

REGULAR SESSION –WEDNESDAY, DECEMBER 15, 2021

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met in Regular Session on Wednesday, December 15, 2021 at 6:00 P.M. The following Board Members were present: Robert L. Milan, President; Mary Gonzales, Vice President; Rose Mulvany Henry, Secretary; Jeff Bryant, Thomas Groneman, and Ryan Eidson.

Also present: William Johnson, General Manager; Angela Lawson, Deputy Chief Counsel; Lori Austin, Chief Financial Officer/Chief Administrative Officer; Johnetta Hinson, Executive Director Customer Service; Jeremy Ash, Executive Director Electric Operations; Jerry Ohmes, Executive Director Electric Supply; Steve Green, Executive Director Water Operations; Dong Quach, Executive Director Electric Production; Maurice Moss, Executive Director Corporate Compliance; David Mehlhaff, Chief Communications Officer; Jerry Sullivan, Chief Information Officer; Robert Kamp, IT Project Manager; Randy Otting, Director Accounting; Dennis Dumovich, Director Human Resources; and, Patrice Townsend, Director Utility Services.

A tape of this meeting is on file at the Board of Public Utilities.

Mr. Milan called the Board Meeting to order at 6:00 P.M. He welcomed all that were listening to or viewing the meeting. He stated that the Board felt it was necessary to offer the use of technology for staff as well as for the general public. Members of the community who wished to speak to the Board during the public comment session must be logged in to the Zoom meeting through the internet using their browser or the Zoom application. Those wishing to offer comments during the public comments section could click on the raised hand feature at the bottom of the application or window or press Star 9 if connected by phone only. During the public comment section of the agenda, community members would be asked to provide their name and address and had five minutes to speak. As always, the public could also email or call the BPU with any concerns. The agenda and presentations could be found on the BPU website or if they were using Zoom they would appear on their screen. Mr. Milan introduced himself and the other Board Members along with the General Manager, and Legal Counsel.

Roll call was taken and all Board Members were present via teleconference.

Item #3 – Approval of Amended Agenda

A motion was made to approve the Amended Agenda by Mr. Groneman, seconded by Mr. Eidson, and unanimously carried.

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Item #4 – Approval of Special Session Minutes of November 23, 2021

A motion was made to approve the minutes of the Special Session of November 23, 2021 by Mr. Bryant, seconded by Ms. Gonzales, and unanimously carried.

Item #5 – Approval of Work Session Minutes of December 1, 2021

Mr. Eidson suggested future minutes should provide more elaboration than just board discussion.

A motion was made to approve the minutes of the Work Session of December 1, 2021 by Mr. Bryant, seconded by Mr. Eidson, and unanimously carried.

Item #6 – Approval of Regular Session Minutes of December 1, 2021

A motion was made to approve the minutes of the Regular Session of December 1, 2021 by Mr. Bryant, seconded by Ms. Gonzales, and unanimously carried.

Item #7 – Public Comments

Mr. David Haley, P.O. Box 171110, spoke about the audit being requested by the new Unified Government (UG) administration. He asked for confirmation that the BPU did an external audit. He also suggested the General Manager consider sharing those reports with the new administration to prevent a duplicate audit being done by the UG. He also wanted to recognize the late Mr. Joe Dick’s service to the utility.

Mr. Johnson said that he planned on meeting with the Mayor to have a discussion regarding the request for audit and to make that information available to him.

Mr. Bryant added that he hoped the audit information focused on how much free services, discounted services, and dollars came from the BPU bill and employees assisting the UG and what that value was to the residents of our city.

Mr. Milan said that the topic of audits would be included at an orientation provided to the new Mayor.

Ms. Mulvany Henry asked that we consider putting our audits on our website.

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A motion was made to pause the Regular Session at 6:16 P.M., to seek shelter elsewhere because of inclement weather, by Mr. Groneman, seconded by Ms. Mulvany Henry, and unanimously carried.

At 6:31 P.M. the meeting came back into session; all Board members were present.

The discussion on external audits continued.

Ms. Lori Austin, Chief Financial Officer/Chief Administrative Officer, gave an overview on the external audit process. The annual comprehensive financial report was the summary of the external audit and was on our website.

Mr. Mehlhaff, Chief Communications Officer, would explore creating a new tab on the website to house audit information.

Ms. Mulvany Henry added that clarifications from the Mayor’s team indicated they were possibly looking at duplication of functions.

Mr. Johnson gave remarks on the late Joe Dick regarding him as a friend as well as his efforts on behalf of the utility in his legislative duties. He requested a moment of silence to commemorate his passing.

Item #8 – General Manager / Staff Reports

- i. *COVID-19 Update*: Mr. Johnson gave an update on the utility’s current COVID statistics. To date, 73% of the employees were vaccinated.
- ii. *2022 BPU Budget Approval of Resolution #5268*: Ms. Austin gave a PowerPoint presentation to recap the process and focus of the 2022 Budget (see attached presentation).

Mr. Johnson and Ms. Austin addressed questions from the Board.

A motion was made to accept Resolution 5268, 2022 Budget Approval as presented by staff by Mr. Bryant, seconded by Ms. Gonzales.

