

# **HASTINGS UTILITY BOARD AGENDA**

**Council Chambers – City Hall  
220 North Hastings Avenue  
February 13, 2020  
9:00 AM**

## **ROLL CALL:**

## **PLEDGE OF ALLEGIANCE:**

## **MOTION TO ADOPT CURRENT AGENDA FOR FEBRUARY 13, 2020 REGULAR MEETING.**

**PUBLIC NOTICE** - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, February 11, 2020. 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:**

## **BOARD CHAIRMAN'S COMMUNICATIONS:**

## **BOARD MEMBERS' COMMUNICATIONS:**

## **CITIZEN COMMUNICATIONS:**

## **APPROVAL OF MINUTES:**

1. Approval of Minutes of the Hastings Utility Board Meeting on January 9, 2020

## **REGULAR AGENDA:**

2. Unfinished Business of Preceding Meeting.
3. General Business.
  - (a) Finance
    - i. Year-End Financial Review
  - (b) Production

(c) Operations

- i. Approval of Recommendation for Award of Contract No. HU 2020-01, IC-1 for Construction of Four Injection Wells (Phase III ASR Injection Wells and Water Collection System - B.I. 3.00)
- ii. Approval of Recommendation for Award of Contract No. HU 2020-01, IC-2 for Construction of Water Mains to Serve Injection Wells (Phase III ASR Injection Wells and Water Collection System - B.I. 3.00)
- iii. Tree Trimming Bids and Strategy

(d) Administration

- i. Organizational Reviews Update
- ii. Integrated Resource Plan (IRP) Update
- iii. Cost of Service Study Status
- iv. NDS Office Remodel Status

(e) Other

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

**ADJOURN:**

The Hastings Utility Board reserves the right to enter into an executive session at any time during the meeting, in accordance with the Nebraska Open Meetings Act, even though the closed session may not be indicated on the agenda. It is the intention of the Hastings Utility Board to take up the items on the agenda in sequential order. However, the Hastings Utilities Board reserves the right to take up matters in a different order to accommodate the schedule of the Utility Board Members, persons having items on the agenda, and the public.

CITY OF HASTINGS, NEBRASKA  
MINUTES OF UTILITY BOARD REGULAR MEETING  
Thursday, January 9, 2020

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 January 9, 2020.

**ROLL CALL:**

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

**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 January 9, 2020 REGULAR MEETING.**

Moved by Jeanette Dewalt seconded by Shawn Hartmann to adopt the current agenda for January 9, 2020 regular meeting. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg, Jeanette Dewalt. Nays: None. Absent: Shayne Raitt. The motion carried.

**PUBLIC NOTICE** - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, January 7, 2020.

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:**

Al Meyer, who was filling in for Kevin Johnson, said that Hastings Utilities' staff hosted customer meetings on December 18 and 19th. Staff provided customers with good information and received good feedback from the customers. Bill Hitesman stated that he attended one of the meetings and he felt the meeting went well. Jeanette Dewalt also attended a meeting and said she noticed there is still interest in solar. She encourages anyone that needs more information to go to the Utility Office. They can help you with questions and/or signups.

**BOARD CHAIRMAN'S COMMUNICATIONS:**

Chairman Hitesman thanked staff for setting up the customer meetings. He stated that he hopes everyone had a great holiday.

**BOARD MEMBERS' COMMUNICATIONS:**

None.

## **CITIZEN COMMUNICATIONS:**

None.

## **APPROVAL OF MINUTES:**

1. Approval of Minutes of the December 12, 2019 Meeting

Moved by Joanne Seberg seconded by Jeanette Dewalt to approve the minutes of the December 12, 2019 meeting. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg, Jeanette Dewalt. Nays: None. Absent: Shayne Raitt. The motion carried.

## **REGULAR AGENDA:**

2. Unfinished Business of Preceding Meeting.

None.

3. General Business.

(a) Finance

Roger Nash stated that Robin Ginn sent out the unaudited September financials. Kevin Johnson will give a year end presentation at the next meeting in February. Mr. Nash said he is guessing the audit will be presented at the March meeting.

(b) Production

Shane Stone reported that both WEC units are operating well as is the PCF.

(c) Operations

None.

(d) Administration

i. General '2019 Highlights'

Kevin Johnson included in the packet a list of highlighted projects for the year 2019. Mr. Meyer said he did not plan any detailed discussion but will answer any questions on any of these projects. A short discussion took place on the paying off of the bonds on WEC-1. Mr. Meyer explained that the PPGA debt is different in that PPGA is totally financed by PPGA. Our payments for purchased power will go toward the payment of the PPGA bonds. Meyer explained that with the final payment of the WEC-1 bonds, this will improve the financial performance of the electric system.

Dave Ptak stated that he, Kevin Johnson and Roger Nash have been looking at the Combined debt, specifically the 2006 and 2012 issues. He said that we have a chance to save substantial money by redeeming and reissuing the 2006 bonds. He said we can retain a lower interest rate. Mr. Ptak stated we will also have an opportunity, if rates stay low, to do the same thing with the 2012 issue, but not until 2021. He said that both issues have a reserve fund and by recalling the 2006, we can release the reserve funds which will free up some additional cash that would be available for the Utilities. Same for the calling of the 2012 bonds. Mr. Ptak stated

that we have an ancient water distribution system and those funds could help fund some of those projects going forward. Mr. Nash stated that bond covenants with both issues required the reserves and once we get those refunded and get that language out of the bond covenants going forward, we would not need any reserves.

Mr. Ptak stated that the decision of how to use that reserve money will be for a budget discussion.

Mr. Meyer gave an update on the ASR latest project. He said we are starting Phase 3 of the ASR. He said that we have a bid package out for bids now that includes the construction of the four injection wells and installing water main (airport property). Bids are due January 21, 2020. Mr. Meyer stated that there will be two separate contracts; one for wells and one for water main construction. He expects the recommendation for approval of those contracts will be on the February Board agenda. The budgeted cost is \$2.3 million and is budget item no. 3.00

#### ii. Update on NDS Security & Customer Service Design

Brian Strom stated that the NDS Security and Customer Service Modification drawings are being finalized by staff and the architect. He expects a bid package to go out January 24, 2020, with an award on March 23, 2020, and a goal of completion to be November 1, 2020.

(e) Other

None.

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

Moved by Jeanette Dewalt 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 contract negotiations. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg, Jeanette Dewalt. Nays: None. Absent: Shayne Raitt. The motion carried.

The meeting closed to the public at 9:18 a.m.

Moved by Shawn Hartmann second by Joanne Seberg that the meeting be reopened to the public at 9:39 a.m., and that no decisions were made nor official actions taken during said Closed Session. Roll Call: Ayes: Shawn Hartmann, Joanne Seberg, Bill Hitesman, Jeanette Dewalt. Nays; None. Absent: Shayne Raitt. The motion carried.

#### **ADJOURN:**

Moved by Jeanette Dewalt seconded by Shawn Hartmann, that there being no further business, the meeting adjourn at 9:39 a.m. Roll Call: Ayes; Jeanette Dewalt, Shawn Hartmann, Bill Hitesman, Joanne Seberg. Nays: None. Absent: Shayne Raitt. The motion carried.

