

AUSTIN UTILITIES

MINUTES OF MEETING

4:00 pm September 20th, 2022
Date

Regular Meeting

Jeanne Sheehan
President

Members Present:

Jeanne Sheehan, President
Steve Greenman, Commissioner
Jay Lutz, Commissioner
Kristin Johnson, Commissioner

Others Present:

Mark Nibaur, General Manager
Alex Bumgardner, Utility Operations Director
Tom Tylutki, Electric Operations Director
Ann Christianson, Finance Manager
Kelly Lady, Marketing & Energy Services Manager

Members Absent:

Tom Baudler, Commissioner

President Jeanne Sheehan called the meeting to order.

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

Moved by Kristin Johnson, seconded Steve Greenman, to approve the regular meeting minutes of August 16th, 2022. Approved unanimously.

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

Austin Utilities customer, Eric Lee, addressed the board during the public comments section. Mr. Lee is concerned about AU's study on Time of Use rates. He feels TOU rates are unfair to the average worker and those on fixed incomes who have no choice but to use electricity during the peak hours. AU staff explained the study is only to collect information on the potential to adopt TOU rates. Commissioners thanked Mr. Lee for his comments.

Mark Nibaur, General Manager, and Alex Bumgardner, Utility Operations Director provided information on Northern Natural Gas's rate increase. NNG has proposed a Base Case rate increase of 121%; this would increase AU's current annual NNG transportation expenses of \$1,730,450 to \$3,828,750. AU and the Midwest Region Gas Task Force are filing protests with FERC and preparing for settlement discussions and testimony disputing the need for such an increase. Additionally, NNG has proposed removing the Small Customer provisions, which would negatively impact AU. AU will be preparing the 2023 budget based on the 121% increase; however, if the rate is settled at a lower value NNG will be required to refund its customers for the overcharge. Staff will keep the board informed of any changes or updates to the case.

Mark Nibaur, General Manager, presented Resolution No. 323 - Self Insurance Pool Name Change. AU is a member of the Sourcewell Risk Management Pool. They are asking approval from all members to change their name to Better Health Collective and to become a Participating Member of The Better Health Collective effective January 1, 2023. Moved by Kristin Johnson, seconded by Jay Lutz, to approve Resolution No. 323 as presented. Roll call vote taken and approved unanimously, 4 yeas to 0 nays.

Tom Tylutki, Electric Operations Director, presented bids for AU's AFB Power Transformer project at Murphy Creek. Niagra Power Transformer was the low bidder with a total price of \$1,063,294.00. Commissioners had questions about the differences in firm and non-firm pricing. Commissioners tabled the matter until staff provides more specific details from DGR Engineering and brings it to the next meeting.

Mark Nibaur, General Manager, presented the proposed Volunteer Program for AU. Employees volunteering their time with AU approved charitable events would be eligible for extra vacation hours up to 8 hours a year. One hour of vacation time would be awarded for every 2 hours of volunteering. Commissioners were in favor of the program and it will be brought to the next Board meeting for official approval.

Tom Tylutki, Electric Operations Director, provided an update on Metronet's fiber installations. AU has completed 40% of the preparation work and the project will take another 7 months before AU's involvement ends.

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

- SMMPA board meeting minutes
- Safety committee minutes
- Employee picnic Sep. 30th

The Budget Committee reviewed the proposed 2023 Personnel budget and noted the base pay structure includes a 3% salary increase for employees. A 4.4% health insurance increase to employees was also noted.

The Personnel Committee will meet next week to start planning for union negotiations with UAW and UFCW for their upcoming 2023 contracts.

Jeanne Sheehan took a moment to present Tom Tylutki with MMUA's Lifetime Achievement award and Mark Nibaur with the MMUA President's Award.

The next regular Board meeting was scheduled for 4:00 pm, Tuesday, October 18th, 2022.

Moved by Steve Greenman, seconded by Kristin Johnson, to adjourn. Approved unanimously. Adjourned 5:30 pm.

President

Secretary