

Kimball Board of Public Work
Regular Meeting
June 28, 2016

A regular meeting of the Board of Public Works was convened in open and public session at 4:15 p.m. on June 28, 2016 at the City Council Chambers. Board members Cederburg, Porter, Fossand, Rowley, and Robinson were present. Also present were Mayor Prunty, City Administrator Ortiz, Electric Superintendent Hinton, Power Plant Superintendent Terrill, Water Superintendent Sisk, Landfill Superintendent Schulte, 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 May 31, 2016;
2. Claims;
3. Treasurer's Report from May, 2016; and
4. Financial Reports from May 2016

After discussion, Robinson moved and Fossand 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.

Cederburg opened discussion on the rate for tree waste at the Landfill, a citizen agenda item submitted by Ben Newell of Affordable Tree. Mr. Newell commented on the new C & D rate at the Landfill effective July 1, 2016. He has been in business for a few years and there has not been a charge for taking tree waste to the Landfill. Newell has produced a lot of volume this year and was informed a few weeks ago that there will be a fee to dump the tree waste. The specifications for the large tree logs and branches creates a tremendous hardship on his business and he asked if the Board could adjust the specifications or come up with another solution. Newell does not wish to increase his rates by 20 to 25 percent for the homeowners. Newell explained the procedure for taking down trees and that he causes very little yard damage.

Discussion was held on what burns and what doesn't burn and it was indicated that the wood that is too large to burn must be placed in the C & D pit. Schulte indicated that

when there is something over 12 to 14 inches, it is not going to burn in the allotted timeframe. The Landfill personnel must cover all burned wood at the end of the day and larger logs do not burn through. Ortiz indicated the dimensions listed in the resolution are a point of reference.

Newell said he is really looking for a solution and explained what had been done in the past. He proposed that if the City were to continue not to charge or at a lesser rate, he would get rid of the large logs every winter. He would haul it out if the City were to allow it to be stock-piled at the City Landfill until wintertime. Newell commented on the other tree service companies leaving the trees and wood in the yards and alleys. Newell said that one solution would be to continue on as it is, figure out what it costs the City and place those pieces aside and present him with a legal contract. Robinson suggested forming a small committee to meet on this and bring it back to the Board. Discussion was held on other contractors and Newell indicated he didn't want to be given special treatment. He just wants to come up with a solution for all the tree waste. Newell indicated he was previously certified as an arborist but is not current on that. He has a City license as a tree worker in Scottsbluff and Sidney.

There being no further discussion, Robinson moved and Fossand seconded to form a committee and research further and delay implementation of the tree log/branch fee at the Landfill and the committee report back by October 1st. 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 and Rowley are to be on the committee along with Newell.

Cederburg opened discussion on Keep Kimball Beautiful's presentation and funds request. Larissa Binod, KKB Executive Director, indicated that KKB's mission is to keep Kimball clean, green and beautiful. Keep Kimball Beautiful is a Keep America Beautiful affiliate and they have a Board of Directors, an Executive Director, a Recycling Manager and volunteers. KKB has three priorities, litter prevention, beautification, and waste management. Their focus is on environmental education. Binod presented a historical overview of Keep Kimball Beautiful, starting with their formation as Kimball Clean Communities. She commented on the change to the contribution to KKB in 2013 to \$2.00 per resident and then the change to \$1.00 per resident in the 2015-2016 budget. Binod inquired if KKB will receive the \$2.00 assessed to the citizens in 2017. She commented on cash funds to match the grants. The City provides the building and utilities.

Binod spoke on financial points and commented on the financial review and the 2016-2017 budget. She indicated that KKB has received a \$50,000 grant which has been the lowest they have received in a number of years. Their budget is based on what they receive for grant funds.

Binod mentioned her request for consideration of the partnership between the City and KKB and request a automatically renewing five-year contract so there is some continuity

and sustainability. She is also requesting the \$2.00 per resident as received before. Another request is that there be a formal committee and she commented that there is space in their by-laws for a representative from the City. Binod indicated that it is really hard for KKB to plan and write grants when funding is in question.