APPROVED:

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Board Secretary



Utility Board Meeting  
August 8, 2019

# Financial and Operating Report

Fiscal Year 2019

Quarter 4

Jul 1, 2019 – Sep 30, 2019



# **Balance Sheet Highlights**

*FY 2019 Q4 Update*

| <b>(\$M)</b>                          | <b><i>Electric</i></b> | <b><i>Combined System</i></b> | <b><i>Total</i></b> | <b><i>End FY 2018</i></b> |
|---------------------------------------|------------------------|-------------------------------|---------------------|---------------------------|
| <b><u>Net Assets</u></b>              | 73.4                   | 87.6                          | 161.0               | 159.9                     |
| <b><u>Special Funds:</u></b>          |                        |                               |                     |                           |
| Insurance                             | 2.0                    | 1.0                           | 3.0                 | 3.0                       |
| Bond Reserve                          | 0.0                    | 1.8                           | 1.8                 | 6.4                       |
| Rate Stabilization                    | 2.5                    | 11.7                          | 14.2                | 14.2                      |
| Health Insurance                      | 0.0                    | 2.3                           | 2.3                 | 4.6                       |
| Closure/Post Closure                  | 1.1                    | 0.0                           | 1.1                 | 1.0                       |
| Economic Development                  | 0.0                    | 1.5                           | 1.5                 | 1.5                       |
| <b><u>Cash &amp; Investments</u></b>  | 21.9                   | 16.7                          | 38.6                | 35.0                      |
| <b><u>Revenue Bonds &amp; SRF</u></b> | 0.0                    | 17.6                          | 17.6                | 23.0                      |
| <b><u>City Equity</u></b>             | 110.7                  | 108.0                         | 218.7               | 216.1                     |

# Electric Summary

## *FY 2019 Q4 Update*

| (\$M)                             | <i><b>FY 2019<br/>Q4</b></i> | <i><b>Year Over<br/>Year</b></i> | <i><b>FY 2019<br/>Budget</b></i> | <i><b>%</b></i> |
|-----------------------------------|------------------------------|----------------------------------|----------------------------------|-----------------|
| <b><u>Operating Revenue:</u></b>  | <b>41.4</b>                  | <b>3.3</b>                       | <b>38.1</b>                      | 109%            |
| Retail                            | 36.3                         | 0.5                              | 35.4                             | 103%            |
| Wholesale                         | 5.1                          | 2.8                              | 2.7                              | 189%            |
| <b><u>Operating Expenses:</u></b> | <b>37.2</b>                  | <b>2.2</b>                       | <b>37.6</b>                      | 99%             |
| Production                        | 12.8                         | 0.6                              | 14.0                             | 91%             |
| Purchased Power                   | 3.3                          | (0.7)                            | 2.6                              | 127%            |
| PP - PPGA                         | 11.2                         | 1.6                              | 10.6                             | 106%            |
| Trans & Dist                      | 1.7                          | 0.0                              | 1.7                              | 100%            |
| Gen & Admin                       | 6.0                          | 0.7                              | 6.5                              | 92%             |
| Pymt in Lieu of Tax               | 2.3                          | 0.2                              | 2.1                              | 110%            |
| <b><u>Operating Income</u></b>    | <b>4.2</b>                   | <b>1.1</b>                       | <b>0.5</b>                       | 840%            |
| Depreciation                      | 5.0                          | 0.0                              | 4.9                              | 102%            |
| <b><u>Other Income/Exp</u></b>    | <b>2.3</b>                   | <b>0.1</b>                       | <b>1.7</b>                       | 135%            |
| <b><u>Net Income</u></b>          | <b>1.6</b>                   | <b>1.2</b>                       | <b>(2.5)</b>                     |                 |

# Gas Summary

*FY 2019 Q4 Update*

| (\$M)                                          | <i>FY 2019<br/>Q4</i> | <i>Year Over<br/>Year</i> | <i>FY 2019<br/>Budget</i> | %    |
|------------------------------------------------|-----------------------|---------------------------|---------------------------|------|
| <b><u>Operating Revenue</u></b>                | <b>8.7</b>            | <b>0.5</b>                | <b>7.8</b>                | 112% |
| <b><u>Operating Expenses:</u></b>              | <b>8.3</b>            | <b>0.7</b>                | <b>8.3</b>                | 100% |
| Purchased Gas                                  | 4.8                   | 0.4                       | 4.8                       | 100% |
| Trans & Dist                                   | 1.1                   | 0.0                       | 1.1                       | 100% |
| Gen & Admin                                    | 1.7                   | 0.2                       | 1.8                       | 94%  |
| Pymt in Lieu of Tax &<br>Transfer to Gen. Fund | 0.6                   | (0.9)                     | 0.5                       | 120% |
| Intra-City Services                            | 0.03                  | (0.01)                    | 0.05                      | 60%  |
| <b><u>Operating Income</u></b>                 | <b>0.5</b>            | <b>(0.1)</b>              | <b>(0.5)</b>              |      |
| Depreciation                                   | 1.5                   | 0.0                       | 1.5                       | 100% |
| <b><u>Other Income/Exp</u></b>                 | <b>(1.8)</b>          | <b>(1.6)</b>              | <b>(1.4)</b>              |      |
| Econ Dev Exp                                   | 0.0                   | 0.0                       | 1.5                       | 0%   |
| Health Care<br>Reimbursement to City           | 2.3                   | 2.3                       | 2.0                       | 115% |
| <b><u>Net Income</u></b>                       | <b>(2.8)</b>          | <b>(1.7)</b>              | <b>(5.4)</b>              |      |

# Water Summary

## *FY 2019 Q4 Update*

| (\$M)                               | <i><b>FY 2019<br/>Q4</b></i> | <i><b>FY 2018<br/>Q4</b></i> | <i><b>Year Over<br/>Year</b></i> | <i><b>FY 2019<br/>Budget</b></i> | <i><b>%</b></i> |
|-------------------------------------|------------------------------|------------------------------|----------------------------------|----------------------------------|-----------------|
| <b><u>Operating Revenue</u></b>     | <b>6.5</b>                   | 6.4                          | <b>0.1</b>                       | <b>7.3</b>                       | 89%             |
| <b><u>Operating Expenses:</u></b>   | <b>4.0</b>                   | 3.3                          | <b>0.7</b>                       | <b>4.3</b>                       | 93%             |
| Production & Water Treatment        | 1.3                          | 0.9                          | <b>0.4</b>                       | 1.5                              | 87%             |
| Trans & Dist                        | 0.8                          | 0.8                          | <b>0.0</b>                       | 0.8                              | 100%            |
| Gen & Admin                         | 1.4                          | 1.1                          | <b>0.3</b>                       | 1.4                              | 100%            |
| Pymt in Lieu of Tax                 | 0.5                          | 0.5                          | <b>0.0</b>                       | 0.6                              | 83%             |
| <b><u>Operating Income:</u></b>     | <b>2.5</b>                   | 3.1                          | <b>(0.6)</b>                     | <b>3.0</b>                       | 83%             |
| Depreciation                        | 0.6                          | 0.6                          | <b>0.5</b>                       | 0.5                              | 120%            |
| <b><u>Other Income/Exp</u></b>      | 0.16                         | 0.11                         | <b>0.05</b>                      | <b>0.09</b>                      | 182%            |
| Contribution in Aid of Construction | <b>0.07</b>                  | 1.5                          | <b>(1.4)</b>                     | 0.10                             | 70%             |
| <b><u>Net Income</u></b>            | <b>2.1</b>                   | 4.0                          | <b>(1.9)</b>                     | <b>2.7</b>                       | 78%             |

