

Kimball Board of Public Works
Regular Meeting
February 28, 2017

A regular meeting of the Board of Public Works was convened in open and public session at 4:15 p.m. on February 28, 2017 at the City Council Chambers. Board members Cederburg, Fossand, Porter, Rowley, and Robinson were present. Also present were Council member Warner, Special Projects Coordinator Sapp, Electric Superintendent Hinton, Water Superintendent Sisk, Landfill Superintendent Schulte, Utility Clerk Klassen, 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 January 24, 2017;
2. Claims;
3. Treasurer's Report from January 2017; and
4. Financial Reports from January 2017.

Cederburg commented on the financials and that the City has certainly come a long way. The City is now covering depreciation and the auditors highly recommended the City show a net revenue gain of 15%. The City is not there yet but is moving in the right direction. 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, Fossand, Porter, Rowley, and Robinson. Nay: None. Absent: None. Motion passed.

Cederburg opened discussion on capping utility fees for the Event Center. Warner, Event Center Committee member, asked for some help with the utility bill for the Event Center for this fiscal year. In this fiscal year budget for the Event Center the occupation tax was cut from the Event Center revenue and the utility bills range anywhere from \$4,000 to \$6,000 a month. An energy audit was performed and the committee is awaiting the results. However, it was determined that there were issues with some of the programmable thermostats where the air conditioning and the heating were offsetting each other.

Warner indicated that this year will be a struggle to see if the Event Center can be financially responsible as an event center or even if it can be sold. Warner asked that the Board of Public Works cap the electric portion of the utility bill at \$1,000 which will help put the Event Center on a little better footing to meet the goals the Council has asked for.

Sapp said the 2017 February utility bill was nearly one-half of the 2016 February utility bill. Warner commented that there has not been a full billing cycle since the thermostat issues were addressed and Hinton indicated they will need more than one month to see if the thermostat issue works. Hinton commented on the heating and lack of insulation.

Porter inquired if Hinton feels confident in saying that the issues have been addressed and Hinton said he does with what he can work with. Porter inquired if there is anything else that can be done to cut the costs and Hinton commented on insulation, repairing the doors and other items. He and a representative of MEAN, who performed the energy audit, were in the Event Center a considerable amount of time.

Robinson thanked Sapp, Warner and Hinton. He commended them on the great job in revamping and reinvigorating the Event Center. What is happening now with the Event Center is one of the greatest fears the City Council had at the time they accepted the building, which was that the City might get to a point that they might not be able to afford the building.

Robinson said a month ago the Board of Public Works was asked to provide a loan for the Police Department for a police vehicle and he commented again on having come through a rate review for utilities. Robinson said that the majority of the utility bill is for electric and he said using 2016 figures alone, the Board would be forgiving approximately \$21,000. It sounds like the Event Center Committee is on the way to alleviating some of the issues. Robinson said he is a little uncomfortable with capping the bill at \$1,000 because there is no indication of what the remaining bill will be. He wants the Event Center to succeed but doesn't know if the Board is in the position to write off \$20,000 in electric bills. Robinson said he was uncomfortable with the police car and he is even more uncomfortable with this.

Warner said she could understand his concern with setting a precedence and suggested perhaps consider capping the last couple of months. She spent last summer meeting with constituents and the majority wished to keep the Event Center open. Warner distributed the list of the events currently booked and indicated it is obvious that the constituents have followed through on saying they wanted to keep it open and use it.

Cederburg commented on capping the utility bill and the amounts and indicated the City is in the position where they really need to put money away for operations. Warner said that the committee is working on this and the Event Center is being run as a business as it should have been. At the end of the fiscal year if the goal is not met, there will be

no other options than to close the Event Center. Cederburg said if the City was growing and sales tax was increasing versus decreasing, it would be a different situation.

Robinson said he almost feels like the City Council didn't want to address this and it has fallen into the Board of Public Works laps. Obviously there is an interest, but it is a challenge to the Board of Public Works to forgive that amount of money.

Warner informed the Board members that everything has been changed at the Event Center as far as the way the business is handled. The motion of the City Council was that the Event Center would be run within the budget. It was advertised for sale and there was some interest, however, after seeing the utility bills, the interested parties backed out. Council members Schnell and Warner sit on the Event Center Committee and other than the utility bill, it looks like the Event Center may break even. The budget included \$20,000 of taxes and everything else had to come from room rent. Without help with the utilities, the Event Center is pretty much out of money.

