM POWER SUPPLY AGREEMENTS WITH BANGOR, CORNELL, MEDFORD, AND TREMPEALEAU:** A Resolution was presented to authorize GLU to enter into long-term power supply agreements with Bangor, Cornell, Medford and Trempealeau, as their governing bodies have approved assigning their long-term power supply agreements to GLU. The resolution includes authorization to accept assignment of Medford's existing full requirements power supply contracts with third party suppliers. The recommendation was to adopt the Resolution and approve the long-term power supply agreements and assignment. A brief discussion ensued.

**MOTION:** Motion was made by Travis Cooke and seconded by Brian Knapp to approve Resolution 2014-1 as presented authorizing GLU to enter into long-term power supply agreements with Bangor, Cornell, Medford and Trempealeau, and an assignment agreement with Medford. Motion carried unanimously.

**APPROVAL OF THE 2015 BUDGET:** The 2015 budget was presented with revenues of approximately \$102 million and expenses of \$101.9 million, for a net income of approximately \$70,000. Discussion ensued on power supply costs, operating reserves, and rate stabilization fund.

**MOTION:** Motion was made by Steve Baker and seconded by Bob Trussoni to approve the 2015 Budget. Motion carried unanimously.

**APPROVAL OF 2013 ANNUAL REPORT:** The 2013 Annual Report was presented for approval. The major accomplishments in 2013 included: GLU began power supply planning for members of the GLU West Power Supply Project Committee and entered into interim power supply contracts with Trempealeau, Cornell and Bangor; GLU entered into a Master Power Purchase and Sales Agreement with Escanaba; GLU expanded the range of special services it provides members under its Operating Services agreement with Manitowoc Public Utilities; GLU continued managing a diverse portfolio of short term and long term power supply resources with numerous power suppliers to serve Power Supply Project Committee members; GLU increased its offtake to 81% of the Lakeswind wind generation project; and GLU continued to participate in a coalition of municipal power agencies in Federal Energy Regulatory Commission ("FERC") proceedings related to the operation and administration of the MISO energy markets.

**MOTION:** Motion was made by Dennis Dederling and seconded by John Fales to adopt the 2013 Annual Report. Motion carried unanimously.

**FINANCIAL REPORTS AND INVOICES FOR JULY AND AUGUST 2014:** For claims lists dated July 2014, invoices from Badger Power Marketing Authority; Boardman & Clark LLP; Customized Energy Solutions Ltd; Duncan Weinberg Genzer; Manitowoc Public Utilities; Midwest Renewable Energy Tracking; OATI; Spiegel & McDiarmid; WI Rapids Water Works & Lighting totaling \$1,968,170.65; Wind Purchase Power Revenue Invoices from North Central Power Co.; and Northwestern Wisconsin Electric Co. totaling \$47,587.00 and Power Supply Invoices from American Electric Power; Cargill Power Markets; WI Power & Light; ATC; MISO; EDF Trading North America; Illinois Power Marketing Co; Lakeswind Power Partners, LLC; NextEra Energy; WPS and WE Energies totaling \$5,732,818.36, for a total of \$7,748,861.12; and for claims lists dated August 2014, invoices from Customized Energy Solutions Ltd.; Duncan Weinberg Genzer; Infinity Technology; Manitowoc Public Utilities; Marshfield Utilities; Midwest Renewable Energy Tracking and Postmaster General totaling \$2,271,710.03; Wind Purchase Power Revenue Invoices from North Central Power Co. and Northwestern Wisconsin Electric Co. totaling \$31,225.00 and Power Supply Invoices from American Electric Power; Cargill Power Markets; WI Power & Light; ATC; MISO; EDF Trading North America; Illinois Power Marketing Co; Lakeswind Power Partners, LLC; NextEra Energy; WPS and WE Energies totaling \$5,539,834.22, for a total of \$7,842,769.25.

**MOTION:** Motion was made by Travis Cooke and seconded by Steve Baker to approve payments of invoices totaling \$7,748,576.01 for July and \$7,842,769.25 for August. Motion carried unanimously.

