

REGULAR SESSION --WEDNESDAY, AUGUST 7, 2024

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, August 7, 2024 at 6:00 PM. The following Board Members were present: Thomas Groneman, President; David Haley, Vice President; Stevie A. Wakes Sr., Secretary; Mary Gonzales, Rose Mulvany Henry, and Brett Parker.

Also present: William Johnson, General Manager; Angela Lawson, Acting Chief Counsel; Abbey Frye, Chief Administrative Officer; Jerry Sullivan, Chief Information Officer; Darrin McNew, Executive Director Electric Operations; Donald Stahl, Executive Director Electric Production; Johnetta Hinson, Executive Director Customer Service; Steve Green, Executive Director Water Operations; Jerin Purtee, Executive Director Electric Supply; Randy Otting, Director Accounting; Dennis Dumovich, Director of Human Resources; Ashley Culp, HR Manager; Steve Hargis, Supervisor Water Operations; Bonnie Blosser, Benefits Specialist; Karen Johnson Phillips, HR Spec-Employee Relations; Jeff Wry, Safety/Security Manager; Nicholas Moreno, Communications Coordinator; LaTosha Johnson, Human Resources Coordinator; and Robert Kamp, IT Project Manager.

A video of this meeting is on file at the Board of Public Utilities and can be found on the BPU website, www.bpu.com.

Mr. Groneman called the Board meeting to order at 6:00 PM. He welcomed all that were listening to or viewing the meeting. He informed all that the meeting was being recorded including video and audio. During the visitor comments section, those who attended in person, wishing to speak, should use the sign-up sheet at the entry and provide their name and address. In addition, there would be a public comments section after the General Manager/Staff Reports. During this section, the public could comment on the items presented in the General Manager/Staff Reports section that evening. Both visitor and public comments were limited to three minutes and should be addressed to the Board. Members of the public who wished to speak to the Board using Zoom needed to use the raise hand feature at the bottom of the application or window to signal that they wish to address the board during the public comment section. Members of the public connected by phone only, needed to press *9 to indicate they wished to address the Board in the visitor and public comment sections. No confidential information should be shared, including, account information. Staff would not provide individual account information during an open meeting. As always, the public could also email or call the BPU with any concerns. He informed all participants to act respectfully to each other; personal attacks or accusations would not be tolerated. All concerns would be directed to the Board only, they would then determine staff involvement. If side discussion was necessary, it was to be conducted outside of the Board room to avoid interfering with presenters or other attendees. If any rules are breached during this meeting, the attendee was subject to removal.

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Mr. Groneman 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.

Item #3 – Approval of Agenda

A motion was made to approve the Agenda, by Mr. Parker, seconded by Ms. Gonzales, and unanimously carried.

Item #4– Approval of the Minutes of the Work Session of July 17, 2024:

A motion was made to approve the minutes of the Work Session of July 17, 2024, by Ms. Gonzales, seconded by Mr. Wakes, and unanimously carried.

Item #5– Approval of the Minutes of the Regular Session of July 17, 2024:

A motion was made to approve the minutes of the Regular Session of July 17, 2024, by Mr. Parker, seconded by Mr. Wakes, and unanimously carried.

Item #6– Visitors Comments

Mr. Scott Harding, 13786 Valleyview Way, Bonner Springs, spoke about assistance for senior citizens and low-income families.

Ms. Louise Lynch, KCK, stated her thoughts on a Unified Government (UG) meeting regarding the PILOT and how that could impact BPU rates.

Ms. Pamela Penn Hicks, Wyandotte County, spoke about the PILOT and the community’s need for financial relief.

Mr. Aaron Coleman, 1316 S. 32nd St., expressed his thoughts on the rates.

Ms. CeCe Harlin, Wyandotte County, spoke about legal counsel and how rates impact the community.

Mr. Ty Gorman, 2843 Parkwood Blvd., expressed his views on the UG bill items, the PILOT, and Customer Service policies.

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Ms. Sarah Lynch, Wyandotte County, expressed her thoughts about the collection of the PILOT fee.

Item #7– General Manager / Staff Reports

- i. *2024 2nd Quarter Financials*: Mr. Randy Otting, Director Accounting.

A motion was made to waive the verbal presentation of the 2024 2nd Quarter Financials, with the understanding that an approval of the written financial presentation was needed, by Ms. Mulvany Henry, seconded by Ms. Gonzales.

Clarification was made and roll call was taken:

Gonzales – Yes

Groneman – No

Haley – No

Wakes – Yes

Mulvany Henry – Yes

Parker – Yes

The motion carried.

A motion was made to approve the 2024 2nd Quarter Financials as presented in written form, by Ms. Mulvany Henry, seconded by Mr. Parker, and unanimously carried.

- ii. *Customer Service Quarterly Update*: Ms. Abbey Frye, Chief Administrative Officer, gave the Board an update on the Customer Service department which included, metrics regarding the in-person lobby appointments, customer data information, and the new customer service representative scorecards. (See attached PowerPoint.)

Ms. Frye responded to questions and comments from the Board.

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iii. *Human Resources Quarterly Update:* Mr. Dennis Dumovich, Director of Human Resources, Ms. Ashley Culp, HR Manager, Ms. Karen Johnson-Phillips, HR Spec-Employee Relations, Ms. Bonnie Blosser, Benefits Specialist, and Mr. Jeff Wry, Safety/Security Manager, provided the Board an update on various Human Resource topics. They presented accomplishments and future strategies for recruitment, employee relations, benefits and compensation, training, and work safety and security. (See attached PowerPoint.)

Mr. Dumovich, Mr. Wry, and Mr. Johnson responded to questions and comments from the Board.

iv. *Miscellaneous Comments:* Mr. Johnson asked the Board to provide their availability to meet with CBIZ regarding the General Manager (GM) search.

Item #8– Public Comments on Agenda Items

Mr. Johnson asked if there were any visitors who wished to address the Board on the agenda items presented.

