

Kimball Board of Public Works
Regular Meeting
January 26, 2016

A regular meeting of the Board of Public Works was convened in open and public session at 4:15 p.m. on January 26, 2016 at the City Council Chambers. Board members Cederburg, Porter, Fossand, Rowley, and Robinson were present. Also present were City Administrator Ortiz, Electric Superintendent Hinton, Power Plant Superintendent Terrill, Utility Clerk Klassen, Utility Clerk Baker, City Treasurer Sisk and City Clerk Russell. The public was represented.

Notice of the meeting was given in advance by publication in the Western Nebraska Observer. Notice of the meeting was given to the members and a copy of their acknowledgement of receipt of notice and the agenda is on record at the office of the City Clerk. Availability of the agenda was communicated in advance notice and in the notice to the members. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

Chairperson Cederburg called the meeting to order at 4:15 p.m. and acknowledged the posted Open Meetings Act.

The Board of Public Works reviewed the following items under the consent agenda:

1. Minutes from the regular meeting of December 17, 2015
2. Claims;
3. Treasurer's Report from December 2015; and
4. Financial Reports from December 2015.

There being no discussion, Robinson moved and Rowley seconded to approve the consent agenda. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, Rowley and Robinson. Nay: None. Absent: None. Motion passed.

Robinson moved and Porter seconded that the present Chairperson, Jim Cederburg, and Vice-Chairperson, Chris Rowley, remain. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, Rowley and Robinson. Nay: None. Absent: None. Motion passed.

Cederburg opened discussion on the citizen agenda item request submitted regarding requiring deposits from people who have a history of paying bills; requiring deposits from people who have a monthly bill taken out of their checking account; and the city administrator not having authority to waive the deposits. Harold Farrar, 707 S. Walnut, would like the Board to consider the policy on utility deposits. Farrar indicated his utility bill is automatically taken out of his checking account. He recently moved and was told he would have to pay a \$100 utility deposit which he thought could be waived and he was informed the policy doesn't allow that to happen. Therefore, he wanted to bring this

to the Board for some type of policy where (1) people who have a good history of paying bills, and (2) where people who have a monthly bill taken out of their checking account, it wouldn't require a deposit. Farrar added that at least in some cases to give the City Administrator some authority to use common sense and to possibly waive the meter deposit if he deems it necessary.

Robinson inquired about a written or unwritten policy that the City Administrator can waive deposits. Ortiz commented on the utility service application indicating a \$100 deposit for residential and \$250 for commercial service. In the 90's there was consideration whether or not to refund the deposit after so many years; however, it is not the current practice. Refunding deposits after two years would be close to \$100,000 and this would have to be budgeted. Currently the deposit remains on the individual's account and the balance is applied to the final bill when they move.

Porter inquired who would generate the criteria for the policy of waiving the deposits and Ortiz said the Board would. He commented on office personnel having to implement the background checks and discussion was held on payment history. Most people are going to pay on time however, what happens if they can't for one reason or the other. Ortiz commented on landlords having a security deposit and holding on to it until their tenants move out. Some other larger utilities do run background checks and they do have the resources to do that.

Cederburg said there is a lot of value in consistency and he would just as soon stick with consistency so everyone is treated the same. Porter agreed so there is no perception of impropriety. Robinson said he doesn't disagree with this; however, he feels that paying an account for 20 years without issues is consistency. He commented on automatic payments and credit card "back-up" information. Ortiz said that the City has dealt with a small number of individuals where both options have failed. Fossand agreed with Cederburg that there needs to be consistency so everyone is treated equally.

Ortiz said if the Board wished to do this, a specific set of criteria needs to be established to be followed. Robinson felt this issue warranted some thought and Rowley suggested tabling this for further review. There are people that have lived in Kimball for 35 years and still have their deposit.

Jean Klassen, Utility Clerk, commented that when people come in for utilities they normally want them on right away. If the City is going to have to get credit letters and do credit checks, people will not be able to move in right away. Robinson said he doesn't envision ever going as far as credit checks. It has to be cold, hard facts, i.e., they have lived here for a number of years and have a history of paying bills on time.

There being no further discussion, Robinson moved and Fossand seconded to table this item until the February meeting for further information. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, Rowley and Robinson. Nay: None. Absent: None. Motion passed.

