

**MINUTES
CITY COUNCIL MEETING
May 7, 2013**

The Wayne City Council met in regular session at City Hall on Tuesday, May 7, 2013, at 5:30 o'clock P.M. Mayor Ken Chamberlain called the meeting to order with the following in attendance: Councilmembers Cale Giese, Jon Haase, Nick Muir, Jennifer Sievers and Jill Brodersen; City Attorney Amy Miller; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Councilmembers Dale Alexander and Kaki Ley; and one vacancy.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on April 25, 2013, and a copy of the meeting notice and agenda were simultaneously given to the Mayor and all members of the City Council. All proceedings hereafter shown were taken while the Council convened in open session.

Councilmember Haase made a motion, which was seconded by Councilmember Brodersen, whereas, the Clerk has prepared copies of the Minutes of the meeting of April 16, 2013, and that each Councilmember has had an opportunity to read and study the same, and that the reading of the Minutes be waived and declared approved. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried and the Minutes approved.

The following claims were presented to Council for their approval:

VARIOUS FUNDS: 4IMPRINT, SU, 278.62; ALMQUIST, MALTZAHN, SE, 19000.00; AMAZON.COM, SU, 548.64; AMERICAN BROADBAND, SE, 2427.10; AMERITAS, SE, 4059.62; APPEARA, SE, 305.07; ARNIE'S FORD-MERCURY, SU, 923.87; AS CENTRAL SERVICES, SE, 448.00; ATCO INTERNATIONAL, SU, 55.20; BANK FIRST, FE, 270.00; CITY EMPLOYEE, RE, 160.21; BIG T ENTERPRISES, SU, 168.73; BLACK HILLS ENERGY, SE, 830.64; BLUE CROSS BLUE SHIELD, SE,

