

Kimball Board of Public Work  
Regular Meeting  
May 31, 2016

A regular meeting of the Board of Public Works was convened in open and public session at 4:15 p.m. on May 31, 2016 at the City Council Chambers. Board members Cederburg, Porter, Fossand, and Robinson were present. Rowley was absent. Also present were City Administrator Ortiz, Electric Superintendent Hinton, Power Plant Superintendent Terrill, Water Superintendent Sisk, Landfill Superintendent Schulte, Utility Clerk Klassen, City Treasurer Sisk and City Clerk Russell. The public was not 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 4:17 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 April 26, 2016;
2. Claims;
3. Treasurer's Report from April 2016; and
4. Financial Reports from April 2016

After discussion, Robinson moved and Porter seconded to approve the consent agenda. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Cederburg opened discussion on the surplus property list. Ortiz is advertising of the City's surplus property on an on-line website. In the past, sealed bids were accepted. Once the Board approves the inventory list, City staff will research the best course of action. Discussion was held on setting minimums.

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

Cederburg opened discussion on increasing residential and commercial deposits. Information from other communities was included in the packet and discussion was held on whether to increase the City's utility deposits. Robinson commented that the deposits do

need to be looked at; however, with the next discussion items of raising the rates, his inclination is to pass on this for now.

Cederburg compared the utility deposits to rental deposits and that there should be enough to cover one month's rent. Further discussion was held on bad debts. Ortiz explained the average bill total is \$208; however there are some customers with \$2,000 or more. The average residential rate would be closer to \$155. Robinson would be agreeable to raising the residential rate to \$150 and Fossand agreed. Ortiz indicated that one alternative might be to charge \$100 and then \$150 if the customers have failed to pay their last bill. Porter commented that if people can't pay their deposits, they cannot pay their bill. Robinson said that \$150 is fair.

Klassen commented on a house and a garage having separate meters and indicated the City is collecting for each meter. After some discussion, Robinson suggested the resolution be drafted for \$150 for residential deposits and \$50 for the second meter if it is contiguous meter. Porter suggested raising the commercial deposits as well. Fossand recommended raising commercial deposits to \$300. Ortiz indicated the City is starting the budget process and commented on allocating the deposits as a separate line item.

Cederburg opened discussion on Resolution 2016-01, water rates adjustment. Ortiz distributed a memo regarding the utility rates for water, sewer, electric and landfill. He explained the review of the City's existing utility rates by Baker and Associates and JEO Engineering. That approach was geared not only to evaluate whether the current rate structure provided sufficient revenues to meet expenses, but also to review the current rate categories and policies associated with them and make recommendations to amend and adopt updated policies and practices.

The proposed rates are intended to stabilize the water, sewer, and landfill and garbage collection utilities and to ensure adequate stable revenues can continue to support those services. The rates are being proposed to be implemented in phases at a future date. As a result of the water rate increase, there are some properties that will be assessed a customer charge where they have no meter.

Ortiz commented on the sewer rates and indicated that there was no rate for outside of City limits and non-City residents were being charged the same as City residents. There is now a non-City resident sewer rate and that same philosophy will be carried over for the non-City resident water rate.

Outside of the electric rates, the landfill rates will be one of the more complex ones. Ortiz commented on mirroring the City of Gering format and the goal to accomplish is something that is easily defined. The landfill rates will not be split into two phases due to the agreement with the County and the way they bill their customers. The landfill rates were increased in 2010, 2014 and now will be increased in 2017. These need to be looked at more consistently every year. Porter inquired if the increase will increase the amount of dumpsters that will be needed and Ortiz indicated he doesn't think that is a factor.

Ortiz explained the other changes to the landfill rates include the gate fees, the crap tire fee and a fee was added for construction machinery tires. Ortiz commented on tree logs, branches, stumps, etc. and said that the large items will be charged at the C&D rate. The gate fees have been simplified and a non-Kimball County rate has been added. A private commercial waste hauler fee, per bale or per ton, has also been added.

