

AUSTIN UTILITIES

MINUTES OF MEETING

4:00 pm April 18th, 2017

Regular Meeting

Jeanne Sheehan

Date

Presiding Officer

Members Present:

Jeanne Sheehan, President
Geoff Baker, Commissioner
Tyler Hulsebus, Commissioner
Tom Baudler, Commissioner
Tom Sherman, Commissioner

Members Absent:

Others Present:

Mark Nibaur, General Manager
Alex Bumgardner, Energy Res. & Utility Operations Dir.
Tom Tylutki, Electric Distribution Director
Kim Duncomb, Support Services Director
Ann Christianson, Finance Manager
Melissa Swenson, Customer Service Supervisor

President Jeanne Sheehan called the meeting to order.

Moved by Tom Sherman, seconded by Tyler Hulsebus, to approve the agenda. Approved unanimously.

Moved by Geoff Baker, seconded by Tom Sherman, to approve the regular meeting minutes of March 14th, 2017. Approved unanimously.

Moved by Geoff Baker, 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. Approved unanimously.

Melissa Swenson, Customer Service Supervisor, presented the first quarter charge offs. Moved by Tom Sherman, seconded by Tom Baudler, to approved the charge offs as presented.

Kim Hillberg, Clifton Larson Allen, presented the 2016 Audited Financial Statement. There were no significant audit findings reported. Ms. Hillberg highlighted some changes to reporting requirements with PERA and how the calculations are made. Ms. Hillberg described Austin Utilities financial reporting as the 'gold standard' and commended Ann Christianson, Finance Manager and her staff for their exceptional work. Moved by Geoff Baker, seconded by Tom Sherman, to receive and place on file the 2016 Annual Audit and forward to the Austin City Council. Approved unanimously.

Mark Nibaur, General Manager, and Ann Christianson, Finance Manager, shared information on cash reserve requirements and potential Cash Reserve Policies. AU has typically followed a 45 day cash reserve policy but staff had recommended at the March meeting to increase to a 90 day cash reserve policy. Commissioner Baker shared an analysis also, reviewed the wide range of cash reserve policies among similar public utilities, and the potential effect on rates. After further discussion the Board agreed to take up the matter again at the May meeting, noting a decision should be made by June so the new policy can be factored into the 2018 budgeting process.

Mark Nibaur, General Manager, and Alex Bumgardner, Energy Resources & Utility Operations Director, presented the new Community Solar program. The program is called SolarChoice and community education classes are being offered to present the program to the community. A draft copy of a marketing piece was also shared. The Board provided some feedback and recommended including a solar investor financial analysis.

Mark Nibaur, General Manager, and Kim Duncomb, Support Services Director presented updates to the AU Safety Manual due to The American Public Power Association's revised 2017 Safety Manual. Commissioners reviewed and signed the "Statement of Safety Policy" to place in the inside cover of the AU Safety Manual.

Ann Christianson, Finance Manager, presented the annual liability insurance waiver. Moved by Tom Baudler, seconded by Geoff Baker, to authorize the General Manager/Secretary to sign the waiver indicating that Austin Utilities does not waive the statutory tort limits. Approved unanimously.

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

- SMMPA minutes
- Safety Committee minutes
- New building rebates
- DeVriendt retirement
- Berghuis resignation
- MMUA Summer conference
- APPA National conference - Orlando

The next Regular Board meeting was established for 4:00 pm on May 9th, 2017.

Moved by Geoff Baker, seconded by Tom Baudler, to adjourn the meeting. Approved unanimously. Adjourned 5:50 pm.

President

Secretary