

Kimball Board of Public Works  
Regular Meeting  
April 28, 2015

A regular meeting of the Board of Public Works was convened in open and public session at 4:15 p.m. on April 28, 2015 at the City Council Chambers. Board members Cederburg, Moeser, Fossand, and Robinson were present. One vacancy exists. Also present were Water Superintendent Ford, Landfill Superintendent Schulte, Power Plant Supervisor Terrill, Wastewater Supervisor Quicke, City Administrator Ortiz, 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 joint meeting with City Council of March 19, 2015 and regular meeting of March 24, 2015
2. Claims;
3. Treasurer's Report from March 2015; and
4. Financial Reports from March 2015.

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

Cederburg reported the City Council recently received a report on the audit from Terry Galloway from Almquist, Haltzahn, Galloway & Luth and he has graciously consented to provide a portion of the presentation to the Board of Public Works via telephone. Galloway commented on the proprietary funds portion of the audit and the rate studies. The City needs cash reserves to make up the deficits in the unrestricted net positions of the Water Fund and the Landfill Fund. Galloway commented on replacement of capital assets. The City is at about 41 percent and anytime this drops below 50 percent, it means that the City has a need for replacement of those assets.

Galloway explained the statement of revenues, expenses and changes in fund net position and commented on generated cash reserves and debt service coverage ratios.

The best practices for operating income/total operating revenue is 15 percent and the City is far below that percentage. Galloway said the City needs to look at costs and operating expenses and then turn to rate increases to make those figures positive.

Ortiz and board members thanked Galloway for the presentation.

Cederburg opened discussion on the requests for proposals to provide utility rate study services. Ortiz commented on the proposal summary. Three proposals were received on time; another proposal was received after the due date and was returned unopened.

The proposals requested a multi-phase approach, and Ortiz explained the phases. Some of the City's rate structures have been in place for a number of years and Ortiz thinks it is prudent to look at those in a much more detailed manner and make sure they are fulfilling the City's needs.

Ortiz said board members may be inclined to look at the proposal from NMPP Energy and commented that there has been some discussion on what type of quality the City is getting with the services in moving forward with the proposal. Ortiz commented on the leadership of NMPP Energy and dealing with a company that generally deals with the electric side of things. The proposal from Baker and Associates shows a team that has been put together for the rate study and has partnered with JEO. Ortiz recommended accepting the proposal from Baker and Associates and commented on the availability of data.

Jack Baker and Russ Colby, Baker and Associates, indicated the firm has been around since 1977 and has a solid background in providing professional engineering services on a wide variety of municipal water and wastewater engineering projects. Their teaming partner for this project is JEO Consulting based out of Wahoo, Nebraska. They have had various successful teaming projects with JEO and their combined resources in electrical engineering and water and wastewater provide a wealth of experience to serve the City. Baker and Associates did put a little more time and emphasis on the solid waste portion of the proposal because there are more variables. Baker commented on a new baler and composting and continued expansion of a new cell.

Ortiz indicated that the City has not really done a comprehensive approach in the past and this is a shift in looking at all of the rates together as one. Robinson inquired about the time frame and Baker indicated the deadline to implement is January 1<sup>st</sup>. He added that they tried to leave it flexible.

Discussion was held on the manhours listed in the proposal. Colby commented that on the solid waste side, there are different people getting different services and Baker also commented on customers outside of City limits having other choices and the City being competitive.

Cederburg commented on the lower proposal and on NMPP's experience being electric, water and sewer. Cederburg added that he doesn't want to spend \$13,000 and

question whether the City would get the information they need. He is more comfortable spending \$24,000 and getting the results the City can use. Robinson said he is impressed with the proposal and the fact that Baker and Associates has covered all of the City's needs in addition to finding a partner. JEO is a great organization. Robinson feels the City is going to get the numbers they need with the proposal from Baker and Associates.

There being no further discussion, Robinson moved and Moeser seconded to accept the proposal for the Utility Rate Study from Baker and Associates and authorize Ortiz to draft a professional services agreement. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Moeser, Fossand, and Robinson. Nay: None. Absent: None. Motion passed.

There being no discussion on the appointments to the NMPP Members Council, Robinson moved and Fossand seconded to adopt the following resolution.

**Resolution 2015-02**  
**Member Resolution for Appointments**

***Representative and Alternate to NMPP Members' Council***

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

1. The City of Kimball hereby is a member of the Nebraska Municipal Power Pool; and
2. The Board of Public Works of the City of Kimball, State of Nebraska, does hereby appoint Daniel Ortiz as the Representative of the City of Kimball, State of Nebraska to the Members' Council of the Nebraska Municipal Power Pool.
3. The Board of Public Works of the City of Kimball, State of Nebraska, does hereby appoint William Hinton, as the Alternate Representative of the City of Kimball, State of Nebraska, to the Members' Council of the Nebraska Municipal Power Pool.

