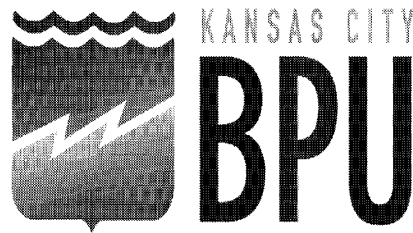


# **BOARD INFORMATION PACKET**



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

**Regular Meeting of**

**September 16, 2020**



**Gold Award  
for  
Competitiveness  
Achievement**



# **Table of Contents**

## **September 16, 2020**

**Agenda Item #III.....Approval of Agenda**

**Agenda Item #IV.....Approval of the Minutes of the Regular Session of September 2, 2020**

**Agenda Item #VI.....General Manager / Staff Reports**

**Approval of Agenda**  
**Agenda Item #III**



Board of Public Utilities  
Kansas City, Kansas

**BOARD AGENDA**

Regular Session  
September 16, 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 September 2, 2020
- V. Visitors
- VI. General Manager / Staff Reports
  - i. COVID-19 Update
  - ii. Water Main Replacement
  - iii. Nearman CT4 Update
  - iv. Miscellaneous Comments
- VII. Board Comments
- VIII. Adjourn

**Approval of Minutes**  
**Regular Session 9-2-20**  
Agenda Item #IV

[illegible]

Page 1 of 4

REGULAR SESSION –WEDNESDAY, SEPTEMBER 2, 2020

STATE OF KANSAS        )  
  ) SS  
CITY OF KANSAS CITY)

Mr. Kamp said that no one had their hand raised via teleconference.

**Item #6 – General Manager’s Reports**

- i. *COVID-19 Update:* Mr. Johnson gave an update on company COVID -19 matters.
- ii. *CARES Act:* Mr. Johnson updated the Board about the \$250K approved by the UG. At this time it looked like most of the request would be used for technology needs revolving around employees working in the office and remotely should the need arise due to the utility’s COVID-19 response. Teleconferencing necessities were also on the list. The evaluation was still ongoing. There was also an application for \$10K submitted which was to be dedicated to personal protection equipment for employees.

Mr. Kamp reported that a visitor had joined the meeting and had raised their hand.

**Revisit Item #5 – Visitors**

Ms. Christina N. Wind, 6348 County Line Road. Ms. Wind discussed with the Board a situation with water charges not being on her utility bill and her desire to get that resolved through arrangements versus paying the error in one large sum. She would also like for her name to be corrected on her bill.

Ms. Hinson, Executive Director of Customer Service, said that she would receive a call the following day to discuss and resolve the situation.

- iii. *July 2020 Financials:* Ms. Lori Austin, Chief Financial Officer/Chief Administrative Officer, presented the July 2020 Financials with a PowerPoint presentation (see attached).

Motion was made to approve the July 2020 Financials by Ms. Gonzales, seconded by Mr. Groneman and carried.

- iv. *Electric Operations Update:* Mr. Jeremy Ash, Executive Director Electric Operations, gave a PowerPoint presentation on Electric Operations Pole Inspections, (see attached).

Mr. Ash answered questions from the Board.

**REGULAR SESSION –WEDNESDAY, SEPTEMBER 2, 2020**

STATE OF KANSAS        )  
  ) SS  
CITY OF KANSAS CITY)

- v.    *Open Health Care Enrollment:* Mr. Dennis Dumovich, Director of Human Resources, gave a PowerPoint presentation outlining the upcoming healthcare open enrollment process, including the addition of the Spira Care Center option, the new pharmacy benefit manager, CVS Caremark, and the announcement of flu shot dates and options (see attached).

Mr. Dumovich answered questions from the Board.

- vi.   *Miscellaneous Comments:* Mr. Johnson expressed his thanks to staff for the evening's presentations. He also congratulated Mr. Jim Epp, Executive Director Water Operations, on receiving the Kansas Section American Water Works Association, (KsAWWA) Richard Porter Service Award. He also informed the Board that Mr. Durward Johnson, Director Water Processing, would be moving into the Chairman position of KsAWWA. He also wanted to wish Ms. Gonzales a happy birthday.

