

HASTINGS UTILITY BOARD AGENDA

**Teleconference/Video Conference Meeting
June 11, 2020
9:00 AM**

ROLL CALL:

MOTION TO ADOPT CURRENT AGENDA FOR June 11, 2020 REGULAR MEETING.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, June 9, 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 can be found on the Hastings Utilities' website, hastingsutilities.com.

MANAGER'S COMMUNICATIONS:

BOARD CHAIRMAN'S COMMUNICATIONS:

BOARD MEMBERS' COMMUNICATIONS:

CITIZEN COMMUNICATIONS:

APPROVAL OF MINUTES:

1. Approval of the following minutes.
 - (a) Approval of the minutes of the Hastings Utility Board Meeting of May 14, 2020

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.
3. General Business.
 - (a) Finance
 - i. Budget Status Update
 - (b) Production

- i. Recommendation for Award of Contract for the Purchase of Railcar Overhead Shaker with Hoist and Control System for the Coal Dumper Building at WEC
- (c) Operations
 - i. Recommendation for Award of Contract for 2021 Cab and Chassis with Hydraulic Telescopic Crane (B.I. 2.50)
- (d) Administration
 - i. Cost of Service Overview
 - ii. Energy Supply - SPP 'Soft Market' Impacts to Operations and Financials
 - iii. Integrated Resource Plan (IRP) Status Update
- (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, 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 Manager 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:

Board Secretary



Date: 06/5/2020

To: Kevin Johnson

From: Marina Richards, Environmental Engineer

Re: Recommendation for award of bid for purchasing Railcar Overhead Shaker with Hoist and Control System for the Coal Dumper Building at WEC

Bids Received: 06/3/2020 Contract: HU 2020-06 FC-09

On June 3rd, 2020 bids were opened for the Railcar Overhead Shaker with Hoist and Control System for the Coal Dumper Building at WEC. The purpose of this shaker is to improve safety while operating railroad cars during the unloading of coal in the wintertime. . This item is included in the 2019/2020 HU Budget (B.I.#2.14) in the total amount of \$140,000.

We may have received only one bid because of the limited space available for the shaker and the explosion proof requirement. . A summary of the bid is given below:

BIDDER	Bid Surety	Except.	Total
NAVCO	Cashier check \$7,970.00	Yes	\$159,389.00

The bid exceeded the budget amount. Even with the additional expense we do not expect the Electric Department budget to be exceeded.

Staff recommends that the bid be awarded to NAVCO, Houston, TX in the amount of \$159,389.00 excluding sales tax.

MR 06/05/2020



DATE: June 5, 2020
TO: Kevin Johnson
FROM: Doug Baumgart *D.B.*
RE: Recommendation of Award of Contract for 2021 Peterbilt 567 6x4 Cab and Chassis with an Altec Hydraulic Telescopic Crane (BI 2.50)

Existing Electric Department truck 27, a 1988 Ford cab and chassis with a National Crane telescopic crane, is in the 2019-2020 and 2020-2021 budgets for replacement, B.I. #2.50, in the total amount of \$500,000. The new truck and crane will be purchased through the Sourcewell joint purchasing alliance (formerly known as NJPA) program and pricing they have already obtained for Peterbilt trucks and Altec cranes. On May 22, 2020, Altec Industries, Inc. of St. Joe, MO provided pricing on a truck cab and chassis and hydraulic telescopic crane. The following is a breakdown of the pricing for the truck:

2021 Peterbilt 567 6x4 cab and chassis with	
Altec Hydraulic Telescopic Crane	\$452,970.00
Options for Test Weight, Rotating Platform & Brigade System	\$13,404.00
Delivery	<u>\$3,055.00</u>
Total Package	\$469,429.00

Staff recommends the optional additions of the test weights, rotating platform and brigade system. The test weights are an OSHA requirement and the other two options are safety features. The rotating platform will allow workers access directly to the pole in tight situations and the brigade system is a backup sensor.

Upon delivery of the newly completed truck, the existing truck will be sold on auction.

