

MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS
OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA
HELD APRIL 10, 2006

THE BOARD OF PUBLIC WORKS OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA (BPW), met in regular session on the 10th day of April 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 - Grant, Hamilton, Schneider; members absent - Glenn, 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 There being no objections or exceptions, motion was moved by Member Schneider, seconded by Member Hamilton, 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, ratify and allow the following checks written/transfers during the month:

Electric, Water & Wastewater Departments:

Internal Revenue - fwh & fica (efpts)	\$21,084.55
Department of Revenue - swl (efpts)	3,071.39
Petty Cash: Meals-linecrew & meter reader, address corrects & postage, Lineworker School @Kearney-expenses (Kuhlmann), Iron Works-Water Plant, safety meeting refreshments, wellfield misc. expenses, WW training @Falls City (Wintz)	610.35
BC-BS - health insurance	22,311.46
Standard - life premium	481.39
Standard - disability premium	565.08
Ameritas - pension (efpts)	11,314.75
Payroll - transfer	57,981.68
Customer Deposits #3- refund or apply	1,522.64

approve and pay the following claims:

Action Technology	\$2,909.51
Auburn Newspapers	552.88
Auburn Plumbing/Heating	15.46
Auburn Postmaster	982.00
Beard's Salvage	248.49
BPW	4,145.03
Bohl Plumbing/Heating	21.41
Cleaners, The	195.96
Concrete Industries	574.85
Eggers Bros.	36.16

Farmers Co-op	2,464.86
Intervent program	1,000.00
Johnny's Lube	54.95
Lynch Hardware	19.15
Mellage Truck/Tractor	20.86
Orscheln	212.05
Pamida	122.44
Pieters Construction	363.06
Sack Lumber	79.29
Stutheit Implement	298.96
Sunmart	92.70
Tri State Office	147.98
Wheeler Inn	236.76
Affiliated Credit Services	70.32
Baburek Metal Preserving	1,079.58
Buckingham Manufacturing	326.57
Cellular One	86.25
Crown-Line Plastics	474.31
D & D Communications	261.47
Dultmeier	322.83
Environmental Analysis South	36.76
Factual Data	55.95
First Bankcard	252.67
First National Bank	10.00
Great Plains One Call	50.32
Hawkins Water Treatment	302.64
HHS Lab	56.00
Husker Electric	324.91
Kelly Supply	165.40
Kriz-Davis	873.90
Lawson Products	803.39
League of NE Municipalities	185.00
Lincoln Electric Supply	49.80
McMaster-Carr	417.41
Metrotech	267.83
Mid Con Systems	486.71
Midwest Labs	7.00
Missouri Public Utility Alliance	25.00
Municipal Supply-NE	647.81
National Water Works	731.11
NMPP	1,172.50
NPPD	99.00
Pay Flex	74.25
Water Engineering	639.00

REBATES:

Jesse Blaser	40.00
Chad & Kathy Bowman	40.00
Gary & Kathy Garver	569.20
Habitat for Humanity	700.00
Terry Jarvis	50.00
Doug & Michelle Meyer	581.50
Marilyn Valeu	609.70

PURCHASED POWER:

NPPD (estimate)	170,000.00
WAPA	20,074.27
OPPD	3,987.76
KBR	15.17

POWER PLANT:

Aquila	228.66
Cornerstone (estimate)	3,000.00
efpts: Dept. of Revenue	14,570.30

and transfer the following sums to the Electric Revenue checking account - \$52,493.15 from Electric Revenue GMM plus the actual amount of NPPD and Cornerstone when received, \$11,631.56 from Water Revenue GMM and \$5,324.83 from WW Revenue GMM (amounts include routine transfers to T&D); further to transfer any additional funds needed for items hereafter approved and not included above;

(d) Reinvest maturing CDs - ASB Electric #19331 and WW #19010 & 19011 and CNB Electric #14489, 14490 & 14491 all for a period of twelve months at the quoted rates with the current depositories of funds; and

(e) Approve Free Service Report as follows: BPW has furnished utilities, materials and labor equal to \$3,717.91 to the City free of charge and paid in lieu of tax payments of \$9,106.66 to the City for the month of March 2006.

