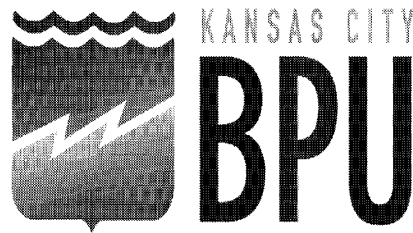


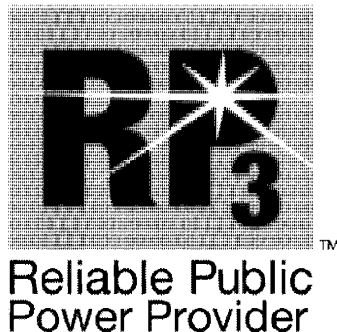
BOARD INFORMATION PACKET



**Board of Public Utilities
Kansas City, Kansas**

Regular Meeting of

June 17, 2020



**Gold Award
for
Competitiveness
Achievement**



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Approval of Agenda
Agenda Item #III



Board of Public Utilities
Kansas City, Kansas

BOARD AGENDA

Regular Session
June 17, 2020 – 6:00 P.M.

- I. Call to Order
- II. Roll Call
 - ____ Ryan Eidson, At Large, Position 2
 - ____ Tom Groneman, District 2
 - ____ Robert L. Milan, Sr., District 1
 - ____ Jeff Bryant, District 3
 - ____ Mary L. Gonzales, At Large, Position 1
 - ____ Rose Mulvany Henry, At Large, Position 3
- III. Approval of Agenda
- IV. Approval of the Minutes of the Regular Session of June 3, 2020
- V. Visitors
- VI. 2020 Revenue Bond Resolution No. 5254
- VII. General Manager's Reports
 - i. COVID-19 Update
 - ii. Economic Development Update
 - iii. Electric Supply Update
 - iv. Miscellaneous Comments
- VIII. Board Comments
- IX. Adjourn

Approval of Minutes
Regular Session 6-3-20
Agenda Item #IV

REGULAR SESSION –WEDNESDAY JUNE 3, 2020

**STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)**

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met remotely in Regular Session on Wednesday, June 3, 2020 at 6:00 P.M. The following Board Members were on the teleconference: Ryan Eidson, President; Robert L. Milan, Vice President; Mary Gonzales, Secretary; Jeff Bryant, Rose Mulvany Henry and Thomas Groneman.

Also on teleconference: William Johnson, General Manager; Angela Lawson, Deputy Chief Counsel; Lori Austin, Chief Financial Officer/Chief Administrative Officer; Jim Epp, Executive Director Water Operations; Johnnetta Hinson, Executive Director Customer Service; Jerry Ohmes, Executive Director Electric Supply; Jeremy Ash, Executive Director Electric Operations; Dong Quach, Executive Director Electric Production; David Mehlhaff, Chief Communications Officer; Dennis Dumovich, Director of Human Resources; Randy Otting, Director of Accounting; Brian Laverack, Director Network Operations; Paul Sprague, Supervisor EMS Maintenance and Todd Jordan with United Way.

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

Mr. Eidson called the Board Meeting to order at 6:00 P.M. He welcomed all that were listening or viewing the meeting. He stated the COVID 19 Pandemic has resulted in a State of Emergency disaster declared by the Governor which has made it necessary to conduct these meetings using technology instead of in person. Because of this we will not be having a visitor comments section. The public may email or call the BPU with concerns. The Agenda and the presentation may be found on the BPU website. If you are using Zoom, it will appear on your screen. Mr. Eidson introduced himself and the other Board Members along with the GM, and Legal Counsel.

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

Motion was made to approve the Agenda by Mr. Groneman, seconded by Mr. Bryant, and carried.

Motion was made to approve the Minutes of the Regular Session of May 20, 2020 by Mr. Milan, seconded by Mr. Groneman, and carried.

Mr. Eidson turned the meeting over to Mr. Johnson.

Mr. Johnson asked Ms. Austin to ask the Board for approval of Resolution No. 5253 and she will provide some additional details and information behind why we were asking the Board to approve this.