The new crane will have 158 foot reach with the jib and maximum lifting capacity of 38 tons. This will allow us to set large transformers without the use of two trucks and also provide access to the top of our transmission poles without having to be positioned right next to the pole. The existing equipment is underpowered and undersized for our existing system, 88 foot boom with 15 foot jib and maximum lifting capacity of 16.5 tons, along with a lack of safety devices to meet current standards. The truck will also be available to be utilized for Whelan Energy Center and Pollution Control Facility needs.

Staff researched and made site visits to vendors for both National Cranes and Altec Cranes. It was determined that the Altec Crane was better suited for our needs based on operator options available. Altec Industries recommended the use of the Peterbilt cab and chassis with the crane based on their familiarity of the design and engineering on how the crane ties into the chassis.

I recommend the award of the contract for the new Electric Department truck #27 to Altec Industries, Inc., St. Joe, MO in the amount of \$469,429.00 excluding sales tax.

"Locally owned and operated since 1886"

1228 N. Denver Ave., P.O. Box 289, Hastings, NE 68902-0289 Phone: (402)463-1371 Fax: (402) 463-1705 www.hastingsutilities.com

Quoted for: City of Hastings, NE

Customer Contact:

Phone: / Email:

Quoted by: Coy Hypes

Phone: 540-397-1100 / Email: Coy.Hypes@Altec.com

Altec Account Manager: Kyle Kelly

REFERENCE ALTEC MODEL

AC38-127S	Hydraulic Telescopic Crane	\$324,951
-----------	----------------------------	-----------

(A.) SOURCEWELL OPTIONS ON CONTRACT (Unit)

1	AC38-127S-2JIB	Two Piece 31'-55' - Telescopic Side Stow Jib	\$8,855
2	AC38-127S-AUTO	Automatic Transmission	\$6,649
3	AC38-127S-CAC	Operator Cab AC	\$6,545
4	AC38-127S-COC	Centralized Outrigger Controls at Rear	\$422
5	AC38-127S-DE-OC	Dual entry enclosed operator's cab	\$13,795
6	AC38-127S-OCH	Operator Cab Heat	\$3,112
7	AC38-127S-PLAT	Two-Man Platform (800lbs. Capacity)	\$5,906
8	AC38-127S-RRC	Radio remote controls, transmitter displays LMI info.	\$12,733
9	AC38-127S-SHEAVE1	One (1) Sheave Load Block With Holder	\$2,566
10	AC38-127S-TILT	Cab tilt mechanism 0 - 20 degrees (requires enclosed operator cab)	\$3,435
11	AC38-127S-US103	103', 4 section boom rear mount (AC38-103S)	-\$4,960

(A1.) SOURCEWELL OPTIONS ON CONTRACT (General)

1	CH	Cone Holder, Fold Over Post Style	\$277
2	ALUMBX	Aluminum underbody boxes (Qty. two)	\$609
3	SPOT5	Spotlight, LED, Mounted to Truck, Can Be Directed Wherever Required.	\$410
4	SPOT5	Spotlight, LED, Mounted to Truck, Can Be Directed Wherever Required.	\$410
5	SPOT4	SIX (6) POINT STROBE SYSTEM (LED)	\$781
6	SPOT4	SIX (6) POINT STROBE SYSTEM (LED)	\$781
7	DRING	D-ring for Mounting On Body (per D-ring)	\$115
8	SPOT6	Remote Spot Light, LED, Permanent Mount, With Wireless Dash Mounted Controls	\$709
9	VCAM	Backup Camera System	\$835

SOURCEWELL OPTIONS TOTAL: \$388,936

(B.) OPEN MARKET ITEMS (Customer Requested)

1	UNIT	AC38-103S with Dual Entry Cab / Platform / Radios / Grooved Drum Winch	\$0
2	UNIT & HYDRAULIC ACC	Starlift Xtra Wire Rope	\$4,863
3	BODY	Aluminum Flatbed ILO Steel	\$12,898
4	BODY & CHASSIS ACC	Custom Safety Harnesses	\$2,717
5	ELECTRICAL	Backup Sensory / Underbody Lighting Package	\$1,905
6	FINISHING	EZ Trac Hydraulic Front Drive Axle	\$41,651
7	CHASSIS	2021 Peterbilt 567 6x4 with Pusher	\$0
8	OTHER	FET Exemption Form Required	\$0