**Item #8 – Board Comments**

Mr. Eidson thanked all for their presentations. He extended a happy birthday to Ms. Gonzales and he also wanted Mr. Ash to thank his staff for doing a great job getting the power, including his, back on from the storms the previous day.

Mr. Groneman reported on the UG Public Works and Safety Committee meeting he attended. He said it had included discussion on Metro 24, the fitness center housed in the Joe Amayo Community Center, as it was time for their contract renewal. He had requested that the owner reach out to BPU staff in regards to their utility usage and fees. He extended a happy birthday to Ms. Gonzales and reminded everyone to stay safe.

Mr. Johnson said he had been contacted by Metro 24 ownership and that there was a conversation about the possibility of metering the fitness center separately. Their electrician was going to make assessments and let us know before moving forward with any work that would be done.

Mr. Milan thanked the staff for their reports.

Mr. Bryant wished Ms. Gonzales a happy birthday. He updated the Board on the UG Standing Committee – Finance meeting. He reported that an ordinance had moved forward for approval of industrial revenue bonds for a new distribution center to be built next to Kansas



**REGULAR SESSION –WEDNESDAY, SEPTEMBER 2, 2020**

STATE OF KANSAS       )  
  ) SS  
CITY OF KANSAS CITY)

Speedway. The approximately \$400M project would be used for ecommerce and store fulfillment for Urban Outfitters. He commented that this company was looking towards being partners with the UG and community. He also thanked the staff for the updates.

Ms. Gonzales commented on the great staff presentations and congratulated Mr. Epp and Mr. Johnson on their award and appointment. She also thanked everyone for the birthday wishes.

Ms. Mulvany Henry echoed the previous comments on the staff presentations and achievements and wished Ms. Gonzales a happy birthday. She also mentioned that she had a community member reach out to express thanks from her 90 year old mother for getting her power restored. She had lost power for 24 hours but it was important for her to let us know she appreciated the hard work it took to get it back up.

Motion was made to adjourn the meeting at 7:26 P.M. by Ms. Gonzales, seconded by Mr. Bryant and carried.

ATTEST:

APPROVED:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

**July 2020  
Financial Results  
September 2, 2020**

# Financial Results

## 2020 Billed kWh (YTD Jan - July)

Electric	(CY) 2020 YTD	(PY) 2019 YTD	
Residential	328,976,460	324,676,588	
Commercial	518,403,008	547,992,326	
Industrial	291,142,424	333,506,051	
	1,138,521,892	1,206,174,965	-5.6%

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

Residential – up 1.3%

Commercial – down 5.4%

Industrial – down 12.7%

# Financial Results

## 2020 Billed CCF's (YTD Jan - July)

	(CY) 2020 YTD	(PY) 2019 YTD	
Water			
Residential	2,025,107	1,930,671	
Commercial	1,357,719	1,395,986	
Industrial	1,079,786	1,184,537	
	4,462,612	4,511,194	-1.1%

Lower usage compared to 2019 due to business shutdowns due to COVID-19

Residential – Up 5%      Commercial – Down 2%      Industrial - Down 8%

# Financial Results

## Revenues – July 2020

	(CY) 2020 July	(PY) 2019 July		Budget 2020 July	(CY) 2020 July	
Electric	\$ 28.632	\$ 26.722		\$ 27.928	\$ 28.632	
Water	4.920	4.826		5.386	4.920	
Combined	\$ 33.552	\$ 31.548	6.4%	\$ 33.314	\$ 33.552	0.7%

\*\*Dollars in millions

### *Actual Compared to 2020 Budget*

Electric up 3%  
Water down 9%

# Financial Results

## Revenues – 2020 YTD

	(CY) 2020 YTD	(PY) 2019 YTD		Budget 2020 YTD	(CY) 2020 YTD	
Electric	\$ 161.070	\$ 162.208		\$ 166.144	\$ 161.070	
Water	29.225	29.546		30.566	29.225	
Combined	\$ 190.295	\$ 191.754	-0.8%	\$ 196.710	\$ 190.295	-3.3%