Ms. Carolyn Wright, 4th and Troup, spoke about the local schools that were included in the recruitment presentation.

Ms. Louise Lynch, expressed her thoughts on the Customer Service scorecard process, the in-person lobby appointments, and recruitment efforts.

Mr. Scott Harding, spoke about the number of recruitments made through Kansas City Kansas Community College and referenced local unions that could help with training.

Ms. Pamela Penn Hicks, commented on the education level of children from the community and their ability to be recruited by BPU.

Mr. Ty Gorman, 2843 Parkwood Blvd., expressed his views on outreach in the community.

Item #9– Board Comments

Ms. Mulvany Henry expressed her views on the current state of affairs and her impact as a Board member.

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Ms. Gonzales shared feedback from a customer who recognized linemen Trenton, Justin, Joe and Austin for their work after a recent storm. She said she was glad to hear more about the Culture Club and thanked staff for their presentations.

Mr. Parker thanked staff for their presentations and community members for their engagement and advocacy.

Mr. Wakes echoed previous comments and said he would like to see improved communication between BPU and the UG. He thanked community members for their comments, clarified BPU is an agent of the UG, and expressed his views on in-person customer service.

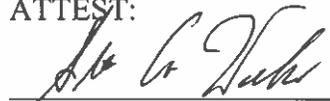
Mr. Haley echoed thanks to community participants and staff for their presentations. He expressed his thoughts about the lobby, customer service, and future budget decisions.

Mr. Groneman thanked staff for their presentations, constituents who expressed their comments, and fellow Board members for their time and considerations. He said he would likely join the September 4th meeting remotely.

Item 9 – Adjourn

At 8:07 PM a motion to adjourn was made by Mr. Parker, seconded by Mr. Wakes, and unanimously carried.

ATTEST:



Secretary

APPROVED:



President

2024 Second Quarter Financial Results

August 7, 2024

2024 Billed kWh (YTD June)

Electric	(CY) 2024 YTD	(PY) 2023 YTD	
Residential	257,996,490	264,179,734	 <p>All customer classes are below 2023 levels</p>
Commercial	469,880,617	475,826,296	
Industrial	250,153,002	257,147,935	
	978,030,109	997,153,965	

Residential – Down 2% Commercial – Down 1% Industrial – Down 3%

2024 Billed CCF's (YTD June)

Water	(CY) 2024 YTD	(PY) 2023 YTD	
Residential	1,664,308	1,697,181	↓
Commercial	1,263,686	1,227,309	↑
Industrial	872,920	872,036	
	3,800,914	3,796,526	↑ 0.1%

Residential – Down 2%

Commercial – Up 3%

Industrial – On Target

Revenues – Second Quarter 2024

	(CY) 2024 2nd Quarter	(PY) 2023 2nd Quarter		Budget 2024 2nd Quarter	(CY) 2024 2nd Quarter	
Electric	\$ 73.127	\$ 75.088		\$ 72.632	\$ 73.127	
Water	13.491	12.948		13.647	13.491	
Combined	\$ 86.618	\$ 88.036	-1.6%	\$ 86.279	\$ 86.618	0.4%

**Dollars in millions

Actual Compared to 2024 Budget

Electric – Up 1%

Water – Down 1%

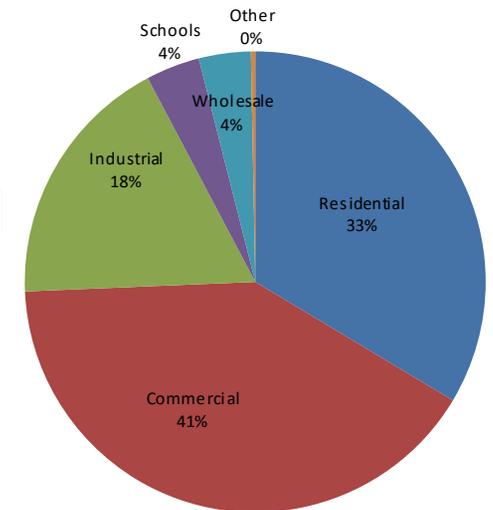
Revenues - 2024 YTD

	(CY) 2024 YTD	(PY) 2023 YTD		Budget 2024 YTD	(CY) 2024 YTD	
Electric	\$ 151.320	\$ 154.433	↓	\$ 150.083	\$ 151.320	↑
Water	26.794	25.394	↑	26.814	26.794	↓
Combined	\$ 178.114	\$ 179.827	↓	\$ 176.897	\$ 178.114	↑ 0.7%
			-1.0%			

**Dollars in millions

Variance - YTD comparing Budget to Actual for 2024

<u>Electric:</u>	Up 1%	<u>Water:</u>	<i>Within Budget</i>
Residential	(\$ 2.4M)	Residential	(\$259K)
Commercial	\$ 2.2M	Commercial	\$ 511K
Industrial	(\$ 1.8M)	Industrial	\$ 68K
Schools	\$ 125K	Wholesale	(\$ 77K)
Wholesale	(\$ 1.6M)		



Recognized 6 months of 6 of the 2023 ERC Over Recovery of the ERC - \$4,087,528

Operating Expenses – Second Quarter 2024

	(CY) 2024 2nd Quarter	(PY) 2023 2nd Quarter		Budget 2024 2nd Quarter	(CY) 2024 2nd Quarter	
Electric	\$ 56.978	\$ 67.720		\$ 59.495	\$ 56.978	
Water	9.019	10.001		10.992	9.019	
Combined	\$ 65.997	\$ 77.721	-15.1%	\$ 70.487	\$ 65.997	-6.4%

