

AUSTIN UTILITIES

MINUTES OF MEETING

3:45 pm November 15th, 2022

Regular Meeting

Jeanne Sheehan

Date

President

Members Present:

Steve Greenman, Commissioner
Jay Lutz, Commissioner
Kristin Johnson, Commissioner

Others Present:

Mark Nibaur, General Manager
Alex Bumgardner, Utility Operations Director
Ann Christianson, Finance Manager
Dan Ulland, Employee Relations Director

Members Absent:

Jeanne Sheehan, President (via telephone)
Tom Baudler, Commissioner

Vice President Kristin Johnson called the meeting to order. President Sheehan participated via telephone.

Moved by Jay Lutz, seconded by Steve Greenman, to adjourn to Closed Meeting pursuant to Minn. Stat. §13D.03 Subd. 1(b) for strategy relating to labor negotiations. Approved unanimously.

(Return to open meeting 4:20 pm)

Moved by Jay Lutz, seconded by Steve Greenman, to approve the meeting agenda. Approved unanimously.

Moved by Jay Lutz, seconded Steve Greenman, to approve the regular meeting minutes of October 15th, 2022. Approved unanimously.

Moved by Steve Greenman seconded by Jay Lutz, to approve the disbursements summary, accounts payable list, additional bills and expenses, and authorize warrants to be drawn for their payment. Approved unanimously.

Mark Nibaur, General Manager, reviewed possible housing development incentives to help fill Austin's need for single family homes. A possible program to solve this challenge is for AU to assist, at some level, in funding the infrastructure and recovering costs from the private developer as residential lots are sold. Discussion was held on length of payback, type of developments, and potential issues with property tax abatement. AU staff will continue to work with City staff on possible utility incentives in future housing development proposals.

Mark Nibaur, General Manager, and Ann Christianson, Finance Manager, presented AU's 2023 proposed budget. AU's finance subcommittee met and reviewed a detailed budget with potential rate increase scenarios. Cost increases from SMMPA, increased natural gas prices and transportation charges were major factors in the proposed rates and PGA for 2023. Ultimately the finance subcommittee recommended a 7% increase in electric rates, a 9% increase in water rates, and a positive PGA of \$0.1535 which could fluctuate throughout the year. AU staff will prepare the 2023 rate tariffs and final budget for approval at December's board meeting.

A project update from Dan Ulland, Employee Relations Director, was tabled until December.

Mark Nibaur, General Manager, also updated the Board on the following:

- SMMPA board meeting minutes
- Safety committee minutes
- Tom Tylutki retirement
- Butch Goergen retirement
- Large Customer Meeting - Dec. 8th

The next regular Board meeting was scheduled for 4:00 pm, Tuesday, December 20th, 2022.

Moved by Jay Lutz, seconded by Steve Greenman, to adjourn. Approved unanimously. Adjourned 5:15 pm.

President

Secretary