CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, October 11, 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 October 11, 2018.

ROLL CALL:

The meeting was called to order at 9:00 a.m. in Regular Session by Chairman Jack Schreiner with the following members present: Shawn Hartmann, Shayne Raitt, Jack Schreiner, 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 OCTOBER 11, 2018 REGULAR MEETING.

Moved by Shayne Raitt seconded by Joanne Seberg to adopt the current agenda for October 11, 2018 regular meeting. Roll Call: Ayes: Shawn Hartmann, Jack Schreiner, Joanne Seberg, Shayne Raitt. Nays: None. Absent: Bill Hitesman. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, October 9, 2018.

Chairman Schreiner read the Public Notice - 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.

MANAGER'S COMMUNICATIONS:

Kevin Johnson commented that the weather which is causing back to back cooling and heating is good for the utility and will be reflected in the reports, however, as customers we all prefer to have a gap between the cooling season and heating season.

BOARD CHAIRMAN'S COMMUNICATIONS:

Jack Schreiner said that he will miss the November 8th meeting and that he has visited with Bill Hitesman and indicated that Bill will be available to conduct that meeting.

BOARD MEMBERS' COMMUNICATIONS:

None.

CITIZEN COMMUNICATIONS:

None.

CONSENT AGENDA:

1. All Consent Items.

(a) Approval of the minutes of the Hastings Utility Board Meeting of September 5, 2018

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

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

None.

3. General Business.

(a) Finance

i. Presentation of the 3rd Quarter Financials

Kevin Johnson gave an update on the 3rd Quarter Financials. Renae Jimenez was not available at the meeting because of ERP training. Kevin mentioned that because of the ERP training, Accounting is behind on July and August reports, but hopes to be caught up soon.

(b) Production

i. Monthly Electric Production Report

Kevin Johnson handed out a Monthly Electric Production Report that is prepared to show what is going on with all our production plants. It was prepared by WEC staff. The Board thought this information was helpful. Johnson asked Shane Stone to email it to the Board on a monthly basis.

ii. Solar Update
iii. Wind Turbine - City Land Lease

Derek Zeisler gave an update on the Movement on the Renewable Energy Front. He reported that a Renewable Energy Survey was posted on the website on Friday asking customers to show if they have interest in renewable energy. Derek said that staff is vetting potential solar field locations and working with industry experts of solar field planning and looking at land lease opportunity for future wind projects.

Kevin Johnson said that there are many options available for a solar project, including partnering with a company, or individual customers buying a solar panel in the community field.

The Board felt that when appropriate an RFP should be sent out to find out what the interest would be and Attorney Ptak felt that would be best to prevent any legal action.

iv. Battery Storage Conference - KC

Kevin Johnson reported that he attended a Battery Storage Conference in Kansas City with Bill Hitesman and Brett Thompson. He said they reported that alot of applications for energy storage in batteries is to have them in small locations like a school or hospital, using the stored energy as a backup or as storage of energy to be used as needed. He said it does not have to be on a large community-wide scale. Their primary focuses on energy storage in batteries is in collaboration with solar facilities. They stressed that this is still early in the process and many changes are still coming.

(c) Operations

None.

(d) Administration

i. North Denver Station Security and Customer Service

Kevin Johnson said that he is going to bring in an architect to have some discussions to get other ideas about customer service and security modifications before hiring someone to design the project. Brian Strom said that he has been meeting with employees to hash out all the requirements before sending out an RFP.

ii. Approval of Central Plains Energy Project #4 (CPEP)

Derek Zeisler gave a presentation on the Central Plains Energy Project (CPEP). He told the Board that CPEP is a joint action agency specializing in long term prepaid natural gas deals for the benefit of municipal utilities. The project before the Board at this time is CPEP #4 and involves MUD, Cedar Falls, Hastings, Watertown, Osage, and Fremont, with Hastings making up roughly 4% of the deal. This would account for roughly 22% of HU's yearly gas purchases.

Zeisler said that through CPEP we only pay monthly for the gas we use, that CPEP gives us a discount on gas we plan to buy anyway, the volumes vary from month to month as needed, and we still have room to contract gas to hedge against price spikes. He recommends approval of this project to benefit the gas ratepayers of Hastings Utilities.

Moved by Shawn Hartmann seconded by Joanne Seberg to recommend approval to the Hastings City Council of Resolution 2018-60 authorizing the City of Hastings to enter into a Gas Supply Agreement with CPEP by participating in Project CPEP #4. Roll Call: Ayes: Shawn Hartmann, Jack Schreiner, Joanne Seberg, Shayne Raitt. Nays: None. Absent: Bill Hitesman. The motion carried.

iii. Energy Supply Staffing

Kevin Johnson handed out a table of organization for the Energy Supply Department. He said the staffing changes include the hiring of a Process Financial Analyst and moving the NDS operations under the Director of Marketing & Energy Supply.

iv. WEC Engineer Role and Process Financial Analyst

Kevin Johnson reported that he would like to hire a Production Engineer for the Whelan Energy Center, who will report directly to Mike Hernandez, the Director of Electric Productions. He said that Derek Zeisler's previous position of Assistant Director of Electric Productions will not be filled, however, the Whelan Energy Center is in need of an Engineer.

(e) Other

None.

4. Possible Closed Session (if necessary or requested).

Moved by Shawn Hartmann seconded by Shayne Raitt 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 negotiations. Roll Call: Ayes: Shawn Hartmann, Jack Schreiner, Joanne Seberg, Shayne Raitt. Nays: None. Absent: Bill Hitesman. The motion carried.

The meeting closed to the public at 10:17 a.m.

Moved by Shawn Hartmann seconded by Joanne Seberg that the meeting be reopened to the public at 11:16 a.m., and that no decisions were made nor official actions taken during said Closed Session. Roll Call: Ayes: Shawn Hartmann, Jack Schreiner, Joanne Seberg. Nays: None. Absent: Bill Hitesman and Shayne Raitt. (Shayne Raitt left during the Closed Session) The motion carried.

ADJOURN:

Moved by Shawn Hartmann seconded by Jack Schreiner that there being no further business, the meeting adjourn at 11:17 a.m. Roll Call: Ayes: Shawn Hartmann, Jack Schreiner, Joanne Seberg. Nays: None. Absent: Bill Hitesman, Shayne Raitt. The motion carried.

APPROVED:

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Board Secretary