CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, February 8, 2018

Pursuant to due call and notice thereof, a Regular Meeting of the Utility Board of Hastings, Nebraska was conducted in the Council Chambers of City Hall, 220 N. Hastings Avenue, on February 8, 2018.

ROLL CALL:

The meeting was called to order at 9:00 a.m. in Regular Session by Chairman Jack Shreiner with the following members present: Willis Hunt, Jack Schreiner, Shawn Hartmann, Joanne Seberg. Absent: Bill Hitesman

PLEDGE OF ALLEGIANCE:

The Chairman led the group in recital of the Pledge of Allegiance to the United States of America.

MOTION TO ADOPT CURRENT AGENDA FOR FEBRUARY 8, 2018 REGULAR MEETING.

Moved by Shawn Hartmann seconded by Joanne Seberg to adopt the current agenda for February 8, 2018 regular meeting. Roll Call: Ayes: Shawn Hartmann, Willis Hunt, Jack Schreiner, Joanne Seberg. Nays: None.
Absent: Bill Hitesman. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, February 6, 2018. Pursuant to Nebraska Revised Statute Section 84-1412, the public is advised that a copy of today's agenda and all reproducible written material which will be discussed at today's meeting is located at the back of the Council Chambers. Also, a current copy of the Nebraska Open Meetings Act is posted on the south wall of the Council Chambers which is accessible to members of the public.

Chairman Jack Shreiner read the Public Notice - Pursuant to the Nebraska Revised Statute Section 84-1412, the public is advised that a copy of today's agenda and all reproducible written material which will be discussed at today's meeting is located at the back of the Council Chambers. Also, a current copy of the Nebraska Open Meetings Act is posted on the south wall of the Council Chambers which is accessible to members of the public.

MANAGER'S COMMUNICATIONS:

Manager of Utilities Kevin Johnson distributed a list of the Leadership Teams' Plans for this fiscal and calendar year. Johnson feels he has good engagement with the Leadership Team who has helped compile this list. He feels that we may not complete all these tasks this year, but the strategic initiatives, these goals, and critical capital items that are also listed will be started this year. He said that the Management Team at Hastings Utilities has stepped up to develop these plans and plan to complete in a timely manner. Johnson said that he didn't come here with the idea that a whole bunch of stuff was broken, but he has a commitment from the Management Team that we will relook at alot of different things. This will take some time and he plans to give a periodic update on these items as we get them started and we get information on results and decisions made from all these different initiatives and goals we have in place.

Board Member Willis Hunt said that he would like to have become a part of these meeting minutes. Attorney Ptak said that no motion was required to do this. Hunt also suggested having regular updates on the list of items.

Board Member Joanne Seberg asked Kevin Johnson if he could pick out one or two items that he feels progress has especially been made in the last month to report on. Johnson said that he will do that.

BOARD CHAIRMAN'S COMMUNICATIONS:

None.

BOARD MEMBERS' COMMUNICATIONS:

CITIZEN COMMUNICATIONS:

None.

CONSENT AGENDA:

1. All Consent Items.

   Moved by Willis Hunt seconded by Shawn Hartmann to approve All Consent Items. Roll Call: Ayes: Shawn Hartmann, Willis Hunt, Jack Schreiner, Joanne Seberg. Nays: None. Absent: Bill Hitesman. The motion carried.

   (a) Approval of the minutes of the Hastings Utility Board Meeting of January 11, 2018

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

   None.

3. General Business.

(a) Finance

Kevin Johnson said that Allen Meyer will give a presentation of the September 2017 Monthly Report but he wanted to inform the Board that the Accounting Department is still working overtime but is still approximately two months behind schedule. The October Monthly Report is not quite ready. He told the Board that Mark Barfknecht's contract has expired as he reached his maximum hours under the contract on January 19, 2018. Therefore, the past 2-1/2 weeks, the Accounting Department has been back to their bare minimum of staff, while responding and corresponding with the audit group out of Grand Island as well. He expects the audit report will be available to give to the Board by the next meeting.

Following the presentation of the September Monthly Report, Johnson remarked that the report showed alot of positives for Hastings Utilities. He said that he and staff are reviewing operating revenue and expenses and visiting about what we can control with those expenses. He remarked that the vast majority of those expenses were under budget. Johnson said that there are still challenges and we will put the pressure on ourselves to look at the numbers critically and challenge ourselves to make the proper decisions. He said that even though he was not here, it is a very favorable picture that Al Meyer and the team operating under the last year.

Board Member Hunt stated that although he is interested in the variances in the budget, he is really concerned about revenue against expenses. Hunt expressed interest in an update on the ASR Project. Johnson said that more detail can be provided at a future meeting as the Board desires. A discussion took place on the street light conversion project. Staff reported that the project is 75% complete. Board Member Hartman asked what the interest to the Gas Department is for the loan for the street lighting conversion project. Meyer said that no interest has been paid at this time but will be paid at the time of completion of the project.

i. Presentation of the September 2017 Monthly Report

ii. Monthly Financial Statement Preparation Update - Information Only

iii. Audit Status Update - Information Only

(b) Production

None.

(c) Operations

None.

(d) Administration

i. Comparability Planning - Information Only

Kevin Johnson gave an update on the Comparability Study. He said a committee met with Paul Essman, the contractor who will complete a city-wide comparability study. Mr. Essman said that once the information is provided to him, his turn-around time will be approximately 90 days for a complete study. Johnson said that we are targeting the end of the month to provide the needed information to Mr. Essman.

Chairman Schreiner asked how often an outside study is completed. Johnson said that a commitment was made by the Board of Public Works to Hastings Utilities' employees to have an outside comparability study done every three years. There is no commitment at the city. Dave Ptak said that is not regulated

(e) Other

None.

4. <u>Possible Closed Session (if necessary or requested).</u>

Moved by Willis Hunt seconded by Shawn Hartmann that this Board go into Closed Session, which Closed Session is clearly necessary for the protection of the public interest in that said Closed Session will consist of a strategy session relative to litigation. Roll Call: Ayes: Shawn Hartmann, Willis Hunt, Jack Schreiner, Joanne Seberg. Nays: None. Absent: Bill Hitesman. The motion carried.

The meeting closed to the public at 10:03 a.m.

Joanne Seberg left during the Closed Session.

Moved by Willis Hunt seconded by Jack Schreiner that the meeting be reopened to the public at 10:38 a.m., and that no decisions were made nor official actions taken during said Closed Session. Roll Call: Ayes; Willis Hunt, Jack Schreiner, Shawn Hartmann. Nays; None. Absent: Bill Hitesmann, Joanne Seberg. The motion carried.

ADJOURN:

Moved by Willis Hunt, seconded by Jack Scheiner there being no further business to adjourn the meeting at 10:38 a.m. Roll Call: Ayhes; Willis Hunt, Jack Schreiner, Shawn Hartmann. Nays; None. Absent: Bill Hitesmann, Joanne Seberg. The motion carried.

APPROVED:

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Board Secretary