

CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, April 11, 2024

Pursuant to due call and notice thereof, a Regular Meeting of the Utility Board of Hastings, Nebraska was conducted Airport Conference Room - Hastings Municipal Airport - 3300 W. 12th Street, on April 11, 2024.

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, Susan Meeske, Scott Snell. Kevin Johnson, Erik Nielsen, Tony Hermann, Burch Eley, Mark Funkey, Larry Fox, Jaci Higgins, Derek Zeisler, Keith Leonhardt, Micah McCaffery, Jesse Oswald, Karl Block, Lee Vrooman, Shawn Metcalf, Brandon Lubken, Lori Hartman, Shawn Hartmann, Noel Nienhueser.

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 April 11, 2024 REGULAR MEETING.

Moved by Meeske and seconded by Hemje to adopt the current agenda for the April 11, 2024 Regular Meeting. Roll Call: Ayes: Hitesman, Dewalt, Hemje, Meeske, Snell. Nays: None. Absent: None. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, April 9, 2024. 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 Conference Room. Also, a current copy of the Nebraska Open Meetings Act is posted on the south wall of the Airport Conference Room, which is accessible to members of the public.

MANAGER'S COMMUNICATIONS:

Next few months prior to finalizing the budget, our staff will be presenting the PILOT. Resolution 1444 will be discussed at the work session.

BOARD CHAIRMAN'S COMMUNICATIONS:

Hate to see Kevin leave, but we wish him well and thank you.

BOARD MEMBERS' COMMUNICATIONS:

None.

CITIZEN COMMUNICATIONS:

Willis Hunt speaks and thanks Kevin for his time.

CONSENT AGENDA:

1. All Consent Items.

- (a) Approval of the minutes of the Hastings Utility Board Meeting of March 14, 2024.

Dewalt moved, Hemje second. Roll Call: Ayes: Hitesman, Dewalt, Hemje, Meeske, Snell. Nays: None. Absent: None.
Approved.

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

3. General Business.

- (a) Finance

i. First Quarter Financial Update

Jaci discusses the Financial and Operating Report

Accounting and Finance Updates

-Budget Schedule Overview

-Due to/Due from Reconciliation

-Deprecation/fixed assets update

Electric Summary

*WEC1 was in a longer than normal outage in Q1 driving a decrease in SPP Market Sales. Combined a mild fall and weaker SPP Market, both SPP Market Sales and SPP Market Purchases are below budget.

*Typically, the strongest time for the SPP market is in Q3.

Gas Summary

*Q1 is the second highest quarter for gas purchased, after Q2; Revenue follows this trend as majority of revenue is collected in Q2.

Water Summary

*Majority of water revenue comes in Q4 with summer watering.

Pollution Control

*On track per budget; this department tends to be consistent each month

Electric Analysis

*Compared to Q1 FY 2023, Fuel Cost for Q1 FY2024 is slightly higher due to an increase in coal cost. Other Generation Expenses are also higher in Q1 FY2024 due to a larger than normal outage, incurring higher expenses.

*Under SPP Market Sales and SPP Purchases, we are making more money selling our generation than we are paying for city load...that is what we want to see!

Natural Gas and Water Analysis

*Previously titled "Unit Sales & Cost Analysis," will be reviewed and potentially a new layout will be presented.

Heating Degree Days

*Degree days are based on the assumption that when the outside temperature is 65 degrees F, we don't need heating or cooling to be comfortable. Degree days are the difference between the daily temperature mean, (high temperature plus low temperature divided by two) and 65 degrees F. If the temperature mean is above 65F, we subtract 65 from the mean and the result is Cooling Degree Days. If the temperature means is below 65F, we subtract the mean from 65 and the result is Heating Degree Days.

ii. Budget Schedule Overview

<u>Budget Action</u>	<u>Action</u>
<u>By</u>	<u>Time Table</u>
* Discuss potential FY25 goals with Dept heads	City Administrators; Dept
Heads	April 15-30
* FY25 Budget projection set up in MUNIS	Finance
Director	May 3
* Budget accomplishments and FY25 goals due to Gail	Department
Heads	May 10
* Request new account numbers	Department
Heads	May 17
* Council Retreat	City Council; Department
Heads	May 20
* Revenue FY24 estimate & FY25 projections	Department
Heads	June 10
* Capital Outlay Requests entered in Teams	Department
Heads	June 10
* Requested FY25 budget entered in MUNIS	Department
Heads	June 17
* Review & analysis of capital & operating budget	City Administrator; Finance
Director	June 17-July 12
requests, prepare initial draft budget	
* Fee Resolution changes to Gail	Department
Heads	July 19
* Utility Advisory Board meeting presentation	Utility
Manager	July 25
* CRA Levy Request Letter	CRA
Director	July 26
* First Draft of Budget	Mayor &
Council	July 19
* Second Draft of Budget	Mayor &
Council	August 19
* CRA Levy Approved by Council	Mayor &
Council	No later than Sept. 1
* Deliver notice to newspaper for budget adoption	City
Clerk	August 28
* Notice of Public Hearing	City
Clerk	No later than Aug. 30
* 1st reading of budget (public hearing)	Mayor &
Council	September 9

* Joint pick card meeting (if needed)	Applicable
entities	Approximately Sept. 14
* 2nd reading of budget (if needed, special meeting)	Mayor &
Council	September 16
* 3rd and final reading of budget & Tax Ask (if needed)	Mayor &
Council	September 23
* Budget filed with County & State Auditor	Finance
Director	September 30

(b) Production

i. Electric Production Spring Outages Update

Micah to present an update on this.

WEC 1

-Spring Outage

*March 10th - April 29th

-Byproduct Removal

*New bottom and drag conveyor and storage

*Utilizing truck and trailer for removal and transfer of dry material

-High energy piping and extraction valve inspections

-Pulverizer repairs and preventative maintenance

-Upcoming projects

*Permanent byproduct silo - Fall of 2024

*Electrostatic precipitator overhaul

WEC 2

-Reliable runs through the winter.

-Currently in Market Status

*Called online to support grid condition

-March 27th-April 1st

-April 8th -

-Spring Outage

*April 12th - May 3rd

*Boiler catalyst inspection and cleaning

*Pulverizer repairs and preventative maintenance

-Upcoming and ongoing projects

*Auxiliary boiler - 2025

*Burner replacement - Fall of 2024

*Cooling tower repairs - Fall of 2024

NDS 4 & 5

-Both NDS units are in planned outage

*March 16th - April 30th

-NDS 4 generator and hydrogen seal work through winter

*Successfully tested February 21st

-Distributed Control System upgrade

*Joint effort between EI&C and Operations

*Boiler tuning next week

-Preparing for peak season operation

(c) Operations

i. Sewer Explosion Update

Brandan speaks about the explosion. Was hoping to have more information before, but still not a lot of information. Waiting on fire department report.

ii. South Street Water/Sewer Infrastructure Failure Update

Brandan Speaks about the closing on South Street. March 29th was when sewer issues were noticed.

Repaving all of next week. Hoping to be done by the end of next week.

Questions?

How often do we do inspections on sewers? pipes are 10 miles every year. Man holes are looked into every two months.

How much is this for the budget? We do include unforeseen events like this in the budget. We will be okay with staying in the budget.

(d) Administration

(e) Other

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

ADJOURN:

Moved by Dewalt seconded by Meeske there being no further business to adjourn at 10:09 am.
Roll Call: Ayes: Bill Hitesman, Jeanette Dewalt Mark Hemje, Susan Meeske, Scott Snell. Nays: None. Absent: None. Meeting Adjourned.

APPROVED:

Board Secretary