

MINUTES OF THE MEETING OF THE BOARD OF PUBLIC WORKS

A regular meeting of the Board of Public Works was held at the Hastings Utilities Board Room on Wednesday, September 2, 2009, at 8:00 a.m. This meeting was preceded by notice duly published in the Hastings Tribune on Monday, August 31, 2009, and by notices duly posted in the lobby of Hastings Utilities, 1228 North Denver Avenue, and the City Hall, 220 N. Hastings Avenue, and was therefore open to the public.

Present: Anderson, Hunt, Shoemaker, Krieger, Dewalt

Also Present: Schultes, Meyer, Cogley, Cox, Stange, Sanders, Hemberger, Zeisler, Leonhardt, Odom, Scherr, Goebel and guest Stan Karash of Karding, Inc.

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 public comments.

Moved by Krieger, seconded by Shoemaker, that the following items on the Consent Agenda be approved:

- a. Review, correction or approval of minutes of July 30 and August 13, 2009, meeting
- b. Review and approval of checks issued August 31, 2009
- c. Approval of the following claims:
 - General Operating Fund against the Electric Fund – \$2,420,929.00
 - General Operating Fund against the Combined Fund - \$1,889,769.36
- d. Review of payroll for periods ending August 15 and 29, 2009
- e. Approval of the following work orders:
 - EL-143 Installation of a three-phase overhead polemount transformer bank on 5th Ave. south of U.S. Highway 6 for Kitty's at 1400 East South St. Estimated Cost: \$11,499
 - EL-144 Installation of a three-phase underground electric line and padmount switch to serve Power to Cimarron Meadows 5th Addition on Laredo Ln., east of Lakepark Ln. Estimated Cost: \$25,908
 - EL-145 Installation of a single-phase underground electric line and padmount transformers to serve new residential development in Cimarron Meadows 5th Addition on Laredo Ln., east of Lakepark Ln. Estimated Cost: \$16,266
 - SL-64 Installation of street lights on Laredo Ln., east of Lakepark Ln. Estimated Cost: \$ 4,425
- f. Approval of the following Real Estate Improvement Contracts:
 - Underground Distribution System (URD2009-9) with Engel Construction, Inc. for Lots 1-4, Cimarron Meadow 5th Addition
 - Underground Residential Lighting System (URL2009-10) with Engel Construction, Inc. for Lots 1-4, Cimarron Meadow 5th Addition

Roll Call: Ayes; Krieger, Shoemaker, Dewalt, Hunt, Anderson. Nays; None. Motion carried.

Moved by Shoemaker, seconded by Dewalt, that upon the recommendation from staff, to award a contract for Ash Panel Equipment for WEC-1 (B.I. 2.10 Page 8) to Diamond Power, Forest, Virginia, for an estimated total cost with tax included of \$141,742.78, and that the Mayor and City Clerk be authorized to enter into contract with said company accordingly. Roll Call: Ayes; Shoemaker, Dewalt, Hunt, Anderson, Krieger. Nays; None. Motion carried.

A lengthy discussion was held on the approval of an agreement for ash utilization service. Some members of the Board felt the term of five years for the contract was too lengthy. Discussion also included whether the City of Hastings and Adams County would be able to truck their own ash or have Flatwater Materials haul for them. Accountability and weighing each truck was discussed at length.

Moved by Krieger, seconded by Dewalt, that upon the recommendation from staff, to approve Fly Ash Agreement (Informal Contract No. HU2009-08 RFP-34) with Flatwater Materials, Grand Island, Nebraska, for a term of January 1, 2010 through December 31, 2014. Roll Call: Ayes; Krieger, Dewalt, Anderson, Shoemaker. Nays; Hunt. Motion carried.

Board Member Hunt excluded himself as a Board Member and sat in the audience representing Phil Johnson & Associates during the discussion on the Phil Johnson & Associates Water System.

Ron Sanders discussed his letter dated August 28, 2009, to the Board on the findings from the Water Department investigation at the Phil Johnson & Associates' water system. He gave a presentation showing some possible problems with the system. Mr. Karash suggested an area within the Phil Johnson & Associates' water system be looked at because of large amounts of water being disposed of. Water Department staff will look into it.

Chairman Anderson suggested inviting customers of the Phil Johnson & Associates' water system to a special meeting on September 29, 2009, at 7:00 p.m. in the Board Room to discuss findings and options. The Chairman asked the Board to attend and it will be advertised as a Special Board Meeting. A letter will be sent to all the Phil Johnson & Associates' water customers inviting them to the meeting.

Mr. Hunt resumed his function as Board Member at the table.

The Report on Don Henry Power Center Maintenance Overhaul was deferred to the next meeting.

The July 2009 Month Report was presented and discussed.

A Preliminary Budget Discussion on the 2010 Hastings Utilities Budget took place. Chairman Anderson mentioned items in a letter from Manager Marvin Schultes to the Board that will need to be discussed at the budget workshop. The Nitrate Plant at Westbrook, PCF Permitting, Trailblazer Pipeline, WEC-2, WAPA power costs and wheeling costs from NPPD, and employee compensation are some of the major issues facing this upcoming budget year.

The Board mentioned possible strategies to keep costs and rates down.

There was no update on PPGA Activities.

There were no items to discuss under Miscellaneous and Future Agenda Items

There was no executive session.

The meeting adjourned at 12:45 a.m.