**LEGAL REPORT:** Attorney R. Heinemann provided an update on FERC, PSCW and MISO



proceedings for the annual report, including (i) Wisconsin Energy Corporation's application for approval of its proposed acquisition of the Integrys Energy Group, Inc. (Integrys) at both the PSCW and FERC; (ii) the PSCW's biennial strategic energy assessment; (iii) the Presque Isle Power Plant System Support Agreement proceeding at FERC; and (iv) several MISO-related FERC dockets through GLU's participation in a transmission customer group.

**ELECTION OF VICE-CHAIR:** A Motion was made by Travis Cooke and seconded by Dennis Dederling to elect Brian Knapp as Vice-Chair for four years and to close nominations. Motion carried unanimously.

**PRESENTATION BY ATTORNEY TODD PALMER, MICHAEL, BEST & FRIEDRICH, LLC:** The presentation focused on the impacts of environmental regulation on the power industry.

**PRESENTATION BY KURT HENDRICKSON, SENIOR REGIONAL MANAGER, AMERICAN TRANSMISSION COMPANY:** The presentation focused on transmission system upgrades.

**PRESENTATION BY MIKE ZENKER, SENIOR DIRECTOR, NEXTERA:** The presentation focused on how market forces will shape the wholesale power market for GLU.

The meeting adjourned to dinner.

**NEXT MEETING:** The next meeting is on November 18, 2014; location to be determined.

**ADJOURNMENT:** Motion by Bob Trussoni and seconded by John Fales to adjourn. Motion carried unanimously. Meeting adjourned at 5:40 p.m.

  
Dennis Dederling, Secretary

**LAKESWIND PROJECT COMMITTEE  
GREAT LAKES UTILITIES  
MINUTES**

August 12, 2014  
Marshfield, Wisconsin

**COMMITTEE MEMBERS:**

Bangor	Steve Baker
Cornell	Dave DeJongh (via telephone)
Medford	John Fales
Power Supply Committee Representative	Brian Knapp
Trempealeau	Travis Cooke
Legal Counsel:	Richard Heinemann, Boardman & Clark
Manager – Administrative Services:	Nilaksh Kothari
Additional Attendees:	Dennis Dederling (via telephone); Bob Trussoni; Jem Brown; Mike Furmanski (via telephone)

Committee Chair John Fales called the meeting to order at 10:15 a.m. Those present are indicated above.

**MINUTES:** The Regular Session Minutes from the June 24, 2014 meeting were presented for approval.

**MOTION:** Motion was made by Brian Knapp and seconded by Travis Cooke to approve the Regular Session Minutes from June 24, 2014. Motion carried unanimously.

**OPERATING PROCEDURES MANUAL (OPM) FOR WIND PROJECT:** The procedures were updated as discussed at the last project Committee meeting. The following changes were made per discussion at the last meeting: correct title of the Power Supply Manager; the real-time curtailment at a negative \$100 and day-ahead energy offer curve at a negative \$23.

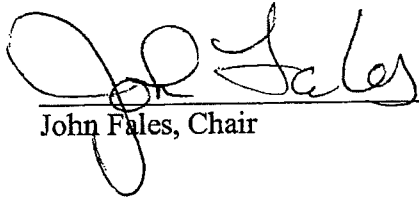
**MOTION:** Motion was made by Brian Knapp and seconded by Steve Baker to approve the updates to the operating procedures manual. Motion carried unanimously.

**WIND PROJECT PERFORMANCE REPORT THROUGH JUNE 30, 2014:** N. Kothari updated the Committee on the financial operation of the project through June. The report going forward as requested by the committee is presented as GLU's portion of the project and the total project (which includes the Dahlberg companies'). The average cost for the full 3 months of operation (April-June 2014) is \$44.84 per MWh. The preliminary data for July 2014 indicates MISO revenues at \$23/MWh, hence the wind cost of \$53 per MWh for the month. The consensus of the Committee was to accept the report and if possible include administrative cost.