# Pollution Control

## *FY 2019 Q4 Update*

| (\$M)                                  | <i><b>FY 2019<br/>Q4</b></i> | <i><b>Year Over<br/>Year</b></i> | <i><b>FY 2019<br/>Budget</b></i> | <i><b>%</b></i> |
|----------------------------------------|------------------------------|----------------------------------|----------------------------------|-----------------|
| <i><b>Operating Revenue</b></i>        | <b>7.2</b>                   | <b>0.8</b>                       | <b>6.8</b>                       | 106%            |
| <i><b>Operating Expenses:</b></i>      | <b>3.5</b>                   | <b>0.0</b>                       | <b>3.7</b>                       | 95%             |
| Wastewater<br>Treatment Plant          | 1.3                          | <b>0.0</b>                       | 1.3                              | 100%            |
| Collection System                      | 0.5                          | <b>0.0</b>                       | 0.5                              | 100%            |
| Gen & Admin                            | 1.5                          | <b>0.1</b>                       | 1.6                              | 94%             |
| Pyemt in Lieu of Tax                   | 0.3                          | <b>0.0</b>                       | 0.3                              | 100%            |
| <i><b>Operating Income:</b></i>        | <b>3.7</b>                   | <b>0.7</b>                       | <b>3.1</b>                       | 119%            |
| Depreciation                           | 1.9                          | <b>0.0</b>                       | 1.8                              | 106%            |
| <i><b>Other Income/Exp</b></i>         | <b>(0.4)</b>                 | <b>(0.8)</b>                     | <b>(0.5)</b>                     | 80%             |
| Contribution in Aid of<br>Construction | <b>0.02</b>                  | <b>(0.18)</b>                    | 0.10                             | 20%             |
| <i><b><u>Net Income</u></b></i>        | <b>1.4</b>                   | <b>0.5</b>                       | <b>0.9</b>                       | 156%            |

# General & Admin

## *FY 2019 Q4 Update*

| (\$M)                                                                                   | <i>FY 2019<br/>Q4</i> | <i>Year Over<br/>Year</i> | <i>FY 2019<br/>Budget</i> | %    |
|-----------------------------------------------------------------------------------------|-----------------------|---------------------------|---------------------------|------|
| <b><u>General &amp; Administrative</u></b><br><i>(showing only budgets &gt; \$400K)</i> | <b>7.8</b>            | <b>0.0</b>                | <b>8.8</b>                | 89%  |
| Customer Records & Collections                                                          | 0.5                   | 0.0                       | 0.5                       | 100% |
| Engineering                                                                             | 1.4                   | 0.0                       | 1.5                       | 93%  |
| G & A Salaries                                                                          | 1.5                   | 0.1                       | 1.8                       | 83%  |
| Admin & Engineering Services to PPGA                                                    | 0.9                   | 0.0                       | 1.0                       | 90%  |
| Outside Services                                                                        | 0.3                   | 0.0                       | 0.5                       | 60%  |
| Employee Benefits                                                                       | 1.2                   | (0.2)                     | 1.4                       | 86%  |
| Maintenance of Buildings & Grounds                                                      | 0.4                   | 0.0                       | 0.4                       | 100% |

# Street Lighting

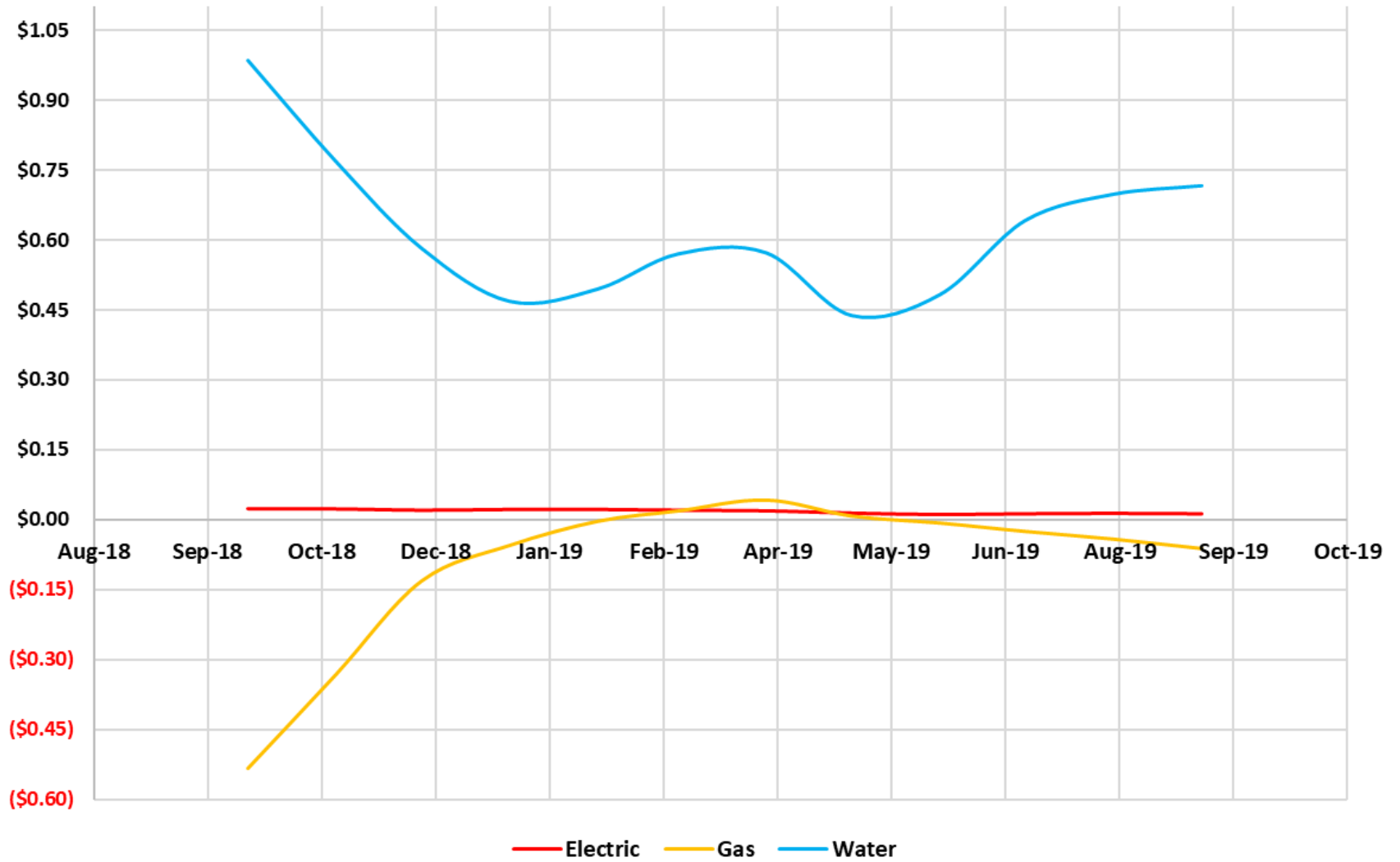
## *FY 2019 Q4 Update*

| <b>(\$M)</b>       | <b><i>FY 2019<br/>Q3</i></b> | <b><i>Year Over<br/>Year</i></b> | <b><i>FY 2019<br/>Budget</i></b> | <b><i>%</i></b> |
|--------------------|------------------------------|----------------------------------|----------------------------------|-----------------|
| Operating Revenue  | 0.5                          | 0.0                              | 0.5                              | 100%            |
| Operating Expenses | 0.2                          | 0.0                              | 0.2                              | 100%            |
| Operating Income   | 0.3                          | 0.0                              | 0.3                              | 100%            |