Fossand commented on the discussion about the police vehicle and said it is the same situation with the public perception. Robinson said he would feel a little better about waiving last month's utility bill and see how that would work. He commented on waiting a couple of months to see what the bill will look like and he would feel a little better about knowing what amount they will be waiving. Warner preferred to have January's bill waived rather than February's since it is higher and she understands that at some point they have to draw the line.

Discussion was held on the recent events, the fixed costs and the profits. Warner said they spent the first 30 to 45 days trying to do the book work for the Event Center and are trying to track all the statistical information they can. At this point, the Event Center Committee is discussing other ideas of what could happen with the Event Center and whether it can be combined with other services. Cederburg said he would love to support this but the utility budget is not much better. The utility budget absorbed one person from the general fund and he commented on manpower and it being a tough situation.

There being no further discussion, Robinson moved to table action on capping utility fees for the Event Center until the March meeting to receive more information on utility bill figures. Seconded by Rowley. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, Rowley, and Robinson. Nay: None. Absent: None. Motion passed.

Rowley asked to see the utilities included in the profit/loss statements. He wants to see the Event Center be successful and would like to see figures including the Pheasants Forever and the VFW fundraiser events.

Cederburg opened discussion on authorized signatures on bank signature cards for FirstTier Bank. It was indicated that Daniel Ortiz needed to be removed and Dan Dean needed to be added.

There being no discussion, Porter moved and Rowley seconded to approve the authorized signatures on the bank signature cards for FirstTier Bank. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, Rowley, and Robinson. Nay: None. Absent: None. Motion passed.

Cederburg opened discussion on clarification on charges on the established commercial landfill charges for active storage units, semi-active storage units, and empty businesses. Klassen indicated currently there are empty house charges for \$2.50 for yard care. However, there has not been a determination of the charge for empty businesses. She said that when a business checks in and out, they are charged for the dumpster, but when they are vacant, there is no separate rate.

Klassen commented on active storage units – where people are renting the space and there would be potential to produce trash when moving their items in or out; semi-active storage units – where people just have to store extra items and would rarely produce trash; empty businesses – where the owners are usually out of town and nothing is produced out of the building. The owners just have electricity on to save the building or are waiting for a new tenant to rent out the space.

Klassen indicated that \$17.25 seems an excessive charge for empty storage units and businesses. Cederburg indicated that is the cost of business and the City provides the dumpster and picks it up.

After some discussion, Klassen suggested a charge of \$5.00 for the closed businesses. Robinson and Porter indicated they have no problem with the \$5.00. Rowley moved and Porter seconded to direct staff to draft a resolution indicating the \$5.00 per month landfill rate for a closed business. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, Rowley, and Robinson. Nay: None. Absent: None. Motion passed.

Keep Kimball Beautiful presented their monthly report. Annette Brower, KKB President, said their current director has tendered her resignation. The KKB Board has yet to make final decisions on her replacement and they are in the process of making internal changes. KKB is looking forward to partnering with the City and Sapp on community projects.

Spud Rowley, Recycle Center Manager, said they will be applying for a fence permit shortly. He provided the last quarter recycling information and explained the Recycle Center has kept 38.5 cubic yards of trash out of the Landfill. Rowley said next month they will request a two or three month payout of the budgeted amount to KKB.

Rowley commented on the totes, cardboard cages with lids and hinges, and public information/education on what can and cannot be recycled. Discussion was held on mainstream recycling and the cost of an extra tote. Rowley said that the cost is yet to be determined. He commented on the waste reduction program beginning in July and

there are currently 15 totes out and they hope to put an additional 30 out in the May/June timeframe.

Moeser indicated Porter will start attending their meetings this month as the Board of Public Works liaison.

Discussion was held on the \$7,000 grant that KKB received from economic development funds and Rowley indicated that will be part of the cash match for grants for 2017.

Cederburg commented that it is time for review of the previous year's financials and requested they bring them into the City Administrator.

Cederburg reported the last payment was made this month on the Water Department building. Cederburg reported the NMPP annual meeting will be held the last week of March so he will not be able to attend the March Board meeting.

Cederburg reported there will be a special joint Board of Public Works/City Council meeting on March 7, 2017. Carol Brehm from NMPP Energy will provide information and an update on MEAN.