Roll call was taken;

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Mr. Eidson – No

Mr. Groneman – Yes

Mr. Milan – Yes

Mr. Bryant – Yes

Ms. Gonzales – Yes

Ms. Mulvany Henry – No

The motion carried 4-2.

- iii. *Juneteenth Federal Holiday:* Mr. Johnson reminded that the Federal Government had approved Juneteenth, June 19, as a federal holiday. The UG had approved June 20, 2022 as a holiday since the 19th was on a Sunday. He asked the Board to consider Juneteenth as an additional holiday.

There was discussion about how many holidays BPU and UG had.

Ms. Angela Lawson, Deputy Chief Counsel, presented Resolution 5271, amending Section 6 of the Personnel Code of the Kansas City Board of Public Utilities, to add Juneteenth as a holiday.

There was discussion on what holidays were currently in the Union contract.

A motion was made to accept Resolution 5271 to add the Juneteenth to the holidays noticed by the BPU as long as it is aggregable to the union in a letter of understanding, by Mr. Bryant, seconded by Ms. Gonzales, and unanimously carried.

- iv. *BPU Collective Bargaining Contract:* Mr. Dennis Dumovich, Director Human Resources, summarized the Collective Bargaining Agreements which would be in affect from 7/1/2020 – 6/30/2023 (see attached PowerPoint).

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A motion was made to accept Resolution #5269, pertaining to the Physical Unit Working Rules, seconded by Ms. Mulvany Henry.

Roll call was taken;

Mr. Eidson – Yes

Mr. Groneman – Yes

Mr. Milan – Yes, however, for the record he was saying yes with reluctance.

Mr. Bryant – Yes

Ms. Gonzales – Yes

Ms. Mulvany Henry – Yes

The motion carried unanimously.

A motion was made to accept Resolution #5270, pertaining to the Clerical Unit Working Rules, seconded by Mr. Eidson.

Roll call was taken;

Mr. Eidson – Yes

Mr. Groneman – Yes

Mr. Milan – Yes, however, for the record he was saying yes with reluctance.

Mr. Bryant – Yes

Ms. Gonzales – Yes

Ms. Mulvany Henry – Yes

The motion carried unanimously.

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- v. *Miscellaneous Comments:* Mr. Johnson introduced Mr. Maurice Moss, Executive Director Corporate Compliance. Mr. Moss, gave a brief summary of his experience.

Mr. Johnson spoke about conversations with the newly-elected Mayor Garner. He would be meeting with him over the upcoming weeks.

Mr. Johnson recognized Board Member Ryan Eidson, thanked him and presented him with a plaque for the time he spent as a BPU Board member.

Mr. Eidson spoke and thanked staff and the Board for their support over the last four years.

Mr. Johnson also recognized Mr. Jerry Ohmes, retiring Executive Director Electric Supply. He thanked him and presented him with a plaque for his years of service at BPU and congratulated him on his upcoming retirement.

Mr. Ohmes thanked a plethora of people for all of the help and support he had received over his career at BPU.

Mr. Johnson wished the Board and staff a Merry Christmas.

Item #9 – Board Comments

Mr. Eidson welcomed Mr. Moss to the team and congratulated Mr. Ohmes on his amazing career. He asked Mr. Johnson about the information on UG free services regarding residential and commercial services.

Ms. Austin said they were waiting to hear back from the UG with information.

Mr. Johnson said that he would send information on consumption rates.

Mr. Eidson wished everyone a Merry Christmas and Happy New Year.

Mr. Groneman also congratulated Mr. Ohmes on his retirement and welcomed Mr. Moss. He also wanted to wish everyone a safe holiday season.

Mr. Bryant echoed the previous congratulations and also thanked Ryan for his work as an elected official. He also mentioned the upcoming Executive Session.

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A motion was made to make an amendment of a procedure, to restrict cell phone usage during Executive Sessions, except in an emergency situation; legal counsel would exempt from this provision, by Mr. Bryant, seconded by Ms. Mulvany Henry, and unanimously carried.

Ms. Gonzales spoke about the crucial importance to the community and the utility of passing the budget. She shouted out to all employees for the work done through this unprecedented time. She thanked Mr. Ohmes and Mr. Eidson for their service. she also welcomed Mr. Moss and remembered Mr. Joe Dick and his service to the utility and community.

Ms. Mulvany Henry also echoed the previous comments and wished Mr. Ohmes peace and relaxation in his retirement. She welcomed Mr. Moss. She thanked Mr. Eidson for his guidance as a Board member. She also hoped the Board would continue to push for greater accountability for the community. She also honored Mr. Joe Dick, and hoped that she would leave an impact the way he did.

Mr. Milan welcomed Mr. Moss to BPU. He also expressed his views on the labor contract negotiations and the number of times they went back and forth. He spoke about the importance of Mr. Ohmes’s service and also some experiences with Mr. Joe Dick. He wished everyone a Merry Christmas.

