

MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS

A regular meeting of the Board of Public Works was held at the North Denver Station Board Room on Thursday, April 3, 2008, at 8:00 a.m. This meeting was preceded by notice duly published in the Hastings Tribune on Tuesday, April 1, 2008, and by notices duly posted in the lobby of the Power Plant Building, 1228 North Denver Avenue, and the City Hall, 220 N. Hastings Avenue, and was therefore open to the public.

Present: Anderson, Hunt, Shoemaker, Poppe, Schlachter

Also Present: Schultes, Meyer, Sanders, Cogley, Kully, Goebel, Scherr, Mayor Rossen

Chairman Anderson stated that the Board of Public Works is subject to the Open Meetings Laws and acknowledged that the Open Meetings Law poster has been posted in the room.

There were no customer comments.

Moved by Hunt, seconded by Shoemaker, that upon the recommendation of the Merit Award Committee, to award Humanitarian Merit Awards and \$100 each to Jeff Ochsner and Brian Wallace for their total blood donations. Roll Call: Ayes; Hunt, Shoemaker, Schlachter, Poppe, Anderson. Nays; None. Motion carried.

Moved by Poppe, seconded by Hunt, to postpone the discussion and action on the Agreement with the Hastings Chamber of Commerce. Roll Call: Ayes; Poppe, Hunt, Anderson, Shoemaker, Schlachter. Nays; None. Motion carried.

Moved by Hunt, seconded by Poppe, to approve a Real Estate Improvement Contract for Underground Distribution System (URD 2008-01) with the Housing Development Corporation for Lots 1-6, Block 3, Southwood Third Addition, and that the Chairman of the Board be authorized to sign said contract. Roll Call: Ayes; Hunt, Poppe, Anderson, Schlachter, Shoemaker. Nays; None. Motion carried.

Bob Wallace requested the Board amend Real Estate Improvement Contract for Underground Distribution System (URD 2002-19) with West Fork, Inc. to allow an extension of time to develop the remaining lots. Because the contract was not signed by the Chairman until May 1, 2006, the Board felt that an extension of time was not an unreasonable request.

Moved by Hunt, seconded by Schlachter, that Real Estate Improvement Contract for Underground Distribution System (URD 2002-19) with West Fork, Inc. be extended by adding five years to the May 1, 2006, date. Roll Call: Ayes; Hunt, Schlachter, Shoemaker, Anderson. Nays; Poppe. Motion carried.

Moved by Hunt, seconded by Schlachter, to approve a Release of Easement on the east side of Lot 1, the east and west sides of Lot 2, and the west side of Lot 3, R & S Jensen Subdivision, and to forward to the City Council for their approval. Roll Call: Ayes; Hunt, Schlachter, Anderson, Shoemaker, Poppe. Nays; None. Motion carried.

Moved by Poppe, seconded by Shoemaker, to approve a Water Connection Agreement with Wilburn W. Erickson and Jacqueline J. Erickson. Roll Call: Ayes; Poppe, Shoemaker, Schlachter, Anderson, Hunt. Nays; None. Motion carried.

A discussion was held on the purchase of real estate adjacent to the Whelan Energy Center from the United States Forest Service. Green space, future expansion, and easement access were a few of the reasons for supporting this purchase.

Moved by Poppe, seconded by Hunt, to move forward with the purchase of the 144.68 acre tract of real estate adjacent to the Whelan Energy Center from the United States Forest Service (B.I. 2.70, Page 9) for a total amount of \$796,000 and bring back to the Board a purchase agreement. Roll Call: Ayes; Poppe, Hunt, Anderson, Shoemaker, Schlachter. Nays; None. Motion carried.

A new electric rate for large industrial customers was considered. The cost-of-service rate was developed by Black & Veatch consulting engineers per Board action on February 28, 2008. The “cost of service” rate was requested by HEDC.

Moved by Hunt, seconded by Schlachter, to accept the document from Black & Veatch and to recommend approval to the Mayor and City Council of the LL&P-T (Large Light and Power – Transmission) electric rate. Roll Call: Ayes: Hunt, Schlachter, Shoemaker, Poppe, Anderson. Nays; None. Motion carried.

Board Member Schlachter gave a report for the Comparability Study Committee. After numerous meetings, the committee concurred with the recommendation from the comparability attorney, Bill Harding of Harding, Schultz, and Downs, to engage Nebraska Personnel Consultants, L.L.C. to do a comparability study in 2008 to be implemented in 2009. The committee consisted of Board Members Schlachter and Hunt and Council Liaisons Goebel and Kully. The Mayor and Chairman of the Board both thanked committee members for their hard work on this issue.

Moved by Schlachter, seconded by Hunt, that upon the recommendation of the Board’s Comparability Attorney Bill Harding of Harding, Schultz, and Downs, to engage the firm of Nebraska Personnel Consultants, L.L.C. to conduct Hastings Utilities’ comparability study for a proposed fee of \$16,500.00 plus estimated expenses of \$3,000.00. Roll Call: Ayes; Schlachter, Hunt, Shoemaker, Anderson, Poppe. Nays; None. Motion carried.

The December 2007 Monthly Report was presented and an overhead presentation was given by Marv Schultes.

Al Meyer gave a presentation on the costs of the fall outage at WEC-1 and an update on PPGA activities.

An update on the downtown alley project was given by Marv Schultes. The steel poles have been ordered and a work order is being prepared. An update of more information will be given at the April 17 meeting and Schultes will get a schedule to the BID board in the future on the project.

Moved by Schlachter, seconded by Anderson, that the following items on the Consent Agenda be approved:

- a. Review, correction or approval of minutes of March 13, 2008, meeting
- b. Review and approval of checks issued March 31, 2008
- c. Approval of the following claims:
 - General Operating Fund against the Electric Fund – \$2,198,635.95
 - General Operating Fund against the Combined Fund - \$3,161,076.25
- d. Review of payroll for periods ending March 15 and 29, 2008
- e. Approval of the following work orders:

PL-635 Install clean out rams on the fly ash exhausters at WEC Unit 1.

Estimated Cost: \$38,628

EL-86 Installation of single-phase underground electric lines to serve six lots in Southwood 3rd Addition east of Pine Ave., south of H St.

Estimated Cost; \$21,255

Roll Call: Ayes; Schlachter, Anderson, Hunt, Poppe, Shoemaker. Nays; None. Motion carried.

Under Miscellaneous and Future Agenda Items, the Board moved the Overhead/Underground Discussion to April 17th and added a fluoride discussion in May-June.

Moved by Hunt, seconded by Poppe, that this Board of Public Works go into Closed Session, which Closed Session is clearly necessary for the protection of the public interest in that said Closed Session will consist of a strategy session relative to energy supply negotiations. Roll Call: Ayes; Hunt, Poppe, Shoemaker, Schlachter, Anderson. Nays; None. Motion carried.

The meeting closed to the public at 11:46 a.m. The Executive Session included the Board's Legal Counsel and the Manager.

Moved by Hunt, seconded by Schlachter, that the meeting be reopened to the public at 11:50 a.m. and that no decisions were made nor official actions taken during said Closed Session. Roll Call: Ayes; Hunt, Schlachter, Shoemaker, Poppe, Anderson. Nays; None. Motion carried.

The meeting adjourned at 11:50 a.m.

Secretary