

AUSTIN UTILITIES

MINUTES OF MEETING

4:00 pm, October 19th, 2021

Date

Regular Meeting

Steve Greenman

President

Members Present:

Steve Greenman, President
Jay Lutz, Commissioner
Kristin Johnson, Commissioner (via video call)
Jeanne Sheehan, Commissioner
Tom Baudler, Commissioner

Others Present:

Mark Nibaur, General Manager
Alex Bumgardner, Utility Operations Director
Ann Christianson, Finance Manager
Melissa Swenson, Customer Service Supervisor
Kelly Lady, Marketing & Energy Services Manager

Members Absent:

President Steve Greenman called the meeting to order. Due to COVID-19 limitations, Commissioner Kristin Johnson participated through video call.

Moved by Tom Baudler, seconded by Jay Lutz, to approve the meeting agenda. Roll call vote taken and approved unanimously.

Moved by Tom Baudler, seconded by Jay Lutz, to approve the regular meeting minutes and work session minutes from September 14th, 2021. Roll call vote taken and approved unanimously.

Moved by Jay Lutz, seconded by Tom Baudler, to approve the disbursements summary, accounts payable list, additional bills and expenses, and authorize warrants to be drawn for their payment. Roll call vote taken and approved unanimously.

Melissa Swenson, Customer Service Supervisor, presented the 3rd Quarter charge-offs. Amounts were higher than last year but with disconnects resuming customers were beginning to respond more. Commissioner Johnson asked if other utilities were experiencing similar levels of charge-offs. Staff will connect with Elk River Utilities and OPU to compare. Moved by Tom Baudler, seconded by Jeanne Sheehan, to approve charge-offs as presented. Roll call vote taken and approved unanimously.

Mark Nibaur, General Manager, presented Resolution No. 317 - Customer Roundup Program for HeatShare. The program would allow customers to signup for a donation to HeatShare each month equivalent to the amount of change to roundup to the nearest dollar. AU plans to promote the new option in the month of December and begin collecting in January 2022. All funds collected would go directly to the Salvation Army's HeatShare program. Customers could signup or leave the voluntary program at anytime. Commissioner Sheehan asked if all the donations would be used to help Austin residents only. Staff will clarify the parameters with the Salvation Army. Moved by Jay Lutz, seconded by Tom Baudler, to approve Resolution No. 317 as presented. Roll call vote taken and approved 5 yeas to 0 nays.

Alex Bumgardner, Utility Operations Director, presented planned measures for mitigating potential natural gas price fluctuations this upcoming heating season. AU's hedging plan typically consists of 65% Fixed Price Hedge, 10% First of Month Index Price, and 25% Daily Market Price. AU staff has conferred with BP, AU's NG Operational Agency and Supplier, and it is staff's intention to purchase an additional 10-20% priced at First Of Month Index, allowing for the remaining 10-20% to be priced at the daily market price. This will be completed on a monthly basis, and determined based on current market conditions and longer term weather forecast predictions. AU will also implement NG Peak Alerts in certain circumstances to inform customers and help conserve supply. Commissioners recommended informing customers in advance of the steps AU is planning and preparing them for potential NG price increases. BP representatives will also be in Austin on December 1st to speak at the Large Customer meeting.

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

- SMMPA minutes
- Safety Committee minutes
- Downtown plant memorial wall at Rec Center
- Annual report to include 5 year savings recap
- Flu shots Oct. 20th
- Employee Picnic Nov. 5th

The next regular Board meeting was scheduled for 4:00 pm, Tuesday, November 16th, 2021.

Moved by Jeanne Sheehan, seconded by Tom Baudler, to adjourn. Roll call vote taken and approved unanimously. Adjourned 5:04 pm.

President

Secretary