Robinson asked staff to survey other cities as to their deposit policies.

Cederburg opened discussion on the Shared Operator Agreement with the City of Gering. Ortiz said with the vacancy of the Water Supervisor, the other two water operators do not hold the Grade 3 license. The Grade 3 license is required for a city of Kimball's size by the Department of Health and Human Services and Department of Environmental Quality. Ortiz reached out to the City of Gering for assistance until a supervisor with a Grade 3 license is on board. The Gering Public Works Director and Water Operator have agreed to provide assistance and have met with Kimball's water operators. Gering's City Council approved the shared agreement and now Kimball's Board of Public Works needs to consider the agreement.

Ortiz has offered the Water Supervisor position to Carson Sisk, a previous Water Department employee. His Grade 3 license expired in December and he has to re-take the test for recertification; Grade 3 water operator and Grade 6 backhoe operator. The tests are held once a month. The Shared Operator Agreement with Gering would last for a number of months.

There being no further discussion, Robinson moved and Porter seconded to approve the Shared Operator Agreement with the City of Gering. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, Rowley and Robinson. Nay: None. Absent: None. Motion passed.

Ortiz presented an update on the Landfill. There have been issues with the baler and for the past week the trash has been dumped directly into the cell. The City is working with Prestige Manufacturing to repair the baler. Ortiz presented some photos that show cracks and stress fractures. The baler will be down for at least another week or two. Once it is repaired, the only cause of concern will be the hydraulics and electronics. Robinson inquired about a cost estimate and Ortiz indicated he doesn't have an estimate as of yet. Ortiz added that it cost \$1,700 to bring in crushed concrete to strengthen the road and the C & D cell.

Ortiz presented an update on MEAN and WAPA. He and Hinton attended the MEAN meeting last week and Ortiz reported on MEAN's future needs. Ortiz spoke about the uncertainty with MEAN and that much of the uncertainty has stabilized with the changes they have made. Ortiz reported on the fixed costs and Kimball's fixed costs of about \$40,000 a month; the Southwest Power Pool and the Z2 tariff that was approved by the FERC.

Budget-wise with some of the changes, the City is in a lot better shape with some of the increases that Board adopted within the past few years. MEAN has updated some of their financial policies. However, there is some ambiguity of how MEAN will compensate the City for the Power Plant. The City made the decision to move away from dual natural gas/diesel engines to just diesel engines because of the issues with natural gas. Ortiz said that might come up as an issue because of the use of the tanks.

Ortiz will be traveling to Lincoln to meet with individuals to talk about some issues, the Power Plant being one of them.

Ortiz commented on the wind farm reaching its life expectancy and MEAN considering what they will do with the wind farm. The wind farm has a big effect on Kimball's power system and this will be an issue. Ortiz commented on power purchase agreements and indicated that instead of making the commitment to assets such as the wind farm, they are looking to enter into contracts with independently owned assets.

Ortiz reported he will be meeting with Z & S Construction to go over the final aspects of the capping of the Landfill cell. The cell is finalized and there is a CQA report that needs to be sent to NDEQ.

Ortiz reported there have been a few water leaks the past few weeks. The Electric and Power Plant crews assisted the Water crews and Ortiz gave kudos to them.

Ortiz reported Electro-Test is doing some testing on the Power Plant relays and breakers.

Discussion was held on the next meeting. Ortiz, Russell and Sisk will be attending a conference; therefore, the next meeting will be held on February 25, 2016 at 4:15 p.m.

There being no further business to come before the Board of Public Works, Robinson moved and Rowley seconded to adjourn the meeting at 4:50 p.m. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, Rowley and Robinson. Nay: None. Absent: None. Motion passed.

