

Kimball Board of Public Works
Regular Meeting
July 25, 2017

A regular meeting of the Board of Public Works was convened in open and public session at 4:15 p.m. on July 25, 2017 at the City Council Chambers. Board members Cederburg, Fossand, Porter, and Robinson were present. Board member Rowley was absent. Also present were City Administrator Dean, Electric Utilities Superintendent Hinton, Water Superintendent Sisk, Landfill Superintendent Schulte, Power Plant Superintendent Terrill, Wastewater Superintendent Quicke, Special Projects Coordinator Sapp, 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 June 27, 2017;
2. Claims;
3. Treasurer's Report from June 2017; and
4. Financial Reports from June 2017.

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, Fossand, Porter, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Cederburg opened discussion on the Reimbursement Agreement and Mutual Release between Kimball Wind, LLC and the City of Kimball. Dean indicated that Kimball Wind, LLC has requested the City secure a parcel of land where they will construct an electrical substation to interconnect the Wind Farm to the electrical grid. The reimbursement agreement would commit Kimball Wind, LLC to reimburse the City for any of the expenses in securing the land. Dean said it makes logical sense to locate the substation in that area. He said that the land would remain with the City. Dean indicated that the City Council will have to have a public hearing with regard to acquiring the property. The agreement is simply an agreement to proceed with it. This is the first step and does not require council approval. Discussion was held on subdividing, annexation and zoning.

There being no further discussion, Robinson moved and Fossand seconded to approve the Reimbursement Agreement and Mutual Release between Kimball Wind, LLC and the City of Kimball and authorize the Chairperson to sign. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Cederburg opened discussion on the Water SCADA system improvements. Sisk indicated that at the last meeting the Board members recommended he receive another bid for the improvements. His prior bid was from HOA Solutions for \$22,480 and he received another bid from Olsson Associates for \$24,200. Sisk would like to get the project done this fiscal year since it has been budgeted. Robinson asked about the comparability of the companies and Sisk indicated they are comparable; however, as far as the current equipment, HOA Solutions is more comparable. It is his recommendation to accept the lowest bid which is the company he would like to use for a number of reasons. Sisk said HOA Solutions has an office out of Scottsbluff.

There being no further discussion, Robinson moved and Porter seconded to accept the bid from HOA Solutions for \$22,480 for the Water SCADA system improvements. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Cederburg opened discussion on the agreement with Kimball Recycling Center. Dean indicated this agreement replaces the prior agreement with KKB and a copy has previously been provided to Spud Rowley, KRC Manager. Rowley said there is one correction, the dollar amount should be \$24,000 per year instead of \$24,600.

Other changes to the agreement are that KKB is now KRC; there is a new section for KRC to provide single-stream recycling and the City will provide a compactor truck and operator for up to four hours per week to collect single stream recycling and cardboard from bins located within the City; and the section on equally splitting the cost to construct a perimeter fence has been deleted. Rowley indicated they have actually purchased the fence and will construct it soon.

Fossand inquired about the extra four hours for an operator and Dean indicated he believes it can be absorbed without encountering overtime.

There being no further discussion, Porter moved and Fossand seconded to recommend the City Council approve the agreement with Kimball Recycling Center. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Rowley gave the monthly Kimball Recycle Center update. He reported the household hazardous waste collection at Clean Harbors had a good turnout. Rowley has finished

up the fascia on the back side of the building and installed all new paneling on the back side.

Rowley indicated that KRC's budget is highly dependent upon the level of funding they receive for their grants and commented on reducing landfill waste by 14,000 pounds. KRC has two part-time employees and one full-time and many generous volunteers.

Cederburg said that Rowley has been very good in providing all the required financial documents.

Cederburg opened discussion on establishing a "cash only" customer policy. Russell explained that while it has been the practice to put customers on "cash only" after receiving multiple insufficient funds checks, there is no written policy. She asked the Board to consider and approve the written policy.