Roll call: those voting aye - 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 - \$55.07. Roll call: those voting aye - Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

The Board reviewed information received from American Public Power Association (APPA) regarding a new APPA Program-Electric Market Reform Initiative. Motion was moved by Member Schneider, seconded by Member Hamilton, the Board approve participation in the initiative and payment of the voluntary assessment of \$500. Roll call: those voting aye - Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Member Glenn arrived at the meeting at 12:05 p.m.

Motion was moved by Member Glenn, seconded by Member Hamilton, the Board approve the claims of O.K. Tire-\$48.68, Baird-Holm-\$2,825.09, Layne-Western-\$11,590.00 and RVW-\$1,076.40. Roll call: those voting aye - Glenn, Hamilton, Grant; abstaining - Schneider. Chairman Grant declared the motion carried.

The Board received *Letter Agreement* from Nebraska Municipal Power Pool (NMPP), dated April 3, 2006, indicating the fee schedule for the *Municipal Representation Agreement* has been reduced. This is due to less time being spent reviewing rate changes, which reduces staff time committed and therefore reduces NMPP's costs. The new fee schedule is approximately 50% less than what BPW paid in 2005. Motion was moved by Member Schneider, seconded by Member Glenn, the Board approve the *Agreement* and approve payment of \$581.55 to NMPP. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Accounting & Finance Manager (AFM) Filbrandt reviewed Auburn State Bank's (ASB) Corporate Resolution for BPW pertaining to authorized personnel to transact business and the annual ACH Service Agreement with Carson National Bank (CNB). Motion was moved by Member Glenn, seconded by Member Hamilton, the Board approve the ASB Corporate Resolution and approve the recommended personnel to transact business as noted for both ASB & CNB and further authorize the Chairman to sign the annual ACH Service Agreement and approve the recommended personnel to transact business as recommended. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

AFM Filbrandt reviewed an *Addendum to Business Associate Agreement-Flexible Benefit Plan Administrative Services Agreement* as received from PayFlex Systems USA. The *Addendum* is necessary to meet the requirements of HIPAA. Motion was moved by Member Schneider, seconded by Member Hamilton, the Board approve the *Addendum* as received. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

AFM Filbrandt reviewed an *Addendum to Reseller Service Agreement for Factual Data*. The Board uses the services of Factual Data to obtain credit reports for those residential customers requesting an alternative to a cash deposit. Factual Data is now working with Classic versus Emperica to obtain these scores and has requested the *Addendum* to reflect this change. Motion was moved by Member Glenn, seconded by Member Schneider, the Board approve the said *Addendum* as presented. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Request for service for two irrigation wells has been received from Dwaine Rogge. Since there may be more requests in the future, management felt it was necessary to develop an irrigation rate for all customers requesting that type of summer peaking usage. Motion was moved by Member Glenn, seconded by Member Schneider, the Board approve the recommended *Irrigation Rural General Service Rate* by adoption of Resolution No. 2006-02, with said rate to be effective with the May 2006 billing period; further that the one existing customer also be placed on said rate with that billing period. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Motion was moved by Member Glenn, seconded by Member Hamilton, the Board approve new *Wastewater Rate Schedules* by adoption of Resolution No. 2006-01, with said rates to be effective with the April 2006 billing period. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried. As projected in the 2006 Annual Budget, the increase will be approximately 10%.

AFM Filbrandt reported on completed computer upgrades as approved by the Board last April, noting that an additional four thin clients were installed for an additional cost of \$1,489.05. Filbrandt requested authorization to purchase Small Business Office for the new laptop (\$449) and additional memory for the server (quote not received). Motion was moved by Member

Schneider, seconded by Member Glenn, to approve the request. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried. Filbrandt will keep the Board informed of the cost of the memory.