## Unit Sales & Cost Analysis

[illegible]

## Net Revenue per Unit Sold



# Electric Production

| HASTINGS UTILITIES                                   |  |  |            |             |              |            |            |             |              |
|------------------------------------------------------|--|--|------------|-------------|--------------|------------|------------|-------------|--------------|
| COMPARATIVE STATEMENT OF PRODUCTION                  |  |  |            |             |              |            |            |             |              |
| September 2019 and 2018 - Year to Date 2019 and 2018 |  |  |            |             |              |            |            |             |              |
|                                                      |  |  | No. Meters |             |              |            | No. Meters |             |              |
|                                                      |  |  | In Service | September   | Year to Date | Yr-Over-Yr | In Service | September   | Year to Date |
| Electric Department K-W Hours                        |  |  | 9/30/2019  | 2019        | 2018-2019    |            | 9/30/2018  | 2018        | 2017-2018    |
| Residential - Hastings                               |  |  | 10,484     | 10,293,721  | 101,474,705  |            | 10,456     | 9,956,690   | 104,030,460  |
| Residential - Rural                                  |  |  | 276        | 356,518     | 4,898,232    |            | 274        | 320,301     | 4,928,725    |
| Residential - Juniata                                |  |  | 341        | 329,837     | 4,165,800    |            | 343        | 286,902     | 4,220,348    |
| Commercial - Hastings                                |  |  | 1,877      | 6,911,053   | 73,627,335   |            | 1,876      | 6,864,277   | 77,172,066   |
| Commercial - Rural *                                 |  |  | 195        | 917,031     | 12,920,707   |            | 194        | 893,973     | 11,940,437   |
| Commercial - Juniata                                 |  |  | 50         | 124,952     | 1,435,943    |            | 50         | 113,703     | 1,497,506    |
| Commercial Heating - Hastings                        |  |  | 32         | 164,413     | 2,410,102    |            | 33         | 154,019     | 2,362,013    |
| Commercial Heating - Rural                           |  |  | 4          | 9,072       | 163,320      |            | 3          | 8,208       | 129,430      |
| Primary Power                                        |  |  | 39         | 18,608,870  | 208,780,660  |            | 40         | 18,271,350  | 203,283,980  |
| Irrigation                                           |  |  | 119        | 17,532      | 976,176      |            | 118        | 56,698      | 1,781,326    |
| Street Lighting - Hastings                           |  |  | 1          | 132,148     | 1,716,734    |            | 1          | 144,428     | 2,146,038    |
| Traffics - Hastings                                  |  |  | 1          | 7,637       | 103,796      |            | 1          | 9,793       | 131,536      |
| Street Lighting - Juniata                            |  |  | 1          | 8,659       | 106,848      |            | 1          | 8,633       | 108,188      |
| Public Authorities - Hastings                        |  |  | 87         | 341,385     | 3,445,568    |            | 87         | 356,361     | 3,486,972    |
| Public Authorities - Juniata                         |  |  | 10         | 32,554      | 418,814      |            | 10         | 30,684      | 421,574      |
| Unmetered                                            |  |  | 10         | 5,214       | 62,568       |            | 12         | 5,214       | 62,568       |
| Interdepartmental                                    |  |  | 32         | 797,062     | 9,501,706    |            | 29         | 647,465     | 8,403,099    |
|                                                      |  |  | 13,559     |             |              | 0.23%      | 13,528     |             |              |
| Total Retail Sales                                   |  |  |            | 39,057,658  | 426,209,014  |            |            | 38,128,699  | 426,106,266  |
| Total Wholesale Sales                                |  |  |            | 7,302,509   | 164,790,940  |            |            | 10,866,577  | 91,386,659   |
| Total Sales                                          |  |  |            | 46,360,167  | 590,999,954  |            |            | 48,995,276  | 517,492,925  |
| Gross Generation                                     |  |  |            | 28,846,200  | 350,604,250  |            |            | 32,157,600  | 330,531,310  |
| Less Plant Power                                     |  |  |            | 3,354,498   | 37,320,855   |            |            | 3,676,529   | 36,299,749   |
| Net Generation                                       |  |  |            | 25,491,702  | 313,283,395  | 6.5%       |            | 28,481,071  | 294,231,561  |
| KWH Purchased                                        |  |  |            | 19,680,154  | 292,151,870  | 23.7%      |            | 18,406,950  | 236,160,069  |
| Total KWH                                            |  |  |            | 45,171,856  | 605,435,265  |            |            | 46,888,021  | 530,391,630  |
| Unaccounted For/Unbilled                             |  |  |            | (1,188,311) | 14,435,311   |            |            | (2,107,255) | 12,898,705   |
| KWH Sold (Retail and Wholesale)                      |  |  |            | 46,360,167  | 590,999,954  | 14.2%      |            | 48,995,276  | 517,492,925  |

# Natural Gas Production

| HASTINGS UTILITIES                                   |  |            |           |              |            |            |           |              |  |
|------------------------------------------------------|--|------------|-----------|--------------|------------|------------|-----------|--------------|--|
| COMPARATIVE STATEMENT OF PRODUCTION                  |  |            |           |              |            |            |           |              |  |
| September 2019 and 2018 - Year to Date 2019 and 2018 |  |            |           |              |            |            |           |              |  |
|                                                      |  | No. Meters |           |              |            | No. Meters |           |              |  |
|                                                      |  | In Service | September | Year to Date | Yr-Over-Yr | In Service | September | Year to Date |  |
| Gas Department - CCF *                               |  | 9/30/2019  | 2019      | 2018-2019    |            | 9/30/2018  | 2018      | 2017-2018    |  |
| Residential - Hastings                               |  | 9,340      | 128,246   | 7,782,483    |            | 9,321      | 134,135   | 7,380,831    |  |
| Residential - Rural                                  |  | 18         | 176       | 19,313       |            | 17         | 186       | 18,288       |  |
| Commercial - Hastings                                |  | 1,221      | 53,920    | 3,363,788    |            | 1,229      | 57,372    | 3,136,896    |  |
| Commercial - Rural                                   |  | 30         | 436       | 209,512      |            | 27         | 853       | 60,363       |  |
| Industrial - Hastings                                |  | 46         | 149,916   | 3,114,660    |            | 46         | 144,941   | 2,896,470    |  |
| Industrial - Rural                                   |  | 2          | 2,704     | 144,203      |            | 2          | 3,443     | 145,601      |  |
| Sales to Public Authorities                          |  | 22         | 2,391     | 133,410      |            | 21         | 2,010     | 122,383      |  |
| Firm Transportation                                  |  | 9          | 56,649    | 1,263,352    |            | 11         | 58,372    | 1,248,451    |  |
| Interdepartmental                                    |  | 7          | 358       | 111,289      |            | 7          | 426       | 113,476      |  |
| Total                                                |  | 10,695     | 394,796   | 16,142,010   | 0.13%      | 10,681     | 401,738   | 15,122,759   |  |
| Gas Purchased                                        |  |            | 329,763   | 13,205,855   |            |            | 349,880   | 12,691,290   |  |
| Gas Manufactured                                     |  |            | -         | -            |            |            | -         | 800          |  |
| Total CCF                                            |  |            | 329,763   | 13,205,855   |            |            | 349,880   | 12,692,090   |  |
| Unaccounted For/Unbilled                             |  |            | (65,033)  | (2,936,155)  |            |            | (51,858)  | (2,430,669)  |  |
| CCF Sold                                             |  |            | 394,796   | 16,142,010   | 6.7%       |            | 401,738   | 15,122,759   |  |