\*\*Dollars in millions

Variance – YTD comparing Budget to Actual for 2020

Electric: - *Down 3%*  
Residential **(\$2.2M)**  
Commercial **(\$3.2M)**  
Industrial **(\$1.5M)**

Water: *Down 4%*  
Residential **(\$384K)**  
Commercial **(\$960K)**  
Industrial **\$530K**

*Recognized \$5.5 deferred revenue YTD from the 2019 ERC*

# Financial Results

## Operating Expenses – July 2020

	(CY) 2020 July	(PY) 2019 July		Budget 2020 July	(CY) 2020 July	
Electric	\$ 19.562	\$ 18.808		\$ 19.103	\$ 19.562	
Water	3.106	3.318		3.173	3.106	
Combined	\$ 22.668	\$ 22.126	2.4%	\$ 22.276	\$ 22.668	1.8%

\*\*Dollars in millions

### Variance – Comparing Budget to Actual for 2020

#### Electric – up 2%

Production	- 31% down
Purchased Power	- 18% up
Fuel	- 9% up
T&D	- 12% up
G &A	- 20% down

#### Water – down 2%

Production	- 14% down
T&D	- 3% up
G &A	- 15% down



# Financial Results

## Operating Expenses – 2020 YTD (Total)

	(CY) 2020 YTD	(PY) 2019 YTD		Budget 2020 YTD	(CY) 2020 YTD	
Electric	\$ 113.392	\$ 116.915		\$ 127.621	\$ 113.392	
Water	19.861	21.162		22.128	19.861	
Combined	\$ 133.253	\$ 138.077	-3.5%	\$ 149.749	\$ 133.253	-11.0%

\*\*Dollars in millions

### *Actual Compared to 2020 Budget*

Electric down 11%

Water down 10%



# Financial Results

## Operating Expenses – 2020 YTD less Depreciation

	(CY) 2020 YTD	(PY) 2019 YTD		Budget 2020 YTD	(CY) 2020 YTD	
Electric	\$ 97.451	\$ 100.500		\$ 110.995	\$ 97.451	
Water	15.326	16.611		17.590	15.326	
Combined	\$ 112.777	\$ 117.111	-3.7%	\$ 128.585	\$ 112.777	-12.3%

\*\*Dollars in millions

Variance – YTD comparing Budget to Actual 2020

### Electric:

Purchased Power	(\$3.8M)
Fuel	(\$ .4K)
Production	(\$4.2M)
T&D	(\$2.4M)
G&A	(\$2.8M)

### Water:

Production	(\$640K)
T&D	(\$1.1M)
G&A	(\$520K)

## Financial Results

### Change in Net Position – July 2020

	(CY) 2020 July	(PY) 2019 July
Electric	\$ 4.542	\$ 3.055
Water	0.665	0.107
Combined	\$ 5.207	\$ 3.162

