

**MINUTES OF THE
MANITOWOC PUBLIC UTILITIES COMMISSION MEETING
MONDAY, AUGUST 9, 2021**

The scheduled meeting of the Manitowoc Public Utilities Commission was called to order by Commissioner Allie at 4:00 p.m. on Monday, August 9, 2021. In attendance were Commissioners Diedrich, Hornung, Luckow, Seidl and Sitkiewitz. Also present were Sommer Morales, Pete Krogulski, Erica Dominguez – Lockton; Bob Bouril, Rob Michaelson, Scott Karbon, Andrew Sukowaty, Mark Lambert, Kyle Matyka, David Yang, Andy Onesti, Cindy Carter, Don Duenkel, and Carissa Grimm – MPU; Troy Adams – General Manager; and Attorney Andrew Steimle – Steimle Birschbach, LLC. Commissioner Nickels was excused.

AWARDS/RECOGNITION/ACHIEVEMENTS: T. Adams recognized with the commission four MPU employees for recent achievements and milestones. One employee was recognized for his almost 40 years of service and congratulated him on his upcoming retirement and another employee for his recent promotion to the Water Distribution Superintendent. Two employees were recognized for their recent success at passing the F.E. (Fundamentals of Engineering) exam. Commission thanked all employees for their commitment and dedication to MPU and wished the retiree well.

Rob Michaelson, Scott Karbon, Andrew Sukowaty, Mark Lambert, Kyle Matyka, and David Yang left the meeting at 4:09 p.m.

LOCKTON PRESENTATION OF COMPENSATION STUDY: Sommer Morales, Pete Krogulski, and Erica Dominguez of Lockton presented the findings of the comprehensive wage and benefits study. The study reviewed 65 unique job descriptions and benchmarked each to the 50th percentile. The data was gathered from the 2020 salary surveys from APPA and AWWA, the 2020 Mercer Total Compensation Survey for the Energy Sector, and additional data was provided by MPU. Lockton indicated that the changes in market ranges are the result of several factors including the current job market post-pandemic and also the evolution of the job duties since the last study. Lockton will be presenting the data to all MPU employees at an upcoming date. The benchmarking study also made several observations and recommendations such as creating a formal compensation philosophy and to increase the frequency of the market wage studies to be conducted annually or biennially versus the three to five years MPU currently conducts the study in order to be competitive in the market. To implement the Lockton comprehensive pay plan benchmarking study recommendation and adjust wages retroactive to January 1, 2021, has an approximate \$575,000 budget impact for 2021. This speaks to the magnitude of MPU's current workforce competitiveness challenge. Lockton also briefly touched on the paid time off accruals, WRS benefit, and medical/dental benefits.

Sommer Morales, Pete Krogulski, Erica Dominguez left the meeting at 4:30 p.m.

PERSONNEL COMMITTEE REPORT AND RECOMMENDATIONS: Commissioner Luckow provided an update of the December 1 meeting. Lockton presented to the Committee and provided the analysis of benefits. The EEC provided a list of family friendly benefits to be considered for implementation by January 1, 2022. Adjustments to several positions ranges that were determined to be well below market with an approximate \$575,000 budget impact. This adjustment only brings the wages to average in the market. The plan is to get to market at this time and work towards a policy that creates a market competitive compensation philosophy and

establish family friendly benefits. The recommendation is to adopt a policy statement for a compensation philosophy and recommend family friendly benefits to be implemented by January 2022. The Committee authorized the immediate response to specific areas of concern with pending employee turnover with an adjustment up to 3% above market. A lengthy discussion was held on the desire of the Commission for MPU to be an employer of choice and develop a policy to become competitive in the market.

MOTION: A Motion was made by Commissioner Seidl and seconded by Commissioner Diedrich to approve the recommendations of the Personnel Committee to adjust wages retroactive to January 1, 2021 at an estimated \$575,000 budget impact and implement a specific department adjustment up to 3%. Motion carried with Commissioner Sitkiewitz opposing, particularly the request to retroact to January 1, 2021 indicating the data was accurate and very thorough.

GENERAL MANAGER'S REPORT: T. Adams updated the Commission on the following: Inquired which commissioners wish to speak at N. Kothari's retirement party on August 19. The Plant Tie Transformer at Lakefront Substation tripped on a spurious operation of the main tank sudden pressure relay causing a large extended power outage; no injuries resulted from the outage. T. Adams attended the CBCWA Board meeting in Ledgeview on July 26 to provide a joint presentation with Nic Sparacio regarding the current status of issues and opportunities. The CBCWA Board inquired on MPU's interest to have a Board seat.

MINUTES: The Minutes from the Regular Session Meeting on July 26, 2021 were presented for approval.

MOTION: A Motion was made by Commissioner Diedrich and seconded by Commissioner Sitkiewitz to approve the Regular Session Minutes from July 26, 2021. Motion carried unanimously.

APPROVAL OF CLAIMS: Claims List dated August 10, 2021; and Wire Transfers dated through August 3, 2021 were presented for approval.

APPROVAL OF WWTF CLAIMS: Claims List dated July 30, 2021; and Claims List dated August 6, 2021 were presented for approval.

MOTION: A Motion was made by Commissioner Diedrich and seconded by Commissioner Sitkiewitz to approve the Claims List dated August 10, 2021 check nos. 95251 through 95438 totaling \$858,708.81; Wire Transfers dated through August 3, 2021 totaling \$2,633,376.45; Claims List for WWTF batch 715.07.2021 dated July 30, 2021 totaling \$34,332.24; and Claims List for WWTF batch 711.08.2021 dated August 6, 2021 totaling \$4,448.48. Motion carried unanimously.

INVESTMENT PORTFOLIO REPORTS: The Investment Portfolio Report from Baird, our investment advisor, for the period ending June 30, 2021 was previously distributed to the Commission for review and discussion.

MOTION: A Motion was made by Commissioner Diedrich and seconded by Commissioner Sitkiewitz to accept the Investment Reports from Baird.


QUOTATIONS/BIDS: Custer Substation Battery Replacement - \$39,684.00 – American Power Systems; Dewey Substation Battery Replacement - \$35,020.00 – American Power Systems.

MOTION: A Motion was made by Commissioner Luckow and seconded by Commissioner Seidl to approve the Custer Substation Battery Replacement. Motion carried unanimously.


MOTION: A Motion was made by Commissioner Sitkiewitz and seconded by Commissioner Luckow to approve the Dewey Substation Battery Replacement. Motion carried unanimously.

NEXT MEETING: Monday, September 13, 2021 at 4:00 p.m.

ADJOURN: A Motion was made to adjourn the meeting by Commissioner Seidl. Meeting adjourned at 4:51 p.m.



Approved: Troy Adams, General Manager



Approved: Mark R. Seidl, Secretary