CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, March 9, 2023

Pursuant to due call and notice thereof, a Regular Meeting of the Utility Board of Hastings, Nebraska was conducted in the Council Chambers - City Hall Building, 220 North Hastings Avenue, on March 9, 2023.

ROLL CALL:

The meeting was called to order at 9:00 a.m. in Regular Session by Bill Hitesman with the following members present: Jeanette Dewalt, Mark Hemje, Shayne Raitt.
Kevin Johnson, Lee Vrooman, Karl Block, Keith Leonhardt, Noel Nienhueser, Jaci Higgins, Derek Zeisler, Butch Eley, Brandan Lubken, Erik Nielsen, Tony Herman, Lori Hartman, Robin Ginn, Roger Nash, and Jesse Oswald.
Absent: Susan Meeske, Corey Stutte, Shawn Hartmann

PLEDGE OF ALLEGIANCE:

Bill Hitesman led the group in the recital of the Pledge of Allegiance to the United States of America.

MOTION TO ADOPT CURRENT AGENDA FOR March 9, 2023 REGULAR MEETING.

Moved by Raitt and seconded by Dewalt to adopt the current agenda for the March 9, 2023 Regular Meeting. Roll Call: Ayes: Hitesman, Dewalt, Hemje, Raitt. Nays: None. Absent: Meeske. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, March 7, 2023. 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:

Apologies for missing the meeting last month.

BOARD CHAIRMAN'S COMMUNICATIONS:

Apologize as well for being absent.

BOARD MEMBERS' COMMUNICATIONS:

none

CITIZEN COMMUNICATIONS:

none

CONSENT AGENDA:

1. All Consent Items.

(a) Approval of the minutes of the Hastings Utility Board Meeting of February 9, 2023.

hemje, dewalt
Hemje moved, Dewalt second. Roll Call: Ayes: Bill Hitesman, Jeanette Dewalt, Mark Hemje, Shayne Raitt. Nays: None. Absent: Meeske.
Approved.

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

3. General Business.

(a) Finance

i. Audit Presentation via Zoom

AMGL from Grand Island conducted our audit. Had a clean and productive audit with some suggestions moving forward on things we can do.
Marci to walk through the audit via video call.
Questions:
Comment about depreciation of capital assets not being calculated per asset. It has been an issue for awhile. Hopefully, next year with the new system, they will take time to get each asset properly depreciated.
On page 50, segregation of duties due to limited personnel. There is no adequate segregation of duties to insure internal control over cash receipts disbursements and recording of transactions. That has been on there for a few years. In other utilities of this size, do you see that being an issue? She sees that as a very common comment. In an organization, we can't eliminate this comment.
The deposits that we have, what's the policy for Hastings Utilities as far as going out to bid for rates on CD's, money markets? Is there a policy in place to do that from time to time? Historically, what we have done, is we have a certain amount of operating cash in the combined accounts and then we have money in CD's and money markets. When the CD's mature, there is a notice sent out to all of the local banks of the amount and what we are requesting for either a 6 month or 12 month term and gives them an opportunity to offer a rate. Money market accounts continue to be in contact with the banks when interest is increased to see if our rates will increase.

ii. Additional FTE & Funding

A year ago, we started parallel processing in anticipation of going live October '22 with the current system and the new system. We did go live, but we are still having challenges on the utility side.We are looking for support for an additional FTE for the utility side. We have payroll, asset management and billing modules coming up. The issues are going to keep getting bigger.
When our 3rd party consultants came on at the end of 2019, they had suggested that the finance department hire two additional full time people dedicated to the ERP. Had discussions with complete staff and decided to move forward with the current staff level at the time. Payroll is scheduled to go live on October 1, 2023. Before the end of this fiscal year, there will be some significant additional work in the finance department.
Hemje motions to approve moving to the City council an additional FTE and funding for the finance department. Rait seconds. Yays: Hitesman, Dewalt, Hemje, Rait. Nays: None. Absent: Meeske.

(b) Production

i. Electric Production (WEC1, Solar) Economics

Jaci presents a power point mainly on WEC 1. Ties a little bit on solar and wind. Data that is pulled from Tenaska and monthly financial statements.

Is SPP willing to pay even if we don't have a February event? Hastings can't save SPP. We have to do what is best for our customers.

ii. CCR (Ash) Compliance Update

Lee to start discussion on this.
In the April meeting, we will be bringing a contract for ash equipment for unit 1. This equipment is in compliance with the CCR rules and was not budgeted. Was waiting for the EPA to approve the technology we could use before budgeting. Recently was told that EPA approval is not needed.

iii. Solar Farm Expansion Update

Derek to discuss the expansion. A lot of good reasons for us to continue. Hopefully, to get some finalized numbers and bring them to the April meeting.
Will we be doing it somewhere where people can buy them? Considering multiple options. Wanted to get the best economic bang for the buck. Roughly 22 acres as opposed to our 11 acres now.

(c) Operations

(d) Administration

(e) Other

i. APPA National Conference

This year the APPA National Conference is from June 16th through the 21st. If you have an interest, we would fund your participation, but not your spouse. It will be held in Seattle this year. If you have an interest, please let us know fairly quickly.

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

ADJOURN:

Moved by Dewalt seconded by Hemje there being no further business to adjourn at 10:18 am. Roll Call: Ayes: Bill Hitesman, Jeanette Dewalt Mark Hemje, Shayne Raitt. Nays: None. Absent: Susan Meeske. Meeting Adjourned.

APPROVED:

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Board Secretary