# Water Production

## HASTINGS UTILITIES

### COMPARATIVE STATEMENT OF PRODUCTION

#### September 2019 and 2018 - Year to Date 2019 and 2018

|                             |  |  |  | No. Meters    |           |                  |               | No. Meters    |           |                  |
|-----------------------------|--|--|--|---------------|-----------|------------------|---------------|---------------|-----------|------------------|
|                             |  |  |  | In Service    | September | Year to Date     | Yr-Over-Yr    | In Service    | September | Year to Date     |
| Water Department - CCF      |  |  |  | 9/30/2019     | 2019      | 2018-2019        |               | 9/30/2018     | 2018      | 2017-2018        |
| Residential - Hastings      |  |  |  | 8,527         | 92,952    | 840,217          |               | 8,507         | 103,352   | 973,495          |
| Residential - Rural         |  |  |  | 34            | 293       | 2,806            |               | 34            | 332       | 3,530            |
| Residential - CMS           |  |  |  | 5             | 23        | 355              |               | 5             | 31        | 500              |
| Commercial - Hastings       |  |  |  | 1,321         | 90,662    | 774,875          |               | 1,315         | 78,039    | 759,799          |
| Commercial - Rural          |  |  |  | 30            | 1,101     | 8,672            |               | 28            | 947       | 7,916            |
| Commercial - CMS *          |  |  |  | 80            | 10,640    | 156,816          |               | 76            | 12,213    | 162,058          |
| Large Industrial - Hastings |  |  |  | 4             | 21,791    | 208,532          |               | 4             | 22,121    | 216,558          |
| Large Industrial - Rural    |  |  |  | 1             | 46,192    | 472,328          |               | 1             | 39,806    | 440,749          |
| Sales to Public Authorities |  |  |  | 68            | 5,082     | 44,825           |               | 68            | 6,304     | 63,757           |
| Interdepartmental           |  |  |  | 29            | 3,045     | 28,081           |               | 28            | 2,810     | 32,635           |
|                             |  |  |  | <b>10,099</b> |           |                  | <b>0.33%</b>  | <b>10,066</b> |           |                  |
| Total Retail Sales          |  |  |  |               | 271,781   | 2,537,507        |               |               | 265,955   | 2,660,997        |
| Total Wholesale Sales       |  |  |  |               | 3,383     | 42,234           |               |               | 3,688     | 46,108           |
| Total Sales                 |  |  |  |               | 275,164   | <b>2,579,741</b> | <b>-4.70%</b> |               | 269,643   | 2,707,105        |
| CCF Pumped                  |  |  |  |               | 298,814   | 2,683,785        |               |               | 257,417   | 2,831,670        |
| Water Main Flushing         |  |  |  |               | 1,255     | 6,644            |               |               | 454       | 5,645            |
| Unaccounted For/Unbilled    |  |  |  |               | 22,395    | 97,400           |               |               | (12,680)  | 118,920          |
| CCF Sold                    |  |  |  |               | 275,164   | 2,579,741        |               |               | 269,643   | <b>2,707,105</b> |





**Date: January 23, 2020**

**To: Kevin Johnson; Manager of Utilities**  
**From: Marty Stange; Environmental Supervisor**

**Subject: Contract No. HU 2020-1, IC-1**  
**B.I.# 3.00 Phase III ASR Injection Wells and Water Collection System - \$2,300,000**

The project will have two construction contracts issued to complete the work. This contract is for the construction of four (4) injection wells.

Request for proposals (bids) were sent to four well drillers and other general contractors and suppliers on December 15, 2019. One additional driller contractor from Garden City, Kansas was pre-qualified to bid. On January 21, 2020 bids were opened for the above noted injection wells. The bids received are summarized on the following table.

| <b>BIDDER</b>                         | <b>BID BOND</b> | <b>EXCEPTIONS</b> | <b>Addendum No. 1 and No. 2</b> | <b>TOTAL BID</b>    |
|---------------------------------------|-----------------|-------------------|---------------------------------|---------------------|
| <b>Downey Drilling, Lexington, NE</b> | <b>5%</b>       | <b>None</b>       | <b>Yes</b>                      | <b>\$434,966.00</b> |
| Hydro Resources, Garden City, KN      | 5%              | None              | Yes                             | \$767,000.00        |
| Sargent Drilling, Geneva, NE          | 5%              | None              | Yes                             | \$553,520.00        |

The best and lowest bid received is from Downey Drilling of Lexington, NE in the total amount of \$434,966.00. Downey Drilling was the ASR Phase II contractor. Downey Drilling recently constructed four (4) injection wells and extraction Well 30 as part of the ASR Phase II Project. Downey Drilling also completed the drilling and construction of Well 36. They have provided excellent construction services and is deemed to have the expertise, equipment, and labor to complete the ASR Phase III Injection Well construction.

It is my recommendation the bid submitted by Downey Drilling be awarded in the amount of \$434,966.00 be approved as the best and lowest price.

I will be available to review this contract award with you at your convenience.



**Date:** January 23, 2020

**To:** Kevin Johnson; Manager of Utilities  
**From:** Marty Stange; Environmental Supervisor

**Subject:** Contract No. HU 2020-1, IC-2  
B.I.# 3.00 Phase III ASR Injection Wells and Water Collection System - \$2,300,000

The project will have two construction contracts issued to complete the work. This contract is for the construction of the water mains to serve the injection wells.

Request for proposals (bids) were sent to nine (9) contractors and several suppliers on December 15, 2019. On January 21, 2020 bids were opened for the above noted injection wells. The bids received are summarized on the following table.

| BIDDER                             | BID BOND | EXCEPTIONS              | ADDENDUM No. 1, No. 2, and No. 3 | Total          |
|------------------------------------|----------|-------------------------|----------------------------------|----------------|
| Van Kirk Brothers Sutton, NE       | 5%       | Yes<br>(Clarifications) | Yes                              | \$1,091,285.34 |
| Meyers Construction Broken Bow, NE | 5%       | No                      | Yes                              | \$1,324,785.13 |

The low bid was submitted by Van Kirk Brothers of Sutton, NE in the amount of \$1,091,285.34. The exceptions noted were only clarifications. Van Kirk Brothers wanted to clarify the ability to construct a bore pit between the taxiway and runway to connect two segments of the casing. This issue was addressed with FAA early in the design process and will be reaffirmed before construction begins. Van Kirk Brothers also offered prices for an alternative pipe material. They offered prices for fusible PVC. We have evaluated the prices and the potential energy savings and find the original material specification for High Density Poly Ethylene (HDPE) is the best and lowest price. Van Kirk Brothers was the ASR Phase II contractor for the water main construction. They have provided excellent construction services and is deemed to have the expertise, equipment, and labor to complete the ASR Phase III Injection Water Main construction.

