

Kimball Board of Public Works
Special Meeting
August 12, 2015

A special meeting of the Board of Public Works was convened in open and public session at 4:15 p.m. on August 12, 2015 at the City Council Chambers. Board members Cederburg, Fossand, Robinson and Rowley were present. Board member Moeser was absent. Also present were Electric Superintendent Hinton, Water Superintendent Ford, Power Plant Superintendent Terrill, Landfill Superintendent Schulte, Council President Morrison, Council member Shields, City Administrator Ortiz, 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 4:15 p.m. and acknowledged the posted Open Meetings Act.

Cederburg opened the FY 2015/2016 utility budget review. Ortiz indicated most of the departments have budgeted for a deficit.

Ortiz said that there is an error on the Landfill gate fees. In late 2012, the processing of payments was changed with regard to the Villages and County. There was a double entry being made and the second input was being lumped into the collection gate fees. This affects the net revenue. Ortiz commented on the cost of the Landfill closure and the track loader and indicated \$50,000 is being budgeted towards a baler replacement fund.

Robinson inquired about the cost for contract labor for processing compost. Ortiz said he spoke to one of the John Deere dealers out of Colorado Springs who has a trommel screen that the City could rent for \$1,500 a week.

Discussion was held on the repairs and maintenance and fencing at the old Landfill. The issue with the fencing at the old Landfill is that the old fence serves as a windbreak and the water has eroded the ground underneath the fence. There is a 30 foot section of six to seven posts that need to be replaced. Discussion was held on responsibility for the fence and Robinson said he would guess that the City would be responsible for it but that it should be getting pretty close to the 30 year mark.

Discussion was held on the rate study and the possibility of increasing rates. Ortiz indicated there are no rate increases built into the budget as of yet.

Ortiz has received comments on the hours at the Landfill and closing at 3:00 p.m. He reminded the Board that being open until 4:30 p.m. every day didn't give Landfill employees enough time to do the duties they needed to do in addition to the required training; however, this can be revisited later.

Initially Ortiz was looking to finance \$250,000 for the track loader and garbage truck; however, he is considering paying cash for the equipment since there is approximately \$1.7 million in the City's utility sweep account. He commented on the \$350,000 bond payment in November and the \$75,000 bond payment in December. Cederburg said if the City can pay cash for equipment and avoid the interest expense, it is good for the City and the citizens.

Robinson inquired about health insurance costs and Ortiz indicated the City hasn't received updated health insurance cost information yet. Last year a 13% increase was budgeted. Ortiz added that he has budgeted a 10% increase for property insurance.

Ortiz reviewed the trash collection budget. The City collects \$23 per month from each resident. He kept most of the budget figures the same as the prior fiscal year and annualized them.

Discussion was held on the dumpsters and the rate study. They are looking at commercial rates and industrial rates and the size of the dumpster the business utilizes. There might be a recommendation on changing those rates.

Ortiz broke out some line items on the Electric and Power Plant budgets but is not sure how to break it out further due to the revenue stream. Ortiz said he might just leave it until the rate study is complete. Ortiz commented on changing the entire Chart of Accounts.

Ortiz explained the Power Plant repairs and maintenance line item was budgeted at \$70,000 and said that one of the bigger expenses was when Larry Wheeler came to Kimball to assist. Cederburg asked Terrill if he is now comfortable and Terrill said he was. Discussion was held on lowering the budgeted amount and Hinton reminded Board members that there are still issues that need to be taken care of.

Ortiz commented on the power costs. MEAN is part owner of the Laramie River Power Station in Wheatland and the contract date is coming up. He doesn't think MEAN is not going to renew it; however, there will be discussion down the road as to what to do with the wind farm in Kimball.

Ortiz explained the biggest increase to the Water Department budget was the increase to repairs and maintenance to replace seven fire hydrants. Nine fire hydrants were budgeted. Ford said there are probably a few more that could be replaced and said they are \$5,000 a piece in addition to putting in valves.

Robinson inquired about the water tank and Ford said the City is probably a couple years away from doing a major rehab. Ford said it is worth it to have a diver check it over for \$2,500.

Ortiz discussed the Wastewater Treatment Plant budget and the reduced dumping fees. Discussion was held on the Flygt pump. Ortiz commented on having some kind of communication means at the plant because of safety concerns.

Morrison inquired if there has ever been any thought about approaching other municipalities to use Kimball's Landfill. Ortiz has visited with other municipalities and indicated that Kimball would have to build out the cell and it would take a lot of planning. Kimball would need to invest in a larger baler, larger conveyor belt, and expand the building. Also, a scale would need to be put in. Robinson said the reason for putting in a Landfill in the first place was because of transportation costs. Ortiz added that the EPA is looking at requiring methane monitoring, which will be another expense.

Cederburg commended Ortiz for all his work on the budget.

There being no further business to come before the Board of Public Works, Cederburg declared the meeting adjourned at 5:24 p.m.

Chairperson

City Clerk