REGULAR SESSION –WEDNESDAY JUNE 3, 2020

STATE OF KANSAS)
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CITY OF KANSAS CITY)

Ms. Austin said as they all remember, they made the decision to decommission the Quindaro Power Plant's unit one and two. We have been going through that process and basically securing it, shutting it down and working with the movement of staff and associating them over to the Nearman Power Plant. An item of business that we need to take care of is on the financial side. We have identified about \$73.6 million of assets that are still outstanding that have not depreciated yet related to both Quindaro Power Plant units one and two. Our options as far as how we recognize that per our GASBY Statement Number 42 is we can either recognize it in one year or we have the option to recognize it over a certain period of time. The average life of those assets is typically about 41 years. We are asking to recognize the remaining assets over a 20 year period. The steps that we will need to take are basically it's just a reclassification on our Balance Sheet. It takes it out of our Property, Plant and Equipment and we set up a Regulatory Assets also on our Balance Sheet and then we will recognize 1/20 of that each year for the next 20 years. It comes out to be about \$3.7 to \$3.8 million a year. She asked the Board to adopt Resolution No. 5253 which will recognize that \$73.6 million and that we will amortize it over a 20 year period.

Motion was made by Mr. Bryant to approve Resolution No. 5253, seconded by Mr. Milan and carried.

Mr. Johnson said the next item was The General Manager's Reports. He began by recapping where we were with some of our staff and a few other things going on as it is related to COVID 19. As of this date, that they are already aware of, the two employees that actually tested positive returned to work several days ago. We have zero employees that are on our quarantine list so that is good news. We currently don't have any employees that are impacted by COVID 19.

He updated the Board with some ongoing discussions they are having with the UG in trying to find ways to get reimbursed on some of our claims as related to the Corona Virus. They had a brief call last week putting things together that could potentially go to the State for reimbursement.

Mr. Johnson said the next item was Todd Jordan from the United Way. He comes in annually to update the Board on how the monies are being managed over at the UG and all of the agencies that receive dollars from BPU for the Utility Assistance Program and also the Hardship Program.

Mr. Jordan had a power point presentation. (attached)

REGULAR SESSION –WEDNESDAY JUNE 3, 2020

STATE OF KANSAS)
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CITY OF KANSAS CITY)

He asked if there were any questions.

Mr. Milan was concerned that people might use both of the programs and double-dip. It was very important.

Mr. Jordan said they don't want people overusing or getting more resources than they should.

Mr. Bryant asked about the \$5,000 that is set aside for unexpected hardships with customers that have been consistently on time with their payments, how has the demand been and have we been spending all of those funds every year on that specific category? Or is it a small enough demand that it actually gets pulled into the other group because it's not needed.

Mr. Jordan said it was always pulled into the other group. Maybe \$1,000 to \$2,000 over the years but there is always some of that money left when they get to November and December that they are able to put in the general fund.

Mr. Bryant asked if that was for a lack of need or lack of awareness by the general public about that portion of the program.

Mr. Jordan said he thinks it is usually because by the time somebody is at a point where they actually have to call different agencies, they've usually either missed a payment or been late at some point within the last few months so they don't really meet those criteria. When we get down to the end of our month and we are tight on funds or expended the funds we've allocated, is that explicit question to people have them been disconnected permanently and to make sure they can identify people who are.

Ms. Gonzales said Mr. Johnson assured them that when the merger occurs with the Greater Kansas City (GKC) area that these funds will remain for Wyandotte County residents only. Was that correct in his estimation?

Mr. Jordan said it was completely correct, both with the agreements they have with BPU and the way the funds are set up. They are maintaining their physical office within Wyandotte County. The Case Manager they have is a contract employee of MON that will remain in that role. In talks with GKC they were really excited that this program could continue because it matches. They don't do the direct service portion that Hardship is but they still oversee Utility Assistance so there is overlap.

REGULAR SESSION –WEDNESDAY JUNE 3, 2020

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Mr. Bryant asked since everything that has happened economically with the COVID 19 shut downs, has he received any reports saying what the level of unemployment in Wyandotte County has risen to.

Mr. Jordan said he had not. His Rule-of-Thumb has been to take basically what might have been reported for the Metro and then add 5 to 7%. He hasn't seen anything that was accurate but that gives you a look back over previous times when we've had economic disruption and that seems to be a way to gauge it. That was a good question and he intended to circle back with Greg Kindle at WYEDC and maybe he could share that at their next quarterly meeting.

Mr. Bryant said that would be good to know because that helps us understand what we can see on the horizon as issues with the public. If it's a hot summer, demand would be high. It will become a little brutal for the community.

Mr. Jordan said he 100% agreed.

