

MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS  
OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA  
HELD  
APRIL 12, 2004

THE BOARD OF PUBLIC WORKS OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA, met in regular session on the 12th day of April 2004 at the regular meeting place of the Board at the hour of 12:00 Noon. Said meeting being held in open session as required by Chapter 84, Article 14 of Nebraska Statutes.

Chairman Layson called the meeting to order and requested roll call: members present - Glenn, Grant, Humphrey, Layson; absent - Lynch.

Chairman Layson noted all Board Members have received a copy of the Agenda for this meeting and asked for any objections or exceptions to the General Consent Items listed under Agenda Item #2. There being no objections or exceptions, motion was moved by Member Grant, seconded by Member Glenn, the Board approve the General Consent Items listed below:

Agenda Item #2

- a) Approve the previous meeting's minutes and dispense with reading of same,
- b) Approve monthly compensation of Officers, management and employees as previously fixed by the Board,
- c) Approve Free Service Report as follows: BPW has furnished utilities, materials and labor equal to \$3,350.38 to the City free of charge and paid in lieu of tax payments of \$7,913.64 to the City for the month of March 2004,
- d) Approve, ratify and allow the following checks written/transfers during the month:

Electric, Water & Wastewater:

Internal Revenue - fwh & fica (efpts)	\$ 20,037.71
Department of Revenue - swl (efpts)	2,869.76
Alltel - local/long distance	1,004.23
Petty Cash: Meals-linecrew/meter reader, address corrects, postage, COBRA notice, safety meeting, Line Tech School Meals (Kuhlman/Stoltz), cash over/short	356.23
BC-BS - health insurance	18,431.04
Fort Dearborn - life premium	836.84
Jefferson Pilot Financial - disability premium	862.19
Ameritas - pension (efpts)	9,754.37
Payroll - transfer	55,112.75
Customer Deposits #3 - refund/apply	816.42
Bob Cole - refund temporary-all electric	65.00

approve and pay the following claims:

Action Technology	\$974.00
Auburn Newspapers	302.23
Auburn Plumbing/Heating/AC	12.39
Auburn Postmaster	1,041.00
Beard's Salvage	163.80

BPW	3,917.54
Bulldog Auto Parts	72.66
Cleaners, The	166.14
Concrete Industries	247.87
Daub's	26.57
Dettmer Farm	21.30
Eggers Brothers	270.53
Family Health Center	34.00
Farmer's Union Co op	1,204.27
Johnson Motor	497.36
Lynch Hardware	32.37
Machinery Station	66.62
OK Tires	189.83
Orscheln	76.76
Sack Lumber	97.65
SRC Computers	197.15
Sunmart	43.60
Texaco	412.12
Wheeler Inn	197.25
Winegardner's	83.38
Adcock John	100.00
Advanced Controls Systems	1,305.80
Alltel Cellular	79.20
Alltel	924.35
AMI Group	184.80
Baird-Holm	288.67
Beatrice Area Solid Waste	75.00
D & D Communications	62.84
DAC Services	29.90
Dutton Lainson	960.15
Eakes Office Plus	377.95
First Bankcard Center	688.29
First National Bank	10.00
Great Plains One Call	79.32
Hall Safety Equipment	176.25
Hawkins Water Treatment	424.45
HHS-Lab	39.00
HHS-Regulation/Licensure	2,916.15
Hilti	92.13
Husker Electric	92.96
International Paper	5,086.38
Jacobson Helgoth	12,208.68
JEO	594.00
Kelly Supply	613.44
Kriz-Davis	8,623.27
Lawler Gear	1,064.45
Lincoln Electric Supply	56.24
McMaster-Carr	238.62
Mid Con Systems	343.31
Midwest Labs	26.15