**DIR REGISTRATION DISCUSSION AND FUTURE ACTIONS:** Rockland Partners was contacted after the last committee meeting and an update on GLU's request to designate the facility as a Dispatchable Intermittent Resource (DIR) in MISO was presented. Rockland Partners believe the biggest benefit for GLU is the ability to avoid having to continuously monitor the site for possible economic curtailments. The downsides of DIR according to Rockland Partners are (a) risk of increased curtailments – MISO can curtail project for reasons that are non-economic and non-emergency, (b) MISO requires participants to provide generation forecasts and charges penalties for deviations from the forecast, (c) the project would be subject

to regulatory risk from future changes in the DIR program – no ability to get out of DIR once the election has been made, (d) Rockland’s capital cost to implement – currently estimated at \$50,000, (e) all buyers must participate – no ability to split up the system just for GLU, and (f) Union Bank, Rockland’s tax equity partner, must approve any amendments to the PPA that Lakeswind signs. A proposed Fourth Amendment to designate the project as a DIR was drafted by Rockland and presented for GLU’s review and approval. A lengthy discussion followed on the proposed amendment, PPA requirements; DIR pros and cons; Rockland responsiveness and related issues. The consensus was to reject the amendment as proposed by Rockland. The Committee recommended that an economic analysis of DIR be completed and a mark-up of the Amendment be submitted to Rockland. This item will be on the next Committee meeting agenda.

**ADJOURN:** Motion to adjourn by Brian Knapp and seconded by Steve Baker. Motion carried.  
Meeting adjourned at 10:45 a.m.



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John Fales, Chair

**POWER SUPPLY PROJECT COMMITTEE  
GREAT LAKES UTILITIES  
MINUTES**

August 12, 2014  
Wisconsin Rapids, Wisconsin

**COMMITTEE MEMBERS:**

Clintonville	absent
Kiel	Dennis Dederling (via telephone)
Manitowoc	Nilaksh Kothari
Shawano	Brian Knapp
Wisconsin Rapids	Jem Brown
Legal Counsel:	Richard Heinemann, Boardman & Clark
Additional Attendees:	Steve Baker; Travis Cooke; John Fales; Bob Trussoni; Dave DeJongh (via telephone); Mike Furmanski (via telephone)
Absent:	Lisa Kuss

Chair Jem Brown called the meeting to order at 11:32 a.m. Those present are indicated above.

**APPROVAL OF MINUTES:** The Regular Session Minutes from the May 20, 2014 meeting were presented for approval.

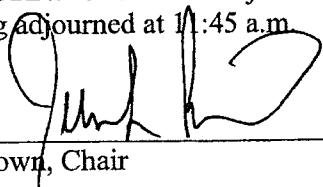
**MOTION:** Motion was made by Brian Knapp and seconded by Dennis Dederling to approve the Regular Session Minutes from May 20, 2014. Motion carried unanimously.

**OPERATING RESERVE / RATE STABILIZATION / CASH DISTRIBUTION POLICY DISCUSSION:** The Power Supply fund has accumulated a cash reserve balance over the last several years. There has been a desire expressed by members to formulate an allocation method for distribution of these reserves to the members in the unlikely event of: (i) GLU dissolving as an organization or (ii) a member deciding not to renew the power supply Agreement. A draft/proposed allocation methodology was presented for review and modifications. A brief discussion ensued. The consensus was to continue discussion at the next meeting.

**POWER SUPPLY 2014 REVIEW, ANALYSIS AND FUTURE ACTIONS:** As requested at the previous meeting, the summary of PIPP SSR costs versus estimated based on initial MISO ruling and an analysis of budgeted versus actual costs for variance power supply components were presented for review. A request was received from a renewable energy marketer who wants to buy excess REC's from 2011 and 2012 from GLU.

**MOTION:** Motion was made by Brian Knapp and seconded by Dennis Dederling to approve the sale of excess REC's to Carbon Solutions. Motion carried unanimously.

**ADJOURN:** Motion to adjourn by Nilaksh Kothari and seconded by Dennis Dederling. Motion carried.  
Meeting adjourned at 11:45 a.m.

  
\_\_\_\_\_  
Jem Brown, Chair

**GLU WEST POWER SUPPLY PROJECT COMMITTEE  
GREAT LAKES UTILITIES  
MINUTES**

January 22, 2014  
Wisconsin Dells, Wisconsin

**COMMITTEE MEMBERS:**

Bangor	Steve Baker
Cornell	Dave DeJongh
Medford	John Fales
Spooner	absent
Trempealeau	Travis Cooke (via telephone)

Legal Counsel: Richard Heinemann, Boardman & Clark

Administrative

Services Manager: Nilaksh Kothari

Absent: William Marx

Additional Attendees: Andy Onesti; Jem Brown; Dennis Dederling; Bob Trussoni; Brian Knapp; Ryan Henschel (Kiel); Spencer Titera (Medford).