Ms. Mulvany Henry asked if he compiled this data only on an annual basis.

He said no, they provided reports to Customer Service to Ms. Hinson on a monthly basis.

Ms. Mulvany Henry said so that was data they could get internally and could they see this data over the next couple of months as well and it sounds like they can so that was all she needed to know.

Mr. Johnson said next item was Ms. Austin with the April 2020 Financials.

Ms. Austin had a presentation. (attached) She said they were through the preliminary stage so she would be asking for a final approval at the end.

Motion was made by Mr. Bryant to approve the April 2020 Financials, seconded by Mr. Groneman and carried.

Mr. Johnson said next on the Agenda were his Miscellaneous Comments and he would first ask Mr. Dumovich to update the Board on the injured employees and he would follow up on two additional comments.

REGULAR SESSION –WEDNESDAY JUNE 3, 2020

STATE OF KANSAS)
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CITY OF KANSAS CITY)

Mr. Dumovich said we experienced that horrible accident a couple of weeks ago. It was not a great situation but just to start out he wanted to make the statement that Mr. Ash and his team did a fantastic job making sure that our people were taken care of and got the care that they needed and then maintaining the safety of that area for the community.

Mr. Dumovich said they have two other events they were working on right now. One that Bill mentioned, we are working with KMU. We brought them in to do a safety review on the incident. It's a non-punitive safety review. We just want to understand what actually went wrong and how we can improve our safety practices. A big deal that we're doing kicks off tomorrow. Big thanks out to the Kansas City, Kansas Police Department (KCKPD) and Dr. Prohaska, who is a Clinical Psychologist and their teams are coming in to perform a critical incident debrief with all of our linemen that were involved whether remotely as in replacing our team that had to go seek health care or the guys that were actually injured. Tomorrow morning at 7:30 the KCKPD and Dr. Prohaska will be available for this team to help our team work through from a mental health perspective.

Mr. Ash said he did appreciate that they reached out and offered their service. They were glad to have it. They are all looking forward to it. By all accounts we are very fortunate. It is a nasty event they went through. This is very necessary in his opinion and Mr. Johnson's and Mr. Dumovich's opinion. The team is excited and they are reaching out. He thinks it is fantastic and it speaks volumes about the direction we are headed.

Mr. Johnson thanked Mr. Ash for his quick response and getting to the site to administer any support they needed in terms of onsite support and making sure they were all transported to the hospital and staying in touch with them, even over the last few days.

Mr. Johnson said he would be working with staff before the next Board Meeting to reinsert our Visitors Comments section. Look for that to go back on the Board Meeting Agenda.

Mr. Johnson said going back to Lori's comment; he thanked staff for all of their participation and support. As we worked through the last few weeks and we were seeing our revenues starting to drop, we still are not through this. Everybody worked well together to help us on the expense side and that is certainly paying dividends as we work our way through this and continue utility operations and not drop on any services that we provide to this community.

Ms. Mulvany Henry asked Mr. Johnson if the KMU safety review Root Cause Analysis (RCA) from that be available to the Board.

REGULAR SESSION –WEDNESDAY JUNE 3, 2020

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

Ms. Lawson said she wasn't sure; she would have to look at that. She needs to see if falls more as a personnel or procedure matter. She knew it wasn't punitive but she would have to get back to them.

Ms. Mulvany Henry said she assumed because it was non-punitive that it must be discoverable thought it would be available to the public.

Ms. Lawson said she was probably right she hadn't even assumed. She would look at that issue.

Mr. Johnson said he would follow up with an answer to that.

Board Comments

Mr. Eidson thanked everybody for all of the updates and Mr. Johnson's statement about the financial statement and thanked all of the directors for really controlling expenses as we get through this Pandemic and we'll see how it all turns out in the end.

Mr. Groneman had no comments.

Mr. Milan had no comments.

Mr. Bryant said please be safe everybody.

Ms. Gonzales said as a Board Member she was really always cognizant of the danger that exists in many of the jobs that our employees do. She thanked Mr. Ash for his quick response to his team of workers. She said to please pass on to all of them that they are all still in all her thoughts and prayers to keep healing and go forward and get back on the job.