24234.52; BOMGAARS, SU, 483.96; CITY EMPLOYEE, RE, 350.87; CITY EMPLOYEE, RE, 112.00; BROWN SUPPLY, SU, 21.83; CITY EMPLOYEE, RE, 22.15; CENTURLINK, SE, 310.93; CHEMQUEST, SE, 595.00; CHRIS WOehler, RE, 612.00; CITIZENS STATE BANK, RE, 210000.00; CITY OF NORFOLK, SE, 204.21; CITY OF PONCA, RE, 12671.97; CITY OF WAYNE, RE, 300.00; CITY OF WAYNE, RE, 900.00; CITY OF WAYNE, RE, 15.00; CITY OF WAYNE, PY, 121974.71; CITY OF WEST POINT, RE, 18393.96; CITY OF WISNER, RE, 1915.20; CLASSEN FABRICATION, SU, 1461.00; COMMUNITY HEALTH, RE, 8.00; DAHL LAW OFFICE, SE, 377.00; CITY EMPLOYEE, RE, 5.75; DANKO EMERGENCY EQUIPMENT, SU, 198.00; DE LAGE LANDEN FINANCIAL, SE, 77.00; DEARBORN NATIONAL LIFE, SE, 106.64; DGR & ASSOCIATES, SE, 360.00; DIGITAL ALLY, SU, 1185.00; CITY EMPLOYEE, RE, 60.74; DUGAN BUSINESS FORMS, SU, 711.25; DUTTON-LAINSON, SU, 1705.33; EAKES OFFICE PLUS, SU, 49.44; ECHO GROUP, SU, 316.08; EGAN SUPPLY, SU, 144.12; ELECTRIC FIXTURE, SU, 273.41; ELECTRONIC ENGINEERING, SE, 95.00; ELECTRONIC RECYCLERS, SE, 3625.20; EMBASSY SUITE, SE, 372.00; ENVIRONMENTAL SERVICES, SE, 366.00; FIRST CONCORD GROUP, SE, 3701.94; FLOOR MAINTENANCE, SU, 200.90; FLOW CONTROL, SU, 1545.12; FREDRICKSON OIL, SU, 17.70; GEOCOMM, SE, 1890.00; GERHOLD CONCRETE, SU, 101.88; GILL HAULING, SE, 155.00; GREAT DANE, RE, 36780.00; GROSSENBURG IMPLEMENT, SU, 1.02; HASEMANN FUNERAL HOME, RE, 500.00; HD SUPPLY WATERWORKS, SU, 1703.66; CITY EMPLOYEE, RE, 66.74; HEIDI CLAUSSEN, SU, 99.00; HEIKES AUTOMOTIVE, SE, 357.23; HERITAGE MANUFACTURING, RE, 745.00; HEWLETT-PACKARD, SU, 242.99; HUBER TECHNOLOGY, SU, 1733.00; ICMA, SE, 12698.84; IRS, TX, 45617.60; JANWAY COMPANY, SU, 245.50; JEO CONSULTING GROUP, SE, 1225.00; JOHN'S WELDING AND TOOL, SE, 8.42; JOHNSON HARDWARE, SU, 265.49; CITY EMPLOYEE, RE, 1762.41; KARI BALDWIN, RE, 500.00; KEVIN ENDORF, SU, 11.95; KNIFE RIVER MIDWEST, SU, 866.20; KNOEPFLER CHEVROLET, SU, 74.16; KRIZ-DAVIS, SU, 1243.93; LOVE SIGNS, SE, 577.64; MARCO, SE, 1449.92; CITY EMPLOYEE, RE, 9.91; MZRB LLC, RE, 50000.00; CITY EMPLOYEE, RE, 39.00; NE AIR FILTER, SU, 42.24; NE COLORADO CELLULAR, SE, 459.99; NE DEPT OF REVENUE, TX, 6451.37; NE DEPT OF ROADS, FE, 500.00; NE EXPRESSWAYS, SE, 883.44; NE PUBLIC HEALTH, SE, 330.00; NHHS, SE, 600.00; N.E. NE AMERICAN RED CROSS, RE, 88.86; NNPPD, SE, 3940.00; NWOD, FE, 10.00; OLSSON ASSOCIATES, SE, 1547.79; OVERDRIVE, INC., SU, 12.49; OVERHEAD DOOR COMPANY, SE, 97.50; PAC N SAVE, SU, 102.28; CITY EMPLOYEE, RE, 288.31; PIEPER & MILLER, SE, 9591.00; POLLARD PUMPING, SE, 270.00; PONCA RURAL FIRE BOARD, RE, 3032.40; PUSH-PEDAL-PULL, SU, 508.10; QUALITY 1 GRAPHICS, SU, 170.00; QUALITY FOODS, SU, 99.98; QUILL, SU, 1316.70; SCOTT HASEMANN, RE, 500.00; STADIUM SPORTING GOODS, SU, 754.50; STATE NATIONAL BANK, SE, 58.56; STATE NATIONAL BANK, RE, 49750.00; STATE NATIONAL BANK, RE, 987.28; STEFFEN INC., SU, 28.74; TODD VALLEY FARMS, SU, 1296.00; TONI HYTREK, SE, 600.00; UNITED WAY, RE, 18.60; UTILITIES SECTION, FE, 30.00; VERIZON, SE, 321.70; VILLAGE OF WINSIDE, RE, 4053.58; WEST PAYMENT CENTER, SU, 247.56; ALL NATIVE OFFICE, SU, 89.58; AMERICAN BROADBAND, RE, 114.10;