Robinson inquired about the electric rates. Ortiz indicated that the electric rates will have to be done sometime in the winter or spring to allow time to implement the changes into the Power Manager utility system and recommended waiting until January to revisit the electric rates. Ortiz said that changes still need to be made to differentiate between the single phase and the three phase meters. He is still waiting for the outcome from the other rate increases to see how it will alleviate the burden on the Electric Department. Ortiz commented on the wind farm and indicated that plans need to be implemented to begin replacing the transformer at the south substation which is estimated to cost \$1 million. Porter inquired if the City can afford to wait to implement the rates and Ortiz suggested waiting to implement the electric rates only. Next month will begin the budget process and the needs can be assessed at that time. Ortiz commented on bonding the project and said that the bond counsel would look at whether or not the City has shown a past history of diligently increasing rates.

The City of Kimball has one of the lowest volume of tons processed for a landfill. Part of the reason why Kimball's landfill rates are higher than others is that Kimball doesn't have the economies of scale.

There being no further discussion, Robinson moved and Porter seconded to adopt the following resolution.

**RESOLUTION 2016-01**  
**Water Utility Rates**

WHEREAS, the City of Kimball (City), Nebraska, owns and operates a water distribution system, which provides for the water needs of its citizens; and,

WHEREAS, the City must recoup sufficient revenues to pay for goods and services, maintenance, extensions and upgrades to its water distribution system, and must do so by the collection of fees for water service; and,

NOW, THEREFORE, BE IT RESOLVED BY the governing body of the City of Kimball, Nebraska, that effective as prescribed herein, the water fees/rates for the City of Kimball, Nebraska, are hereby established as shown:

**Effective September 1, 2016:**

In City Limits:

Meter Charge	\$21.00 per month
Usage Per 1,000 Gallons	\$ 1.45
Minimum Charge	\$21.00 per month

Outside of City Limits:		
Meter Charge		\$24.50 per month
Usage Per 1,000 Gallons		\$ 2.20
Minimum Charge		\$23.50 per month
Bulk Water:		
Usage Per 1,000 Gallons		\$12.00
*10,000 Gallon Minimum		

**Effective April 1, 2017:**

In City Limits:		
Meter Charge		\$24.50 per month
Per 1,000 Gallons		\$ 1.65
Minimum Charge		\$24.50 per month
Outside of City Limits:		
Meter Charge		\$28.25 per month
Per 1,000 Gallons		\$ 2.50
Minimum Charge		\$28.25 per month
Bulk Water:		
Usage Per 1,000 Gallons		\$12.00
*10,000 Gallon Minimum		

BE IT FURTHER RESOLVED that any ordinance or resolution passed, approved and adopted prior to the passage and approval of this Resolution in conflict with its provisions is repealed as of August 1, 2016.

BE IT FURTHER RESOLVED that this Resolution shall take effect and be in full force from and after its passage and approval as required by law.

BE IT FURTHER RESOLVED that the provisions of this Resolution are separable, and the invalidity of any phase, clause, or part of this Resolution shall not affect the validity or effectiveness of the remainder of this resolution.

PASSED, APPROVED AND ADOPTED THIS 31<sup>ST</sup> DAY OF MAY, 2016.

/s/ Chairperson

ATTEST:

/s/City Clerk

On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, and Robinson. Nay: None. Absent: Rowley. Motion passed.



BE IT FURTHER RESOLVED that any ordinance or resolution passed, approved and adopted prior to the passage and approval of this Resolution in conflict with its provisions is repealed as of September 1, 2016.

BE IT FURTHER RESOLVED that this Resolution shall take effect and be in full force from and after its passage and approval as required by law.

BE IT FURTHER RESOLVED that the provisions of this Resolution are separable, and the invalidity of any phase, clause, or part of this Resolution shall not affect the validity or effectiveness of the remainder of this resolution.

PASSED, APPROVED AND ADOPTED THIS 31<sup>st</sup> DAY OF MAY 2016.  
/s/Chairperson

ATTEST:  
/s/City Clerk

On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Fossand moved and Robinson seconded to adopt the following resolution.