Budget 2020 July	(CY) 2020 July
\$ 3.970	\$ 4.542
1.324	0.665
\$ 5.294	\$ 5.207

\*\*Dollars in millions

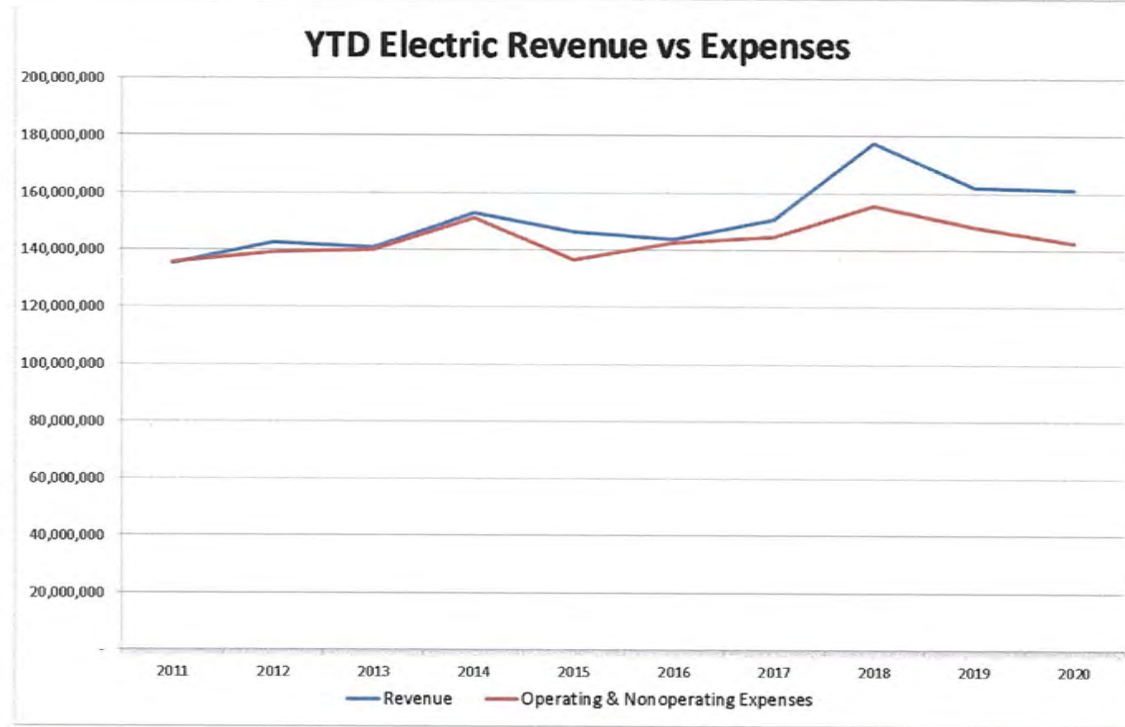
# Financial Results

## Change in Net Position – 2020 YTD

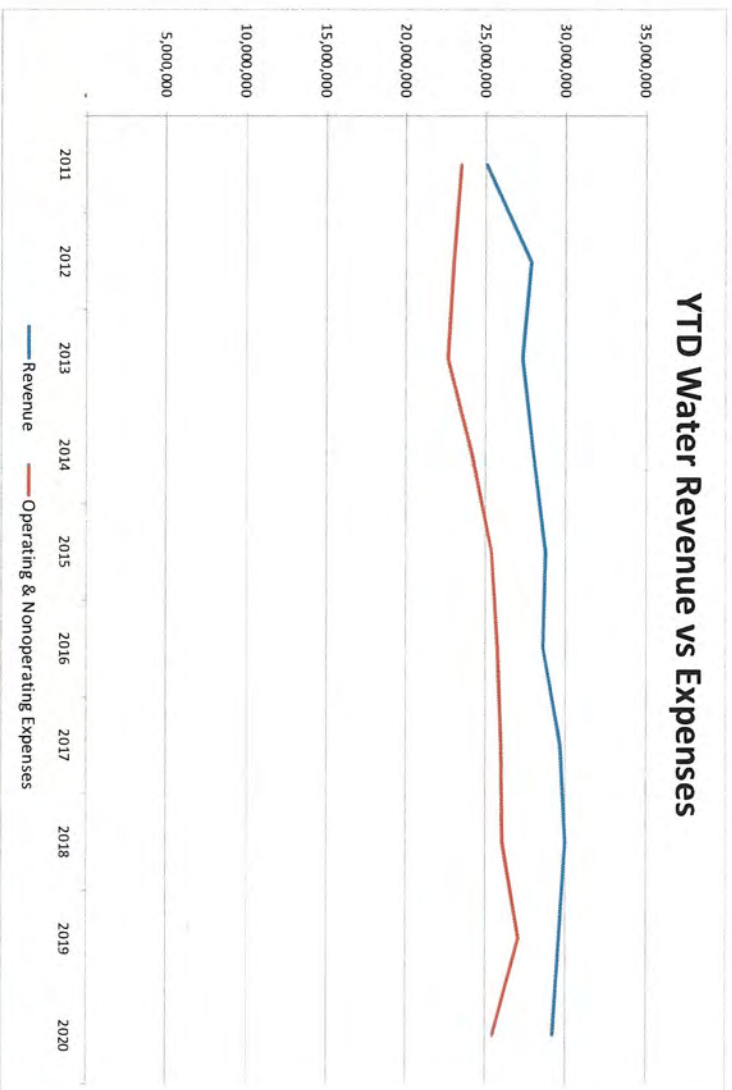
	(CY) 2020 YTD	(PY) 2019 YTD	Budget 2020 YTD	(CY) 2020 YTD
Electric	\$ 18.407	\$ 14.079	\$ 7.439	\$ 18.407
Water	3.898	2.725	3.396	3.898
Combined	\$ 22.305	\$ 16.804	\$ 10.835	\$ 22.305

