



DATE: May 17, 2021  
TO: Mayor, Members of the City Council, Public Utilities Advisory Board  
CC: Zach Walker, City Manager  
FROM: Jim Nail, Director, Independence Power & Light  
Adam Norris, Assistant City Manager  
SUBJECT: Background Information for PUAB Recommended Priorities for IPL

This memo is intended to summarize the history and background leading up to the PUAB's development of the Board's recommended priorities for IPL.

- January 2020: City Manager Walker reassigned duties of the Assistant City Managers. PUAB and City Council Rates Committee endorse a set of seven priorities:
  - 1) 2020-21 Year-End Financials/Budget: Complete
  - 2) Updated IPL Rate Structure: Complete
  - 3) Selection and engagement of consultant: Complete (DKMT)
  - 4) Blue Valley Plant Closure: Complete
  - 5) Management Analyst Findings and Recommendation: In-progress
    - a. Report: All findings have been addressed and any outstanding action items are in progress. The Audit and Finance Committee receives quarterly updates from staff on status.
    - b. Standby Pay: Complete. This has been addressed with updated policies and practices.
  - 6) Future of IPL Production: City Council approved an agreement at the May 17, 2021 City Council Meeting for Siting Study and RFP development.
  - 7) Municipal Broadband: The PUAB did not endorse this priority. A presentation from the Chamber's Broadband Exploratory Committee was made on March 8, 2021.
- April 6, 2020: City Council authorized an agreement with DKMT Consulting. The initial scope entailed interviews with stakeholders, document review, and development of a detailed list of recommendations for preceding phases.



- August 10, 2020: DKMT presented their initial findings to City Council. Recommendations for a Phase II included the four objectives:
  - Development of Strategic Plan.
  - Support IPL and City to improve FERC accounting reporting.
  - Support improved OMS Reliability Reporting.
  - Support development of formal Asset Management Program.
- October 5, 2020:
  - City Council considered a resolution (20-791) directing the City Manager to exercise the necessary procedures to implement Phase II of the DKMT recommendations. The resolution failed.
  - City Council considered a resolution (20-783) recommended by the Utility Rates Committee directing the City Manager to create an Action Plan regarding IPL. The resolution was postponed indefinitely in favor of the process proposed at the September 22, 2020 PUAB Meeting. A copy of the memo provided in the Council Packet is attached which outlines the approved process (Attachment 1).
- October 12-16, 2020: IPL Director Jim Nail and ACM Adam Norris met with members of the PUAB to gather feedback and assemble a comprehensive list of priorities and objectives for the PUAB to discuss.
  - A list of nine priorities were developed through these sessions for the Board's consideration at its November 12, 2020 meeting. The week the meeting was to take a place a new list of six priorities were submitted to the Board by a member of the Board.
- November 12, 2020: Both sets of priorities were discussed during the Board meeting. The Board decided to merge to two lists together for a total of fifteen priorities for the Board to score and vote.
- November 19, 2020: Results of the scoring by members were presented at the PUAB meeting. As a result of a portion of the language of the priorities overlapping with others, the scoring by all members became problematic and a final list of priorities did not obtain the necessary approval.



- January 21, 2021: Staff reviewed the original lists in an attempt to provide clarity and remove duplicate language. This was provided to the PUAB and is included in the packet for review (Attachment 2).
- February 11, 2021: A second revised list of priorities was submitted by a Board member for consideration. The Board recommended the list for City Council consideration. This list is included in the packet for review and consideration (Attachment 3).
- March 1, 2021: A non-ordinance action item adopting PUAB's recommendation was placed on the City Council agenda. It was postponed until March 22, 2021 to allow time for the City Council to provide any formal feedback.
- March 22, 2021: City Council Work Session agenda included the priorities for discussion. Mayor Weir provided written comments that were included on the agenda and provided in this packet as an attachment (Attachment 4). The City Council extended an invitation to have a joint meeting with the PUAB to discuss the priorities.
- April 15, 2021: At its regularly scheduled meeting, the PUAB accepts the City Council's invitation for a joint meeting.