There being no further discussion, Robinson moved and Fossand seconded to approve the City of Kimball Municipal Utilities Insufficient Funds Check/Cash Only Customer Policy. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Cederburg opened discussion on establishing budget billing. Dean indicated the City is capable of providing budget billing and should do so. A draft of a potential policy was included in the packets and he recommended moving forward with establishing a budget billing process. Jean Klassen, Utility Clerk, has had numerous requests for this.

Extensive discussion was held on the proposed policy and Robinson expressed concern about a set sign-up date and the City being more customer friendly. Discussion was held on utility bill history and Dean encouraged Board members to at least get some history before setting up the budget billing in terms of a new move in. Klassen explained the software program can also do a verification where it fluctuates every month. Dean suggested establishing the program and then look at some history; at least get six months of history to begin with before establishing it. Dean commented on the initial set up and that anything in six to nine months would be a reasonable period of time to establish history.

Robinson said this needs to be done but commented that it needs to be done correctly and as "customer friendly" as possible. Porter suggested checking with other communities on how this program works for them. Discussion was held on reports and Klassen said there is a pre-bill now that tells when someone is high or low and that could be used. Robinson said the budget billing could help save a lot of consternation.

Discussion was held on the period of time for the history and the budget "settle-up". Klassen said there needs to be a good 12-month history and Robinson said there needs to be at least some sort of history to include some data from summer and winter.

It was determined that the board members like the idea of budget billing, but the draft plan submitted needs some work. Dean said City staff will continue to work on it.

Cederburg opened discussion on establishing a municipal utility rate. Dean said it has been suggested that since allowances were made for different organizations on capping utility bills, this should be applied to all City facilities. His suggestion is to set a municipal rate. A small percentage of other cities do give consideration to their own facilities for a discounted electric rate. Dean commented on the 2005 rate study done by NMPP Energy and the suggested municipal rate at that time.

Cederburg commented that if income is reduced in the Electric Department, it increases the odds of a rate increase for the citizens. Mayor Prunty commented that it would still be money to the City; it all depends on where it is going. He commented on the substantial rebate offered to the Event Center.

Dean commented on the municipal rate proposed in 2005 being 14% less than the general service rate. Robinson indicated he would need more information before making a decision. Dean said that part of the discussion would be what kind of a rate the Board would want to look at. Cederburg said he is certainly open to looking at this but there needs to be more work done on the impact. He added that he suspected that the big picture is not that big of an impact.

Dean indicated if this is something the Board wants to consider, staff will compile information using two or three different numbers and use a percentage of the numbers by department.

Cederburg opened discussion on establishing a policy for security lights. Dean indicated the City does have an electric rate for security lights; however, the Electric crew has not constructed security lights for a number of years and there is no policy on this. The City would prefer not to be in the business of constructing security lights.

After some discussion, Robinson moved and Porter seconded that the City not install security lights. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, and Robinson. Nay: None. Absent: Rowley. Motion passed.

The FY 2017/2018 budget was reviewed.

Electric Department - Discussion was held on the wheeling rate and the \$250,000 upfront payment from Sandhills Energy. A new digger derrick truck for \$225,000 has been included under capital expenditures.

Landfill – Dean indicated there is a little over two years left in the Landfill cell. One-third of the cell was built and two-thirds is left to complete. Schulte said he would like to get the remaining two-thirds done. A new pickup truck is budgeted with the cost split between the Landfill and garbage collection.

Water Department – the SCADA upgrade will be done this fiscal year so that line item will be reduced from \$70,000 to \$30,000.

Board members were not comfortable with providing a recommendation as they have not had time to review the budget numbers. Therefore, the final review and recommendation will be on the August 22nd agenda.

Dean complimented City staff on assisting with the budget process.

Dean reported he has had discussion with Eric Johnson, Sandhills Energy. They have had some issues and have encountered another expense they were not anticipating. Dean reported he has spent most of his time working on the budget. Schulte has the trommel screen at the Landfill and is working with that. The Electric Department has spent some time out at the ballfields and have been troubleshooting the lights.