Ms. Mulvany Henry said she echoed Ms. Gonzales' comments. This accident was a reminder to everyone how dangerous some of the jobs are that these folk's perform. We certainly owe a debt of gratitude to the first responders who were on the scene that got our guys over to KU Med really quickly and for the assistance of the KCKPD, KCKFD, the Wyandotte County Sheriff's Department and certainly the burn unit at KUMed. Her thoughts and prayers continue for these five men and she also echoed Mr. Brant's comment about staying safe for lots of reasons in this day and age. She hoped that we, as the Board of Public Utilities, keep the reason for some of the unrest in our minds every day. We perform a significant function in our community and we need to make sure we're doing things on an equal basis as well.

REGULAR SESSION – WEDNESDAY JUNE 3, 2020

[illegible]

Motion was made to adjourn the meeting at 6:58 P.M. by Mr. Bryant, seconded by Ms. Gonzales and carried.

ATTEST:

APPROVED:

Secretary

President

THERE'S A WAY

▶▶▶ BECAUSE OF YOU.

Hardship and Utility Assistance Update

Todd Jordan, PhD

President/CEO United Way of Wyandotte County

Introduction

- Thank you !
 - Employee giving
 - Corporate contribution
 - Hardship Assistance program
- Tonight's Focus: Hardship Assistance and Utility Assistance programs
- COVID-19 Response and Recovery Efforts

Hardship Program

- \$95,000 is held by BPU to pay UWWC commitments on customer accounts
- UWWC divides money into monthly allocations based on levels of demand from previous years
- United Way operates the program including a part-time, bilingual, program manager
- \$5,000 held for customers with excellent payment history

Hardship Program

Participant Eligibility Requirements:

- Applicant has received six months of continuous BPU service
- Applicant has experienced one of the following qualifying hardships: Health Emergency, Change in Employment or Income Status, Change in Family Composition or Marital Status, Unforeseen Documented Expenses

Hardship Program

- Allowable Expenditures: BPU water and light utility services
- No deposits, connections, or reconnection fees
- Customer must provide paperwork demonstrating hardship along with copy of BPU bill and photo ID
- Assistance cannot exceed \$500
- Customer is only eligible for assistance once every 12 months
- All assistance is tracked using MAACLink

Hardship Program Outputs

- Program began in August of 2013 and through May 31, 2020
- 1780 commitments for assistance
- \$528,062.93 in assistance provided to community members in need
- In 2019, 365 households served with \$97,056.09 – highest number of households served in a year

Hardship Program Outputs

Percent of hardship clients who have received assistance in two consecutive years:

- 2016- 7.5%
- 2017- 11%
- 2018- 10%
- 2019- 10%

Hardship Program

- Most common reason for hardship tends to be health issues (especially ones that impact employment)
- Fills essential role in emergency assistance for the community because it is not income-based
- Biggest Challenge: Customers waiting until they are disconnected to begin seeking help
- COVID-19 Update

Utility Assistance Program

- Utility Assistance Program
- Funded via Corporate Contribution from BPU board set to match employee United Way campaign up to \$105,000

Utility Assistance

- United Way oversees the program and disburses funds to 8 partner agencies:
 - Avenue of Life
 - Catholic Charities of Northeast Kansas
 - Cross-Lines Community Outreach
 - El Centro
 - Economic Opportunity Foundation
 - Metro Lutheran Ministries
 - Salvation Army – KCK Citadel and Harbor Light Village
 - Vaughn-Trent Community Services

Utility Assistance

- Allowable Expenditures: all utilities except phone, internet service, and media
- No deposits, connections or reconnection fees
- Participant must be 150% of federal poverty level for past 30 days
- Must be Wyandotte County resident and cannot receive more than \$500 in assistance from the fund annually

Utility Assistance Program

From January 2009 to May 31, 2020 BPU utility assistance program has provided:

- 8,526 commitments for assistance from 8 partner agencies
- \$1,257,179 in assistance provided to community members in need
- In 2019, helped 555 households with \$106,974.19 in assistance
- 9% of Utility Assistance clients also received Hardship Assistance in 2019 and 28% of Utility Assistance clients in 2019 received help in 2018

Conclusion

- These programs are a critical part of how we layer services and keep households stable
- We expect a significant amount of demand for next few months
- Thank you for everything you do !
- Questions?



thank you

THERE'S A WAY
 **BECAUSE OF YOU.**



April 2020 Financial Results

June 3, 2020

Financial Results

2020 Billed kWh (YTD Jan – Apr)

Electric	(CY) 2020 YTD	(PY) 2019 YTD	
Residential	175,096,255	189,349,938	
Commercial	290,602,010	305,160,889	
Industrial	169,218,628	188,113,734	
	634,916,893	682,624,561	-7.0%

Lower usage in 2020 compared to 2019 due to weather and also the COVID-19 shutdown of businesses.