It is my recommendation the bid submitted by Van Kirk Brothers of Sutton, NE in the amount of \$1,091,285.34 be approved as the best and lowest price.

I will be available to review the contract award with you at your convenience.

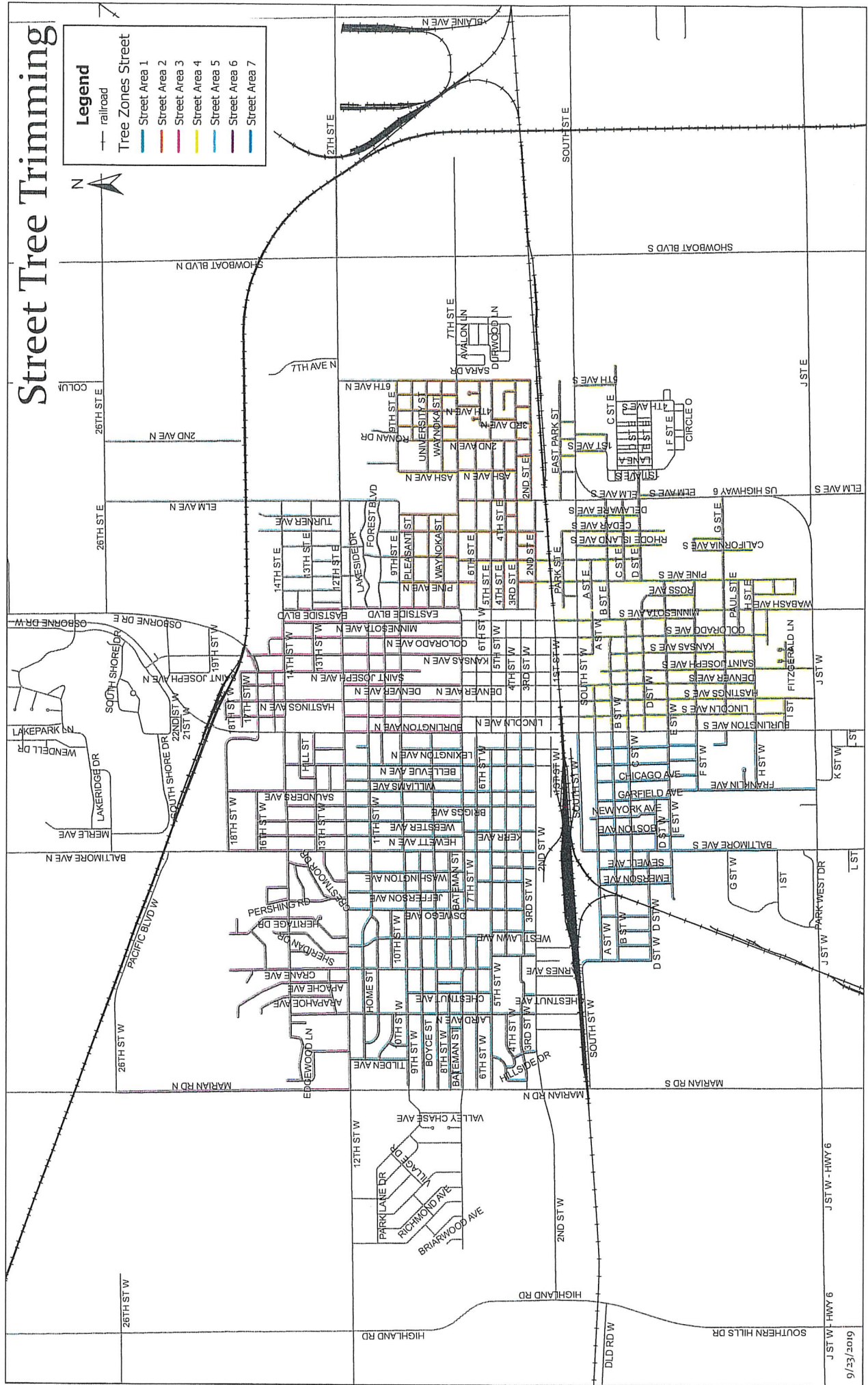
City Tree Trimming Talking Points  
February 3, 2020

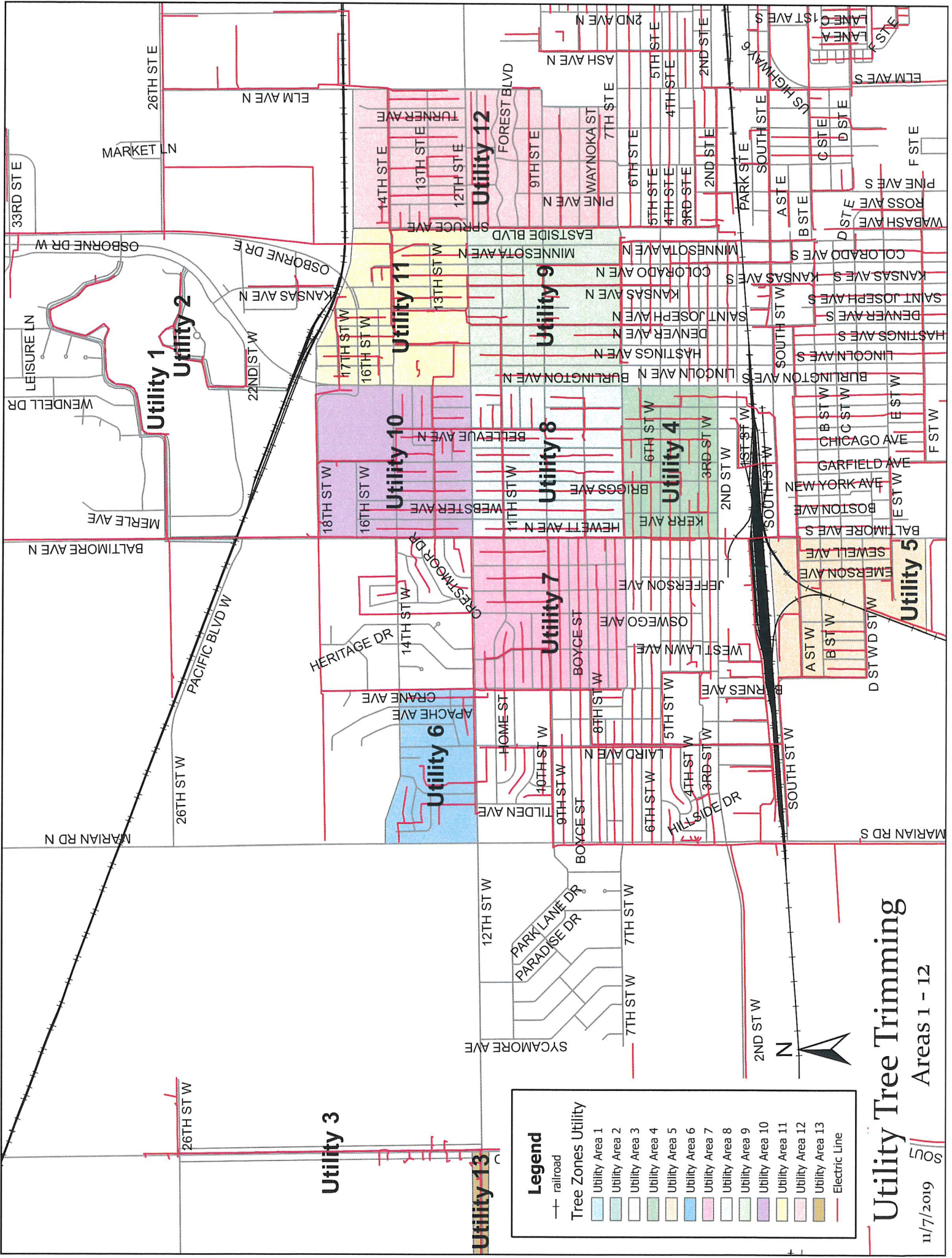
- Need for tree trimming
  - Utility – safety and reliability of service
  - Street – high profile vehicles have difficulty driving through
- How have trees been trimmed in past years
- Scope of work
  - 13 areas of Utility trimming – trim 12 foot from primary power lines
  - 7 areas of Street trimming – trim 16 foot above street and 3 foot back of curb
- Bid November 26, 2019, - No bids received
- Bid January 23, 2020, - 1 bid received from The Green Tree Co. – Red Oak, Iowa
  - Second bid for the Street portion received late due to weather, not opened
- The Green Tree Co. bid
  - Utility work - \$1,079,000
  - Street work - \$543,820
- Recommend performing work over two years
  - Utility work, 2020 - \$551,200 2021 - \$527,800
  - Street work, 2020 - \$423,590 2021 - \$120,230
- 5 year rotation for Utility tree trimming
- High level analysis of City wide 4-man tree trimming crew
  - \$400,000 annually for labor w/benefits and equipment maintenance
  - \$420,000 year 1 equipment spend (chipper truck, chipper, back alley machine, bobcat, small stump grinder)
  - \$425,000 future years (3-5 years) equipment spend (bucket truck, grapple, large stump grinder)
  - Current annual spend on tree trimming
    - Utilities - \$330,000
    - Parks Dept - \$90,000 plus any storm related cleanup (2019 storm \$51,000)
    - Street Dept - \$30,000 annually for storm related cleanup

