

**MINUTES OF THE
MANITOWOC PUBLIC UTILITIES COMMISSION MEETING
MONDAY, AUGUST 31, 2020**

The scheduled meeting of the Manitowoc Public Utilities Commission was called to order by Commissioner Diedrich via telephone at 4:00 p.m. on Monday, August 31, 2020. In attendance were Commissioners Allie, Hornung, Luckow, Seidl, and Sitkiewitz. Also present were Bob Bouril, Cindy Carter, Don Duenkel, Andy Onesti, Carissa Grimm – MPU; Troy Adams – General Manager; and Attorney Andrew Steimle – Steimle Birschbach, LLC. Commissioner Nickels was absent.

CONVENE MEETING TO CLOSED SESSION: Notice had previously been given that the Manitowoc Public Utilities Commission will adjourn to a closed session during the August 31, 2020 meeting pursuant to Section 19.85(1) (c) and Section 19.85(1) (e) to discuss approval of the minutes of the May 20, 2020 Closed Session Meeting (Regarding Discussion relating to on-boarding of the successor General Manager, and Transition of CEO and General Manager) and Generation Resiliency Project Update.

MOTION: A Motion to convene in closed session was made by Commissioner Seidl and seconded by Commissioner Sitkiewitz. Motion carried unanimously. Accordingly, the Commission convened in closed session at 4:02 p.m.

Bob Bouril left the meeting at 4:02 p.m.

The meeting was reconvened to open session at 4:45 p.m. Commissioner Sitkiewitz left the meeting at 4:45 p.m. Bob Bouril joined the meeting at 4:45 p.m.

APPROVAL OF ITEMS FROM CLOSED SESSION: None

COAL PURCHASE OPTION: MPU was recently contacted by the C. Reiss Coal Company regarding a coal purchase option. They are working with a customer in the Green Bay area on a project to reclaim and sell their coal pad inventory (the customer is converting to 100% gas in 2021). The pad reclaim coal is a combination of the two different types, Northern Appalachian and Colorado coal. C. Reiss is estimating there will be approximately 12,000 tons of coal available at approximately \$45/ton delivered. We currently have 16,000 tons of coal on the North Dock. Current coal consumption is down approximately 30% due to increased paper pellet usage. Purchase of the currently offered coal, plus that on the North Dock, would result in 3.5 years' worth of coal inventory. The vessel shipment of Northern Appalachian coal received in 2019 was purchased at \$69.15/ton. If the current remaining balance was still on the dock in January of 2021, the PILOT payment would be about \$17,000. At a cost of \$45/ton for the current offering, 12,000 tons would be approximately \$280,000 cheaper than an equivalent amount of the coal on the North Dock, on a per ton basis.

MOTION: A Motion was made by Commissioner Hornung and seconded by Commissioner Seidl to proceed to work with C. Reiss Coal Company to acquire the offered coal, pending acceptable

chemical analysis of a representative sample and acceptable agreement terms. Motion carried unanimously.

ELECTRIC AND WATER RATES & COST BENCHMARK: The Electric-Water Retail Rate and Cost-of-Supply Benchmarking Report was presented for review. It was noted that MPU rates are very competitive for both electric and water. A brief discussion ensued on how to communicate our low rates to promote economic development. Commissioner Hornung inquired about Sheboygan's lower water rates; D. Duenkel advised that it was partially due to their use of sand filtration and not having the micro filtration investment.

MISO ANNUAL ACTIVITY SUMMARY REPORT: The following highlights of MISO activity were presented to Commission for MISO 2019-2020: MPU's actual peak demand is 99.6 MW; peak demand forecast error is 5.0%; 77 MW load of MPU is served through bilateral agreement with GLU; annual load forecast error was 4.86%, a slight increase from PY 2018-2019; and no major changes are needed to the current strategy for MISO PY 2020-2021 based on the results.