APPEARA, SE, 77.60; BIG T ENTERPRISES, SU, 96.95; CITY EMPLOYEE, RE, 122.51; CHARTWELLS, SE, 4974.90; CITY OF WAYNE, RE, 100.00; CITY OF WAYNE, RE, 5541.00; COPY WRITE, SU, 373.89; CITY EMPLOYEE, RE, 69.23; DEMCO, SU, 101.23; DUTTON-LAINSON, SU, 164.41; EASYPERMIT POSTAGE, SU, 2707.85; ELECTRIC FIXTURE, SU, 199.31; FIVE STAR ENTERPRISES, SU, 7.60; FLOOR MAINTENANCE, SU, 198.82; GROSSENBURG IMPLEMENT, SU, 112.63; CITY EMPLOYEE, RE, 433.12; IMLA, FE, 480.00; INGRAM BOOK, SU, 551.08; IRS, TX, 918.00; JASON CAROLLO, SE, 35.00; CITY EMPLOYEE, RE, 1182.17; KRIZ-DAVIS, SU, 399.01; KTCH, SE, 1667.00; LANGEMEIER, WAYNE, RE, 78.79; LIFETIME PRODUCTS, SU, 1179.35; LORDAR INC, SU, 48.90; MIDLAND EQUIPMENT, SU, 149.50; MIDWEST LABORATORIES, SE, 413.10; MIDWEST TAPE, SU, 761.78; MURPHY TRACTOR & EQUIPMENT, SU, 243.42; NIVAN HORNIK, SU, 11.00; NNPPD, SE, 13024.70; OMAHA WORLD-HERALD, SU 760.24; ONE CALL CONCEPTS, SE, 41.10; OSCAR CAILLAS, SE, 850.00; R.S. STOVER, SU, 225.75; RANDOM HOUSE, SU, 130.00; SIOUXLAND TURF PRODUCTS, SU, 2759.50; SKARSHAUG TESTING LAB, SE, 138.72; TAK, INC, SE, 84.00; UNO, FE, 223.00; US BANK, SE, 5,614.61; VOSS LIGHTING, SU, 2900.32; WASTECAP NEBRASKA, SU, 62.90; WAED, RE, 7383.33; WAYNE COMMUNITY SCHOOLS, RE, 4518.50; WAYNE COUNTY CLERK, SE, 184.00; WAYNE GREENHOUSE, SE, 18.50; WAYNE HERALD, SE, 2304.35; WAYNE VETERINARY CLINIC, SE, 154.00; WESCO, SU, 2841.04; ZACH HEATING & COOLING, SU, 15.00; ZACH OIL COMPANY, SU, 6472.10

Councilmember Brodersen made a motion, which was seconded by Councilmember Muir, to approve the claims. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who was absent, the Mayor declared the motion carried.

Mayor Chamberlain advised the public that a copy of the Open Meetings Act was located on the south wall of the Council Chambers and was available for public inspection. In addition, he advised the public that the Council may go into closed session to discuss certain agenda items to protect the public interest or to prevent the needless injury to the reputation of an individual and if such individual has not requested a public hearing.

Garry Poutre, Supt. of Public Works & Utilities, updated the Council on the 10th Street, Main to Windom Street Improvement Project.

Discussion took place again on Resolution 2013-32 – Amending Housing Construction Loan Incentives for Builders. The same was tabled from the last meeting.

Kelby Herman was present to explain the “HERS” rating. In his opinion, a rating of .66 is a fair number. This is 34% more efficient than what is required by code. If the HERS rating would be in the 50’s, you would need to install a geo-thermal heating system, which would totally negate the effectiveness of the City’s program. He advised that the HERS rating score should be set so quality and energy efficient structures are being built, but not set too low where it is cost prohibitive.

Mr. Herman told the Council he could provide them examples of a standard 1500 sq. ft. house with electric and with gas and then he would give them the HERS index before the next meeting if they would like that. He thought a HERS rating of .66 or .67 is probably the most realistic. A HERS rating of .62 is encouraging people to use natural gas, and a HERS rating of .62, in most instances, would not allow your multi-family builders to utilize the incentive. He recommended setting the HERS rating at .66 and then reviewing it after six months. He then suggested setting the HERS rating for single-family homes at .62 and for multi-family units at .68.

Councilmember Muir stated he would prefer not to cut anybody out of using electric furnaces or heat pumps as an option, and would prefer to see the rating higher than .62.

Councilmember Sievers made a motion to table action on Resolution 2013-32 until the next meeting; Councilmember Giese seconded the motion. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of

Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Joel Hansen, Street Superintendent, stated the following Resolution would approve a supplemental agreement with NDOR for the Windom Street Project. All First Class Cities have signed agreements with NDOR to buy out their Federal STP funds at an 80% buy back by the State so we will no longer need to deal with the overbearing Federal regulations when spending the monies on street projects. During the transition period, there were several projects already on the list and scheduled for funding by the original STP funds. At the time of the agreement to buy out these funds, those projects totaled \$26 million. During the past two years, due to an increase in the scope of some of those projects, as well as updated cost estimates based upon actual designs rather than a budget figure that was more guess than science, the cost of the projects is now \$35 million. The new Highway Bill also cut funding to the State which shares these funds with the First Class Cities. Thus, our expectation of receiving the buyout funds in March 2016 appeared to be in jeopardy, and those were the funds we were planning to use to pay off the bonds on the 10th Street project.

