

MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS
OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA
HELD FEBRUARY 13, 2006

THE BOARD OF PUBLIC WORKS OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA, met in regular session on the 13th day of February 2006 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 Grant called the meeting to order and requested roll call: Members present - Glenn, Grant, Hamilton, Schneider; members absent - Humphrey.

Chairman Grant 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. It was noted the claims of Cornhusker International and Johnny's Welding should be pulled and acted upon under Agenda Item #10. There being no further objections or exceptions, motion was moved by Member Glenn, seconded by Member Hamilton, 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, ratify and allow the following checks written/transfers during the month:

Electric, Water & Wastewater Departments:

Internal Revenue - fwh & fica (efpts)	\$20,163.65
Department of Revenue - swl (efpts)	2,888.30
Petty Cash: Meals-linecrew & meter reader, address corrects & postage, Well Drillers School expenses (Leslie), title & tires fees Unit #16, additional CDL certification (Wintz), misc. expense	186.97
Alltel - local phone service	1,022.60
BC-BS - health insurance	22,311.46
Standard - life premium	480.71
Jefferson Pilot Financial - disability premium	949.87
Ameritas - pension (efpts)	11,008.29
Payroll - transfer	56,132.81
Health & Human Services - refund unused energy assistance	304.60
Customer Deposits #1 - refund or apply	763.18

approve and pay the following claims:

Action Technology	\$1,232.90
Allison Pharmacy	10.64
Auburn Chamber of Commerce	840.00
Auburn Newspapers	200.40
Auburn Plumbing/Heating/AC	17.10

Auburn Postmaster	1,040.00
Beard's Salvage	4.41
BPW	4,714.94
Bulldog Auto	97.95
Cleaners, The	243.89
Concrete Industries	79.88
Eggers Bros.	214.27
Farmers Co-op	1,347.01
Family Health Center	93.00
Fuller, Albert G - Attorney	317.26
Lotter, Wayne	493.00
Lynell's Studio	154.43
Mellage Truck/Tractor	25.60
Meyer-Earp Chevrolet	218.94
Orscheln	262.15
Pamida	39.39
Pioneer Awards	10.65
Sack Lumber	231.90
Shell Fleet	388.44
Sunmart	38.64
Tincher of Auburn	134.49
Tri State Office	83.26
Advanced Control Systems	1,350.80
Affiliated Credit Services	7.27
Alltel	929.57
APPA	299.25
Aquila	601.46
Cellular One	87.29
Crown-Line Plastics	128.90
Dugan Business	100.91
Dutton Lainson	1,661.76
EFI-Wright Sales	294.88
Electric Fixture/Supply	272.49
Environmental Analysis South	36.76
Factual Data-Midwest	7.46
First Bankcard	1,924.04
First National Bank	10.00
General Fire/Safety	381.75
Great Plains One Call	71.64
Hawkins Water Treatment	196.48
HHS-Lab	36.00

Husker Electric	587.62
Johnson-Brock Electric Vehicle	300.00
Kelly Supply	567.87
Kriz-Davis	8,050.95
LARM	55.00
Lawson Products	147.83
League of NE Municipalities	270.00
Lincoln Electric Co.	858.75
Massman-Nelson-Reinig PC	6,350.00
McMaster-Carr	338.69
Mid Con Systems	291.82
Midwest Labs	242.95
Municipal Service/Supply	98.41
Municipal Supply-NE	68.72
National Waterworks	13,380.10
Northern Tool	453.91
NPPD	937.11
PayFlex	144.20
PDS	1,816.60
Pioneer Industrial	481.98
Precision Industries	158.03
Quad State Services	4,874.90
Red Bud Supply	60.12
Richardson Co. Register of Deeds	12.50
RVW	1,568.22
Sanitary Wiping Cloth	583.05
Sensus	132.00
Solomon Corporation	1,000.00
Southwest Commercial Products	205.01
T & R Service	45.00
T & R Electric	1,990.00
Twin Power	108.09
Universal Revenue	27.50
USIS	59.80
Water Engineering	639.00
WESCO	1,086.30
REBATES:	
Troy & Andrea Barker	1,113.28
Thomas & Glenda Johnson	748.88
Dennis & Brenda Kirkpatrick	500.00
Don Law	412.20
Laura Osborne	50.00

Dennis & Carol Wheeler	148.00
Rich Wilson	739.84
PURCHASED POWER:	
NPPD (estimate)	165,000.00
WAPA	22,750.99
OPPD	3,987.76
KBR	15.17
POWER PLANT:	
Aquila	58.23
Cornerstone	3,068.40
efpts: Dept. of Revenue	16,652.87

and transfer the following sums to the Electric Revenue account - \$82,127.85 from Electric Revenue GMM plus the actual amount of NPPD when received, \$31,604.53 from Water Revenue GMM and \$8,274.34 from WW Revenue GMM (amounts include routine transfers to T&D);

(d) Reinvest maturing CD: FNB#20031 and ASB#14898 & 14897 at the quoted rates for six months with the current depositories of funds; and

(e) Approve Free Service Report as follows: BPW has furnished utilities, materials and labor equal to \$4,385.79 to the City free of charge and paid in lieu of tax payments of \$10,949.42 to the City for the month of January 2006.

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

Motion was moved by Member Schneider, seconded by Member Hamilton, the Board approve the claim of Glenn's Corner Market - \$16.98. Roll call: those voting aye - Hamilton, Schneider, Grant; abstaining - Glenn. Chairman Grant declared the motion carried.