**Dollars in millions

Actual Compared to 2024 Budget

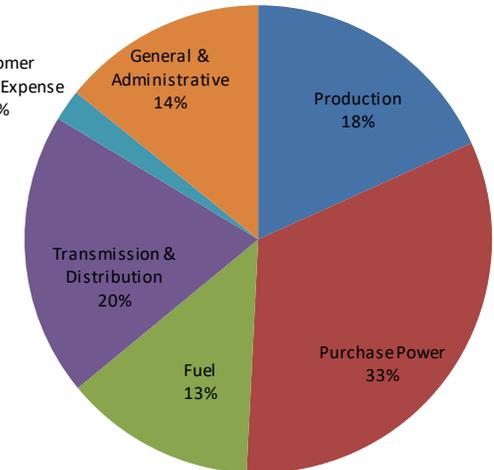
Electric – Down 4%

Water – Down 18%

Operating Expenses - 2024 YTD

	(CY) 2024 YTD	(PY) 2023 YTD		Budget 2024 YTD	(CY) 2024 YTD	
Electric	\$ 118.244	\$ 128.417	↓	\$ 117.927	\$ 118.244	↑
Water	18.675	19.290	↓	21.608	18.675	↓
Combined	\$ 136.919	\$ 147.707	↓ -7.3%	\$ 139.535	\$ 136.919	↓ -1.9%

Customer
Account Expense
2%



**Dollars in millions

Actual Compared to 2024 Budget

- Electric – Up >.5%
- Water - Down 14%
- Combined – Down 2%

Operating Expenses – 2024 YTD less Depreciation

	(CY) 2024 YTD	(PY) 2023 YTD		Budget 2024 YTD	(CY) 2024 YTD	
Electric	\$ 100.206	\$ 110.752	↓	\$ 100.490	\$ 100.206	↓
Water	14.460	15.082		17.464	14.460	
Combined	\$ 114.666	\$ 125.834	↓ -8.9%	\$ 117.954	\$ 114.666	↓ -2.8%

**Dollars in millions

Variance – YTD comparing Budget to Actual 2024

Electric:

Purchased Power	\$ 6.9M
Fuel	(\$883K)
Production	(\$ 1.2M)
T&D	(\$ 2.4M)
G&A	(\$ 2.4M)

Water:

Production	(\$670K)
T&D	(\$ 1.6M)
G&A	(\$642K)

Change in Net Position – Second Quarter 2024

	(CY) 2024 2nd Quarter	(PY) 2023 2nd Quarter	Budget 2024 2nd Quarter	(CY) 2024 2nd Quarter
Electric	\$ 5.018	\$ (4.412)	\$ 1.949	\$ 5.018
Water	4.150	1.760	1.268	4.150
Combined	\$ 9.168	\$ (2.652)	\$ 3.217	\$ 9.168



**Dollars in millions

Change in Net Position – 2024 YTD

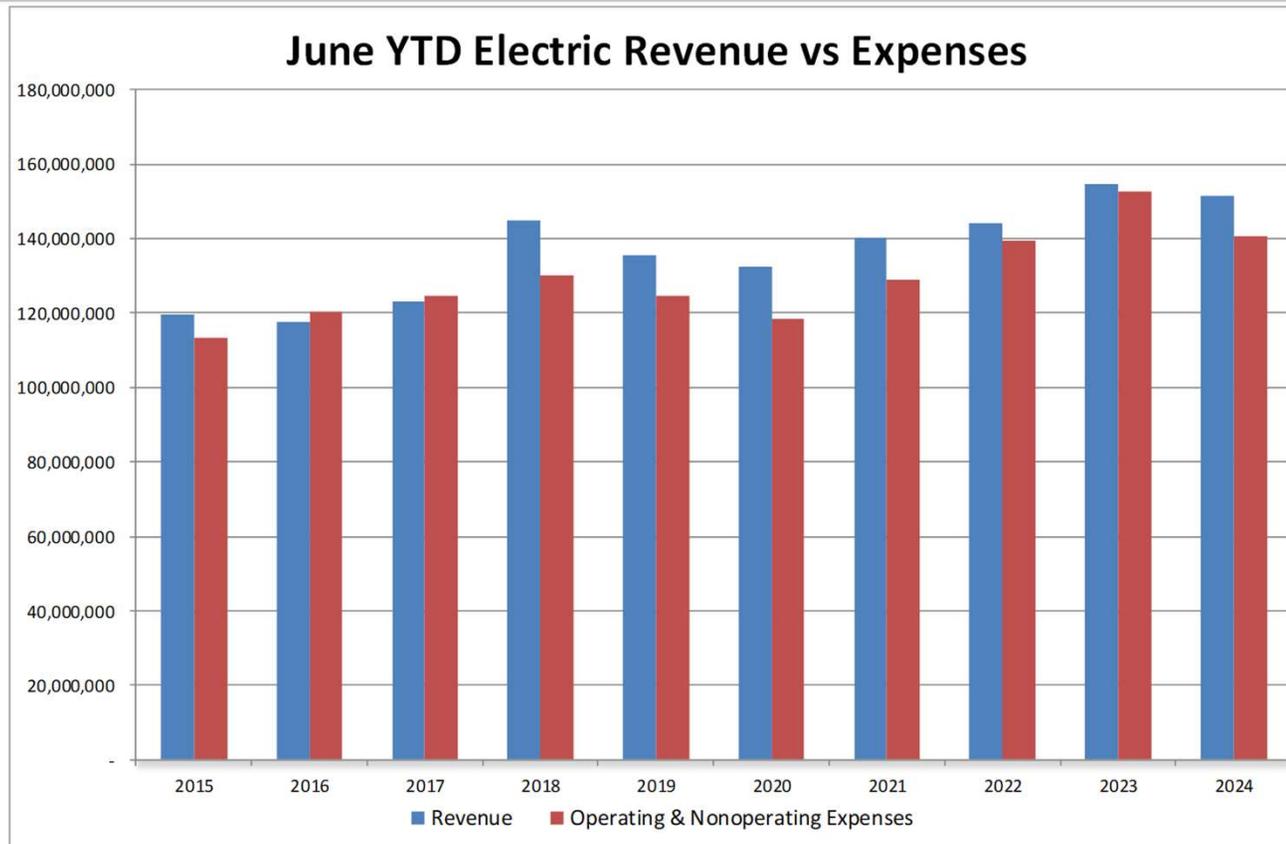
	(CY) 2024 YTD	(PY) 2023 YTD
Electric	\$ 10.670	\$ 1.824
Water	7.154	3.515
Combined	\$ 17.824	\$ 5.339