OPEN MARKET OPTIONS TOTAL: \$64,034

SUB-TOTAL FOR UNIT/BODY/CHASSIS: \$452,970

Delivery to Customer: \$3,055

TOTAL FOR UNIT/BODY/CHASSIS: \$456,025

(C.) ADDITIONAL ITEMS (items are not included in total above)

1	Test Weight	Platform Test Weight Package	\$2,966
2	Rotating Platform	Rotating Platform ILO Standard	\$8,362
3	Brigade System	360 Brigade System	\$2,076

****Pricing valid for 45 days****

NOTES

PAINT COLOR: White to match chassis, unless otherwise specified

WARRANTY: Standard Altec Warranty for Aerials and Derricks - One (1) year parts warranty One (1) year labor warranty Ninety (90) days warranty for travel charges (Mobile Service) Limited Lifetime Structural Warranty. Chassis to include standard warranty, per the manufacturer.

TO ORDER: To order, please contact the Altec Account Manager listed above.

CHASSIS: Per Altec Commercial Standard

DELIVERY: No later than 300 days ARO, FOB Customer Location

TERMS: Net 30 days

BEST VALUE: Altec boasts the following "Best Value" features: Altec ISO Grip Controls for Extra Protection, Only Lifetime Warranty on Structural Components in Industry, Largest Service Network in Industry (Domestic and Overseas), Altec SENTRY Web/CD Based Training, Dedicated/Direct Gov't Sales Manager, In-Service Training with Every Order.

TRADE-IN: Equipment trades must be received in operational condition (as initial inspection) and DOT compliant at the time of pick-up. Failure to comply with these requirements, may result in customer bill-back repairs.

