CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, May 14, 2020

Pursuant to due call and notice thereof, a Regular Meeting of the Utility Board of Hastings, Nebraska was conducted by teleconference on May 14, 2020.

ROLL CALL:

The teleconference meeting was called to order at 9:00 a.m. by Chairman Hitesman with the following members present: Shawn Hartmann, Bill Hitesman, Jeanette Dewalt. Absent: Shayne Raitt. (Joanne Seberg came into the meeting at 9:10 a.m.)

PLEDGE OF ALLEGIANCE:

Because of Teleconference meeting, the pledge was not recited.

MOTION TO ADOPT CURRENT AGENDA FOR May 14, 2020 REGULAR MEETING.

Moved by Jeanette Dewalt seconded by Shawn Hartmann to adopt the current agenda for May 14, 2020 teleconference meeting. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Shayne Raitt, Jeanette Dewalt. Nays: None. Absent: Joanne Seberg, Shayne Raitt. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, May 12, 2020.

Chairman Hitesman 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 office of the Manafer of Utilities. 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 he did not include in the agenda a Cost of Service Study follow-up from last week's worksession in order to give the Board more time to digest the study and for staff to study what economic impacts this Covid-19 situation has upon the utilities. He is deferring further discussion to a later meeting.

Johnson announced that on-line meetings will continue until further notice.

BOARD CHAIRMAN'S COMMUNICATIONS:

Chairman Hitesman stated that he agrees with Kevin Johnson that there are some implications in the Cost of Service Study. He said there are some items that we need further discussion.

Hitesman asked Dave Ptak about the Public Notice wording on the agenda with this teleconference meeting. Dave stated that it is one of those things we will have to deal with because of the way we are conducting meetings. He said when we are through this pandemic, we will probably have to have an item on the agenda to ratify everything that took place from the time we started this way of meeting so that we can clear up any open meetings law or other issues that might be out there.

BOARD MEMBERS' COMMUNICATIONS:

Jeanette Dewalt asked about budget timeline. Robin Ginn stated that she is hoping all items will be turned in to the accounting office by the middle of June and a first draft will be presented at the July Utility Board meeting.

CITIZEN COMMUNICATIONS:

Mayor Stutte recommended that staff change the public notice on the agenda to align with what the City Council is using. He said they have pulled the pledge of allegiance from the meeting and they have a process for citizen comments. Staff will look into those changes.

APPROVAL OF MINUTES:

1. Approval of the following minutes.

   (a) Approval of the minutes of the Hastings Utility Board Meeting of March 12, 2020

Moved by Jeanette Dewalt seconded by Shawn Hartmann to approve the minutes of the March 12, 2020 meeting. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Jeanette Dewalt, Joanne Seberg. Nays: None. Absent: Shayne Raitt. The motion carried.

   (b) Approval of the minutes of the Hastings Utility Board Worksession on May 6, 2020

Moved by Shawn Hartmann seconded by Joanne Seberg to approve the minutes of the May 6, 2020 Utility Board Worksession. 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

      i. Review of 2nd Quarter Financials

Kevin Johnson gave a presentation on the 2nd Quarter Financials. Included in the presentation was Balance Sheet Highlights, Summaries of the Electric, Gas, Water, Pollution Control and General and Administrative Departments. A comparison of headcounts was shown, along with a Street Lighting Department update, a Unit Sales and Cost Analysis, and Comparative Statements of Electric, Gas and Water Production.

   (b) Production

      i. Introduction of New Director of Electric Production

Johnson stated that he intended to introduce Chuck Oliver, the new Director of Electric Production, to the Board at this meeting. However, he had some family issues come up. He will arrive in Hastings later this afternoon and be on the job tomorrow.

ii. Overview of Refined Coal Contracts

Keith Leonhardt gave an overview of the Refined Coal Agreements that are changing ownership and equipment. Leonhardt said that there will be three contracts for the refined coal - the Coal Purchase Agreement which addresses the purchase of coal from HU/PPGA , the Refined Coal Sales Agreement which addresses the sale of refined coal, and the Ground Lease Agreement which addresses the lease of WEC plant site. Leonhardt stated that the terms of the agreement are confidential. There will be Assignment and Assumption Agreements and the term will change to 12/13/2021. There will be an ownership change from RCF 2 to Hastings Refined Coal, LLC. Keith informed the Board of the benefits of refined coal and explained the Section 45 tax credits. After the final agreements are ready, they will go to the City Council for approval.

(c) Operations

None.

(d) Administration

i. COVID-19 Response to Health Measures Update

Johnson updated the Board on the COVID-19 response to the current Health Measures. Johnson stated that the city departments that are based out of the North Denver Station implemented rotating schedules and shift changes and necessary isolation efforts, and social distancing efforts. He said that a core group of leaders was lead by Derek Zeisler and they put all of our steps and responses to the Health Measures in place. That resulted in many working from home while others worked from the office and then rotated. The dispatchers, the control room group and our SCADA network electric engineer were isolated. He said that these are the measures we have had in place over the past couple of months. Johnson stated now with the changing of the Health Measures, most departments are migrating back to work from work. He said we are still staying relatively conservative with our dispatchers, with our control room group, with our SCADA network engineer and with our IT group. Kevin stated that our staff is social distancing, wearing the masks, working isolated where possible. The operation groups are in several different locations.

ii. NDS Security and Customer Service Building Enhancements

Brian Strom showed pictures of progress on the North Security and Customer Service Building Enhancements. He stated that the demolition is approximately 99% complete. The project is on schedule and they hope to complete in November 2020. Strom mentioned that the temporary drive-up window at City Hall has worked well and has served up to 75 customers in a day.

iii. Update on Electric GIS Implementation

Lee Vrooman gave an update on the Electric GIS implementation. Lindsey Stone has headed up the GIS for the city. Vrooman said that we have hired Midland GIS Solutions from Maryville, Missouri to help us map our entire electrical system. They plan to start in June and will be working in Hastings for two to three months. He said that since they will be in people's back yards and neighborhoods, we will be working with Amanda to make sure we inform the public and update the area of town they are working in. Vrooman stated that this is the base layer of any smart meter system or outage management system.

Vrooman updated the Board on the tree trimming project. He said that project is supposed to start in June. Staff will work with Amanda on public notification for that also.

(e) Other

None

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

None

ADJOURN:

Moved by Jeanette Dewalt seconded by Shawn Hartmann that there being no further business, the meeting adjourn at 9:56 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