*This is to certify that the appointments set out above were approved by the Board of Public Works of the City of Kimball, State of Nebraska, at their meeting on April 28, 2015.*

*/s/Rosemarie D. Russell, City Clerk*

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

Cederburg opened discussion on the garbage and yard waste collection. Ortiz indicated this was touched on during the joint meeting in March and he wanted to bring it back to find out the direction the board members would like to head with the waste collection. The garbage truck will need to be replaced in the near future and there is a great need for new dumpsters. Ortiz inquired if the board members want to continue the service provided and commented on the side load or curbside pickup. He said this will help prioritize the direction in preparing bids. Robinson said this is a drastic change from what the City has and will be a big transition. It needs a lot of input from the public and Robinson inquired if it might have to be phased in. Cederburg said he considered this to be brainstorming and he doesn't think the City is ready to make serious changes at this time. He commented on grass clippings and said it is at least a year of education.

Ortiz commented on the vendor and the possibility and costs of coating the dumpsters. He also commented on slowly transitioning from 3 yard containers to 2 yards containers in order to be able to buy more and the weight of the 2 yards being less strain on the truck. Ortiz said they have thought about the possibility of a dual purpose truck and a smaller size truck. He also spoke about the need for dumpsters as well as the on-going maintenance of the current truck.

Further discussion was held on the truck and whether to look at a dual purpose truck.

Ortiz commented on the yard waste and said it is hard to imagine doing away with a service. He inquired as part of the rate study, should the City look at making sure they are recouping their expenses on the yard waste side.

Robinson said the City needs to wait for the rate study, but also probably needs a truck within the year and needs to order it within the next three months. Ortiz commented on talking with Baker and Associates and providing them the Capital Improvement Program list. Ortiz said they will need to start ordering the dumpsters and will put together some more information.

Spud Rowley inquired if the City will consider keeping the old truck and commented on dumpsters. He said there will always be maintenance on it. As a citizen, he hears a lot of people's concerns and said there is only so much you can do. Rowley said he would hate to see the City give away a piece of machinery. Schulte said the truck is 12 to 14 years old. Moeser said it would be a good idea to keep it as a spare. Chris Rowley commented on the green dumpsters and picking them up less times a week. He also commented on the green dumpsters being placed in alleys where people don't use them. Cederburg said that there comes a time when the City needs to look at more than the actual cost of repair on the truck.

Ortiz provided an update on Landfill permitting and cell closure. He explained the spreadsheet of the financial assurance calculation. The City is required to put funds aside every year in the closure/post closure fund. This is the Nebraska Department of Environmental Quality's way of providing assurances that the City has the financial

mechanism to address issues, if needed. Ortiz told the board members to bear mind as the City moves forward with the new cell, the City is going to have to put aside money for this as well.

Discussion was held on alternate covers. Ortiz commented on the closure of the cell and doing it differently as far as the bidding process. The bid will be all-encompassing with a general contractor.

Terrill provided an update on the Power Plant. Larry Wheeler was in Kimball for a week to assist with inspection, maintenance and operation. Some issues with unit #6, the Cooper engine indicated some water leakage sometime during engine operation in the past; adjusted main drive lube oil pump drive chain; corrected 80# control air from 65# to 80#. Unit #2 Superior engine ran good, just had an issue with the thrust bearing which was cracked. Unit #1 Superior engine bottom bearing caps have shifted and the linkage is not correct. The crew couldn't get it switched over to gas and that is something that needs to be looked at. Unit #3 Superior engine had water spraying out on the cylinder head and was smoking. This unit is classified as "Do not run" until the cylinder head and knocking problem is corrected. Unit #4 Superior engine is giving some variance on the kW's but not as bad as unit #3. The solenoid valve is not getting the proper signal during the gas changeover operation. Terrill commented that during the course to find the control problem, they found and repaired broken wires, water and hydraulic oil lines and wire connections. Unit #5, the oldest Superior engine, was very stable on the load on the diesel run.

Robinson said the Power Plant crew needs to prioritize the engines and what repairs need to be done and have someone look at unit #3 and what it will take to repair it. He asked if it would be alright to run during the substation repair and Terrill said it would.

Ortiz plans to separate the Power Plant and the Electric Distribution budgets. Terrill said the City has all the gas meters to meet the MEAN requirements.

Ortiz reported the City is still planning to generate the middle of next month. The date will be finalized and the City will get the word out to the residents and businesses.

Ortiz reported a pump went out on one of the water wells. The Water Department crew are working on that and also working to get things done at the swimming pool.

Ortiz reported there has been an excessive amount of grease in the sewer line near the Main Street Market store.

Ortiz reported he and Water Superintendent Ford have explored the options long-term maintenance needs of the water tank. They discussed a long-term maintenance agreement with a company and Ortiz will research this further.

There will be a Strategic Planning Update and Review on May 14, 2015 at 5:30 p.m. and the next Board of Public Works meeting is May 26, 2015 at 4:15 p.m.

There being no further business to come before the Board of Public Works, Fossand moved and Moeser seconded to adjourn the meeting at 5:32 p.m. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Moeser, Fossand, and Robinson. Nay: None. Absent: None. Motion passed.