Residential – down 7.5% Commercial – down 5% Industrial – down 10%

Financial Results

2020 Billed CCF's (YTD Jan – Apr)

Water	(CY) 2020 YTD	(PY) 2019 YTD	
Residential	1,070,136	1,058,705	
Commercial	734,426	736,441	
Industrial	636,351	655,929	
	2,440,913	2,451,075	-0.4%

Lower usage compared to 2019 due to milder weather through the first 3 months

Residential – Up 1% Commercial – Down .5% Industrial - Down 3%

Financial Results

Revenues – April 2020

	(CY) 2020 April	(PY) 2019 April		Budget 2020 April	(CY) 2020 April	
Electric	\$ 18.835	\$ 20.861		\$ 21.867	\$ 18.835	
Water	3.833	3.789		3.919	3.833	
Combined	\$ 22.668	\$ 24.650	-8.0%	\$ 25.786	\$ 22.668	-12.1%

**Dollars in millions

Actual Compared to 2020 Budget

Electric down 14%

Water down 2%

Financial Results

Revenues – 2020 YTD

	(CY) 2020 YTD	(PY) 2019 YTD		Budget 2020 YTD	(CY) 2020 YTD	
Electric	\$ 88.759	\$ 93.455		\$ 92.268	\$ 88.759	
Water	15.978	15.900		15.916	15.978	
Combined	\$ 104.737	\$ 109.355	-4.2%	\$ 108.184	\$ 104.737	-3.2%

**Dollars in millions

Variance – YTD comparing Budget to Actual for 2020

Electric: - Down 4%
Residential (\$2.7M)
Commercial (\$2.0M)
Industrial (\$700K)

Water: Up .5%
Residential (\$330K)
Commercial (\$97K)
Industrial \$600K

Through first 4 months we have recognized \$3.7 million of the \$5.6 million deferred revenue from the 2019 ERC

Financial Results

Operating Expenses – April 2020

	(CY) 2020 April	(PY) 2019 April		Budget 2020 April	(CY) 2020 April	
Electric	\$ 15.292	\$ 17.019		\$ 19.163	\$ 15.292	
Water	2.792	3.093		3.230	2.792	
Combined	\$ 18.084	\$ 20.112	-10.1%	\$ 22.393	\$ 18.084	-19.2%

**Dollars in millions

Variance – MTD comparing Budget to Actual for 2020

Electric

Production	- 8% down
Purchased Power	- 25% down
Fuel	- 51% up
T&D	- 16% down
G &A	- 12% down

Water

Production	- 11% down
T&D	- 13% down
G &A	- 2% up



Financial Results

Operating Expenses – 2020 YTD (Total)

	(CY) 2020 YTD	(PY) 2019 YTD		Budget 2020 YTD	(CY) 2020 YTD	
Electric	\$ 61.836	\$ 66.174		\$ 71.084	\$ 61.836	
Water	11.638	11.818		12.707	11.638	
Combined	\$ 73.474	\$ 77.992	-5.8%	\$ 83.791	\$ 73.474	-12.3%

**Dollars in millions

Actual Compared to 2020 Budget

Electric down 20%

Water down 13%

Financial Results

Operating Expenses – 2020 YTD less Depreciation

	(CY) 2020 YTD	(PY) 2019 YTD		Budget 2020 YTD	(CY) 2020 YTD	
Electric	\$ 52.666	\$ 56.799		\$ 61.444	\$ 52.666	
Water	9.054	9.214		10.114	9.054	
Combined	\$ 61.720	\$ 66.013	-6.5%	\$ 71.558	\$ 61.720	-13.7%

**Dollars in millions

Variance – YTD comparing Budget to Actual 2020

Electric:

Purchased Power	(\$4.5M)
Fuel	\$1.3M
Production	(\$2.3M)
T&D	(\$1.5M)
G&A	(\$1.6M)

Water:

Production	(\$270K)
T&D	(\$510K)
G&A	(\$280K)