BUILD LOCATION: Roanoke, VA

SPP Market Highlights

Figure 2-24 Wind speed map

United States - Land-Based and Offshore Annual Average Wind Speed at 80 m

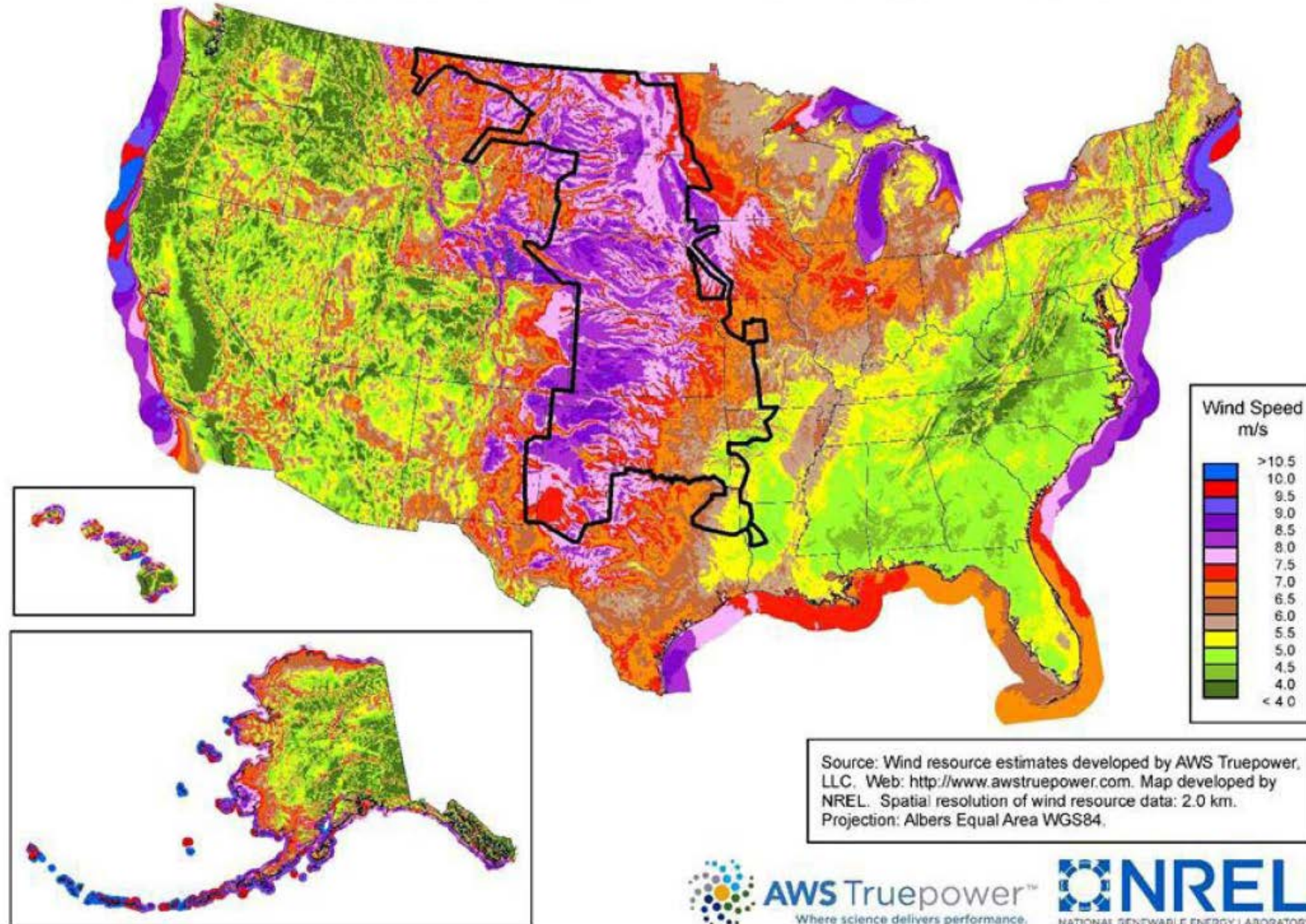