After two meetings between NDOR and the First Class Cities, the State has offered to increase the amount of funding available to First Class Cities by applying for additional Federal Funds that are turned back by other States who are unable to use their share. Thus, NDOR is offering to fully fund all of the remaining projects at the \$35 million level and still provide full buyout checks to the First Class Cities in March 2016, provided all projects are delivered by the Cities for obligation in Fiscal Year 2014. Therefore, this new agreement will cap the project spending at roughly \$699,000 instead of the original roughly \$400,000. This is a very generous offer by NDOR, and staff recommends approving the agreement.

Currently, we are attempting to complete the environmental reviews so that we can complete the final design. As designed, we would need to obtain easements for construction

along the entire project. The regulations pertaining to obtaining the easements may mean we need 12 months to complete that process which puts us up against the June 30, 2014, deadline of NDOR. Therefore, we are exploring with NDOR the possibility to eliminate the sidewalk reconstruction along Windom Street other than the handicap accessible ramps at the intersections to eliminate the need for the easements. We would then commit to bringing any of those sidewalks up to ADA standards the year or two following completion of this project with local dollars. This will allow us to not jeopardize the full Federal buyout program for the other First Class Cities. All representatives of those Cities present at the meetings with NDOR committed to completing their projects before the deadline.

Councilmember Brodersen introduced Resolution No. 2013-38 and moved for its approval; Councilmember Sievers seconded.

RESOLUTION NO. 2013-38

A RESOLUTION APPROVING SUPPLEMENTAL PROJECT PROGRAM AGREEMENT NO. 1 – BM1195 BETWEEN THE CITY OF WAYNE AND THE NEBRASKA DEPARTMENT OF ROADS.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Joel Hansen, Street Superintendent, stated the following Resolution would approve a “Federal Funds Purchase Program Supplemental Agreement” with NDOR. This is for cities eligible to receive the old bridge funds made available by NDOR. Currently, we have not used those, but may be eligible for the same in the future. NDOR is offering to replace those funds with other monies, but to be eligible, this agreement must be approved.

Councilmember Brodersen introduced Resolution No. 2013-38 and moved for its approval; Councilmember Sievers seconded.

RESOLUTION NO. 2013-39

A RESOLUTION APPROVING THE SIGNING OF THE FEDERAL FUNDS PURCHASE PROGRAM SUPPLEMENTAL AGREEMENT NO. 1 BETWEEN THE CITY OF WAYNE AND THE NEBRASKA DEPARTMENT OF ROADS.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Phil Lorenzen of D.A. Davidson & Co., was present and stated the following Ordinance would authorize the issuance of Highway Allocation Fund Pledge Bonds in the amount of \$620,000, for the 10th Street Project.

Councilmember Sievers introduced Ordinance No. 2013-27 and moved for its approval; Councilmember Haase seconded.

ORDINANCE NO. 2013-27

AN ORDINANCE AUTHORIZING THE ISSUANCE OF HIGHWAY ALLOCATION FUND PLEDGE BONDS OF THE CITY OF WAYNE, NEBRASKA, SERIES 2013, IN THE PRINCIPAL AMOUNT OF SIX HUNDRED TWENTY THOUSAND DOLLARS (\$620,000) FOR THE PURPOSE OF PAYING THE COSTS OF CONSTRUCTION OF CERTAIN STREETS OF THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PLEDGING FUNDS TO BE RECEIVED BY THE CITY FROM THE STATE OF NEBRASKA HIGHWAY ALLOCATION FUND FOR THE PAYMENT OF SAID BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF TAXES TO PAY THE SAME IF NECESSARY; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; PROVIDING FOR THE DISPOSITION OF BOND PROCEEDS; AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor

declared the motion carried. The second reading will take place at the special meeting to be held on May 14, 2013.

Garry Poutre, Supt. of Public Works & Utilities, stated the following Resolution would reaffirm Olsson Associates as the engineers on Street Improvement District No. 2013-1 – Milo Drive and approve the plans and specifications and estimate of cost of \$190,000 for Milo Drive. Mr. Poutre updated the Council on the status of the project to date. This amount includes street, water, sewer and storm sewer improvements.

Councilmember Sievers had concerns about the street being wide enough for the amount of traffic she believed would be out there. She also wanted the street to have turning lanes.

Councilmember Giese introduced Resolution No. 2013-40 and moved for its approval; Councilmember Haase seconded.

