

MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS
OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA
HELD APRIL 11, 2005

THE BOARD OF PUBLIC WORKS OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA, met in regular session on the 11th day of April 2005 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, Layson, Lynch; absent - Humphrey.

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 Glenn, seconded by Member Grant, the Board approve the General Consent Items listed below:

Agenda Item #2

- a) Approve the previous meetings 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 \$3,727.29 to the City free of charge and paid in lieu of tax payments of \$8,457.11 to the City for the month of March 2005,
- d) Approve, ratify and allow the following checks written/transfers during the month:

Electric, Water & Wastewater Departments:

Internal Revenue - fwh & fica (efpts)	21,953.99
Department of Revenue - swl (efpts)	3,198.79
Petty Cash: Meals-linecrew/meter reader; postage, stamps & address corrects, misc. supplies	470.43
BC-BS - health insurance	21,171.73
Fort Dearborn - life premium (inc. arrears Feb-Mar.)	1,020.76
Jefferson Pilot Financial - disability premium	947.64
Ameritas - pension (efpts)	10,766.28
Payroll - transfer	59,320.22
Customer Deposits #3 - refund or apply	1,549.87

approve and pay the following claims:

Action Technology	\$2,119.73
Allison Pharmacy	6.17
Auburn Newspapers	1,077.74
Auburn Postmaster	996.00
Beard's Salvage	23.38
Bennett's Auto Body	35.00
BPW	3,807.05
Cleaners, The	244.95
Concrete Industries	318.51
Dettmer Farm	31.95
Eggers Bros.	313.58
Farmers Co-op	2,070.79
Lynch Hardware	1.19
Mellage Truck/Tractor	39.55
OK Tires	78.95
Orscheln	102.70
Sack Lumber	21.15
Shell	321.35
Sunmart	48.18
Tri State Office	236.95
Wells Graphics	1,224.75
Winegardner's	10.65
Affiliated Credit Services	61.78
Alltel Cellular	78.36
Alltel	951.92
Alltel (Customer Service)	8.10
APPA	754.91
American Safety Utility	124.91
Blackburn Mfg.	104.98
Dugan Business	1,203.96
Dutton Lainson	362.71
Eakes Office	523.12
Electric Fixture/Supply	75.62
Extech	172.54
Factual Data-Midwest	41.03
First National Bank	10.00
General Fire/Safety	478.27
Great Plains One Call	79.52
Hall's Safety Equipment	382.70
Hawkins Water Treatment	264.06
HHS-Lab	56.00
Husker Electric	220.50
JEO	8,590.00

Kriz-Davis	1,553.83
Lawson Products	81.25
LARM	833.00
MARC	83.18
Mid Con Systems	305.96
Midstates Erectors	8,768.25
Midwest Labs	23.20
Municipal Service/Supply	3,961.76
Municipal Supply - NE	451.64
Mytoolstore	59.50
National Waterworks	15,930.75
NE City Utilities	20.00
NMPP	2,336.50
Northern Tool/Equipment	95.98
PayFlex	69.30
Harold K. Scholz	1,298.93
T & R Service	36.00
Water Engineering	639.00
REBATES:	
Gary & Martha Armknecht	700.00
Robert Cole	743.80
Richard & Deb Cox	40.00
PURCHASED POWER:	
NPPD (estimate)	170,000.00
WAPA	18,088.44
OPPD	3,994.16
KBR	15.17
POWER PLANT:	
Aquila (estimate)	55.00
Cornerstone (estimate)	2,100.00
Efpts: Dept. of Revenue	13,782.38

and transfer the following sums to the Electric Revenue account - \$60,391.64 from Electric Revenue GMM plus the actual amount of NPPD, Aquila & Cornerstone when received, \$25,654.68 from Water Revenue GMM and \$18,236.48 from WW. Revenue GMM (amounts include routine transfers to T&D); and

- e) Reinvest maturing CDs: E CNB #14491-14490-14489 & ASB #19331 and WW ASB #19010-19011, all at the quoted rate for 12 months with the current depository of funds.

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

Motion was moved by Member Grant, seconded by Member Lynch, the Board approve the claim of Glenn's Corner Market - \$45.56. Roll call: those voting aye - Grant, Lynch, Layson; abstaining - Glenn. Chairman Layson declared the motion carried.