Item #10 – Executive Session

Ms. Angela Lawson, Deputy Chief Counsel, proposed a motion for adoption as follows:

“I move that, after taking a five minute break, the Board go into Executive Session in the first floor Board room to discuss confidential matters related to the general manager, a personnel matter of a nonelected personnel as justified under the personnel matters of a nonelected employee exception in the Kansas Open Meetings Act; and the Deputy Chief Counsel Angela Lawson and the General Manager William Johnson, as needed be present to participate in the discussion, all others to be dismissed from the room and public electronic and telephonic transmissions cease, and reconvene in this room in open session returning to both electronic and telephonic broadcasting at 8:22 P.M. to either take action in an open session or to adjourn.”

This motion was made by Ms. Mulvany Henry, seconded by Mr. Bryant and carried unanimously.

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At 8:22 P.M. the meeting was opened.

A motion was made to extend the Executive Session for 22 minutes by Mr. Bryant, seconded by Mr. Eidson and carried unanimously.

At 8:45 P.M. the meeting was opened.

A motion was made to extend the Executive Session for 15 minutes by Mr. Bryant, seconded by Ms. Gonzales. All voted in favor except for Mr. Eidson who had stepped out for a moment.

At 9:00 P.M. the meeting was opened.

A motion was made to extend the Executive Session for 10 minutes by Mr. Bryant, seconded by Ms. Mulvany Henry and carried unanimously.

At 9:10 P.M. the meeting was opened.

A motion was made to extend the Executive Session for 8 minutes by Mr. Eidson, seconded by Mr. Bryant and carried unanimously.

At 9:20 P.M. the meeting was opened.

A motion was made to recess the meeting for 10 minutes and stay in Open Session by Mr. Bryant, seconded by Mr. Eidson and carried unanimously.

At 9:35 the meeting resumed.

Ms. Lawson explained the contract amendment and answered questions from the Board.

A motion was made to accept the contract extension for the General Manager as presented by Mr. Bryant, seconded by Ms. Gonzales.

Roll call was taken;

Mr. Eidson – No

Mr. Groneman – Yes, with the understanding that Mr. Johnson moved forward with the Executive Development.

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Mr. Milan – Yes

Mr. Bryant – Yes

Ms. Gonzales – Yes

Ms. Mulvany Henry – No

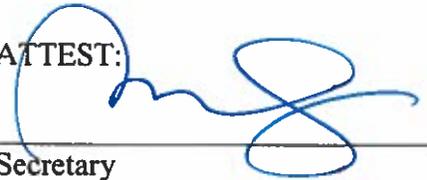
The motion carried.

Item #11 – Adjourn

A motion was made to adjourn the Regular Session at 9:40 P.M. by Mr. Bryant, seconded by Mr. Milan, and unanimously carried.

ATTEST:

Secretary



APPROVED:

President





Kansas City Board of Public Utilities 2022 Annual Budget Summary

December 15, 2021

2022 Budget Objectives

- Positive Net Income
- Positive Cash Flow
- Fund Capital Projects
- Maintain Cash Balances & Debt Coverage



2022 Budget Objectives

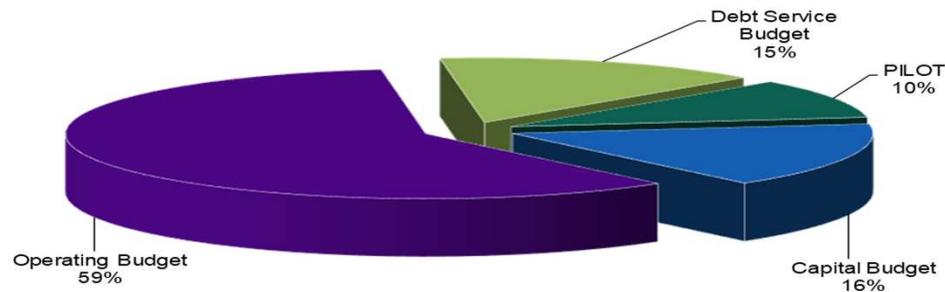
BPU's focus includes:

- Provide cost effective, safe and reliable utility services
- Remain focused on updating policies and operating procedures as needed
- Ensure continued fiscal sustainability
- Continue to champion strategic alliances
- Strengthen our commitment with the community
- Continue to support and champion renewable energy
- Continue to offer residential customers flexible and easy payment options
- Promote on-going energy and water efficiency initiatives
- Continue to focus on employee training and development

2022 Budget Resources

BPU ANNUAL BUDGET						
Uses of Funds	Approved Budget 2022	Adopted Budget 2021	More/(Less) Than 2021 Adopted		% of Grand Total	
			\$	%	2022	2021
Operating Budget	\$ 207,361,809	\$ 205,942,690	\$ 1,419,119	0.69%	59.13%	59.11%
Debt Service Budget	51,813,422	51,801,427	11,995	0.02%	14.78%	14.87%
PILOT	34,577,401	32,716,966	1,860,435	5.69%	9.86%	9.39%
Capital Budget	56,919,766	57,921,258	(1,001,492)	-1.73%	16.23%	16.63%
Grand Total	\$ 350,672,398	\$ 348,382,341	2,290,057	0.66%	100.00%	100.00%

2022 BPU Uses



QUESTIONS?

Request for Approval of
Resolution #5268