Binod commented on a waste diversion program. She also listed facility requirements including a fence, bringing the building to code, front lot project and back lot project. Binod commented that when the Board of Public Works made a commitment of \$2.00 per resident, KKB depended on that and they had planned to get the bins as close to people's homes as possible. When the funding is reduced to \$1.00 per resident, KKB would have to potentially cut back on the cardboard/office pack recycling.

After some discussion, Robinson reminded KKB that the agreement for the facility is with the City Council and they should address the City Council about the building issues. Ortiz indicated that if there are funding requirements for the building, it would have to come before the Board of Public Works for the budget allocation from the Landfill funds. Binod commented on the back lot project and indicated that the Board of Public Works approved that project. Cederburg commented that this project was approved prior to the agreement and Robinson indicated that this changed when the City Council started working on the agreement with them. Everything as far as facility-wise is under City Council purview.

Binod requested \$2.00 per resident for KKB in FY 2016-2017. Cederburg indicated the City just started the budget process and Robinson indicated they would certainly consider funding.

Cederburg opened discussion on donating utilities. Ortiz indicated this involves the water at the Community Gardens and RV dump. There may be individuals within the community helping themselves to the water from those locations. There was a gentleman that has indicated he has taken 900 gallons of water from the Community Gardens. Ortiz dealt with another customer this morning who was trying to fill his tank for some work he was doing for the railroad. Ortiz asked the Board members for guidance. No one has stepped up to take charge of the Community Gardens.

Sisk indicated there is one hydrant there and after finding out that individuals are taking water, he asked the Utility Office to print out a usage list. There are a few months were the Community Gardens has used over 200 gallons of water. Binod commented that Danessa Terrill was organizing that in previous years and Robinson commented on locking the hydrant and working with the person who is working in the Community Gardens. Kim Christensen, 507 S. Locust Street, said she knows the person who has put her garden in that area and she will be frugal. Ortiz indicated the Water Department does close the RV dump and there is a sign at that area for people to call the office when they wish to dump out there. Sisk said that only 1,000 gallons have been used since late April at the RV dump. Robinson said to monitor it on a close level.

Cederburg opened discussion on Resolution 2016-04, City representatives on the MEAN Management Committee and MEAN Board of Directors.

There being no discussion, Robinson moved and Rowley seconded to approve the following resolution.

Resolution 2016-04

Member Resolution for Appointments

Representative and Alternate to MEAN Management Committee

WHEREAS, the City of Kimball, State of Nebraska, is a part to the Electrical Resource Pool Agreement and, pursuant to the terms of such Agreement, it is the responsibility of the City of Kimball to designate a representative and alternate representative to the Municipal Energy Agency of Nebraska (MEAN) Management Committee provided for under the terms of said Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Public Works of the City of Kimball, State of Nebraska, that:

1. The City Clerk is hereby directed to give written notice to the Municipal Energy Agency of Nebraska (MEAN) of the appointment of Daniel Ortiz as representative and Bill Hinton as Alternate to said MEAN Management Committee.

Director and Alternate to MEAN Board of Directors

This is to certify that the Board of Public Works of the City of Kimball, State of Nebraska, duly appointed Daniel Ortiz to serve as director and Bill Hinton to serve as the alternate director to represent the City of Kimball on the Board of Directors of the Municipal Energy Agency of Nebraska (MEAN). The appointment will run for a term of 3 years with the powers and duties incident to such office. This certificate is issued in compliance with the Municipal Cooperative Financing Act contained in the Nebraska Revised Statutes §18-2401 et. seq. (1987).

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 adjusting the residential and commercial utility deposits. This is a follow-up from the discussion held last month. Ortiz explained the resolution indicates the second meter has to be on the same property.

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

RESOLUTION 2016-05

A RESOLUTION ADJUSTING RESIDENTIAL AND COMMERCIAL UTILITY DEPOSITS.

BE IT RESOLVED by the City of Kimball, Nebraska, Board of Public Works, that residential and commercial utility deposits for electricity, water, sewer and garbage collection within the City of Kimball are hereby established as shown.

1. Residential deposit - \$150.00
 - a. Additional contiguous meter - \$50.00
2. Commercial deposit - \$300.00

The utility deposit adjustments stated above will take effect on September 1, 2016.

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.

PASSED AND APPROVED THIS 28TH DAY OF JUNE, 2016.