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Chairperson

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City Clerk

Board of Public Works-Utility Claims-April 28, 2015-Payroll Fund-Payroll Transfer-42,521.20; Centurylink Communications-Long Distance-100.36; Connecting Point-Copy Usage-463.25; Frenchman Valley Coop – Fuel-1,516.45; GreatAmerica Financial Services-Lease-365.00; Safetyline Consultants, Inc.- Safety Training-750.00; Scottsbluff Screenprinting-32.00; Western Nebraska Observer-Meeting Fees-87.48; A & L Sales and Service-Quote–5,393.12; Government Finance Officers Assn.-Conference-700.00; Payroll Fund-Payroll Transfer-42,247.66; CenturyLink-Telephone-639.83; Charter Communications-Internet Service-215.25; Dollar General Corporation-Supplies-29.29; High West Energy-Utilities-6,862.00; Simmons Olsen Law Firm, P.C.-Professional Services-530.00; SourceGas, LLC-Service-4,680.55; The United States Life Insurance Company-Long-Term Disability-637.72; Viaero-Cell Phone Usage-131.37; Visa-Firstier Bank-Charges-871.51; Almquist Maltzahn Galloway & Luth-Professional Services-Audit-9,882.00; Brown Pump and Septic-Services-791.64; Brown Nelson Electric Motor Service-Repairs-824.41; Cash-Petty Cash-Reimbursement-41.58; City of Kimball-Group Health-13,145.47; City of Kimball-Group Health-12,440.65; City of Kimball-Occupational Tax-10,100.37; City of Kimball-Transfer-467.57; City of Kimball-Transfer-613.26; Combined Utilities-Utilities-170.05; Commercial Contractors Equipment, Inc.-Refund-144.00; Country Printer-Printing-596.00; Credit Management Services, Inc.-Charges-Payment-20.00; Crescent Electric Supply Co-Supplies-1,636.11; Croell Redi-Mix-Repairs-1,844.63; Dollar General Corporation-Supplies-10.20; EMC Insurance Company-Deductible-2,500.00; ERA-Environmental Resource Associates-Testing Supplies-990.31; Exponential Engineering-Professional Services-3,650.75; Fairfield Inn & Suites-Lodging-411.04; Carolyn Kay Fletcher-Refund-19.66; Frenchman Valley Coop-Fuel-920.20; Golder Associates-Professional Services-21,626.75; Great America Financial Services-Lease-365.00; HD Supply Waterworks, Ltd.-Supplies-352.30; Hach Company-Supplies-980.20; Hometown Hardware-Parts-858.64; Ideal Linen Supply, Inc.-Supplies-47.72; Interstate Improvement, Inc.-Refund-150.00; Keep Kimball Beautiful-Landfill-2,510.00; Kimball Auto Parts-Parts-912.61; Kimball Event Center-Supplies-50.00; Kimball Health Services-Medical-428.29; Kimball Service Center-Repair-136.00; Kriz-Davis Company-Supplies-244.66; League of NE Municipalities-Training-1,078.00; Linn Machine Works-Services-310.09; MEAN-Mean Bill-150,952.07; Michael Todd & Co., Inc.-Signs-213.50; Kevin Moeser-Refund-9.00; Napa Auto Parts-Parts-223.91; Nebraska Dept. of Environmental Quality-Qrtly Fee-624.55; Nebraska Municipal Power Pool-Dues-1,131.40; Nebraska Municipal Power Pool-Annual Meeting-280.00; Nebraska Public Health Enviro Lab-Water Samples-45.00; Nebraska Rural Water Association-Conference-750.00; Laura Noah-Refund-37.30; Norberg Auto & Diesel Inc.-Services-575.08; Northern Safety Co., Inc.-Supplies-299.44; OFP Services, Inc. Services-258.48; One Call Concepts-Locates-38.75; Panhandle Coop-Fuel-572.38;

Panhandle Coop Association-Supplies-68.46; Perfection Door-Repairs-2,275.00; Powerplan-Repairs-628.92; Prestige MFG.-Supplies-462.08; Q A Balance Service-Testing-150.00; Ronald Scott-Refund-116.51; Scottsbluff Screenprinting-Uniforms-750.00; Doug Shaw-Refund-10.83; Shopko Stores Operating Co.-Supplies-185.49; South Platte NRD-Tree City Expense-868.60; Southwestern Equipment Co.-Repairs-1,316.78; Staples-Supplies-136.95; Steffen-Supplies-109.86; Twin City Roofing & Sheet Metal, Inc.-Refund-36.00; USA Blue Book-Supplies-292.18; WPCI-Medical-88.50; Mike Webb-Refund-18.82; Wesco Distribution Receivables Corp.-Supplies-4,718.70; Western United Electric Supply Corp.-Repairs-413.75; Wolf Automotive Center, Inc.-Vehicle Maintenance-45.23; Michael Young-Refund-17.78; Z & S Construction Co., Inc.-Services-1,683.50; Payroll Fund-Payroll Transfer-42,941.21.