Budget 2024 YTD	(CY) 2024 YTD
\$ 9.199	\$ 10.670
2.253	7.154
\$ 11.452	\$ 17.824

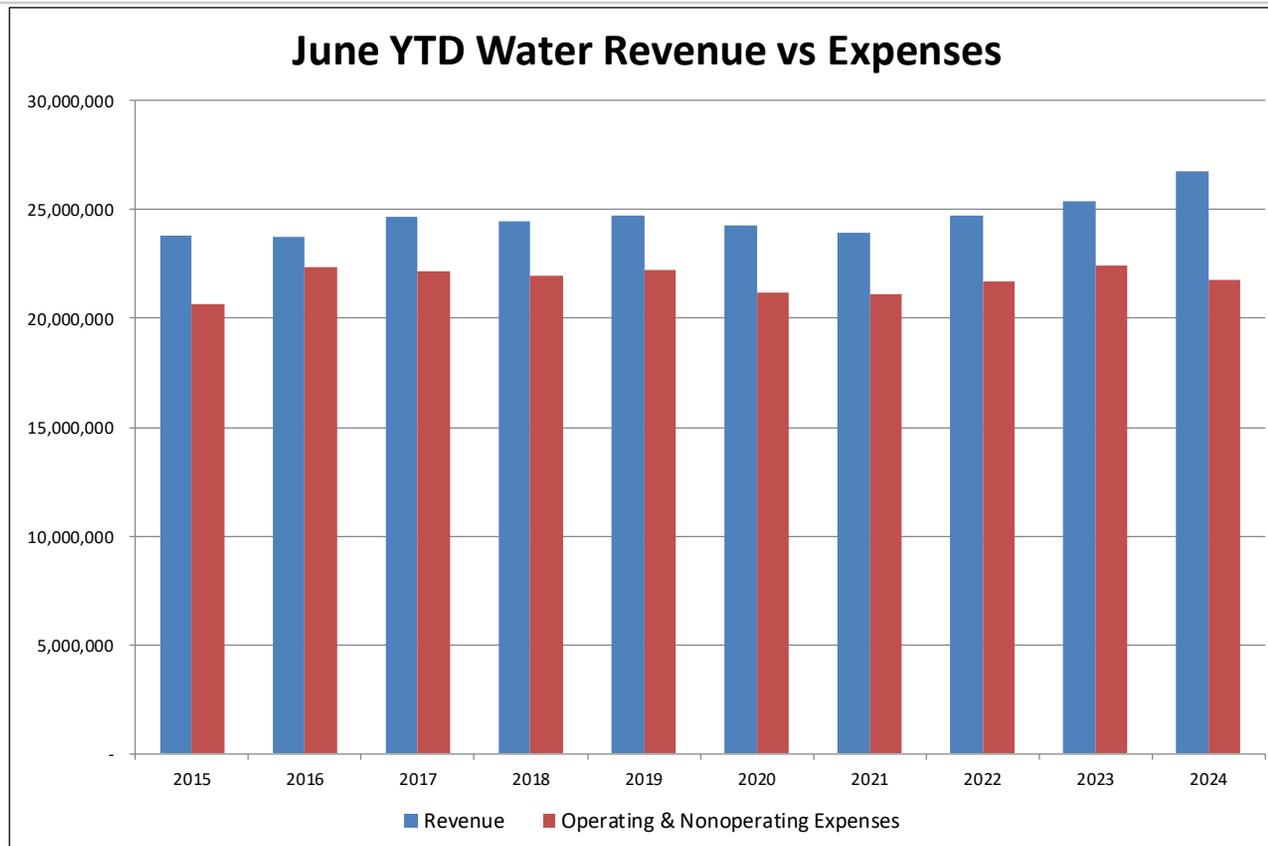


**Dollars in millions

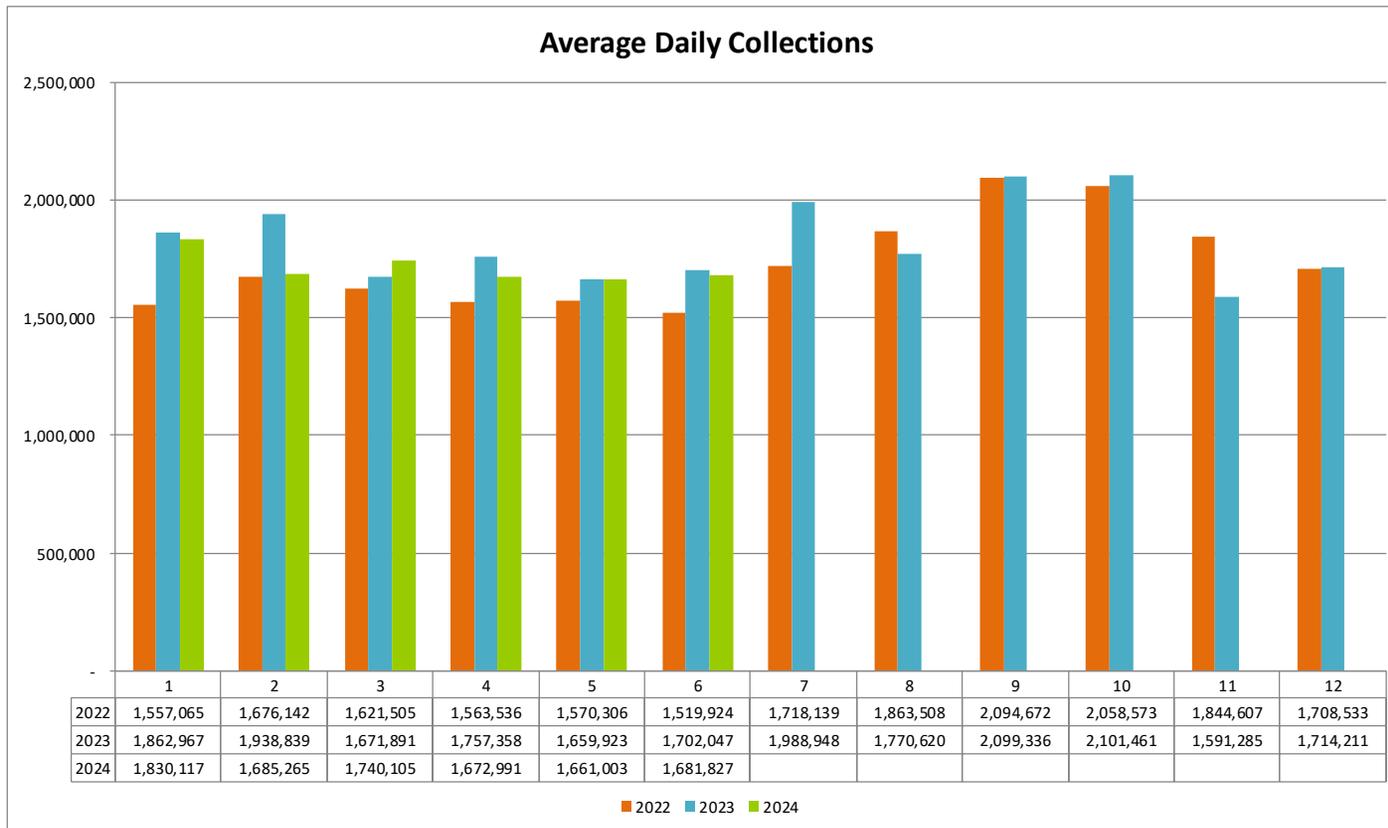
Financial Results - 10 Year Trend



