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

ROLL CALL:

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

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 JULY 9, 2020 REGULAR MEETING.

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

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, July 7, 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 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 announced that Carol Crecelius plans to retire Friday, July 17 and this will be her last meeting with the Board. He also introduced Chuck Oliver, the new Director of Electric Production.

BOARD CHAIRMAN'S COMMUNICATIONS:

Bill Hitesman welcomed Chuck to Hastings Utilities and offered good wishes to Carol in her retirement.

BOARD MEMBERS' COMMUNICATIONS:

None

CITIZEN COMMUNICATIONS:

Mayor Stutte thanked Carol for her service of 40+ years at the Utilities. Joanne Seberg also offered good wishes.

APPROVAL OF MINUTES:

1. Approval of Minutes of the Hastings Utility Board Meeting on June 11, 2020

Moved by Shawn Hartmann seconded by Joanne Seberg to approve the minutes of the June 11, 2020 teleconference meeting. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg. Nays: None. Absent: Shayne Raitt, Jeanette Dewalt. The motion carried.

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

None.

3. General Business.

(a) Finance

i. Capital Budget Highlights

Robin Ginn stated that Finance has been busy working on the budget. They are hoping to get the numbers finalized by the end of the week. Roger Nash stated that they still need the payroll numbers and benefit plan. They will have to use estimated numbers which will be a challenge because of changing to a calendar year. The estimates will be based on our claims history this year. Dave Ptak said the biggest problem is with the re-insurer. They like to have nine months of claim experience before they decide what they are going to accept for a premium for over and above our stop loss. The nine months of claims would include September and our budget starts October 1 so we will probably just have a tentative number for that and estimate where we might be. He said that Blue Cross/Blue Shield is not doing re-insurance anymore so they have to go outside of Blue Cross/Blue Shield. Kevin Johnson speculated that like last year, the Utility Board will probably have a joint workshop with the City Council to talk through the budget. He said we can also use a portion of the August meeting to discuss the budget.

Kevin Johnson gave a presentation on Capital Project History, and Current and Proposed Numbers for the Electric, Gas, Water, and Pollution Control Departments, as well as Street Lighting services and the Administrative Department.

(b) Production

None.

(c) Operations

None.

(d) Administration

i. Service Fee Changes ... Credit Card Fees, Deposits

Brian Strom gave a presentation on Service Fee changes that are under consideration. He is not asking action today but would like the Board to consider these changes with the budget discussions. His presentation included Credit/Debit Card Fees, current and proposed changes, the current Deposit Policy and changes to consider, along with a justification for a deposit, a summary of write-offs of utility bills, and a comparison of what other utilities in our region charge for credit card fees and deposits.

ii. Cost of Service Study Impacts Under Further Review

Derek Zeisler reported that the Cost of Service Study is wrapping up. He said there are two main items that we are still working through. One is with the Juniata street lights. These are owned by Juniata. Derek said we will be visiting with Juniata to discuss options.

Derek said the other item is the Cost of Service Study recommends eliminating the Interruptible Irrigation Rate honor system and going to a flat rate. He said we are looking at short-term and long-term options. Derek stated that the AMI Smart Meter System will give us some options down the road to offer some varying rates, but right now any varying rates have to be checked and acknowledged by staff.

Kevin Johnson stated that the Cost of Service Study has proposed a small increase in electric rates and a 3% increase in the gas rates. He said we still haven't incorporated all our budget numbers together just to see what those percentages are going to fall out to be. Slight increases are likely. He has not projected the water and sewer numbers yet.

(e) Other

None.

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

None.

ADJOURN:

Moved by Shawn Hartmann seconded by Joanne Seberg that there being no further business, the meeting adjourn at 9:47 a.m. Roll Call: Ayes: Shawn Hartmann, Bill Hitesman, Joanne Seberg. Nays: None. Absent: Shayne Raitt, Jeanette Dewalt. The motion carried.

APPROVED:

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Board Secretary