Chair Dave DeJongh called the meeting to order at 10:03 a.m. Those present are indicated above.

**MINUTES:** The Regular Session Minutes from the December 17, 2013 meetings were presented for approval.

**MOTION:** Motion was made by John Fales and seconded by Steve Baker to approve the Regular Session Minutes from December 17, 2013. Motion carried unanimously.

**DRAFT POWER SUPPLY PLANNING PRESENTATION:** A presentation of the 10-year power supply plan was made at the meeting for discussion, to receive comments and finalize the recommendations. The presentation included system overview, power supply requirements and alternatives, review of key inputs, an analysis of supply alternatives, projected power supply costs and power supply alternatives comparisons. Discussion ensued on long term power costs; pros and cons of a single GLU power supply pool; dissolving West Committee and related issues. The consensus was to make a decision at the next meeting on the recommendations and future direction.

**ADJOURN:** Motion to adjourn by Steve Baker and seconded by John Fales. Motion carried. Meeting adjourned at 11:28 a.m.

  
Dave DeJongh, Chair

**MINUTES OF THE  
MANITOWOC PUBLIC UTILITIES COMMISSION MEETING  
MONDAY, OCTOBER 27, 2014**

The scheduled meeting of the Manitowoc Public Utilities Commission was called to order by President Seidl at 4:00 p.m. on Monday, October 27, 2014. In attendance were Commissioners Diedrich, Hennessey, Hornung, Morrow, Luckow, Nickels and Seidl. Also present were Nilaksh Kothari – General Manager, Mark Leonhard and Attorney Andrew Steimle – Steimle Birschbach, LLC.

**COMMERCIAL AND INDUSTRIAL CUSTOMER SURVEY:** The Commercial and Industrial (C&I) customers survey completed by Leede Research in September 2014 was presented by Tim Brick. In general, 61.1% of C&I customers surveyed gave MPU an A grade, which is 6% higher than the 2012 survey for overall satisfaction of utility services. It should be noted that for individual utility the excellent ranking was 7% lower than in 2012, while the combination of excellent and good service percentages were similar or slightly better than in 2012. Several key areas of improvements were identified including: Initiate a quarterly/semi-annual newsletter focused on C&I customers; improve website for better information on energy efficiency; assist C&I customers with energy audits; and consider low interest loans for energy efficiency. Discussion ensued.

Trace Reed joined the meeting at 4:25 p.m.

Cindy Carter and Tim Brick left the meeting at 4:35 p.m.

**STORMWATER RUNOFF DISCHARGE TREATMENT RECOMMENDATION FROM COAL STORAGE:** The draft report from Black & Veatch on the treatment options evaluated to meet the discharge limits of 50 mg/l of suspended solids on storm water discharge from coal storage east of the power plant was presented for review. MPU in July/August 2014 had completed a bench scale pilot study on the cloth media filter from Aqua-Aerobics Manufacturer and determined the technology is feasible and may require the addition of coagulant to attain 50 mg/l of suspended solids in discharge water. Black & Veatch evaluated the cloth media technology with three other technologies – (a) compressed media filtration; (b) automatic cleaning pressure filters and (c) microscreens. After review the recommendation was to sole source cloth media filtration system with Aqua-Aerobics for a cost not to exceed \$125,000 for a 60 gpm system. At this time MPU will defer installation of a settling process prior to the cloth media until after 12 to 24 months of operating experience. The cost of the installation will be approximately \$60,000. The project is in the 2014 capital budget. A brief discussion ensued.

**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Morrow to approve contracting with Aqua-Aerobics. Motion carried unanimously.

Wayne Breitenfeldt and Mike D'Amico joined the meeting at 4:37 p.m.