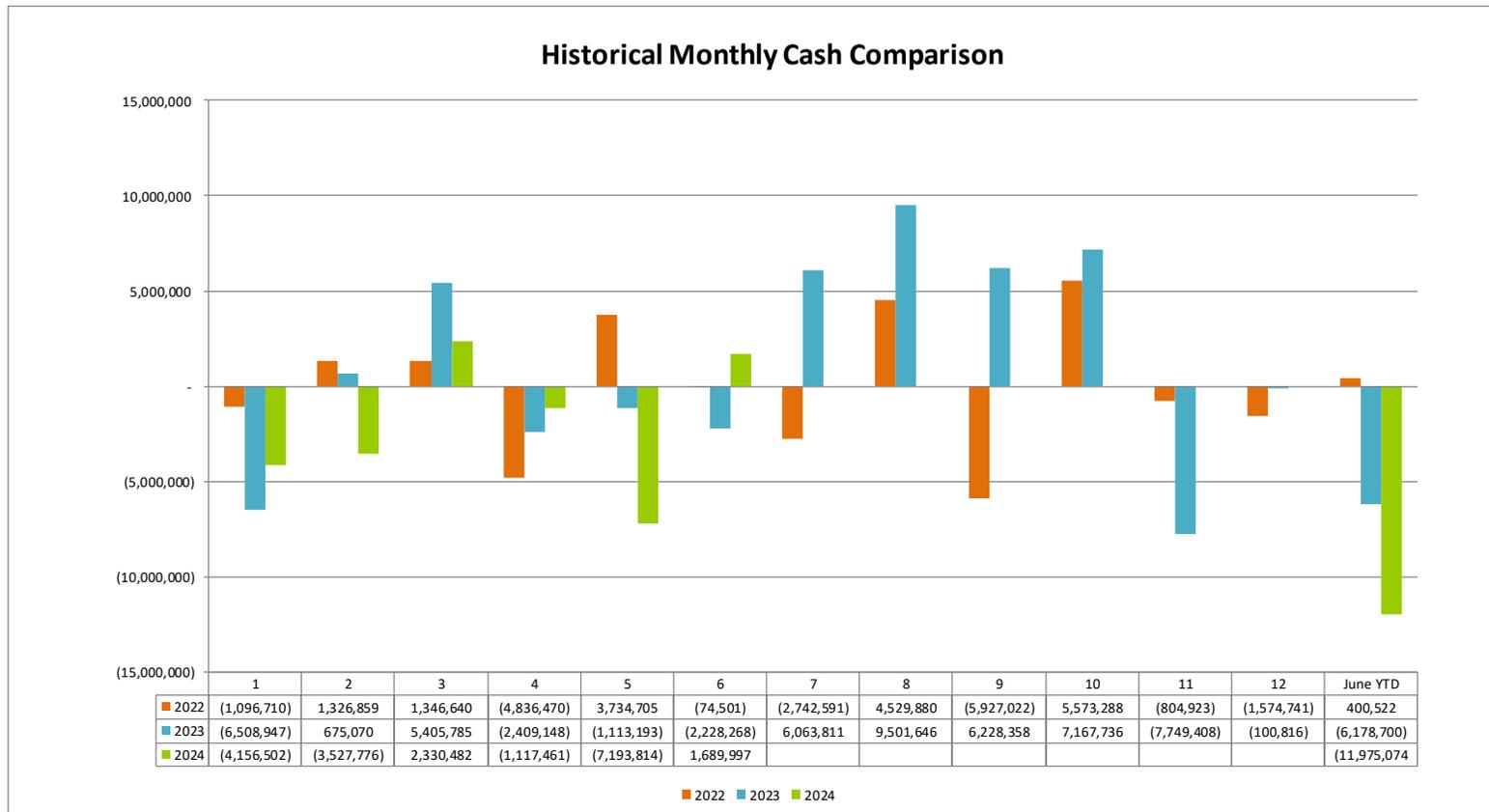
Financial Results - 10 Year Trend



Financial Results



Financial Results



Financial Results

Cash Position

	(CY) 2024 June	(PY) 2023 June	2024 May
Combined (E&W)	\$ 45.68	\$ 37.42	\$ 43.63
Days Cash-on-Hand	75	57	70