After review of an *Agreement* to construct a 3-phase power line and electric service for electric irrigation pumping and a center pivot irrigation system for a customer, motion was moved by Member Glenn, seconded by Member Grant, the Board approve the *Agreement*. The contribution-in-aid of construction of \$16,291 will be paid one-half upon execution of *Agreement* and balance within ten days of completion of construction. Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried.

Motion was moved by Member Lynch, seconded by Member Glenn, the Board approve new Wastewater Rate Schedules by adoption of Resolution No. 2005-03, with said rates to be effective with the April 2005 billing period. Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried. As previously discussed with the annual budget, the increase will be approximately 10%.

The Board discussed an update to *Sewer Service Policies and Conditions*. Under *Service Outside City Limits*, language was inserted to state that existing septic tank users in the Wellhead Protection Area may be served if a Plan exists to sewer the general area and the septic tank is abandoned. Motion was moved by Member Grant, seconded by Member Glenn, the Board approve the new language and delete reference to Water customers in that section. Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried. Motion was moved by Member Glenn, seconded by Member Lynch, the *Water Service Policies and Conditions* be updated to delete reference to Wastewater under *Service Outside City Limits*. Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried.

General Manager (GM) Dietz reviewed the latest preliminary opinion of project costs for the CDBG application. Motion was moved by Member Lynch, seconded by Member Grant, the Board authorize GM Dietz to write a letter (to accompany the grant application to the Nebraska Department of Economic Development) approving the final costs of \$412,045 (not including contingencies and some engineering) contingent upon receiving a 50% grant and the City and Board each paying 25%. Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried.

An *Amendment* to the Flexible Benefit Plan was received from PayFlex. The *Amendment* brings the Plan Document and Summary Plan Description into compliance with the Working Families Tax Relief Act of 2004. Motion was moved by Member Grant, seconded by Member Lynch, the Board approve the *Amendment* by adoption of Resolution No. 2005-04. Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried.

Concerning natural gas issues: a) Transportation Service Agreement received from Aquila was received by the Board. Upon recommendation of GM Dietz, motion was moved by Member Glenn, seconded by Member Lynch, the Board table the agenda item until the next regular meeting. Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried; b) The Board discussed LB 748. Motion was moved by Member Grant, seconded by Member Glenn, a letter in support be submitted to Senator Lavon Heidemann informing him the Board believes it would provide BPW customers with more options in the natural gas arena. Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried; and c) GM Dietz reported on several newspaper articles concerning Aquila.

Accounting & Finance Manager Filbrandt reported it had been necessary to replace a computer workstation, which had been repaired several times. (This appeared in the claims for approval.) The computer system was purchased in July of 1999 and the server has been updated several times. John Beal of Action Technologies has proposed upgrading the office workstations to "thin clients" and also updating the firewall for added security. The thin clients with the flat monitors are less expensive and take up very little workspace. Motion was moved by Member Glenn, seconded by Member Grant, the Board approve the recommendation to purchase one thin client, two flat monitors and five software licenses at this time, plus the firewall upgrade. If staff likes the thin client, then proceed with purchasing five terminal licenses. The cost for all these items will be \$4,498.97 (not including sales tax). Roll call: those voting aye - Glenn, Grant, Lynch, Layson. Chairman Layson declared the motion carried. After further evaluation, staff will bring back recommendation on a time frame to purchase the additional four thin clients.

GM Dietz provided information on the following: Reports-Priority: a) APPA Data on Revenue per KWH; b) Bowling Center; c) Faithful Service updated in PR books, d) SE Well Field; e) Whole effluent toxicity test; f) LARM; g) Industry Recognition 5/3/05 at Noon at Arbor Manor; Reports-General: a) Baird-Holm Labor Law Forum 4/21/05; b) NMPP Annual Meeting; c) Sanitary sewer smoking; d) Water Emergency Plan of Operations approved.

There being no further business to come before the Board, motion was moved by Member Grant the Board adjourn to the next regular meeting of the Board to be held May 9, 2005 at the hour of 12:00 Noon, at the regular meeting place of the Board. Member Glenn seconded the motion. Roll call: those voting aye: Glenn, Grant, Lynch, Layson. Chairman Layson declared the meeting adjourned. Agenda items will be posted.

Richard K. Layson, Chairman

ATTEST:

Doug C. Glenn, Acting-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 11, 2005 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.

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

My Commission expires January 12, 2009.