Figure 2-28 Wind generation as a percent of load

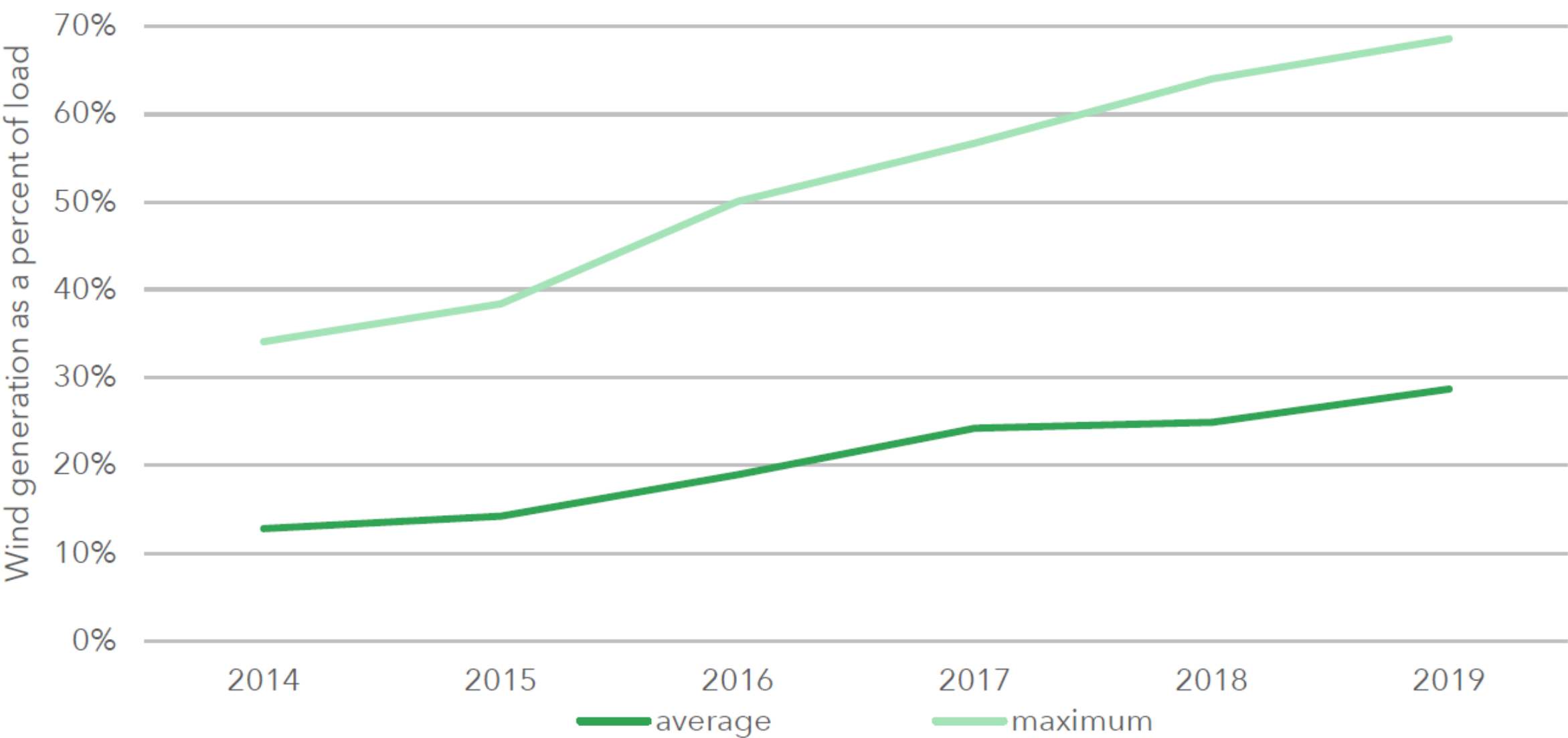


Figure 2–25 depicts nameplate capacity and total generation of SPP wind facilities since 2014.