\*\*Dollars in millions

## Financial Results – 10 Year Trend



# Financial Results – 10 Year Trend



# Financial Results

## Cash Position

	(CY) 2020 July	(PY) 2019 July	2020 June
Combined (E&W)	\$ 44.23	\$ 43.01	\$ 45.67
Days Cash-on-Hand	74	74	76

\*\*Dollars in millions

# Financial Results

## Balance Sheet: Notables

	(CY) 2020 July	(PY) 2019 July
Fuel Inventory	\$ 4.477	\$ 5.979
Bond Dollars 2016A (AQC)	\$ -	\$ 1.828
Bond Dollars 2016C (Elec T&D)	\$ 1.541	\$ 26.270

\*\*Dollars in millions



# Financial Results

## Capital Spending

	(CY) 2020 YTD	(PY) 2019 YTD	2020 Budget		
Electric	\$ 25.75	\$ 20.27	\$ 41.27		
Water	4.54	3.03	12.73		
Common	1.35	0.22	4.60		
Total YTD Capital	\$ 31.64	\$ 23.51	\$ 58.60	Remaining	46%

\*\*Dollars in millions

Major projects in 2020:

Rosedale Project - \$10.M  
 N1 Bottom Ash Handling System- \$3.7M  
 Nearman 316B Project - \$160K  
 Water Leak, Valve, System Imp. - \$1.1M  
 UG/CMIP Water Distribution - \$1.7M



# Financial Results

## Debt Coverage

### Debt Coverage with PILOT

	(CY) 2020 July	(PY) 2019 July
Electric	2.04	2.23
Water	1.78	1.99
Combined	2.04	2.22

### Debt Coverage w/o PILOT

	(CY) 2020 July	(PY) 2019 July
Electric	1.48	1.61
Water	1.34	1.55
Combined	1.48	1.63

Financial Guideline Target 1.6 to 2.1 times with PILOT



## Electric Operations Update - Pole Inspections September 2, 2020

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# Update Overview

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- Pole Inspection Program
- Program Goals
- Inspection Statistics
- Schedule Going Forward
- Questions?



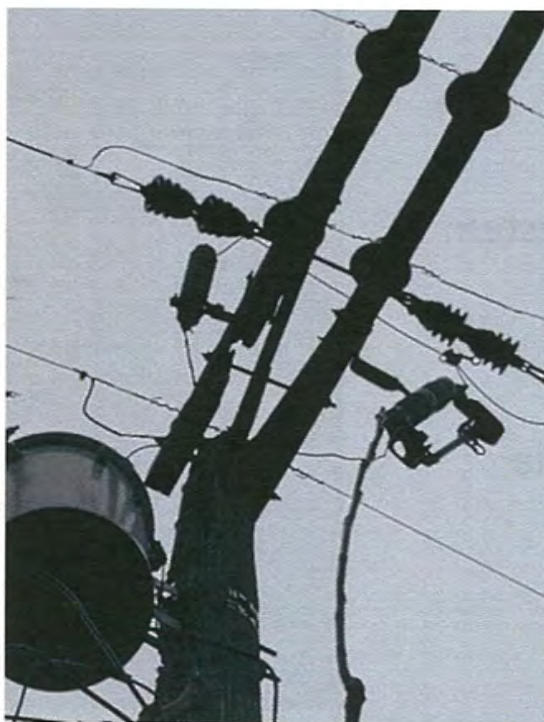


# Pole Inspection Program

- Systematically Complete System
- Visual Pole Inspection
- Sound & Bore
- Excavation
- Treatment – Bugs & Bacteria