# Street Tree Trimming

## Legend

- railroad
- Tree Zones Street
- Street Area 1
- Street Area 2
- Street Area 3
- Street Area 4
- Street Area 5
- Street Area 6
- Street Area 7





+

 railroad

Tree Zones Utility

Utility Area 1

Utility Area 2

Utility Area 3

Utility Area 4

Utility Area 5

Utility Area 6

Utility Area 7

Utility Area 8

Utility Area 9

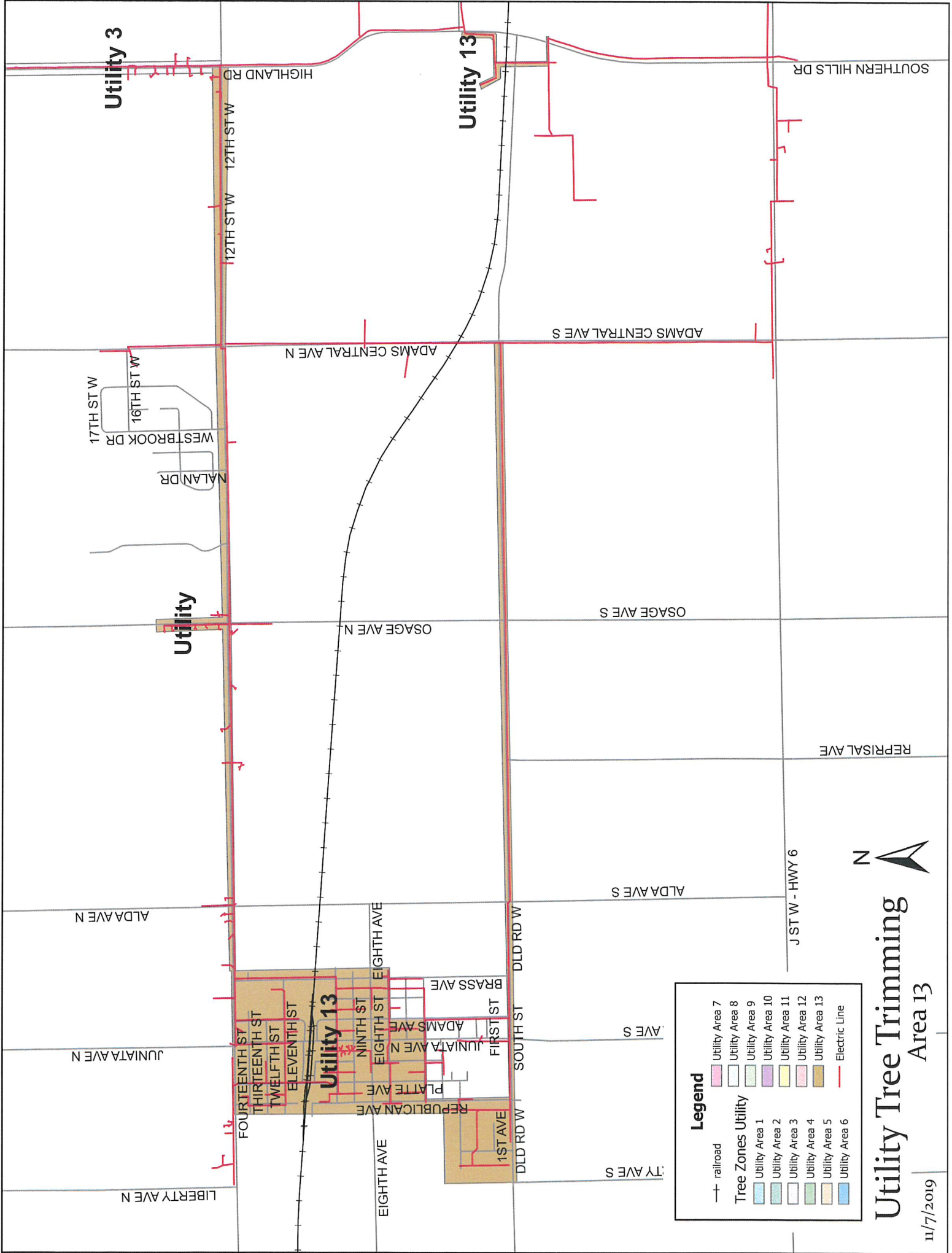
Utility Area 10

Utility Area 11

Utility Area 12

Utility Area 13

Electric Line



# Utility Tree Trimming Area 13

11/7/2019

## Project No. 2020 Tree Trimming and Removal

### Lump Sum Activities - Utilities Department (all items include applicable sales tax)

| Item | Description                                                                                                                                                                                                                                                                                                                                                                                                                                        | Amount           |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 1.   | All tree trimming and removals for the area along North Shore Drive from Osborne Drive West to Baltimore Ave. and along Baltimore Ave. from 26 <sup>th</sup> Street to the UP tracks, shown as Utility Area 1 on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 8,200 linear feet of electrical circuit. Total of 5 trees to be removed. Work shall be completed by September 15, 2020. | \$<br>16,400.00  |
| 2.   | All tree trimming and removals for the area along South Shore Drive from Osborne Drive West to the UP tracks, shown as Utility Area 2 on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 3,250 linear feet of electrical circuit. Total of 8 trees to be removed. Work shall be completed by September 15, 2020.                                                                         | \$<br>17,200.00  |
| 3.   | All tree trimming and removals for the area along Highland Road from 12 <sup>th</sup> to 26 <sup>th</sup> Street, shown as Utility Area 3 on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 5,280 linear feet of electrical circuit. Total of 6 trees to be removed. Work shall be completed by September 15, 2020.                                                                     | \$<br>6,800.00   |
| 4.   | All tree trimming and removals for Utility Area 4 as shown on the attached drawing. Includes 7 <sup>th</sup> Street and Baltimore Ave. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 17,750 linear feet of electrical circuit. Total of 5 trees to be removed and all scrub/sucker trees at 607 N Bellevue Avenue. Work shall be completed by September 15, 2020.                                            | \$<br>78,700.00  |
| 5.   | All tree trimming and removals for Utility Area 5 as shown on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 17,250 linear feet of electrical circuit. Total of 44 trees to be removed. Work shall be completed by September 15, 2020.                                                                                                                                                  | \$<br>67,800.00  |
| 6.   | All tree trimming and removals for Utility Area 6 as shown on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 9,600 linear feet of electrical circuit. Total of 4 trees to be removed. Work shall be completed by September 15, 2020.                                                                                                                                                    | \$<br>57,400.00  |
| 7.   | All tree trimming and removals for Utility Area 7 as shown on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 25,500 linear                                                                                                                                                                                                                                                              | \$<br>110,000.00 |

|       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                    |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
|       | feet of electrical circuit. Total of 1 trees to be removed. Work shall be completed by September 15, 2020.                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                    |
| 8.    | All tree trimming and removals for Utility Area 8 as shown on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Includes Baltimore Ave. Approximately 28,300 linear feet of electrical circuit. Total of 3 trees to be removed. Work shall be completed by September 15, 2020.                                                                                                                                                                                                                                                | \$<br>125,000.00   |
| 9.    | All tree trimming for Utility Area 9 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Includes Eastside Blvd. and 12 <sup>th</sup> Street. Approximately 25,500 linear feet of electrical circuit. No trees to be removed. Work shall be completed by September 15, 2020.                                                                                                                                                                                                                                                            | \$<br>116,000.00   |
| 10.   | All tree trimming and removals for Utility Area 10 as shown on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 21,600 linear feet of electrical circuit. Total of 6 trees to be removed. Work shall be completed by September 15, 2020.                                                                                                                                                                                                                                                                       | \$<br>101,800.00   |
