

MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS
OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA
HELD FEBRUARY 12, 2007

THE BOARD OF PUBLIC WORKS OF THE CITY OF AUBURN, NEMAHA COUNTY, NEBRASKA (BPW), met in regular session on the 12th day of February 2007 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, Humphrey, Schneider; members absent - none.

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)	\$22,527.56
Department of Revenue - swl (efpts)	3,310.16
Petty Cash: linecrew/meter reader meals, address corrects, postage, CDL license (Helms), title Unit #2, Well Drillers Conf. expense (Leslie), Water Meeting @ Tecumseh (Hunter/Swanson), filing fee for Intent to Consider a Well-Field & money order fee	523.89
BC-BS - health insurance	22,318.93
Standard - life/disability premiums	1,035.29
Ameritas - pension (efpts)	10,203.98
Payroll - (efpts)	62,576.58
Customer Deposits #1 refund or apply	2,391.67

approve and pay the following claims:

Action Technology	\$522.05
Allison Pharmacy	12.55
Auburn Newspapers	913.86
Auburn Plumbing/Heating/AC	25.47
Auburn Postmaster	1,034.00
Beard's Salvage	27.60
BPW	4,331.61
Bulldog Auto	48.89

Caspers, Mark Appraisal	800.00
Cleaners, The	200.24
Dettmer Farm Service	23.43
Eggers Bros.	59.22
Family Health	552.00
Farmers Co-op	1,751.87
Hometown Brand Appliances	542.08
Lynch Hardware	14.90
Mellage Truck/Tractor	48.36
Orscheln	389.67
Pamida	176.61
Sack Lumber	1,034.30
Shell	147.24
Sunmart	51.99
Tincher of Auburn	118.88
Tri State Office	727.60
Volker, Darrell Construction	239.59
Advanced Control	1,396.19
Affiliated Credit Services	6.95
Brownville Village Theatre	50.00
CSU-Sacramento	225.00
D & D Communications	86.27
Darnell Glass	264.16
Dutton Lainson	1,929.11
Electric Fixture/Supply	90.27
Environmental Analysis	38.56
Factual Data-Midwest	48.49
First Bankcard	349.45
First National Bank	10.00
General Fire/Safety	786.45
Great Plains One Call	13.78
Hall's Safety Equipment	29.15
Hawkins Water Treatment	338.00
HD Supply	7,065.67
HHS-Lab	3,213.00
Hutcheson Engineering Products	554.90
IKON	562.32
Kelly Supply	362.27
Kriz-Davis	3,995.25
Lawson Products	501.35
Lincoln Electric Supply	2,797.13
Massman Nelson Reinig	6,950.00
Mc Master Carr	139.18
Mid Con Systems	582.61
Municipal Supply-NE	418.82
Mytoolstore.com	67.30
NDEQ	150.00

NPPD	2,688.72
Northern Tool/Equipment	97.15
Pay Flex Systems	90.00
Red Bud Supply	187.82
Safety Kleen	1,186.03
US Cellular	129.34
USIS	59.80
Utility Equipment	300.28
Vanguard Industries	442.76
Vermeer High Plains	269.38
Water Engineering	388.73
Windstream	103.01
Windstream	920.44
REBATES:	
Dean & Cathy Coulter	1,367.50
PURCHASED POWER:	
NPPD (estimate)	220,000.00
WAPA	23,989.22
OPPD	3,987.76
KBR	15.17
POWER PLANT:	
Aquila	638.87
Cornerstone	27,767.56
Efpts: Dept of Revenue	15,598.38

and transfer the following sums to the Electric Revenue checking account - \$96,747.37 (plus the actual amount of NPPD when received) from Electric Revenue GMM, \$22,758.41 from Water Revenue GMM and \$9,058.22 from WW Revenue GMM, plus the routine interdepartmental transfers to T&D;

d) Reinvest maturing CDs as follows: Water Revenue CNB#14897 & 14898, FNB #22447 - reinvest for six months at the quoted rates with the current depositories of funds,

e) Approve Free Service Report as follows: BPW has furnished utilities, materials, equipment, inspections and labor equal to \$5,254.13 to the City free of charge and paid in lieu of tax payments of \$9,781.34 to the City for the month of January 2007.

Roll call: those voting aye - Glenn, Hahn, Humphrey, 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 - \$178.94. Roll call: those voting aye - Hahn, Humphrey, Schneider, Grant; abstaining - Glenn. Chairman Grant declared the motion carried.

Motion was moved by Member Glenn, seconded by Member Humphrey, the Board approve the claim of O.K. Tire Stores- \$1,006.85. Roll call: those voting aye - Glenn, Hahn, Humphrey, Grant; abstaining - Schneider. Chairman Grant declared the motion carried.

Motion was moved by Member Hahn, seconded by Member Schneider, the Board approve the claim of Humphrey Motor Electric - \$334.65. Roll call: those voting aye - Glenn, Hahn, Schneider, Grant; abstaining - Humphrey. Chairman Grant declared the motion carried.

Concerning Ethanol Plant: Mayor Engles, Council Member Wittmann (Ethanol Committee) and Everett Larson from E-Energy were in attendance:

a) Mr. Larson provided contacts at Fagen who can provide criteria, specifications and needs for the E-Energy facility, before, during and after construction (Electric - Scott Muggli and Water - Tyler Albertson). Estimates are that the contractor Fagen will be on site the third week in June; however, water and electricity may be needed before that time. Management will discuss the issues with these contacts, obtain estimates of costs and plan to meet with E-Energy to discuss the next steps.

b) Status of the MOU between the City & BPW was not discussed by the representative from the City Ethanol Committee.

c) General Manager (GM) Hunter notified the Board that Notice of Intent to Consider a Wellfield had been withdrawn (Application No. 2006-4) and a new Notice of Intent to Consider a Wellfield was filed (2007-1) with the Nebraska Department of Water Resources.