Mytoolstore.com	100.00
Nebraska City Utilities	20.00
NMPP	2,279.60
NEBTECH Calibration	92.66
Northern Tool & Equipment	154.99
PayFlex	59.40
Pollard Water	18.30
Prescott Heald & Son	532.72
SE Community College	75.00
United of Omaha	335.40
UECO	404.84
Water Engineering	639.00
<b>REBATES:</b>	
Eoma Masonbrink	342.56
<b>PURCHASED POWER:</b>	
NPPD (estimate)	160,000.00
WAPA	17,610.38
OPPD	3,972.96
KBR (estimate)	20.00
<b>POWER PLANT:</b>	
Aquila (estimate)	60.00
Cornerstone (estimate)	2,200.00

and transfer the following sums to the Electric Revenue account - \$59,070.46 from Electric Revenue GMM plus the actual amount of NPPD, KBR, Aquila & Cornerstone when received, \$25,418.37 from Water Revenue GMM, \$5,769.80 from WW. Revenue GMM (amounts include routine transfers to T&D); and

e) Reinvest maturing CDs: E. ASB #19008, CNB #14489, 14490 & 14491; and WW. ASB#19010 & #19011 – all for a period of 12 months at the quoted rates with the current depositories of funds; further transfer maturing W ASB#19009 to the W. Revenue SMM Account at the current depository.

Roll call: those voting aye - Glenn, Grant, Humphrey, Layson. Chairman Layson declared the motion carried.

Motion was moved by Member Humphrey, seconded by Member Grant, the Board approve the claim of Glenn's Corner Market - \$120.52. Roll call: those voting aye - Grant, Humphrey, Layson; abstaining - Glenn. Chairman Layson declared the motion carried.

Regarding Sewer Use Fees, staff presented recommendations as follows: No increase to the sewer minimum monthly bill and reduce the current multiplier from 64% to 61% for the annual sewer use fee calculations and for the average sewer use fee for new Urban Residential Customers. Staff projects this will bring the sewer use fees in under budget and result in less than five percent increase in revenue generated. Motion was moved by Member Humphrey, seconded by Member Grant, the Board approve said sewer use fees by adoption of Resolution No. 2004-02. Roll call: those voting aye - Glenn, Grant, Humphrey, Layson. Chairman Layson declared the motion carried.

Agenda Item #10 was moved up on the Agenda to accommodate Marvin and Mark Caspers who requested to make comments. After the presentation, a motion was moved by Member Grant, seconded by Member Humphrey, the Board table any action on the items under Agenda Item #10

until the Caspers report back to the Board on items discussed concerning well site and road access. Roll call: those voting aye - Glenn, Grant, Humphrey, Layson. Chairman Layson declared the motion carried.

Accounting & Finance Manager (AF) Filbrandt and General Manager (GM) Dietz reported to the Board concerning the flexible benefit plan. Due to HIPPA regulations, it was necessary to update the Plan Document. While this was being done, Baird-Holm was consulted to review the Plan Document. Baird-Holm offered some suggestions to stream-line the plan by removing options which were not being utilized by the City or Board, such as adoption assistance, life insurance, disability insurance, etc. The Plan Year was changed to a calendar year to coincide with plans to change the health insurance to a calendar year. It was necessary to restate some items, which had been made in the existing contract which were not in the "standard" PayFlex document, such as withholding from participants final paycheck and delete items referring to ERISA. Documents requiring signatures: *Plan Document, Amendment to Service Agreement and Business Associate Agreement*. Motion was moved by Member Grant, seconded by Member Glenn, the Board adopt Resolution No. 2004-03 to amend and restate the Plan document and authorize the Chairman and Secretary to execute the Plan Document and any other documents or amendments that may be necessary. Roll call: those voting aye - Glenn, Grant, Humphrey, Layson. Chairman Layson declared the motion carried.