| 11.   | All tree trimming for Utility Area 11 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Includes Eastside Blvd. Approximately 19,000 linear feet of electrical circuit. No trees to be removed. Work shall be completed by September 15, 2020.                                                                                                                                                                                                                                                                                        | \$<br>86,200.00    |
| 12.   | All tree trimming for Utility Area 12 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Approximately 24,750 linear feet of electrical circuit. No trees to be removed. Work shall be completed by September 15, 2020.                                                                                                                                                                                                                                                                                                                | \$<br>113,800.00   |
| 13.   | All tree trimming and removals for Utility Area 13 as shown on the attached drawing. Lump sum pricing to include trimming, removals, stumping and cleanup. Approximately 69,344 linear feet of electrical circuit. Total of 32 trees to be removed along with groups of scrub/sucker trees located at 7055 West 12 <sup>th</sup> Street (290' of trees in existing windbreak), 7415 West 12 <sup>th</sup> Street (180' west of existing windbreak) and 350' of cedar trees south of DLD Road and west of Highland Drive. Work shall be completed by September 15, 2020. | \$<br>181,900.00   |
| Total | One million seventy nine thousand and 00.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$<br>1,079,000.00 |

**Unit Prices for Removal of Trees not Specified in Utilities Department Items Listed Above.**  
**All diameters measured at a point forty (40) inches above grade. (all items include applicable sales tax)**

| Item | Description                                                                                                            | Amount/Tree       |
|------|------------------------------------------------------------------------------------------------------------------------|-------------------|
| 1.   | Remove, clear, cleanup, and stump as necessary for a 5' long group of scrub, sucker, seedling, and sapling type trees. | \$ 100 <i>ce</i>  |
| 2.   | Remove, clear, cleanup, and stump removal for tree <6" diameter.                                                       | \$ 400 <i>ce</i>  |
| 3.   | Remove, clear, cleanup, and stump removal for tree 6" – 12" diameter.                                                  | \$ 1000 <i>ce</i> |
| 4.   | Remove, clear, cleanup, and stump removal for tree 13" – 24" diameter.                                                 | \$ 2500 <i>ce</i> |
| 5.   | Remove, clear, cleanup, and stump removal for tree 25" – 36" diameter.                                                 | \$ 3000 <i>ce</i> |
| 6.   | Remove, clear, cleanup, and stump removal for tree 37" – 48" diameter.                                                 | \$ 4000 <i>ce</i> |
| 7.   | Remove, clear, cleanup, and stump removal for tree 49" – 60" diameter.                                                 | \$ 5000 <i>ce</i> |
| 8.   | Remove, clear, cleanup, and stump removal for tree >60" diameter.                                                      | \$ 6500 <i>ce</i> |

**Lump Sum Activities – Parks & Street Department (all items are sales tax exempt)**

| Item | Description                                                                                                                                                                                                                                         | Amount        |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| 1.   | All tree trimming for Street Area 1 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Approximately 25.8 linear miles of street. Work shall commence after March 1, 2020 and be completed by September 15, 2020.  | \$ 139,630.00 |
| 2.   | All tree trimming for Street Area 2 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Approximately 13.3 linear miles of street. Work shall commence after March 1, 2020 and be completed by September 15, 2020.  | \$ 62,755.00  |
| 3.   | All tree trimming for Street Area 3 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Approximately 11.2 linear miles of street. Work shall commence after March 1, 2020 and be completed by September 15, 2020.  | \$ 57,320.00  |
| 4.   | All tree trimming for Street Area 4 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Approximately 18.8 linear miles of street. Work shall commenced after March 1, 2020 and be completed by September 15, 2020. | \$ 103,180.00 |
| 5.   | All tree trimming for Street Area 5 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Approximately 8.8 linear miles of street. Work shall commence after March 1, 2020 and be completed by September 15, 2020.   | \$ 54,680.00  |

|    |                                                                                                                                                                                                                                                    |                             |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 6. | All tree trimming for Street Area 6 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Approximately 13.0 linear miles of street. Work shall commence after March 1, 2020 and be completed by September 15, 2020. | \$<br>65,550. <sup>00</sup> |
| 7. | All tree trimming for Street Area 7 as shown on the attached drawing. Lump sum pricing to include trimming and cleanup. Approximately 10.3 linear miles of street. Work shall commence after March 1, 2020 and be completed by September 15, 2020. | \$<br>60,705. <sup>00</sup> |

543,820.<sup>00</sup>

Exceptions: No ☒ Yes ☐ (If yes, attach exceptions)

Projected Start Date: May 2020