EMPLOYEE SURVEY BY GREATBLUE RESEARCH: T. Adams provided a brief update on implementing a subsequent employee survey from the 2017 survey. The survey will have mostly the same questions with a few small changes: inclusion and employee environment, trust of the management question will be broken out into commission, Gm, and upper management to provide more meaningful results; and revising or removing questions that provided little to no meaningful data. There was trouble with the previous survey regarding the question about years of service. A brief discussion ensued on possible options for revising it or removing it from the new survey. The consensus was to remove the question. This study will be conducted now to give a baseline information to more accurately measure its effectiveness.

NEOGOV SOFTWARE: NEOGOV is an HR software utilized by many government entities. The applicant tracking software is built to serve the public sector and is integrated with NEOGOV's online job board GovernmentJobs.com. NEOGOV features a suite of platforms to facilitate in the recruitment, onboarding, and personnel record keeping needed to stay compliant. MPU plans to implement two of the modules initially, Insight and Onboard to aide in recruiting and onboarding as there is currently no software utilized for either.

MOTION: A Motion was made by Commissioner Hornung and seconded by Commissioner Allie to approve purchasing the NEOGOV software modules Insight and Onboard at a cost not to exceed \$8,323 for year 1 and \$7,764 for year 2. Motion carried unanimously.

GENERAL MANAGER'S REPORT: T. Adams updated the Commission on the following: MPU notified the WDNR on our intent to perform the first round of follow-up sampling; this would include sampling 60 sites for lead and copper, as well as Water Quality Parameters. At their request a meeting with WDNR was held on August 24 to discuss MPU's progress to date and the proposed next steps for optimal corrosion control treatment. B9/T9 was dispatched by MISO for Tuesday morning 05/26 at 06:00 hrs. The unit was started up and placed online @ 04:44 hrs. It remains online since. A meeting was scheduled with two MPU commissioners and CBCWA board in late March, but due to COVID-19 restrictions, the meeting was postponed. The recommendation

was to reschedule the meeting with Commissioners Allie and Luckow. As follow-up from Commissioner Diedrich's inquiry at the last meeting, Lemberger should have an option to eventually offer a buyout, but they are not there yet.

GLU UPDATE: T. Adams previously distributed the update for review; no discussion.

CBCWA UPDATE: T. Adams previously distributed the update for review; no discussion.

MINUTES: The Minutes from the Regular Session Meeting on August 10, 2020 were presented for approval.

MOTION: A Motion was made by Commissioner Luckow and seconded by Commissioner Allie to approve the Regular Session Minutes from August 10, 2020. Motion carried unanimously.

APPROVAL OF CLAIMS: Claims List dated August 25, 2020; and Wire Transfers dated through August 26, 2020 were presented for approval.

APPROVAL OF WWTF CLAIMS: Claims List dated September 4, 2020 were presented for approval.

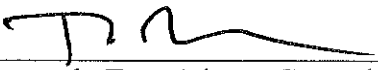
FINANCIAL REPORTS FOR JULY 2020: The financial reports for July 2020 were previously distributed to the Commission for review and discussion.

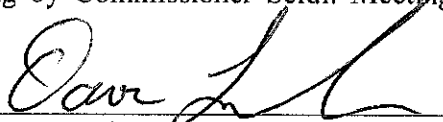
MOTION: A Motion was made by Commissioner Luckow and seconded by Commissioner Allie to approve the Claims List dated August 25, 2020 check nos. 91884 through 92023 totaling \$757,598.16; Wire Transfers dated through August 26, 2020 totaling \$3,874,254.65; Claims List for WWTF batch 714.08.2020 dated August 14, 2020 totaling \$120,462.70; and to place the Financial Reports for July 2020 on file. Motion carried unanimously.

QUOTATIONS/BIDS: N/A.

NEXT MEETING: Monday, September 14, 2020 at 4:00 p.m.

ADJOURN: A Motion was made to adjourn the meeting by Commissioner Seidl. Meeting adjourned at 5:06 p.m.


Approved: Troy Adams, General Manager


Approved: Dave Luckow, Secretary