Chairperson

City Clerk

City of Kimball-Board of Public Works-Utility Claims-January 26, 2016-Payroll Fund-Payroll Transfer-38,211.37; Baker & Associates-Rate Study-4,994.63; City of Kimball-General Fund-Transfer-1,470.03; Cornerstone Bank Trust Department- Maturity Fee-100.00; Display Sales Company-Flags & Poles-745.00; Dollar General Corporation-Supplies-11.35; Galeton -Rubber Gloves-52.88; GreatAmerica Financial Services-Lease-365.00; Ideal Linen Supply, Inc.-Mats-47.72; Kimball Auto Parts-Parts-465.73; Kimball Health Services-Medical-44.10; Kimball Insurance-Premium-115,442.55; Power & Communications-Service Deposit Refund-250.00; Shopko Stores Operating Co.-Supplies-91.87; SourceGas, LLC-Gas Service-4,757.81; Staples-Supplies-200.82; Wesco Distribution Receivables Corp.-Street Lights-2,118.60; Centurylink Communications, Inc.-Long Distance-71.77; City of Kimball-General Fund-Transfer-515.73; Nebraska Safety & Fire Equipment, Inc.-Parts-161.00; Payroll Fund-Payroll Transfer-38,042.66; League of NE Municipalities-Registration-80.00; Amazon-Charges-229.48; CenturyLink-Telephone-645.89; Charter Communications- Internet-215.25; Connecting Point- Copy Usage-356.01; Days Inn Kimball-Lodging-41.50; High West

Energy-Utilities-7,309.00; Safetyline Consultants, Inc.- Safety Training-750.00; Simmons Olsen Law Firm, P.C.-Professional Services-810.00; Viaero-Cell Phone-123.18; Visa-Firstier Bank-Charges-662.21; Western Nebraska Observer-Meeting Notices-236.52; Payroll Fund-Payroll Transfer-47,454.71; Brown/Nelson Electric-Repairs-22.50; City of Kimball-Transfer-13,897.66; City of Kimball-Occupation Tax-11,462.12; City of Kimball-General Fund-Transfer-130.00; City of Kimball-Transfer-694.24; City of Kimball-Transfer-487.25; Combined Utilities-Utilities-194.50; Credit Management Services, Inc.-Collection Charges-24.02; Culligan-Rental-32.20; EMC Insurance Company-Deductible-217.61; Exponential Engineering, Co.-Engineering Support-367.50; Frenchman Valley Coop-Bulk Diesel-649.55; Golder Associates-Professional Services-691.69; Grainger-Parts-294.40; HD Supply Waterworks, Ltd.-Touch Read-7,236.63; Hampton Inn-Lodging-178.00; Ryan Head-Service Deposit Refund-91.02; Heavy Enterprises Inc.-Service Deposit Refund-119.02; Hometown Hardware-Supplies-188.61; Ideal Linen Supply, Inc.- Mats-49.64; Kimball Auto Parts-Parts-531.00; Kimball Insurance-Premium-12,645.00; Kimball Service Center-Vehicle Maintenance-366.89; Kriz-Davis Company-Parts-19.40; LorRon Department Store-Cleaning-12.62; MEAN-Mean Billing-160,230.04; MEAN-Rita Installment-1,048.87; Kasandra Mercer-Service Deposit Refund-30.95; Municipal Supply, Inc. of Nebraska-Supplies-9,831.50; Napa Auto Parts-Parts-302.33; Nebraska Dept. of Environmental Quality-Solid Waste Disposal Fee-643.01; Nebraska Municipal Power Pool-Air Emissions Testing-475.00; Nebraska Public Health Enviro Lab-Water Samples-470.00; Nebraska U.C. Fund-Unemployment Insurance-232.00; Mike Noah-Service Deposit Refund-100.00; Northwest Pipe Fitting, Inc. of S.B.-Parts-125.18; One Call Concepts-Locates-12.65; Pace Analytical Services, Inc.-Samples-1,735.00; Panhandle Coop-Propane-1,185.81; Panhandle Coop Association-Supplies-66.86; Perfection Door Company-Repair-63.00; Petersen Drilling Inc-Service Deposit Refund-401.34; Points West Community Bank-Service Deposit Refund-104.07; Elizabeth Shandera-Service Deposit Refund-100.00; SourceGas, LLC-Gas Service-6,683.58; The Right Impression-Plaque-26.85; The United States Life Insurance Company-Long Term Disability-629.82; The United States Life Insurance Company-Long Term Disability-629.82; USA Blue Book-Supplies-695.51; Union Pacific Railroad Company-Service Deposit Refund-494.27; WPCI-Screening/Review-28.50; Wesco Distribution Receivables Corp.-Supplies-438.70; William Thomas-Service Deposit Refund-23.22; Z & S Construction Co., Inc.-Drill Holes-141.76.