Concerning Water Supply Considerations:

- At a Special Board Meeting, the Board directed GM Dietz to facilitate an agreement between JEO, Inc. and the Board to provide project management for the *2007 Water Resource Development Project*. Gary Sasse of JEO was present at the meeting and presented a *Letter Agreement* with *Exhibits A & B* for the Board's review. Motion was moved by Member Glenn, seconded by Member Hamilton, the Board ratify the *Agreement* and authorize the Chairman to sign same. Roll call: those voting aye - Glenn, Hamilton, Grant; abstaining - Schneider. Chairman Grant declared the motion carried.

- Providing further information to the Board were Martha Silks-Quad States and Brad Harris-Layne Western. Also in attendance were Jane Andrew and Dwaine Rogge.

- Sasse presented a draft for request for qualifications/request for proposals for qualified firms to perform the hydrogeological modeling for the proposed well field. Motion was moved by Member Glenn, seconded by Member Hamilton, the Board proceed with a *Ground Water Modeling Study For Aquifer Viability*, which will cover the area from BPW's present well fields to the Missouri River; further that this will include a *Water Management Plan*. Roll call: those voting aye - Glenn, Hamilton, Grant; abstaining - Schneider. Chairman Grant declared the motion carried. Sasse was instructed to send out the "requests" and send copies of submitted proposals to Chairman Grant for his review, with plans to accept a firm at the next regular Board Meeting.

- On the 29th day of March 2006, Dietz and Gary Lesoing, University of Nebraska Extension Educator, inspected the Charles Heskett Farm for soil compaction and arrived at a compensation figure of \$656.25. Motion was moved by Member Schneider, seconded by Member Hamilton, the Board approve payment as recommended. Roll call: those voting aye - Glenn, Hamilton, Grant, Schneider. Chairman Grant declared the motion carried.

- Motion was moved by Member Glenn, seconded by Member Hamilton, the Board authorize Chairman Grant to submit comments to the Nemaha Natural Resources District in response to their April 6, 2006 Public Hearing. Comments are due no later than April 12, 2006. Roll call: those voting aye - Glenn, Hamilton, Grant; abstaining - Schneider. Chairman Grant declared the motion carried.

- Email received from John Heil of Baird-Holm Law Firm, concerning irrigation in Auburn's zoning limits, was distributed to the Board.

- Spreadsheet showing incurred expenses to date was prepared by AFM Filbrandt.

Kermit Moore, Director of Nursing at the Nemaha County Hospital, spoke to the Board regarding continuation of the Wellness Program – Intervent. The ten employees enrolled in 2005 have successfully completed the program and BPW will refund their portion of the enrollment fee. Motion was moved by Member Schneider, seconded by Member Hamilton, the Board again offer the program to the employees with the following terms: new enrollees will contribute \$100 towards the cost of the program and upon completion of the full program, will receive a refund of that money; employees who previously participated and wish to take a maintenance program (12 visits) will be offered this program at no cost to employee. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Electric Operations Manager (EOM) Leslie reported on the bid opening at 1:00 p.m. on April 7, 2006 for a Trencher/Backhoe with Trailer with the following results: Ditch Witch of Omaha - Base Bid with Trade-In - \$68,250; Vermeer Equipment of Nebraska - Base Bid with Trade-In -

\$76,900 and Option #1 (Demo with 140 hours) Bid with Trade-In - \$67,344. After reviewing the bids it was the recommendation of Leslie, the Board accept the low bid of Vermeer Equipment of Nebraska for Option #1. Motion was moved by Member Hamilton, seconded by Member Schneider, the Board approve the recommendation of EOM Leslie. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Production Manager Kralik presented a *Water Management Contract* from Water Engineering to the Board for their review. The negotiated contract, with the current vendor, is estimated to save the BPW approximately \$1,400 per year. Motion was moved by Member Glenn, seconded by Member Hamilton, the Board approve said contract for a base fee of \$4,664.70 per year, with supplies to be billed at actual cost. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Water/Wastewater Manager Swanson presented actual material cost averages for ¾" and 1" water taps and recommended increasing the current fees which have not been increased in many years. Motion was moved by Member Schneider, seconded by Member Glenn, the Board establish the following fees: ¾" tapping fee - \$350 and 1" tapping fee - \$450, with all other taps to be billed as they currently are (actual cost of materials); further, that said fees be reviewed annually by staff. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried.

