

Kimball City Council
Regular Meeting
July 16, 2013

A regular meeting of the Mayor and City Council was convened in open and public session at 7:00 p.m. on July 16, 2013 at the City Council Chambers. Mayor Schnell and Council members Warner, Shields, Christensen and Morrison were present. Also present were City Administrator Ortiz, City Attorney Hadenfeldt, Police Chief Huff, Landfill/Collection Supervisor Schulte, City Clerk Russell and City Treasurer Strauch. 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 except as otherwise indicated.

Schnell called the meeting to order at 7:00 p.m. and the Pledge of Allegiance was recited.

Schnell acknowledged the posted Open Meetings Act poster.

Schnell opened discussion on auditor request for proposals. Contryman provided notice earlier this year that they would not be able to conduct the city's audit any longer so the City advertised for proposals from auditing firms. Russell indicated that requests were mailed to five firms and one proposal was received from the certified public accountant firm of Almquist, Maltzahn, Galloway and Luth from Grand Island, Nebraska.

There being no further discussion, Warner moved and Christensen seconded to accept the proposal for audit services from Almquist, Maltzahn, Galloway and Luth for a five year period. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, and Christensen. Nay: None. Absent: Morrison. Motion carried.

Morrison arrived at 7:07 p.m.

Schnell opened discussion on the RICE Compliance Bids. Ortiz commented that this is a project that began last year. The EPA passed new regulations that required power plants to become RICE compliant. Three bids were received on April 18, 2013 for the furnishing and installation of emissions equipment on the Kimball Power Plant Rice NESHAP Compliance project. At a special meeting on May 7, 2013, the Board of Public Works approved the bid received from Girtz Industries in the amount of \$312,214 for the project and it is submitted to the City Council for approval. Ortiz indicated after approval, the City will move forward with the payment plan for the project. It is anticipated to go out for bonds to pay for the project.

Having the power plant does provide some benefits and the deadline for compliance is April 2014. Girtz Industries will be working with Prestige Manufacturing. Ortiz reported on the annual ERGE testing and the monthly testing. Schnell indicated that Sidney chose not to become RICE compliant. If there is an outage or any other issue, the City will be able to fire up a line. The City had the option whether to upgrade the power plant, build a new power plant or close it down. Schnell also commented on finding adequate personnel to run the plant. A new plant would cost \$10 million to run on diesel fuel and \$2 million to run on natural gas. A one year extension was requested at the end of last year. The City does receive a compensation for the hours that the plant is on "stand-by". Warner commented on the major overhaul of the power plant in March 1999 and council members expressed that there really is not much choice in this matter.

There being no further discussion, Christensen moved and Shields seconded to approve and ratify the action of the Board of Public Works on the RICE Compliance bids. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen and Morrison. Nay: None. Absent: None. Motion carried.

Schnell opened discussion on the Landfill Cell and C & D Cell bids. Two bids were received on June 28, 2013 for the Landfill Cell and C & D Cell. At a special meeting on July 2, 2013, the Board of Public Works approved the bid received from Commercial Contractors Equipment in the amount of \$558,788 for the projects. Ortiz provided a brief history. This is another project for extension of the landfill. The bids were received from Commercial Contractors Equipment out of Lincoln and a local company, Z & S Construction Company. Z & S is unable to subcontract for the liner that is required in the construction of the cells. The City's engineering firm, Golder and Associates, summarized the bids and Commercial Contractors Equipment is the low bidder.

Ortiz commented on the different options on the liner and indicated that it was decided to go with the thicker liner. The C & D Cell currently is serving as a concrete pile and that needs to be moved. The bids included the moving of that pile. This will be another project that the City will be bonding.

The new cell is located to the west of the current cell. The new C & D cell is located where the concrete pile currently is. Warner inquired about leaving the concrete where it is and locating the C & D cell somewhere else and Ortiz indicated it would be difficult to get the design changed due to the time constraints.

The City also purchased property to the south of the Landfill to expand in the future. The bids received are for one-third of the bale cell. This will last approximately five to seven years. To build the cell entirely will be at least double the cost. The engineers have advised not to do the other two-thirds at this time because of the PVC liner. Discussion was held on building one-third of the cell. Shields inquired if the liner would be continuous with the other two-thirds and Ortiz indicated it will have to be molded together. Golder and Associates see no issues with the City building one-third for a cost savings. Schnell commented that tops and bottoms have to be lined. Every time another layer is established, six inches of dirt has to be put on top of that.

Christensen commented that the City needs to do this but at the same time there needs to be some planning to educate people. Ortiz said that NDEQ requires to maintain a closure/post-closure fund. The City does have over a million dollars in that fund currently but there was no budget for the construction of a new cell. Strauch said there is also post-closure monitoring that monies have to be set aside for as well.