RESOLUTION NO. 2013-40

A RESOLUTION REAFFIRMING THE PROJECT ENGINEER AND APPROVING THE PLANS, SPECIFICATIONS AND ESTIMATE OF COST FOR THE CONSTRUCTION OF CERTAIN STREET IMPROVEMENTS TO BE CONSTRUCTED IN THE CITY OF WAYNE, NEBRASKA (STREET IMPROVEMENT DISTRICT 2013-1 MILO DRIVE).

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

The following Resolution would approve an agreement with Northeast Nebraska Economic Development District to conduct a blight study for the City of Wayne for a sum not to exceed the sum of \$1,236.45.

The City has received a business expansion proposal in Wayne that is requesting tax increment financing. The business proposal is to purchase all of the Michael Foods' grain handling properties in Wayne, demolish and clear the old elevators at 2nd & Logan Street and south of Godfather's Pizza and expand the Feeders Elevator facility at the east end of Fairgrounds Avenue. The Feeders Elevator site was omitted from the original blight determination study for Southeast Wayne, and this agreement would hire NNEDD to complete the study to add that area.

Councilmember Sievers introduced Resolution No. 2013-41 and moved for its approval; Councilmember Muir seconded.

RESOLUTION NO. 2013-41

A RESOLUTION ACCEPTING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT FOR SERVICES WITH NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT (NNEDD) TO CONDUCT A BLIGHT STUDY IN THE CITY OF WAYNE.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Marlen Chinn, Police Chief, stated the following Resolution would accept the FEMA grant that the City applied for pertaining to the removal and installation of the emergency civil defense sirens.

Councilmember Giese introduced Resolution No. 2013-42 and moved for its approval; Councilmember Haase seconded.

RESOLUTION NO. 2013-42

A RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE U.S. DEPARTMENT OF HOMELAND SECURITY'S FEDERAL EMERGENCY MANAGEMENT AGENCY GRANT FOR THE REMOVAL AND

INSTALLATION OF THE EMERGENCY CIVIL DEFENSE SIRENS
THROUGHOUT THE CITY OF WAYNE,

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Joel Hansen, Building Inspector, stated he received two bids on the demolition and removal of the structure located at 111 Fairgrounds Avenue. This is the building he received a complaint on back in November, 2011. Mr. Hansen explained the process that has taken place up through this date.

Staff has reviewed the bids and recommends the project be awarded to the lowest bidder, Milo Meyer Construction, Inc., for \$9,880.

The City will pay for this demolition and then place a lien on the property.

Councilmember Muir introduced Resolution No. 2013-43 and moved for its approval; Councilmember Giese seconded.

RESOLUTION NO. 2013-43

A RESOLUTION ACCEPTING BID ON THE DEMOLITION AND
REMOVAL OF THE STRUCTURE LOCATED AT 111 FAIRGROUNDS
AVENUE.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, and Councilmember Brodersen who abstained, the Mayor declared the motion failed. The Resolution will be brought forward at the next Council meeting.

Councilmember Brodersen introduced Ordinance No. 2013-22 and moved for approval of the third and final reading thereof; Councilmember Sievers seconded.

ORDINANCE NO. 2013-22

AN ORDINANCE AMENDING CHAPTER 78, ARTICLE I, SECTION 78-11 STOP SIGN LOCATIONS; EAST OF MAIN STREET, NORTH OF SEVENTH STREET; TO PROVIDE FOR THE REPEAL OF CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Discussion took place on proposed Ordinance 2013-28 which would amend the Wayne Municipal Code by adding Article V – Poultry.

Attorney Miller stated the proposal before them is for discussion purposes only. She reviewed the same with Council.

Those in attendance opposed to passing such an ordinance were: Paul Lindner and Doug Sturm.

Those in attendance in support of such an ordinance were: Clara Osten.

BJ Woehler spoke and was mixed on the issue.

Police Chief Chinn stated if Council would pass such an ordinance, there would be other sections of the code that would, in all likelihood, have to be amended. He had concerns of how the police officers would catch the chickens if they were loose.

Councilmember Giese made a motion, which was seconded by Councilmember Haase, to table Ordinance 2013-28 until the next regular meeting. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Councilmember Giese made a motion, which was seconded by Councilmember Sievers, to recess as Council and convene as the Community Development Agency. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Chair Haase called the meeting of the Community Development Agency to order. Those in attendance were: Members Cale Giese, Ken Chamberlain, Nick Muir, Jennifer Sievers, and Jill Brodersen; City Attorney Amy Miller; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Members Dale Alexander and Kaki Ley.

