

**MINUTES OF THE
MANITOWOC PUBLIC UTILITIES COMMISSION MEETING
MONDAY, FEBRUARY 11, 2019**

The scheduled meeting of the Manitowoc Public Utilities Commission was called to order by Commissioner Seidl at 4:00 p.m. on Monday, February 11, 2019. In attendance were Commissioners Allie, Diedrich, Hornung, Luckow, and Sitkiewitz. Also present were Nilaksh Kothari – CEO & General Manager; and Attorney Andrew Steimle – Steimle Birschbach, LLC. Commissioner Nickels was absent.

GLU TO MPU 10 MW ON-PEAK ENERGY SALE FOR 2019 AND 2020: The Master Transaction – Power Purchase Confirmation is for MPU to purchase 10 MW on-peak energy (5x16) for July and August of 2019 and 2020 at 100% load factor from GLU. MPU is a partial requirements member of the Power Supply Committee and is responsible for meeting its capacity and energy requirements above 77 MWs. The volume of energy for this transaction is 7,040 MWhs for 2019 and 2020. The delivery point for this transaction is at WPS.GLU and MPU would be responsible for the congestion and losses component between the WPS.GLU and WPS.MPU nodes.

MOTION: A Motion by Commissioner Diedrich and seconded by Commissioner Allie to approve the energy purchase. Motion carried unanimously.

GLU UPDATE TO CITY COUNCIL: The letter to the Mayor and City Council on the 2018 activities of Great Lakes Utilities was presented for review and discussion. This annual correspondence is required as part of the authorization from the City to be a member of GLU and in delegating the authority to MPU. The consensus was to submit the update to City Council.

BROADBAND INFRASTRUCTURE REPLACEMENT FUND RESOLUTION: The broadband utility was established in 2004 with the installation of a 33 mile fiber optic ring around the City of Manitowoc. This fiber optic ring will need to be replaced by MPU at the end of its life to continue to provide service to our Broadband customers. As such, an infrastructure replacement fund is proposed to set aside funds for future capital replacements. The draft resolution details the specifics of this fund and has been reviewed by attorney Andy Steimle. The recommendation is to make an initial transfer of \$1,000,000 into the fund in 2019 and \$50,000 annually over the next 20 years to supply the fund. A brief discussion ensued.

MOTION: A Motion by Commissioner Diedrich and seconded by Commissioner Allie to approve the Broadband Infrastructure Replacement Fund Resolution. Motion carried unanimously.

PROGRESS LAKESHORE ANNUAL CONTRIBUTION: Progress Lakeshore formally EDC has requested that all EDC board members make an annual financial contribution/pledge to the EDC for its annual support and fund raising efforts. A request was made for consideration of a continuance of that pledge of \$1,000 through 2024. Discussion ensued with Commissioner Allie recommending \$5,000 annual contribution.

MOTION: A Motion by Commissioner Allie and seconded by Commissioner Sitkiewitz to pledge \$5,000 to Progress Lakeshore from MPU for 2019 and 2020 and reconsider the contribution in 2021 based on the performance. Motion carried unanimously.

APPA NATIONAL CONFERENCE: A request was made for approval of any Commissioners to attend the 2019 APPA National Conference in Austin, TX from June 9-12, 2019. The approximate cost per person is \$2,625.

MOTION: A Motion by Commissioner Diedrich and seconded by Commissioner Sitkiewitz to approve Commissioner(s) attendance at the 2019 APPA National Conference. Motion carried unanimously.

AWWA ANNUAL CONFERENCE: A request was made for the Commissioners to consider attending the 2019 AWWA Annual Conference in Denver, CO from June 9-12, 2019. The approximate cost per person is \$2,400.

MOTION: A Motion by Commissioner Luckow and seconded by Commissioner Diedrich to approve Commissioner(s) attendance at the 2019 AWWA Annual Conference. Motion carried unanimously.

GENERAL MANAGER'S REPORT: N. Kothari updated the Commission on the following: Custer CT was out of service subsequent to the unit tripping after about 45 minutes of run time during subzero temperatures which is believed to be caused from pressure oscillations in the WPS natural gas supply causing swings in output. The unit was opened to inspect the compressor inlet blading and exhaust outlet blading and nothing abnormal was found and the unit was successfully started without abnormal vibration and returned to service after a few days. Also, extreme cold temperatures caused several minor and one major "coal slides" on the power plant incline belt. A brief discussion ensued.

MINUTES: The Minutes from the Regular Session Meeting on January 14, 2019; Minutes from the Special Session Meeting on January 22, 2019; and Minutes from the Special Session Meeting on February 5, 2019 were presented for approval.

MOTION: A Motion by Commissioner Sitkiewitz and seconded by Commissioner Allie to approve the Regular Session Minutes from January 14, 2019; the Special Session Minutes from January 22, 2019; and the Special Session Minutes from February 5, 2019. Motion carried unanimously.

APPROVAL OF CLAIMS: Claims List dated January 29, 2019; Claims List dated February 12, 2019; and Wire Transfers dated through February 6, 2019 were presented for approval.

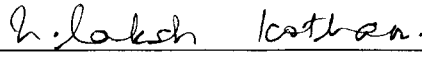
APPROVAL OF WWTF CLAIMS: Claims List dated February 1, 2019; and Claims List dated February 15, 2019 were presented for approval.

MOTION: A Motion by Commissioner Sitkiewitz and seconded by Commissioner Allie to approve the Claims List dated January 29, 2019 check nos. 86579 through 86705 totaling

\$1,550,291.78; Claims List dated February 12, 2019 check nos. 86706 through 86809 totaling \$555,748.53; Wire Transfers dated through February 6, 2019 totaling \$4,110,927.82; Claims List for WWTF batch 00712.01.2019 totaling \$9,217.16; and Claims List for WWTF batch 00713.02.2019 totaling \$24,338.40.

NEXT MEETING: March 25, 2019 at 4:00 p.m.

ADJOURN: A Motion to adjourn the meeting by Commissioner Sitkiewitz and seconded by Commissioner Luckow. Meeting adjourned at 4:24 p.m.


Approved: Nilaksh Kothari, CEO & General Manager


Approved: Alex Allie, Secretary