GM Dietz and AF Filbrandt discussed progress on implementing the option to request credit reports as previously approved by the Board. After the last Board Meeting, management received a proposal from another company, which would be less expensive than the one previously recommended to the Board; therefore, agreements with Factual Data - Midwest and their associates were presented to the Board for their review. The only fees BPW would incur would be \$3.50 for each credit report requested, with no set up fees or minimum monthly fees. Motion was moved by Member Grant, seconded by Member Humphrey, the Board accept the recommendations and approve using Factual Data - Midwest with Trans-Union as the reporting bureau. Customers requesting a credit report, in an effort to opt out of paying a deposit, would need to sign an authorization requesting BPW obtain said report, have a FICO score of 650 or higher on said report and pay a non-refundable fee of \$5.00 to BPW. Roll call: those voting aye - Glenn, Grant, Humphrey, Layson. Chairman Layson declared the motion carried. As soon as the *Agreements* are signed by Factual Data - Midwest and their associates and the internet processing is available, the Board will implement their new policy of charging deposits as approved in Resolution No. 2004-01.

The Board reviewed the Ordering Exhibit #12651 for natural gas commodity purchase from Cornerstone Energy. Motion was moved by Member Humphrey, seconded by Member Grant, the Board approve said Exhibit and authorize Chairman Layson to sign same. Roll call: those voting aye - Glenn, Grant, Humphrey, Layson. Chairman Layson declared the motion carried.

GM Dietz explained a request for reimbursement from a customer, noting that BPW's insurance (through LARM) had paid depreciated value at \$25.00 towards the claim. Motion was moved by Member Humphrey, seconded by Member Glenn, the Board reimburse the customer for the balance of \$98.04 based on acknowledgement by LARM of the liability. Roll call: those voting aye - Glenn, Grant, Humphrey, Layson. Chairman Layson declared the motion carried.

GM Dietz officially thanked Board Member Grant for his help with discing the contaminated soil site. After reviewing a Change Order for furnishing and installing an EPDM roof on both clearwells, motion was moved by Member Humphrey, seconded by Member Glenn, the Board table the matter and instruct management to further discuss some possible cost-sharing with AHRS and JEO. Roll call: those voting aye - Glenn, Grant, Humphrey, Layson. Chairman Layson declared the motion carried.

Member Humphrey left the meeting at 1:25 p.m.

Motion was moved by Member Grant, seconded by Member Glenn, the Board send a letter to NPPD thanking them for their investments in Auburn with the purchase of Sheridan School and the Johnson Motor building. Roll call: those voting aye - Glenn, Grant, Layson. Chairman Layson declared the motion carried.

The Board received a request from the Auburn Chamber of Commerce for help in displaying welcome banners. Motion was moved by Member Grant, seconded by Member Glenn, the Board grant approval to mount brackets for these banners on the street light poles and assist in the project by installing the brackets and putting up the banners, contingent upon City Council approval. Roll call: those voting aye - Glenn, Grant, Layson. Chairman Layson declared the motion carried.

The Utilities Section of the League of Nebraska Municipalities is hosting a series of noon meetings wherein municipal employees will be recognized for their years of service. These meetings will be held in various locations in Nebraska, with Auburn hosting one on April 26 at Wheeler Inn. Motion was moved by Member Glenn, seconded by Member Grant, the Board authorize all BPW employees (including Board Members) who will receive tenure awards to attend said meeting, as well as their respective supervisors, with meals costs to be paid by BPW. Roll call: those voting aye - Glenn, Grant, Layson. Chairman Layson declared the motion carried.

Member Grant left the meeting at 1:45 p.m.

GM Dietz provided information on the following: Reports-Priority: a) Surge Intercept Service, b) Power Plant, c) Service Area, d) Water pressure, e) Street lighting, f) Baird-Holm Labor Law Forum, g) League article on bidding, and h) Personnel; Reports-General: a) Brownville Development, b) Life insurance premium guarantee-2 year, c) NMPP Annual Meeting, d) Backflow Survey, e) New radios, f) Quarterly insurance report, and g) HVAC training.

