

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

THE BOARD OF PUBLIC WORKS OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA (BPW), met in regular session on the 13th day of November 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 announced this was an Open Meeting and information about open meetings was posted on the east wall of the Board Room.

Chairman Grant called the meeting to order and requested roll call: Members present - Glenn, Grant, Hahn, 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 #3. There being no objections or exceptions, motion was moved by Member Glenn, seconded by Member Schneider, the Board approve the General Consent Items listed below:

Agenda Item #3

- 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)	\$20,093.94
Department of Revenue - swl (efpts)	2,890.23
Petty Cash: linecrew/meter reader meals, address corrects, postage, Open House & misc. supplies, and League Legislative, Annual & LARM meetings (Filbrandt)	331.15
BC-BS - health insurance	24,760.44
Standard – life/disability premiums	1,035.29
Ameritas - pension (efpts)	8,770.50
Payroll - transfer	57,276.12
Customer Deposits #10 refund or apply	2,365.00

approve and pay the following claims:

Action Technology	\$484.00
Auburn C of C	15.00
Auburn Newspapers	550.77
Auburn Plumbing/Heating/AC	62.46
Auburn Postmaster	1,250.00
Beard's	70.14
BPW	4,295.52
Bohl Plumbing/Heating	7.91

Bulldog Auto Parts	102.95
Cleaners, The	286.49
Concrete Industries	342.00
Eggers Bros.	373.44
Family Health Center	34.00
Farmers Co-op	1,128.36
Hunters Headquarters	209.00
Johnny's Lube	118.82
Lynch Hardware	43.40
Mellage Truck/Tractor	141.23
Orscheln	159.06
Sack Lumber	346.79
Shell	668.22
Sunmart	147.39
Tincher of Auburn	79.88
Tri State Office	343.22
Advanced Control Systems	1,396.19
AWWA	265.00
Blackburn Mfg.	53.45
Dutton Lainson	960.42
Electric Fixture	54.80
Factual Data-Midwest	48.49
Fettin Roofing	3,267.52
First National Bank	10.00
Garner & Associates	353.58
Great Plains One Call	74.60
Hawkins Water Treatment	328.34
HHS-Lab	36.00
HHS-R & L Credentialing	114.00
Hydraulic Equipment	2,063.64
JC Cross Co.	6,241.50
JEO	840.00
Kriz-Davis	3,991.18
Lawson Products	246.81
League of NE Municipalities	310.00
Lincoln Electric	1,686.78
McMaster-Carr	120.87
Mid-America Research Chem.	90.25
Mid Con Systems	636.54
Mid West Labs	7.00
Motion Industries	249.18
Municipal Supply - NE	977.45
National Waterworks	451.42
PayFlex	74.25

Quad State Services	16,085.00
Skarshaug Testing Lab	114.15
T & R Electric	5,674.00
T & R Service	75.00
USIS	128.90
Vanguard	4,389.38
Water Engineering	388.73
Windstream	921.95
Windstream	90.53
REBATES:	
Pam Bennett	50.00
Bill Gfeller	240.00
Ashley Gibbs-Bohling	654.10
David & Peggy Oshlo	1,005.60
Sack Lumber	865.00
PURCHASED POWER:	
NPPD (estimate)	240,000.00
WAPA	17,422.32
OPPD	3,987.76
KBR	15.17
POWER PLANT:	
Aquila	67.45
Cornerstone	2,648.81
EFPTS:Dept. of Revenue	14,751.53

and transfer the following sums to the Electric Revenue checking account - \$66,550.49 (plus the actual amount of NPPD when received) from Electric Revenue GMM, \$27,333.51 from Water Revenue GMM and \$11,944.54 from WW Revenue GMM, plus the routine interdepartmental transfers to T&D;

(d) Reinvest maturing CD - FNB Electric #19981 for a period of twelve months at the quoted rate with the current depository of funds; and

(e) Approve Free Service Report as follows: BPW has furnished utilities, materials and labor equal to \$7,020.81 to the City free of charge and paid in lieu of tax payments of \$7,035.08 to the City for the month of October 2006.

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

Motion was moved by Member Hahn, seconded by Member Schneider, the Board approve the claim of Glenn's Corner Market - \$31.35. Roll call: those voting aye - Hahn, Schneider, Grant; abstaining - Glenn. Chairman Grant declared the motion carried.

Motion was moved by Member Glenn, seconded by Member Hahn, the Board approve the claim of O.K. Tire Stores - \$12.50. Roll call: those voting aye – Glenn, Hahn, Grant; abstaining - Schneider. Chairman Grant declared the motion carried.