Financial Results

Change in Net Position – April 2020

	(CY) 2020 April	(PY) 2019 April		Budget 2020 April	(CY) 2020 April	
Electric	\$ (0.566)	\$ (0.408)		\$ (1.546)	\$ (0.566)	
Water	0.376	0.052		0.089	0.376	
Combined	\$ (0.190)	\$ (0.356)	-46.6%	\$ (1.457)	\$ (0.190)	-87.0%

**Dollars in millions

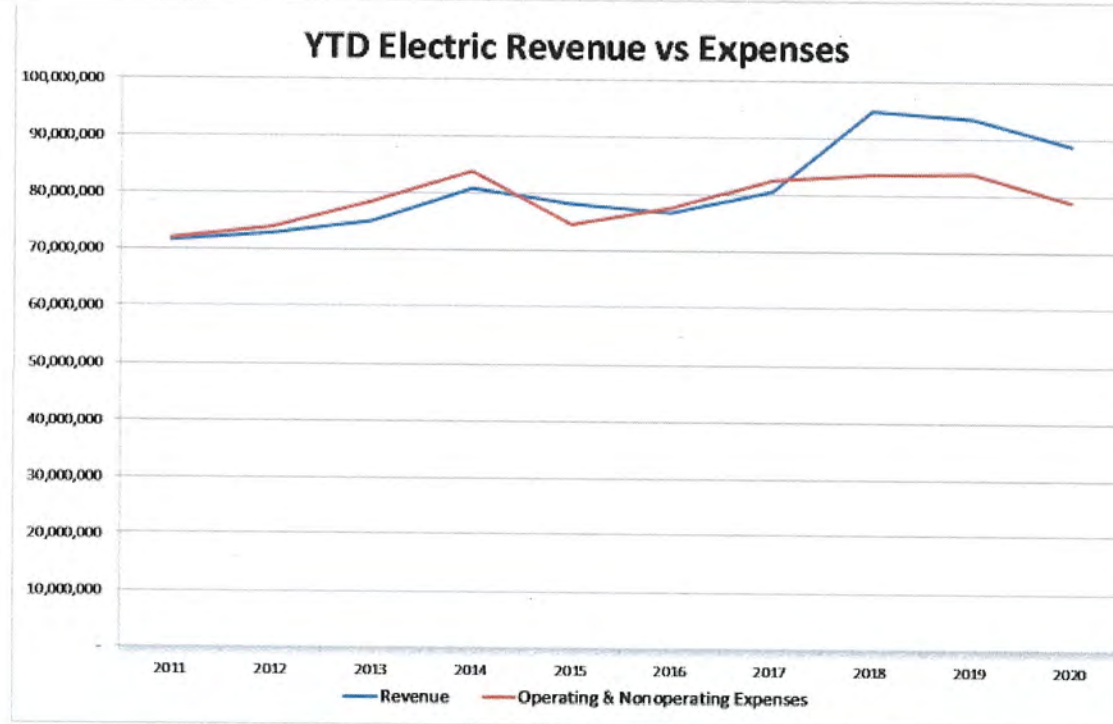
Financial Results

Change in Net Position – 2020 YTD

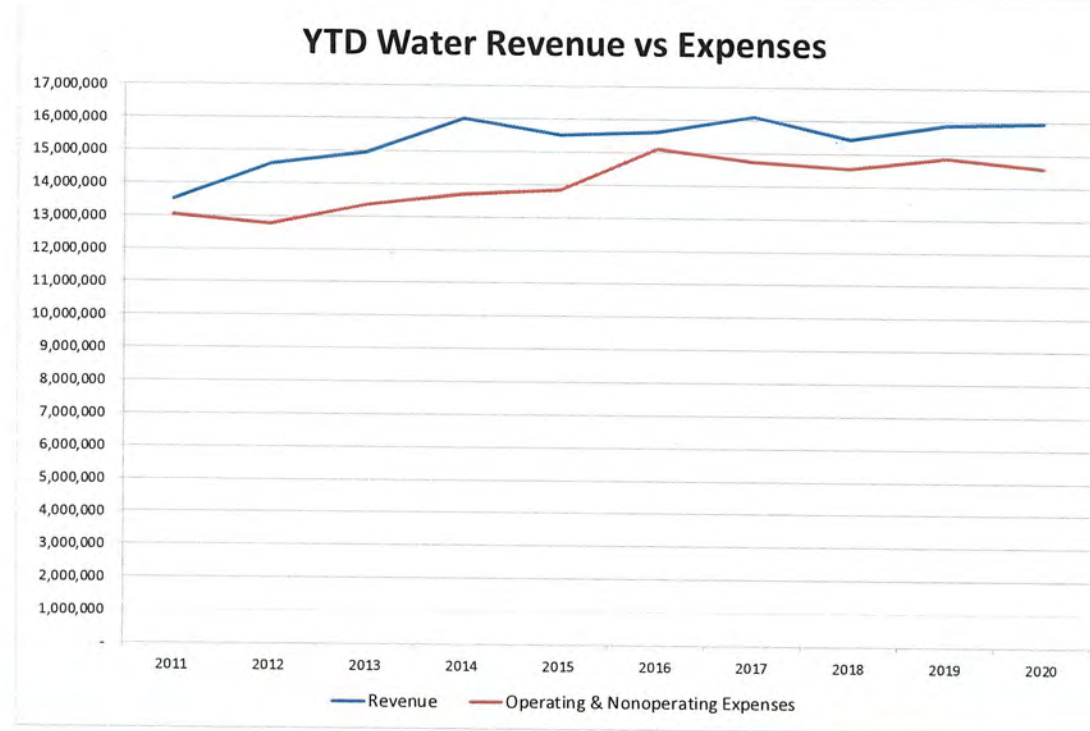
	(CY) 2020 YTD	(PY) 2019 YTD		Budget 2020 YTD	(CY) 2020 YTD	
Electric	\$ 9.808	\$ 9.534		\$ 3.633	\$ 9.808	
Water	1.389	1.018		0.407	1.389	
Combined	\$ 11.197	\$ 10.552	6.1%	\$ 4.040	\$ 11.197	177.2%

**Dollars in millions

Financial Results – 10 Year Trend



Financial Results – 10 Year Trend



Financial Results

Cash Position

	(CY) 2020 April	(PY) 2019 April	2020 March
Combined (E&W)	\$ 50.89	\$ 44.45	\$ 50.82
Days Cash-on-Hand	85	74	84

1 Day = Approximately \$550K

**Dollars in millions

Financial Results

Balance Sheet: Notables

	(CY) 2020 April	(PY) 2019 April
Fuel Inventory	\$ 4.764	\$ 4.422
Bond Dollars 2016A (AQC)	\$ -	\$ 3.527
Bond Dollars 2016C (Elec T&D)	\$ 6.463	\$ 30.319

**Dollars in millions

Financial Results

Capital Spending

	(CY) 2020 YTD	(PY) 2019 YTD	2020 Budget		
Electric	\$ 13.88	\$ 9.95	\$ 45.19		
Water	2.43	1.56	12.59		
Common	0.67	0.13	0.84		
Total YTD Capital	\$ 16.99	\$ 11.64	\$ 58.61	Remaining	71%