Concerning Land Purchase: Present for this portion of the meeting were Richard and Jane Andrew and Benjamin Dan Gerdes of Auburn Abstract and Title.

a) Pursuant to the Board's previous action to Exercise their Option with Richard and Jane Andrew to purchase land for development of a wellfield, the subsequent action of the City Council, and the terms of the Option being fulfilled, motion was moved by Member Humphrey, seconded by Member Schneider the Board approve purchasing said land. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

b) Mr. Gerdes explained the Assignment Agreement, which the Andrews are asking the Board to acknowledge. Motion was moved by Member Glenn, seconded by Member Hahn, the Board authorize the Chairman and Secretary to sign said Agreement. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

c) Motion was moved by Member Hahn, seconded by Member Schneider, the Board authorize the Chairman and Secretary to sign all documents necessary to complete the purchase of said property and further authorize payment of \$179,175.81 by cashier's check to Auburn Abstract and Title Company. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

Concerning Financial:

a) The Board received the Year 2006 Audit as prepared by Massman, Nelson & Reinig. It will be presented for acceptance at the March Board Meeting.

b) Using the recommended format from the auditors, Accounting and Finance Manager Filbrandt prepared a Budget Reconciliation Statement showing Budgeted 2006 versus actual audited 2006 expenses. The statements indicate actual expenditures did not exceed the estimated expenditures more than 10%. Management noted the primary difference was BPW was not able to accomplish all the capital improvements budgeted. Motion was moved by Member Schneider, seconded by Member Glenn, the Board accept the Statement as submitted and make it a part of the 2006 budget documents. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

c) Motion was moved by Member Hahn, seconded by Member Humphrey, the Board approve the Corporate Authorization Resolution for signatures on various accounts at Auburn State Bank as presented. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

GM Hunter reviewed the procedure used to evaluate the Request For Proposals (RFP) to perform a Cost of Service Study. The RFPs were rated by the committee members and the ratings transferred to a matrix. The final results were that one firm was rated significantly higher; therefore, the recommendation of management was that management interview that firm and negotiate a price for conducting the study. If management can negotiate a reasonable

price, then no further firms will be interviewed; otherwise, management will interview the next ranked firm and try to negotiate a reasonable price. A range for dollar amounts was discussed for Management to use. Motion was moved by Member Schneider, seconded by Member Hahn, the Board approve management's recommendation. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried. If negotiations are successful, management will bring a contract to conduct the survey back to the Board for their approval.

Concerning the Conservation Rebate Program 2007, motion was moved by Member Schneider, seconded by Member Humphrey, the Board approve the recommended change from a minimum rating of SEER 10 to SEER 12 and clarification on water heating rebates. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

GM Hunter explained there is no water fee policy in place for controlled house burns. After discussion, motion was moved by Member Hahn, seconded by Member Schneider, the Board charge a flat fee of \$100.00 for water when a burn permit is issued. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried. Management will notify the Building Inspector so that this can be collected upon issuance of the permit. Management will develop a notice for the building inspector to insert in the permit to burn. The person requesting the permit will need to come to the BPW office and pay the water user fee before the permit will be issue by the Building Inspector.

Management presented proposed policy for providing underground and overhead electrical service to customers and a fee schedule for same and proposed fees to conduct sewer dye tests when needed. The Board also reviewed a 2006 Payroll/Overhead spreadsheet prepared by staff with recommendation to make no change in the hourly labor rate in the Schedule of Utility Fees. After discussion, motion was moved by Member Schneider, seconded by Member Humphrey, the Board approve the policy and adopt the fees as recommended. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried. The underground fees, sewer dye test fees and controlled burn water fee will be added to the Schedule of Utility Fees.

GM Hunter discussed the status of the Wastewater Treatment Plant and the permit, which is to be issued in April. There are certain requirements in that permit that need to be met to comply with the DEQ. Motion was moved by Member Glenn, seconded by Member Humphrey, the Board authorize management to proceed with drawing up specifications for a consulting engineer to provide services for the first phase of the WWTP upgrades. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

Motion was moved by Member Glenn, seconded by Member Humphrey, the Board continue to offer the employees the opportunity to enroll in the InterVent Wellness Program sponsored through the Nemaha County Hospital; however the employee will need to pay \$100 towards the initial program as well as the maintenance program with the understanding the \$100 will be refunded to the employee upon completion of the year-long program. The contributions towards the employee portion may still be handled as payroll deductions if the employee chooses. Roll call: those voting aye - Glenn, Hahn, Humphrey, Schneider, Grant. Chairman Grant declared the motion carried.

"Barry Well Done" awards were issued to the following: Garret Collin, Josh Garver and Josh Jones as Team Members of 2006 Auburn Bulldogs – State High School Football Champions.

Reports:

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|--------------------------------------|-------------------------|
| a) NPPD PCA increase; | d) Contracted services; |
| b) NMPP/Falls City legal issue; | e) Logo; |
| c) APPA 2005 Revenue per kwh survey; | f) Moving fees - Hunter |

There being no further business to come before the Board, motion was moved by Member Humphrey the Board adjourn to the next regular Board Meeting to be held March 12, 2007 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, 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 12, 2007 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.