Quicke reported the panel repair has been slow and parts are on backorder. Dean reported the Street Department hauled over a million pounds of sludge out of the Wastewater Treatment Plant. Dean said eventually the Board may want to look at some alternatives, i.e., land application, due to the space it takes up in the Landfill.

The next meeting will be held on August 22, 2017 at 4:15 p.m.

There being no further business to come before the Board of Public Works, Fossand moved and Robinson seconded to adjourn the meeting at 5:45 p.m. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Fossand, Porter, and Robinson. Nay: None. Absent: Rowley. Motion passed.

Chairperson

City Clerk

City of Kimball-Combined Utilities-Utility Claims-July 25, 2017-Croell Redi-Mix, Inc.-Concrete-341.50; State of Nebraska- Refund-69.65; Payroll Fund-Payroll Transfer-43,927.20; Joe Fennell Pumping Service-Refund-829.45; GreatAmerica Financial Services-Lease-365.00; Amazon-Charges-310.66; CenturyLink-Telephone-664.09; Centurylink Communications, Inc.-Long Distance-73.77; Charter Communications-Internet-245.25; Connecting Point-Copy Usage-413.95; Dollar General Corporation-Supplies-22.34; High West Energy-Utilities-10,516.00; Simmons Olsen Law Firm, P.C.-Professional Services-683.00; Vieraero-Cell Phone-628.44; Visa-Firstier Bank-Charges-551.13; Western Nebraska Observer-Meeting Notices-105.12; Payroll Fund-Payroll Transfer-43,709.45; A & L Sales and Service-Repair Work-1,686.30; Altec Industries, Inc.-Repairs-1,881.74; Black Hills Energy, LLC-Gas Service-349.38; City of Kimball-Transfer-17,915.04; City of Kimball-Occupation Tax-11,750.69; City of Kimball-Transfer-158.32; City of Kimball-Transfer-2,287.76; City of Kimball-Transfer-25.00; City of Kimball-Transfer-1,629.78; City of Kimball-Transfer-60.00; Combined Utilities-Utilities-224.64; Country Printer-Printing-635.00; Credit Management Services, Inc.-Charges-106.96; Crescent Electric Supply Co.- Parts-408.32; Croell Redi-Mix, Inc.-Concrete-

493.00; Culligan-Rental-32.20; John D. Dvorak-Refund-94.43; EMC National Life Company-Premium-372.12; Exponential Engineering, Co.-Professional Services-8,770.50; Frenchman Valley Coop-Fuel-2,668.16; High Point Manufacturing, LLC-Refund-128.70; Holiday Inn-Lodging-99.95; Hometown Hardware-Supplies-671.08; Joanna Hottell-Refund-133.63; Ideal Linen Supply, Inc.-Supplies-65.63; Karl W. Schmidt & Associates, Inc.-Freight Charge-2,041.00; Kimball Auto Parts-Parts-459.63; Kimball Service Center-Vehicle Maintenance-452.13; Steve Knigge-Refund-93.69; Kriz-Davis Company-Supplies-5,110.07; League of NE Municipalities-Training-1,770.00; MEAN-Mean-116,149.22; Napa Auto Parts-Parts-315.07; Nebraska Dept. of Environmental Quality-Solid Waste Disposal- 488.68; Nebraska Power-Review Board-Annual Assessment-366.43; Nebraska Public Health Enviro Lab-Water Samples- 45.00; Johanna Nelson-Refund-26.44; Northern Safety Co., Inc.-Supplies-159.92; Northwest Pipe Fitting, Inc. of S.B.-Parts -1,014.09; One Call Concepts-Locates-48.51; Panhandle Coop Association-Supplies-36.50; Prestige MFG.-Repairs-10,368.96; Respond First Aid Systems-Supplies-80.46; Robinson Electric-Repairs-673.21; Simmons Olsen Law Firm, P.C.-Professional Services-810.00; Slafter Oil -Oil-825.00; Staples-Office Supplies-370.65; Star-Herald Newspaper-Meeting Notice-9.93; USA Blue Book-Chemicals-1,090.29; Wolf Automotive Center, Inc.-Repairs-979.70.