**Dollars in millions

Major projects in 2020:

Rosedale Project - \$6.3M
 N1 Bottom Ash Handling System- \$1.0M
 Nearman 316B Project - \$158K
 Mill Liners - \$555K
 Water Leak, Valve, System Imp. - \$570K
 UG/CMIP Water Distribution - \$790K

Financial Results

Debt Coverage

Debt Coverage with PILOT

	(CY) 2020 April	(PY) 2019 April
Electric	1.99	2.37
Water	1.74	2.08
Combined	1.98	2.35

Debt Coverage w/o PILOT

	(CY) 2020 April	(PY) 2019 YTD
Electric	1.40	1.73
Water	1.30	1.63
Combined	1.41	1.74

Financial Guideline Target 1.6 to 2.1 times with PILOT

Agenda Item #VI
2020 Revenue Bond
Reso No. 5254

RESOLUTION NO. 5254

**RESOLUTION TO FINANCE CAPITAL IMPROVEMENTS AND REQUESTING
THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY,
KANSAS, TO ISSUE ITS UTILITY SYSTEM REVENUE BONDS TO FINANCE
SUCH IMPROVEMENTS; AND FURTHER REQUESTING THAT THE
UNIFIED GOVERNMENT REFUND ALL OR A PORTION OF CERTAIN
OUTSTANDING UTILITY SYSTEM REVENUE BONDS IN ORDER TO
ACHIEVE INTEREST COST SAVINGS ON SUCH BONDS.**

WHEREAS, the Board of Public Utilities (the “BPU”), an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas (the “Unified Government”), has adopted as a part of its annual budget a capital improvement program for major improvements to the electric system and the water system managed, operated, maintained and controlled by the BPU (the “System”); and