# Inspection Discoveries





# Inspection Statistics



- 4970 Poles Inspected For 2020
- 416 Rejected – 8.3%
  - Poles Having Less Than 60% Remaining Strength
- 170 Changed As Of 9/1 (Started In June)
- 246 Changed By EOY 2020

# 2020 Inspection Boundary



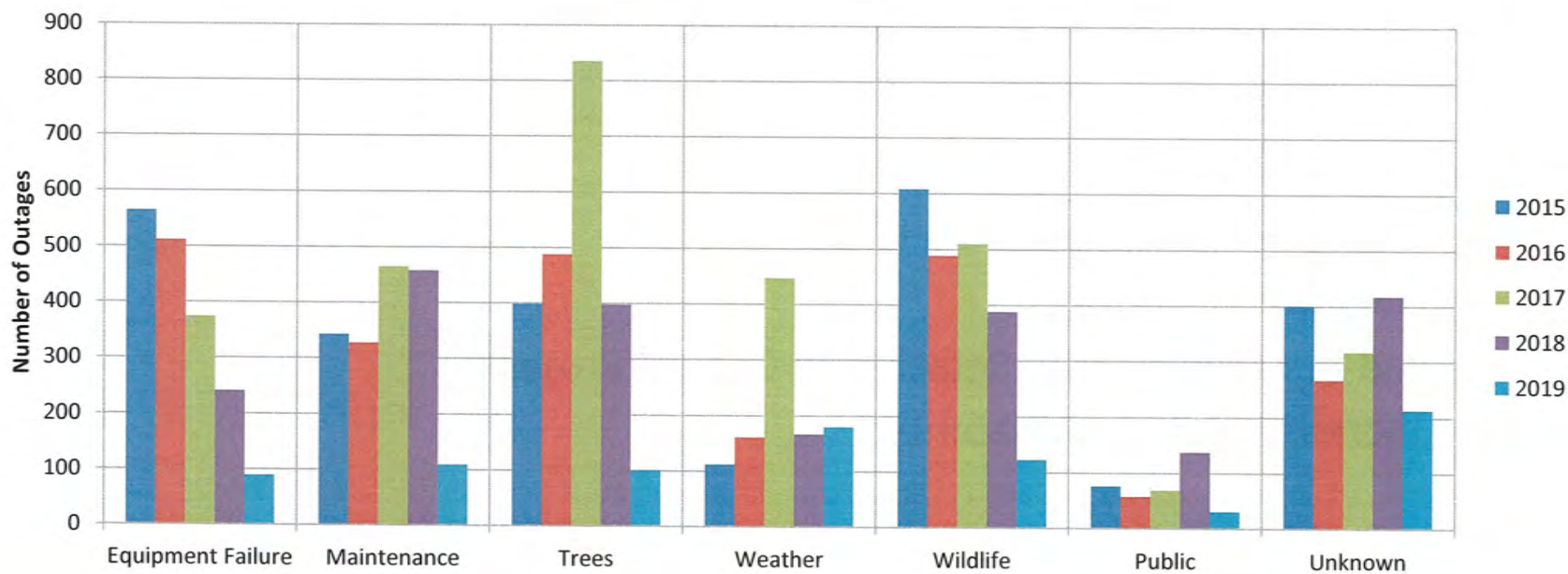
## Program Goals

- Provide Methodology For Inspecting Electric System
  - 55,185 Wood Poles In Electric System
- Gain Efficiency In Maintenance Efforts
- Use Real Data To:
  - Allocate Maintenance Dollars
  - Allocate Manpower
  - Aid Decision Making Relative To Capital Projects
  - Increase System Reliability



# BPU Outage Statistics

Outage Trends By Cause



# Questions?

# Thank You







Kansas City

WE ARE HERE FOR GOOD

We are dedicated to putting **smarter, better healthcare** within reach – for our members and our community.