RESOLUTION NO. 2005-03

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; to restate the existing basis of calculation of commercial, industrial or municipal sewer use fees when the billing period is less than the full month's billing period; and to restate the existing sanitary sewer connection fee to be charged.

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 2005-03:

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

FURTHER, for customers classified as commercial, industrial or municipal the following billing policy shall apply: When said commercial, industrial or municipal customer shall not utilize the sewer service for a full billing period, either having their service disconnected as for a final billing or having a service connected, said customer shall have their sewer use fee billed by the actual consumption of the water usage as to determine the sewer use fee (one-half of the charge for water usage for that particular billing period): thereafter, they shall be billed in the manner prescribed by this Resolution No. 2005-03.

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 2005 billing. Resolution No. 2004-02, 87-2, and any prevailing resolutions, or parts thereof, passed by the BPW and in conflict with Resolution No. 2005-03 are hereby repealed.

MOTION was moved by Member Lynch, seconded by Member Glenn, the BPW, by its members does hereby adopt the above *Rate Schedule* by adoption of this Resolution No. 2005-03. Members voting aye: Glenn, Grant, Lynch, Layson. Members voting nay: none.

WHEREBY Chairman Layson declared this Resolution No. 2005-03 duly adopted this 11th day of April 2005.

Richard K. Layson, Chairman

ATTEST:

Doug C. Glenn, Acting- Secretary

Board of Public Works
P.O. Box 288
Auburn NE 68305-0288

Wastewater Rate Schedule
Effective - April 2005 Billing Period
Resolution No. 2005-03

Annual Sewer Use Fee Calculation:

All sewer use fees shall be calculated on the basis of water consumption for the billing months of January, February, and March (of the current year) with said sewer use fees to be calculated at sixty-four percent (64%) of the three months' average water bill for usage. Said calculation to be made each year for each utility customer, with the exception of the Campground Dump Stations*, and shall be effective with the billing month of April of each year.

Monthly Sewer Use Fee for New Urban Residential Customers:

New Urban Residential customers shall pay a sewer use fee based on an average sewer use fee for all residential customers. Said average to be calculated on water consumption for the same period described in the preceding paragraph and shall be implemented at the same time each year as the new sewer use fees.

Monthly Sewer Use Fee for New Urban General Service and Rural General Service Customers:

New customers may be assessed a sewer use fee equal to a like business if there is a basis for this charge; otherwise, they will pay a minimum sewer use fee until they have established the above basis for consumption.

Minimum Monthly Bill:

Minimum sewer use fees shall be based on sixty-four percent (64%) of the minimum water fee.

Campground Dump Stations*

The lowest applicable Minimum Urban General Service or Minimum Rural Service fee stated below, with said fee to be billed as an ongoing monthly service charge.

<u>Urban Residential & General Service⁽¹⁾</u>			<u>Rural General Service⁽¹⁾</u>		
<u>Minimum⁽²⁾</u>	<u>Water Meter Size</u>		<u>Minimum⁽²⁾</u>	<u>Water Meter Size</u>	
*\$4.08	½ - ¾ "	Water Meter	*\$5.56	½ - ¾ "	Water Meter
\$5.48	1 - 1¼ "	Water Meter	\$7.50	1 - 1¼ "	Water Meter
\$10.60	1½ "	Water Meter	\$14.45	1½ "	Water Meter
\$14.26	2"	Water Meter	\$19.45	2"	Water Meter
\$23.42	3"	Water Meter			

⁽¹⁾ General Service (see above exceptions)

⁽²⁾ These minimum amounts are subject to change if water service charges are increased.

Monthly Bill:

The monthly bill computed in accordance with the Monthly Rate is due upon receipt. Bills not paid by the fifth of the following month shall have four percent (4%) added to the net monthly bill (excluding sales tax). In case the fifth of the month falls on a Saturday, Sunday or Board of Public Works holiday, the next working day shall be considered the same as the fifth of the month.

RESOLUTION NO. 2005-04

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. 2005-04 are hereby repealed.

MOTION was moved by Member Grant, seconded by Member Lynch, the BPW, by its members does hereby adopt this Resolution No. 2005-04 in its entirety. Members voting aye: Glenn, Grant, Lynch, Layson; Members voting nay: none.

WHEREBY Chairman Layson declared this Resolution No. 2005-04 duly adopted this 11th day of April 2005.

Richard K. Layson, Chairman

ATTEST:

Doug C. Glenn, Acting-Secretary