Figure 2-25 Wind capacity and generation

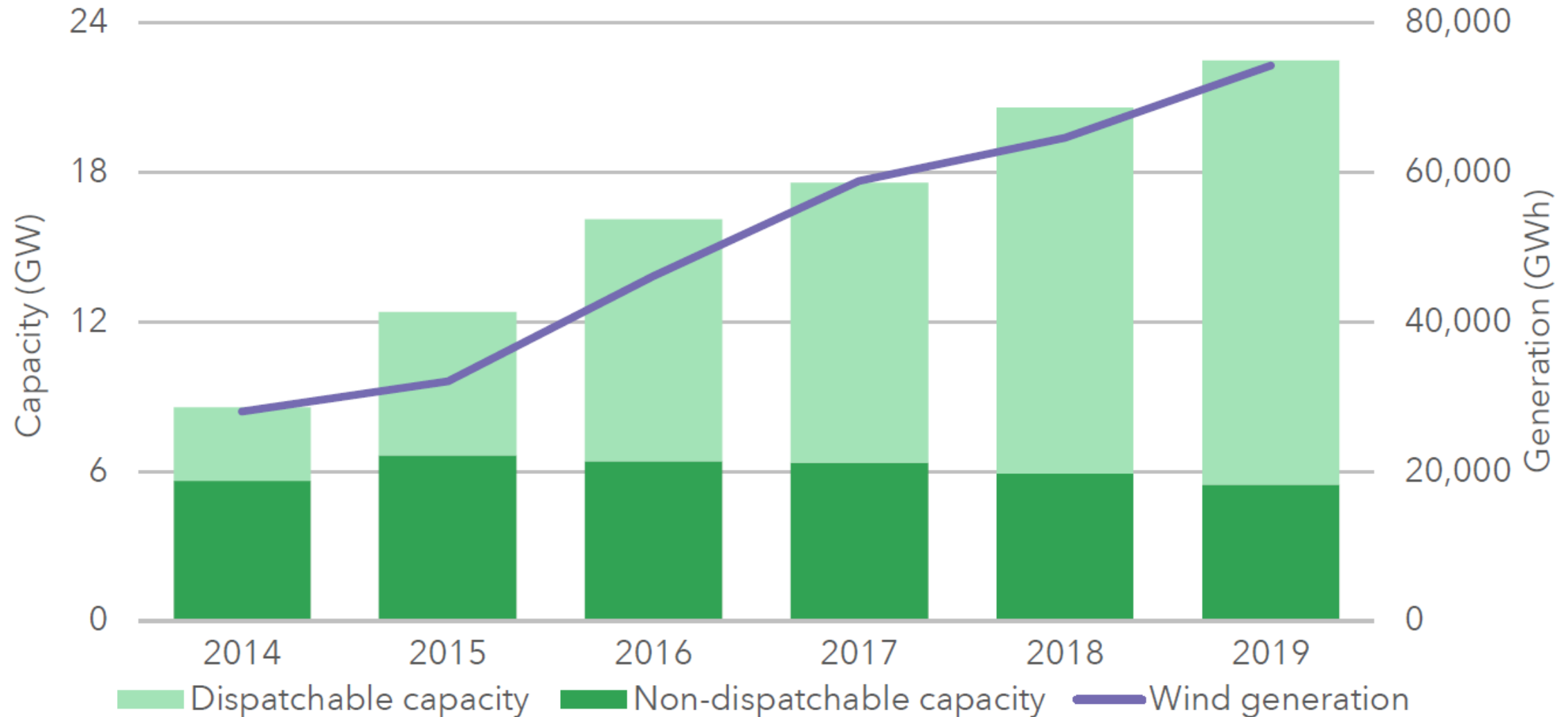


Figure 2-18 Executed generation interconnection requests, on-schedule

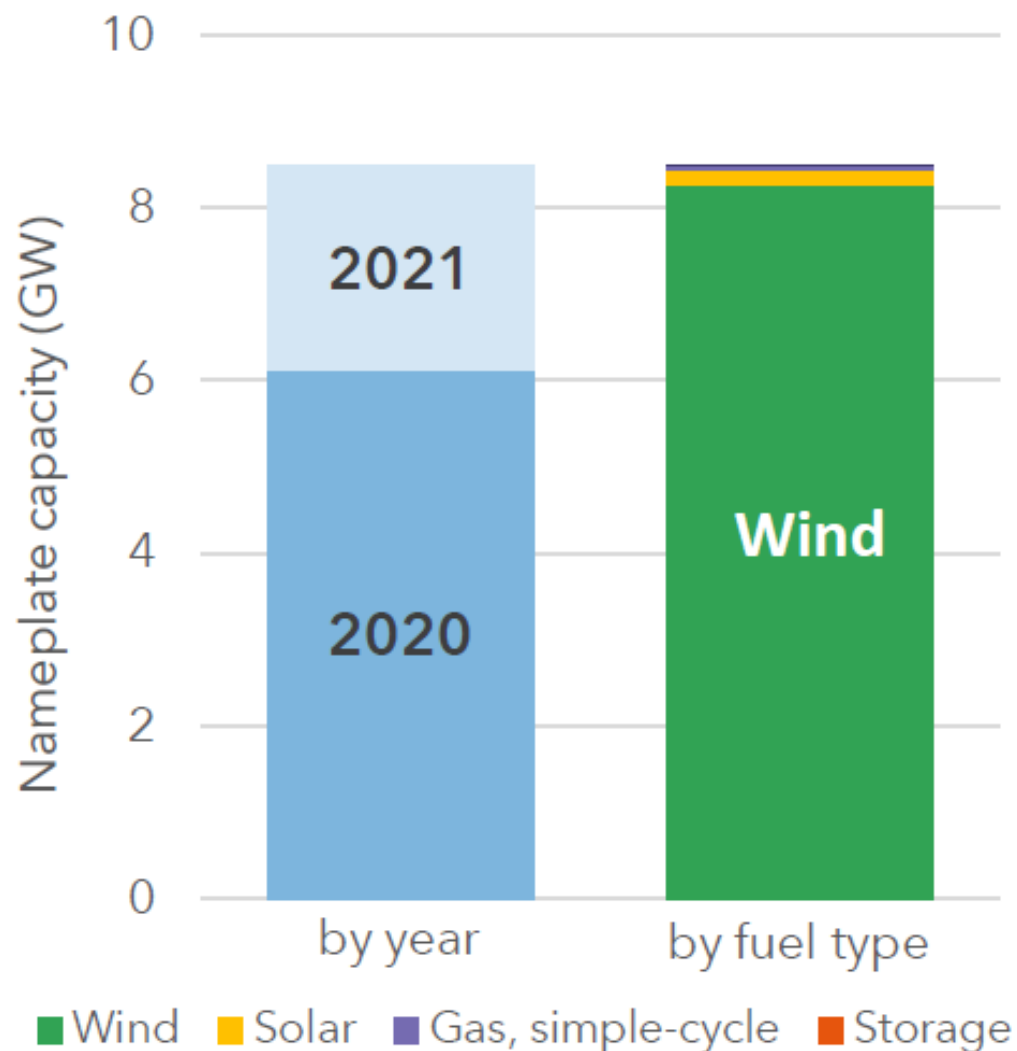