Personnel: a) Motion was moved by Member Glenn, seconded by Member Schneider, the Board authorize EOM Leslie to hire a General Service Technician to fill that vacant position at the BPW. Roll call: those voting aye - Glenn, Hamilton, Schneider, Grant. Chairman Grant declared the motion carried; b) The Board reviewed the progress to fill the vacant position of General Manager. AFM Filbrandt reported on ads on websites and in publications, etc. and noted that the two resumes received thus far were included in the meeting packets; c) Two unemployment claims were reviewed and AFM Filbrandt was instructed to follow up on one claim.

Management provided information on the following: Reports-Priority: a) 2006 Labor Law Forum; b) Health Insurance; c) Commercial expansion; d) Water Filtering Plant; e) Electric Operations Department; f) Testing digger derrick and bucket trucks; Reports-General: a) Wastewater Plant state inspection; b) Power Plant Unit #5 & Power Plant compliance inspection; c) Energy audits; d) Thank you; e) HVAC Meeting report.

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 May 10, 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, Schneider, Grant. Chairman Grant declared the meeting adjourned. Agenda items will be posted.

James W. Grant III, Chairman

ATTEST:

Douglas 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 10, 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.

RESOLUTION NO. 2006-01

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; to restate the existing sanitary sewer connection fee to be charged; and.

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 2006-01:

- 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. 2006-01.

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 2006 billing. Resolution No. 2005-03 and any prevailing resolutions, or parts thereof, passed by the BPW and in conflict with Resolution No. 2006-01 are hereby repealed.

MOTION was moved by Member Glenn, seconded by Member Hamilton, the BPW, by its members does hereby adopt the above *Rate Schedule* by adoption of this Resolution No. 2006-01. Members voting aye: Glenn, Hamilton, Schneider, Grant. Members voting nay: none.

WHEREBY Chairman Grant declared this Resolution No. 2006-01 duly adopted this 10th day of April 2006.

James W. Grant III, Chairman

ATTEST:

Douglas C. Glenn, Acting- Secretary

RESOLUTION NO. 2006-02

Reference: Article 9 - Electric Department, Auburn Municipal Code 3-905. A resolution establishing an additional schedule of an electric rate to be charged by the Board of Public Works of the City of Auburn. All meters to be read monthly.

WHEREAS the Board of Public Works (BPW) of the City of Auburn, Nebraska, in conformity with Auburn's Municipal Code above referenced, does hereby adopt the following additional electric rate schedule for:

Irrigation Rural General Service

WHEREAS Rate Schedule for the above is attached and made a part of this Resolution No. 2006-02;

FURTHER, that the present *Terms and Conditions Schedule* (effective June 1, 2000) be referenced herein also.

NOW THEREFORE be it resolved that said rate shall go into effect with meter readings for May 2006 Billing Period (June 5, 2006 due date); further, that any prevailing resolutions, or parts thereof, passed by BPW and in conflict with Resolution No. 2006-02 are hereby repealed.

MOTION was moved by Member Glenn, seconded by Member Schneider, BPW, by its members does hereby adopt the above *Rate Schedule* by adoption of this Resolution. Members voting aye: Glenn, Hamilton, Schneider, Grant; members voting nay: none.

WHEREBY Chairman Grant declared this Resolution No. 2006-02 duly adopted this 10th day of April 2006.

James W. Grant III, Chairman

ATTEST:

Douglas C. Glenn, Acting-Secretary