**NETWORK AND DATA CENTER UPGRADE:** A Request for Proposals to replace the existing network and data centers infrastructure with new equipment as per the recommendation

in the IT Master Plan was solicited on June 27, 2014. Three responses were received to the initial request and after scoring the responses on how well their solution addressed our list of functional requirements Capital Data and Camera Corner\Connecting Point (CCCP) from Green Bay were selected. These two finalists were then asked to provide a day-long scripted demonstration of the proposed solution at the MPU in August. At the conclusion of the scripted demonstrations, MPU staff met with the vendor's representatives to review their initial proposals to determine which elements of the proposed solution were required, which ones could be eliminated, and what additional elements were required. The two finalists were then allowed to provide final proposals. Final proposals were received by September 5, 2014. Wayne Breitenfeldt – MPU Information Technology Supervisor and Mike D'Amico – Chief Engineer for CCCP were available for questions. The recommendation was to negotiate a contract with Camera Corner/Connecting Point for the installation, configuration, and ongoing support and maintenance of a new data network and the data centers and to purchase the necessary hardware to implement the proposed solution for a capital cost not to exceed \$588,000. Discussion ensued on various aspects including maintenance agreement; which protocols to be used for third party to check firewall security; training of MPU employees and related issues. The firewall security protocol will be developed during design phase and maintenance agreement will be presented to Commission for approval.

**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Hennessey to approve negotiation of a contract with CCCP. Motion carried unanimously.

Mike D'Amico left the meeting at 4:45 p.m.

**PHONE SYSTEM UPGRADE:** A Request for Proposals to replace the existing phone system infrastructure with new equipment as per the recommendation in the IT Master Plan was solicited on June 27, 2014. Four responses were received to the initial request and after scoring the responses on how well their solution addressed our list of functional requirements, Enterprise Systems Group – Mitel, Camera Corner\Connecting Point – Shoretel, and Creative Solutions - Panasonic were selected. These three finalists were then asked to provide a scripted demonstration of the proposed solution at the MPU offices in August. At the conclusion of the scripted demonstrations, MPU staff met with the vendor's representatives to review their initial proposals to determine which elements of the proposed solution were required, which ones could be eliminated, and what additional elements were required. The three finalists were then allowed to provide final proposals. Final proposals were received by September 5, 2014. The recommendation was to negotiate a contract with Creative Solutions for the installation, configuration, and startup of a new phone system and to purchase the necessary hardware to implement the proposed solution for a cost not to exceed \$80,000. A lengthy discussion followed on various aspects including combining City and MPU phone system; postponing the implementation; maintaining a digital and analog phone system; cost of converting complete phone system to digital; hosted solution; etc.

**MOTION:** A Motion was made by Commissioner Hennessey and seconded by Commissioner Luckow to approve the recommendation to negotiate a contract with Creative Solutions. Motion carried with Commissioner Hornung against.

Wayne Breitenfeldt and Trace Reed left the meeting at 5:03 p.m.

**EASEMENT – EAST IVY LANE:** In May 2014, MPU and Two Rivers signed an agreement for MPU to provide up to 2 MGD to the MPU/TR interconnect point on Memorial Drive and Woodland Drive. MPU currently serves the interconnect point with a single, dead-end watermain, and hence does not provide redundancy. In an effort to provide a reliable water service to Two Rivers and equally important reliability of service to MPU customers being served off Memorial Drive watermain, which has experienced five watermain breaks in the last five years, of which two were in 2013-2014 winter. Installing a watermain from East Ivy Lane to Woodland Drive, and connecting to the existing MPU watermain on Memorial Drive immediately before the MPU/TR interconnect point is necessary. The estimated 2015 capital cost is \$123,000. Plan B permits MPU to install a watermain to loop dead-end mains without a petition, and abutting property owners pay an assessment only if and when they connect to the main.

**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Nickels to proceed with a request for the easement to the Mayor and City Council to approve the watermain. Motion carried unanimously.

**2014 ELECTRIC UTILITY BOND REFINANCING:** The 2014 Electric Utility Bond Refinancing documents were presented for review. Some highlights are as follows: the total all in interest rate is 2.70% for \$5.89 million; the bond payments will end in 2029 and payments are leveled at approximately \$480,000 to \$490,000 per year; the bonds are insured and non-callable; and the total interest rate savings is \$1.4 million. A brief discussion ensued.