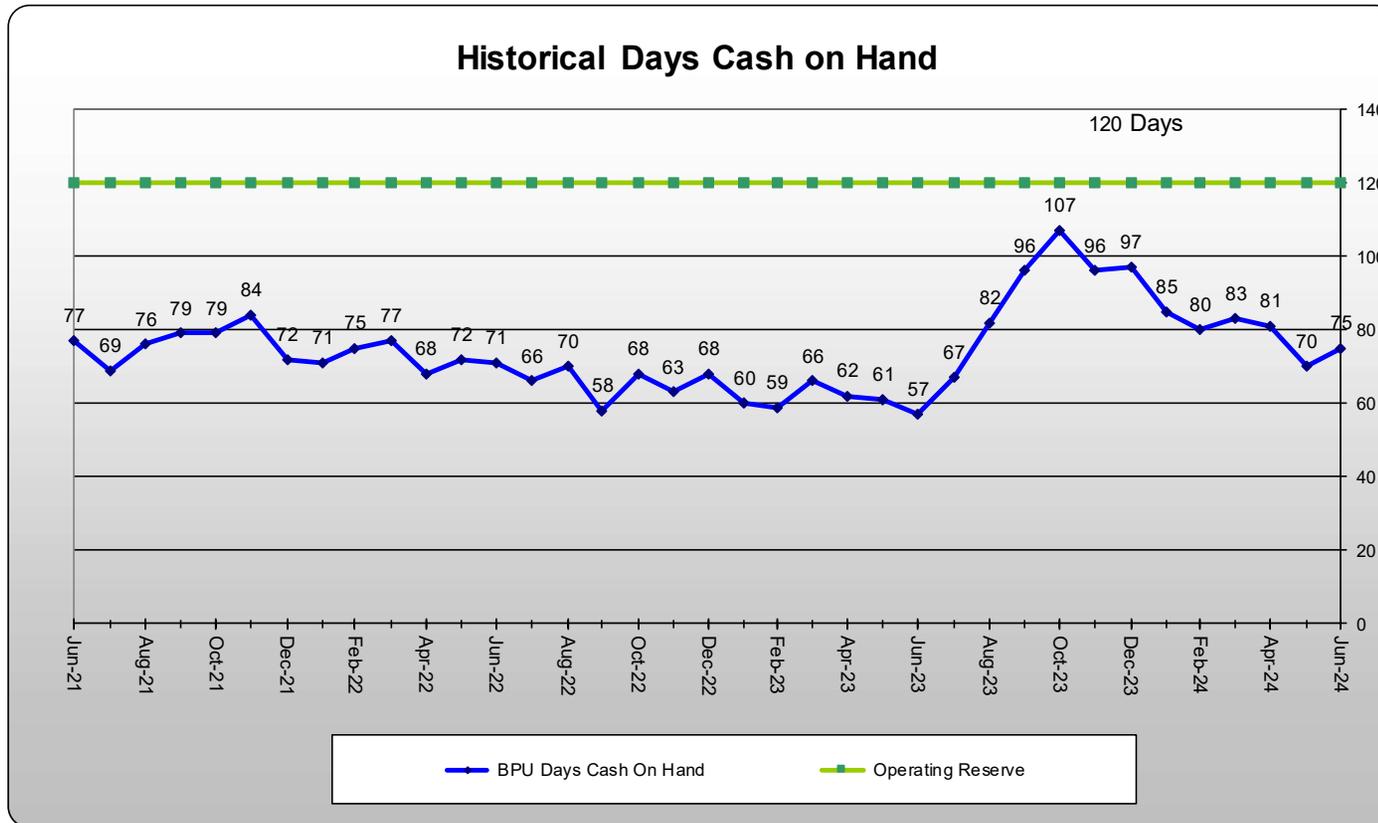
1 Day = Approximately \$600K-\$625K
(Based on 12 month rolling average of expenses)

Balance Sheet: Notables

	(CY) 2024 June	(PY) 2023 June
Fuel Inventory	\$ 11.373	\$ 10.547

**Dollars in millions

Financial Results



Capital Spending

	(CY) 2024 YTD	(PY) 2023 YTD	2024 Budget		
Electric	\$ 9.52	\$ 10.80	\$ 35.58		
Water	6.25	6.81	26.38		
Common	2.18	1.43	5.13		
Total YTD Capital	\$ 17.94	\$ 19.05	\$ 67.09	Remaining	73%

Major projects in 2024:

**Dollars in millions

- Annual OH & UG Construction - \$1.1M
- Annual Meter Program - \$804K
- Distribution Pole Inspection - \$1.2M
- OH & UG Transformers - \$1.4M
- 98th St OH Feeder Relocation - \$700K
- Water Distribution - \$3.1M
- Water Production - \$320K
- Water Services - \$380K

Debt Coverage

Debt Coverage with PILOT

Financial Guideline Target
2.0 times with PILOT

	(CY) 2024 June	(PY) 2023 June
Electric	2.70	2.74
Water	2.95	2.19
Combined	2.86	2.84

Debt Coverage w/o PILOT

Financial Guideline Target
1.6 times without PILOT

	(CY) 2024 June	(PY) 2023 June
Electric	2.00	2.00
Water	2.34	1.71
Combined	2.14	2.10