Figure 4-19 Negative price intervals, real-time, monthly

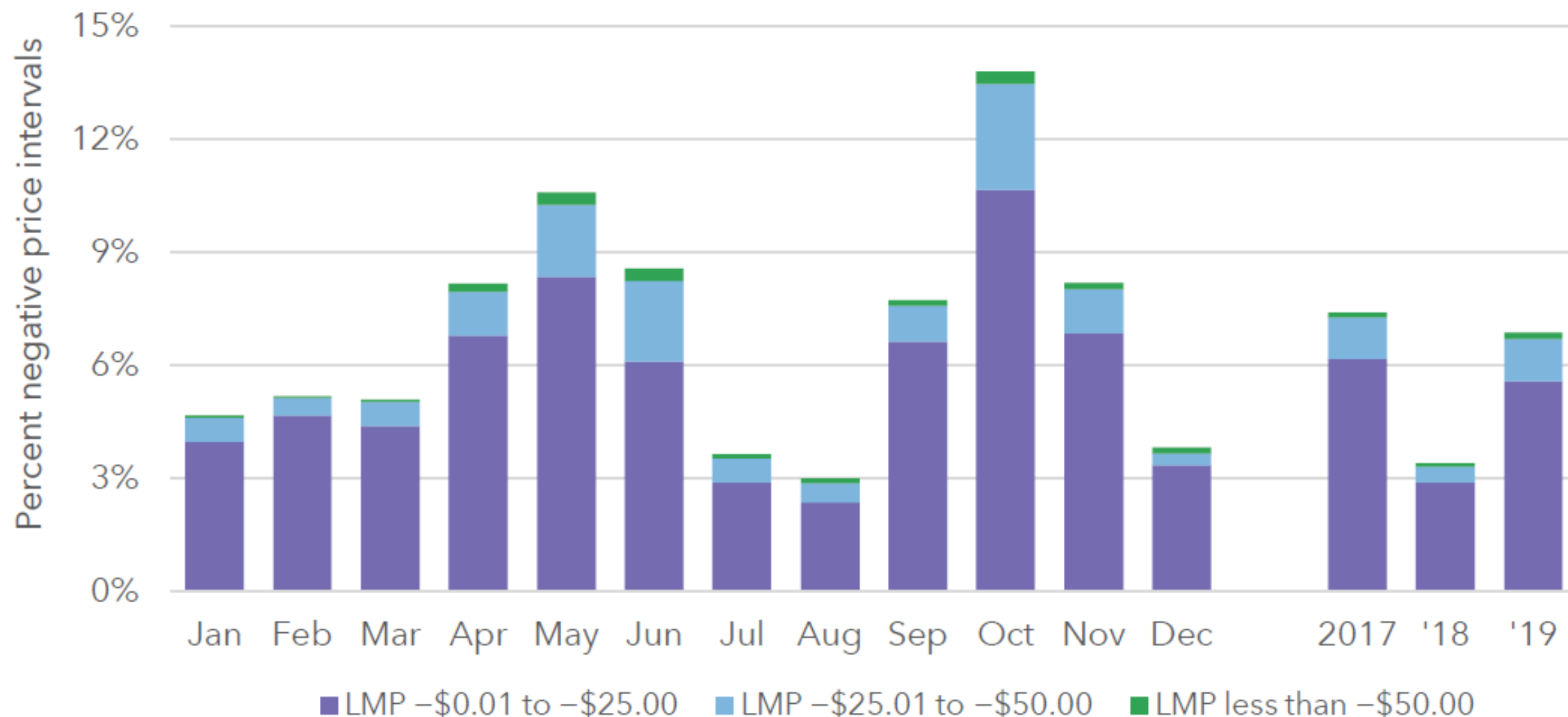


Figure 4-1 **Energy price versus natural gas price, annual**