**HEALTH AND WELLNESS PLAN AMENDMENT #7:** The following were presented for consideration by the Commission: Tobacco cessation coverage for Rx and Over the Counter-ACA issued additional guidance regarding coverage of Rx and OTC tobacco cessation products and how often they must be covered; ACA issued additional guidance which says a plan must have coverage through the end of the month the child turns 26. MPU plan currently covered them until the date of their 26th birthday, which now has to change to be covered through the end of the month; Charges for routine physicals for individuals age two and older. Eligible Expenses will include those for the office exam, any routine diagnostic services normally associated with a routine exam, and immunizations, including those required for travel; and Charges for smoking cessation office visits and counseling fees will be paid under the routine benefit. Smoking cessation drugs (both prescription and over-the-counter) will be covered according to the Prescription Drug Plan.

**MOTION:** A Motion was made by Commissioner Hennessey and seconded by Commissioner Hornung to approve the Health and Wellness Plan Amendment. Motion carried unanimously.

**GENERAL MANAGER'S REPORT:** N. Kothari updated the Commission on the following: The Rapids substation transformer will be out of service beginning November 24. The manufacturer will return the unit to the factory on December 1 and expects return anytime between 3 weeks to 3 months. The Asset Management for Power Generation Facilities Final Draft has been received. The results will be presented to Commission in the near future. GLU



has filed a motion to intervene and protest the WE-Integrays merger at FERC. The filing will be available at the Commission meeting for review. A brief discussion ensued. A conference call was held by municipal owners on the proposed ATC restructuring plan. This will be on the next Commission agenda for discussion. An open record request was received from Mr. Mark V. Ross for General Manager wages, incentive pay and other payments from 2009 to 2014 and last five years of expense reports. City Attorney provided the response. C. Reiss attorney forwarded the documents on sale of the coal dock to our attorneys for review and consideration. They have requested the closing of the sale prior to this year-end subject to receiving certification from DNR that there is no petroleum contamination in November 2014. An e-mail summary of Drug rebate and over-specific amounts due to MPU from City was sent to City Finance Director. Sixty-five accounts are still non-compliant for initial Cross Connections.

**GLU UPDATE:** MPU hosted GLU's Annual meeting in Manitowoc on October 15, 2014. The annual meeting had 30 attendees. The 2015 annual budget of \$102 million was approved by GLU Board.

**CBCWA UPDATE:** A meeting with CBCWA's manager and attorney is scheduled on October 27, 2014 to discuss the rates structure to meet PSCW requirements. CBCWA has been informed on MPU filing for a water rate adjustment in November 2014.

**MINUTES:** The Minutes from the Regular Session Meeting on October 13, 2014 were presented for approval.

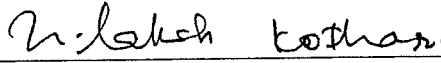
**APPROVAL OF CLAIMS:** Claims List dated September 25, 2014, Claims List dated October 28, 2014 and Wire Transfers dated through October 23, 2014 were presented for approval.

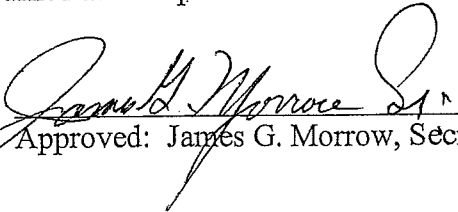
**FINANCIAL REPORTS FOR SEPTEMBER 2014:** The Financial Reports for September 2014 were previously distributed to the Commission for review and discussion.

**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Hennessey to approve the Regular Session Minutes from October 13, 2014; the Claims List dated September 25, 2014 check nos. 73280 through 73285 totaling \$7,685.98; the Claims List dated October 28, 2014 check nos. 73447 through 73563 totaling \$516,422.64; Wire Transfers dated through October 23, 2014 totaling \$7,590,026.62; and to place the Financial Reports for September 2014 on file. Motion carried unanimously.

**NEXT MEETING:** Future meeting will be held on November 10, 2014 at 4:00 p.m.

**ADJOURN:** A Motion was made to adjourn the meeting by Commissioner Hennessey and seconded by Commissioner Diedrich. Meeting adjourned at 5:19 p.m.

  
Approved: Nilaksh Kothari, General Manager

  
Approved: James G. Morrow, Secretary