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June 17, 2009

Mr. Patrick Jon Lubenow
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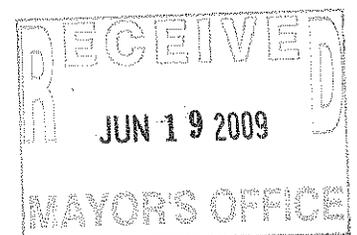
RE: 51 110 Y 00800 06
PCI Management & Consulting Co. and Menasha Utilities, et al.
(File Number 3003838)

Dear Mr. Lubenow:

We are in receipt of your June 12, 2009, letter to James E. Bartzen of our law firm. This letter is in response to your stated concern with respect to a purported breach of the parties' settlement agreement in the above-referenced matter.

As you know, our firm has been engaged by Menasha Utilities (MU) and the City of Menasha (City) to help coordinate a work out effort with respect to the steam utility. No breach of the settlement agreement has occurred. Officials and employees of both the City and MU are aware of their responsibilities under the settlement agreement with respect to the non-disparagement of PCI and have adhered to that agreement. I would point out that the adherence of my clients to the non-disparagement provisions of the settlement agreement is referenced in the May 10, 2009, Appleton Post-Crescent article that appears to have given rise, at least in part, to your concern: the article indicates that MU and city officials "decline to discuss PCI's role because of the non-disparagement clause in the settlement."

Given the gravity of the situation currently faced by the City and MU with respect to steam operations, we fully expect that continued attention will be focused on the question of "what went wrong," by the media, by citizens and by bondholders. As you know, the non-disparagement clause does not apply to comments made by third parties, including reporters in the media or citizens who speak at open meetings. The City does not and cannot control what appears in the Appleton Post-Crescent, or what concerned citizens say in public forums.



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In addition, the non-disparagement clause itself provides exceptions for the disclosure of information in response to a lawful subpoena or court order, a request under Wisconsin's open records law, or to other laws governing the city. In the coming weeks and months, we expect that there may be instances where the disclosure of factual information pertaining to the circumstances that gave rise to the PCI settlement may become necessary.

Please feel free to contact me if you would like to discuss this matter further.

Very truly yours,

BOARDMAN, SUHR, CURRY & FIELD LLP
By


Anita T. Gallucci

cc: Donald Merkes, Mayor
Melanie Krause, Manager of Business Operations
James E. Bartzen

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