

AUSTIN UTILITIES
MINUTES OF MEETING

4:00 pm, July 15th, 2025	Regular Meeting	Steve Greenman
Date		President

Members Present: Steve Greenman, President Jay Lutz, Commissioner Geoff Baker, Commissioner Tyler Hulsebus, Commissioner Kristin Johnson, Commissioner	Others Present: Mark Nibaur, General Manager Alex Bumgardner, Utility Operations Director Kory Robinson, Finance & Customer Care Director Dan Ulland, Employee Relations Director Marc Oleson, Information Technology Director Michelle Orozco, Customer Service Supervisor Melissa Swenson, Communications & Energy Services Manager
Members Absent:	

President Steve Greenman called the meeting to order.

Moved by Geoff Baker, seconded by Jay Lutz, to approve the agenda. Approved unanimously.

Moved by Geoff Baker, seconded by Tyler Hulsebus, to approve the regular meeting minutes of June 17th, 2025. Approved unanimously.

Moved by Geoff Baker, 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.

Michelle Orozco, Customer Service Supervisor, presented the 2nd quarter charge offs. Commercial loss was \$420.17 and residential loss was \$53,834.38. One residential bankruptcy totaled \$707.33. Moved by Geoff Baker, seconded by Kristin Johnson, to approve the charge offs as presented. Approved unanimously.

Michelle Orozco, Customer Service Supervisor, presented a proposed extension to the customer grace period when paying their utility bill. Currently, the day after the due date a penalty process is completed and customers who did not pay their bill on the due date get a penalty fee of 5%. Staff propose a grace period of 5 days for our customers. This will give them a few extra days to pay their bill and will also help with some of the issues we have been seeing with mail delivery. Customers are not receiving the bill in time to have the full 10 days to pay their bill. Moved by Kristin Johnson, seconded by Geoff Baker, to approve the grace period extension to 5 days. Approved unanimously.

Kory Robinson, Finance & Customer Care Director, presented a summary of wage and health insurance cost through June 2025 as requested at the June board meeting. Gross wage budget including premium pay is \$4,000,890. Current actual \$3,914,6442. Favorable \$86,246 or 2.2% through June 2025. Health insurance premiums for 2026 will have a maximum cap of 12%, worst case scenario. Currently comparing 2025 claims thru May are 102% of the prior 2-year average (July 2023 – June 2025).

Mark Nibaur, General Manager, presented a possible change to the AU Economic Development Incentive Program. Staff recommends that we use our Aid in Construction (AiC) calculation which has been approved by our board. The AiC is a three-year net revenue calculation that Utility Financial Services (UFS) calculated in 2022. Examples of the formula were presented. Commissioner Baker recommended removing the jobs requirement from the program. After a brief discussion on the incentive programs at the DCA, Commissioners requested the jobs requirement be removed and then brought to the Board for approval in a future meeting.

Alex Bumgardner, Utility Operations Director, informed the Board about a residential customer’s solar application for himself and another for his wife. Additionally, a second service was requested for an outbuilding. Staff took the position of allowing the initial application but denied the request for the second service installation based on AU’s Electric Rules and Regulations. The solar contractor had an unfavorable response to the denial. AU is working with MMUA to understand any legal issues that may arise. AU staff wanted the Board to be briefed on the situation.

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

- SMMPA meeting minutes
- Safety committee minutes
- Board communication email disclaimer
- William Todd pillar of the city award
- Taylor Arndt resignation

Dan Ulland, Employee Relations Director, presented to the Board on update regarding the search for a new GM. Commissioners reviewed the candidates that had gone through the second round of interviews and determined Alex Bumgardner and Tom Dankert to both be finalists for the position. Commissioners discussed the option of having the candidates complete a leadership assessment through MDA Leadership. After a brief discussion on the merits and value of the assessment Commissioners agreed to have both candidates complete the assessment. Results would be available before the next Board of Commissioners meeting where both candidates would do interviews with the full board in open session.

The next regular board meeting was set for August 13th at 4pm. The meeting would start with GM interviews followed by regular monthly business and a final review of the candidates’ interview performances and possible next steps.

Moved by Jay Lutz, seconded by Geoff Baker, to adjourn. Approved unanimously at 5:22 pm.

_____ Secretary	_____ President
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