There being no further discussion, Christensen moved and Morrison seconded to approve and ratify the action of the Board of Public Works on the Landfill Cell and C & D Cell bids. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen and Morrison. Nay: None. Absent: None. Motion carried.

Discussion was held on the Mayor's appointment of Larry Walker to the Economic Development Loan / Citizen's Advisory Committee. Schnell commented on his recent appointment of Julie Wynne and said she is no longer available to attend the meetings. Walker is willing to serve out the remainder of Wynne's term. There being no discussion, Morrison moved and Shields seconded to approve the Mayor's appointment of Larry Walker to the Economic Development Loan / Citizen's Advisory Committee. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen and Morrison. Nay: None. Absent: None. Motion carried.

Schnell opened discussion on the letter of support for the WING/HIDTA Drug Task Force. The City received a letter from the Drug Task Force dated July 9, 2013 requesting a letter of support which will assist them in receiving a grant to keep functioning in the Panhandle. Huff said the Kimball Police Department has a vehicle that they appropriated as an abandoned vehicle and they will offer it to WING as a vehicle for their use. Kimball has had an officer that has worked with WING and Huff hopes to have that available once again.

There being no further discussion, Shields moved and Christensen seconded to authorize the Mayor and Police Chief to sign a letter of support for the WING/HIDTA Drug Task Force. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen and Morrison. Nay: None. Absent: None. Motion carried.

Schnell opened discussion on the possible amendment of Kimball Municipal Code, Section 32.005(A) Board of Public Works. Warner asked that this be on the agenda to be discussed. That section indicates that the Board of Public Works shall not make an expenditure other than ordinary operational expenses exceeding the amount of \$25,000 without first obtaining the approval of the City Council. She doesn't believe that vehicles fall under ordinary operational expenses and has spoken with the State Auditor who also doesn't feel they are normal operating expenses. Warner would like to see all expenses above \$25,000 come to the City Council. Christensen commented that normal operating expenditures depends on the department. For some of the City departments, a vehicle, dump truck, and/or loader is an operational piece of equipment and they cannot operate without it.

Hadenfeldt indicated that a city of the second class can delegate the authority to the Board of Public Works. Statute 18-402 uses the term ordinary running expense. The Supreme Court has defined that the running expense is something new and different from ordinary. New and different would be something like a cell construction, etc. The City Council has the authority to monitor the Board of Public Works through the budget process. Morrison said the Board of Public Works has done a wonderful job. It is their job to research and if they think the City needs it, the council will approve it. The Board of Public Works members are not elected but the council members are. Morrison said if the City Council approves the utility budget, then he doesn't have any problem with that. He would, however, like to have a little more visibility of what the board is doing.

It was indicated that the Board of Public Works has all the authority that the City Council has given them. Hadenfeldt said the issue is what is an "ordinary running expense". Warner suggested tabling this item until she gets the written clarification from the State Auditor.

Further discussion was held on the utility budget and Morrison said that if council approves the budget, they know what the Board wants to spend. Warner commented that the City Council does not go by line item to see what is going to be purchased. Strauch commented that all the capital items that are listed on the budgets are also in the capital expense. It was commented that the City Council doesn't control at the time that the purchase it made, but they approve the item at the time they approve the budget. Ortiz said the State Auditor doesn't look at the budget line by line but looks at it as a whole.

Christensen said the City Council wants to be very careful that they don't handicap the departments or the employees to carry out their duties. She feels that the guidelines should be set and let the employees carry out their duties. Morrison said he just wants to make sure that the City is not purchasing items that are not in the budget. If the item is in the budget, he has no problem with it.

Schnell said with the \$25,000 lid, the City Council has pretty well protected themselves. The Board of Public Works is a very well-educated board. Warner said the City Council are elected officials and the Board of Public Works are appointed and the City Council should be held accountable. Christensen commented that the City Council approves the appointments to those boards.

The City Council reviewed the following items under the consent agenda:

1. Minutes from the July 2, 2013 meeting;
2. Claims; and
3. Financial Statements

Christensen moved and Morrison seconded to accept the consent agenda items as presented. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen and Morrison. Nay: None. Absent: None. Motion carried.

Ortiz reported from this point forward the City Council will receive a copy of the Board of Public Works agenda and he requested that if council members have any questions on the agenda items to contact him or the Board chair.

Ortiz reported the City has received calls regarding the cemetery. The rules and regulations have not been consistently enforced. During the mowing season it becomes difficult to go through the sections of the cemetery without removing the items. There will be a special Cemetery Board meeting on July 30, 2013 at 5:30 p.m.

