

AUSTIN UTILITIES

MINUTES OF MEETING

4:00 pm, March 21st, 2023
Date

Regular Meeting

Kristin Johnson
President

Members Present:

Kristin Johnson, President
Jeanne Sheehan, Commissioner
Jay Lutz, Commissioner
Tom Baudler, Commissioner

Others Present:

Mark Nibaur, General Manager
Alex Bumgardner, Utility Operations Director
Dan Ulland, Employee Relations Director
Marc Oleson, Information Technology Director
Ann Christianson, Finance Manager
Kelly Lady, Marketing & Energy Services Manager

Members Absent:

Steve Greenman, Commissioner

President Kristin Johnson called the meeting to order.

Moved by Jay Lutz, seconded by Jeanne Sheehan, to approve the meeting agenda. Approved unanimously.

Moved by Jeanne Sheehan, seconded by Jay Lutz, to approve the regular meeting minutes of February 21st, 2023. Approved unanimously.

Moved by Tom Baudler, 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.

Ann Christianson, Finance Manager, reviewed the annual internal financials with the board and noted the change in Net Position was a loss of \$2,424,121.80. Several items that contributed to the loss were the negative impact marking the investments to market value at 12/31/22 which was a loss of \$2,093,464.54 due to the rapid increase in interest rates in 2022. Another item that attributed to the loss was our increase in our Other Post-Employment Benefits liability relating to health insurance which had an increase to our health insurance expenses of \$2,020,310 due to the change in our employer paid cap as well as the increase in interest rates and inflation. The CliftonLarsonAllen (CLA) auditing firm will provide AU's 2022 financial audit at the April board meeting.

Mark Nibaur, General Manager, reviewed grant opportunities through the Federal Infrastructure Investment and Jobs Act (IIJA). AU will be partnering with MMUA, and engineering consultants to apply for funds to upgrade our electric grid and ensure reliability and resiliency. If successful the grants would be available in 2024 and the utility has 5 years to spend the money and complete the projects.

Mark Nibaur, General Manager, presented possible contributions to the Port Authority for the Creekside business development project. Two scenarios were offered for consideration. The first was a contribution from AU of \$12,500 to be deducted from AU's costs to build the infrastructure. The second option was to deny any contribution from AU. After discussion on the merits of the Creekside development, a motion was made by Tom Baudler, seconded by Jeanne Sheehan, to approved the first option of a \$12,500 contribution to the Port Authority. Approved unanimously.

Alex Bumgardner, Utility Operations Director, updated the board on the location options for a DC fast electric vehicle charger location. After consideration, the City of Austin rejected the proposed library lot location. No other locations have been identified at this time.

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

- SMMPA
- Safety committee minutes
- Posting for Communications & Energy Services Manager position
- Anticipated posting of new Finance & Customer Care director to replace Finance Manager in 2024.

The next regular Board meeting was scheduled for 4:00 pm, April 18th, 2023.

Moved by Jeanne Sheehan, seconded by Tom Baudler, to enter a closed meeting to receive attorney-client privileged information pertaining to threatened litigation regarding a former employee and their separation from employment, pursuant to Minnesota Statute 13D.05 subdivision 3(b). Approved unanimously. Closed session begins at 5:10 pm.

Returned to open meeting at 5:42 pm.

Moved by Jeanne Sheehan, seconded by Tom Baudler, to adjourn. Approved unanimously. Adjourned 5:42 pm.

President

Secretary