Sealed bids were requested for a new 2007 van to replace the current 1996 Unit #2. One bid was received from Meyer-Earp Chevrolet for a base bid of \$22,875, with \$2,000 allowance for trade-in. Motion was moved by Member Glenn, seconded by Member Schneider, that the Board accept the bid contingent upon management's review of the bid for compliance with the specifications. Roll call: those voting aye - Glenn, Hahn, Schneider, Grant. Chairman Grant declared the motion carried.

Concerning Water Supply Considerations:

Mayor Engles was in attendance. Management provided an updated itemization of expenses to date.

- a) Management informed the Board of their action to withdraw the NRD Application & Permit for the collector well, due to the recommendation from Quad States to not install a collector well. This application and permit will be re-filed when the BPW has determined size and number of vertical wells that will be needed.
- b) General Manager (GM) Hunter updated the Board on the test well water quality lab results.
- c) Regional water supply will continue to be investigated.

GM Hunter reviewed progress on the project as a whole, including both water and electrical. Olsson Associates have been contacted to provide a second opinion on the water supply considerations and should have this information to the Board by next Monday. GM Hunter will review this and a special Board Meeting will be scheduled for the Board to review. Mayor Engles thanked the Board and encouraged them to move forward.

Management presented a proposed schedule of utility fees for the Board's review and input. Currently the Board is not recovering certain costs related to services provided by the BPW and in an effort to provide true cost-of-service, these need to be implemented. It was the general consensus of the Board that management further review and define these fees with the intent to adopt utility fees at the same time Electric, Water & Wastewater rates for 2007 are brought to the Board. Several methods of communication will be used to notify the BPW customers of these changes.

Management presented detailed work sheets and the Proposed Year 2007 Budget for the Electric, Water & Wastewater Departments. After thorough discussion, motion was moved by Member Schneider, seconded by Member Hahn, the Board approve the budget as presented and file the budget with the City Clerk. The "Notice of Public Hearing" will be published and the budget presented at the hearing on December 11, 2006 at 7:15 P.M. at City Hall. Roll call: those voting aye - Glenn, Hahn, Schneider, Grant. Chairman Grant declared the motion carried.

Management presented a *Request For Proposals For Cost of Service Electric Rate Study*. The expectations of the completed study will be recommendations from the consultant for retaining, reorganizing and/or restructuring the existing BPW electric rates in a manner that will assure revenue streams that cover the costs of the electric department to serve the individual rate classes. Motion was moved by Member Hahn, seconded by Member Glenn, the Board approve the RFP as presented. Roll call: those voting aye - Glenn, Hahn, Schneider, Grant. Chairman Grant declared the motion carried.

Management proposed that the Board proceed with purchasing/leasing a new copier/printer/scanner/fax machine, which has been in the budget since 2003. Staff is presently testing a new machine on a 14-day trial basis. The monthly lease payment would be \$176 or purchase price of \$8,211. Motion was moved by Member Hahn, seconded by Member Schneider, the Board authorize management to enter into a lease agreement for new equipment

(Ricoh or similar equipment), contingent upon satisfactory performance during the trial basis. Roll call: those voting aye - Glenn, Hahn, Schneider, Grant. Chairman Grant declared the motion carried. If it is necessary to trial another brand of equipment and there is significant difference in lease price, management will bring this back to the Board.

Concerning Personnel:

a) Motion was moved by Member Glenn, seconded by Member Schneider, the Board implement a *Performance Evaluation* procedure for all Employees and Management. Roll call: those voting aye - Glenn, Hahn, Schneider, Grant. Chairman Grant declared the motion carried. Performance Evaluations will begin after January 1, 2007 and management will develop guidelines for implementing this policy.

b) Management will begin review of the Personnel Manual, which will include sending the revised manual to Baird-Holm for their review.

c) Salary Survey is almost completed and will be forwarded to the committee this week for their review.

d) An unemployment claim has been reopened.

e) Member Glenn reported on a meeting held with City officials regarding the health insurance plan for the City and BPW. The Board took no action.

Reports:

a) NPPD Wind Generation Report; b) NPPD Report-Livestock Production; c) Public Power broadband letters; d) Fire hydrant testing completed; e) Newsletter; f) LARM evaluation; g) LARM notices to cities.

There being no further business to come before the Board, motion was moved by Member Glenn the Board adjourn to a special meeting of the Board for discussion/action on water supply issues to be held November 22, 2006 at the hour of 12:00 Noon at the regular meeting place of the Board. Member Schneider seconded the motion. Roll call: those voting aye: Glenn, Hahn, Schneider, Grant. Chairman Grant declared the meeting adjourned. Agenda items will be posted.

James W. Grant III, Chairman

ATTEST: _____
Richard Schneider, 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 November 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.