

# AUSTIN UTILITIES

## MINUTES OF MEETING

4:00 pm, April 16th, 2024  
Date

Regular Meeting

Jay Lutz  
President

### Members Present:

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

### Others Present:

Mark Nibaur, General Manager  
Alex Bumgardner, Utility Operations Director  
Dan Ulland, Employee Relations Director  
Marc Oleson, IT Director  
Kory Robinson, Finance & Customer Care Director  
Michelle Orozco, Customer Service Supervisor

### Members Absent:

President Jay Lutz called the meeting to order.

Moved by Tyler Hulsebus, seconded by Steve Greenman, to approve the meeting agenda. Approved unanimously.

Moved by Jeanne Sheehan, seconded by Tyler Hulsebus, to approve the regular meeting minutes of March 19th, 2024 and the Work Session minutes of March 25th, 2024. Approved unanimously.

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

Michelle Orozco, Customer Service Supervisor, presented the 1st Quarter Charge-offs for 2024. Residential loss totaled \$19,529.64 and commercial loss totaled \$2,072.20. Commissioners asked questions about how sewer charges were collected for the City of Austin, and how AU's charge-offs compared to other utilities. Moved by Kristin Johnson, seconded by Jeanne Sheehan, to approved the charge-offs as presented. Approved unanimously.

Mark Bliese and Taylor Bliese of the Austin Enhancement Group attended the meeting to request support for Austin's Freedomfest celebration. After some discussion, moved by Jeanne Sheehan, seconded by Tyler Hulsebus, to approve a \$5,000 sponsorship of Freedomfest. Approved unanimously.

Kory Robinson, Finance & Customer Care Director, and Craig Popenhagen, and Sterling Shatek, of CliftonLarsonAllen, presented the 2023 Annual AU Audit. They reviewed CLA's audit process and AU's financial highlights in 2023. AU received a clean audit with an unmodified opinion, the highest level of assurance. Moved by Steve Greenman, seconded by Jeanne Sheehan, to approve the 2023 Annual Financial Audit and Internal Annual Report and forward to the Austin City Council as presented. Approved unanimously.

Alex Bumgardner, Utility Operations Director, presented the bids opened on April 4th for the Construction Contractor to complete the required work and installations at the Murphy Creek Substation. Due to the value of the work, staff wanted to gain an official motion and award from the Board of Commissioners to move forward with execution of the contract documents. The bid amounts came in roughly 9% higher than the original estimate done 2 years ago. AU, along with the recommendation from consulting Engineer, DGR, request the Board approve awarding the contract to Harold K. Scholz Company (HKS) for \$1,474,999.99. Moved by Tyler Hulsebus, seconded by Jeanne Sheehan, to approve the bid and award the contract to HKS. Approved unanimously.

Mark Nibaur, General Manager, reviewed next steps with AU's Power Supply plan and potential SMMPA contract extension. Commissioners discussed options at the March Work Session. Questions were asked about the risks of local generation, the solvency of SMMPA after RPU leaves, and MN's carbon free requirements. AU's Power Supply consultant, 1898 & Co. will send RFI's (Request for Information) to 6 other wholesale power suppliers in the Midwest. Any responses will be shared with Commissioners at the next Board meeting.

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

- SMMPA meeting minutes
- Safety committee minutes
- MMUA Utility Leader workshop in Blue Earth in June
- Commissioner reelection filing starts May 21st.

The next regular board meeting was scheduled for 4:00 pm, Tuesday, May 21st, 2024.

Moved by Jeanne Sheehan, seconded by Steve Greenman, to adjourn. Approved unanimously. Adjourned at 5:15 pm.

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President

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Secretary