**RESOLUTION 2016-03  
Landfill & Garbage Collection Utility Rates**

WHEREAS, the City of Kimball (City), Nebraska, owns and operates a landfill and garbage collection system, which provides for the household, commercial and demolition waste needs of its citizens; and,

WHEREAS, the City must recoup sufficient revenues to pay for goods and services, maintain and replace equipment and extend the landfill life and must do so by the collection of fees for landfill and garbage collection services; and,

NOW, THEREFORE, BE IT RESOLVED BY the governing body of the City of Kimball, Nebraska, that Resolution 2015-03 is hereby repealed and the landfill and garbage collection fees/rates for the City of Kimball, Nebraska, are as shown:

**Residential (Rates Effective January 1, 2017)**

<u>Rate #</u>	<u>City Garbage Collection</u>	<u>Landfill</u>	<u>Yard Waste</u>	<u>Total</u>	<u>Description</u>
1	8.00	17.25	2.50	<b>\$ 27.75</b>	City of Kimball Residential Household waste
2			2.50	<b>\$ 2.50</b>	Vacant House – Yard Waste Only
3		17.25		<b>\$ 17.25</b>	County/Bushnell/Dix Residents

**Commercial Rates (Rates Effective January 1, 2017)**

Number of Containers Available	Collections Per Week				
	1	2	3	4	5
1	\$ 49.50	\$ 99.00	\$ 148.50	\$ 198.00	\$ 247.50
2	\$ 99.00	\$ 198.00	\$ 297.00	\$ 396.00	\$ 495.00
3	\$ 148.50	\$ 297.00	\$ 445.50	\$ 594.00	\$ 742.50
4	\$ 198.00	\$ 396.00	\$ 594.00	\$ 792.00	\$ 990.00
5	\$ 247.50	\$ 495.00	\$ 742.50	\$ 990.00	\$ 1,237.50

Commercial/business units that share a common container shall have the above rates prorated as determined by the City. The minimum shall be \$25.25 for shared containers.

NOTE: Those Commercial Accounts with grass are charged the City's residential yard waste fee per month.

Special requests and after hours pick up requests subject to fees determined by the City Administrator.

**Scrap Tires: (Rates Effective July 1, 2016)**

\$ 6.00	Passenger Car Tire
\$ 13.00	Truck Tire
\$ 45.00	Tractor Tire
\$ 80.00	Construction Machinery Tire

**Tree Logs, Branches, Stumps, Non-treated wood/pallets: (Rates Effective July 1, 2016)**

\$ Free	If can be processed by controlled burned. Must be small/short enough to completely burn through.
C&D Rate	Large Tree Logs, Branches, Stumps, Non-treated wood (approximately anything 6x4 inch wide and/or longer than 3-4 feet)

**Gate Fees: Construction and Demolition (C&D), Non-Household Waste, Items that Cannot Be Baled (Rates Effective July 1, 2016)**

Gate Fees	Quantity	Description
\$ 9.75	Per Cubic Yard	Kimball County Residents*
\$ 35.00	Per Cubic Yard	Non-Kimball County Residents*
\$ 19.00	Per Cubic Yard	Unseparated Load*
\$ 25.00	Flat Rate	Uncontained Loads

\*Minimum one cubic yard

**Private Commercial Waste Haulers (Rates Effective August 1, 2016)**

\$ 50.00 Per Bale, 1 bale minimum, or Per Ton\*

\*Must submit certified scale ticket completed within 15 minutes prior to disposal

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BE IT FURTHER RESOLVED that this Resolution shall take effect and be in full force from and after its passage and approval as required by law.

BE IT FURTHER RESOLVED that the provisions of this Resolution are separable, and the invalidity of any phase, clause, or part of this Resolution shall not affect the validity or effectiveness of the remainder of this resolution.

PASSED, APPROVED AND ADOPTED THIS 31<sup>st</sup> DAY OF MAY, 2016.

/s/ Chairperson

ATTEST:

/s/City Clerk

On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Ortiz provided an update on MEAN and the future plans. MEAN has been considering selling the wind farm and soliciting proposals from a third party; however, this is on hold until further notice. Ortiz will be receiving more information within the next few months and explained the third party procedure and it being a one to two year process. Discussion was held on the existing wheeling rate with MEAN and bringing in outside expertise. Ortiz commented that there is a growing interest of developing large solar farms on commercial and industrial properties which takes power away from MEAN's projections. Ortiz said there needs to be some consistency across the board. He explained the RITA payments and receiving an energy credit and recommended when the energy credit is received to pay the remainder of the RITA payments. Ortiz will ask for formal direction of the Board once the energy credit is received.

The next meeting will be held on July 26, 2016 at 4:15 p.m.