Chair Haase advised the public that a copy of the Open Meetings Act was located on the south wall of the Council Chambers and was available for public inspection.

Member Chamberlain made a motion, which was seconded by Member Giese, to approve the minutes of the April 16, 2013, meeting. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Chair declared the motion carried.

Chair Haase stated the next item on the agenda was to approve the following CDA claims:

MZRB Properties — Incentive Loan - \$30,000.00
Progressive Properties — Incentive Loan - \$25,000.00

Member Chamberlain made a motion, which was seconded by Member Sievers, to approve the CDA Claims. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Chair declared the motion carried.

The next item on the agenda was amending the original Residential Construction Agreement with Kelby Herman (adding Lots 12 and 13), Western Ridge II Subdivision.

The terms of said Agreement are as follows:

Buyer may purchase the following lots of Western Ridge II Subdivision, for the following prices:

- Lot 9 for \$5,000;
- Lot 10 for \$5,000;
- Lot 12 for \$5,000;
- Lot 13 for \$5,000;
- Lot 29 for \$12,000;
- Lot 30 for \$12,000;
- Lot 31 for \$12,000

Buyer shall receive a 25% discount on the aforementioned prices of Lots 9, 10, 29, 30, and 31 if the following terms and conditions are met prior to July 17, 2015:

- Buyer builds a residence on each of the above-numbered lots (all seven lots), including an attached two-car garage;
- Buyer obtains an occupancy permit for each finished residence;
- Two shade trees of a large species are planted on each purchased lot; and
- Each completed residence meets a blower door test of five ACH at 50 pascals

If Buyer complies and meets these terms by July 17, 2015, the CDA shall pay Buyer \$11,500, an amount equal to a 25% discount on the above-listed prices of Lots 9, 10, 29, 30, and 31. This payment shall be due and payable within 30 days of completion.

Member Chamberlain stated if he was Mr. Herman, he wouldn't want to be taxed with having to build two more houses and not getting the incentive on them in this timeframe.

Kelby Herman was present to answer questions. Mr. Herman stated he would be okay with no incentive on the \$5,000 lots and still having them included in this agreement. The reason he wants them included is because if he is going to invest in a spec house that is going to sit there a couple of months, he wants to be able to have control over the lot right next to it.

It was noted that these lots have been available since 2008.

Member Muir made a motion to amend the original Residential Construction Agreement with Kelby Herman adding Lots 12 and 13, with the amendment that the 25% discount or incentive also be given on Lots 12 and 13; Member Chamberlain seconded the motion. Chair Haase stated the motion, and the result of roll call being 3 Yeas (Haase, Chamberlain and Muir), 3 Nays (Giese, Sievers and Brodersen), and two absent (Alexander and Ley) the Chair declared the motion failed.

Member Chamberlain made a motion to amend the original Residential Construction Agreement with Kelby Herman adding Lots 12 and 13 as written, which does not include the 25% discount or incentive on Lots 12 and 13; Member Giese seconded the motion. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Chair declared the motion carried.

The next item on the agenda was amending the original Residential Construction First Right of Refusal Agreement with Kelby Herman (adding Lot 40), Western Ridge II Subdivision.

The terms of said Agreement are as follows:

Buyer is given the first right of refusal for the sale or transfer of ownership of the following lots of Western Ridge II Subdivision, for the following prices:

- Lot 26 for \$12,000;
- Lot 28 for \$12,000;
- Lot 32 for \$12,000;
- Lot 34 for \$12,000;
- Lot 39 for \$9,000;
- Lot 40 for \$12,000;

Buyer must exercise its right of first refusal within 30 days of notice from the CDA. Buyer may purchase each lot individually. Buyer shall have 30 months to purchase the above-numbered lots, beginning:

- 1) After exercising its right of first refusal on any of the above-numbered lots; or
- 2) After denying or waiving its right of first refusal on any of the above-numbered lots; or
- 3) After building has been completed on Lots 9, 10, 12, 13, 29, 30, and 31 of Western Ridge II Subdivision (see separate agreement); whichever shall occur first.

