CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, August 8, 2019

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 August 8, 2019.

ROLL CALL:

The meeting was called to order at 9:00 p.m. in Regular Session by Acting Chairman Bill Hitesman with the following members present: Shawn Hartmann, Joanne Seberg, Jeanette Dewalt, Bill Hitesman, Shayne Raitt.

PLEDGE OF ALLEGIANCE:

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

MOTION TO ADOPT CURRENT AGENDA FOR August 8, 2019 REGULAR MEETING.

Moved by Shayne Raitt seconded by Bill Hitesman to adopt the current agenda for August 8, 2019 regular meeting. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg, Shayne Raitt, Jeanette Dewalt. Nays: None. Absent: None. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, August 6, 2019.

Acting Chairman Bill Hitesman 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 stated that the budget information presented today is an introduction and he is not intending to go over it in detail at this meeting. There is a Council workshop on August 19th for discussion. If the Utility Board would like a special meeting between now and August 19th, Johnson said we can schedule that at the Board's direction. Otherwise, we can handle questions like last year, where you email the questions and the answers will be shared with all Board members.

BOARD CHAIRMAN'S COMMUNICATIONS:

Acting Chairman Bill Hitesman was given his copy of the Essent newsletter today. He asked that any Board members who would like to get on this mailing list, let us know.

Hitesman welcomed new Board member Jeanette Dewalt.

BOARD MEMBERS' COMMUNICATIONS:

None.

CITIZEN COMMUNICATIONS:

Mayor Stutte thanked Jeanette Dewalt for her willingness to serve on the Board and he welcomed her today.

CONSENT AGENDA:

1. All Consent Items.

   (a) Approval of the minutes of the Hastings Utility Board Meeting of July 11, 2019

Joanne Seberg stated that the minutes need to be amended to show that Shayne Raitt was not present at the meeting.

Moved by Jeanette Dewalt seconded by Shawn Hartmann to approve all Consent Items as amended. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg, Shayne Raitt, Jeanette Dewalt. Nays: None. Absent: None. The motion carried.

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

None.

3. General Business.

   (a) Other

      i. New Board Member Introduction

The Board welcomed Jeanette Dewalt as a new member to the Utility Board.

      ii. Election of New Chair and Vice Chair

Acting Chairman Hitesman entertained nominations for the election of the Chairman.

Moved by Shayne Raitt seconded by Shawn Hartmann to nominate Bill Hitesman as Chairman.

Moved by Shawn Hartmann that nominations cease.

Moved by Joanne Seberg seconded by Jeanette Dewalt for unanimous consent for Bill Hitesman as Chairman. Roll Call: Ayes: Shawn Hartmann, Joanne Seberg, Jeanette Dewalt, Shayne Raitt, Bill Hitesman. Nays: None. Absent: None. The motion carried.

Chairman Hitesman entertained nominations for Vice Chairman.

Moved by Joanne Seberg seconded by Shayne Raitt to nominate Shawn Hartman as Vice Chairman.

Chairman Hitesman declared the nominations will cease.

Roll Call on Vice Chairman: Ayes: Joanne Seberg, Shayne Raitt, Jeanette Dewalt, Bill Hitesman, Shawn Hartmann. Nays: None. Absent: None. Motion carried.

(b) Finance

i. Introduction of New Financial Manager (Utilities)

Roger Nash introduced the new Accounting Manager for Hastings Utilities, Robin Ginn. Roger stated that she has gotten in the final few budget meetings as the budget is wrapping up.

Derek Zeisler introduced Tara Ogren who is the Utilities' new Process Financial Analyst.

ii. 2nd Qtr. Financials Update, Report Distribution Only

Kevin Johnson asked Tara Ogren to put together a summary of the 2nd Quarter Financials. The summary was handed out at the meeting. A presentation was not given because the information is from the March financials and in August the numbers are not as meaningful. Johnson told the Board to let him know if they have any questions. He is hoping that Roger's department is now fully staffed and they can get caught up after the budget is complete.

iii. '19/'20 Budget Introduction, High Level Preview

Kevin Johnson presented the 2019-2020 Fiscal Year Budget for Hastings Utilities. He gave a presentation on highlights in the budget, including information on how the HR, IT, City Attorney, City Administrator, and Finance funding allocations are split between the General City Budget and the Utilities Department Budget. His presentation also spelled out HU Strategic Initiatives for the new fiscal year, included a staffing summary, and a recommendation for a rate increase in the gas rates.

Jeanette Dewalt stated that an additional session for the entire Board to review the budget together would be beneficial. Joanne Seberg said that the other option would be use email to ask questions and get answers back to entire board. Dave Ptak said that staff could meet with a maximum of two members at a time but if a quorum, we would need to advertise as a formal meeting. At this time, the Board did not set a special Board meeting. Johnson said that he will email the Board to determine their needs for a special meeting or to meet in smaller groups.

As a large item in the budget, an ASR presentation was given by Marty Stange, His presentation included what the Aquifer Storage and Restoration Project (ASR) project is, operations done to date, the effectiveness, ASR injection modeling, well quality, nitrate concentration changes, uranium changes, injection water travel, mushroom effect, required construction, and future operation and construction

(c) Production

i. Solar Farm Construction and Customer Participation Update

Derek Zeisler gave an update on the solar farm construction and a customer participation update. Zeisler stated that the construction of the solar farm is 2/3 complete and is on schedule. He said that there is a customer meeting tonight at 5 p.m. at the Hastings Public Library. Official customer signups are starting Monday, August 12th. Johnson stated that we are piloting the process today and tomorrow with city employees who are also Hastings Utilities' customers who are interested in solar.

(d) Operations

None.

(e) Administration

i. Introduction of New Process Financial Analyst

Already introduced Robin Ginn.

ii. Security and Customer Service Project at NDS Update

Johnson informed the Board that the NDS Construction Update has been delayed as the bids came in pretty high. He stated that staff is re-evaluating the design but still plan to have safety and security measures, customer service aspect, drive-up window, restrooms up front, and a private customer office.

iii. Discussion of Central Plains Energy Project 2

Derek Zeisler gave an update on the Central Plains Energy Project 2. He stated that Hastings has participated in CPEP projects in the past, were you buy prepay gas where you agree to volumes ahead in order to receive a discount. As before, this is part of a 30 year agreement, with resets every five years. A second reset period is coming up in September in the CPEP Project 2. This resolution will allow us to move forward once we make a deal (currently in negotiations). Partners in CPEP 2 are Metropolitan Utility Department (MUD) of Omaha and Cedar Falls, Iowa.

Moved by Jeanette Dewalt seconded by Shawn Hartmann to recommend for City Council approval a Resolution to participate in CPEP Project 2. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg, Jeanette Dewalt. Nays: None. Absent: Shayne Raitt. The motion carried.

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

None.

ADJOURN:

Moved by Joanne Seberg seconded by Jeanette Dewalt that there being no further business, the meeting adjourn at 10:21 a.m. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg, Jeanette Dewalt. Nays: None. Absent: Shayne Raitt. The motion carried.

APPROVED:

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Board Secretary