CUSTOMER SERVICE UPDATE

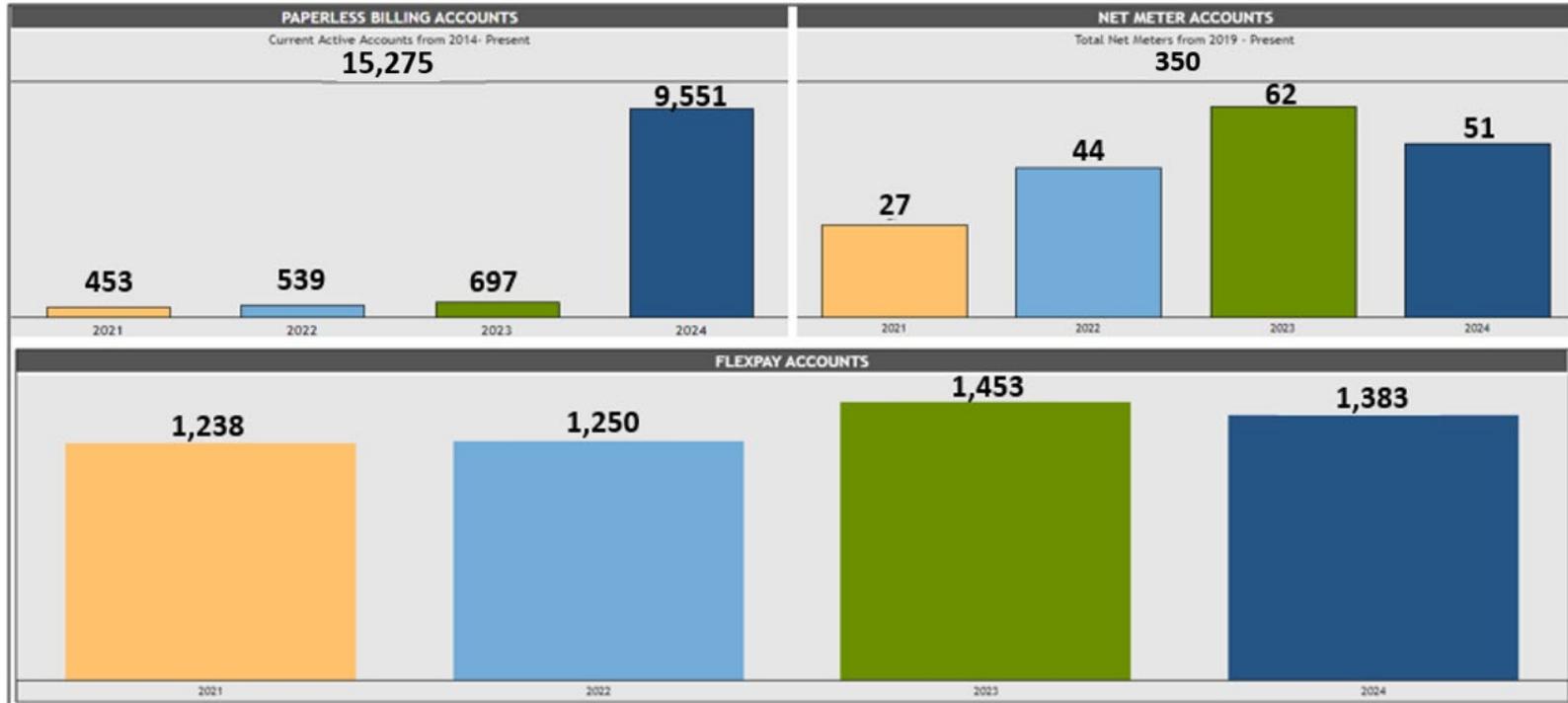
August 7, 2024

CUSTOMER SERVICE METRICS

In-Person Appointments

Month	Appointments	Completed	Canceled
April	40	12	28
May	42	15	27
June	41	17	24
Total	123	44	79

Customer Service - Accounts



*Paperless Billing Accounts in 2024 include customers already on paperless billing when registered for MyMeter

Customer Service - Financial



CUSTOMER SERVICE SCORECARDS

CSR Scorecard

Avg. Handle Time (AHT)	Avg. Talk Time (ATT)	After Call Work (ACW)	Avg. Hold Time	Avg. Calls per Hour (agent)	Avg. Calls per Hour (Center)	Call Rate	Occupancy Rate	QA Score	Overall
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Formulas:

$AHT = ATT + ACW + \text{Hold Time}$

$\text{Call Rate} = \text{Average Calls per Hour (agent)} / \text{Average Calls per Hour (center)}$

$\text{Occupancy Rate} = \text{Total Talk Time} + \text{Total Hold Time} + \text{After Call Work} / \text{Total Time Ready and Available to Take Calls}$

Customer Relations Scorecard

Calls Offered	Calls Handled	Abandonment Rate	Call Back in Que (CBIQ)	Avg. Speed of Answer (ASA)	Avg. Handle Time (AHT)	Avg. Talk Time (ATT)	After Call Work (ACW)	Avg. Hold Time	Occupancy Rate
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Formulas:

Abandonment Rate = (Calls Offered - Calls Handled - CBIQ) / Calls Offered

AHT = ATT + ACW + Hold Time

Occupancy Rate = Total Talk Time + Total Hold Time + After Call Work / Total Time Ready and Available to Take Calls

Customer Service Scorecards

- Purpose & Value
 - Call Center Standards/Best Practice
 - Track trends
 - Identify areas of improvement and show progress
 - Recognize accomplishments
 - Improve Customer Experience



Customer Relations Scorecard

Month	Calls Offered	Calls Handled	Abandonment Rate	Call Back in Que (CBIQ) / VM	Avg. Speed of Answer (ASA)	Avg. Handle Time (AHT)	Avg. Talk Time (ATT)	After Call Work (ACW)	Avg. Hold Time	Occupancy Rate
JAN	17,371	5,919	24%	7,362	852	349	312	8	29	84%
FEB	14,630	6,527	18%	5,444	633	364	325	8	31	88%
MAR	12,892	6,658	11%	4,802	291	368	333	7	28	82%
APR	14,130	7,853	11%	4,769	215	375	344	7	24	75%
MAY	16,864	8,949	21%	4,345	202	376	347	7	22	81%
JUN	11,960	8,660	8%	2,390	134	365	332	7	26	76%

ASA, AHT, ATT, ACW, & Hold Time measured in seconds

QUESTIONS?