**WE ARE HERE FOR GOOD.**



**Board of Public Utilities  
OPEN ENROLLMENT 2020**



# 2020-2021 Plan & Network Options

1

**Spira Care  
with BlueSelect  
Plus Network**  
(**Exclusive** Provider Organization)

NEW

- Base Plan
- Access to Spira Care Centers
- Do not have to select a primary care physician
- **EPO: In-Network coverage only**
- National and International Coverage

2

**Blue-Care HMO**  
(Health Maintenance Organization)

- Traditional Plan
- **You must select a primary care physician**
- **In-Network coverage only**
- Metro Kansas City Area Coverage Only

3

**Preferred-Care  
Blue PPO**  
(Preferred Provider Organization)

- Traditional plan
- Do not have to select a primary care physician
- In and Out of Network coverage
- National and International Coverage

# Hospital Locator [www.bluekc.com](http://www.bluekc.com)

Hospital Name (This list is not all inclusive. )	HMO Blue-Care Network (in-network only)	PPO Preferred-Care Blue (in and out of network)	Spira Care EPO BlueSelect Plus (in-network only)
Cass Medical Center	YES	YES	NO
Center Point Medical Center	YES	YES	NO
Children's Mercy Hospitals	YES	YES	YES
KU Medical Center	YES	YES	YES
Lee's Summit Hospital	YES	YES	NO
Liberty Hospital	YES	YES	YES
Menorah Medical Center	YES	YES	NO
North Kansas City Hospital	YES	YES	YES
Olathe Medical Center	YES	YES	YES
Overland Park Regional	YES	YES	NO
Providence Medical Center	YES	YES	NO
Research Medical Center (Kansas City and Belton)	YES	YES	NO
Shawnee Mission Medical Center	YES	YES	YES
St. Joseph Medical Center	YES	NO	NO
St. Luke's (All Locations)	NO	YES	NO
St. Mary's Medical Center	YES	NO	NO
Truman Medical Center (Hospital Hill and Lee's Summit)	YES	YES	YES

# Extended Benefits at the Care Centers

## COMPREHENSIVE SERVICES



Adult and Pediatric  
Primary and  
Preventative Care



Sick Care



Chronic Condition  
Management



Behavioral Health  
Consultations



Digital  
X-Rays<sup>+</sup>



Lab  
Draws



Patient Wellness  
Follow-ups



Health Coaches On-Site

<sup>+</sup> X-rays are available at select locations only, but are at no additional cost to members.

## CONVENIENT BENEFITS



Common Prescriptions  
Filled On-Site<sup>\*</sup>



Specialist Referrals  
& Scheduling



Patient Wellness  
Follow-Ups



Support in Understanding  
your Plan's Network



Extended Full-Service  
Hours



Access to A Healthier  
You Platform



On-line Scheduling for  
most appointment types,  
call for sick care needs



Virtual Care and Online  
Communications

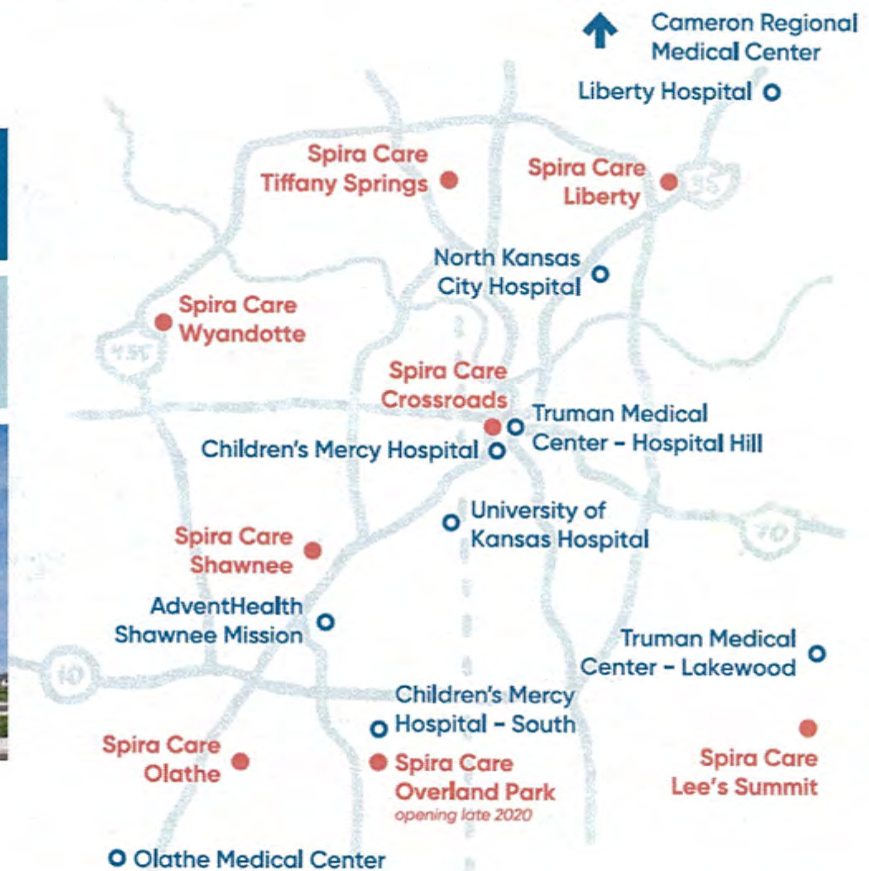
<sup>\*</sup> Select prescriptions will be offered on-site at your regular co-pay or deductible level.



