



MEMORANDUM

TO: Mayor Donald Merkes
Common Council of the City of
Menasha, Wisconsin

DATE: June 10, 2009

FROM: Andrew R. Kintzinger
Special Counsel to City

FILE: 75931.000002

Re: Report for June 15, 2009 Common Council Meeting

At its meeting on June 3, 2009, the Common Council decided to take under advisement the recommendation of the Utilities Commission that the Common Council authorize and direct the Steam Utility to cease its operation of the steam plant facility.

After the June 3, 2009 meeting, RBC Capital Markets ("RBC"), the underwriter of the steam utility note anticipation notes, revenue bond anticipation notes and general obligation promissory notes (collectively, the "Obligations"), contacted Hunton & Williams requesting that a meeting of holders of the Obligations (the "Bondholders") be scheduled prior to the Common Council taking action upon the Utilities Commission's recommendation. Certain Bondholders also contacted the City directly regarding the status of cessation of the facility.

After consultation among Stern Brothers, Hunton, City officials and Utilities Commission personnel, it was determined that the City would notify RBC and Bondholders of a meeting of bondholders to be held at 1:00 p.m., Thursday, June 18, 2009, at a site close to the Milwaukee airport. This time and site will facilitate travel for Bondholder representatives who are located in various cities on east and west coasts.

Notice of the Bondholder's meeting was provided to the nationally recognized municipal securities information repositories on June 10, 2009. The same Notice was provided to a list of last known Bondholders at best available addresses on June 10, 2009.

The primary purpose of the meeting will be for the City representative(s), Stern Brothers and Hunton to hear Bondholders' comments and questions regarding the Obligations and the potential cessation of the steam utility operations. The City, Stern Brothers or Hunton may provide additional information to Bondholders at this meeting, if appropriate. Any additional information provided to Bondholders at this meeting will be provided by the City to the market generally in a subsequent material event notice.

A report of the Bondholder's meeting will be provided to the Common Council prior to its next meeting following the Bondholder's meeting.