/s/Chairman

ATTEST:

/s/City Clerk

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 provided information on MEAN's net metering policy. MEAN is trying to get an inventory of the generating units throughout the communities and Ortiz commented on the registration form for behind-the-meter distributed renewable general projects. One of the requirements as part of the ERPA policy was for backup generating. The form needs to be completed and returned 60 days from June 17th. Ortiz commented on some of the other requirements as part of the net metering policy. Hinton and Terrill are currently working on this. The City has a policy in place for when the High School put in their wind turbine and this will most likely have to be revisited with them in the next few months to see if anything will need to be added in accordance with the ERPA policy.

Ortiz reviewed the preliminary 2016/2017 utility budgets.

Landfill - Landfill revenue has seen a decrease in gate fees. The estimated Landfill revenue is for FY16/17 is \$374,450.00. In Landfill expenses, the continuing education/training has been decreased because the City has scaled back the safety training to once a quarter. The disposal fees are for the Tire Grant Program. The rental of a trommel screen has been budgeted and it was anticipated to rent the unit for the month of October. A 13% increase has been factored into group insurance and a 10% increase for property, casualty and workers compensation insurance. Currently, Ortiz has factored in a 3% increase in salaries but that will have to be determined by the Compensation Committee. The legal and professional expense includes the engineering and construction management (CQA) of the cell construction expansion. Ortiz indicated he is not budgeting for new equipment at this time and there may be a need for a water truck at the Landfill. The Recycle Center amount is to be determined and the Recycle Center utilities expense of \$6,000 is based on the previous fiscal year trend. With repairs and maintenance, there will be a number of expenses with rebuilding the bailer; \$27,000 to \$30,000 is budget for conveyor belt repairs. Ortiz commented on salaries and benefits and splitting those line items. He also indicated that in other utility funds, this line item encompasses some of the office salaries. Robinson inquired about the closure costs and Ortiz indicated the City is required to maintain a closure/post-closure fund. Cederburg stated that a projected loss of nearly \$170,000 in the Landfill is not encouraging. Robinson commented that the one category that the City does have control over is the Recycle Center and their fee and Robinson indicated that after seeing the budget figures, the City needs to strongly consider maintaining the fee at the \$1.00 area. Ortiz indicated it is preferred to have a fixed yearly amount because it eliminates having to calculate the number of customers. Last fiscal year the amount was based on the current counts and was \$24,600. Cederburg commented that this should be viewed as a donation. Discussion was held on dipping into the reserves and that the City cannot do that for much longer. Porter commented on the revenue being reduced for the gate fees. Robinson suggested putting in the \$24,000 figure in the Recycle Center number and see how the remaining figures come up.

Collection /Trash – The revenue figures are not available yet because of the calculation from the restructuring.

Electric – The commercial and industrial sales are less. The current fiscal year budgeted amount is \$3.3 million and the realized revenue is \$2.2 million. Ortiz has factored in a 5% decrease. The boiler fuel expense will be less because Terrill shuts the boiler down for the summer months. The boiler also helps to heat the Electric shop. The lineman and line training costs are included in the continuing education/training and Ortiz commented on filling the fourth position. Ortiz also commented on sending supervisors to leadership/management training. Ortiz said there needs to be a four man line crew in addition to an additional operator at the Power Plant and commented on on-call and being available 24/7/365. The electric power costs budgeted \$1.9 million last year but reduced down to \$1.6 million because MEAN rates are stabilized. The City is going to have to look at electric rates at the end of the year if things haven't picked up.

Water – The revenues are estimated because it has been difficult to determine what the usage will be. \$15,000 has been included in legal/professional due to possible engineering cost for projects like water main extension or replacement. Repairs/maintenance includes the NDOR project and repairs and parts to the Hydra Stop valve insertion system. The Water Department has been working on developing a plan for replacing the hydrants on 1st Street. The salaries and benefits are the current three man crew. Ortiz said he will keep the authorization for the 4th man just in case.

Wastewater Treatment Plant – The residential customer charge is difficult to decipher because it is difficult to determine what the usage would be across the board. Communication costs are at the whim of the County and the City is subject to what rate the County Commissioners set. Depreciation covers the plant and sewer system as a whole. Repairs/maintenance includes budgeting for preventive maintenance for Root X to clean out sewer lines and Grease X for problematic sewer lines with grease. Repairs/maintenance plant includes a control panel, fencing, Muffin Monster (which grinds up the large chunks), compressor for aeration channel. An Ipad or Tablet GIS mapping has been budgeted under supplies-operating.