If options 1, 2, and 3 do not occur, then the 30 month period shall commence on July 17, 2015.

Buyer shall receive a 25% discount on the aforementioned prices, but only if the following terms and conditions are met within the applicable 30 month period:

- Buyer builds a residence on each of the above lots, including an attached two-car garage;
- Buyer obtains an occupancy permit for each finished residence;
- Two shade trees of a large species are planted on each purchased lot; and
- Each completed residence meets a blower door test of five ACH at 50 pascals;

If Buyer complies and meets these terms, the CDA shall pay Buyer \$17,250, an amount equal to a 25% discount on the above-listed prices. This payment shall be due and payable within 30 days of completion.

Member Chamberlain made a motion to amend the original Residential Construction First Right of Refusal Agreement with Kelby Herman to add Lot 40 thereto; Member Brodersen seconded the motion. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Chair declared the motion carried.

The next item on the agenda was to consider CDA Resolution 2013-7 authorizing the issuance of a tax increment revenue bond for the Progressive Property Inspections, LLC, Project.

Nancy Braden, Finance Director, stated this is the final step in the process for tax increment financing on the Nebraska Street Project.

Member Chamberlain introduced CDA Resolution No. 2013-7 and moved for its approval; Member Muir seconded.

CDA RESOLUTION NO. 2013-7

A RESOLUTION OF THE CITY OF WAYNE, NEBRASKA, ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WAYNE ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF SAID CITY; AUTHORIZING THE ISSUANCE OF A TAX INCREMENT REVENUE BOND; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID BOND; PLEDGING REVENUES OF THE AGENCY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW; AUTHORIZING THE SALE OF SAID BOND; PROVIDING FOR A GRANT; PROVIDING FOR A REDEVELOPMENT CONTRACT AND PROVIDING FOR THIS RESOLUTION TO TAKE EFFECT.

Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Mayor declared the motion carried.

The next item on the agenda was to take action on combining Lots 41 through 46 in the Bressler Court cul de sac (Western Ridge Subdivision) and re-pricing them.

Joel Hansen, Street Superintendent, stated these lots are located in the northeast corner of the subdivision by the water tower. The backyards are very steep, and these lots are not very desirable as is. The proposal is to do an administrative replat to combine Lots 41 through 46.

Member Muir made a motion to combine Lots 41 through 46 in the Bressler Court cul-de-sac, and Member Chamberlain seconded. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Chair declared the motion carried.

The next item on the agenda was to take action on the purchase of property – 939 Main Street (Dave Lutt Property).

Administrator Johnson stated the purchase price for the 939 Main Street property is \$47,000. We have a verbal agreement with Mr. Lutt, but the same is pending the CDA's approval.

Member Chamberlain made a motion to approve the purchase of the property located at 939 Main Street owned by Dave Lutt for the sum of \$47,000; Member Muir seconded. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Chair declared the motion carried.

The next item on the agenda was to take action on the purchase of property – 109 E. 10th Street (Paul Lindner Property).

Administrator Johnson stated the purchase price for the 109 E. 10th Street property is \$65,000. We have a verbal agreement with Mr. Lindner, but the same is pending the CDA's approval.

Member Chamberlain made a motion to approve the purchase of the property located at 109 E. 10th Street owned by Paul Lindner for the sum of \$65,000; Member Muir seconded. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Chair declared the motion carried.

Member Brodersen made a motion, which was seconded by Member Chamberlain, to adjourn as the Community Development Agency and reconvene as Council. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Members Alexander and Ley who were absent, the Chair declared the motion carried.

The following Resolution would authorize the temporary transfer of electric reserve funds to the CDA to be used for the purchase of property.

Councilmember Muir introduced Resolution No. 2013-44 and moved for its approval; Councilmember Giese seconded.

RESOLUTION NO. 2013-44

A RESOLUTION AUTHORIZING THE TEMPORARY TRANSFER OF ELECTRIC RESERVE FUNDS TO THE WAYNE COMMUNITY DEVELOPMENT AGENCY TO BE USED FOR THE PURCHASE OF PROPERTY/REAL ESTATE.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried.

Councilmember Sievers made a motion, which was seconded by Councilmember Muir, to adjourn the meeting. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Alexander and Ley who were absent, the Mayor declared the motion carried and the meeting adjourned at 7:29 p.m.