Motion was moved by Member Glenn, seconded by Member Hamilton, the Board approve the claim of O.K. Tire Stores - \$168.84. Roll call: those voting aye - Glenn, Hamilton, Grant; abstaining - Schneider. Chairman Grant declared the motion carried.

The Board received the 2005 Audit of the Electric, Water & Wastewater Departments as prepared by Massman, Nelson & Reinig. The Audit will be presented for acceptance at the next regular Board Meeting. The three-year proposal for preparing the audits was completed with the 2005 Audit. Motion was moved by Member Hamilton, seconded by Member Glenn, the Board authorize management to proceed with obtaining three-year proposals for the audit year beginning 2006. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Member Humphrey arrived at the meeting at 12:20 p.m.

Accounting & Finance Manager Filbrandt prepared Reconciliation Statements showing budgeted 2005, as presented in the 2005 Budget, versus actual audited 2005 expenses. The statements indicate actual expenditures did not exceed the estimated expenditures in the referenced budget statement during said year. Management noted the primary difference was BPW was not able to accomplish all the capital improvements. Motion was moved by Member

Glenn, seconded by Member Schneider, to accept the statements as submitted and make them part of the 2005 Budget documents. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

Management presented a proposal obtained by Harry A. Koch Company from Standard Insurance Company for long-term disability for BPW employees. The Board could recognize an annual savings of approximately \$4,600 over current premium rates and there appears to be no decrease in coverage. Motion was moved by Member Humphrey seconded by Member Schneider, the Board approve moving our disability coverage to Standard Insurance as soon as the paperwork can be completed. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

Motion was moved by Member Glenn, seconded by Member Schneider, the Board authorize Chairman Grant to sign a letter to Senator Lavon Heidemann voicing the Board's strong support for passage of water supply legislation-LB 933. The bill contains an important exemption for municipalities that should allow Auburn to grow for the next 20 years, even if the aquifer is declared fully appropriated. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

Customer Presentation was moved up on the agenda to accommodate David Flies who appeared before the Board to discuss his driveway concrete issue. After thorough discussion, motion was moved by Member Humphrey, seconded by Member Glenn, the Board purchase the necessary concrete and materials and hire Pieters Construction to do the labor at a cost not to exceed \$350 contingent upon receiving a signed release of any further liability from Mr. Flies. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

Concerning Water Supply Considerations:

a. General Manager (GM) Dietz presented the *Hydrogeologic Investigation - Background Information Review and Aquifer Test Results* prepared by Quad State Services and dated January 27, 2006. Summary of the *Conclusions and Recommendations* indicated yield of 2 mgd without causing a localized groundwater depletion or decline in static water levels; minimum well spacing should be at least one-half mile; the aquifer can sustain 300 million gallons per year as long as irrigation in the area is not developed. Motion was moved by Member Glenn, seconded by Member Hamilton, the Board approve the report as presented. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried;

b. GM Dietz reviewed progress on drilling test holes. Motion was moved by Member Humphrey, seconded by Member Schneider, the Board authorize further test hole drilling. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

c. The Board reviewed the *Notices of Intent to Consider Wellfields* as filed with the State Department of Water Resources and the Nemaha Natural Resources District.

d. Potential rule issues for ground water and coliform were reviewed.

Motion was moved by Member Schneider, seconded by Member Humphrey, the Board approve co-sponsoring, with NPPD, another HVAC (heating, ventilating and air-conditioning) Dealer Training Seminar to do more training on heat pumps. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried. The seminar will be March 21, 2006 in Auburn.

GM Dietz explained the expenses incurred for the new sludge truck (Unit #16), which was received in December. Cornhusker International Trucks had towed the truck to their shop, repaired it and found the wiring done at Johnny's Welding had caused the truck to quit running. Also the air brake system did not include a dryer system as specified, but Cornhusker had installed the dryer system while doing the above repairs. After negotiating with both parties, Cornhusker agreed to settle for the cost of the dryer - \$456.00. Motion was moved by Member Schneider, seconded by Member Glenn, the Board approve management's recommendation to pay Johnny's Welding to install the sludge tank and related equipment on the new truck with additional items completed for a cost of \$4,727.50 and accept the offer from Cornhusker for \$456.00 for payment in full, funds to be transferred from WW T&D GMM for payment. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

Last year, BPW's insurance company had recommended a detailed inspection of all of the overhead cranes. The inspection found the traveling overhead crane in the Power Plant main engine room to be in need of major repairs or replaced. Management recommended the crane be replaced for a total cost of \$5,374.63. Motion was moved by Member Humphrey, seconded by Member Hamilton, the Board approve the recommendation of management and purchase the crane and associated equipment from Kistler Equipment Company of Omaha. Roll call: those voting aye - Glenn, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried. The BPW will install the crane.

The Board recognized Member Glenn for completing five years of service.

GM Dietz provided information on the following: Reports-Priority: a) Ethanol Plant, b) Personnel, c) Recognition Ceremony; Reports-General: a) Aquila article, b) Capacity Purchase Payment from NPPD, c) Air Permit; d) Auburn Facts Book; e) Thank you note; f) Management also reported full payment on the restitution on a theft of utilities charge from the County Court. The defendant was taken to Court and the Board received payment of \$636.40.

There being no further business to come before the Board, motion was moved by Member Schneider the Board adjourn to the next regular meeting of the Board to be held March 13, 2006 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, Hamilton, Humphrey, Schneider, Grant. Chairman Grant declared the meeting adjourned. Agenda items will be posted.

James W. Grant III, Chairman

ATTEST: _____
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 February 13, 2006 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.