Ortiz reported he received a call with regard to the change in rates to assess fees to commercial haulers at the Landfill. This will most likely be on next month's agenda.

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, Rowley moved and Porter seconded to adjourn the meeting at 6:16 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-June 28, 2016-Payroll Fund-Payroll Transfer-38,822.69; Centurylink Communications, Inc.-Long Distance-61.91; Charter Communications-Internet-215.25; Connecting Point-Copy Usage- 680.99; Cornerstone Bank Trust Department-Bonds-984.91; Cornerstone Bank Trust Department-Bond-10,226.25; Cornerstone Bank Trust Department-Bonds-4,622.50; GreatAmerica Financial Services-Lease-365.00; MailFinance, Inc.- Lease-1,230.00; NeoFunds-By Neopost-Postage-1,999.89; Safetyline Consultants, Inc.-Safety Training-750.00; Simmons Olsen Law Firm, P.C.-Professional Services-105.00; Union Bank & Trust Company-Curb Series-624.00; Viaero-Cell Phone- 123.09; Visa-Firstier Bank-Charges-95.66; Western Nebraska Observer-Meeting Notices-366.44; Payroll Fund-Payroll Transfer-38,628.63; Amazon-Supplies-417.97; CenturyLink-Telephone-657.89; High West Energy-Utilities-8,567.00; Kimball County Clerk-Interlocal Dispatchers-14,000.00; SourceGas, LLC/Black Hills Energy-Gas Service-401.14; AccentWire-Tie-Repairs-1,448.50; Baker & Associates-Professional Fees-3,734.00; Central States Wire

Products, Inc.-Wire – 2,922.56; Chamber of Commerce-Membership-500.00; City of Kimball-Transfer-13,191.04; City of Kimball-Occupation Tax- 9,660.83; City of Kimball-Transfer-1,428.41; City of Kimball-Transfer-1,325.49; City of Kimball-Transfer-130.00; Combined Utilities-Utilities-166.31; Country Printer-Printing-615.00; Croell Redi-Mix-Concrete-193.75; Culligan-Rental-64.70; EMC National Life Company-Premium-332.39; Electro-Test and Maintenance, Inc.-Plant Maintenance Services-41,814.29; Dustin Erickson-Refund-20.24; Exponential Engineering, Co.-Professional Services-6,226.75; Fairfield Inn & Suites- Lodging-476.37; Floyd's Sales & Service-Maintenance-533.46; Frenchman Valley Coop-Fuel-1,795.13; Grainger-Repairs-50.57; HD Supply Waterworks, Ltd.-Sensus Support-2,300.50; Hach Company-Supplies-378.68; Hometown Hardware-Supplies-502.08; Ideal Linen Supply, Inc.-Supplies-50.57; Marvin Juedes-Refund-100.00; Keep Kimball Beautiful-Landfill Fee-4,920.00; Kimball Auto Parts-Parts-263.01; Kimball Health Services-Medical-44.10; Kimball Service Center-Maintenance-2,308.26; Kriz-Davis Company-Supplies-250.38; MEAN-Training-100.00; MEAN-Mean Billing-120,266.12; MEAN-RITA Installment-1,048.87; Craig Mielke-Refund-100.00; Napa Auto Parts-Supplies-217.27; Nebraska Public Health Enviro Lab-Water Samples-30.00; Nebraska Rural Water Association-Membership-225.00; Norberg Auto & Diesel Inc.-Repairs-100.00; One Call Concepts-Locates-35.64; Panhandle Coop Association-Supplies-128.52; Points West Community Bank-Sidney-Refund-100.00; Prestige MFG.-Repairs-200.77; Sharon Randol-Refund-84.48; Respond First Aid Systems-Supplies-158.76; SWANA-Dues-212.00; Shopko Stores Operating Co.-Supplies-68.40; Skarshaug Testing Laboratory-Testing-325.32; Staples-Charges-99.35; State Industrial Products-Supplies-491.94; WPCI-Professional Services-30.00; Wesco Distribution Receivables Corp.-Parts-139.21.