BPU Human Resources Strategies & Accomplishments

August 7, 2024

Agenda

- HR Responsibilities
- Functional Updates
- Future Strategies
- Questions

HR Areas of Responsibility

- Employment/Talent/Recruiting
- Employee/Labor Relations
- Benefits & Compensation
- Training
- Safety/Workers Compensation & Security

Talent/Recruiting

Strategy: Continue to hire quality candidates; Increase participation of Hispanic, African American and Women; Reduce time to fill vacancies.

Goals: Participate in Wy Co HS career fairs; participate in Neighborhood Association meetings; Implement intern and scholarship programs; participate in college career fairs that target our needs; Rebrand recruiting materials; automate applicant tracking system.

Accomplishments: Next Slide..

Recruiting Accomplishments

- In order to draw in local, diverse candidates, in 2024 HR continued its community outreach by participating in events like El Centro Inc.'s Career Day, Turner & Piper HS Career Days, Hazel Grove Elementary Career Day, KCKCC Career Fairs, and Donnelly College Career Fair.
- One returning intern and four new interns joined the engineering and environmental departments for the 2024 summer internship program. This program allows the BPU to develop and attract talent in hard-to-fill technical positions like engineers & IT professionals.
- Some technical jobs in the metro market have a lower than ideal proportion of qualified, diverse candidates like Journey Level Line Workers. The BPU (Electric Ops & HR) established a Pre-Apprentice Line Worker program to develop local and diverse candidates in order to increase the diversity of the Journey Level Line Worker at BPU.
- For the academic year 2024-2025, BPU offered four scholarships in STEM related majors to local students who are also customers.

Future Recruiting Strategy

- HR has started a recruitment rebranding project after partnering with an external study into recruiting process. Our goal is to attract the best talent in the market.
- Together with IT, HR has begun developing system improvements that will be applied steadily in 2024 to enhance the applicant experience by making it easier and better informing them of the benefits of working at the BPU. These improvements were identified during a review of the application system's current process and capabilities in the first half of 2024.



Training and Development

Strategy: Provide quality, cost-effective training and development opportunities that enhances the BPU talent.

Goals: Evaluate and implement 2024 survey recommendations

Accomplishments:

Supervisor Training

- 2023 Supervisor series implemented; over six different sessions
- MARC Training - Labor Relations Supervisor Training
 - 4 supervisor sessions and 1 executive session, 85% of the BPU's supervisors are trained, 2 more training sessions remain for 2024. Also includes union stewards.
- Interview Training
- Reach360 Supervisor Online Learning Portal (launching 8/14/2024)

Training and Development

Accomplishments:

- Six different sessions of individual contributor employee trainings in 2023
- Succession Planning
 - Executive plans in started in 2023, continue development in implementation in 2024
 - Director plans in started in 2024

Employee Relations

- **Strategy:** Continue to improve on creating a positive and trusting work environment by open communication, consistency, transparency and addressing employee concerns as they arise.
- **Goals:** Using the survey data from 2024 to create better employee engagement; Provide a supportive atmosphere; Investigate and mediate grievances and differences; Develop a trusting environment with all employees.
- **Accomplishments:** Implemented the top requests from the 2020 & 2022 Employee Survey: better communication mediums, training programs, benefits education, etc.; MARC training and other employee training has helped with communication and keeping the grievances and complaints to a minimum; Created the Culture Club which is a group of bargaining and non-bargaining employees working together to improve the morale of the employees.

Strategy: Continue to Improve Communication & Understanding of BPU Benefit Plans While Saving cost.

Goals: Utilize multiple mediums to communicate to team; Make open enrollment automated & easy; Implement cost saving ideas to plans with little impact to employees; Improve understanding of health and retirement plans.

Accomplishments: Send monthly benefit emails, texts, BPU Central updates; Created BPU benefits microsite; updated PeopleSoft for much simpler open enrollment; Conducted four Retirement seminars for Tier I & II employees; Made multiple pharmacy benefit changes that saved \$ and impacted few employees; Increased BPU pharmacy rebates by \$300,000 - \$400,000 per quarter.

Safety/Work Comp & Security

Strategy: To provide a safe and secure environment in which all BPU employees can work.

Goals: Expand and enhance the security console room to provide better and more efficient 24/7 coverage for BPU facilities thru the use of technology; continue to reduce safety hazards and improve PPE usage to avoid serious injuries; continue to gather employee safety suggestions to create safer working conditions; with increased threats to power & water facilities we will enhance electronic surveillance at power substations and pump stations.



Work Comp & Security Accomplishments

- Improved security technology to provide better coverage and save budget.
- Gaining the confidence of our employees to improve our safety culture thru safety committees in all operational areas.
- Improved the injury reporting process and investigation procedures to resulting in corrective actions to avoid future similar injuries.
- Improved our employee training and safety team involvement in all facilities.
- Build our employee relationships so that everyone feels like they are an intricate part of the company by being visible and providing support in the field and listening to PPE requests and delivering.
- Starting facility tours for all new hires so they get the basic understanding of how BPU works and the unique benefits we are able to provide to our community.

Future Strategies

- Improve Employee Engagement by implementing recent survey recommendations and other best practices.
- Enhance diversity education and candidate sourcing by hiring a profession HR position focused on this issue.
- Partner with operations teams to better secure substations and water pumping stations by upgrading security technology.
- Partner with IT to improve employee self-service technology for easier and more access for employees to make personal changes and eliminate many paper processes.