Ortiz reported that during the last City Council meeting, comments were made regarding nuisance property notices. The City Code doesn't require City staff to come to the City Council for approval prior to sending notices; therefore, from this point forward, the issues will be addressed by staff and Ortiz will report to City Council in his meeting report.

Schnell reported on the 2013 official league ballot which ensures that the second class cities will be able to have more representation on the board.

The next regular City Council meeting is August 6, 2013. The Park and Recreation Executive Board meeting is August 6, 2013. The joint meeting with Kimball County is August 6, 2013 and the City Council budget workshop is tentatively scheduled for August 6, 2013. Morrison said he will be out of town on August 6th.

There being no further business to come before the Council, Shields moved and Morrison seconded to adjourn at 8:10 p.m. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Warner, Shields, Christensen and Morrison. Nay: None. Absent: None. Motion carried.

James Schnell, Mayor

Rosemarie Russell, City Clerk

City of Kimball-Council General Claims-July 16, 2013-Baker & Taylor Books-Book Purchase-836.96; Bemis Drug-Supplies- 40.64; Best Books, Inc-Book Purchase-113.77; Sheryl Biesecker-Contract Cleaning-330.00; Bluffs Sanitary Supply, Inc.- Supplies-51.50; Center Point Large Print-Book Purchase-341.32; CenturyLink-Telephone-127.35; CenturyLink-Telephone-34.52;CenturyLink-Telephone-433.65; Charter Communications -Internet-79.50; Connecting Point - Computer Support-Event Center - 78.00; Contractors Materials, Inc.-Supplies-82.21; Contryman Associates, P.C.-Final Audit-24.75; Demco-Supplies-217.85; Frank Implement Company-Parts-446.54; Gale-Book Purchase-771.42; Greenline Equipment- Parts-128.65; Heartland Ag-Business Group-Subscription-33.00; High West Energy-Utilities-6,637.84; Hinton's Lock & Alarm-Fitness Center Cards-385.00; Hometown Hardware-Supplies-1,017.94; IIMC-Membership Fee-110.00; Ideal Linen Supply, Inc.-Supplies-142.99; Intralinks, Inc.-Computer Support-559.66; Jirdon Agri Chemicals, Inc.-Chemicals-511.95; KSID AM & FM RADIO-Advertising-55.00; Kimball Auto Parts-Part-6.11; Kimball Laundry-Uniform Repairs-8.00; Kimball Service Center-Tire Repairs-181.20; League of NE Municipalities-Conference-776.00; Leta Liesch- Reimbursement-45.67; Lynn Peavey Company-Supplies-99.75;

MicroMarketing, LLC-Supplies-741.49; Miller Office Supply-Supplies-24.99; Mobius Communications Company-Monitoring-51.36; Napa Auto Parts-Parts-632.39; National Geographic Society-Book Purchase-62.25; Nebraska Library Commission-Subscription-175.50; Nebraska Public Health Enviro Lab-Water Samples- 28.00; Nebraska U.C. Fund-Reimbursable Benefit-138.00; Northern Safety Co., Inc.-Wipers, Shears-160.92; Off Broadway Business Products-Supplies-283.89; Panhandle Coop-Fuel-5,462.59; Panhandle Coop Association-Supplies-446.18; PaperDirect, Inc.-Paper Products-28.98; Pepsi-Cola of Western Nebraska-Pepsi Products-39.65; Prestige MFG.-Part- 2.18; Presto-X - Monthly Contract-76.91; Respond First Aid Systems-First Aid Supplies-62.94; STP Auto Service-Vehicle Maintenance-450.45; Janet Sears-Reimbursement-30.52; Sherwin-Williams Co-Supplies-350.00; Shopko Stores-Supplies -33.62; Simmons Olsen Law Firm, P.C.-Professional Services-1,690.50; Star-Herald Newspaper-Advertising-9.54; The Penworthy Company-Book Purchase-182.60; Viaero-Cell Phone-65.86; Vince's Corner-Supplies-1,055.00; Western Trail Sports Post-Uniforms-87.00; Chad Wise-Credit Cards-6,478.54; Wolf Automotive Center, Inc.-Vehicle Maintenance-541.51; Wyoming Tribune-Eagle-Advertising-159.66; Xerox Corporation-Copier Maintenance-142.07. Economic Development-Claims-July 16, 2013-Wilson Bowling-Expense Report-54.24; CenturyLink-Telephone-51.00; Charter Communications-Internet-39.75; Contryman Associates, P.C.-Final Audit-24.73; Simmons Olsen Law Firm, P.C.-Professional Services-665.00; Star-Herald Newspaper-Advertising-32.83; Viaero-Cell Phone-32.93; Wingate Inn-Lodging-359.80.