## Spira Care Centers + Hospitals in the BlueSelect Plus Network

Spira Care Centers across the Kansas City metro area

Plans to expand based on membership demand





# **NEW Pharmacy Benefit Manager (PBM)**





**♥CVS caremark®**

We are excited to announce that Board of Public Utilities' pharmacy benefit manager is changing from SavRx to CVS Caremark beginning OCTOBER 1, 2020!

With CVS Caremark, you will have:

- The Same Robust Local and Nationwide Pharmacy Access, plus More Locations
- Online Rx Management & Mail Order
- Broad Prescription Formulary
- A New ID Card

**NEW!**

**PHARMACY  
BENEFIT  
MANAGER**

**QUESTIONS?**

To learn how these changes could impact you, scan the code below with the camera on your smartphone!







**OPEN ENROLLMENT IS  
COMING SOON!**

**ATTEND AN IN-PERSON  
OR ZOOM MEETING TO  
LEARN ABOUT  
IMPROVEMENTS TO THE  
BPU MEDICAL AND RX  
PROGRAM!**



**2020**

## OPEN ENROLLMENT CALENDAR

ONSITE MEETING DATES	ONSITE MEETING LOCATIONS
September 8 from 8am - 9:30am	Nearman Power Plant - 4240 N. 55 <sup>th</sup> Street Kansas City, KS
September 8 from 2pm - 3:30pm	Nearman Water Treatment Plant - 4301 Brenner Rd. Kansas City, KS
September 10 from 8am - 9:30am	Muncie Garage - 380 S Baltimore Kansas City, KS
September 10 from 12:30pm - 2pm	Service Center - 6742 Riverview Avenue Kansas City, KS
September 10 from 3pm - 4:30pm	Administration Building - 540 Minnesota Avenue Kansas City, KS
LIVE ZOOM MEETING DATES	LIVE ZOOM MEETING TIMES
September 15	10am - 11:30am & 2pm - 3:30pm
September 17	10am - 11:30am & 2pm - 3:30pm



# **OPEN ENROLLMENT DATES**

**September 14, 2020 – September 25, 2020**

**Any changes made during the Open Enrollment period will become effective as of **October 1, 2020**.**

**\*\*To request the Open Enrollment Change form, contact Andrea Cunningham at [acunningham@bpu.com](mailto:acunningham@bpu.com).**

**If you do NOT make any changes to your plan(s), your current election will roll over into the next plan year.**



# **FLU SHOT DRIVE 2020**





It starts with you

Sponsored by Healthy Solutions, Inc.

Note to Self:  
Get a flu shot  
to protect me,  
my family, and  
my co-workers!

**BPU**

**Tues, Sept. 15 7:00 AM – 3:00 PM**

1<sup>st</sup> Floor Boardroom

**BPU Service Center**

**Wed, Sept. 16 7:00 AM – 3:00 PM**

Singleton Room

**Company Paid**

**For Employees & Family Members**

Please sign up for your appointment on the online scheduler:

<https://equeuemeup.azurewebsites.net/?tenant=healthysolutions&busid=525&code=BPU>