There being no further business to come before the Board of Public Works, Robinson moved and Fossand seconded to adjourn the meeting at 5:25 p.m. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Porter, Fossand, and Robinson. Nay: None. Absent: Rowley. Motion passed.

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Chairperson

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City Clerk

City of Kimball-Board of Public Works-Utility Claims-May 31, 2016-City of Kimball-Transfer-130.00; City of Kimball-Transfer- 1,799.23; GreatAmerica Financial Services-Lease-434.50; Spec-Tech-Sales-Reparis-1,207.20; Frenchman Valley Coop-Fuel-969.02; Frenchman Valley Coop-Fuel-1,126.21; Payroll Fund-Payroll Transfer-38,273.84; Almquist Maltzahn Galloway & Luth-Audit-11,776.00; Amazon-Charges-132.40; CenturyLink-Telephone-646.24; Charter Communications- Internet Service-215.25; Connecting Point-Copy Usage-602.93; Frenchman Valley Coop-Diesel-444.80; Frenchman Valley Coop-Fuel-1,395.95; High West Energy-Utilities-6,526.00; Intralinks, Inc.-Computer Support-757.79; MailFinance, Inc.-Property Tax-85.28; Safetyline Consultants, Inc.-Safety Training-750.00; Simmons Olsen Law Firm, P.C.-Professional Services-37.50; Simmons Olsen Law Firm, P.C.-Professional Services-812.50; The Right Impression-Supplies-850.00; Viaero-Cell Phone Usage-123.09; Visa-Firstier Bank-Charges-859.28; Western Nebraska Observer-Meeting Notices- 32.99; Payroll Fund-Payroll Transfer-38,702.73; A & L Sales and Service-Repairs-209.56; ADS LLC-Parts-6,045.68; Altec Industries, Inc.-Inspection-817.15; American Highway Products, LTD.-Parts-307.52; Thomas C. Carr-Service Deposit Refund-17.17; City of Kimball-Transfer-13,191.04; City of Kimball-Occupation Tax-10,663.31; City of Kimball-Tranfer-2,376.23; City of Kimball-Transfer-130.00; City of Kimball-Transfer-1,406.54; Combined Utilities-Utilities-127.12; Credit Management Services, Inc.-Collection Charges-17.00; Crescent Electric Supply Co.-Meter Main-167.49; Culligan-Softener Rental-32.50; Dollar General Corporation-Supplies-14.58; EMC National Life Company-Premium-332.39; ERA-Environmental Resource Associates-Supplies-145.50; Eugene Petersen & Deb Cumpsten-Service Deposit Refund- 36.73; Golder Associates-Professional Services-79.52; Grainger-Tools-26.05; HD Supply Waterworks, Ltd.-Meters-1,090.20; Ryan Haas-Service Deposit Refund-37.93; Hach Company-Supplies-70.58; Kelsey Herzberger- Service Deposit Refund-100.00; Hometown Hardware-Supplies-640.28; Ideal Linen Supply, Inc.-Supplies-50.53; Independent Home Services, LLC-Service Deposit Refund-81.08; John Deere Financial-Part-10.15; Keep Kimball Beautiful -Landfill Fee-Per Budget-4,920.00; Keep Kimball Beautiful-Landfill Fee Per Budget-3,490.00; Kimball Auto Parts-Parts-941.85; Kimball Service Center-Repairs-2,129.85; Kriz-Davis Company-Supplies-528.31; MEAN-Mean Bill- 126,313.74; MEAN-RITA Intallment-1,048.87; Municipal Pipe Services Inc.-Parts-1,4951.12; NWOD-Membership-15.00; Napa Auto Parts-Parts-517.09; Nebraska Municipal Power Pool-Services-1,699.60; Nebraska Public Health Enviro Lab- Water Samples-90.00; Northwest Pipe Fitting, Inc. of S.B.-Curb Stops-677.10; One Call Concepts-Locates-33.72; Panhandle Coop Association-Supplies-62.49; Powerplan-Parts-1,280.27; Prestige MFG.-Repairs-49.75; Shopko Stores Operating Co.-Supplies-122.29; SourceGas, LLC/Black Hills Energy-Gas Service-1,362.28; Southwest Environmental Engineering LLC-Monitoring-1,479.92; Staples-Office Supplies-29.22; Water Technology Group-Repairs-2,272.22; Zep Manufacturing Company-Chemicals-267.35.