WHEREAS, the BPU has determined that it is advisable that certain of its major capital improvements should be financed through the issuance of utility system revenue bonds by the Unified Government; and

WHEREAS, it is necessary for the Board of the BPU to adopt a resolution requesting the Unified Government to issue utility system revenue bonds for such purposes; and

WHEREAS, the Unified Government has previously issued and has outstanding the following utility system revenue bonds that are eligible for refinancing:

<u>Series</u>	<u>Maturity Dates</u>	<u>Principal Amount</u>
Utility System Revenue Refunding Bonds, Series 2010-A	2020-2028	\$9,565,000
Utility System Improvement and Refunding Revenue Bond, Series 2011-A	2022-2036	56,880,000
Utility System Refunding Revenue Bonds, Series 2012-A	2023-2032	94,475,000
Utility System Revenue Bonds, Series 2012-B	2023-2037	61,280,000

; and

WHEREAS, it is in the best financial interest of the BPU and its rate payers to pursue refunding all or a part of the above-referenced bonds to achieve interest costs savings through the issuance of the Unified Government’s utility system refunding revenue bonds (the “Refunding Bonds”) and thereby allow the Unified Government and the BPU to capture the benefits of current favorable market interest rates; and

WHEREAS, in order to complete the refunding transaction in a timely manner so as to maximize the financial benefits therefrom, the Board of the BPU request that the Board of Commissioners of the Unified Government proceed to take all necessary steps to authorize the issuance of the Refunding Bonds and the execution and delivery of all necessary and related documents.

**BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, AS FOLLOWS:**

Section 1. The BPU wishes to make certain improvements in connection with constructing, reconstructing, altering, repairing, improving, extending or enlarging the System, including:

1. Transmission System Improvements: Electric transmission system improvements which would install OPGW fiber optic between Barber and Terrace Substations. This is replacing existing circuits used for transmission line protective relaying at each substation.
2. Rosedale/Fisher Area Distribution Improvements: New distribution system improvements in the Rosedale/Fisher area. This would complete the transfer of 15kV distribution feeders from Fisher to Rosedale Substations. Also there would be a project to construct backup feeders to KU University and Hospital as well as to the neighboring businesses and residential customers.
3. Barber Substation Improvements: Improvement to Barber Substation. Construct a new manhole/duct bank electrical system from new switchgear #2 to the new distribution riser structures.

and all other necessary and related improvements to the System (collectively, the “Improvements”). The BPU wishes to finance the Improvements through the issuance of utility system revenue bonds to be issued by the Unified Government. The BPU expects to reimburse itself for capital expenditures made with respect to the Improvements on or after 60 days before the date of this Resolution with the proceeds of utility system revenue bonds issued by the Unified Government.

Section 2. The maximum principal amount of utility system revenue bonds expected to be issued for the Improvements, not including any required reserves, costs of issuance, capitalized interest and related expenses, is expected to be \$10,000,000.

Section 3. The Unified Government is hereby requested to issue its utility system revenue bonds to finance the Improvements and to commence the necessary procedures to sell and issue such bonds including without limitation causing a notice of intent to issue utility system revenue bonds to be published. The General Manager and staff of the BPU are authorized to make such request.

Section 4. The BPU hereby finds and determines that the refunding of all or a part of the Outstanding Bonds is in the best financial interest of the BPU, the Utility System and the Unified Government.

Section 5. The BPU hereby requests that the Board of Commissioners of the Unified Government proceed to take all necessary steps to authorize the issuance of bonds to fund the Improvements, authorizing the issuance of the Refunding Bonds and authorize the execution and delivery of all necessary and related documents.

Section 6. The President, Secretary, General Manager, Chief Financial Officer and other officers, officials and employees of the BPU are hereby authorized and directed to execute and deliver all documents and take all such action as they deem necessary or advisable in order to complete the issuance of bonds to fund the Improvements, and the issuance of the Refunding Bonds.

Section 7. The sale of the utility system revenue bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means. All sale documents, certificates, and related instruments may be executed by electronic transmission. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents (or documents executed by electronic transmission) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 8. This Resolution shall be in full force and effect from and after its passage by the BPU.

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Passed by the Board of Public Utilities, an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas, this June 17, 2020.

President – Board of Public Utilities

ATTEST:

Secretary – Board of Public Utilities