The next meeting will be held on March 28, 2017 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 5:15 p.m. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, Rowley, and Robinson. Nay: None. Absent: None. Motion passed.

Chairperson

City Clerk

City of Kimball-Board of Public Works-Utilities Claims-February 28, 2017-Payroll Fund-Payroll Transfer-44,094.65; Bashlin Industries Inc.-Equipment-1,006.72; EMC National Life Company-Premium-357.05; Staples-Supplies-27.59; Combined Utilities-Closure/Post Closure-24,922.15; GreatAmerica Financial Services-Lease-365.00; NeoFunds-By Neopost-Postage-2,000.00; Combined Utilities-Closure/Post Closure-2,691.18; Payroll Fund-Payroll Transfer-47,558.70; Amazon-Charges-561.83; Black Hills Energy ,LLC-Gas Service-5,535.39; CenturyLink-Telephone-662.09; Centurylink Communications, Inc.-Long Distance-73.45; Charter Communications-Internet-215.25; City of Kimball-Transfer-18,696.75; Connecting Point-Copy Usage-508.49; Dollar General Corporation-Supplies-29.03; Frenchman Valley Coop-Fuel-1,284.60; LogMeIn, Inc.-Subscription-249.95; High West Energy-Utilities-8,501.00; League of NE Municipalities-Conference-498.00; Simmons Olsen Law Firm, P.C.-Professional Services-236.00; Viaero-Cell Phone-150.95; Visa-Firstier Bank-Charges-62.49; Western Nebraska Observer-Meeting Notices-84.77; Staples-Charges-189.94; Roger Bogert-Refund-21.00; Carol's Nut List, Inc.-Shipping-52.79; City of Kimball-Occupation Tax-

13,598.91; City of Kimball-Transfer-844.57; City of Kimball- Transfer-130.00; City of Kimball-Transfer-1,006.56; Combined Utilities-Utilities-205.46; Credit Management Services, Inc.-Collection Charges-907.96; Crescent Electric Supply Co.-Inventory-1,755.18; Croell Redi-Mix, Inc.-Concrete-924.00; Culligan-Rental-32.20; DHHS-License-150.00; John D. Dvorak-Reimbursement-58.94; Enterprise-Car Rental-84.00; Exponential Engineering, Co.-Professional Services-540.00; Fairfield Inn & Suites-Lodging-103.96; Brad Geuke-Service Deposit-76.50; Grainger-Parts-335.22; HD Supply Waterworks, Ltd.-Supplies-1,048.84; Hach Company-Supplies-458.54; Pete Herrera-Service Deposit-7.93; Hometown Hardware-Supplies-1,618.63; Hydra-Stop LLC-Valves-5,807.96; Ideal Linen Supply, Inc.-Mats-53.54; Intralinks, Inc.-Services-696.00; JMK Trust - Final Payment-15,335.22; Keep Kimball Beautiful-February-2,000.00; Kimball Auto Parts-Parts-562.82; Kriz-Davis Company-Parts-8.03; LaQuinta Inns & Suites- Lodging-189.90; League of NE Municipalities - Conference-80.00; MEAN-MEAN Billing-149,420.15; Napa Auto Parts-Parts-541.20; Napa Auto Parts-Service Deposit-250.00; Nebraska Municipal Power Pool-Records-275.00; Nebraska Public Health Enviro Lab-Water Samples-90.00; Northwest Pipe Fitting, Inc. of S.B.-Supplies-244.74; Jim O'Brien-Flag Repairs-200.00; OFP Services, Inc.-Parts-37.28; One Call Concepts-Locates-13.65; Panhandle Coop-Propane-1,091.73; Panhandle Coop Association-Supplies-80.64; Perfection Door Company-Repairs-103.20; Prestige MFG.-Parts-389.77; Robinson Electric-Installation-295.48; Andy & DeAnna Rose-Service Deposit-22.76; Shopko Stores Operating Co.- Supplies-98.79; Southwest Environmental Engineering LLC-Sampling-4,552.67; Henry & Clara Todd-Service Deposit-100.00; Water Technology Group-Repairs-5,021.46; Wolf Automotive Center, Inc.-Vehicle Maintenance-9.00; Yant Equipment Company, Inc.-Repairs-391.00.