There being no further business to come before the Board and no quorum, the meeting was concluded. The Board will meet in Special Session on May 3, 2004 at the hour of 12:00 Noon, at the regular meeting place of the Board. Chairman Layson declared the meeting adjourned. Agenda items will be posted.

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Richard K. Layson, Chairman

ATTEST:

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Jack W. Humphrey, Secretary

#### CERTIFICATE

I, Betty J. Filbrandt, Notary Public for the State of Nebraska, do hereby certify the attached and foregoing minutes is a true, correct and conformed copy of proceedings had and done by the Board of Public Works at their April 12, 2004 meeting; all of the subjects acted upon in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the Office of the Board; such subjects were contained in the agenda for at least twenty-four hours prior to said meeting; at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; the said minutes were in written form and available for public inspection within ten

working days and prior to the next convened meeting of said body, all in accordance with Chapter 84, Article 14 of Nebraska Statutes

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Betty J. Filbrandt, Notary Public in and for the  
State of Nebraska.

My Commission expires January 12, 2005.

## RESOLUTION NO. 2004-02

*Reference: Article 8 - **Sewer Department**, Auburn Municipal Code 3-811 & 3-813.*

A resolution establishing new sewer use fees due to a change in the rate structure for water rates and to restate the existing sanitary sewer connection fee to be charged by the Board of Public Works of the City of Auburn, Nebraska.

WHEREAS the Board of Public Works of the City of Auburn NE (BPW) does hereby establish the following wastewater rate schedules, attached and made a part of this Resolution 2004-02:

- 1) Urban Residential & General Service
- 2) Rural Service
- 3) Campground Dump Stations

FURTHER, the fee for all new connections to the sanitary sewer system shall remain at \$300.00 (effective with building permits issued January 13, 2000 and thereafter). New connections to the sanitary sewer system shall be defined as follows: Any building replacing an existing building shall not be considered a new connection. All other situations shall be considered a new connection.

NOW THEREFORE BE IT RESOLVED said wastewater rates shall go into effect with the April 2004 billing. Resolution No. 2002-01 and 2002-03 and any prevailing resolutions, or parts thereof, passed by the BPW and in conflict with Resolution No. 2004-02 are hereby repealed.

MOTION was moved by Member Humphrey, seconded by Member Grant, the BPW, by its members does hereby adopt the above *Rate Schedule* by adoption of this Resolution No. 2004-02. Members voting aye: Glenn, Grant, Humphrey, Layson. Members voting nay: none.

WHEREBY Chairman Layson declared this Resolution No. 2004-02 duly adopted this 12<sup>th</sup> day of April 2004.

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Richard K. Layson, Chairman

ATTEST:

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Jack W. Humphrey, Secretary

## RESOLUTION NO. 2004-03

*Reference: Flexible Benefit Plan*

RESOLVED, that the Board of Public Works, City of Auburn, Nebraska (BPW) Flexible Benefit Plan (the "Plan") is hereby amended and restated in the form of the attached plan document, which by this reference is fully incorporated herein.

FURTHER RESOLVED, that the appropriate officers of the BPW be, and they hereby are, authorized to do all things necessary, including the execution of the attached Plan, and to take all other action and execute any other documents or amendments that may be required to carry out and effectuate the foregoing resolution and to maintain the tax-qualification of the Plan, as amended, under Section 125 of the Internal Revenue Code of 1986, as amended. Any prevailing resolutions, or parts thereof, passed by the BPW and in conflict with Resolution No. 2004-03 are hereby repealed.

MOTION was moved by Member Grant, seconded by Member Glenn, the BPW, by its members does hereby adopt this Resolution No. 2004-03 in its entirety. Members voting aye: Glenn, Grant, Humphrey, Layson. Members voting nay: none.

WHEREBY Chairman Layson declared this Resolution No. 2004-03 duly adopted this 12<sup>th</sup> day of April 2004.

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Richard K. Layson, Chairman

ATTEST:

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Jack W. Humphrey, Secretary